



ViewPoint Financial Group, Inc.

NASDAQ: VPFG

Fourth Quarter and Full Year

2013 Earnings

Kevin Hanigan – President and Chief Executive Officer

Kari Anderson – Interim Chief Financial Officer
and Chief Accounting Officer

NASDAQ
VPFG

Safe Harbor Statement

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ViewPoint does not undertake – and specifically declines any obligation – to publicly release the result of any revisions which may be made to any forward-looking statements to reflect events or circumstances after the date of such statements or to reflect the occurrence of anticipated or unanticipated events.

This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval. ViewPoint will be filing with the SEC a registration statement on Form S-4 concerning the merger. The registration statement will include a proxy statement/prospectus, which will be sent to the shareholders of LegacyTexas. **INVESTORS ARE URGED TO READ THE PROXY STATEMENT/PROSPECTUS WHEN IT BECOMES AVAILABLE AND ANY OTHER DOCUMENTS FILED WITH THE SEC IN CONNECTION WITH THE MERGER BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION.** Investors will be able to obtain these documents free of charge at the SEC’s website (www.sec.gov). In addition, documents filed with the SEC by ViewPoint will be available free of charge by accessing ViewPoint’s website (www.viewpointfinancialgroup.com, under “SEC Filings”) or by contacting Casey Farrell at (972) 801-5871. The directors, executive officers and certain other members of management and employees of ViewPoint may be deemed to be participants in the solicitation of proxies in favor of the merger from the shareholders of LegacyTexas. Information about the directors and executive officers of ViewPoint is included in the proxy statement for its 2013 annual meeting of shareholders, which was filed with the SEC on April 10, 2013. The directors, executive officers and certain other members of management and employees of LegacyTexas may also be deemed to be participants in the solicitation of proxies in favor of the merger from the shareholders of LegacyTexas. Information about the directors and executive officers of LegacyTexas will be included in the proxy statement/prospectus for the merger.

Quarterly and Full Year Results

LegacyTexas Merger Announced

- ☆ Merger will result in one of the largest independent banks in Texas, with 51 branches and pro forma assets of over \$5 billion
- ☆ Merger accelerates transition to commercially oriented community bank
- ☆ Leverages excess capital in a financially attractive transaction

Execution of Commercial Banking Strategy

- ☆ Continued success executing commercial banking strategy
- ☆ Improved earning asset mix from lower yielding securities into loans
- ☆ Strong C&I and CRE growth of \$119.1 million for 8.3% linked quarter increase
- ☆ Commercial loan portfolio grew 39.3% for the year to a total of \$1.6 billion

Quarterly and Full Year Earnings

- ☆ Q4 2013 GAAP and core EPS of \$0.19 and \$0.21
- ☆ Quarterly net income totaled \$7.2 million
- ☆ Q4 2013 NIM of 3.83%, up 20 basis linked quarter
- ☆ Yearly net income totaled \$31.7 million
- ☆ YTD net interest margin of 3.71% up 10 basis points from the prior year

Credit Quality Remains High

- ☆ Non-performing assets of \$22.6 million, the lowest level in nine quarters
- ☆ Fourth quarter net charge-offs of \$127 thousand, lowest level since becoming a publicly traded company in 2006
- ☆ Asset Quality metrics continue to compare favorably to industry

Source: 2013 VPFG 10-K, Company Documents.

Please see the "Financial Condition" section of the Company's earnings release filed as Exhibit 99.1 to the Company's Form 8-K, which was filed with the SEC on February 4, for information regarding the Company's classification of Warehouse Purchase Program loans as loans held for investment.

