Report at the close of business as of the end of the fiscal year

This Report is required by law: Section 5(c)(1)(A) of the Bank Holding Company Act (12 U.S.C. § 1844(c)(1)(A)); sections 8(a) and 13(a) of the International Banking Act (12 U.S.C. §§ 3106(a) and 3108(a)); sections 11(a)(1), 25, and 25A of the Federal Reserve Act (12 U.S.C. §§ 248(a)(1), 602, and 611a); and sections 113, 165, 312, 618, and 809 of the Dodd-Frank Act (12 U.S.C. §§ 5361, 5365, 5412, 1850a(c)(1), and 5468(b)(1)). Return to the appropriate Federal Reserve Bank the original and the number of copies specified.

NOTE: The Annual Report of Holding Companies must be signed by one director of the top-tier holding company. This individual should also be a senior official of the top-tier holding company. In the event that the top-tier holding company does not have an individual who is a senior official and is also a director, the chairman of the board must sign the report. If the holding company is an ESOP/ESOT formed as a corporation or is an LLC, see the General Instructions for the authorized individual who must sign the report.

I, Leslie L. Hudler
Name of the Holding Company Director and Official
President and Director
Title of the Holding Company Director and Official

I attest that the Annual Report of Holding Companies (including the supporting attachments) for this report date has been prepared in conformance with the instructions issued by the Federal Reserve System and are true and correct to the best of my knowledge and belief.

With respect to information regarding individuals contained in this report, the Reporter certifies that it has the authority to provide this information to the Federal Reserve. The Reporter also certifies that it has the authority, on behalf of each individual, to consent or object to public release of information regarding that individual. The Federal Reserve may assume, in the absence of a request for confidential treatment submitted in accordance with the Board's "Rules Regarding Availability of Information," 12 C.F.R. Part 261, that the Reporter and individual consent to public release of all details in the report concerning that individual.

Date of Report (top-tier holding company's fiscal year-end):
December 31, 2017

Report's Legal Entity Identifier (LEI) (20-Character LEI Code)

Report's Name, Street, and Mailing Address

Bandera Bancshares Inc
Legal Title of Holding Company
PO Box 426
(Mailing Address of the Holding Company) Street / P.O. Box
Johnson City TX 78636
City State Zip Code

100 East Pecan
Johnson City, TX 78636
Physical Location (if different from mailing address)

Person to whom questions about this report should be directed:
Ken L Keenum CPA
Name Title

817-332-1900
Area Code / Phone Number / Extension
817-332-2577
Area Code / FAX Number
KKeenum@flash.net
E-mail Address

N/A
Address (URL) for the Holding Company's web page

For holding companies not registered with the SEC—Indicate status of Annual Report to Shareholders:
[ ] is included with the FR Y-6 report
[ ] will be sent under separate cover
[ ] is not prepared

For Federal Reserve Bank Use Only

RSSD ID ________________ C.I. _____________________

This form is to be filed by all top-tier bank holding companies, top-tier savings and loan holding companies, and U.S. intermediate holding companies organized under U.S. law, and by any foreign banking organization that does not meet the requirements of and is not treated as a qualifying foreign banking organization under Section 211.23 of Regulation K (12 C.F.R. § 211.23). (See page one of the general instructions for more detail of who must file.) The Federal Reserve may not conduct or sponsor, and an organization (or a person) is not required to respond to, an information collection unless it displays a currently valid OMB control number.

NOTE: Information for which confidential treatment is being requested must be provided separately and labeled as "confidential."

Public reporting burden for this information collection is estimated to vary from 1.3 to 101 hours per response, with an average of 5.50 hours per response, including time to gather and maintain data in the required form and to review instructions and complete the information collection. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Secretary, Board of Governors of the Federal Reserve System, 20th and C Streets, NW, Washington, DC 20551, and to the Office of Management and Budget, Paperwork Reduction Project (7100-0297), Washington, DC 20503.
For Use By Tiered Holding Companies

Top-tiered holding companies must list the names, mailing address, and physical locations of each of their subsidiary holding companies below.

