



ViewPoint **Financial Group, Inc.**

NASDAQ: VPFG

First Quarter 2013 Results

Kevin Hanigan – President and Chief Executive Officer

Patti McKee – Executive Vice President and Chief Financial Officer

Safe Harbor Statement

When used in filings by the Company with the Securities and Exchange Commission (the “SEC”) in the Company’s press releases or other public or shareholder communications, and in oral statements made with the approval of an authorized executive officer, the words or phrases “will likely result,” “are expected to,” “will continue,” “is anticipated,” “estimate,” “project,” “intends” or similar expressions are intended to identify “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are subject to certain risks and uncertainties, including, among other things: changes in economic conditions; legislative changes; changes in policies by regulatory agencies; fluctuations in interest rates; the risks of lending and investing activities, including changes in the level and direction of loan delinquencies and write-offs and changes in estimates of the adequacy of the allowance for loan losses; the Company’s ability to access cost-effective funding; fluctuations in real estate values and both residential and commercial real estate market conditions; demand for loans and deposits in the Company’s market area; the industry-wide decline in mortgage production; competition; changes in management’s business strategies; our ability to successfully integrate any assets, liabilities, customers, systems and management personnel we have acquired or may acquire into our operations and our ability to realize related revenue synergies and cost savings within expected time frames and any goodwill charges related thereto; and other factors set forth under Risk Factors in the Company’s Form 10-K that could cause actual results to differ materially from historical earnings and those presently anticipated or projected. The factors listed above could materially affect the Company’s financial performance and could cause the Company’s actual results for future periods to differ materially from any opinions or statements expressed with respect to future periods in any current statements.

The Company does not undertake—and specifically declines any obligation—to publicly release the result of any revisions that may be made to any forward-looking statements to reflect events or circumstances occurring after the date of such statements.

Corporate & Geographic Overview

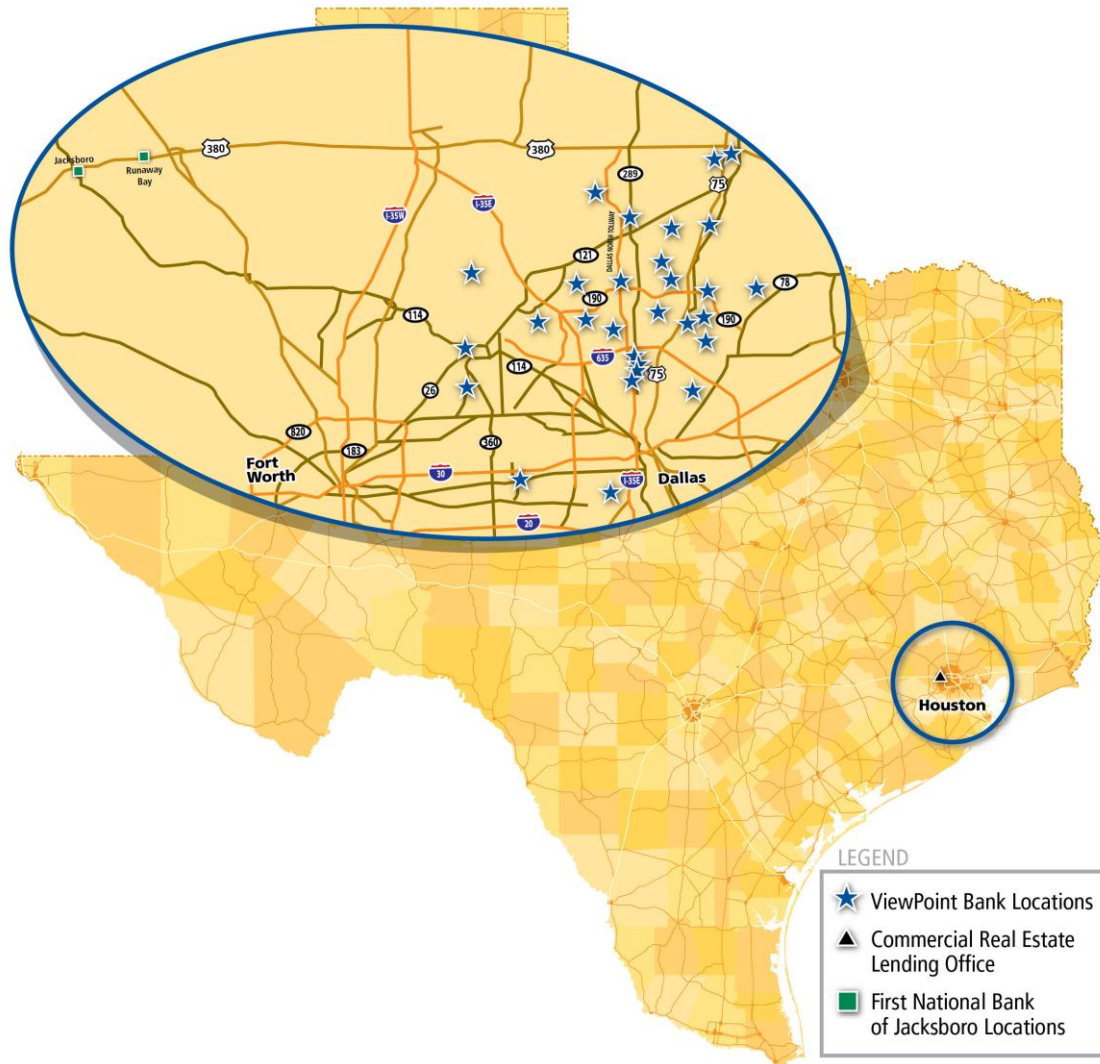
Total Assets: **\$3.37 billion¹**
Total Net Loans: **\$2.48 billion¹**
Total Deposits: **\$2.21 billion¹**

31 Community Bank Locations

Over 60 years in Texas market

#1 in deposit market share in the affluent Collin County market of those banks based in Texas ²

Ranked #4 in deposit market share among Texas-based community banks in DFW Metroplex²



Source: VPFQ 10-Q for Q1 2013, Company documents

¹ As of March 31, 2013

² FDIC market share data as of June 2012, most recent data available

Attractive Demographics: Strengthening Dallas Franchise

ViewPoint Bank has a wealthy depositor base and compares favorably to Texas peers.

