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TEXAS CAPITAL BANCSHARES, INC. ANNOUNCES FIRST QUARTER 2022 RESULTS

First quarter 2022 net income of \$39.7 million, or \$0.69 per diluted share

Declines in mortgage finance loans driven by rapid increase in interest rates

Loans held for investment, excluding mortgage finance and PPP, increased \$577.7 million, or 15% annualized

DALLAS - April 20, 2022 - Texas Capital Bancshares, Inc. (NASDAQ: TCBI), the parent company of Texas Capital Bank, announced operating results for the first quarter of 2022.

Net income was \$39.7 million, or \$0.69 per diluted share, for the first quarter of 2022, compared to \$65.1 million, or \$1.19 per diluted share, for the fourth quarter of 2021 and \$71.9 million, or \$1.33 per diluted share, for the first quarter of 2021.

"A key objective of our strategic plan to transform Texas Capital Bank is to create greater balance through focused growth initiatives across the platform to reduce reliance on our leading Mortgage Finance franchise. While we continue to be committed to our mature Mortgage Finance business, the first quarter impact from the increase in long-term rates on this business is evidence as to why we have embarked on this strategy," said Rob C. Holmes, President and CEO. "We are progressing against our plan, and just beginning to realize the benefits from focused investments in core product offerings and key talent acquisition. With short-term rates rising, we continue to take deliberate actions to position our asset-sensitive balance sheet to perform more favorably through the rate cycle."

FINANCIAL RESULTS

(dollars and shares in thousands)

	1st Quarter 2022		4th Quarter 2021		1st Quarter 2021
OPERATING RESULTS					
Net income	\$ 39,650	\$	65,130	\$	71,938
Net income available to common stockholders	\$ 35,337	\$	60,817	\$	68,159
Diluted earnings per common share	\$ 0.69	\$	1.19	\$	1.33
Diluted common shares	51,324		51,208		51,070
Return on average assets	0.47 %)	0.69 %)	0.73 %
Return on average common equity	4.97 %)	8.36 %)	10.08 %
BALANCE SHEET					
Loans held for investment	\$ 15,849,434	\$	15,331,457	\$	15,399,174
Loans held for investment, mortgage finance	5,827,965		7,475,497		9,009,081
Total loans held for investment	21,677,399		22,806,954		24,408,255
Loans held for sale	8,085		8,123		176,286
Total assets	31,085,377		34,731,738		40,054,433
Non-interest bearing deposits	13,434,723		13,390,370		15,174,642
Total deposits	25,377,938		28,109,365		33,391,970
Stockholders' equity	3,090,038		3,209,616		3,159,482

FIRST QUARTER 2022 COMPARED TO FOURTH QUARTER 2021

For the first quarter of 2022, net income was \$39.7 million, or \$0.69 per diluted share, compared to \$65.1 million, or \$1.19 per diluted share, for the fourth quarter of 2021.

We recorded a \$2.0 million negative provision for credit losses for the first quarter of 2022, compared to a \$10.0 million negative provision for credit losses for the fourth quarter of 2021, as a decrease in criticized loans was partially offset by growth in loans held for investment, excluding mortgage finance.

Net interest income was \$183.5 million for the first quarter of 2022, compared to \$194.0 million for the fourth quarter of 2021. The decrease in net interest income was primarily driven by a decrease in average loans held for investment ("LHI"), mortgage finance, partially offset by an increase in investment securities yields. Net interest margin for the first quarter of 2022 was 2.23%, an increase of 11 basis point from the fourth quarter of 2021. LHI, excluding mortgage finance, yields decreased 6 basis points from the fourth quarter of 2021 and LHI, mortgage finance yields increased 16 basis points from the fourth quarter of 2021. Total cost of deposits was 0.20% for the first quarter of 2022, a 1 basis point increase from the fourth quarter of 2021.

Non-interest income for the first quarter of 2022 decreased \$11.2 million, or 36%, compared to the fourth quarter of 2021. The decrease was primarily related to decreases in investment banking and trading income, resulting from a decrease in loan syndication fees, and other non-interest income. The decrease in other non-interest income resulted from a non-recurring gain recognized in the fourth quarter of 2021 on the sale of a foreclosed asset.

Non-interest expense for the first quarter of 2022 increased \$6.4 million, or 4%, compared to the fourth quarter of 2021. The increase was primarily due to increases in salaries and benefits expense, partially offset by decreases in legal and profession and communications and technology expenses. The increase in salaries and benefits expense was primarily due to an increase in headcount and the effect of seasonal payroll expenses that peak in the first quarter.

FIRST QUARTER 2022 COMPARED TO FIRST QUARTER 2021

Net income was \$39.7 million, or \$0.69 per diluted share, for the first quarter of 2022, compared to \$71.9 million, or \$1.33 per diluted share, for the first quarter of 2021.

The first quarter of 2022 included a \$2.0 million negative provision for credit losses, compared to a \$6.0 million negative provision for credit losses for the first quarter of 2021. The \$2.0 million negative provision for credit losses recorded in the first quarter of 2022 resulted from a decline in criticized loans, partially offset by an increase in loans held for investment, excluding mortgage finance.

Net interest income decreased to \$183.5 million for the first quarter of 2022, compared to \$194.8 million for the first quarter of 2021, primarily due to a decrease in average LHI, mortgage finance, partially offset by an increase in investment securities yields. Net interest margin increased 19 basis points to 2.23% for the first quarter of 2022, as compared to the first quarter of 2021, primarily due to a shift in the composition of earning assets, primarily declines in interest-bearing cash and cash equivalents and LHI, mortgage finance. LHI, excluding mortgage finance, yields decreased 5 basis points compared to the first quarter of 2021 and LHI, mortgage finance yields decreased 15 basis points from the first quarter of 2021. Total cost of deposits decreased 4 basis points compared to the first quarter of 2021.

Non-interest income for the first quarter of 2022 decreased \$24.1 million, or 54%, compared to the first quarter of 2021, as brokered loan fees, servicing fee income and net gain/(loss) on sale of loans held for sale all decreased as a result of the sale of our mortgage servicing rights portfolio and transition of the mortgage correspondent program in 2021. The decline in brokered loan fees was also impacted by lower mortgage finance volumes in the first quarter of 2022 as compared to 2021.

