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### **MEDIA & INVESTOR CONTACT**

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### TEXAS CAPITAL BANCSHARES, INC. ANNOUNCES OPERATING RESULTS FOR Q1 2016

DALLAS - April 20, 2016 - Texas Capital Bancshares, Inc. (NASDAQ: TCBI), the parent company of Texas Capital Bank, announced earnings and operating results for the first quarter of 2016.

"We started 2016 with good core loan growth, and a solid mortgage finance quarter," said Keith Cargill, CEO. "As energy prices remain low across the futures curve, we have accelerated planned loan loss provisions but continue to believe that full-year guidance provided in January will accommodate first quarter provision and potential exposure for the remainder of 2016. Our MCA business continues to gain traction, positioning it to contribute more significantly in the last half of 2016."

- Loans held for investment ("LHI"), excluding mortgage finance, increased 3% and total LHI increased 2% on a linked quarter basis, growing 12% and 5%, respectively, from the first quarter of 2015.
- Mortgage finance loans increased less than 1% on a linked quarter basis and decreased 8% from the first quarter of 2015.
- Demand deposits increased 17% and total deposits increased 8% on a linked quarter basis, growing 23% and 15%, respectively, from the first quarter of 2015.
- Net income decreased 28% on a linked quarter basis and decreased 28% from the first quarter of 2015.
- EPS decreased 30% on a linked quarter basis, and decreased 30% from the first quarter of 2015.

### FINANCIAL SUMMARY

(dollars and shares in thousands)

	Q1 2016			Q1 2015	% Change
QUARTERLY OPERATING RESULTS					
Net income	\$	25,128	\$	35,050	(28)%
Net income available to common stockholders	\$	22,690	\$	32,612	(30)%
Diluted EPS	\$	0.49	\$	0.70	(30)%
Diluted shares		46,354		46,368	— %
ROA		0.53%	ó	0.84%	
ROE		6.13%	ó	9.82%	
BALANCE SHEET					
Loans held for sale	\$	94,702	\$		100 %
LHI, mortgage finance		4,981,304		5,408,750	(8)%
LHI		12,059,849		10,760,978	12 %
Total LHI		17,041,153		16,169,728	5 %
Total assets		20,210,893		17,326,260	17 %
Demand deposits		7,455,107		6,050,817	23 %
Total deposits		16,298,847		14,122,306	15 %
Stockholders' equity		1,647,088		1,517,958	9 %
Tangible book value per share	\$	32.18	\$	29.44	9 %

### **DETAILED FINANCIALS**

Texas Capital Bancshares, Inc. reported net income of \$25.1 million and net income available to common stockholders of \$22.7 million for the quarter ended March 31, 2016 compared to net income of \$35.1 million and net income available to common stockholders of \$32.6 million for the same period in 2015. On a fully diluted basis, earnings per common share were \$0.49 for the quarter ended March 31, 2016 compared to \$0.70 for the same period of 2015. The decrease reflects a \$9.9 million decrease in net income, primarily related to the increased provision for credit losses described in more detail below.

Return on average common equity ("ROE") was 6.13 percent and return on average assets ("ROA") was 0.53 percent for the first quarter of 2016, compared to 9.82 percent and 0.84 percent, respectively, for the first quarter of 2015. The decrease in ROE resulted from the increased provision for credit losses. The decrease in ROA resulted from the increased provision for credit losses, reduced yields on loans held for investment, excluding mortgage finance loans, and a \$742.7 million increase in average liquidity assets, which include Federal funds sold and deposits in other banks. Average liquidity assets for the first quarter of 2016 totaled \$3.0 billion, including \$2.6 billion in deposits at the Federal Reserve Bank of Dallas, which had an average yield of 50 basis points, compared to \$2.0 billion, which had an average yield of 25 basis points for the first quarter of 2015.

Net interest income was \$144.8 million for the first quarter of 2016, compared to \$130.0 million for the first quarter of 2015 and \$142.2 million for the fourth quarter of 2015. Net interest margin for the first quarter of 2016 was 3.13 percent, a 9 basis point decrease from the first quarter of 2015 and a 12 basis point increase from the fourth quarter of 2015. The year-over-year decrease in net interest margin is due primarily to the increase in liquidity assets, as well as an increase in deposits and borrowings with higher average cost. The cost of total deposits and borrowed funds was 24 basis points for the first quarter of 2016, compared to 17 basis points for the first quarter of 2015 and 18 basis points for the fourth quarter of 2015.

Average LHI, excluding mortgage finance loans, for the first quarter of 2016 were \$11.9 billion, an increase of \$1.4 billion, or 13 percent, from the first quarter of 2015, and an increase of \$217.3 million, or 2 percent, from the fourth quarter of 2015. Average mortgage finance loans for the first quarter of 2016 were \$3.7 billion, a decrease of \$22.4 million, or less than 1 percent, from the first quarter of 2015 and an increase of \$55.5 million, or 2 percent, from the fourth quarter of 2015.

As previously announced, we successfully launched our Mortgage Correspondent Aggregation ("MCA") business late in the third quarter of 2015. As expected, the acquired mortgage assets are providing increases in yields and we anticipate that the MCA business will provide larger balances of loans held for sale and more efficient use of regulatory capital over time. Average loans held for sale for the quarter ended March 31, 2016 increased \$101.4 million to \$126.1 million compared to \$24.7 million for the fourth quarter of 2015.

Average total deposits for the first quarter of 2016 increased \$1.9 billion from the first quarter of 2015 and decreased \$181.4 million from the fourth quarter of 2015. Average demand deposits for the first quarter of 2016 increased \$1.1 billion, or 20 percent, to \$6.7 billion from \$5.6 billion during the first quarter of 2015 and decreased \$25.0 million, or less than 1 percent, from the fourth quarter of 2015.

We recorded a \$30.0 million provision for credit losses for the first quarter of 2016 compared to \$11.0 million for the first quarter of 2015 and \$14.0 million for the fourth quarter of 2015. The provision for the first quarter of 2016 was driven by the application of our methodology. The year-over-year increase was primarily related to a change in applied risk weights, which are based in part on historical loss experience, as well as changes in the composition of our pass-rated and classified loan portfolios, primarily related to energy loans, and growth in traditional LHI, excluding mortgage finance loans. The combined allowance for credit losses at March 31, 2016 increased to 1.43 percent of LHI excluding mortgage finance loans as compared to 1.08 percent at March 31, 2015 and 1.28 percent at December 31, 2015. The increase derived from increases in the provision for credit losses primarily related to energy as well as continuing loan growth in 2016. In management's opinion, the allowance is appropriate and is derived from consistent application of the methodology for establishing reserves for Texas Capital Bank's loan portfolio.

We experienced a slight increase in non-performing assets in the first quarter of 2016 on a linked quarter basis, bringing the ratio of total non-performing assets to total LHI plus other real estate owned ("OREO") to 1.12 percent compared to 0.43 percent for the first quarter of 2015 and 1.08 percent for the fourth quarter of 2015. The increase is primarily related to energy loans, which was expected as energy prices remain low. Net charge-offs for the first quarter of 2016 were \$7.4 million compared to net charge-offs of \$3.1 million for the first quarter of 2015 and net charge-offs of \$2.0 million for the fourth quarter of 2015. For the first quarter of 2016, total charge-offs related to energy loans were \$5.9 million. For the first quarter of 2016, net charge-offs were 0.19 percent of total LHI, compared to 0.09 percent for the same period in 2015 and 0.05 percent for the fourth quarter of 2015. At March 31, 2016, total OREO was \$17.6 million compared to \$605,000 at March 31, 2015 and \$278,000 at December 31, 2015. The increase was due to foreclosure of a single commercial property during the first quarter of 2016.

Non-interest income decreased \$970,000, or 8 percent, during the first quarter of 2016 compared to the same period of 2015, primarily related to a decrease in swap fees. Swap fees decreased \$1.7 million during the first quarter of 2016 compared to the same period of 2015. These fees fluctuate from quarter to quarter based on the number and volume of transactions closed during the quarter.

Non-interest expense for the first quarter of 2016 increased \$10.3 million, or 13 percent, compared to the first quarter of 2015. The increase is primarily related to a \$5.5 million increase in salaries and employee benefits expense, a \$1.3 million increase in legal and professional expense and a \$1.1 million increase in communications and technology expense, all of which were due to general business growth. FDIC insurance assessment expense for the first quarter of 2016 increased \$1.7 million compared to the same quarter in 2015 as a result of the increase in total assets from March 31, 2015 to March 31, 2016.

Stockholders' equity increased by 9 percent from \$1.5 billion at March 31, 2015 to \$1.6 billion at March 31, 2016, primarily due to retention of net income. Texas Capital Bank is well capitalized under regulatory guidelines and at March 31, 2016, our ratio of tangible common equity to total tangible assets was 7.3 percent.

### ABOUT TEXAS CAPITAL BANCSHARES, INC.

Texas Capital Bancshares, Inc. (NASDAQ®: TCBI), a member of the Russell 2000® Index and the S&P SmallCap 600®, is the parent company of Texas Capital Bank, a commercial bank that delivers highly personalized financial services to businesses and entrepreneurs. Headquartered in Dallas, the bank has full-service locations in Austin, Dallas, Fort Worth, Houston and San Antonio.

This news release may be deemed to include forward-looking statements which are based on management's current estimates or expectations of future events or future results. These statements are not historical in nature and can generally be identified by such words as "believe," "expect," "estimate," "anticipate," "plan," "may," "will," "intend" and similar expressions. A number of factors, many of which are beyond our control, could cause actual results to differ materially from future results expressed or implied by such forward-looking statements. These risks and uncertainties include, but are not limited to, the credit quality of our loan portfolio, general economic conditions in the United States and in our markets, including the continued impact on our customers from declines and volatility in oil and gas prices, rates of default or loan losses, volatility in the mortgage industry, the success or failure of our business strategies, future financial performance, future growth and earnings, the appropriateness of our allowance for loan losses and provision for credit losses, the impact of increased regulatory requirements and legislative changes on our business, increased competition, interest rate risk, the success or failure of new lines of business and new product or service offerings and the impact of new technologies. These and other factors that could cause results to differ materially from those described in the forward-looking statements, as well as a discussion of the risks and uncertainties that may affect our business, can be found in our Annual Report on Form 10-K and in other filings we make with the Securities and Exchange Commission. The information contained in this release speaks only as of its date. We are under no obligation, and expressly disclaim such obligation, to update, alter or revise our forward-looking statements, whether as a result of new information, future events, or otherwise.