Texas Banks Ranked by Projected Income of Depositor Base

Company (ranked by 2012 HH)	Ticker	City	Median household income of depositor base - 2012	Median household income of depositor base - projected 2017
ViewPoint Financial Group, Inc.	VPFG	Plano	\$64,100	\$70,544
MetroCorp Bancshares, Inc.	MCBI	Houston	\$55,607	\$63,488
OmniAmerican Bancorp, Inc.	OABC	Fort Worth	\$54,181	\$61,167
Comerica Incorporated	CMA	Dallas	\$53,996	\$62,054
Cullen/Frost Bankers, Inc.	CFR	San Antonio	\$48,961	\$56,683
Texas Capital Bancshares, Inc.	TCBI	Dallas	\$48,252	\$56,230
Prosperity Bancshares, Inc.	PB	Houston	\$47,150	\$54,517
First Financial Bankshares, Inc.	FFIN	Abilene	\$43,078	\$50,559
Southside Bancshares, Inc.	SBSI	Tyler	\$42,982	\$52,403
Guaranty Bancshares, Inc.	GNTY	Mount Pleasant	\$38,474	\$44,678
International Bancshares Corporation	IBOC	Laredo	\$36,471	\$42,506

ViewPoint Bank is ranked #1 in deposit market share in Collin County of banks based in Texas.

Deposit Market share: Collin County ¹

Rank	Institution	Branches	June 30, 2012 Deposits In Market (\$mm)	June 30, 2012 Market share (%)
1	ViewPoint Bank, National Association	12	1,243	8.5
2	LegacyTexas Bank	9	1,049	7.1
3	Independent Bank	10	467	3.2
4	The American National Bank of Texas	4	324	2.2
5	Comerica Bank	8	274	1.9
6	North Dallas Bank and Trust Co.	2	268	1.8
7	Benchmark Bank	1	219	1.5
8	Texas Capital Bank, National Association	1	212	1.4