Non-interest expense for the first quarter of 2022 increased \$2.8 million, or 2%, compared to the first quarter of 2021. The increase was primarily due to increases in salaries and benefits, primarily due to an increase in headcount, partially offset by a decrease in servicing-related expenses from the sale of our mortgage servicing rights portfolio in 2021.

CREDIT QUALITY

We recorded \$512,000 in net recoveries during the first quarter of 2022, compared to net charge-offs of \$1.0 million and \$6.4 million during the fourth quarter of 2021 and the first quarter of 2021, respectively. Criticized loans totaled \$476.1 million at March 31, 2022, compared to \$582.9 million at December 31, 2021 and \$945.1 million at March 31, 2021. Non-accrual loans HFI totaled \$59.3 million at March 31, 2022, compared to \$72.5 million at December 31, 2021 and \$97.7 million at March 31, 2021. The ratio of non-accrual LHI to total LHI for the first quarter of 2022 was 0.27%, compared to 0.32% for the fourth quarter of 2021 and 0.40% for the first quarter of 2021.

CAPITAL RATIOS

All regulatory ratios continue to be in excess of "well-capitalized" requirements as of March 31, 2022. Our CET 1, tier 1 capital, total capital and leverage ratios were 11.5%, 13.0%, 15.7% and 9.9%, respectively, at March 31, 2022, compared to 11.1%, 12.6%, 15.3% and 9.0%, respectively, at December 31, 2021 and 10.2%, 12.2%, 14.0% and 8.3% at March 31, 2021. At March 31, 2022, our ratio of tangible common equity to total tangible assets was 8.9%, compared to 8.3% at December 31, 2021 and 6.7% at March 31, 2021.

About Texas Capital Bancshares, Inc.

Texas Capital Bancshares, Inc. (NASDAQ: TCBI), a member of the Russell 2000 Index and the S&P MidCap 400, is the parent company of Texas Capital Bank, a full-service financial services firm that delivers customized solutions to businesses, entrepreneurs, and individual customers. Founded in 1998, the institution is headquartered in Dallas with offices in Austin, Houston, San Antonio, and Fort Worth, and has built a network of clients across the country. With the ability to service clients through their entire lifecycles, Texas Capital Bank has established commercial banking, consumer banking, investment banking and wealth management capabilities.

Forward Looking Statements

This communication contains "forward-looking statements" within the meaning of and pursuant to the Private Securities Litigation Reform Act of 1995 regarding, among other things, our financial condition, results of operations, business plans and future performance. These statements are not historical in nature and may often be identified by the use of words such as "expect," "estimate," "anticipate," "plan," "may," "will," "forecast," "could," "should," "projects," "targeted," "continue," "become," "intend" and similar expressions.

Because forward-looking statements relate to future results and occurrences, they are subject to inherent and various uncertainties, risks, and changes in circumstances that are difficult to predict, may change over time, are based on management's expectations and assumptions at the time the statements are made and are not guarantees of future results. 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 factors include, but are not limited to, credit quality and risk, the COVID-19 pandemic, industry and technological changes, cyber incidents or other failures, disruptions or security breaches, interest rates, commercial and residential real estate values, economic and market conditions in Texas, the United States or internationally, fund availability, accounting estimates and risk management processes, the transition away from the London Interbank Offered Rate (LIBOR), legislative and regulatory changes, business strategy execution, key personnel, competition, mortgage markets, fraud, environmental liability and severe weather, natural disasters, acts of war or terrorism or other external events.

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, our Quarterly Reports on Form 10-Q and in other filings we make with the Securities and Exchange Commission. The information contained in this communication speaks only as of its date. Except to the extent required by applicable law or regulation, we disclaim any obligation to update such factors or to publicly announce the results of any revisions to any of the forward-looking statements included herein to reflect future events or developments.

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

(dollars in thousands except per share data)

(aonars in mousanas except per snare aaia)	1st Quarter 4th Quarter 2022 2021			3rd Quarter 2021	:	2nd Quarter 2021		1st Quarter 2021			
CONSOLIDATED STATEMENTS OF INCOME											
Interest income	\$	208,530	\$	219,892	\$	216,589	\$	216,953	\$	223,151	
Interest expense		24,983		25,860		26,053		27,496		28,339	
Net interest income		183,547		194,032		190,536		189,457		194,812	
Provision for credit losses		(2,000)		(10,000)		5,000		(19,000)		(6,000)	
Net interest income after provision for credit losses		185,547		204,032		185,536		208,457		200,812	
Non-interest income		20,282		31,459		24,779		37,639		44,353	
Non-interest expense		153,092		146,649		152,987		149,060		150,316	
Income before income taxes		52,737		88,842		57,328		97,036		94,849	
Income tax expense		13,087		23,712		13,938		23,555		22,911	
Net income		39,650		65,130		43,390		73,481		71,938	
Preferred stock dividends		4,313		4,313		4,312		6,317		3,779	
Net income available to common stockholders	\$	35,337	\$	60,817	\$	39,078	\$	67,164	\$	68,159	
Diluted earnings per common share	\$	0.69	\$	1.19	\$	0.76	\$	1.31	\$	1.33	
Diluted common shares		51,324,027		51,208,161		51,139,555		51,093,660		51,069,511	
CONSOLIDATED BALANCE SHEET DATA											
Total assets	\$	31,085,377	\$	34,731,738	\$	36,404,320	\$	35,228,542	\$	40,054,433	
Loan held for investment		15,849,434		15,331,457		15,221,404		15,168,565		15,399,174	
Loans held for investment, mortgage finance		5,827,965		7,475,497		8,528,313		8,772,799		9,009,081	
Loans held for sale		8,085		8,123		9,660		63,747		176,286	
Interest-bearing cash and cash equivalents		5,136,680		7,765,996		8,317,926		6,768,650		11,212,276	
Investment securities		3,642,015		3,583,808		3,663,874		3,798,275		3,443,058	
Non-interest bearing deposits		13,434,723		13,390,370		14,970,462		14,228,038		15,174,642	
Total deposits		25,377,938		28,109,365		29,813,668		28,839,563		33,391,970	
Short-term borrowings		1,427,033		2,202,832		2,203,470		2,014,481		2,515,587	
Long-term debt		929,414		928,738		928,062		927,386		664,968	
Stockholders' equity		3,090,038		3,209,616		3,147,752		3,114,957		3,159,482	
End of period shares outstanding		50,710,441		50,618,494		50,605,626		50,592,201		50,557,767	
Book value	\$	55.02	\$	57.48	\$	56.27	\$	55.64	\$	53.59	
Tangible book value ⁽¹⁾	\$	54.68	\$	57.14	\$	55.93	\$	55.29	\$	53.24	
SELECTED FINANCIAL RATIOS											
Net interest margin		2.23 %	6	2.12 %	6	2.11 9	%	2.02 %	6	2.04 %	
Return on average assets		0.47 %		0.69 %	6	0.47 %	%	0.76 %	6	0.73 %	
Return on average common equity		4.97 %	6	8.36 %	6	5.41 %	%	9.74 %	6	10.08 %	
Non-interest income to average earning assets		0.25 %	6	0.34 %	6	0.27 %	%	0.40 %	6	0.46 %	
Efficiency ratio ⁽²⁾		75.1 %	6	65.0 %	6	71.1 9	%	65.6 %	6	62.9 %	
Non-interest expense to average earning assets		1.86 %	6	1.60 %	6	1.69 %	%	1.59 %	6	1.57 %	
Tangible common equity to total tangible assets(3)		8.9 %	6	8.3 %	6	7.8 %	%	7.9 %	6	6.7 %	
Common Equity Tier 1		11.5 %	6	11.1 %	6 10.7		%	10.5 %	6	10.2 %	
Tier 1 capital		13.0 %		12.6 %		12.2 %				12.2 %	
Total capital		15.7 %		15.3 %		14.9 %		14.8 %		14.0 %	
Leverage		9.9 %	6	9.0 %	6	9.0 %	%	8.4 %	6	8.3 %	

