



TRUXTON TRUST

A PRIVATE BANK

FOR IMMEDIATE RELEASE

Truxton Corporation Reports Second Quarter 2018 Results

NASHVILLE, TN, July 19, 2018– Truxton Corporation (OTCPK: TRUX), a financial holding company and the parent of Truxton Trust Company (the “Bank”), reported consolidated net income of \$2,046,000 for the second quarter of 2018, a 23 percent increase compared with \$1,661,000 for the second quarter of 2017. Earnings per fully diluted share for the quarter ended June 30, 2018, totaled \$0.74 versus \$0.61 for the same period in 2017.

For the six months ended June 30, 2018, the company reported net income of \$3,804,000 compared to \$3,121,000 for the comparable 2017 period, an increase of 21.9 percent. Earnings per fully diluted share for the six months ended June 30, 2018, totaled \$1.37 versus \$1.16 for the same period in 2017.

At June 30, 2018, the company reported total assets of \$447.2 million, a 7 percent increase from June 30, 2017. Over the same period, total loans increased 3.6 percent to \$302.1 million, while deposits grew 7.8 percent to \$372.5 million. At June 30, 2018, the Bank’s estimated Tier 1 leverage ratio was 11.25 percent.

Non-interest income for the second quarter of 2018 was \$2,618,000 compared to \$2,493,000 for the same period in 2017, an increase of 5 percent.

Tangible Book Value per share at June 30, 2018, was \$19.27 compared to \$18.38 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, “Our wealth management business continues to add clients and expand existing relationships. Aided by a lower tax rate resulting from the enactment of the Tax Cuts and Jobs Act of 2017, our team produced excellent results in the second quarter of 2018.”

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 2018	December 2017	June 2017
ASSETS			
Cash and due from financial institutions	\$ 6,408	\$ 6,425	\$ 6,602
Interest bearing deposits in other financial institutions	13,963	3,750	1,783
Federal funds sold	808	6	28
Cash and cash equivalents	21,179	10,181	8,413
Time deposits in other financial institutions	5,070	11,544	12,529
Securities available for sale	101,991	109,295	89,083
Gross loans	305,224	293,116	294,558
Allowance for loan losses	(3,133)	(3,073)	(3,048)
Net loans	302,091	290,043	291,510
Bank owned life insurance	9,647	9,535	9,422
Restricted equity securities	2,567	2,556	2,549
Premises and equipment, net	543	731	917
Accrued interest receivable	1,529	1,444	1,276
Deferred tax asset, net	820	363	629
Other assets	1,750	1,991	1,045
Total assets	<u>\$ 447,187</u>	<u>\$ 437,683</u>	<u>\$ 417,373</u>
LIABILITIES AND SHAREHOLDERS' EQUITY			
Deposits			
Non-interest bearing	\$ 113,486	\$ 87,049	\$ 74,891
Interest bearing	258,997	275,906	270,620
Total deposits	372,483	362,955	345,511
Federal Home Loan Bank advances	19,737	20,198	20,764
Federal funds purchased	-	1,071	336
Other liabilities	2,726	2,681	2,042
Total liabilities	394,946	386,905	368,653
SHAREHOLDERS' EQUITY			
Additional paid-in capital	27,722	27,253	26,942
Retained earnings	26,096	23,569	21,580
Accumulated other comprehensive income (loss)	(1,577)	(44)	198
Total shareholders' equity	<u>52,241</u>	<u>50,778</u>	<u>48,720</u>
Total liabilities and shareholders' equity	<u>\$ 447,187</u>	<u>\$ 437,683</u>	<u>\$ 417,373</u>

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

	Three Months Ended		Six Months Ended	
	June 2018	June 2017	June 2018	June 2017
Non-interest income				
Wealth management services	\$ 2,431	\$ 2,346	\$ 4,797	\$ 4,426
Service charges on deposit accounts	88	83	172	168
Bank owned life insurance income	57	59	112	118
Other	42	5	55	16
Total non-interest income	2,618	2,493	5,136	4,728
Interest income				
Loans, including fees	\$ 3,424	\$ 3,119	\$ 6,590	\$ 6,183
Taxable securities	361	300	740	550
Tax-exempt securities	250	177	515	355
Interest bearing deposits	61	67	112	112
Federal funds sold	5	7	9	9
Other Interest Income	48	44	76	66
Total interest income	4,149	3,714	8,042	7,275
Interest expense				
Deposits	494	357	922	674
Short-term borrowings	6	2	9	3
Long-term borrowings	109	81	200	162
Total interest expense	609	440	1,131	839
Net interest income	3,540	3,274	6,911	6,436
Provision for loan losses	8	6	57	49
Net interest income after provision for loan losses	3,532	3,268	6,854	6,387
Total revenue, net	6,150	5,761	11,990	11,115
Non-interest expense				
Salaries and employee benefits	2,639	2,285	5,151	4,570
Occupancy	190	174	373	350
Furniture and equipment	46	53	101	95
Data processing	286	292	564	589
Wealth management processing fees	111	122	240	233
Advertising and public relations	16	40	45	84
Professional services	173	188	320	345
FDIC insurance assessments	35	35	70	70
Other	129	187	437	345
Total non-interest expense	3,625	3,376	7,301	6,681
Income before income taxes	2,525	2,385	4,689	4,434
Income tax expense	479	724	885	1,313
Net income	\$ 2,046	\$ 1,661	\$ 3,804	\$ 3,121
Earnings per share:				
Basic	\$ 0.76	\$ 0.63	\$ 1.41	\$ 1.18
Diluted	\$ 0.74	\$ 0.61	\$ 1.37	\$ 1.16

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

	Six Months Ended	
	June 2018	June 2017
Performance Ratios		
Efficiency Ratio	62.21%	60.12%
Net Interest Margin	3.40%	3.33%
Capital Ratios		
Return on Average Assets	1.75%	1.51%
Return on Average Equity	14.90%	13.21%
Tier 1 Leverage Ratio (Bank)	11.25%	10.62%
Asset Quality Data		
Net Loan Charge-Offs	\$ -	\$ -
Non-Performing Loans	\$ -	\$ -