



# TRUXTON TRUST

A PRIVATE BANK

FOR IMMEDIATE RELEASE

## Truxton Corporation Reports Second Quarter 2016 Results

**NASHVILLE, TN, July 21, 2016** – Truxton Corporation (OTCPK: TRUX), a financial holding company and the parent of Truxton Trust Company (the “Bank”), reported consolidated net income of \$1,351,000 for the second quarter of 2016, a 6 percent increase compared with \$1,270,000 for the second quarter of 2015. Earnings per fully diluted share for the quarter ended June 30, 2016 totaled \$0.50 versus \$0.48 for the same period in 2015.

For the six months ended June 30, 2016, the company reported net income of \$2,473,000 compared to \$2,271,000 for the comparable 2015 period, an increase of 9 percent. Earnings per fully diluted share for the six months ended June 30, 2016 totaled \$0.93 versus \$0.86 for the same period in 2015.

At June 30, 2016, the company reported total assets of \$418.9 million, an 18 percent increase from June 30, 2015. Over the same period, total loans increased 14 percent to \$276.1 million, while deposits grew 12 percent to \$316.7 million. At June 30, 2016, the Bank’s estimated Tier 1 leverage ratio was 9.89 percent.

Non-interest income for the first quarter of 2016 was \$2,395,000, compared to \$2,190,000 for the same period in 2015, an increase of 9 percent.

Tangible Book Value per share at June 30, 2016 was \$17.04 compared to \$15.43 at the same time a year ago.

“We continue to experience double digit 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 2016         | December 2015     | June 2015         |
|---|-------------------|-------------------|-------------------|
| <b>ASSETS</b>   |                   |                   |                   |
| Cash and due from financial institutions                  | \$ 3,856          | \$ 5,699          | \$ 6,694          |
| Interest bearing deposits in other financial institutions | 3,134             | 17,340            | 4,225             |
| Federal funds sold  | 100               | 9,815             | 1,492             |
| Cash and cash equivalents                                 | 7,090             | 32,854            | 12,411            |
| Time deposits in other financial institutions             | 24,645            | 19,995            | 8,593             |
| Securities available for sale                             | 97,329            | 82,482            | 81,662            |
| Gross loans   | 276,098           | 257,159           | 241,116           |
| Allowance for loan losses                                 | (2,949)           | (2,754)           | (2,733)           |
| Net loans   | 273,149           | 254,405           | 238,383           |
| Bank owned life insurance                                 | 9,181             | 9,060             | 8,170             |
| Restricted equity securities                              | 2,537             | 2,527             | 2,520             |
| Premises and equipment, net                               | 982               | 1,175             | 1,259             |
| Accrued interest receivable                               | 1,232             | 1,107             | 989               |
| Other real estate owned                                   | -                 | -                 | -                 |
| Deferred tax asset, net                                   | 212               | 805               | 969               |
| Other assets  | 2,523             | 1,043             | 1,190             |
| <b>Total assets</b>                                       | <b>\$ 418,880</b> | <b>\$ 405,452</b> | <b>\$ 356,146</b> |
| <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>               |                   |                   |                   |
| <b>Deposits</b>   |                   |                   |                   |
| Non-interest bearing                                      | \$ 70,140         | \$ 75,561         | \$ 67,045         |
| Interest bearing  | 246,516           | 263,453           | 216,278           |
| Total deposits  | 316,656           | 339,014           | 283,323           |
| Federal Home Loan Bank advances                           | 42,177            | 22,479            | 32,237            |
| Other liabilities   | 15,067            | 1,685             | 842               |
| Total liabilities   | 373,900           | 363,178           | 316,402           |
| <b>SHAREHOLDERS' EQUITY</b>                               |                   |                   |                   |
| Additional paid-in capital                                | 26,417            | 26,190            | 25,753            |
| Retained earnings   | 17,441            | 15,919            | 13,944            |
| Accumulated other comprehensive income (loss)             | 1,122             | 165               | 47                |
| <b>Total shareholders' equity</b>                         | <b>44,980</b>     | <b>42,274</b>     | <b>39,744</b>     |
| <b>Total liabilities and shareholders' equity</b>         | <b>\$ 418,880</b> | <b>\$ 405,452</b> | <b>\$ 356,146</b> |

