



TRUXTON TRUST
A PRIVATE BANK

FOR IMMEDIATE RELEASE

Truxton Corporation Reports Second Quarter 2017 Results

NASHVILLE, TN, July 20, 2017– Truxton Corporation (OTCPK: TRUX), a financial holding company and the parent of Truxton Trust Company (the “Bank”), reported consolidated net income of \$1,661,000 for the second quarter of 2017, a 23 percent increase compared with \$1,351,000 for the second quarter of 2016. Earnings per fully diluted share for the quarter ended June 30, 2017 totaled \$0.61 versus \$0.50 for the same period in 2016.

For the six months ended June 30, 2017, the company reported net income of \$3,121,000 compared to \$2,473,000 for the comparable 2016 period, an increase of 26 percent. Earnings per fully diluted share for the six months ended June 30, 2017 totaled \$1.16 versus \$0.93 for the same period in 2016.

At June 30, 2017, the company reported total assets of \$417.9 million, a 0.2 percent decrease from June 30, 2016. Over the same period, total loans increased 6.7 percent to \$294.6 million, while deposits grew 9.2 percent to \$345.7 million. At June 30, 2017, the Bank’s estimated Tier 1 leverage ratio was 10.62 percent.

Non-interest income for the second quarter of 2017 was \$2,537,000, compared to \$2,139,000 for the same period in 2016, an increase of 18.6 percent.

Tangible Book Value per share at June 30, 2017 was \$18.38 compared to \$17.04 at the same time a year ago.

“We continue to experience steady loan growth while maintaining the highest credit standards,” said CEO Tom Stumb. He continued, “We have added staff to position for further business expansion and anticipate moderate increases in earnings for the balance of the year.”

About Truxton Trust

[Truxton Trust](#) is a full-service private bank and trust company founded in 2004. Since its inception, Truxton Trust has been focused on a singular guiding principle: do the right thing. Truxton Trust delivers the highest level of personal service through its vastly experienced and credentialed team of professionals who provide comprehensive and customized financial solutions to individuals, their families and their business interests.

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Truxton Corporation
Consolidated Balance Sheets
(000's)
(Unaudited)

| | June 2017 | December 2016 | June 2016 |
|---|------------|---------------|------------|
| ASSETS | | | |
| Cash and due from financial institutions | \$ 6,602 | \$ 6,547 | \$ 3,856 |
| Interest bearing deposits in other financial institutions | 1,783 | 3,466 | 3,134 |
| Federal funds sold | 28 | 295 | 100 |
| Cash and cash equivalents | 8,413 | 10,308 | 7,090 |
| Time deposits in other financial institutions | 12,529 | 16,628 | 24,645 |
| Securities available for sale | 89,083 | 78,988 | 97,329 |
| Gross loans | 294,558 | 288,096 | 276,098 |
| Allowance for loan losses | (3,048) | (2,998) | (2,949) |
| Net loans | 291,510 | 285,098 | 273,149 |
| Bank owned life insurance | 9,422 | 9,304 | 9,181 |
| Restricted equity securities | 2,549 | 2,543 | 2,537 |
| Premises and equipment, net | 917 | 817 | 982 |
| Accrued interest receivable | 1,276 | 1,261 | 1,232 |
| Deferred tax asset, net | 629 | 830 | 212 |
| Other assets | 1,588 | 1,293 | 2,523 |
| | | | |
| Total assets | \$ 417,916 | \$ 407,070 | \$ 418,880 |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | | |
| Deposits | | | |
| Non-interest bearing | \$ 75,105 | \$ 76,097 | \$ 70,140 |
| Interest bearing | 270,620 | 262,897 | 246,516 |
| Total deposits | 345,725 | 338,994 | 316,656 |
| Federal Home Loan Bank advances | 20,764 | 20,522 | 42,177 |
| Other liabilities | 2,707 | 1,407 | 15,067 |
| Total liabilities | 369,196 | 360,923 | 373,900 |
| SHAREHOLDERS' EQUITY | | | |
| Additional paid-in capital | 26,942 | 26,753 | 26,417 |
| Retained earnings | 21,580 | 19,519 | 17,441 |
| Accumulated other comprehensive income (loss) | 198 | (125) | 1,122 |
| | | | |
| Total shareholders' equity | 48,720 | 46,147 | 44,980 |
| | | | |
| Total liabilities and shareholders' equity | \$ 417,916 | \$ 407,070 | \$ 418,880 |