2013 Commercial Bank Transformation Progress

Planned Strategic Actions

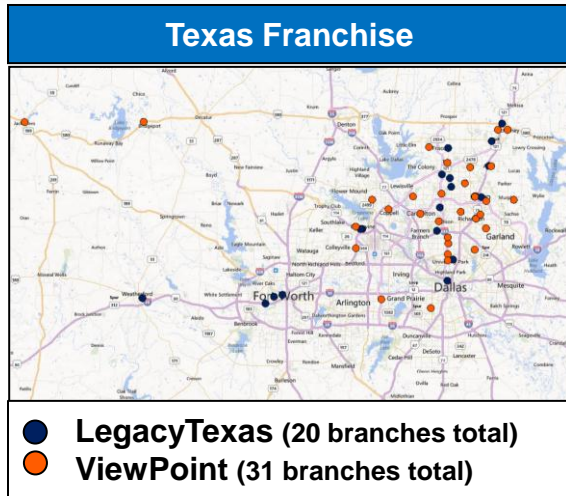
- ☆ Hire team of talented commercial bankers
- ☆ Shift earning asset mix away from securities and consumer lending
- ☆ Build out C&I lending with a goal to transition to balanced loan book
- ☆ Emphasis on low-cost, core deposits
- ☆ Deploy capital opportunistically

Results

- ✓ Hired 15 additional experienced commercial bankers over past year, continuing progress since the Highlands acquisition
- ✓ Commercial portfolio now makes up 76% of loans HFI excluding the Warehouse Purchase Program (“WPP”) loans, up from 29% in 2007; commercial income accounts for 52% of earning asset revenue, up from 16% in 2007
- ✓ C&I lending volumes increased to 21% of loans HFI excluding the WPP loans, up from 1% in 2007
- ✓ Quarterly cost of deposits declined from 1.42% at December 2010 to 0.40% at December 2013; non-interest-bearing commercial deposits increased to \$284mm, up from \$37mm in 2007
- ✓ Acquisition of commercially oriented LegacyTexas accelerates already successful transformation; strategic in-market fit, 50 year history, \$1.8 billion in assets

Source: 2013 VPFPG 10-K, Company Documents

ViewPoint and Legacy Combined Branch Map



★ #3 deposit market share among Texas based independent banks in DFW¹

★ #1 market share in affluent Collin County among independent banks²

★ #3 overall deposit market share in Collin County among all banks

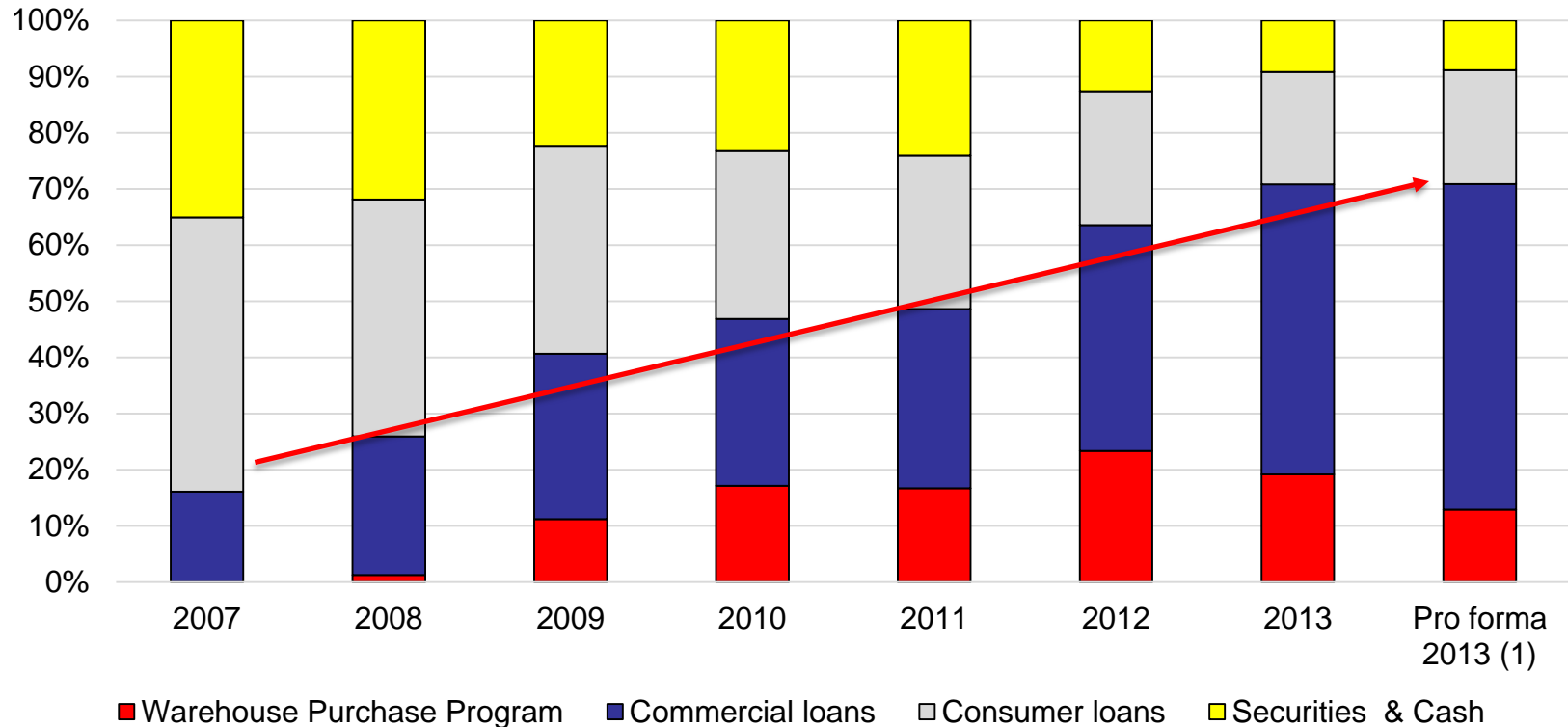
¹ Includes only banks and thrifts headquartered in the Dallas-Fort Worth-Arlington, TX MSA