Stockholders' equity excluding preferred stock, less goodwill and intangibles, divided by shares outstanding at period end. Non-interest expense divided by the sum of net interest income and non-interest income.

Stockholders' equity excluding preferred stock, less goodwill and intangibles, divided by total assets, less goodwill and intangibles.

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

,	Ma	arch 31, 2022	March 31, 2021	% Change
Assets				
Cash and due from banks	\$	234,853	ŕ	9 %
Interest-bearing cash and cash equivalents		5,136,680	11,212,276	(54)%
Available-for-sale debt securities		2,591,218	3,408,658	(24)%
Held-to-maturity debt securities		1,009,972	_	100 %
Equity securities		40,825	34,400	19 %
Investment securities		3,642,015	3,443,058	6 %
Loans held for sale		8,085	176,286	(95)%
Loans held for investment, mortgage finance		5,827,965	9,009,081	(35)%
Loans held for investment		15,849,434	15,399,174	3 %
Less: Allowance for credit losses on loans		211,151	242,484	(13)%
Loans held for investment, net		21,466,248	24,165,771	(11)%
Mortgage servicing rights, net		_	121,096	(100)%
Premises and equipment, net		24,181	23,346	4 %
Accrued interest receivable and other assets		556,154	679,199	(18)%
Goodwill and intangibles, net		17,161	17,566	(2)%
Total assets	\$	31,085,377	\$ 40,054,433	(22)%
Liabilities and Stockholders' Equity				
Liabilities:				
Non-interest bearing	\$	13,434,723	\$ 15,174,642	(11)%
Interest bearing		11,943,215	18,217,328	(34)%
Total deposits		25,377,938	33,391,970	(24)%
Accrued interest payable		8,560	5,629	52 %
Other liabilities		252,394	316,797	(20)%
Short-term borrowings		1,427,033	2,515,587	(43)%
Long-term debt		929,414	664,968	40 %
Total liabilities		27,995,339	36,894,951	(24)%
Stockholders' equity:				
Preferred stock, \$.01 par value, \$1,000 liquidation value:				
Authorized shares - 10,000,000				
Issued shares - 300,000 and 6,300,000 shares issued at March 31, 2022 and 2021, respectively		300,000	450,000	(33)%
Common stock, \$.01 par value:				
Authorized shares - 100,000,000				
Issued shares - 50,710,858 and 50,558,184 at March 31, 2022 and 2021, respectively		507	505	— %
Additional paid-in capital		1,011,353	984,207	3 %
Retained earnings		1,983,611	1,781,215	11 %
Treasury stock - 417 shares at cost at March 31, 2022 and 2021		(8)	(8)	— %
Accumulated other comprehensive loss, net of taxes		(205,425)	(56,437)	264 %
Total stockholders' equity		3,090,038	3,159,482	(2)%
Total liabilities and stockholders' equity	\$	31,085,377	\$ 40,054,433	(22)%