¹ Includes only banks and thrifts headquartered in Texas

Source: SNL Financial and the FDIC

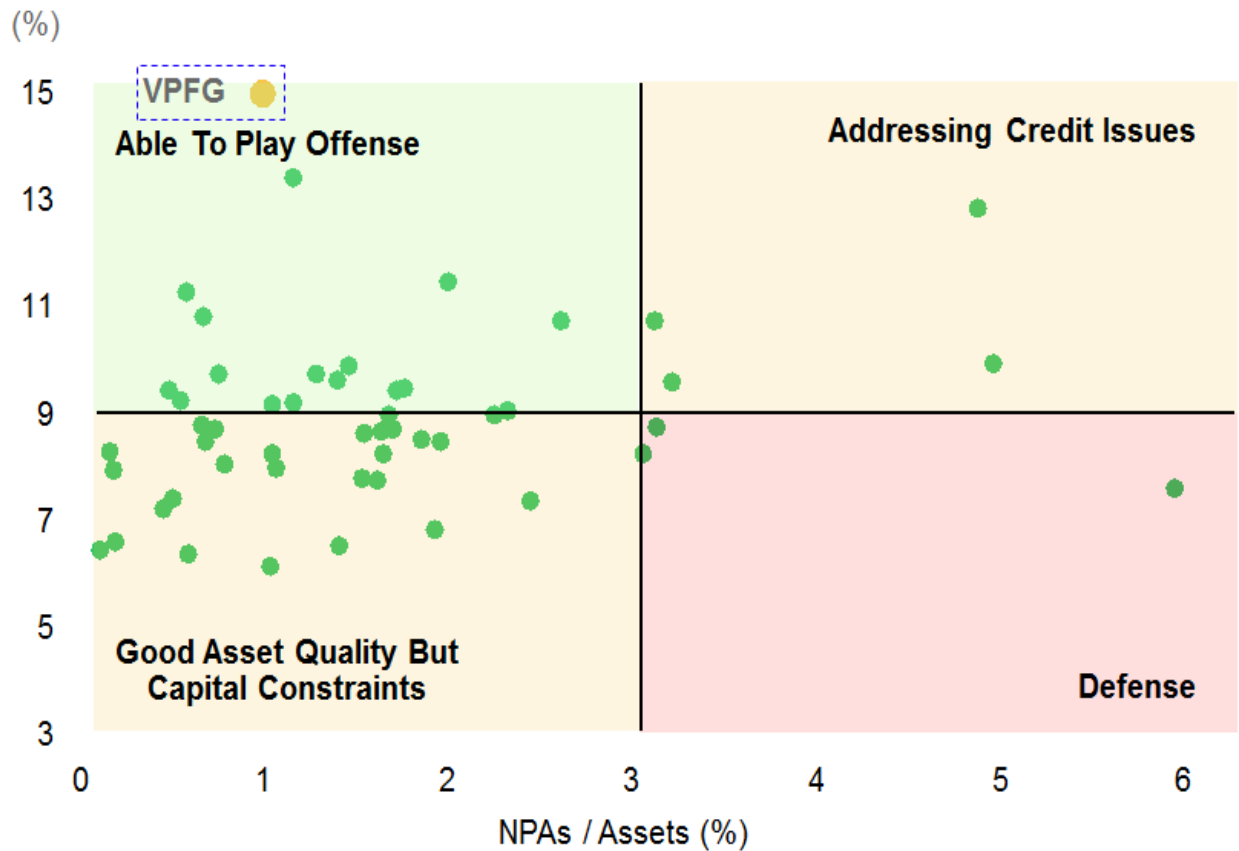
Business Strategy

- ★ Capitalize on a position of balance sheet strength
- ★ Improve and diversify earning asset mix
 - Migrate from low yielding securities to higher yielding loans
 - Transition to a balanced loan book, leveraging C&I expertise
- ★ Grow organically, leveraging a strong local economy
- ★ Achieve greater community banking market share through high-touch service and strategic redeployment of key products
- ★ Deploy capital opportunistically
 - Continued organic loan growth and selective branching
 - Consistent growth of dividends and opportunistic share repurchase
 - Disciplined M&A

Capitalize on a Position of Balance Sheet Strength

- A number of banks are dealing with credit issues or capital constraints
- Few banks are in a position to play offense
- Even fewer have experience and infrastructure to successfully integrate multiple acquisitions

Tangible Common Equity Ratio



Source: SNL Financial

Source: SNL Financial – Morgan Stanley – Peers are KRX index of 50 regional banks as of most recent reported quarter.

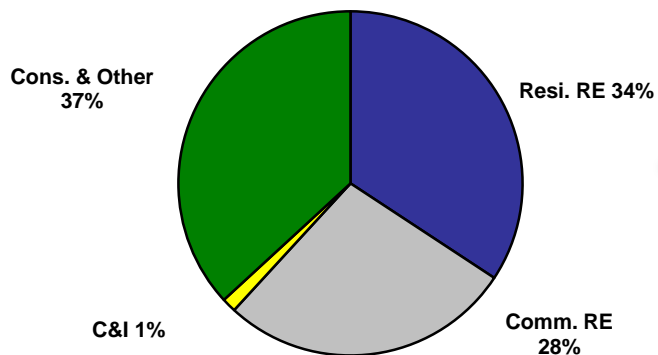
Commercial Bank Transformation

- ★ The Highlands acquisition accelerated ViewPoint's transition to a commercial banking model
 - Commercial banking CEO
 - Team of commercial lenders
- ★ Shift loan portfolio away from real estate centric lending
- ★ Emphasis on C&I lending with a goal to transition to balanced loan book
- ★ Continued emphasis on low-cost, core deposits

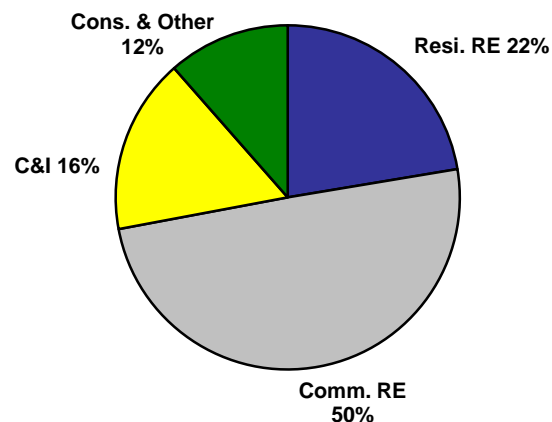
Commercial Bank Transformation

Loans Held for Investment Composition

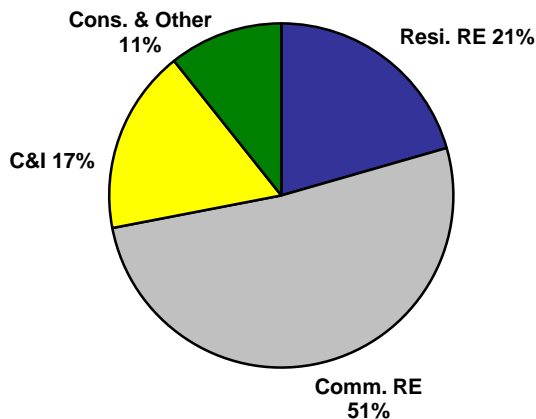
December 31, 2007



December 31, 2012



March 31, 2013



★ Continued progress in transitioning towards a balanced loan book

Source: SNL Financial, VPFG 10-Q for Q1 2013

1st Quarter Results

Commercial Bank Transformation

- Continued success executing loan diversity strategy
- Improved earning asset mix from low yielding securities into loans
- Increased mix of non-interest bearing deposits

Strong Loans HFI Growth, Linked Quarter Decline in Loans HFS

- LHFI increased \$54.3 million, or 3.2%, from Q4 2012
- Strong C&I and commercial real estate growth, \$23.9 million and \$57.6 million, respectively, for 7.3% linked quarter increase
- Average balance of WPP down \$170.4 million, or 18.8%, from Q4 2012
- Average balance of WPP up \$100.7 million, or 15.8%, from Q1 2012

Earnings Growth

- Net income increased 14% over Q1 2012, to \$8.1 million, or \$0.21 EPS
- NIM of 3.64%, up 34 bps over 3.30% for same time last year
- Results driven by reduced deposit cost and improvement in earning asset mix