² Based on deposits market share of banks and thrifts headquartered in Texas

Source: 2013 VPFG 10-K, Company Documents

Interest Revenue Transformation

Earning Asset Revenue Mix

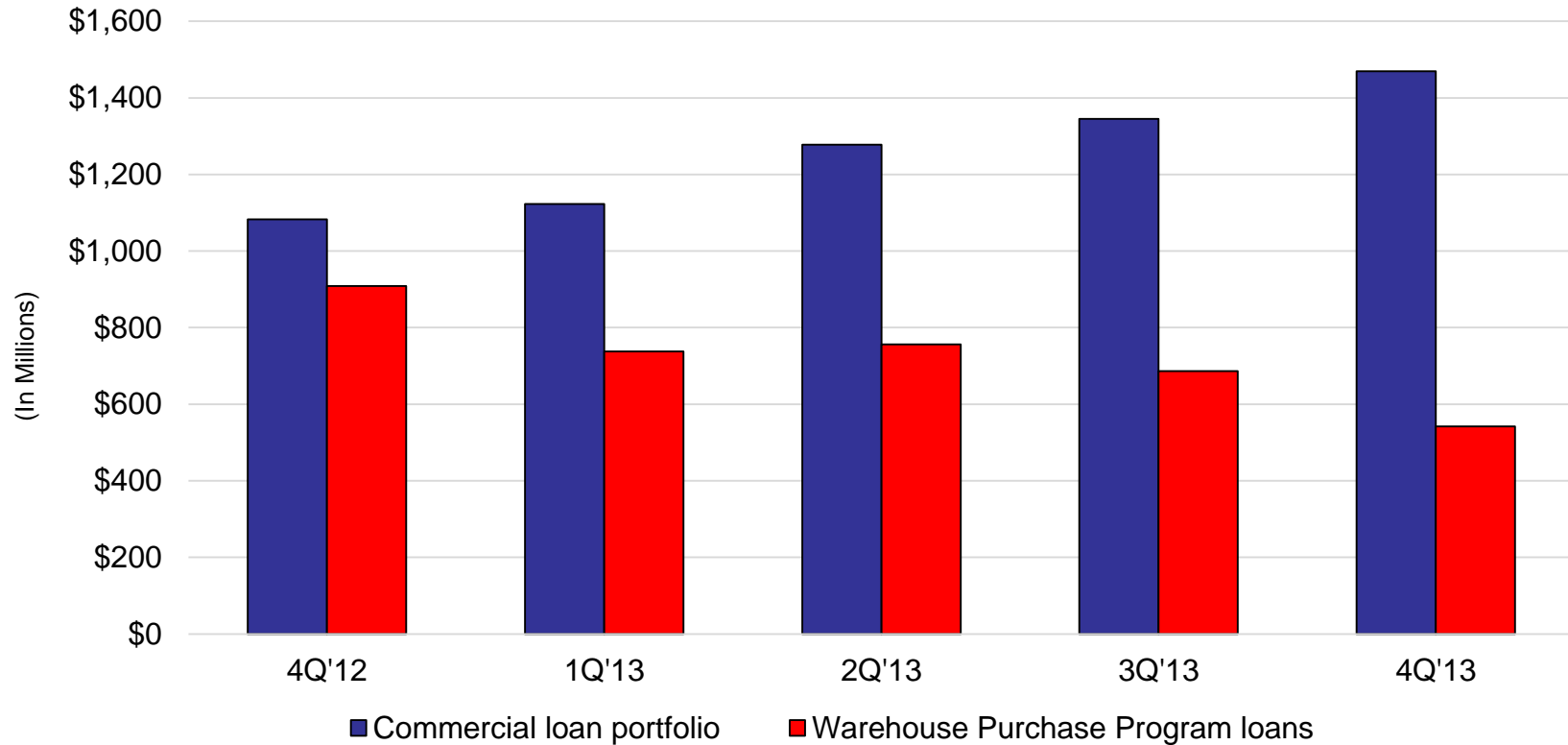


Continued diversification, Commercial now 52% of earning asset revenue

(1) Includes LegacyTexas interest income per December 31, 2013 call report
 Source: 2013 VPFG 10-K, Company Documents, Consumer loans includes consumer RE