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

 $(dollars\ in\ thousands\ except\ per\ share\ data)$

大学の		Three Months	Ended March 31,
Interest and fees on loons \$ 187,60 \$ \$ 201,30 Investor securities 73,00 \$ \$ 28,75 Total interest bearing each and each equivalents 20,813 22,315 Total interest receives \$ 20,823 22,315 Browners \$ 13,60 \$ 20,823 20,925 Sposits \$ 13,60 \$ 20,925		2022	2021
Investmentsequiries 17,00 9,887 Interstebering cash and calcupulatins 3,571 2,933 Total interest treme 20,30 2,313 Interst trestrest 20,30 2,000 Biotriettem borrwings 35,83 2,000 Bougle and both 10,50 5,73 2,000 Total interest expense 10,50 2,000	Interest income		
Interest-baring cash and cash equivalents 3,51 2,03 Tuter terestreems 20,03 2,00 Sposis 13,63 2,00 Sposition 13,63 2,00 Congestion of the City 10,55 5,00 Congestion of City 2,00 2,00 2,00 Net interest funder 18,54 2,00 2,00 Childrent funder 18,54 2,00 2,00 Net interest funder 18,54 2,00 2,00 Childrent funder 18,54 2,00 2,00 Net interest funder 18,54 2,00 2,00 Childrent funder 3,00 3,00 2,00 <td>Interest and fees on loans</td> <td>\$ 187,65</td> <td>7 \$ 210,331</td>	Interest and fees on loans	\$ 187,65	7 \$ 210,331
Interest recense Interest recense Special	Investment securities	17,30	2 9,887
Interest expens 13.60 20.00 Sports 25.00 25.00 Itong-term debt 10.59 5.00 Total interest expense 24.98 28.30 Net interest income 26.00 10.00 Provision for credit losses 6.00 20.00 Net interest income after provision for credit losses 8.02 20.00 Wealth management and strust fee income 3.91 2.28 Brown for Good for See 3.91 2.28 Browled Join fees 3.91 2.58 Browled Join fees 3.91 2.58 Browled Join fees 3.92 3.00 Browled Join fees 3.92 3.00 Browled Join fees 3.92 3.00 Bradities and benefits 4.92 3.00	Interest-bearing cash and cash equivalents	3,57	1 2,933
Deposits 13,600 20,004 Short-camborrowings 758 2,502 Long-term debt 10,505 3,743 Total interest expense 24,983 2,983 Net interest income 183,547 194,812 Provision for credit losses 6,000 6,000 Net interest income after provision for credit losses 8,000 4,000 We list test income after provision for credit losses 8,000 4,000 Non-interest income 6,002 4,716 Wealth management and trust fee income 3,000 4,716 Wealth management and trust fee income 3,000 9,000 Rowered loan fees 3,000 9,000 Rower closures on a special foans held for sale 4,179 5,872 Roy tegring income 1,000 4,179 5,872 Roy tegring income 1,000 4,000 7,000 Rot again of loans held for sale 1,000 8,000 8,000 Rot again of loans held for sale 1,000 8,000 9,000 Rotation interest income <t< td=""><td>Total interest income</td><td>208,530</td><td>0 223,151</td></t<>	Total interest income	208,530	0 223,151
Short-tem bornowings 758 2,092 Long-tem debt 10,595 5,743 Total interest tenome 183,547 19,818 Provision for credit losses 20,000 (6,000) Net interest income after provision for credit losses 85,547 20,000 Non-interest income after provision for credit losses 85,257 20,000 Wealth management and trust fee income 3,912 2,855 Brokerd loan fees 3,972 9,000 Brokerd loan fees 3,972 9,000 Brokerd loan fees 4,179 5,782 Cervicing income 4,179 5,782 Net again/(loss) on sale of loans held for sale 4,192 7,102 Other gain fees 1,102 8,12 Maketing 4,197 1,192	Interest expense		
Long-term debt 10.595 5.748 Total interest expense 24,983 28,336 Not interest tricome 183,547 194,812 Provision for credit losses 26,000 16,000 Not interest income after provision for credit losses 8,502 20,000 Verification for the contract of the c	Deposits	13,63	0 20,004
Total interest expense 24,983 28,384 19,815 19,815 19,816 19,815 19,816	Short-term borrowings	75	8 2,592
Net interest income 188,547 194,812 Provision for credit losses 2,000 6,000 Net interest income 8,507 6,000 Stories charges on deposit accounts 6,022 4,716 Service charges on deposit accounts 6,022 4,716 Wealth amagement and trust fee income 3,912 2,855 Brokered loan fees 3,912 3,912 2,875 Brokered loan fees 3,912 9,000 3,912 2,875 3,900 Brokered loan fees 3,912 3,902 </td <td>Long-term debt</td> <td>10,59</td> <td>5 5,743</td>	Long-term debt	10,59	5 5,743
Provision for credit losses (2000) (500) <th< td=""><td>Total interest expense</td><td>24,98</td><td>3 28,339</td></th<>	Total interest expense	24,98	3 28,339
Net interest income after provision for credit losses 185.547 200.812 Non-interest income 2 4.716 Service charges on deposit accounts 3.912 4.716 Wealth management and trust fee income 3.912 2.855 Brokered loan fees 3.970 9.00 Servicing income 4.179 5.787 Net gain/(loss) on sale of loans held for sale 4.179 5.782 Other 1.062 7.103 Other 20.282 4.4353 Total non-interest income 20.282 4.4353 Non-interest expense 1.00 8.8752 Scaping spense 8.8752 8.274 Marketing 1.00 8.8752 Legal and professional 1.03 8.274 Legal and professional 1.03 8.274 Communications and technology 1.14 1.15 FDIC insurance assessment 3.98 6.61 Scroking-related expenses 5.3 8.78 Other 1.01 8.75 Income tax expense <td>Net interest income</td> <td>183,54</td> <td>7 194,812</td>	Net interest income	183,54	7 194,812
Non-interest income 6,022 4,716 Vealth management and trust fee income 3,912 2,855 Brokered loan fees 3,970 9,101 Brokered loan fees 2,973 9,000 Brokered loan fees 4,179 5,787 Servicing income 4,179 5,787 Net gain/(loss) on sale of loans held for sale 1,662 7,102 Other 2,282 4,103 1,662 Other 2,162 7,103 Tobal principal contracts expense 100,098 8,752 Salaries and benefits 100,098 8,752 Occupancy expense 8,885 8,274 Macketing 10,302 8,752 Legal and professional 11,302 8,752 Communications and technology 14,707 15,963 Difficulty insurance assessment 13,981 6,613 Spill principal expenses 15,302 15,962 Other 15,102 15,962 Token 15,102 15,962 Other 15,102	Provision for credit losses	(2,000	0) (6,000)