Strong Capitalization & Stable Credit Quality

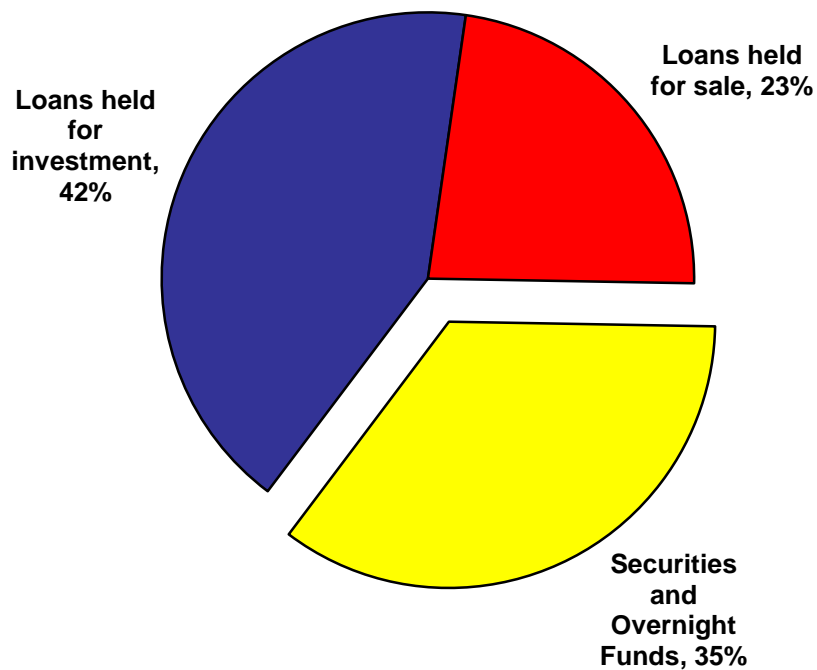
- Tangible common equity of \$500 million, or 14.95% of tangible assets
- Asset quality – NPAs/Loans & OREO of 1.67%
- Compares favorably to industry

Source: VPFG 10-Q for Q1 2013, Company Documents

Improved Earning Asset Mix

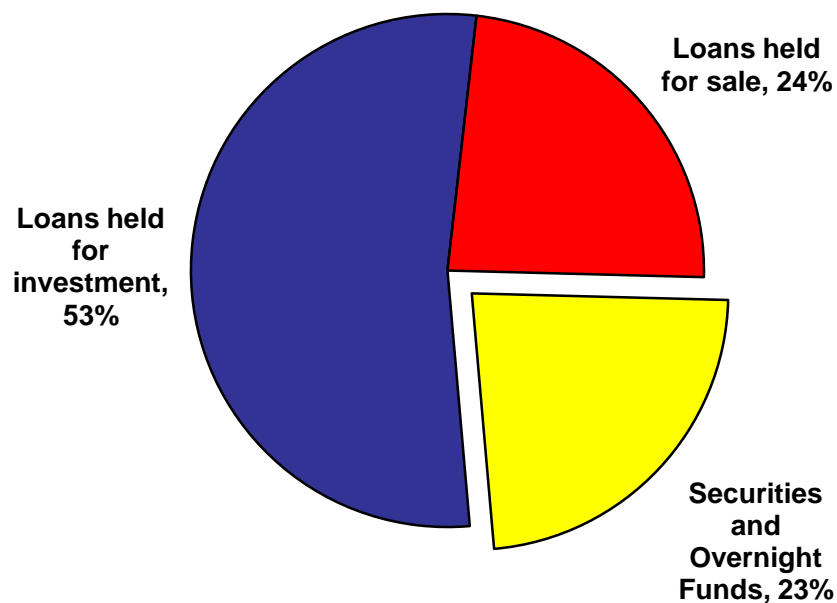
Average Earning Assets and Related Yields