Comparison Commercial vs WPP Loans

Average Balances - Commercial and WPP Loans

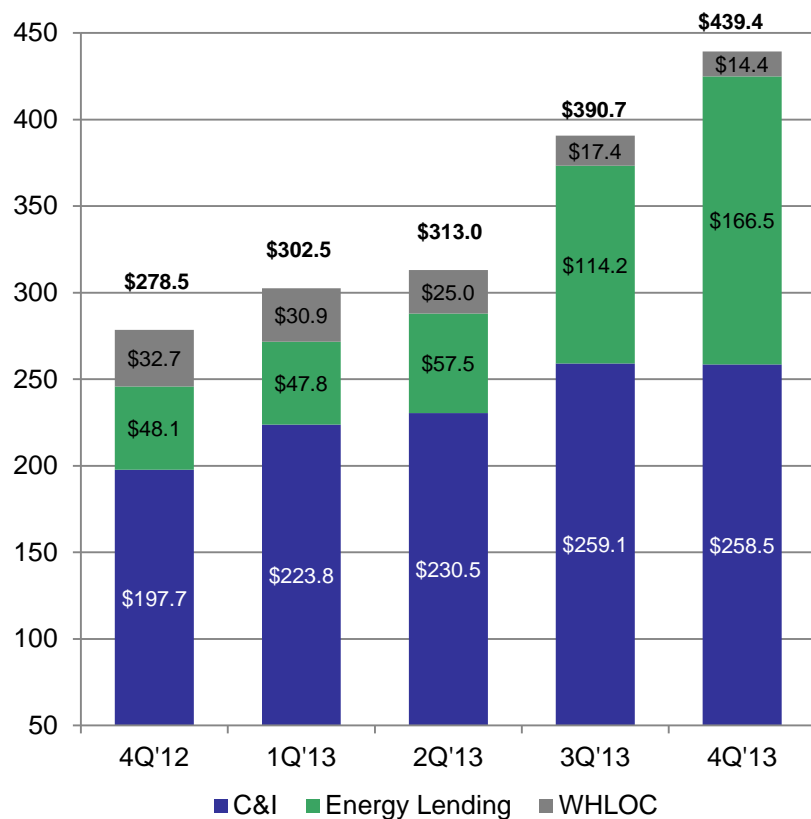


Commercial loan growth outpaces the WPP declines

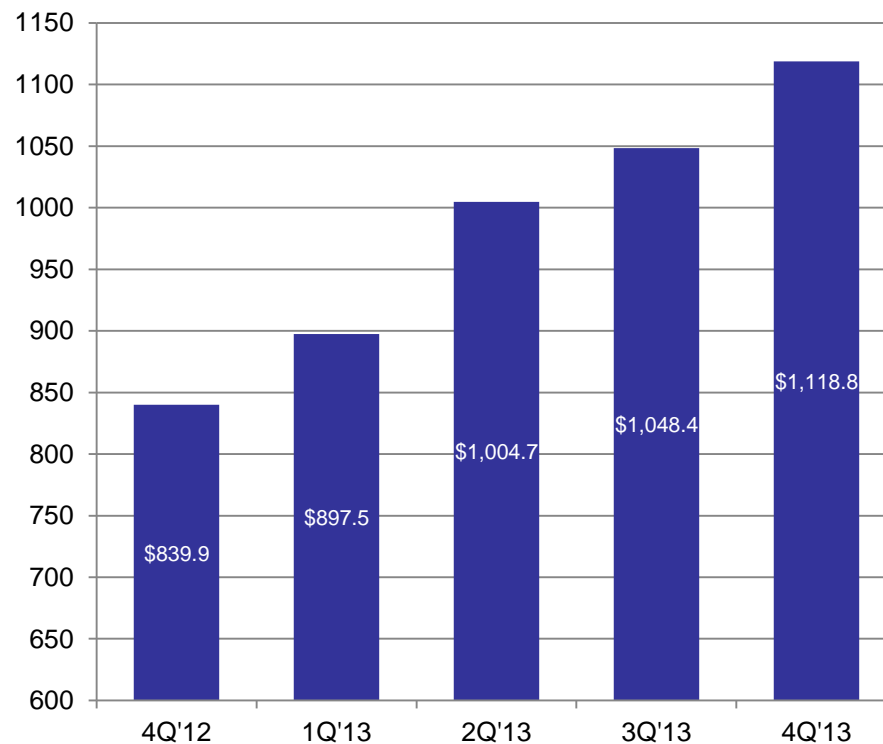