### TEXAS CAPITAL BANCSHARES, INC. SELECTED FINANCIAL HIGHLIGHTS (UNAUDITED)

(Dollars in thousands except per share data)

(Donars in mousands except per share data)		1st Quarter 2016		4th Quarter 2015		3rd Quarter 2015		2nd Quarter 2015		1st Quarter 2015
CONSOLIDATED STATEMENTS OF INCOME										
Interest income	\$	159,803	\$	154,820	\$	153,856	\$	153,374	\$	140,908
Interest expense		15,020		12,632		11,808		11,089		10,899
Net interest income		144,783		142,188		142,048		142,285		130,009
Provision for credit losses		30,000		14,000		13,750		14,500		11,000
Net interest income after provision for credit losses		114,783		128,188		128,298		127,785		119,009
Non-interest income		11,297		11,320		11,380		12,771		12,267
Non-interest expense		86,820		87,042		81,688		81,276		76,517
Income before income taxes		39,260		52,466		57,990		59,280		54,759
Income tax expense	_	14,132		17,713		20,876		21,343		19,709
Net income		25,128		34,753		37,114		37,937		35,050
Preferred stock dividends	_	2,438	_	2,437		2,438		2,437	_	2,438
Net income available to common stockholders	\$	22,690	\$	32,316	\$	34,676	\$	35,500	\$	32,612
Diluted EPS	\$	.49	\$	.70	\$	.75	\$	.76	\$	.70
Diluted shares		46,354,378		46,479,845		46,471,390		46,443,413		46,367,870
CONSOLIDATED BALANCE SHEET DATA										
Total assets	\$	20,210,893	\$	18,903,821	\$	18,666,708	\$	17,818,030	\$	17,326,260
LHI		12,059,849		11,745,674		11,562,828		11,123,325		10,760,978
LHI, mortgage finance		4,981,304		4,966,276		4,312,790		4,906,415		5,408,750
Loans held for sale, at fair value		94,702		86,075		1,062		_		_
Liquidity assets		2,644,418		1,681,374		2,345,192		1,337,364		734,945
Securities		28,461		29,992		31,998		35,361		37,649
Demand deposits		7,455,107		6,386,911		6,545,273		6,479,073		6,050,817
Total deposits		16,298,847		15,084,619		15,165,345		14,188,276		14,122,306
Other borrowings		1,704,859		1,643,051		1,353,834		1,509,007		1,125,458
Subordinated notes		280,773		280,682		280,592		280,501		280,411
Long-term debt		113,406		113,406		113,406		113,406		113,406
Stockholders' equity		1,647,088		1,623,533		1,590,051		1,554,529		1,517,958
End of period shares outstanding		45,902,489		45,873,807		45,839,364		45,812,971		45,772,245
Book value	\$	32.61	\$	32.12	\$	31.42	\$	30.66	\$	29.89
Tangible book value <sup>(1)</sup>	\$	32.18	\$	31.69	\$	30.98	\$	30.22	\$	29.44
SELECTED FINANCIAL RATIOS										
Net interest margin		3.139	%	3.019	%	3.129	%	3.229	% 3.22%	
Return on average assets		0.539	%	0.72	%	0.799	%	0.83	%	0.84%
Return on average common equity		6.139	%	8.829	%	9.69	%	10.329	%	9.82%
Non-interest income to earning assets	0.249		%	0.249	%	0.25	%	0.299	%	0.30%
Efficiency ratio <sup>(2)</sup>		55.69	%	56.79	%	53.29	%	52.49	53.89	
Non-interest expense to earning assets		1.889	%	1.849	%	1.809	%	1.849	%	1.89%
Tangible common equity to total tangible assets <sup>(3)</sup>		7.39	%	7.79	%	7.69	%	7.89	%	7.8%
Common Equity Tier 1		7.59		7.59		7.79		7.49		7.2%
Tier 1 capital		8.89		8.89		9.19		8.89		8.6%
Total capital		11.19		11.19		11.49		11.09		10.7%
Leverage		9.19	%	8.99	%	9.19	%	9.09	%	9.5%

<sup>(1)</sup> Stockholders' equity excluding preferred stock, less goodwill and intangibles, divided by shares outstanding at period end.

<sup>(2)</sup> Non-interest expense divided by the sum of net interest income and non-interest income.

<sup>(3)</sup> Stockholders' equity excluding preferred stock and accumulated other comprehensive income less goodwill and intangibles divided by total assets less accumulated other comprehensive income and goodwill and intangibles.

# TEXAS CAPITAL BANCSHARES, INC. CONSOLIDATED BALANCE SHEETS (UNAUDITED)

(Dollars in thousands)