March 31, 2012



Yield on earning assets: 4.13%

March 31, 2013

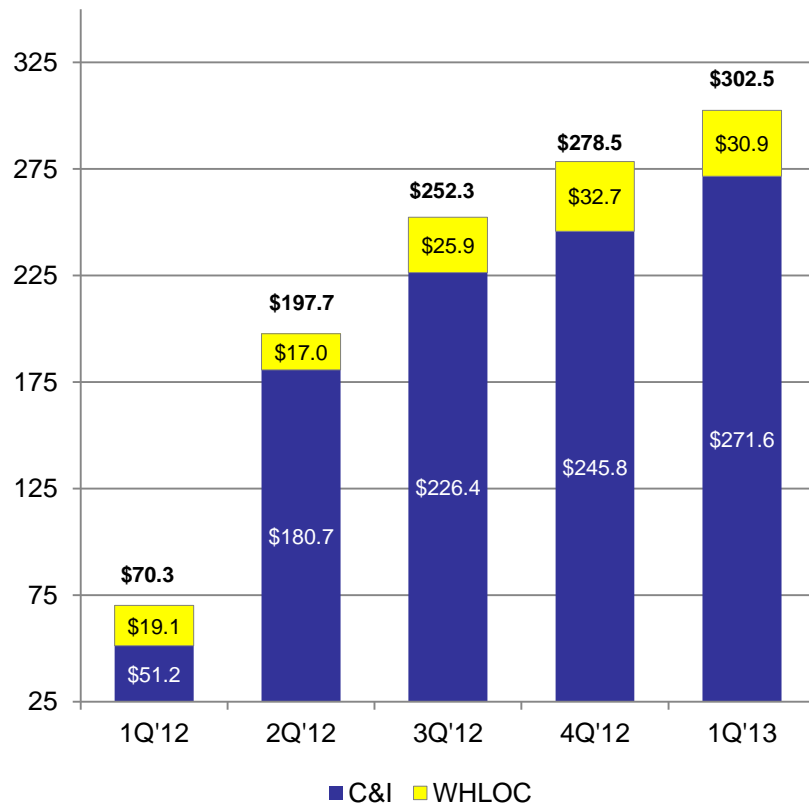


Yield on earning assets: 4.27%

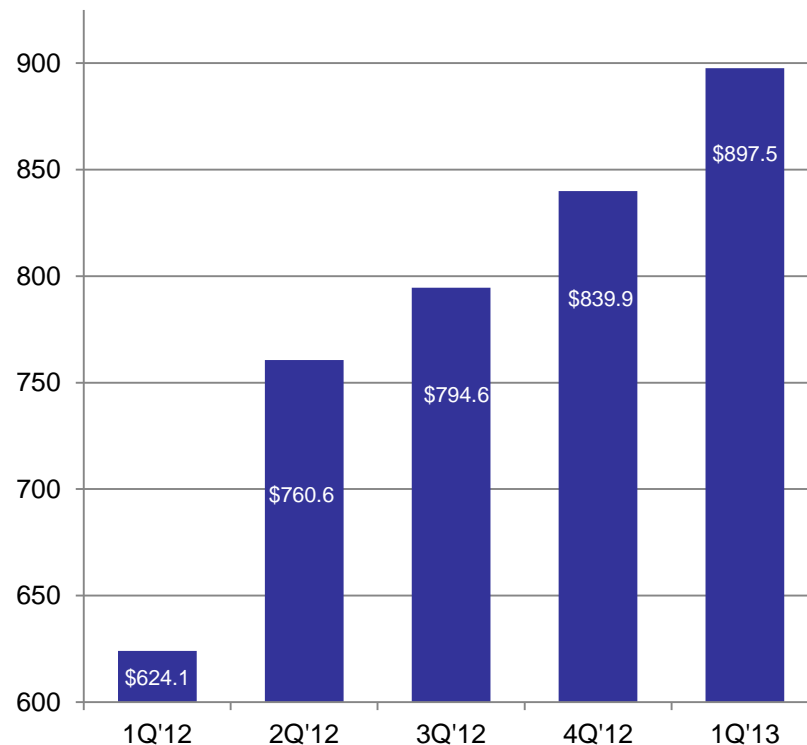
Source: VPFG 10-Q for Q1 2013, Company Documents

Strong Loan Growth

C&I Lending Growth (1)
(\$ in millions)



CRE Lending Growth (2)
(\$ in millions)



★ C&I and CRE increased a combined 7.3% (linked quarter)

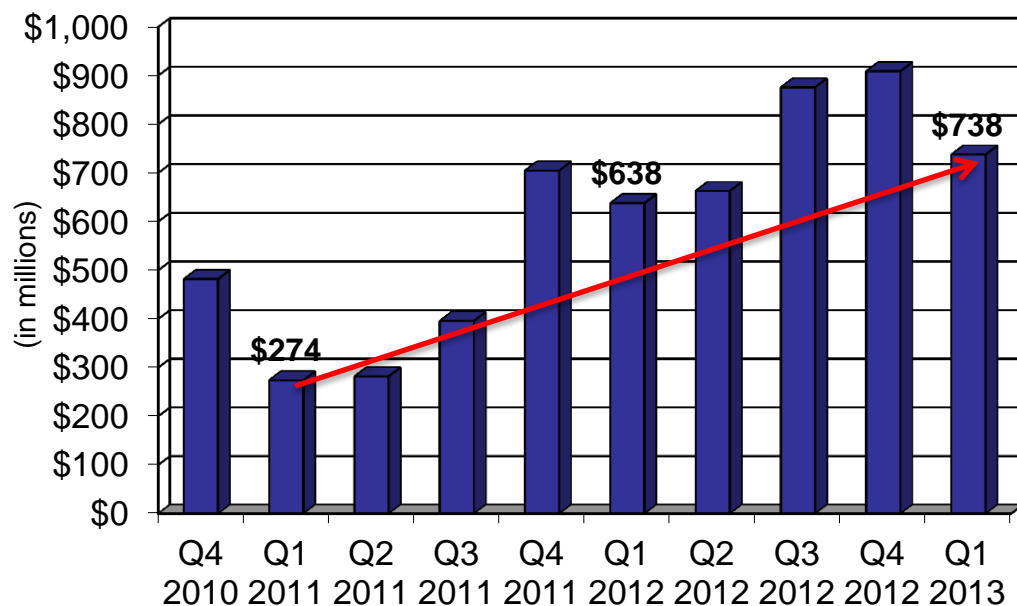
(1) The 2Q'12 balance includes \$117 million in purchased C&I loans related to the Highlands acquisition
 (2) The 2Q'12 balance includes \$83 million in purchased CRE loans related to the Highlands acquisition

Source: VPFG 10-Q for Q1 2013; Company Documents

Warehouse Purchase Program

- ❑ Average balances increased \$100 million, or 15.8%, from Q1 2012 to Q1 2013
- ❑ Increased from 38 clients to 47 clients from Q1 2012 to Q1 2013