Source: 2013 VPFG 10-K, Company Documents

Strong Loan Growth

C&I Lending Growth (\$ in millions)



CRE Lending Growth (\$ in millions)



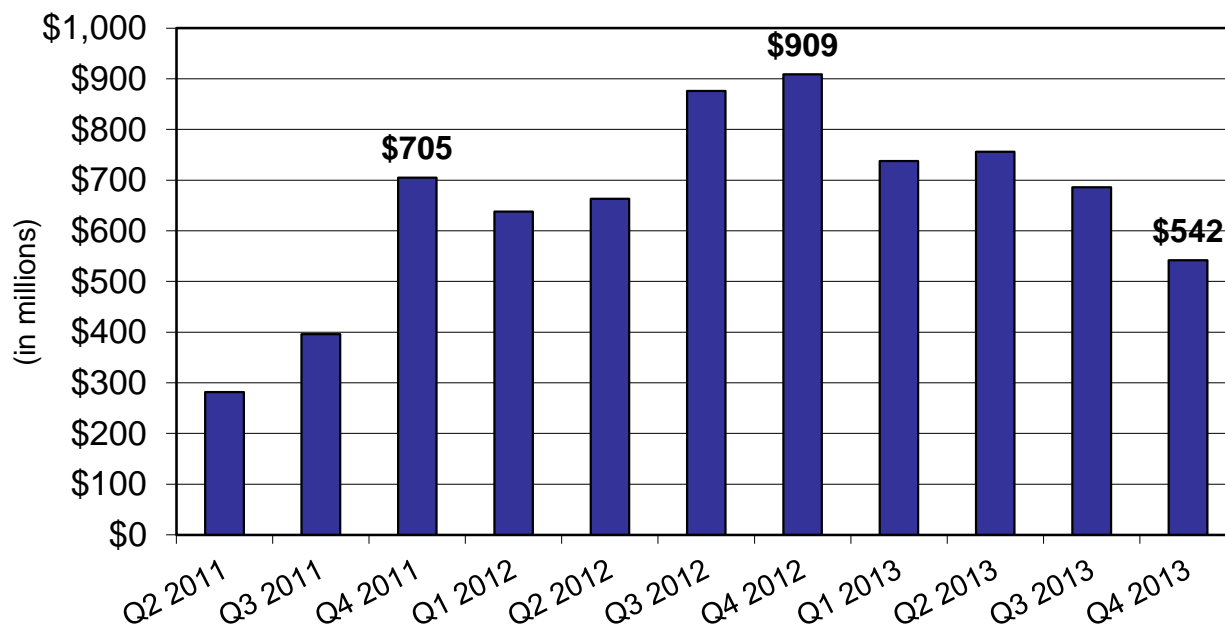
C&I and CRE increased a combined 8.3% (linked quarter)