Service charges on deposit accounts 6,022 4,716 Wealth management and trust fee income 3,912 2,855 Brokered loan fees 3,970 9,311 Servicing income 2,27 9,000 Investment banking and trading income 4,179 5,752 Other 1,962 7,103 Total non-interest income 20,282 44,353 Non-interest expense 20,282 44,353 Slaaries and benefits 100,098 87,522 Cocupancy expense 4,877 1,697 Marketing 4,977 1,697 Legal and professional 10,302 8,277 Communications and technology 11,409 15,596 FDIC insurance assessment 3,981 6,613 Servicing-related expenses 15,392 150,316 Total non-interest expense 15,392 150,316 Income before income taxes 15,392 150,316 Income tax expense 3,985 7,193 Preferred stock dividens 3,985 7,193	Net interest income after provision for credit losses	185,54	7 200,812
Wealth management and trust fee income 3,912 2,855 Brokered loan fees 3,970 9,311 Servicing income 237 9,009 Investment banking and trading income 4,179 5,787 Net gain/(loss) on sale of loans held for sale 1,962 7,103 Other 1,962 7,103 Total non-interest income 2,822 4,353 Non-interest expense 8,885 8,274 Marketing 10,009 8,752 Cocupancy expense 8,885 8,274 Marketing 10,302 8,271 Communications and technology 14,700 15,969 Did in surance assessment 3,91 6,613 Sorvicing-related expenses - 12,989 Other 10,149 8,975 Total non-interest expense 153,092 150,316 Income before income taxes 3,31 9,484 Net income 3,35 7,93 Net income 3,35 8,15 Net income available to common stockholders	Non-interest income		
Brokered loan fees 3,970 9,311 Servicing income 237 9,009 Investment banking and trading income 4,179 5,787 Net gain/(loss) on sale of loans held for sale - 5,572 Other 1,902 44,353 Total non-interest income 20,282 44,353 Non-interest expense 8,855 8,274 Geupancy expense 8,885 8,274 Marketing 4,977 1,697 Legal and professional 10,302 8,277 Communications and technology 14,700 15,969 FDIC insurance assessment - 12,989 Other 10,149 8,975 Total non-interest expense - 12,989 Other 10,149 8,975 Total non-interest expense 5,373 94,849 Income before income taxes 3,351 6,011 Income tax expense 3,957 9,011 Net income 3,957 7,193 Preferred stock dividends 3,533 <td< td=""><td>Service charges on deposit accounts</td><td>6,02</td><td>2 4,716</td></td<>	Service charges on deposit accounts	6,02	2 4,716
Servicing income 237 9,000 Investment banking and trading income 4,179 5,787 Net gain/(loss) on sale of loans held for sale	Wealth management and trust fee income	3,91	2,855
Investment banking and trading income 4,179 5,787 Net gain/(loss) on sale of loans held for sale 5,572 Other 1,962 7,103 Total non-interest income 20,282 44,353 Non-interest expense Salaries and benefits 100,098 87,522 Occupancy expense 8,885 8,274 Marketing 4,977 1,697 Legal and professional 10,302 8,277 Communications and technology 14,700 15,969 FDIC insurance assessment 3,981 6,613 Servicing-related expenses 10,149 8,972 Other 15,092 150,301 Income before income taxes 153,092 150,301 Income before income taxes 3,952 74,849 Net income 3,953 7,938 Preferred stock dividends 4,313 3,779 Net income available to common stockholders \$ 0,703 \$ 0,819 Basic earnings per common stockholders \$ 0,703 \$ 0,812	Brokered loan fees	3,970	0 9,311
Net gain/(loss) on ale of loans held for sale 5,572 Other 1,962 7,103 Total non-interest income 20,282 44,353 Non-interest expense 8 7,102 Salaries and benefits 100,098 8,752 8,752 Occupancy expense 8,885 8,274 8,274 Marketing 4,977 1,697 <td>Servicing income</td> <td>23</td> <td>7 9,009</td>	Servicing income	23	7 9,009
Other 1,962 7,103 Total non-interest income 20,282 44,353 Non-interest expense 8 7,102 Salaries and benefits 100,098 87,522 Occupancy expense 8,885 8,274 Marketing 4,977 1,697 Legal and professional 10,302 8,277 Communications and technology 14,700 15,969 FDIC insurance assessment 3,981 6,613 Servicing-related expenses 10,149 8,797 Other 10,149 8,797 Total non-interest expense 15,309 15,031 Income before income taxes 25,273 9,484 Received six expense 3,965 7,193 Preferred stock dividends 4,31 3,779 Retirence assistance 3,53,37 8,815 Basic earnings per common stockholders \$ 0,70 \$ 1,35	Investment banking and trading income	4,179	9 5,787
Total non-interest income 20,282 44,353 Non-interest expense 8 7,522 Salaries and benefits 100,098 8,7522 Occupancy expense 8,885 8,274 Marketing 4,977 1,697 Legal and professional 10,302 8,277 Communications and technology 14,700 15,969 FDIC insurance assessment 3,981 6,613 Servicing-related expenses - 12,989 Other 10,149 8,975 Total non-interest expense 153,092 150,316 Income before income taxes 52,737 94,849 Income tax expense 39,651 71,938 Net income 39,650 71,938 Preferred stock dividends 4,313 3,779 Net income available to common stockholders \$35,337 \$68,159 Basic earnings per common share \$0,000 \$0,000 \$0,000 \$0,000 \$0,000 \$0,000 \$0,000 \$0,000 \$0,000 \$0,000 \$0,000 \$0,000	Net gain/(loss) on sale of loans held for sale	_	- 5,572
Non-interest expense Salaries and benefits 100,098 87,522 Occupancy expense 8,885 8,274 Marketing 4,977 1,697 Legal and professional 10,302 8,277 Communications and technology 14,700 15,969 FDIC insurance assessment 3,981 6,613 Servicing-related expenses - 12,989 Other 10,149 8,975 Income before income taxes 52,737 94,849 Income tax expense 13,087 22,911 Net income 39,650 71,938 Preferred stock dividends 4,313 3,779 Net income available to common stockholders \$ 35,337 \$ 68,159 Basic earnings per common share \$ 0,70 \$ 1.35	Other	1,96.	2 7,103