<table>
<thead>
<tr>
<th>Legal Title of Subsidiary Holding Company</th>
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</thead>
<tbody>
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<td>Description</td>
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<tr>
<td>Item 1a</td>
<td>Form 10-K</td>
</tr>
<tr>
<td>Item 1b</td>
<td>Annual Report to Shareholders</td>
</tr>
<tr>
<td>Item 2</td>
<td>Organization Chart</td>
</tr>
<tr>
<td>Item 3(1)</td>
<td>Securities Holders at end of fiscal year</td>
</tr>
<tr>
<td>Item 3(2)</td>
<td>Securities Holders of 5% or more during year not listed in Item 3(1)</td>
</tr>
<tr>
<td>Item 4</td>
<td>Insiders</td>
</tr>
</tbody>
</table>
Item 2: Organization Chart

Bandera Bancshares, Inc.
LEI: NONE
Johnson City, Texas USA
(Texas Corporation)

100% Ownership

Bandera Bank
LEI: NONE
Bandera, Texas USA
(Texas State Bank)
Item 3(1): Security Holders at end of fiscal year

<table>
<thead>
<tr>
<th>Name and Address</th>
<th>Ownership of Voting Common Stock</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bandera 2011 Family Trust</td>
<td>139,112</td>
</tr>
<tr>
<td>Kathiann Leake Crews and</td>
<td></td>
</tr>
<tr>
<td>Jane Leake Benton, Co-Trustees</td>
<td></td>
</tr>
<tr>
<td>Dallas, Texas</td>
<td></td>
</tr>
<tr>
<td>USA Trust</td>
<td></td>
</tr>
<tr>
<td>Lesley Lee Hudler</td>
<td>15,888</td>
</tr>
<tr>
<td>Johnson City, Texas</td>
<td></td>
</tr>
<tr>
<td>Citizen of USA</td>
<td>155,000</td>
</tr>
</tbody>
</table>

Item 3(2): Security Holders of 5% or more during the year not listed in Item 3(1) - NONE
Form FR Y-6  
Bandera Bancshares, Inc.  
Fiscal Year Ending December 31, 2017

Report Item 4: Insiders  
(1), (2), (3)(a)(b)(c), and (4)(a)(b)(c)  

<table>
<thead>
<tr>
<th>(1) Name, City, State, Country</th>
<th>(2) Principal Occupation if other than with Holding Company</th>
<th>(3)(a) Title &amp; Position with Subsidiaries (include names of subsidiaries)</th>
<th>(3)(c) Title &amp; Position with Other Businesses (Include names of other Businesses)</th>
<th>(4)(b) Percentage of Voting Shares in Subsidiaries (Include names of subsidiaries)</th>
<th>(4)(c) List names of other companies (includes partnerships) if 25% or more of voting securities are held (List names of companies and percentage of voting securities held)</th>
</tr>
</thead>
</table>
| Leslie L. Hudler  
Johnson City, Texas  
USA | Banker | Bandera Bancshares, Inc.  
Pres & Director | Bandera Bank  
Pres & Director | Pedernales Investment Corp  
Pres & Director  
Johnson City Bank  
Pres & Director  
One River Point - Partner | 10.25%  
None | None  
One River Point - 50% |
| Kathiann Leake Crews  
Dallas, TX  
USA | Investor | Bandera Bancshares, Inc.  
Prin Shareholder  
Director | Bandera Bank  
Pedernales Investment Corp  
Principal Shareholder  
Johnson City Bank  
Vice Chm & Director | 89.75%  
Common Stock as Trustee | None | Pedernales Investment Corp  
100% |
| Jane Leake Benton  
Dallas, Texas  
USA | Investor | Bandera Bancshares, Inc.  
Prin Shareholder  
Director | Bandera Bank  
Pedernales Investment Corp  
Principal Shareholder  
Johnson City Bank  
Director | 89.75%  
Common Stock as Trustee | None | Pedernales Investment Corp  
100% |
| Ken Finley  
Bandera, TX  
USA | Banker | Bandera Bancshares, Inc.  
VP, Secy, Treas & Director  
Ex VP & Director | Bandera Bank  
Johnson City Bank  
Director | None  
None | None  
None |