

**HOWE BARNES IS PLEASED TO ANNOUNCE  
OUR RECENT ADVISORY TRANSACTION**

BonState Bancshares, Inc.  
holding company for



BONHAM STATE BANK

*has signed a definitive agreement  
to merge with and into*

Legend Bancorp, Inc.  
holding company for



Pending July 2007

**Howe Barnes acted as financial advisor to  
BonState Bancshares, Inc. in this transaction.**

BonState Bancshares, Inc., of Bonham, Texas, has signed a definitive agreement to merge with and into Legend Bancorp, Inc., Bowie, Texas. Under the terms of the agreement, Legend Bancorp, Inc. will acquire 100% of the outstanding shares of BonState Bancshares in a cash transaction. Terms of the transaction were not disclosed. The terms of the transaction were not publicly disclosed.

After the transaction is completed, Legend Bancorp will have a total of nine locations and will have total assets of approximately \$460 million.

The acquisition is expected to close in the fall of 2007, subject to shareholder and regulatory approvals.

**Financial Highlights (\$000)**

	Bonham State Bank	Legend Bank, N.A.
Total Assets	\$89,339	\$380,716
Total Equity	\$9,636	\$37,276
Equity / Assets	10.79%	9.79%
YTD ROA	1.05%	1.62%
YTD ROA	10.07%	16.43%

\*\*Financials as of 3/31/07

SOURCE: SNL Financial

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