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

|  | Three Months Ended |                 | Six Months Ended |                 |
|--|--------------------|-----------------|------------------|-----------------|
|  | June 2016          | June 2015       | June 2016        | June 2015       |
| <b>Non-interest income</b>                                 |                    |                 |                  |                 |
| Wealth management services                                 | \$ 1,870           | \$ 1,822        | \$ 3,655         | \$ 3,557        |
| Service charges on deposit accounts                        | 85                 | 68              | 152              | 117             |
| Bank owned life insurance income                           | 63                 | 56              | 121              | 111             |
| Other  | 377                | 244             | 536              | 279             |
| <b>Total non-interest income</b>                           | <b>2,395</b>       | <b>2,190</b>    | <b>4,464</b>     | <b>4,064</b>    |
| <b>Interest income</b>                                     |                    |                 |                  |                 |
| Loans, including fees                                      | \$ 2,745           | \$ 2,507        | \$ 5,476         | \$ 4,954        |
| Taxable securities   | 267                | 227             | 520              | 453             |
| Tax-exempt securities                                      | 211                | 183             | 414              | 356             |
| Interest bearing deposits                                  | 68                 | 24              | 157              | 45              |
| Federal funds sold   | 3                  | 1               | 16               | 3               |
| <b>Total interest income</b>                               | <b>3,294</b>       | <b>2,942</b>    | <b>6,583</b>     | <b>5,811</b>    |
| <b>Interest expense</b>                                    |                    |                 |                  |                 |
| Deposits   | 247                | 261             | 511              | 514             |
| Short-term borrowings                                      | 5                  | 1               | 6                | 2               |
| Long-term borrowings                                       | 68                 | 69              | 128              | 136             |
| <b>Total interest expense</b>                              | <b>320</b>         | <b>331</b>      | <b>645</b>       | <b>652</b>      |
| <b>Net interest income</b>                                 | <b>2,974</b>       | <b>2,611</b>    | <b>5,938</b>     | <b>5,159</b>    |
| <b>Provision for loan losses</b>                           | <b>97</b>          | <b>-</b>        | <b>199</b>       | <b>-</b>        |
| <b>Net interest income after provision for loan losses</b> | <b>2,877</b>       | <b>2,611</b>    | <b>5,739</b>     | <b>5,159</b>    |
| <b>Total revenue, net</b>                                  | <b>5,272</b>       | <b>4,801</b>    | <b>10,203</b>    | <b>9,223</b>    |
| <b>Non-interest expense</b>                                |                    |                 |                  |                 |
| Salaries and employee benefits                             | 1,991              | 1,829           | 4,131            | 3,682           |
| Occupancy  | 169                | 164             | 333              | 350             |
| Furniture and equipment                                    | 43                 | 44              | 87               | 87              |
| Data processing  | 230                | 202             | 486              | 380             |
| Wealth management processing fees                          | 321                | 332             | 321              | 332             |
| Advertising and public relations                           | 36                 | 38              | 87               | 71              |
| Professional services                                      | 220                | 142             | 341              | 296             |
| FDIC insurance assessments                                 | 50                 | 40              | 111              | 81              |
| Other  | 283                | 191             | 772              | 657             |
| <b>Total non-interest expense</b>                          | <b>3,343</b>       | <b>2,982</b>    | <b>6,669</b>     | <b>5,936</b>    |
| <b>Income before income taxes</b>                          | <b>1,929</b>       | <b>1,819</b>    | <b>3,534</b>     | <b>3,287</b>    |
| <b>Income tax expense</b>                                  | <b>578</b>         | <b>549</b>      | <b>1,061</b>     | <b>1,016</b>    |
| <b>Net income</b>  | <b>\$ 1,351</b>    | <b>\$ 1,270</b> | <b>\$ 2,473</b>  | <b>\$ 2,271</b> |
| <b>Earnings per share:</b>                                 |                    |                 |                  |                 |
| Basic  | \$ 0.51            | \$ 0.49         | \$ 0.94          | \$ 0.88         |
| Diluted  | \$ 0.50            | \$ 0.48         | \$ 0.93          | \$ 0.86         |

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

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|                              | Six Months Ended |           |
|------------------------------|------------------|-----------|
|                              | June 2016        | June 2015 |
| <b>Performance Ratios</b>    |                  |           |
| Efficiency Ratio             | 62.76%           | 63.00%    |
| Net Interest Margin          | 3.01%            | 3.23%     |
| <b>Capital Ratios</b>        |                  |           |
| Return on Average Assets     | 1.18%            | 1.30%     |
| Return on Average Equity     | 11.31%           | 11.64%    |
| Tier 1 Leverage Ratio (Bank) | 9.89%            | 11.20%    |
| <b>Asset Quality Data</b>    |                  |           |
| Net Loan Charge-Offs         | \$ 4             | \$ -      |
| Non-Performing Loans         | \$ 773           | \$ 18     |