Source: 2013 VPFG 10-K; Company Documents

Warehouse Purchase Program

- ☆ Average balances decreased \$367 million, or 40%, from Q4 2012 to Q4 2013, and decreased \$144 million, or 21%, linked quarter
- ☆ Increased from 43 clients to 45 clients from Q4 2012 to Q4 2013
- ☆ For Q4 2013 mix was 79% purchase and 21% refinance
- ☆ Yield of 3.79% for Q4 2013

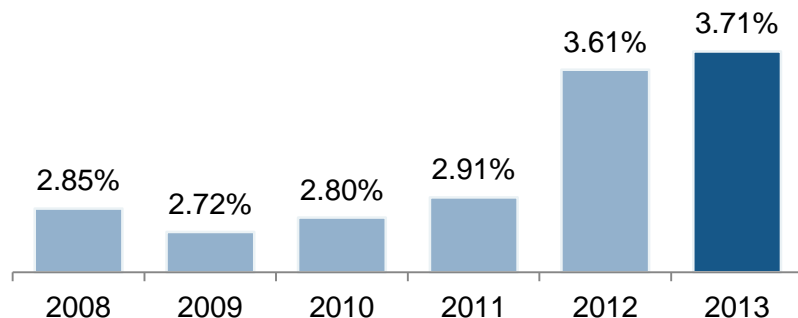
Average Warehouse Purchase Program Balances



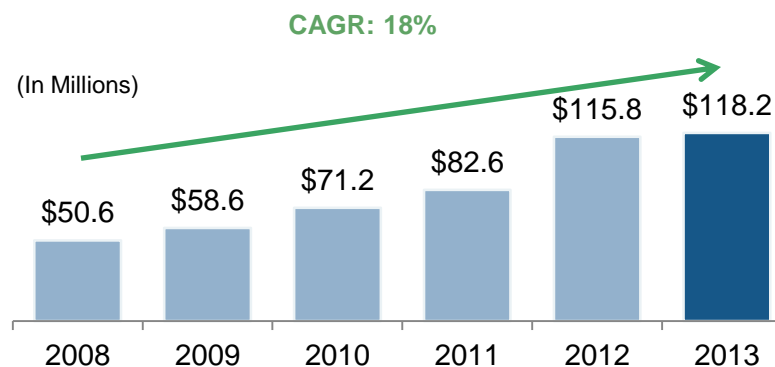
Source: 2013 VPFG 10-K; Company Documents

