



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	\$ 1,661	\$ 1,351	\$ 3,121	\$ 2,473
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