Kosh and due from banks         \$ 89,927 \$ 99,902         (10)%           Cash and use from banks         2,614.418         734,945         256 %           Federal linds sold and scurities purchased under resale agreements         30,000         3—6         100 %           Securities, available-for-sale         28,461         37,649         (24)%           Lours held for sale, at fair value         4,981,004         5,408,709         12,009           HII, not off uncamed income)         12,059,849         10,009,708         28,00           IIII, net         16,878,643         16,061,650         5.7           Mortgage servicing rights, net         42,834,43         349,574         23           Mortgage servicing rights, net         22,924         22,428         2,8           Mortgage servicing rights, net         428,344         349,574         23           Mortgage servicing rights, net         428,344         349,574         23           Mortgage servicing rights, net         8,92,210,833         37,32,520         13           Mortgage servicing rights, net         8,92,342         22,428         2,38           Mortgage servicing rights, net         8,93,434         349,574         23           Mortgage servicing rights, net         8,93,434         3		M	Tarch 31, 2016	March 31, 2015	% Change
Pederal fundes sold and securities purchased under resale agreements	Assets				
Federal funds sold and securities purchased under resale agreements         30,000         ————————————————————————————————————	Cash and due from banks	\$	89,277	\$ 99,602	(10)%
Securities, available-for-sale         28,461         37,699         (24)%           Louns held for sale, at fair value         94,702         — 100%         (8)%           LIH, mortage finance         4,981,304         5,408,750         (8)%           LIH, (net of uneamed income)         12,059,849         10,709,78         12%           Less: Allowance for loan losses         16,2510         10,807,80         50%           Until the common stock of the	Interest-bearing deposits		2,614,418	734,945	256 %
Lons held for sale, at fair value         94,702         —         100 %           LHI, mortage finance         4,981,304         5,408,750         (8)%           Less: Allowance for loan losses         162,509,849         10,760,978         12 %           Less: Allowance for loan losses         162,510         108,078         5 %           LHI, net         16,878,643         160,61,650         5 %           Mortague servicing rights, net         4,253         —         100 %           Premises and equipment, net         22,924         22,428         2 %           Accrued interest receivable and other assets         428,344         349,574         23 %           Goodwill and intangibles, net         5 20,210,893         17,362,600         17 %           Total assets         5 20,210,893         17,362,600         17 %           Total assets         5 2,241,800         2,380         17,362,600         17 %           Total assets         5 2,210,893         17,362,600         17 %         18 %           Total assets         5 2,241         3,38         18 %         18 %         18 %         18 %         18 %         18 %         18 %         18 %         18 %         18 %         18 %         18 %         18 %	Federal funds sold and securities purchased under resale agreements		30,000	_	100 %
LHI, mortgage finance         4,981,304         5,080,750         18/8           LHI (net of uneamed income)         12,059,849         10,760,978         12 %           Less: Allowance for loan losses         16,2510         10,8078         5 %           LHI, net         16,878,643         16,601,605         5 %           Mortgage servicing rights, net         4,253         —         100 %           Accerued interest receivable and other assets         428,344         349,574         23 %           Goodwill and intangibles, net         19,871         20,412         20%           Total assets         5 20,210,893         17,326,200         17 %           Labilities and Stockholders' Equit           Labilities	Securities, available-for-sale		28,461	37,649	(24)%
Ill (inco of uneamed income)         12,059,849         10,60,978         12,80           Less Allowance for loan losses         16,251         108,078         50%           HII, ner         16,878,643         10,6150         5 %           Mortagae servicing rights, net         4,253         —         100 %           Premiss and equipment, net         22,924         22,428         2%           Goodwill and intangibles, net         19,871         20,412         30%           Goodwill and intangibles, net         19,871         20,412         30%           Total assets         49,878         20,412         30%           Total stand Stockholders' Equit         8,873,878         20,402         20           Total assets         8,843,400         7,816,310         13           Proposits         8,843,400         7,816,310         13           Interest bearing         8,843,400         7,816,310         13           Interest bearing in foreign branches         16,298,871         41,230         15           Interest bearing in foreign branches         18,049         14,617         10,000           Interest bearing in foreign branches         16,049         16,417         10,000           Interest bearing in foreign b	Loans held for sale, at fair value		94,702	_	100 %
Less: Allowance for loan loases         16,516         108,708         50 %           LH, net         16,878,643         10,616,650         5 %           Mortgage servicing rights, net         42,253         22,428         22 %           Premises and equipment, net         22,924         22,428         23 %           Goodwill and intangibles, net         19,871         20,412         37 %           Total asses         52,210,833         7,325,200         37 %           Lisabilities and Stockholders' Equity         8,221,303         7,325,200         70 %           Lisabilities and Stockholders' Equity         8,843,740         7,816,301         23 %           Interest bearing         8,843,740         7,816,301         13 %           Interest bearing in foreign branches         2,881,740         7,816,301         13 %           Interest bearing in foreign branches         16,298,847         14,123,300         15 %           Accured interest payable         2,880         2,51,79         1000           Other Ibarbilities         16,304,00         10,000,00         60 %           Gederal funds purchased and repurchase agreements         10,085         125,48         20 %           Other borrowings         1,000,00         10,000,00         <	LHI, mortgage finance		4,981,304	5,408,750	(8)%
Mortgage servicing rights, net	LHI (net of unearned income)		12,059,849	10,760,978	12 %
Mortgage servicing rights, net         4,253         —         100 %           Premises and equipment, net         22,924         22,428         2.%           Accrued interest receivable and other assets         428,344         34,9574         2.3%           Goodwill and intangibles, net         19,871         20,122         13%           Total assets         5,202,10,893         1,732,626         17.%           Liabilities           Total stockholders' Equity           Liabilities           Non-interest bearing         5,7455,107 \$         6,050,817         23 %           Morterest bearing         8,843,740         7,816,310         13 %           Interest bearing in foreign branches         1,298,847         1,122,306         15 %           Other liabilities         2,880         2,551,79         (100%           Total deposits         163,040         164,176         (11%           Cecteral funds purchased and repurchase agreements         10,089         125,458         (20%           Other liabilities         1,000,000         60 %         60 %           Subordinated other         2,207,33         280,411            Total liabilities         1,200,000 <th< td=""><td>Less: Allowance for loan losses</td><td></td><td>162,510</td><td>108,078</td><td>50 %</td></th<>	Less: Allowance for loan losses		162,510	108,078	50 %
Premises and equipment, net         22,924         22,428         2 %           Accrued interest receivable and other assets         428,344         349,574         23 %           Goodwill and intangibles, net         19,871         20,412         30%           Total assets         \$20,20,893         17,326,200         17.8%           Liabilities and Stockholders' Equity           Exposits:           Formitterest bearing         7,455,107         6050,917         23 %           Non-interest bearing         8,843,740         7,816,310         13 %           Interest bearing in foreign branches         6,29,847         14,122,306         15 %           Accrued interest payable         2,88         2,545         13 %           Other lost interest payable         2,88         2,545         13 %           Other borrowings         1,604,000         1,604,00         2,605           Other borrowings         1,604,000         1,304,00         1,604           Stockholders' equity         2,88         1,83,40         1,604           Total liabilities         1,86,40         1,80,40         1,80           Stockholders' equity         2,88         1,80,40         1,80           Total lia	LHI, net		16,878,643	16,061,650	5 %
Accured interest receivable and other assets         428,344         39,574         23 %           Goodwill and intangibles, net         19,871         20,412         37%           Total assets         \$20,210,893         17,326,600         17%           Liabilities and Stockholders' Equity           Liabilities and Stockholders' Equity           Liabilities           Loposits           Service Searing         \$7,455,107         \$0,508,817         23 %           Interest bearing         \$7,455,107         \$0,508,817         23 %           Interest bearing in foreign branches         \$2,843,740         7,816,310         13 %           Interest bearing in foreign branches         \$2,889         2,551,79         (100%)           Interest bearing in foreign branches         \$2,889         2,545         13 %           Other Journal of Equity (19,000)         \$1,600,000         16,4176         (10%)           Cerula dindeposition dance repeated flunds purchased and repurchase agreements         \$10,000,000         10,000,000         10           Cerula flunds purchased and repurchase agreements         \$13,406         113,406         10         10           C	Mortgage servicing rights, net		4,253	_	100 %
Goodwill and intangibles, net         19,871         20,412         0,30%           Total assets         \$20,210,893         17,362,600         17,80%           Liabilities           Liabilities           Deposits           Some interest bearing         \$7,455,107         \$6,050,817         23.96           Interest bearing in foreign branches         \$8,843,740         7,816,310         13.96           Interest bearing in foreign branches         \$6,050,817         23.96           Interest bearing in foreign branches         \$6,950,817         23.96           Ottal deposits         \$16,298,847         14,123,306         15.96           Accured interest payable         \$2,880         2,557,79         (100%           Other liabilities         \$16,040         164,176         (1%           Gederal funds purchase agreements         \$100,809         125,458         (20%           Other borrowings         \$1,040         1,040,000         60%           Subchidiers'equity:         \$2,000         1,040,000         60%           Total liabilities         \$1,040         150,000         7           Stockholders'equity:         \$2,000         1,000         2	Premises and equipment, net		22,924	22,428	2 %
Total assets   \$2,02,10,893 \$ 17,326,260   17 %	Accrued interest receivable and other assets		428,344	349,574	23 %
Cabilities and Stockholders' Equity   Cabilities   Cabi	Goodwill and intangibles, net		19,871	20,412	(3)%
Deposits:	Total assets	\$	20,210,893	\$ 17,326,260	17 %
Non-interest bearing   \$ 7,455,107 \$ 6,050,817   23 %     Interest bearing   8,843,740   7,816,310   13 %     Interest bearing in foreign branches   6,298,843,740   7,816,310   13 %     Interest bearing in foreign branches   6,298,847   14,122,306   15 %     Accrued interest payable   2,880   2,545   13 %     Other liabilities   163,040   164,176   (1)%     Federal funds purchased and repurchase agreements   100,859   125,458   (20)%     Other borrowings   1,604,000   1,000,000   60 %     Subordinated notes   280,773   280,411   —     Trust preferred subordinated debentures   113,406   113,406   —     Total liabilities   1,8563,805   15,808,302   17 %     Stockholders' equity:   Preferred stock, \$.01 par value, \$1,000 liquidation value:   Xuthorized shares - 10,000,000     Issued shares - 6,000,000 shares issued at March 31, 2016 and 2015   150,000   150,000   5 %     Authorized shares - 100,000,000   150,000   5 %     Sued shares - 6,000,000 shares issued at March 31, 2016 and 2015   150,000   150,000   5 %     Authorized shares - 100,000,000   150,000   5 %     Retained earnings   780,508   655,326   19 %     Accumulated other comprehensive income, net of taxes   694   1,240   (44)%   104	Liabilities and Stockholders' Equity				
Non-interest bearing         \$ 7,455,107 \$ 6,050,817         23 %           Interest bearing         8,843,740         7,816,310         13 %           Interest bearing in foreign branches         ————————————————————————————————————	Liabilities:				
Interest bearing         8,843,740         7,816,310         13 %           Interest bearing in foreign branches         —         255,179         (100)%           Total deposits         16,298,847         14,122,306         15 %           Accrued interest payable         2,880         2,545         13 %           Other liabilities         163,040         164,176         (1)%           Federal funds purchased and repurchase agreements         100,859         125,458         (20)%           Other borrowings         1,604,000         1,000,000         60 %           Subordinated notes         280,773         280,411         —           Trust preferred subordinated debentures         113,406         113,406         —           Total liabilities         18,563,805         15,808,302         17 %           Stockholders' equity:         Freferred stock, \$.01 par value, \$1,000 liquidation value:           Authorized shares - 10,000,000         Issued shares - 6,000,000 shares issued at March 31, 2016 and 2015         150,000         150,000         —           Issued shares - 100,000,000         Issued shares - 100,000,000         Total shares - 100,000,000         Issued shares - 100,000,000         Total shares - 100,000,000         Issued shares - 100	Deposits:				