Profitability

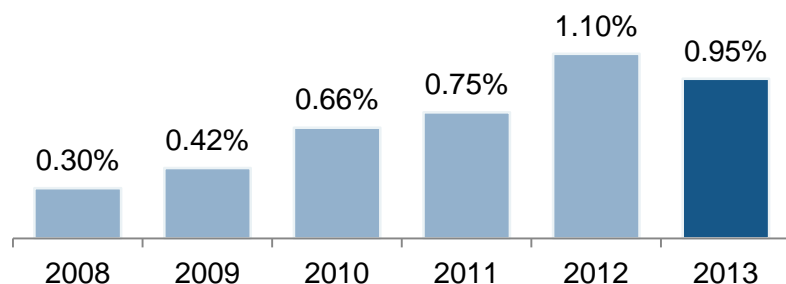
Net Interest Margin



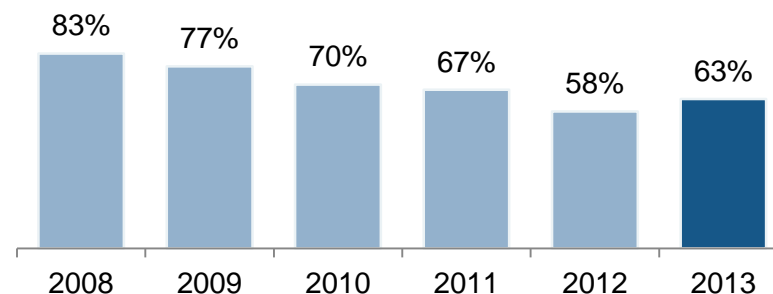
Net Interest Income



Core ROAA¹



Efficiency Ratio²



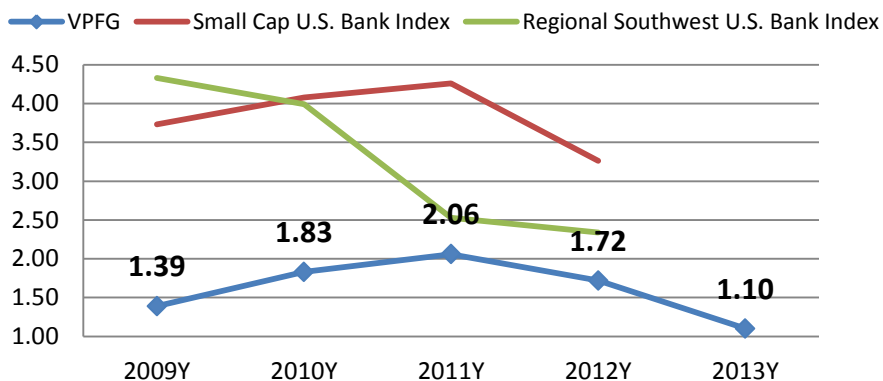
Source: VPFG 2013 10-K, Company Documents

¹ See Appendix for reconciliation of core (non-GAAP) to GAAP net income

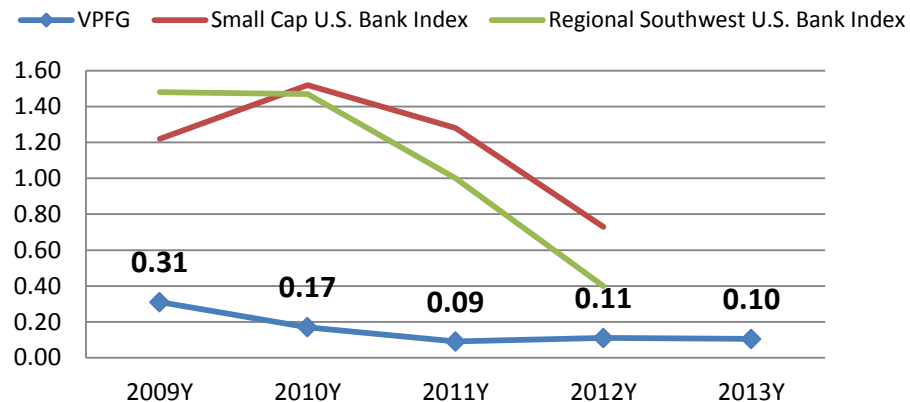
² Calculated by dividing total non-interest expense by net interest income plus non-interest income, excluding gain (loss) on assets, impairment of goodwill, amortization of intangible assets, gains (losses) from securities transactions and other non-recurring items.