Truxton Corporation
Consolidated Statements of Net Income
(000's)
(Unaudited)

| | Three Months Ended | | Six Months Ended | |
|---|------------------------|------------------------|------------------------|------------------------|
| | June 2017 | June 2016 | June 2017 | June 2016 |
| Non-interest income | | | | |
| Wealth management services | \$ 2,346 | \$ 1,941 | \$ 4,426 | \$ 3,725 |
| Service charges on deposit accounts | 83 | 85 | 168 | 152 |
| Bank owned life insurance income | 59 | 63 | 118 | 121 |
| Other | 49 | 50 | 81 | 77 |
| Total non-interest income | <u>2,537</u> | <u>2,139</u> | <u>4,793</u> | <u>4,075</u> |
| Interest income | | | | |
| Loans, including fees | \$ 3,119 | \$ 2,745 | \$ 6,183 | \$ 5,476 |
| Taxable securities | 300 | 265 | 550 | 518 |
| Tax-exempt securities | 177 | 211 | 355 | 414 |
| Interest bearing deposits | 67 | 68 | 112 | 157 |
| Federal funds sold | 7 | 3 | 9 | 16 |
| Total interest income | <u>3,670</u> | <u>3,292</u> | <u>7,209</u> | <u>6,581</u> |
| Interest expense | | | | |
| Deposits | 357 | 247 | 674 | 511 |
| Short-term borrowings | 2 | 5 | 3 | 6 |
| Long-term borrowings | 81 | 68 | 162 | 128 |
| Total interest expense | <u>440</u> | <u>320</u> | <u>839</u> | <u>645</u> |
| Net interest income | 3,230 | 2,972 | 6,370 | 5,936 |
| Provision for loan losses | <u>6</u> | <u>97</u> | <u>49</u> | <u>199</u> |
| Net interest income after provision for loan losses | <u>3,224</u> | <u>2,875</u> | <u>6,321</u> | <u>5,737</u> |
| Total revenue, net | 5,761 | 5,014 | 11,114 | 9,812 |
| Non-interest expense | | | | |
| Salaries and employee benefits | 2,285 | 2,034 | 4,570 | 4,212 |
| Occupancy | 174 | 169 | 349 | 333 |
| Furniture and equipment | 53 | 43 | 95 | 86 |
| Data processing | 262 | 211 | 526 | 436 |
| Wealth management processing fees | 122 | 131 | 233 | 321 |
| Advertising and public relations | 40 | 37 | 84 | 88 |
| Professional services | 188 | 220 | 345 | 340 |
| FDIC insurance assessments | 35 | 50 | 70 | 111 |
| Other | 217 | 189 | 408 | 351 |
| Total non-interest expense | <u>3,376</u> | <u>3,084</u> | <u>6,680</u> | <u>6,278</u> |
| Income before income taxes | 2,385 | 1,930 | 4,434 | 3,534 |
| Income tax expense | <u>724</u> | <u>579</u> | <u>1,313</u> | <u>1,061</u> |
| Net income | <u>\$ 1,661</u> | <u>\$ 1,351</u> | <u>\$ 3,121</u> | <u>\$ 2,473</u> |
| Earnings per share: | | | | |
| Basic | \$ 0.63 | \$ 0.51 | \$ 1.18 | \$ 0.94 |
| Diluted | \$ 0.61 | \$ 0.50 | \$ 1.16 | \$ 0.93 |

Truxton Corporation
Operating Statistics
(000's)
(Unaudited)

| | Six Months Ended | |
|------------------------------|------------------|-----------|
| | June 2017 | June 2016 |
| Performance Ratios | | |
| Efficiency Ratio | 60.12% | 62.76% |
| Net Interest Margin | 3.33% | 3.01% |
| Capital Ratios | | |
| Return on Average Assets | 1.51% | 1.18% |
| Return on Average Equity | 13.21% | 11.31% |
| Tier 1 Leverage Ratio (Bank) | 10.62% | 9.89% |
| Asset Quality Data | | |
| Net Loan Charge-Offs | \$ - | \$ 4 |
| Non-Performing Loans | \$ - | \$ 786 |