Interest bearing in foreign branches         —         255,179         (100)%           Total deposits         16,298,847         14,122,306         15 %           Accrued interest payable         2,880         2,545         13 %           Other liabilities         163,040         164,176         (1)%           Federal funds purchased and repurchase agreements         100,859         125,458         (20)%           Other borrowings         1,604,000         1,000,000         60 %           Subordinated notes         280,773         280,411         —           Trust preferred subordinated debentures         113,406         113,406         —           Total liabilities         18,563,805         15,808,302         17 %           Stockholders' equity:         Preferred stock, \$.01 par value, \$1,000 liquidation value:         Valuation of the preferred stock, \$.01 par value;         Valuation of the preferred shares - 6,000,000 shares issued at March 31, 2016 and 2015         150,000         150,000         —           Issued shares - 6,000,000 shares issued at March 31, 2016 and 2015, respectively         459         457         —%           Additional paid-in capital         715,435         710,943         1 %           Retained earnings         780,508         655,326         19 %	Non-interest bearing	\$	7,455,107	\$ 6,050,817	23 %
Total deposits         16,298,847         14,122,306         15 %           Accrued interest payable         2,880         2,545         13 %           Other liabilities         163,040         164,176         (1)%           Federal funds purchased and repurchase agreements         100,859         125,458         (20)%           Other borrowings         1,604,000         1,000,000         60 %           Subordinated notes         280,773         280,411         —           Trust preferred subordinated debentures         113,406         113,406         —           Total liabilities         18,563,805         15,808,302         17 %           Stockholders' equity:         Preferred stock, \$.01 par value, \$1,000 liquidation value:         Valuation of the composition of the c	Interest bearing		8,843,740	7,816,310	13 %
Accrued interest payable         2,880         2,545         13 %           Other liabilities         163,040         164,176         (1)%           Federal funds purchased and repurchase agreements         100,859         125,458         (20)%           Other borrowings         1,604,000         1,000,000         60 %           Subordinated notes         280,773         280,411         —           Trust preferred subordinated debentures         113,406         113,406         —           Total liabilities         18,563,805         15,808,302         17 %           Stockholders' equity:         Preferred stock, \$.01 par value, \$1,000 liquidation value:           Authorized shares - 10,000,000         Issued shares - 6,000,000 shares issued at March 31, 2016 and 2015         150,000         150,000         —           Common stock, \$.01 par value:         Authorized shares - 100,000,000         — Freerred stock, \$.01 par value:           Authorized shares - 100,000,000         — Freerred stock, \$.01 par value:           Authorized shares - 45,902,906 and 45,772,662 at March 31, 2016 and 2015, respectively         459         457         — %           Additional paid-in capital         715,435         710,943         1 %           Retained earnings         780,508	Interest bearing in foreign branches		_	255,179	(100)%
Other liabilities         163,040         164,176         (1)%           Federal funds purchased and repurchase agreements         100,859         125,458         (20)%           Other borrowings         1,604,000         1,000,000         60 %           Subordinated notes         280,773         280,411         —           Trust preferred subordinated debentures         113,406         113,406         —           Total liabilities         18,563,805         15,808,302         17 %           Stockholders' equity:         ****         ****         ****         ****         ****         ****         ****         ****         ****         ****         ****         ***         ***         ***         ****         **	Total deposits		16,298,847	14,122,306	15 %
Federal funds purchased and repurchase agreements         100,859         125,458         (20)%           Other borrowings         1,604,000         1,000,000         60 %           Subordinated notes         280,773         280,411         —           Trust preferred subordinated debentures         113,406         113,406         —           Total liabilities         18,563,805         15,808,302         17 %           Stockholders' equity:           Preferred stock, \$.01 par value, \$1,000 liquidation value:           Authorized shares - 10,000,000         150,000         150,000         —           Issued shares - 6,000,000 shares issued at March 31, 2016 and 2015         150,000         150,000         —           Common stock, \$.01 par value:         459         457         —         %           Authorized shares - 100,000,000         Issued shares - 45,902,906 and 45,772,662 at March 31, 2016 and 2015, respectively         459         457         —         %           Additional paid-in capital         715,435         710,943         1 %           Retained earnings         780,508         655,326         19 %           Treasury stock (shares at cost: 417 at March 31, 2016 and 2015)         (8)         (8)         —           Accumulated other comp	Accrued interest payable		2,880	2,545	13 %
Other borrowings         1,604,000         1,000,000         60 %           Subordinated notes         280,773         280,411         —           Trust preferred subordinated debentures         113,406         113,406         —           Total liabilities         18,563,805         15,808,302         17 %           Stockholders' equity:         Preferred stock, \$.01 par value, \$1,000 liquidation value:           Authorized shares - 10,000,000         Issued shares - 6,000,000 shares issued at March 31, 2016 and 2015         150,000         150,000         —           Common stock, \$.01 par value:         Authorized shares - 100,000,000         —           Issued shares - 45,902,906 and 45,772,662 at March 31, 2016 and 2015, respectively         459         457         —%           Additional paid-in capital         715,435         710,943         1 %           Retained earnings         780,508         655,326         19 %           Treasury stock (shares at cost: 417 at March 31, 2016 and 2015)         (8)         (8)         —           Accumulated other comprehensive income, net of taxes         694         1,240         (44)%           Total stockholders' equity         1,647,088         1,517,958         9 %	Other liabilities		163,040	164,176	(1)%
Subordinated notes         280,773         280,411         —           Trust preferred subordinated debentures         113,406         113,406         —           Total liabilities         18,563,805         15,808,302         17 %           Stockholders' equity:         Preferred stock, \$.01 par value, \$1,000 liquidation value:           Authorized shares - 10,000,000         Issued shares - 6,000,000 shares issued at March 31, 2016 and 2015         150,000         150,000         —           Common stock, \$.01 par value:         Authorized shares - 100,000,000         Treasury stock (\$000,000 and 45,772,662 at March 31, 2016 and 2015, respectively         459         457         —%           Additional paid-in capital         715,435         710,943         1 %           Retained earnings         780,508         655,326         19 %           Treasury stock (shares at cost: 417 at March 31, 2016 and 2015)         (8)         (8)         —           Accumulated other comprehensive income, net of taxes         694         1,240         (44)%           Total stockholders' equity         1,647,088         1,517,958         9 %	Federal funds purchased and repurchase agreements		100,859	125,458	(20)%
Trust preferred subordinated debentures         113,406         113,406         —           Total liabilities         18,563,805         15,808,302         17 %           Stockholders' equity:         Preferred stock, \$.01 par value, \$1,000 liquidation value:           Authorized shares - 10,000,000         Issued shares - 6,000,000 shares issued at March 31, 2016 and 2015         150,000         150,000         -           Common stock, \$.01 par value:         Authorized shares - 100,000,000         Issued shares - 45,902,906 and 45,772,662 at March 31, 2016 and 2015, respectively         459         457         -%           Additional paid-in capital         715,435         710,943         1 %           Retained earnings         780,508         655,326         19 %           Treasury stock (shares at cost: 417 at March 31, 2016 and 2015)         (8)         (8)         -           Accumulated other comprehensive income, net of taxes         694         1,240         (44)%           Total stockholders' equity         1,647,088         1,517,958         9 %	Other borrowings		1,604,000	1,000,000	60 %
Total liabilities       18,563,805       15,808,302       17 %         Stockholders' equity:       Preferred stock, \$.01 par value, \$1,000 liquidation value:         Authorized shares - 10,000,000       Issued shares - 6,000,000 shares issued at March 31, 2016 and 2015       150,000       150,000       -         Common stock, \$.01 par value:       Authorized shares - 100,000,000         Issued shares - 45,902,906 and 45,772,662 at March 31, 2016 and 2015, respectively       459       457       -%         Additional paid-in capital       715,435       710,943       1 %         Retained earnings       780,508       655,326       19 %         Treasury stock (shares at cost: 417 at March 31, 2016 and 2015)       (8)       (8)       -         Accumulated other comprehensive income, net of taxes       694       1,240       (44)%         Total stockholders' equity       1,647,088       1,517,958       9 %	Subordinated notes		280,773	280,411	_
Stockholders' equity:         Preferred stock, \$.01 par value, \$1,000 liquidation value:         Authorized shares - 10,000,000         Issued shares - 6,000,000 shares issued at March 31, 2016 and 2015       150,000       150,000       -         Common stock, \$.01 par value:         Authorized shares - 100,000,000         Issued shares - 45,902,906 and 45,772,662 at March 31, 2016 and 2015, respectively       459       457       -%         Additional paid-in capital       715,435       710,943       1 %         Retained earnings       780,508       655,326       19 %         Treasury stock (shares at cost: 417 at March 31, 2016 and 2015)       (8)       (8)       -         Accumulated other comprehensive income, net of taxes       694       1,240       (44)%         Total stockholders' equity       1,647,088       1,517,958       9 %	Trust preferred subordinated debentures		113,406	113,406	_
Preferred stock, \$.01 par value, \$1,000 liquidation value:         Authorized shares - 10,000,000       150,000       150,000       -         Issued shares - 6,000,000 shares issued at March 31, 2016 and 2015       150,000       150,000       -         Common stock, \$.01 par value:       450       457       -       -         Authorized shares - 100,000,000       150,000       -	Total liabilities		18,563,805	15,808,302	17 %
Authorized shares - 10,000,000	Stockholders' equity:				
Issued shares - 6,000,000 shares issued at March 31, 2016 and 2015       150,000       150,000       -         Common stock, \$.01 par value:       Authorized shares - 100,000,000         Issued shares - 45,902,906 and 45,772,662 at March 31, 2016 and 2015, respectively       459       457       -%         Additional paid-in capital       715,435       710,943       1%         Retained earnings       780,508       655,326       19 %         Treasury stock (shares at cost: 417 at March 31, 2016 and 2015)       (8)       (8)       -         Accumulated other comprehensive income, net of taxes       694       1,240       (44)%         Total stockholders' equity       1,647,088       1,517,958       9 %	Preferred stock, \$.01 par value, \$1,000 liquidation value:				
Common stock, \$.01 par value:         Authorized shares - 100,000,000         Issued shares - 45,902,906 and 45,772,662 at March 31, 2016 and 2015, respectively       459       457       — %         Additional paid-in capital       715,435       710,943       1 %         Retained earnings       780,508       655,326       19 %         Treasury stock (shares at cost: 417 at March 31, 2016 and 2015)       (8)       (8)       —         Accumulated other comprehensive income, net of taxes       694       1,240       (44)%         Total stockholders' equity       1,647,088       1,517,958       9 %	Authorized shares - 10,000,000				
Authorized shares - 100,000,000         Issued shares - 45,902,906 and 45,772,662 at March 31, 2016 and 2015, respectively       459       457       — %         Additional paid-in capital       715,435       710,943       1 %         Retained earnings       780,508       655,326       19 %         Treasury stock (shares at cost: 417 at March 31, 2016 and 2015)       (8)       (8)       —         Accumulated other comprehensive income, net of taxes       694       1,240       (44)%         Total stockholders' equity       1,647,088       1,517,958       9 %	Issued shares - 6,000,000 shares issued at March 31, 2016 and 2015		150,000	150,000	_
Issued shares - 45,902,906 and 45,772,662 at March 31, 2016 and 2015, respectively       459       457       — %         Additional paid-in capital       715,435       710,943       1 %         Retained earnings       780,508       655,326       19 %         Treasury stock (shares at cost: 417 at March 31, 2016 and 2015)       (8)       (8)       —         Accumulated other comprehensive income, net of taxes       694       1,240       (44)%         Total stockholders' equity       1,647,088       1,517,958       9 %	Common stock, \$.01 par value:				
Additional paid-in capital       715,435       710,943       1 %         Retained earnings       780,508       655,326       19 %         Treasury stock (shares at cost: 417 at March 31, 2016 and 2015)       (8)       (8)       —         Accumulated other comprehensive income, net of taxes       694       1,240       (44)%         Total stockholders' equity       1,647,088       1,517,958       9 %	Authorized shares - 100,000,000				
Additional paid-in capital       715,435       710,943       1 %         Retained earnings       780,508       655,326       19 %         Treasury stock (shares at cost: 417 at March 31, 2016 and 2015)       (8)       (8)       —         Accumulated other comprehensive income, net of taxes       694       1,240       (44)%         Total stockholders' equity       1,647,088       1,517,958       9 %	Issued shares - 45,902,906 and 45,772,662 at March 31, 2016 and 2015, respectively		459	457	%
Retained earnings       780,508       655,326       19 %         Treasury stock (shares at cost: 417 at March 31, 2016 and 2015)       (8)       (8)       —         Accumulated other comprehensive income, net of taxes       694       1,240       (44)%         Total stockholders' equity       1,647,088       1,517,958       9 %			715,435	710,943	1 %
Treasury stock (shares at cost: 417 at March 31, 2016 and 2015)  Accumulated other comprehensive income, net of taxes  Total stockholders' equity  (8) (8) —  (44)%  1,240 (44)%  1,647,088 1,517,958 9 %					
Accumulated other comprehensive income, net of taxes 694 1,240 (44)% Total stockholders' equity 1,647,088 1,517,958 9 %	-				_
Total stockholders' equity 1,647,088 1,517,958 9 %					(44)%
			1,647,088		
	Total liabilities and stockholders' equity	\$			17 %