Strong Credit Quality

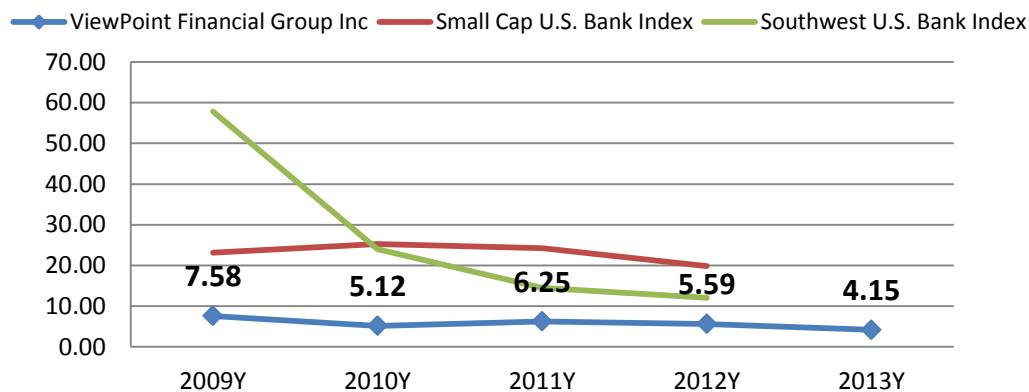
NPAs / Loans + OREO ⁽¹⁾



Net Charge Offs/ Average Loans ⁽¹⁾



NPA/ Equity



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

Closing Comments

- ★ Successfully executing our plans to be a premier Texas community bank
- ★ Exceptional core loan growth shows continued commercial bank transformation progress
- ★ Consistently high capital and asset quality levels outpaces peers
- ★ Investments in revenue producers and infrastructure support our strategy

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
 - Core (non-GAAP) net income and earnings per share

TCE to TA, TCE per Share and Price to TBV at December 31, 2013

(Dollar amounts in thousands)

| | |
|---|--------------------|
| Total GAAP equity | \$544,460 |
| Less: goodwill | (29,650) |
| Less: identifiable intangible assets, net | (1,239) |
| Total tangible equity | <u>\$513,571</u> |
| | |
| Total GAAP assets | \$3,525,232 |
| Less: goodwill | (29,650) |
| Less: identifiable intangible assets, net | (1,239) |
| Total tangible assets | <u>\$3,494,343</u> |
| | |
| GAAP Equity to Total Assets | 15.44% |
| TCE to TA | 14.70% |
| Shares outstanding at December 31, 2013 | 39,938,816 |
| TCE per Share | \$12.86 |

Reconciliation of Core (non-GAAP) to GAAP Net Income and EPS (Dollar amounts in thousands except per share data)

| | Three Months Ended | | | | | | | | | |
|---------------------------------------|--------------------|-----------------|-----------------|-----------------|------------------|------------------|-----------------|-----------------|-----------------|--|
| | 12/31/2013 | 9/30/2013 | 6/30/2013 | 3/31/2013 | 12/31/2012 | 9/30/2012 | 6/30/2012 | 3/31/2012 | 12/31/2011 | |
| GAAP net income | \$ 7,244 | \$ 8,212 | \$ 8,174 | \$ 8,058 | \$ 10,361 | \$ 11,316 | \$ 6,492 | \$ 7,072 | \$ 9,774 | |
| Acquisition/Merger costs | 431 | - | - | - | - | 158 | 2,432 | 93 | 306 | |
| Costs relating to sale of VPM | | - | - | - | - | (4) | 88 | - | - | |
| One time payroll and severance costs | 137 | 39 | 260 | - | - | 238 | 525 | 14 | - | |
| One time (gain) loss on assets | (36) | (27) | - | (511) | (252) | (70) | (1,040) | 9 | (97) | |
| Goodwill impairment | | - | - | - | - | - | 532 | - | - | |
| (Gain) loss on sale of AFS securities | | - | - | 115 | - | (584) | (75) | - | (1,854) | |
| Core (non-GAAP) income | \$ 7,776 | \$ 8,224 | \$ 8,434 | \$ 7,662 | \$ 10,109 | \$ 11,054 | \$ 8,954 | \$ 7,188 | \$ 8,129 | |
| Core (non-GAAP) basic and diluted EPS | \$ 0.21 | \$ 0.22 | \$ 0.22 | \$ 0.20 | \$ 0.27 | \$ 0.30 | \$ 0.24 | \$ 0.23 | \$ 0.26 | |
| GAAP EPS | \$ 0.19 | \$ 0.22 | \$ 0.21 | \$ 0.21 | \$ 0.28 | \$ 0.30 | \$ 0.17 | \$ 0.22 | \$ 0.31 | |
| Average shares for basic EPS | 37,686,866 | 37,594,701 | 37,545,050 | 37,529,793 | 37,460,539 | 37,362,535 | 37,116,322 | 31,545,748 | 31,617,219 | |