Salaries and benefits 100,098 87,522 Occupancy expense 8,885 8,274 Marketing 4,977 1,697 Legal and professional 10,302 8,277 Communications and technology 14,700 15,969 FDIC insurance assessment 3,981 6,613 Servicing-related expenses - 12,989 Other 10,149 8,975 Total non-interest expense 52,737 94,849 Income before income taxes 39,50 71,938 Net income 39,650 71,938 Preferred stock dividends 4,313 3,779 Net income available to common stockholders \$ 35,337 \$ 68,159 Basic earnings per common share \$ 0,70 \$ 1.35	Total non-interest income	20,28.	2 44,353
Occupancy expense 8,885 8,274 Marketing 4,977 1,697 Legal and professional 10,302 8,277 Communications and technology 14,700 15,969 FDIC insurance assessment 3,981 6,613 Servicing-related expenses - 12,989 Other 153,092 150,316 Income before income taxes 52,737 94,849 Income tax expense 13,087 22,911 Net income 39,650 71,938 Preferred stock dividends 4,313 3,779 Net income available to common stockholders \$ 35,337 68,159 Basic earnings per common share \$ 0.70 \$ 1.35	Non-interest expense		
Marketing 4,977 1,697 Legal and professional 10,302 8,277 Communications and technology 14,700 15,969 FDIC insurance assessment 3,981 6,613 Servicing-related expenses — 12,989 Other 10,149 8,975 Total non-interest expense 153,092 150,316 Income before income taxes 52,737 94,849 Income tax expense 13,087 22,911 Net income 39,650 71,938 Preferred stock dividends 4,313 3,779 Net income available to common stockholders \$ 35,337 \$ 68,159 Basic earnings per common share \$ 0.70 \$ 1.35	Salaries and benefits	100,09	8 87,522
Legal and professional 10,302 8,277 Communications and technology 14,700 15,969 FDIC insurance assessment 3,981 6,613 Servicing-related expenses — 12,989 Other 10,149 8,975 Total non-interest expense 153,092 150,316 Income before income taxes 52,737 94,849 Income tax expense 13,087 22,911 Net income 39,650 71,938 Preferred stock dividends 4,313 3,779 Net income available to common stockholders \$ 35,337 \$ 68,159 Basic earnings per common share \$ 0.70 \$ 1.35	Occupancy expense	8,88.	5 8,274
Communications and technology 14,700 15,969 FDIC insurance assessment 3,981 6,613 Servicing-related expenses - 12,989 Other 10,149 8,975 Total non-interest expense 153,092 150,316 Income before income taxes 52,737 94,849 Income tax expense 13,087 22,911 Net income 39,650 71,938 Preferred stock dividends 4,313 3,779 Net income available to common stockholders \$ 35,337 \$ 68,159 Basic earnings per common share \$ 0.70 \$ 1.35	Marketing	4,97	7 1,697
FDIC insurance assessment 3,981 6,613 Servicing-related expenses 12,989 Other 10,149 8,975 Total non-interest expense 153,092 150,316 Income before income taxes 52,737 94,849 Income tax expense 13,087 22,911 Net income 39,650 71,938 Preferred stock dividends 4,313 3,779 Net income available to common stockholders \$ 35,337 \$ 68,159 Basic earnings per common share \$ 0.70 \$ 1.35	Legal and professional	10,30	2 8,277
Servicing-related expenses — 12,989 Other 10,149 8,975 Total non-interest expense 153,092 150,316 Income before income taxes 52,737 94,849 Income tax expense 13,087 22,911 Net income 39,650 71,938 Preferred stock dividends 4,313 3,779 Net income available to common stockholders \$ 35,337 \$ 68,159 Basic earnings per common share \$ 0.70 \$ 1.35	Communications and technology	14,70	0 15,969
Other 10,149 8,975 Total non-interest expense 153,092 150,316 Income before income taxes 52,737 94,849 Income tax expense 13,087 22,911 Net income 39,650 71,938 Preferred stock dividends 4,313 3,779 Net income available to common stockholders \$ 35,337 \$ 68,159 Basic earnings per common share \$ 0.70 \$ 1.35	FDIC insurance assessment	3,98	1 6,613
Total non-interest expense 153,092 150,316 Income before income taxes 52,737 94,849 Income tax expense 13,087 22,911 Net income 39,650 71,938 Preferred stock dividends 4,313 3,779 Net income available to common stockholders \$ 35,337 \$ 68,159 Basic earnings per common share \$ 0.70 \$ 1.35	Servicing-related expenses	_	- 12,989
Income before income taxes 52,737 94,849 Income tax expense 13,087 22,911 Net income 39,650 71,938 Preferred stock dividends 4,313 3,779 Net income available to common stockholders \$ 35,337 \$ 68,159 Basic earnings per common share \$ 0.70 \$ 1.35	Other	10,14	9 8,975
Income tax expense 13,087 22,911 Net income 39,650 71,938 Preferred stock dividends 4,313 3,779 Net income available to common stockholders \$ 35,337 \$ 68,159 Basic earnings per common share \$ 0.70 \$ 1.35	Total non-interest expense	153,09	2 150,316
Net income 39,650 71,938 Preferred stock dividends 4,313 3,779 Net income available to common stockholders \$ 35,337 \$ 68,159 Basic earnings per common share \$ 0.70 \$ 1.35	Income before income taxes	52,73	7 94,849
Preferred stock dividends4,3133,779Net income available to common stockholders\$ 35,337\$ 68,159Basic earnings per common share\$ 0.70\$ 1.35	Income tax expense	13,08	7 22,911
Preferred stock dividends4,3133,779Net income available to common stockholders\$ 35,337\$ 68,159Basic earnings per common share\$ 0.70\$ 1.35	Net income	39,65	
Net income available to common stockholders \$ 35,337 \$ 68,159 Basic earnings per common share \$ 0.70 \$ 1.35	Preferred stock dividends	4,31	3,779
Ÿ •	Net income available to common stockholders	\$ 35,33	
Ÿ •	Basic earnings per common share	\$ 0.79	0 \$ 1.35