### TEXAS CAPITAL BANCSHARES, INC. CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

(Dollars in thousands except per share data)

Interest income         join of 150,000         150,000	(Dollars in thousands except per share data)	Three Mont	
Interest and fees on loans         \$155,885   \$19,174           Securities         261         358           Federal finds sold         322   \$16         325   \$12,60           Item positis in other banks         3,285   \$12,60         150,803   \$10,908           Interest streem         200         150,803   \$10,908           Ederal funds purchased         8,822   \$5,628         \$6,628           Ederal funds purchased         1,162   \$30         \$3         \$4           Other borrowings         1,162   \$30         \$30         \$4           Other borrowings         1,162   \$30         \$30         \$4         \$10         \$30         \$4         \$10         \$30         \$4         \$10         \$30         \$4         \$10         \$30         \$4         \$40         \$10         \$30         \$4         \$40			
Securities         261         378         168           Federal findris sold         372         116           Deposits in other banks         2,288         12,00           Total interest income         159,803         140,000           Interest expense         8,822         5,028           Geberal findis purchased         126         6           Repurchase agreements         1,62         30           Other borrowings         1,12         31           Subordinated notes         4,19         4,19           Subordinated debentures         716         6           Total interest expense         10,00         10,00           Net interest income         144,783         130,00           Net interest income         144,783         130,00           Net interest income         144,783         130,00           Net interest income         2,10         2,00           Net interest income         2,10         2,00           Net interest income         2,11         2,00           Net interest income         3,00         1,00           Net interest income         2,10         2,00           Net interest income         2,10         2,00 <tr< td=""><td>Interest income</td><td></td><td></td></tr<>	Interest income		
Beford iffunds sold         3,28 image         1,26 image           Deposits in other banks         3,28 image         1,260 image           Interset responsis         8,822 image         5,68 image           Gederal finds purchased         8,822 image         5,68 image           Federal finds purchased         1,162 image         30 image           Repurchase agreements         1,162 image         30 image           Subordinated notes         1,162 image         30 image           Subordinated notes         1,162 image         30 image           Subordinated notes         1,162 image         1,162 image           Subordinated notes         1,162 image         1,162 image           Subordinated notes         1,162 image         1,162 image           Total preferred subordinated debentures         1,162 image         1,162 image           Vet interest income         1,152 image         1,162 image           Provision for credit losses         1,170 image         1,100 image           Non-interest income         2,11 image         2,00 image           Total credit insurance (BOLL) income         2,11 image         2,00 image           Subovice income         2,12 image         2,22 image           Other         2,12 image         2,22 ima	Interest and fees on loans	\$ 155,885 \$	139,174
Pope pict in incher banks         3.88         1.26           Total critest ricome         1.59         1.49           Interest expens         2.50         5.62           Exposits         8.82         5.628           Feed affunds purchased         1.26         6.88           Repurchase agreements         1.16         3.93           Other borrowings         1.16         3.93           Mound and ones         1.16         6.88           Total interest comes         1.50         1.00           Total interest profess         1.50         1.00           Net interest income         1.50         1.00           Net interest income after provision for credit losses         1.14         3.00           Net interest income after provision for credit losses         1.14         3.00           Net interest income         1.14         3.00           Subject delayes on deposit accounts         1.18         3.00           Statistic composition for credit losses         1.18         3.00           Subject composition for credit losses         1.18         3.00           Subject composition for credit losses         1.18         3.00           Subject composition for credit losses         1.12         3.00	Securities	261	358
Total interest income         1159,80         104,908           Interest expense         8,82,22         6,62           Ederal funds purchased         126         68           Repurchase agreements         126         68           Repurchase agreements         1,162         30           Other botrowings         4,191         4,191           Subordinated onters         4,191         4,191           Total interest expense         15,000         10,300           Net interest income         15,000         10,000           Net interest income after provision for credit losses         30,000         10,000           Non-interest income         11,478         10,000           Non-interest income after provision for credit losses         2,110         2,094           Turst fee income         2,110         2,094           Turst fee income         813         1,200           Browned life insurance (BOLI) income         813         1,200           Browled loan fees         4,645         4,232           Swap fees         2,10         2,288         2,271           Total non-interest income         31,30         4,845         3,288           Skare accoupting expense         5,13         4,8	Federal funds sold	372	116
Interest expensis         8,822         5,028           Federal finds purchased         1,26         6           Federal finds purchased         3         4           Chepurchase agreements         1,162         3,90           Shordinated notes         1,162         3,90           Shordinated notes         17,16         618           Trust prefered subordinated debentures         17,16         618           Total interest expense         10,00         10,000           Provision Credit losses         30,00         10,000           Provision Credit losses         30,00         10,000           Provision Credit losses         2,11         2,00           Service charges on deposit accounts         2,11         2,00           Service charges on deposit accounts         8         2,10           Service charges on deposit accounts         8         2,20           Service charges on deposit accounts         8         2,20           Service larges on deposit accounts         8         2,20           Service larges on deposit accounts         8         2,20           Scheit de James (accounts)         8         2,20           Scheit de James (accounts)         2,20         2,20	Deposits in other banks	3,285	1,260
Deposits         8,822         5,628           Federal funds purchased         126         68           Repurchase agreements         3         4           Other borrowings         1,162         300           Subordinated notes         4,191         4,191           Trust preferred subordinated debentures         7,16         618           Total interest expense         150,20         10,890           Net interest income         144,73         130,000           Provision for credit losses         30,000         11,000           Non-interest income         2,110         2,094           Trust fe income         2,110         2,094           Trust fe income         181         1,200           Bank owned life insurance (BOLI) income         31         2,200           Supplese         3,07         1,986           Other         1,02         2,886         2,727           Total non-interest income         1,20         2,886         2	Total interest income	159,803	140,908
Federal funds purchased         126         68           Repurchase agreements         3         4           Other borrowings         1,162         390           Subordinated notes         4,191         4,191           Total preferred subordinated debentures         716         618           Total interest expense         15,000         10,899           Net interest income         30,000         10,000           Provision for credit losses         30,000         10,000           Net interest income         14,783         10,000           Review charges on deposit accounts         2,110         2,004           Ervice charges on deposit accounts         2,110         2,004           Bank owned life insurance (BOLI) income         313         1,200           Bank owned life insurance (BOLI) income         3,08         2,211         3,204           Other         2,826         2,271         1,267         1,267           Total non-interest income         3,136         2,286         2,271           Rotal countered sendentis         5,137         2,828           Salaries and employee benefits         5,137         3,582         4,648           Rotal countered sendentis         5,137         3,078	Interest expense		
Repurchase agreements         3         4           Other borrowings         1,162         300           Subordinated notes         4,191         4,191           Trust preferred subordinated debentures         7,16         618           Total interest expense         15,020         10,899           Net interest income         144,783         30,000           Provision for credit losses         30,000         11,000           Net interest income after provision for credit losses         211         2,000           Net interest income after provision for credit losses         211         2,000           Net interest income         211         2,000           Turst fee income         813         1,200           Bank owned life insurance (BOLI) income         813         1,200           Bank owned life insurance (BOLI) income         813         1,200           Other         2,30         4,645         4,232           Swap fee         307         1,956           Other         2,32         4,582           Salaries and employee benefits         51,32         4,582           Substitutions and tendology         5,59         4,582           Guita         3,49         4,582 <tr< td=""><td>Deposits</td><td>8,822</td><td>5,628</td></tr<>	Deposits	8,822	5,628
Other borrowings         1,162         390           Subordinated notes         4,191         4,191           Trust prefered subordinated debentures         716         618           Total interest expense         15,000         10,899           Net interest income         144,783         130,009           Provision for credit losses         30,000         11,000           Not interest income         11,000         10,000           Not interest income         2,110         2,094           Trust fee income         2,110         2,094           Trust fee income         813         1,200           Bank owned life insurance (BOLI) income         536         484           Brokered oan fees         3,07         1,986           Other         2,886         2,271           Total non-interest income         11,297         12,526           West coupancy expense         3,137         45,828           Net occupancy expense         5,137         45,828           Net occupancy expense         5,812         5,691           Marketing         5,381         4,948           Legal and professional         5,249         4,948           Communications and technology         6,217 <td>Federal funds purchased</td> <td>126</td> <td>68</td>	Federal funds purchased	126	68
Subordinated notes         4,191         4,191           Trus preferred subordinated debentures         716         618           Total interest sepense         15,020         10,899           Net interest income         144,783         130,000           Provision for credit losses         30,000         11,000           Net interest income after provision for credit losses         114,783         119,000           Non-interest income         2,110         2,904           Trust fee income         813         1,200           Bank owned life insurance (BOL1) income         536         484           Brokered loan fees         4,645         4,232           Swap fees         307         1,986           Other         2,886         2,271           Total non-interest income         11,297         12,267           Non-interest expense         51,372         45,828           Shaft occupancy expense sand employee benefits         51,372         45,828           Net occupancy expense         5,812         5,691           Agala and professional         5,342         4,048           Legal and professional         5,469         3,798           Logal and professional         5,469         3,789	Repurchase agreements	3	4
Trust preferred subordinated debentures         716         618           Total interest expense         15,020         10,899           Net interest income         144,783         130,009           Provision for credit losses         30,000         110,000           Net interest income after provision for credit losses         114,783         119,009           Non-interest income         2,110         2,094           Trust fee income         813         2,000           Bank owned life insurance (BOL1) income         536         484           Brokered loan fees         4,645         4,232           Swap fees         307         1,986           Other         2,886         2,271           Total non-interest income         11,297         2,872           Subaries and employee benefits         51,372         45,828           Net occupancy expense         5,137         45,828           Net interest expense         5,137         5,974           Marketing         5,324         4,048           Legal and professional         5,324         4,048           Legal and professional         5,324         4,048           Communications and technology         6,217         5,575           <	Other borrowings	1,162	390
Total interest expense         15,020         10,899           Net interest income         144,783         130,000           Provision for credit losses         11,478         11,000           Net interest income after provision for credit losses         11,478         11,000           Non-interest income         2,110         2,094           Trust fee income         813         1,200           Bank owned life insurance (BOLI) income         536         484           Brokered loan fees         307         1,986           Other         2,886         2,271           Total non-interest income         11,297         12,267           Non-interest expense         31,372         45,828           Net occupancy expense         5,1372         45,828           Net occupancy expense         5,812         5,691           Marketing         3,908         4,218           Legal and professional         5,812         5,691           Communications and technology         6,217         5,078           FDIC insurance assessment         5,469         3,790           Allowance and other carrying costs for OREO         23,6         9           Other         8,482         7,855           Incom	Subordinated notes	4,191	4,191
Net interest income         144,783         130,009           Provision for credit losses         30,000         11,000           Net interest income after provision for credit losses         12,009           Non-interest income         2,110         2,094           Evrice charges on deposit accounts         2,110         2,094           Trust fee income         813         1,200           Bank owned life insurance (BOLI) income         5,356         4,484           Brokered loan fees         3,07         1,986           Other         2,886         2,271           Total non-interest income         11,297         12,667           Net occupancy expense         5,1372         45,828           Net occupancy expense         5,812         5,691           Marketing         3,908         4,218           Legal and professional         5,812         5,691           Communications and technology         6,217         5,078           FDIC insurance assessment         5,469         3,790           Allowance and other carrying costs for OREO         8,482         7,875           Other         8,482         7,875           Income before income taxes         39,260         5,475           Inco	Trust preferred subordinated debentures	716	618
Provision for credit losses         30,000         11,000           Net interest income after provision for credit losses         114,783         119,000           Non-interest income         2,110         2,004           Ervice charges on deposit accounts         2,110         2,004           Trust fee income         2,131         2,004           Bank owned life insurance (BOLI) income         333         4,84           Brokered loan fees         4,645         4,232           Swap fees         307         1,986           Other         2,886         2,271           Total non-interest income         12,92         1,272           Salaries and employee benefits         51,372         45,828           Net occupancy expense         51,372         45,828           Ret occupancy expense         51,372         45,828           Marketing         5,349         4,048           Legal and professional         5,372         45,828           Communications and technology         6,17         5,078           FDIC insurance assessment         5,49         3,79           Other         8,822         7,837           Total non-interest expense         8,682         7,837           Income b	Total interest expense	15,020	10,899
Provision for credit losses         30,000         11,000           Net interest income after provision for credit losses         114,783         119,000           Non-interest income         2,110         2,094           Ervice charges on deposit accounts         2,110         2,094           Trust fee income         2,131         2,000           Bank owned life insurance (BOLI) income         333         484           Brokered loan fees         307         1,986           Other         2,886         2,271           Total non-interest income         2,886         2,271           Total non-interest income         30,72         1,886           Net occupancy expense         51,372         45,828           Net occupancy expense         51,372         45,828           Net occupancy expense         51,372         45,828           Regal and professional         5,372         45,828           Legal and professional         5,372         45,828           Communications and technology         5,49         3,79           Allowace and other carrying costs for OREO         2,38         3,78           Other         8,822         7,835           Income before income taxes         3,90         4,75     <	Net interest income	144,783	130,009