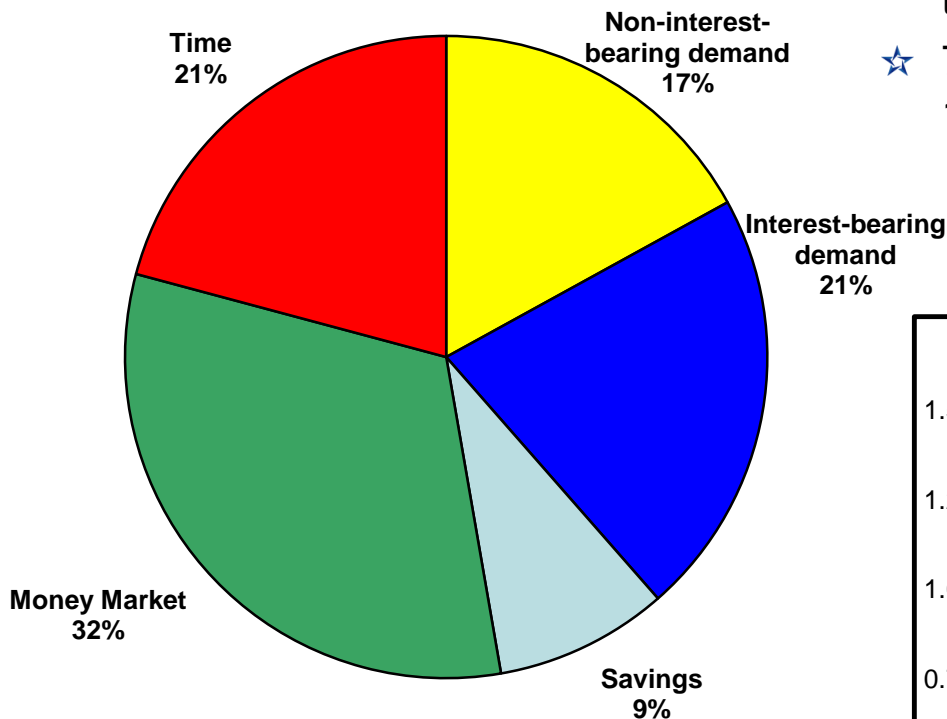
Average Warehouse Purchase Program Balances



Source: VPPG 10-Q for Q1 2013; Company Documents

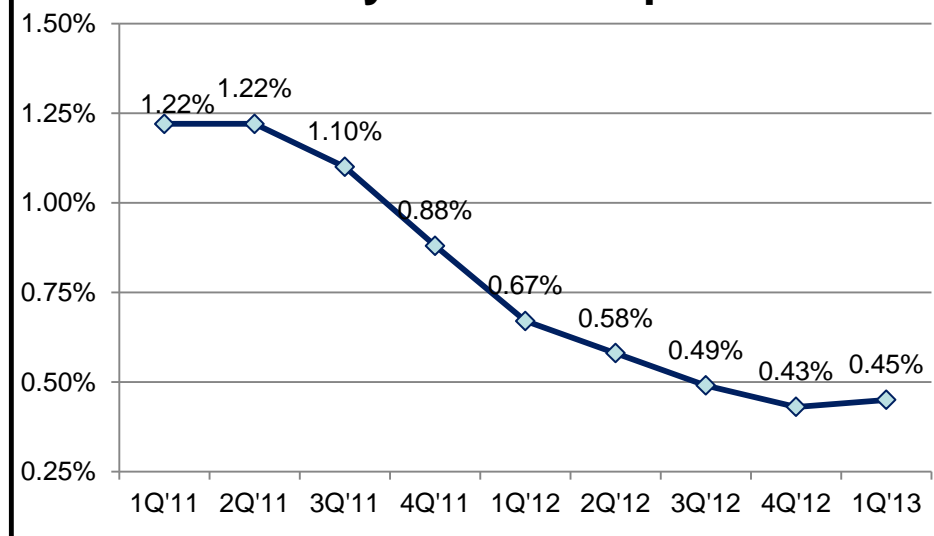
Significant Improvement in Deposit Cost

Quarterly Avg. Deposits



- ☆ Continued strong performance in deposit costs
- ☆ Average non-interest-bearing deposits increased to \$367M from \$359M linked quarter
- ☆ 70%, or \$316M, of time deposits to mature within 12 months with WAR of 1.22%

Quarterly Cost of Deposits



Source: VPFG 10-Q for Q1 2013 and Company Documents

Financial Comparisons

	Quarterly Average Balances						Q1/Q4% CHANGE	YOY % CHANGE
	Q1 2013	Yield	Q4 2012	Yield	Q1 2012	Yield		
Loans held for sale	\$ 738,234	3.92%	\$ 908,603	4.05%	\$ 661,688	4.18%	-19%	12%
Loans held for investment	<u>1,667,591</u>	5.55	<u>1,648,203</u>	5.84	<u>1,198,063</u>	5.81	1	39
Total net loans	<u>2,405,825</u>	5.05	<u>2,556,806</u>	5.20	<u>1,859,751</u>	5.23	-6	29
Securities	674,109	1.79	734,598	1.74	950,906	2.12	-8	-29
Non-interest-bearing demand	367,217	-	358,707	-	213,220	-	2	72
Interest-bearing demand	465,385	0.40	463,465	0.43	473,687	0.94	0	-2
Savings and money market	877,690	0.27	888,410	0.27	759,590	0.26	-1	16
Time	<u>450,071</u>	1.22	<u>469,772</u>	1.03	<u>472,097</u>	1.39	-4	-5
Total deposits	<u>2,160,363</u>	0.45	<u>2,180,354</u>	0.43	<u>1,918,594</u>	0.67	-1	13
Borrowings	590,238	1.67	770,627	1.37	610,255	1.74	-23	-3

Source: Company Documents

Financial Review

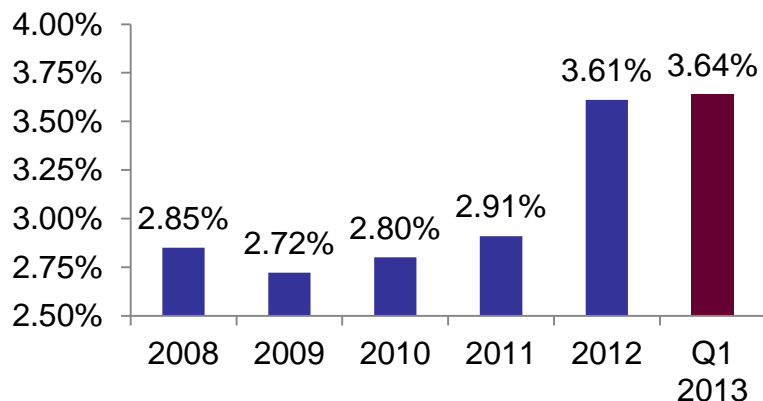
★ Performance metrics have improved year over year

