



# TRUXTON TRUST

A PRIVATE BANK

FOR IMMEDIATE RELEASE

## Truxton Corporation Reports Third Quarter 2016 Results

**NASHVILLE, TN, October 20, 2016** – Truxton Corporation (OTCPK: TRUX), a financial holding company and the parent of Truxton Trust Company (the “Bank”), reported consolidated net income of \$1,349,000 for the third quarter of 2016, a 7 percent increase compared with \$1,264,000 for the third quarter of 2015. Earnings per fully diluted share for the quarter ended September 30, 2016 totaled \$0.50 versus \$0.48 for the same period in 2015.

For the nine months ended September 30, 2016, the company reported net income of \$3,822,000 compared to \$3,534,000 for the comparable 2015 period, an increase of 8 percent. Earnings per fully diluted share for the nine months ended September 30, 2016 totaled \$1.43 versus \$1.35 for the same period in 2015.

At September 30, 2016, the company reported total assets of \$398.2 million, an 18 percent decrease from September 30, 2015. As reported a year ago, the 2015 assets were inflated by a single transitory deposit of over \$100 million, which was disbursed before December 31, 2015. Over the same period, total loans increased 12 percent to \$280.5 million, while deposits declined 21 percent to \$330.1 million for the reason discussed above. At September 30, 2016, the Bank’s Tier 1 leverage ratio was 10.56 percent.

Non-interest income for the third quarter of 2016 was \$2,357,000, compared to \$1,821,000 for the same period in 2015, an increase of 29 percent.

Tangible Book Value per share at September 30, 2016 was \$17.50 compared to \$15.97 at the same time a year ago, a 10 percent increase after paying \$0.66 per share in dividends in the trailing twelve months.

“We have added staff and systems to allow accelerated growth in the years ahead but are still increasing our earnings according to our plan,” said CEO Tom Stumb.

### 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](mailto:andrew.may@truxtontrust.com)

### Media Relations

Tamara Schoeplein  
615-515-1714  
[tamara.schoeplein@truxtontrust.com](mailto:tamara.schoeplein@truxtontrust.com)

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

	September 2016	December 2015	September 2015
<b>ASSETS</b>			
Cash and due from financial institutions	\$ 5,601	\$ 5,699	\$ 4,247
Interest bearing deposits in other financial institutions	7,691	17,340	98,501
Federal funds sold	2,654	9,815	14,071
Cash and cash equivalents	15,946	32,854	116,819
Time deposits in other financial institutions	14,238	19,995	25,165
Securities available for sale	74,712	82,482	81,146
Gross loans	280,469	257,159	251,354
Allowance for loan losses	(2,991)	(2,754)	(2,733)
Net loans	277,478	254,405	248,621
Bank owned life insurance	9,243	9,060	8,224
Restricted equity securities	2,537	2,527	2,520
Premises and equipment, net	884	1,175	1,209
Accrued interest receivable	1,163	1,107	1,021
Other real estate owned	-	-	-
Deferred tax asset, net	346	805	738
Other assets	1,660	1,043	1,546
 Total assets	 \$ 398,207	 \$ 405,452	 \$ 487,009
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
Deposits			
Non-interest bearing	\$ 76,118	\$ 75,561	\$ 177,256
Interest bearing	253,940	263,453	242,953
Total deposits	330,058	339,014	420,209
Federal Home Loan Bank advances	19,932	22,479	23,967
Other liabilities	1,996	1,685	1,369
Total liabilities	351,986	363,178	445,545
<b>SHAREHOLDERS' EQUITY</b>			
Additional paid-in capital	26,525	26,190	25,837
Retained earnings	18,790	15,919	15,208
Accumulated other comprehensive income (loss)	906	165	419
 Total shareholders' equity	 46,221	 42,274	 41,464
 Total liabilities and shareholders' equity	 \$ 398,207	 \$ 405,452	 \$ 487,009

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

	Three Months Ended		Nine Months Ended	
	September 2016	September 2015	September 2016	September 2015
<b>Non-interest income</b>				
Wealth management services	\$ 1,947	\$ 1,790	\$ 5,602	\$ 5,347
Service charges on deposit accounts	85	72	238	189
Bank owned life insurance income	62	54	183	166
Other	263	(95)	799	183
<b>Total non-interest income</b>	<b>2,357</b>	<b>1,821</b>	<b>6,822</b>	<b>5,885</b>
<b>Interest income</b>				
Loans, including fees	\$ 2,912	\$ 2,676	\$ 8,389	\$ 7,630
Taxable securities	211	220	730	673
Tax-exempt securities	154	182	568	537
Interest bearing deposits	58	32	214	77
Federal funds sold	1	3	17	6
<b>Total interest income</b>	<b>3,336</b>	<b>3,113</b>	<b>9,918</b>	<b>8,923</b>
<b>Interest expense</b>				
Deposits	250	248	761	762
Short-term borrowings	7	-	12	2
Long-term borrowings	76	71	204	208
<b>Total interest expense</b>	<b>333</b>	<b>319</b>	<b>977</b>	<b>972</b>
<b>Net interest income</b>	<b>3,003</b>	<b>2,794</b>	<b>8,941</b>	<b>7,951</b>
<b>Provision for loan losses</b>	<b>42</b>	<b>-</b>	<b>241</b>	<b>-</b>
<b>Net interest income after provision for loan losses</b>	<b>2,961</b>	<b>2,794</b>	<b>8,700</b>	<b>7,951</b>
<b>Total revenue, net</b>	<b>5,318</b>	<b>4,615</b>	<b>15,522</b>	<b>13,836</b>
<b>Non-interest expense</b>				
Salaries and employee benefits	1,935	1,889	6,066	5,570
Occupancy	171	165	504	515
Furniture and equipment	42	43	129	129
Data processing	270	194	746	573
Wealth management processing fees	24	128	345	460
Advertising and public relations	55	42	143	113
Professional services	197	125	538	421
FDIC insurance assessments	51	41	162	121
Other	684	136	1,467	796
<b>Total non-interest expense</b>	<b>3,429</b>	<b>2,763</b>	<b>10,100</b>	<b>8,698</b>
<b>Income before income taxes</b>	<b>1,889</b>	<b>1,852</b>	<b>5,422</b>	<b>5,138</b>
<b>Income tax expense</b>	<b>540</b>	<b>588</b>	<b>1,600</b>	<b>1,604</b>
<b>Net income</b>	<b>\$ 1,349</b>	<b>\$ 1,264</b>	<b>\$ 3,822</b>	<b>\$ 3,534</b>
<b>Earnings per share:</b>				
Basic	\$ 0.51	\$ 0.49	\$ 1.45	\$ 1.37
Diluted	\$ 0.50	\$ 0.48	\$ 1.43	\$ 1.35

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

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	Nine Months Ended	
	September 2016	September 2015
<b>Performance Ratios</b>		
Efficiency Ratio	63.81%	61.44%
Net Interest Margin	3.13%	3.24%
<b>Capital Ratios</b>		
Return on Average Assets	1.16%	1.32%
Return on Average Equity	11.55%	12.77%
Tier 1 Leverage Ratio (Bank)	10.56%	10.30%
<b>Asset Quality Data</b>		
Net Loan Charge-Offs	\$ -	\$ -
Non-Performing Loans	\$ -	\$ 18