Non-interest income         2,110         2,094           Trust fee income         813         1,200           Bank owned life insurance (BOLI) income         536         484           Brokered loan fees         4,645         4,232           Swap fees         307         1,986           Other         2,886         2,271           Total non-interest income         11,297         12,267           Non-interest expense         51,372         45,828           Net occupancy expense         5,812         5,691           Marketing         3,908         4,218           Legal and professional         5,324         4,048           Communications and technology         6,217         5,078           FDIC insurance assessment         5,469         3,790           Allowance and other carrying costs for OREO         236         9           Other         8,832         7,515           Income before income taxes         39,260         5,175           Income tax expense         39,260         5,175           Net income         2,218         3,050           Net income         2,238         2,358           Net income available to common stockholders         5,049         0	Provision for credit losses		11,000
Service charges on deposit accounts         2,110         2,094           Trust fee income         813         1,200           Bank owned life insurance (BOLI) income         536         484           Brokered loan fees         4,645         4,232           Swap fees         307         1,986           Other         2,886         2,271           Total on-interest income         307         1,986           Non-interest expense         51,372         45,828           Net occupancy expense         5,812         5,691           Marketing         3,908         4,218           Legal and professional         5,324         4,048           Communications and technology         6,217         5,078           FDIC insurance assessment         5,469         3,790           Allowance and other carrying costs for OREO         236         9           Other         8,822         7,855           Total on-interest expense         86,820         76,171           Income before income taxes         39,260         54,759           Income before income taxes         25,128         35,000           Preferred stock dividends         2,438         2,438           Net income         2,23	Net interest income after provision for credit losses	114,783	119,009
Trust fee income         813         1,200           Bank owned life insurance (BOLI) income         536         484           Brokered loan fees         4,645         4,232           Swap fees         307         1,986           Other         2,886         2,271           Total one-interest income         11,297         12,267           Non-interest expense           Salaries and employee benefits         51,372         45,828           Net occupancy expense         5,812         5,691           Marketing         3,908         4,218           Legal and professional         5,324         4,048           Communications and technology         6,217         5,078           FDIC insurance assessment         5,469         3,790           Allowance and other carrying costs for OREO         236         9           Other         8,482         7,855           Total one-interest expense         8,820         76,17           Income before income taxes         39,260         54,759           Income before income taxes         2,143         19,709           Net income         25,128         35,000           Preferred stock dividends         2,438         2,438	Non-interest income		
Bank owned life insurance (BOLI) income         536         484           Brokered loan fees         4,645         4,232           Swap fees         307         1,986           Other         2,886         2,271           Total non-interest income         11,297         12,267           Non-interest expense         5         7           Salaries and employee benefits         5,812         5,691           Mer occupancy expense         5,812         5,691           Marketting         3,908         4,218           Legal and professional         5,324         4,048           Communications and technology         6,217         5,078           FDIC insurance assessment         5,469         3,790           Allowance and other carrying costs for OREO         236         9           Other         8,482         7,855           Total non-interest expense         39,260         54,759           Income before income taxes         39,260         54,759           Net income         25,128         35,050           Preferred stock dividends         2,438         2,438           Net income available to common stockholders         5,049         3,012           Basic earnings per common s	Service charges on deposit accounts	2,110	2,094
Brokered loan fees         4,645         4,232           Swap fees         307         1,986           Other         2,886         2,271           Total non-interest income         11,297         12,267           Non-interest expense         3         1,372         45,828           Net occupancy expense         5,812         5,691           Marketing         3,908         4,218           Legal and professional         5,324         4,048           Communications and technology         6,217         5,078           FDIC insurance assessment         5,469         3,790           Allowance and other carrying costs for OREO         236         79           Other         86,820         7,855           Income before income taxes         86,820         7,817           Income tax expense         14,132         19,709           Net income         25,128         35,050           Preferred stock dividends         2,438         2,438           Net income available to common stockholders         92,260         3,212           Basic earnings per common share         9,041         9,011	Trust fee income	813	1,200
Swap fees         307         1,986           Other         2,886         2,271           Total non-interest income         11,297         12,267           Non-interest expense         51,372         45,828           Salaries and employee benefits         51,372         45,828           Net occupancy expense         5,812         5,691           Marketing         3,908         4,218           Legal and professional         5,324         4,048           Communications and technology         6,217         5,078           FDIC insurance assessment         5,469         3,790           Allowance and other carrying costs for OREO         236         9           Other         8,482         7,855           Total non-interest expense         86,820         76,517           Income before income taxes         39,260         54,759           Income tax expense         14,132         19,709           Net income         25,128         35,050           Preferred stock dividends         2,438         2,438           Net income available to common stockholders         \$0.49         0.71           Basic earnings per common share         \$0.49         0.71	Bank owned life insurance (BOLI) income	536	484
Other         2,886         2,71           Total non-interest income         11,297         12,267           Non-interest expense         5         7           Salaries and employee benefits         51,372         45,828           Net occupancy expense         5,812         5,691           Marketing         3,908         4,218           Legal and professional         5,324         4,048           Communications and technology         6,217         5,078           FDIC insurance assessment         5,469         3,790           Allowance and other carrying costs for OREO         236         9           Other         8,482         7,855           Total non-interest expense         86,820         76,517           Income before income taxes         39,260         54,759           Income tax expense         14,132         19,709           Preferred stock dividends         25,128         35,050           Preferred stock dividends         2,438         2,438           Net income available to common stockholders         50,49 \$ 30,41           Basic earnings per common share         50,49 \$ 30,41	Brokered loan fees	4,645	4,232
Total non-interest income         11,297         12,267           Non-interest expense         5         1,372         45,828           Salaries and employee benefits         51,372         45,828           Net occupancy expense         5,812         5,691           Marketing         3,908         4,218           Legal and professional         5,324         4,048           Communications and technology         6,217         5,078           FDIC insurance assessment         5,469         3,790           Allowance and other carrying costs for OREO         236         9           Other         8,482         7,855           Total non-interest expense         86,820         76,517           Income before income taxes         39,260         54,759           Income tax expense         14,132         19,709           Net income         25,128         35,050           Preferred stock dividends         2,438         2,438           Net income available to common stockholders         \$ 22,690 \$ 32,612           Basic earnings per common share         \$ 0.49 \$ 0.71	Swap fees	307	1,986
Non-interest expense         51,372         45,828           Net occupancy expense         5,812         5,691           Marketing         3,908         4,218           Legal and professional         5,324         4,048           Communications and technology         6,217         5,078           FDIC insurance assessment         5,469         3,790           Allowance and other carrying costs for OREO         236         9           Other         8,482         7,855           Total non-interest expense         86,820         76,517           Income before income taxes         39,260         54,759           Income tax expense         14,132         19,709           Net income         25,128         35,050           Preferred stock dividends         2,438         2,438           Net income available to common stockholders         \$ 22,690         \$ 3,261           Basic earnings per common share         \$ 0.49         \$ 0.71	Other	2,886	2,271
Salaries and employee benefits         51,372         45,828           Net occupancy expense         5,812         5,691           Marketing         3,908         4,218           Legal and professional         5,324         4,048           Communications and technology         6,217         5,078           FDIC insurance assessment         5,469         3,790           Allowance and other carrying costs for OREO         236         9           Other         8,482         7,855           Total non-interest expense         86,820         76,517           Income before income taxes         39,260         54,759           Income tax expense         14,132         19,709           Net income         25,128         35,050           Preferred stock dividends         2,438         2,438           Net income available to common stockholders         \$22,600         \$32,612           Basic earnings per common share         \$0.49         0.71	Total non-interest income	11,297	12,267
Net occupancy expense         5,812         5,691           Marketing         3,908         4,218           Legal and professional         5,324         4,048           Communications and technology         6,217         5,078           FDIC insurance assessment         5,469         3,790           Allowance and other carrying costs for OREO         236         9           Other         8,482         7,855           Total non-interest expense         86,820         76,517           Income before income taxes         39,260         54,759           Income tax expense         14,132         19,709           Net income         25,128         35,050           Preferred stock dividends         2,438         2,438           Net income available to common stockholders         \$22,690         \$32,612           Basic earnings per common share         \$0.49         \$0.71	Non-interest expense		
Marketing       3,908       4,218         Legal and professional       5,324       4,048         Communications and technology       6,217       5,078         FDIC insurance assessment       5,469       3,790         Allowance and other carrying costs for OREO       236       9         Other       8,482       7,855         Total non-interest expense       86,820       76,517         Income before income taxes       39,260       54,759         Income tax expense       14,132       19,709         Net income       25,128       35,050         Preferred stock dividends       2,438       2,438         Net income available to common stockholders       \$ 22,690       \$ 32,612         Basic earnings per common share       \$ 0.49       \$ 0.71	Salaries and employee benefits	51,372	45,828
Legal and professional         5,324         4,048           Communications and technology         6,217         5,078           FDIC insurance assessment         5,469         3,790           Allowance and other carrying costs for OREO         236         9           Other         8,482         7,855           Total non-interest expense         86,820         76,517           Income before income taxes         39,260         54,759           Income tax expense         14,132         19,709           Net income         25,128         35,050           Preferred stock dividends         2,438         2,438           Net income available to common stockholders         \$ 22,690         \$ 32,612           Basic earnings per common share         \$ 0.49         \$ 0.71	Net occupancy expense	5,812	5,691
Communications and technology         6,217         5,078           FDIC insurance assessment         5,469         3,790           Allowance and other carrying costs for OREO         236         9           Other         8,482         7,855           Total non-interest expense         86,820         76,517           Income before income taxes         39,260         54,759           Income tax expense         14,132         19,709           Net income         25,128         35,050           Preferred stock dividends         2,438         2,438           Net income available to common stockholders         \$ 22,690         \$ 32,612           Basic earnings per common share         \$ 0.49         \$ 0.71	Marketing	3,908	4,218
Communications and technology         6,217         5,078           FDIC insurance assessment         5,469         3,790           Allowance and other carrying costs for OREO         236         9           Other         8,482         7,855           Total non-interest expense         86,820         76,517           Income before income taxes         39,260         54,759           Income tax expense         14,132         19,709           Net income         25,128         35,050           Preferred stock dividends         2,438         2,438           Net income available to common stockholders         \$ 22,690         \$ 32,612           Basic earnings per common share         \$ 0.49         \$ 0.71	Legal and professional	5,324	4,048
FDIC insurance assessment         5,469         3,790           Allowance and other carrying costs for OREO         236         9           Other         8,482         7,855           Total non-interest expense         86,820         76,517           Income before income taxes         39,260         54,759           Income tax expense         14,132         19,709           Net income         25,128         35,050           Preferred stock dividends         2,438         2,438           Net income available to common stockholders         \$ 22,690 \$ 32,612           Basic earnings per common share         \$ 0.49 \$ 0.71			
Allowance and other carrying costs for OREO       236       9         Other       8,482       7,855         Total non-interest expense       86,820       76,517         Income before income taxes       39,260       54,759         Income tax expense       14,132       19,709         Net income       25,128       35,050         Preferred stock dividends       2,438       2,438         Net income available to common stockholders       \$ 22,690 \$ 32,612         Basic earnings per common share       \$ 0.49 \$ 0.71	<del></del>		
Other         8,482         7,855           Total non-interest expense         86,820         76,517           Income before income taxes         39,260         54,759           Income tax expense         14,132         19,709           Net income         25,128         35,050           Preferred stock dividends         2,438         2,438           Net income available to common stockholders         \$ 22,690 \$ 32,612           Basic earnings per common share         \$ 0.49 \$ 0.71	Allowance and other carrying costs for OREO		9
Total non-interest expense         86,820         76,517           Income before income taxes         39,260         54,759           Income tax expense         14,132         19,709           Net income         25,128         35,050           Preferred stock dividends         2,438         2,438           Net income available to common stockholders         \$ 22,690 \$ 32,612           Basic earnings per common share         \$ 0.49 \$ 0.71			7,855
Income before income taxes         39,260         54,759           Income tax expense         14,132         19,709           Net income         25,128         35,050           Preferred stock dividends         2,438         2,438           Net income available to common stockholders         \$ 22,690 \$ 32,612           Basic earnings per common share         \$ 0.49 \$ 0.71		·	
Income tax expense         14,132         19,709           Net income         25,128         35,050           Preferred stock dividends         2,438         2,438           Net income available to common stockholders         \$ 22,690 \$ 32,612           Basic earnings per common share         \$ 0.49 \$ 0.71	•		
Net income         25,128         35,050           Preferred stock dividends         2,438         2,438           Net income available to common stockholders         \$ 22,690 \$ 32,612           Basic earnings per common share         \$ 0.49 \$ 0.71			
Preferred stock dividends2,4382,438Net income available to common stockholders\$ 22,690 \$ 32,612Basic earnings per common share\$ 0.49 \$ 0.71			
Net income available to common stockholders\$ 22,690 \$ 32,612Basic earnings per common share\$ 0.49 \$ 0.71			2,438
Basic earnings per common share \$ 0.49 \$ 0.71	Net income available to common stockholders		
Diluted earnings per common share	Diluted earnings per common share	\$ 0.49 \$	

