

CAPITAL MARKETS ANNOUNCEMENT

VantageSouth Bancshares, Inc. (NYSE: VSB; Raleigh, NC) Announces Completion of \$47 Million Private Placement of Common Stock

Sandler O'Neill + Partners L.P. served as sole placement agent for this offering.

This transaction represents the 106th public offering or private placement of common stock for a bank or thrift since January 1, 2010 for which Sandler O'Neill acted as book-runner, co-manager, placement agent or dealer manager, more than any other investment bank during that period.

About the Offering:

RALEIGH, N.C., January 31, 2014, VantageSouth Bancshares, Inc. (NYSE:MKT VSB), whose wholly-owned subsidiary is VantageSouth Bank, announced today that it closed the sale of \$47 million of its common stock to accredited investors. The net proceeds of the private placement will be used to redeem the \$42.8 million of preferred stock previously issued by VantageSouth Bancshares, Inc. (the "Company") to the U.S. Department of Treasury pursuant to the TARP Capital Purchase Program, to repurchase the warrants to purchase 1,348,398 shares of common stock from Treasury, and for general corporate purposes.

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:

VantageSouth Bank is a state chartered bank operating 45 banking offices serving the Piedmont and coastal markets of North Carolina. VantageSouth Bancshares, Inc. common stock can be found on the NYSE MKT trading under the symbol VSB. Investors can access additional corporate information, investor relations information, product descriptions and online services through the Bank's website at www.vsb.com.

On January 27, 2014, the Company announced that it had entered into an Agreement and Plan of Merger with Yadkin Financial Corporation, pursuant to which the Company will merge with and into Yadkin Financial (the "Merger"). At the time of the Merger, all of the Company's outstanding shares of common stock will be converted into the right to receive 0.3125 shares of Yadkin Financial common stock. The Merger is subject to customary closing conditions, including regulatory and stockholder approvals. The Company expects the Merger to close late in the second quarter of 2014.

(1) As of 9/30/2013
Source: SNL Financial

January 31, 2014

Private Placement

\$47 Million
Common Equity



Sole Placement Agent

Financial Highlights

(Dollars in millions)

Total Assets	\$2,120
Net Loans	\$1,391
Total Deposits	\$1,675
Tangible Common Equity	\$157
TCE / TA	7.54%
NPAs / Assets ¹	1.23%
Price / PF TBV per Share	138%

Financial Data as of 12/31/2013

Sandler O'Neill Contacts:

Jon Doyle
Senior Managing Principal
(212) 466-7826

Tom Sullivan
Managing Director
(212) 466-7740

Bob Kleinert
Managing Principal
(212) 466-7806

Demetrios Hadjis
Associate Director
(212) 466-8019

Scott Clark
Principal
(212) 466-7965

Reid Brewer
Vice President
(212) 466-8086

Jenn Docherty
Managing Director
(212) 466-7796

Davis Mangham
Analyst
(212) 466-7963