Q1	2013	2012
TCE/ Assets	14.95%	13.53%
Net Interest Margin	3.64%	3.30%
Yield on Earning Assets	4.27%	4.13%
Cost of Funding	0.82%	1.02%
Return on Assets	0.97%	0.95%
NPAs/ Loans HFI + OREO	1.67%	1.94%

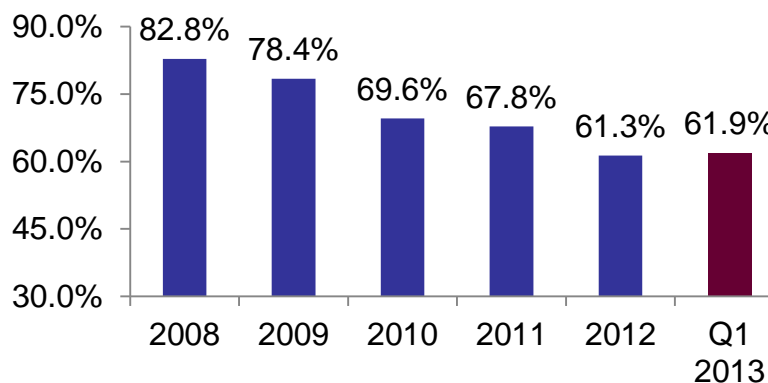
Source: VPFG 10-Q for Q1 2013; Company Documents

Profitability

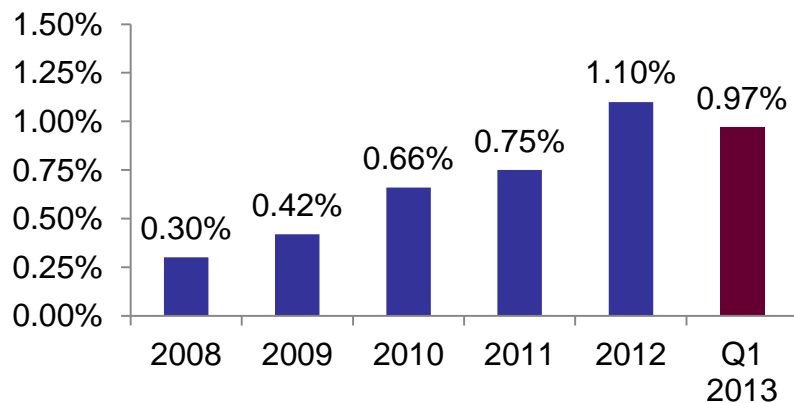
Net Interest Margin



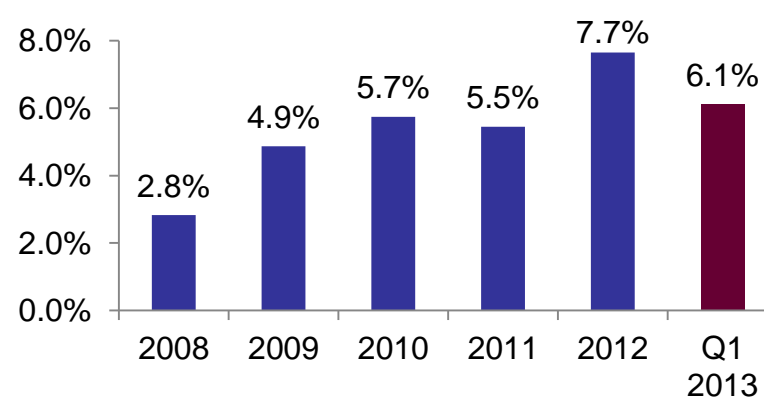
Efficiency Ratio ¹



Core ROAA²



Core ROAE²



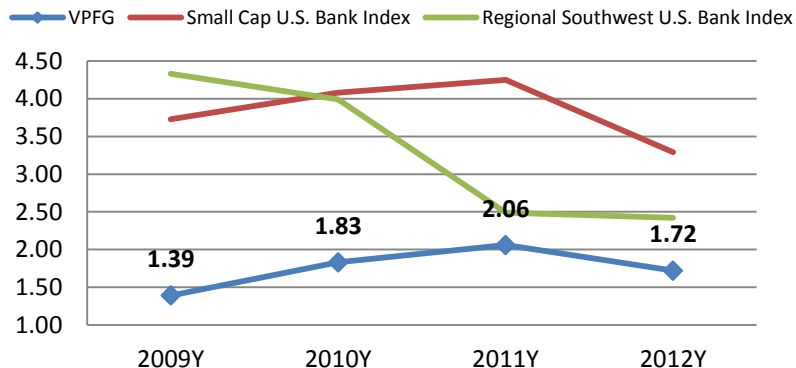
Source: VPFG 2012 10-K, Company Documents

¹ Calculated by dividing total non-interest expense by net interest income plus non-interest income, excluding gain (loss) on foreclosed assets, impairment of goodwill, gains from securities transactions and other non-recurring items.