# TEXAS CAPITAL BANCSHARES, INC. SUMMARY OF LOAN LOSS EXPERIENCE

(Dollars in thousands)

(Donato in titoticalita)		1st Quarter 2016	4th Quarter 2015	3rd Quarter 2015	2nd Quarter 2015	1st Quarter 2015
Allowance for loan losses:						
Beginning balance	\$	141,111 \$	130,540 \$	118,770 \$	108,078 \$	100,954
Loans charged-off:						
Commercial		8,496	4,976	2,758	5,418	3,102
Real estate		_	43	_	_	346
Consumer			_	_	_	62
Leases	_			25		
Total charge-offs		8,496	5,019	2,783	5,418	3,510
Recoveries: Commercial		1,040	2.946	388	1 424	286
Real estate		1,040	2,846 5	300 8	1,424 12	8
Construction		0	3	42	272	83
Consumer		7	154	9	6	4
Leases		45	11	4	15	8
Total recoveries	_	1,100	3,019	451	1,729	389
Net charge-offs		7,396	2,000	2,332	3,689	3,121
Provision for loan losses		28,795	12,571	14,102	14,381	10,245
Ending balance	\$	162,510 \$		130,540 \$		108,078
Allowance for off-balance sheet credit losses:						
Beginning balance	\$	9,011 \$	7,582 \$	7,934 \$	7,815 \$	7,060
Provision for off-balance sheet credit losses	•	1,205	1,429	(352)	119	755
Ending balance	\$	10,216 \$			7,934 \$	7,815
Total allowance for credit losses	\$	172,726 \$	150,122 \$	138,122 \$	126,704 \$	115,893
Total provision for credit losses	\$	30,000 \$	14,000 \$	13,750 \$	14,500 \$	11,000
Allowance for loan losses to LHI		0.95%	0.84%	0.82%	0.74%	0.67%
Allowance for loan losses to LHI excluding mortgage finance loans(2)		1.35%	1.20%	1.13%	1.07%	1.00%
Allowance for loan losses to average LHI		1.04%	0.92%	0.85%	0.77%	0.76%
Allowance for loan losses to average LHI excluding mortgage finance loans(2)		1.36%	1.21%	1.15%	1.09%	1.03%
Net charge-offs to average LHI <sup>(1)</sup>		0.19%	0.05%	0.06%	0.10%	0.09%
Net charge-offs to average LHI excluding mortgage finance loans <sup>(1)(2)</sup>		0.25%	0.07%	0.08%	0.14%	0.12%
Net charge-offs to average LHI for last twelve months <sup>(1)</sup>		0.10%	0.07%	0.07%	0.06%	0.06%
Net charge-offs to average LHL excluding mortgage finance loans, for last twelve months <sup>(1)(2)</sup>		0.14%	0.10%	0.10%	0.08%	0.08%
Total provision for credit losses to average LHI <sup>(1)</sup>		0.77%	0.10%	0.36%	0.37%	0.08%
Total provision for credit losses to average LHI excluding						
mortgage finance loans <sup>(1)(2)</sup>		1.01%	0.47%	0.48%	0.53%	0.42%
Combined allowance for credit losses to LHI		1.01%	0.90%	0.87%	0.79%	0.72%
Combined allowance for credit losses to LHI, excluding mortgage finance loans(2)		1.43%	1.28%	1.19%	1.14%	1.08%
Non-performing assets (NPAs):						
Non-accrual loans	\$	173,156 \$	179,788 \$	109,674 \$	122,920 \$	68,307
Other real estate owned (OREO)		17,585	278	187	609	605
Total	\$	190,741 \$	180,066 \$	109,861 \$	123,529 \$	68,912

