

CAPITAL MARKETS ANNOUNCEMENT

LegacyTexas Financial Group, Inc. Closes Offering of \$50.0 Million of Subordinated Notes due 2025

Sandler O'Neill + Partners, L.P. served as a joint active bookrunner for this offering.

This transaction is the 82nd subordinated note or senior note transaction for a community bank since January 1, 2014, in which Sandler O'Neill acted as a placement agent, sole underwriter, book runner or initial purchaser.¹ Since May 20, 2016, Sandler O'Neill has raised over \$1.69 Billion for its clients in 25 transactions as the book running manager or placement agent, capturing an 83.3% market share of announced transactions.²

About the Offering:

PLANO, Texas, Sept. 20, 2016 – LegacyTexas Financial Group, Inc. (NASDAQ: LTXB) (the "Company"), the holding company for LegacyTexas Bank, today closed its public offering of \$50 million of its 5.50% fixed-to-floating rate subordinated notes (the "Notes") due in 2025 in a reopening of the existing series of such notes. The Notes were sold to the public at 99.250% of par. The Notes have an initial fixed interest rate of 5.50%, payable semi-annually. Commencing December 1, 2020, the interest rate on the Notes resets quarterly to an annual interest rate equal to the then-current three-month LIBOR plus 389 basis points, payable quarterly in arrears. The Company plans to use the net proceeds from this offering for general corporate purposes, reduced indebtedness, potential strategic acquisitions and investments in LegacyTexas Bank as regulatory capital.

This announcement is for informational purposes only and does not constitute an offer to sell or the solicitation of an offer to buy securities.

About the Company:

LegacyTexas Financial Group, Inc. is the holding company for LegacyTexas Bank, a commercially oriented community bank based in Plano, Texas. LegacyTexas Bank operates 45 banking offices in the Dallas/Fort Worth Metroplex and surrounding counties.

(1) Source: Sandler O'Neill + Partners. Deal count includes nationwide subordinated debt and senior note offerings since 1/1/2014 for banks or bank holding companies with less than \$25 billion in assets.

(2) Source: Sandler O'Neill Syndicate Desk, Bloomberg. Deal count includes \$1,000 par subordinated debt and senior note offerings for Community Banks; Community Banks defined as banks or bank holding companies with less than \$25 billion in assets.

(3) Financial data is not pro forma for the offering.

September 20, 2016

5.50% Fixed-to-Floating Rate
Subordinated Notes
due 2025
\$50.0 Million



Joint Book-Running Manager
SANDLER O'NEILL + PARTNERS

Financial Highlights as of June 30, 2016³

(\$ in thousands)

Total Assets	\$8,057,005
Net Loans	6,634,394
Total Deposits	5,622,682
Total Equity	843,304
Tier 1 Leverage Ratio	8.91%
Tier 1 Risk-Based Capital Ratio	9.44%
Total Risk-Based Capital Ratio	11.35%
TCE / TA	8.43%

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