TEXAS CAPITAL BANCSHARES, INC. SUMMARY OF CREDIT LOSS EXPERIENCE

	1:	st Quarter 2022	41	th Quarter 2021	31	rd Quarter 2021	2r	nd Quarter 2021	1:	st Quarter 2021	
Allowance for credit losses on loans:											
Beginning balance	\$	211,866	\$	221,957	\$	221,511	\$	242,484		254,615	
Loans charged-off:											
Commercial		110		3,776		4,348		1,412		2,451	
Energy		_		_		_		686		5,732	
Real estate		350		_		_		1,192		_	
Total charge-offs		460		3,776		4,348		3,290		8,183	
Recoveries:											
Commercial		217		1,933		1,104		308		1,050	
Energy		755		601		42		609		715	
Real estate		_		205		112	_				
Total recoveries		972		2,739		1,258		917		1,765	
Net charge-offs		(512)		1,037		3,090		2,373		6,418	
Provision for credit losses on loans		(1,227)		(9,054)	3,536		(18,600)			(5,713)	
Ending balance	\$	211,151	\$	211,866	\$	221,957	\$	221,511	\$	242,484	
Allowance for off-balance sheet credit losses:											
Beginning balance	\$	17,265	\$	18,211	\$	16,747	\$	17,147	\$	17,434	
Provision for off-balance sheet credit losses		(773)		(946)		1,464		(400)		(287)	
Ending balance	\$	16,492	\$	17,265	\$	18,211	\$	16,747	\$	17,147	
Total allowance for credit losses	\$	227,643	\$	229,131	\$	240,168	\$	238,258	\$	259,631	
Total provision for credit losses	\$	(2,000)	\$	(10,000)	\$	5,000	\$	(19,000)	\$	(6,000)	
Allowance for credit losses on loans to total loans held for investment	0.97 %		,	0.93 %	,	0.93 %	,	0.93 %		0.99 %	
Allowance for credit losses on loans to average total loans held for investment	0.99 %)	0.91 %)	0.95 %)	0.98 %		1.03 %	
Net charge-offs to average total loans held for investment(1)	(0.01)%)	0.02 %	% 0.05 9)	0.04 %		0.11 %	
Net charge-offs to average total loans held for investment for last 12 months ⁽¹⁾		0.03 %)	0.06 %	0.33		% 0.31 9			0.59 %	
Total provision for credit losses to average total loans held for investment ⁽¹⁾		(0.04)%)	(0.17)%	6 0.09 %		% (0.34)%			(0.10)%	
Total allowance for credit losses to total loans held for investment	1.05 %		1.00 %		1.01 %		% 1.00 %			1.06 %	

⁽¹⁾ Interim period ratios are annualized.

TEXAS CAPITAL BANCSHARES, INC. SUMMARY OF NON-PERFORMING ASSETS AND PAST DUE LOANS

	1st Quarter		st Quarter 4th Quarter			d Quarter	2n	d Quarter	18	t Quarter		
	2022		2021		2021			2021		2021		
Non-accrual loans held for investment	\$	59,327	\$	72,502	\$	87,532	\$	86,636	\$	97,730		
Non-accrual loans held for sale		_			_		_			_		
Other real estate owned (OREO)		_		_		_		_		_		
Total non-performing assets	\$	59,327	\$	72,502	\$	87,532	\$	86,636	\$	97,730		
Non-accrual loans held for investment to total loans held for investment	0.27 %		0.27 % 0.32 %		% 0.37 %		% 0.36 %			0.40 %		
Total non-performing assets to earning assets		0.20 %	0.20 % 0.21 %		6 0.25 %		% 0.25 %		,	0.25 %		
Allowance for credit losses on loans to non-accrual loans held for investment		3.6x		3.6x		3.6x 2.9x		2.5x		2.6x		2.5x
Loans held for investment past due 90 days and still accruing ⁽¹⁾	\$	6,031	\$	3,467	\$	3,405	\$	7,671	\$	6,187		
Loans held for investment past due 90 days to total loans held for investment	0.03 %		0.03 %		3 % 0.02 %		0.01 %		6 0.03 %		,	0.03 %
Loans held for sale past due 90 days and still accruing ⁽²⁾	\$	3,865	\$	3,986	\$	3,808	\$	2,695	\$	16,359		

⁽¹⁾ At March 31, 2022, loans past due 90 days and still accruing included premium finance loans of \$3.2 million. These loans are primarily secured by obligations of insurance carriers to refund premiums on canceled insurance policies. The refund of premiums from the insurance carriers can take 180 days or longer from the cancellation date.

⁽²⁾ Includes loans guaranteed by U.S. government agencies that were repurchased out of Ginnie Mae securities. Loans are recorded as loans held for sale and carried at fair value on the balance sheet. Interest on these past due loans accrues at the debenture rate guaranteed by the U.S. government. The first quarter of 2021 also includes loans that, pursuant to Ginnie Mae servicing guidelines, we have the unilateral right, but not obligation, to repurchase and thus must record on our balance sheet regardless of whether the repurchase option has been exercised.

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

	-	uarter 122	4th	Quarter	3rd	l Quarter 2021	2nd Quarter	19	st Quarter 2021
Interest income									
Interest and fees on loans	\$ 1	87,657	\$	204,379	\$	202,748	\$ 203,074	1 \$	210,331
Investment securities		17,302		11,780		10,235	10,918	3	9,887
Interest-bearing deposits in other banks		3,571	\$	3,733	\$	3,606	2,961	l	2,933
Total interest income	2	208,530		219,892		216,589	216,953	3	223,151
Interest expense									
Deposits		13,630		14,513		14,719	16,271	l	20,004
Short-term borrowings		758		771		748	502	2	2,592
Long-term debt		10,595		10,576		10,586	10,723	3	5,743
Total interest expense		24,983		25,860		26,053	27,496	5	28,339
Net interest income	1	83,547		194,032		190,536	189,457	7	194,812
Provision for credit losses		(2,000)		(10,000)		5,000	(19,000))	(6,000)
Net interest income after provision for credit losses	1	85,547		204,032		185,536	208,457	7	200,812
Non-interest income									
Service charges on deposit accounts		6,022		4,702		4,622	4,634	1	4,716
Wealth management and trust fee income		3,912		3,793		3,382	3,143	3	2,855
Brokered loan fees		3,970		5,678		6,032	6,933	3	9,311
Servicing income		237		277		292	5,935	5	9,009
Investment banking and trading income		4,179		6,456		4,127	8,071	l	5,787
Net gain/(loss) on sale of loans held for sale		_		_		(1,185)	(3,070))	5,572
Other		1,962		10,553		7,509	11,993	3	7,103
Total non-interest income		20,282		31,459		24,779	37,639)	44,353
Non-interest expense									
Salaries and benefits	1	00,098		89,075		87,503	86,830)	87,522
Occupancy expense		8,885		8,769		8,324	7,865	5	8,274
Marketing		4,977		4,286		2,123	1,900)	1,697
Legal and professional		10,302		12,673		11,055	9,147	7	8,277
Communications and technology		14,700		16,490		28,374	14,352	2	15,969
FDIC insurance assessment		3,981		4,688		4,500	5,226	6	6,613
Servicing-related expenses		_		25		2,396	12,355	5	12,989
Other		10,149		10,643		8,712	11,385	5	8,975
Total non-interest expense	1	53,092		146,649		152,987	149,060)	150,316
Income before income taxes		52,737		88,842		57,328	97,036	6	94,849
Income tax expense		13,087		23,712		13,938	23,555	5	22,911
Net income		39,650		65,130		43,390	73,481	1	71,938
Preferred stock dividends		4,313		4,313		4,312	6,317	7	3,779
Net income available to common shareholders	\$	35,337	\$	60,817	\$	39,078	\$ 67,164	1 \$	68,159