	1st Quarter 2016		4th Quarter 2015	3rd Quarter 2015	2nd Quarter 2015	1st Quarter 2015	
Non-accrual loans to LHI	1.02%		1.08%	0.69%	0.77%	0.42%	
Non-accrual loans to LHI excluding mortgage finance loans (2)		1.44%	1.53%	0.95%	1.11%	0.63%	
Total NPAs to LHI plus OREO	1.12%		1.08%	0.69%	0.77%	0.43%	
Total NPAs to LHI excluding mortgage finance loans plus OREO <sup>(2)</sup>	1.58%		1.53%	0.95%	1.11%	0.64%	
Total NPAs to earning assets		0.97%	0.99%	0.61%	0.72%	0.41%	
Allowance for loan losses to non-accrual loans		0.9x	0.8x	1.2x	1.0x	1.6x	
Restructured loans	\$	249 \$	249 \$	249 \$	249 \$	319	
Loans past due 90 days and still accruing <sup>(3)</sup>	\$	10,100 \$	7,013 \$	7,558 \$	5,482 \$	2,971	
Loans past due 90 days to LHI		0.06%	0.04%	0.05%	0.03%	0.02%	
Loans past due 90 days to LHI excluding mortgage finance loans <sup>(2)</sup>		0.08%	0.06%	0.07%	0.05%	0.03%	

Interim period ratios are annualized.

<sup>(1)</sup> (2) The indicated ratios are presented with and excluding the mortgage finance loans because the risk profile of our mortgage finance loans is different than our other loans held for investment. No provision for credit losses is allocated to these loans based on the internal risk grade assigned.

<sup>(3)</sup> At March 31, 2016, loans past due 90 days and still accruing includes premium finance loans of \$6.1 million. These loans are primarily secured by obligations of insurance carriers to refund premiums on cancelled insurance policies. The refund of premiums from the insurance carriers can take 180 days or longer from the cancellation date.

## TEXAS CAPITAL BANCSHARES, INC. CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

(Dollars in thousands)

	1	1st Quarter 2016	4th Quarter 2015	3rd Quarter 2015	2nd Quarter 2015	1st Quarter 2015
Interest income						
Interest and fees on loans	\$	155,885 \$	152,200 \$	151,749 \$	151,606 \$	139,174
Securities		261	275	298	323	358
Federal funds sold		372	255	193	118	116
Deposits in other banks		3,285	2,090	1,616	1,327	1,260
Total interest income		159,803	154,820	153,856	153,374	140,908
Interest expense						
Deposits		8,822	7,068	6,240	5,642	5,628
Federal funds purchased		126	67	56	93	68
Repurchase agreements		3	5	6	4	4
Other borrowings		1,162	642	672	528	390
Subordinated notes		4,191	4,191	4,191	4,191	4,191
Trust preferred subordinated debentures		716	659	643	631	618
Total interest expense		15,020	12,632	11,808	11,089	10,899
Net interest income		144,783	142,188	142,048	142,285	130,009
Provision for credit losses		30,000	14,000	13,750	14,500	11,000
Net interest income after provision for credit losses		114,783	128,188	128,298	127,785	119,009
Non-interest income						
Service charges on deposit accounts		2,110	1,984	2,096	2,149	2,094
Trust fee income		813	1,313	1,222	1,287	1,200
Bank owned life insurance (BOLI) income		536	567	484	476	484
Brokered loan fees		4,645	4,267	4,885	5,277	4,232
Swap fees		307	1,000	254	1,035	1,986
Other		2,886	2,189	2,439	2,547	2,271
Total non-interest income		11,297	11,320	11,380	12,771	12,267
Non-interest expense						
Salaries and employee benefits		51,372	49,999	48,583	48,200	45,828
Net occupancy expense		5,812	5,809	5,874	5,808	5,691
Marketing		3,908	4,349	3,999	3,925	4,218
Legal and professional		5,324	6,974	5,510	5,618	4,048
Communications and technology		6,217	5,520	5,180	5,647	5,078
FDIC insurance assessment		5,469	4,741	4,489	4,211	3,790
Allowance and other carrying costs for OREO		236	6	1	6	9
Other		8,482	9,644	8,052	7,861	7,855
Total non-interest expense		86,820	87,042	81,688	81,276	76,517
Income before income taxes	_	39,260	52,466	57,990	59,280	54,759
Income tax expense		14,132	17,713	20,876	21,343	19,709
Net income		25,128	34,753	37,114	37,937	35,050
Preferred stock dividends		2,438	2,437	2,438	2,437	2,438
Net income available to common shareholders	\$	22,690 \$				32,612

TEXAS CAPITAL BANCSHARES, INC. QUARTERLY FINANCIAL SUMMARY - UNAUDITED

Consolidated Daily Average Balances, Average Yields and Rates (Dollars in thousands)

(= 0.000 0.000000)	1st (	Quarter 2016		4th	Quarter 2015		3rd Quarter 2015			2nd	Quarter 2015		1st Quarter 2015			
	Average Balance	Revenue/ Expense (1)	Yield/ Rate													
Assets																
Securities - Taxable	\$ 28,343 \$	\$ 254	3.60%	\$ 29,973	\$ 267	3.53%	\$ 32,358	\$ 287	3.52% \$	35,081	\$ 311	3.56%	\$ 37,145 \$	332	3.62%	
Securities - Non-taxable <sup>(2)</sup>	759	11	5.70%	829	12	5.74%	1,162	17	5.80%	1,427	18	5.06%	2,785	40	5.82%	
Federal funds sold and securities purchased under resale agreements	304,425	372	0.49%	375,181	255	0.27%	308,822	193	0.25%	200,690	118	0.24%	191,297	116	0.25%	
Deposits in other banks	2,649,164	3,285	0.50%	3,081,882	2,090	0.27%	2,537,033	1,616	0.25%	2,103,732	1,327	0.25%	2,019,567	1,260	0.25%	
Loans held for sale, at fair value	126,084	1,094	3.49%	24,658	237	3.81%	570	6	4.18%	_	_	_	_	_	_	
LHI, mortgage finance loans	3,724,513	29,037	3.14%	3,669,022	27,846	3.01%	3,981,731	30,427	3.03%	4,573,478	33,773	2.96%	3,746,938	27,631	2.99%	
LHI	11,910,788	125,754	4.25%	11,693,464	124,117	4.21%	11,302,248	121,316	4.26%	10,941,029	117,833	4.32%	10,502,172	111,543	4.31%	
Less allowance for loan losses	141,125	_	_	130,822	_	_	118,543	_	_	109,086	_	_	101,042	_	_	
LHI, net of allowance	15,494,176	154,791	4.02%	15,231,664	151,963	3.96%	15,165,436	151,743	3.97%	15,405,421	151,606	3.95%	14,148,068	139,174	3.99%	
Total earning assets	18,602,951	159,807	3.46%	18,744,187	154,824	3.28%	18,045,381	153,862	3.38%	17,746,351	153,380	3.47%	16,398,862	140,922	3.49%	
Cash and other assets	506,025			499,712			481,378			487,475			453,381			
Total assets	\$ 19,108,976		9	\$ 19,243,899			\$ 18,526,759		\$	8 18,233,826		3	\$ 16,852,243			
Liabilities and Stockholders' Equity			-			•			_			·				
Transaction deposits	\$ 2,004,817	1,381	0.28%	\$ 2,150,740	\$ 950	0.18%	\$ 1,754,940	\$ 763	0.17% \$	3 1,404,521	\$ 458	0.13%	\$ 1,401,626 \$	\$ 444	0.13%	
Savings deposits	6,335,425	6,714	0.43%	6,316,191	5,370	0.34%	5,858,381	4,616	0.31%	5,610,277	4,332	0.31%	5,891,344	4,420	0.30%	
Time deposits	509,762	727	0.57%	539,421	748	0.55%	536,531	723	0.53%	516,582	657	0.51%	447,681	506	0.46%	
Deposits in foreign branches		_	-%	_	_	-%	179,731	138	0.30%	246,035	195	0.32%	304,225	258	0.34%	
Total interest bearing deposits	8,850,004	8,822	0.40%	9,006,352	7,068	0.31%	8,329,583	6,240	0.30%	7,777,415	5,642	0.29%	8,044,876	5,628	0.28%	
Other borrowings	1,346,998	1,292	0.39%	1,327,087	714	0.21%	1,459,864	734	0.20%	1,565,874	625	0.16%	1,172,675	462	0.16%	
Subordinated notes	280,713	4,191	6.00%	280,622	4,191	5.93%	280,532	4,191	5.93%	280,441	4,191	5.99%	280,351	4,191	6.06%	
Trust preferred subordinated debentures	113,406	716	2.54%	113,406	659	2.31%	113,406	643	2.25%	113,406	631	2.23%	113,406	618	2.21%	
Total interest bearing liabilities	10,591,121	15,021	0.57%	10,727,467	12,632	0.47%	10,183,385	11,808	0.46%	9,737,136	11,089	0.46%	9,611,308	10,899	0.46%	
Demand deposits	6,730,586			6,755,615			6,621,159			6,804,994			5,592,124			
Other liabilities	148,418			157,425			152,154			161,614			152,639			
Stockholders' equity	1,638,851		_	1,603,392		_	1,570,061		_	1,530,082		_	1,496,172			
Total liabilities and stockholders' equity	\$ 19,108,976		:	\$ 19,243,899			\$ 18,526,759		\$	5 18,233,826		:	\$ 16,852,243			
Net interest income <sup>(2)</sup>		144,786	:=		\$ 142,192	:		\$ 142,054	=		\$ 142,291	=		3 130,023		
Net interest margin			3.13%			3.01%			3.12%			3.22%			3.22%	

<sup>(1)</sup> The loan averages include loans on which the accrual of interest has been discontinued and are stated net of unearned income.

<sup>(2)</sup> Taxable equivalent rates used where applicable.