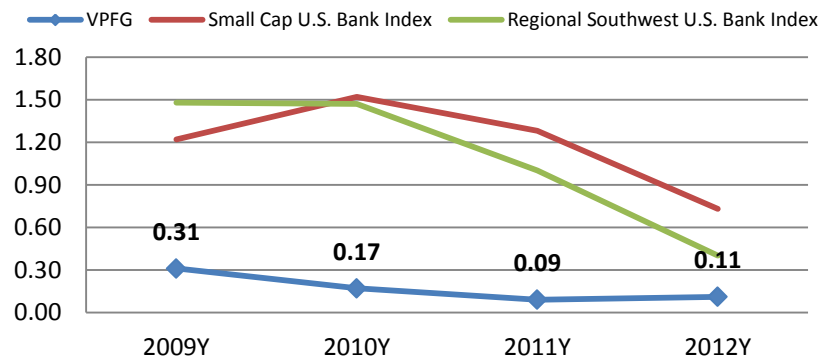
² See Appendix for reconciliation of core (non-GAAP) to GAAP net income

Strong Credit Quality

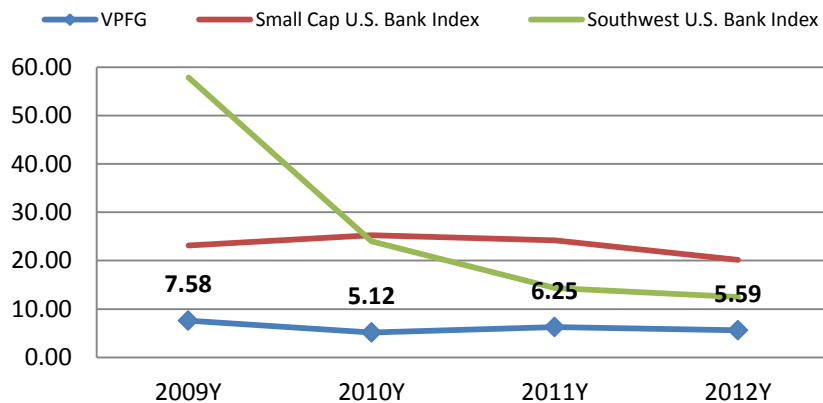
NPAs / Loans + OREO (1)



Net Charge Offs/ Average Loans



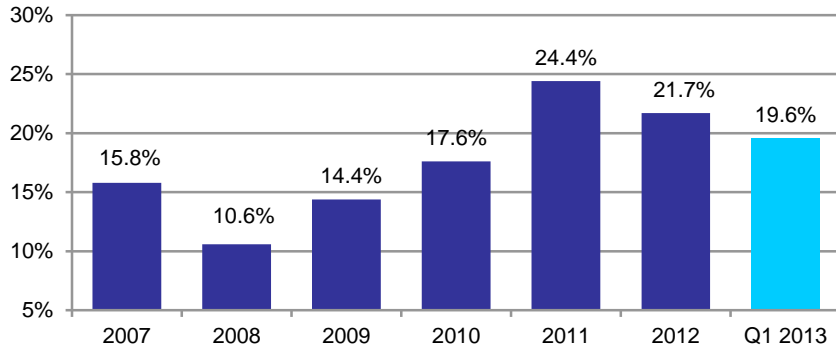
NPA/ Equity



(1) Loans represent VPFG loans held for investment
Source: Company documents; SNL Financial

Robust Capital

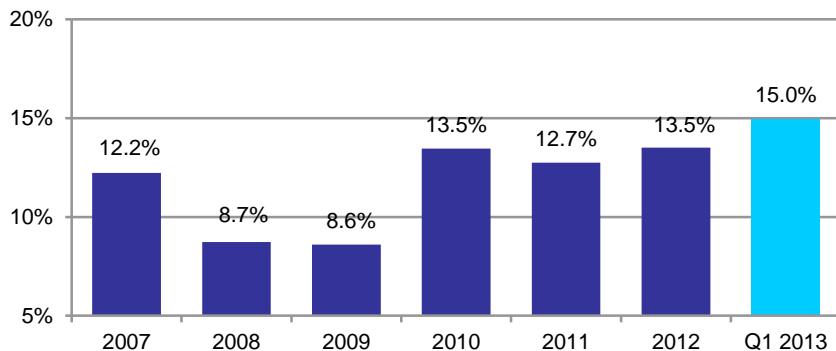
Tier 1 Capital



☆ ViewPoint remains among the strongest capitalized institutions in the industry

- 19.6% Tier 1 Capital at Q1 2013*
- 15.0% Tangible Common Equity to Tangible Assets

Tang. Common Equity / Tang. Assets



☆ Deploying capital

- Organic Growth
- Dividends
- Share Repurchase Authorized
- Disciplined M&A

* Reflects change in regulatory risk weighting for Warehouse Purchase Program loans from 50% to 100%
Source: Company Documents at March 31, 2013

Closing Comments

- ☆ Strong core loan growth
- ☆ Credit quality continues to outpace our peers
- ☆ Capital position provides us with good options
- ☆ We are executing our plan to be a premier Texas community bank

Questions?

Appendix

- ☆ The subsequent table presents non-GAAP reconciliations of the following calculations:
 - TCE (Tangible Common Equity) to TCA (Tangible Common Assets) ratio
 - TCE per share

TCE to TA, TCE per Share and Price to TBV at March 31, 2013 (Dollar amounts in thousands)

Total GAAP equity	\$530,967
Less: goodwill	(29,650)
Less: identifiable intangible assets, net	(1,541)
Total tangible equity	<u>\$499,776</u>
Total GAAP assets	\$3,373,636
Less: goodwill	(29,650)
Less: identifiable intangible assets, net	(1,541)
Total tangible assets	<u>\$3,342,445</u>
GAAP Equity to Total Assets	15.74%
TCE to TA	14.95%
Shares outstanding at March 31, 2013	39,948,031
TCE per Share	\$12.51