

Southside Bancshares, Inc. Announces Pricing of Upsized Common Stock Offering

12/6/2016

TYLER, Texas, Dec. 06, 2016 (GLOBE NEWSWIRE) -- Southside Bancshares, Inc. (NASDAQ:SBSI) (the "Company" or "Southside"), the parent company of Southside Bank, today announced the pricing of an upsized underwritten public offering of 1,900,000 shares of its common stock at a price to the public of \$36.50 per share, for gross proceeds of approximately \$69.4 million. The net proceeds to the Company, after deducting the underwriting discount, are expected to be approximately \$66.2 million. The Company has granted the underwriter a 30-day option to purchase up to an additional 285,000 shares of Company common stock at the public offering price, less the underwriting discount.

Keefe, Bruyette & Woods, A Stifel Company, served as the sole book-running manager for the offering.

The Company intends to use the net proceeds from the offering, including any net proceeds from the underwriter's exercise of its option to purchase additional shares, for general corporate purposes, including potential future acquisitions and to support organic growth.

The Company expects to close the transaction, subject to customary conditions, on or about December 9, 2016.

Additional Information Regarding the Offering

The offering of the common stock is being made pursuant to an effective shelf registration statement (File No. 333-213580) filed by the Company with the Securities and Exchange Commission ("SEC") and only by means of a prospectus supplement and accompanying prospectus. A preliminary prospectus supplement has been filed with

the SEC to which this communication relates. Prospective investors should read the preliminary prospectus supplement and the accompanying prospectus and other documents the Company has filed with the SEC for more complete information about the Company and the offering. These documents are available at no charge by visiting the SEC's website at <http://www.sec.gov>. When available, copies of the preliminary prospectus supplement, the prospectus supplement and the accompanying prospectus related to the offering may be obtained by contacting: Keefe, Bruyette & Woods, Inc., Equity Capital Markets, 787 Seventh Avenue, 4th Floor, New York, NY 10019 or by calling toll-free (800) 966-1559.

This press release does not constitute an offer to sell or a solicitation of an offer to buy any securities, nor shall there be any offer or sale of any securities in any state or jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

About Southside Bancshares, Inc.

Southside Bancshares, Inc., incorporated in Texas in 1982, is a bank holding company for Southside Bank, a Texas state bank headquartered in Tyler, Texas that was formed in 1960. Southside operates through 60 banking centers, 17 of which are located in grocery stores, and 25 motor bank facilities.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Words such as "expects," "will," "intends," "anticipates," "plans," "believes," "seeks," "estimates" and variations of such words and similar expressions are intended to identify such forward-looking statements. Such statements, including but not limited to those regarding the use of proceeds therefrom, are based on currently available information and are subject to various risks and uncertainties that could cause actual results to differ materially from Southside's present expectations. These risks and uncertainties include, but are not limited to, a deterioration in national or local economic conditions. Undue reliance should not be placed on such forward-looking statements, as such statements speak only as of the date on which they are made and Southside undertakes no obligation to update such statements to reflect facts, circumstances, assumptions or events that occur after the date the forward-looking statements are made, unless otherwise required by law. Additional information regarding the Company and its business, including additional factors that could cause actual results to differ materially from Southside's present expectations, is contained in Southside's Annual Report on Form 10-K for the year ended December 31, 2015 under "Forward-Looking Information" and Item 1A. "Risk Factors," and in the Company's other filings with the SEC.

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Source: Southside Bancshares, Inc.

