



TRUXTON TRUST
A PRIVATE BANK

FOR IMMEDIATE RELEASE

Truxton Corporation Reports Third Quarter 2017 Results

NASHVILLE, TN, October 19, 2017 – Truxton Corporation (OTCPK: TRUX), a financial holding company and the parent of Truxton Trust Company (the “Bank”), reported consolidated net income of \$1,604,000 for the third quarter of 2017, a 19 percent increase compared with \$1,349,000 for the third quarter of 2016. Earnings per fully diluted share for the quarter ended September 30, 2017, totaled \$0.59 versus \$0.50 for the same period in 2016.

For the nine months ended September 30, 2017, the company reported net income of \$4,725,000 compared to \$3,823,000 for the comparable 2016 period, an increase of 24 percent. Earnings per fully diluted share for the nine months ended September 30, 2017, totaled \$1.76 versus \$1.43 for the same period in 2016.

At September 30, 2017, the company reported total assets of \$425.8 million, a 6.9 percent increase from September 30, 2016. Over the same period, total loans increased 5.1 percent to \$294.9 million, while deposits grew 6.9 percent to \$352.7 million. At September 30, 2017, the Bank’s estimated Tier 1 leverage ratio was 10.88 percent.

Non-interest income for the third quarter of 2017 was \$2,481,000, compared to \$2,223,000 for the same period in 2016, an increase of 11.6 percent.

Tangible Book Value per share at September 30, 2017, was \$18.78 compared to \$17.50 at the same time a year ago.

“Our business continues its steady, profitable growth,” said CEO Tom Stumb. “Truxton has returned more than 13 percent on our average equity through three quarters of 2017, our strongest performance ever despite very conservative capital levels. We are mindful that Nashville, our core market, is booming and that booms do end. We are equally cognizant that securities markets have been exceptionally strong, providing wind at the back of our wealth management business. Regardless of market conditions, our talented professional staff will provide thoughtful advice and service to clients who value our work.”

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.

Investor Relations

Andrew May
615-515-1707
andrew.may@truxtontrust.com

Media Relations

Tamara Schoeplein
615-515-1714
tamara.schoeplein@truxtontrust.com

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

	September 2017	December 2016	September 2016
ASSETS			
Cash and due from financial institutions	\$ 6,209	\$ 6,547	\$ 5,601
Interest bearing deposits in other financial institutions	9,582	3,467	7,091
Federal funds sold	3,301	294	2,654
Cash and cash equivalents	19,092	10,308	15,346
Time deposits in other financial institutions	11,292	16,628	14,838
Securities available for sale	86,742	78,988	74,711
Gross loans	294,850	288,097	280,469
Allowance for loan losses	(3,073)	(2,998)	(2,991)
Net loans	291,777	285,099	277,478
Bank owned life insurance	9,479	9,304	9,243
Restricted equity securities	2,552	2,543	2,537
Premises and equipment, net	835	817	884
Accrued interest receivable	1,293	1,262	1,163
Other real estate owned	-	-	-
Deferred tax asset, net	637	830	346
Other assets	2,114	1,292	1,661
Total assets	<u>\$ 425,813</u>	<u>\$ 407,070</u>	<u>\$ 398,207</u>
LIABILITIES AND SHAREHOLDERS' EQUITY			
Deposits			
Non-interest bearing	\$ 81,071	\$ 76,098	\$ 76,117
Interest bearing	271,644	262,896	253,941
Total deposits	352,715	338,994	330,058
Federal Home Loan Bank advances	20,541	20,522	19,932
Other liabilities	2,619	1,407	1,996
Total liabilities	375,875	360,923	351,986
SHAREHOLDERS' EQUITY			
Additional paid-in capital	27,099	26,753	26,525
Retained earnings	22,653	19,519	18,790
Accumulated other comprehensive income (loss)	186	(125)	906
Total shareholders' equity	49,938	46,147	46,221
Total liabilities and shareholders' equity	<u>\$ 425,813</u>	<u>\$ 407,070</u>	<u>\$ 398,207</u>

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

	Three Months Ended		Nine Months Ended	
	September 2017	September 2016	September 2017	September 2016
Non-interest income				
Wealth management services	\$ 2,276	\$ 1,949	\$ 6,703	\$ 5,674
Service charges on deposit accounts	85	85	254	238
Securities gains (losses), net	21	85	21	85
Bank owned life insurance income	57	62	175	183
Other	42	42	124	119
Total non-interest income	<u>2,481</u>	<u>2,223</u>	<u>7,277</u>	<u>6,299</u>
Interest income				
Loans, including fees	\$ 3,210	\$ 2,912	\$ 9,392	\$ 8,389
Taxable securities	296	211	846	730
Tax-exempt securities	190	154	545	568
Interest bearing deposits	70	58	182	214
Federal funds sold	3	1	11	17
Total interest income	<u>3,769</u>	<u>3,336</u>	<u>10,976</u>	<u>9,918</u>
Interest expense				
Deposits	365	250	1,040	761
Short-term borrowings	1	7	3	12
Long-term borrowings	85	76	247	204
Total interest expense	<u>451</u>	<u>333</u>	<u>1,290</u>	<u>977</u>
Net interest income	3,318	3,003	9,686	8,941
Provision for loan losses	<u>26</u>	<u>42</u>	<u>75</u>	<u>241</u>
Net interest income after provision for loan losses	<u>3,292</u>	<u>2,961</u>	<u>9,611</u>	<u>8,700</u>
Total revenue, net	5,773	5,184	16,888	14,999
Non-interest expense				
Salaries and employee benefits	2,381	1,973	6,951	6,184
Occupancy	188	171	537	504
Furniture and equipment	60	42	156	129
Data processing	262	252	788	688
Wealth management processing fees	143	24	376	345
Advertising and public relations	34	55	118	143
Professional services	217	197	562	538
FDIC insurance assessments	35	51	105	162
Other	250	530	658	883
Total non-interest expense	<u>3,570</u>	<u>3,295</u>	<u>10,251</u>	<u>9,576</u>
Income before income taxes	2,203	1,889	6,637	5,423
Income tax expense	<u>599</u>	<u>540</u>	<u>1,912</u>	<u>1,600</u>
Net income	<u>\$ 1,604</u>	<u>\$ 1,349</u>	<u>\$ 4,725</u>	<u>\$ 3,823</u>
Earnings per share:				
Basic	\$ 0.60	\$ 0.51	\$ 1.79	\$ 1.45
Diluted	\$ 0.59	\$ 0.50	\$ 1.76	\$ 1.43

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

	Nine Months Ended	
	September 2017	September 2016
Performance Ratios		
Efficiency Ratio	60.74%	63.17%
Net Interest Margin	3.34%	3.12%
Capital Ratios		
Return on Average Assets	1.51%	1.23%
Return on Average Equity	13.08%	11.47%
Tier 1 Leverage Ratio (Bank)	10.88%	10.56%
Asset Quality Data		
Net Loan Charge-Offs	\$ -	\$ -
Non-Performing Loans	\$ -	\$ -