TEXAS CAPITAL BANCSHARES, INC. TAXABLE EQUIVALENT NET INTEREST INCOME ANALYSIS (UNAUDITED)

	1st Q	uarter 2022	2	4th Quarter 2021			3rd Q	Quarter 2021	1	2nd C	Quarter 202	1	1st Quarter 2021			
	Average Balance	Income/ Expense	Yield/ Rate													
Assets						<u> </u>										
Investment securities(1)	\$ 3,669,257	\$ 17,743	1.96 %	\$ 3,608,503	\$ 12,225	1.34 %	\$ 3,775,812	\$ 10,684	1.12 %	\$ 3,543,270	\$ 11,369	1.29 %	\$ 3,422,571	\$ 10,359	1.23 %	
Interest-bearing cash and cash equivalents	8,552,300	3,571	0.17 %	9,760,735	3,733	0.15 %	9,046,095	3,606	0.16 %	11,583,759	2,961	0.10 %	11,845,547	2,933	0.10 %	
Loans held for sale	7,633	113	6.01 %	8,348	51	2.41 %	18,791	54	1.14 %	93,164	781	3.36 %	243,326	1,595	2.66 %	
Loans held for investment, mortgage finance	5,732,901	43,466	3.07 %	7,901,534	57,949	2.91 %	7,987,521	58,913	2.93 %	7,462,223	57,401	3.09 %	8,177,759	64,942	3.22 %	
Loans held for investment(1)(2)	15,686,319	144,134	3.73 %	15,348,322	146,436	3.79 %	15,266,167	143,864	3.74 %	15,242,975	144,978	3.81 %	15,457,888	143,935	3.78 %	
Less: Allowance for credit losses on loans	212,612	_		223,034	_		220,984	_	_	241,676	_	_	254,697	_	_	
Loans held for investment, net	21,206,608	187,600	3.59 %	23,026,822	204,385	3.52 %	23,032,704	202,777	3.49 %	22,463,522	202,379	3.61 %	23,380,950	208,877	3.62 %	
Total earning assets	33,435,798	209,027	2.54 %	36,404,408	220,394	2.40 %	35,873,402	217,121	2.40 %	37,683,715	217,490	2.31 %	38,892,394	223,764	2.33 %	
Cash and other assets	819,486			835,293			855,555			996,946			1,064,679			
Total assets	\$34,255,284			\$37,239,701			\$36,728,957			\$38,680,661	•		\$39,957,073			
Liabilities and Stockholders' Equity																
Transaction deposits	\$ 2,432,687	\$ 3,962	0.66 %	\$ 3,007,337	\$ 4,664	0.62 %	\$ 3,012,547	\$ 4,737	0.62 %	\$ 3,795,152	\$ 5,395	0.57 %	\$ 3,991,966	\$ 5,861	0.60 %	
Savings deposits	10,420,545	8,583	0.33 %	10,529,645	8,419	0.32 %	10,044,995	8,262	0.33 %	11,296,382	8,990	0.32 %	12,889,974	10,788	0.34 %	
Time deposits	1,038,722	1,085	0.42 %	1,276,800	1,430	0.44 %	1,640,562	1,720	0.42 %	1,755,993	1,886	0.43 %	2,204,242	3,355	0.62 %	
Total interest bearing deposits	13,891,954	13,630	0.40 %	14,813,782	14,513	0.39 %	14,698,104	14,719	0.40 %	16,847,527	16,271	0.39 %	19,086,182	20,004	0.43 %	
Short-term borrowings	1,770,781	758	0.17 %	2,267,013	771	0.13 %	2,299,692	748	0.13 %	2,349,718	502	0.09 %	2,686,398	2,592	0.39 %	
Long-term debt	929,005	10,595	4.63 %	928,307	10,576	4.52 %	927,626	10,586	4.53 %	881,309	10,723	4.88 %	464,731	5,743	5.01 %	
Total interest bearing liabilities	16,591,740	24,983	0.61 %	18,009,102	25,860	0.57 %	17,925,422	26,053	0.58 %	20,078,554	27,496	0.55 %	22,237,311	28,339	0.52 %	
Non-interest bearing deposits	14,235,749			15,804,061			15,363,568			15,139,546			14,421,505			
Other liabilities	243,141			238,833			275,317			274,401			309,644			
Stockholders' equity	3,184,654			3,187,705			3,164,650			3,188,160			2,988,613			
Total liabilities and stockholders' equity	\$34,255,284			\$37,239,701			\$36,728,957			\$38,680,661			\$39,957,073		-	
Net interest income ⁽¹⁾		\$ 184,044			\$ 194,534			\$ 191,068			\$ 189,994			\$ 195,425	•	
Net interest margin	•		2.23 %	_		2.12 %			2.11 %			2.02 %	•		2.04 %	

Taxable equivalent rates used where applicable.
 Average balances include non-accrual loans which are stated net of unearned income.