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## 3Q 2019 Results

# Q3 2019 Financial Highlights

Continued balance sheet growth year over year

Income Summary	Q3 2019	Q3 2018	Change
Net Interest Income	\$3,959,000	\$3,641,000	8.73%
Provision for Loan Losses	\$0	\$0	0.00%
Non-Interest Income	\$3,016,000	\$2,769,000	8.92%
Non-Interest Expense	\$3,751,000	\$3,562,000	5.31%
Earnings Before Taxes	\$3,224,000	\$2,848,000	13.20%
Income Tax Expense	\$661,000	\$569,000	16.17%
Net Income	\$2,563,000	\$2,279,000	12.46%
Earnings Per Share Diluted	\$0.91	\$0.82	10.98%

Net Income



12.46%



## Balance Sheet

Assets	\$521,011,000	\$509,320,000	2.30%
Loans	\$339,182,000	\$307,803,000	10.19%
Deposits	\$430,951,000	\$433,195,000	(0.52%)
Stockholders' Equity	\$64,338,000	\$53,758,000	19.68%

## Asset Quality

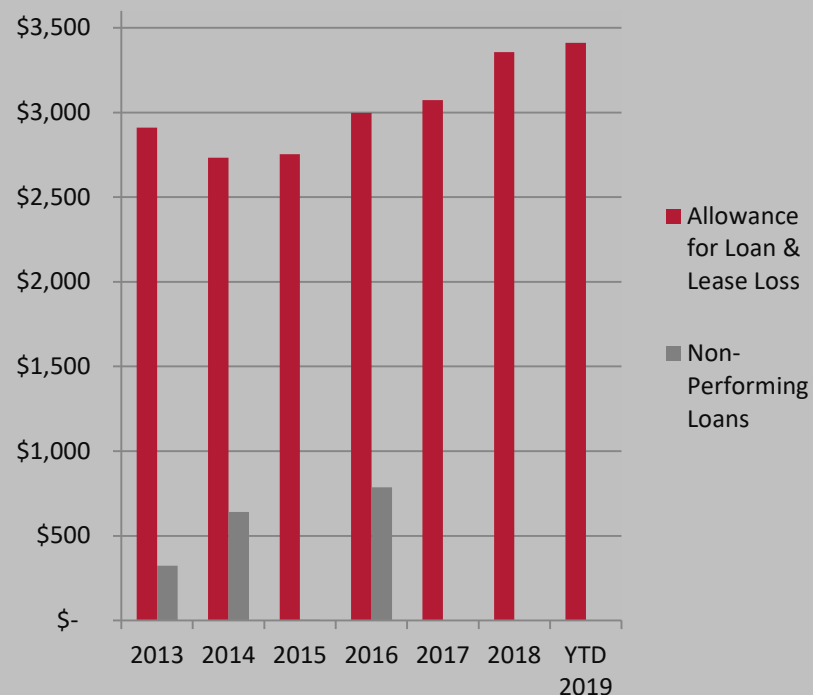
Allowance for Loan Losses	\$3,411,000	\$3,131,000	8.94%
Allowance to Gross Loans	1.01%	1.02%	(0.98%)



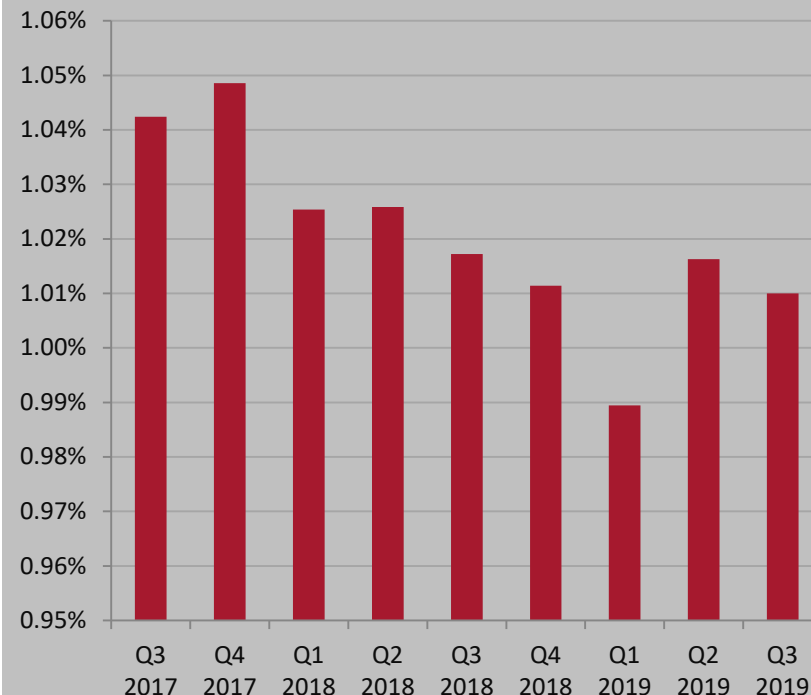
# Safe and Reliable Credit Quality

- Two loans 30 days+ past due: total \$1,754.56
- No non-performing assets (NPAs)
- No other real estate owned (OREO) loans

## Allowance vs. Non-Performing (\$000's)



## Reserves / Loans

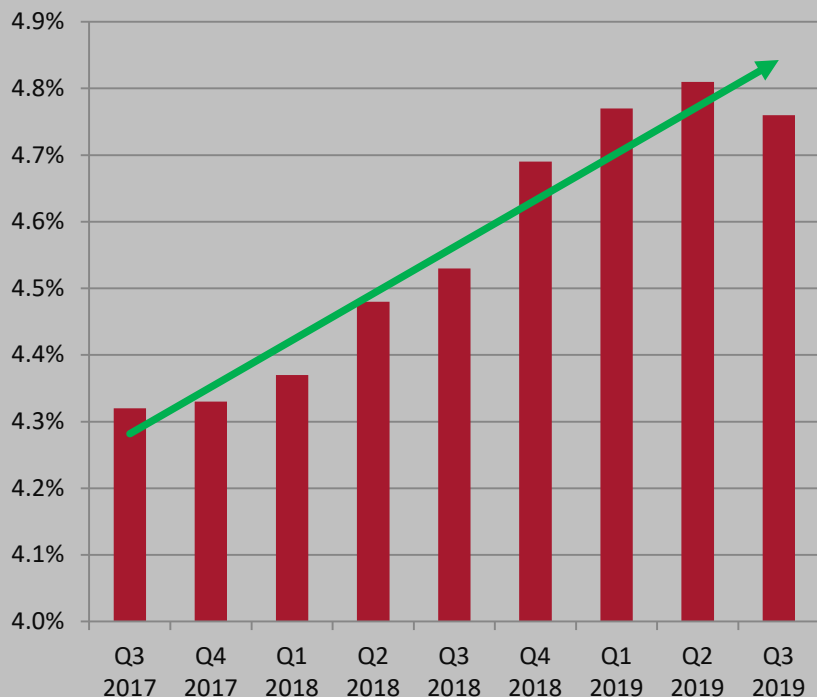




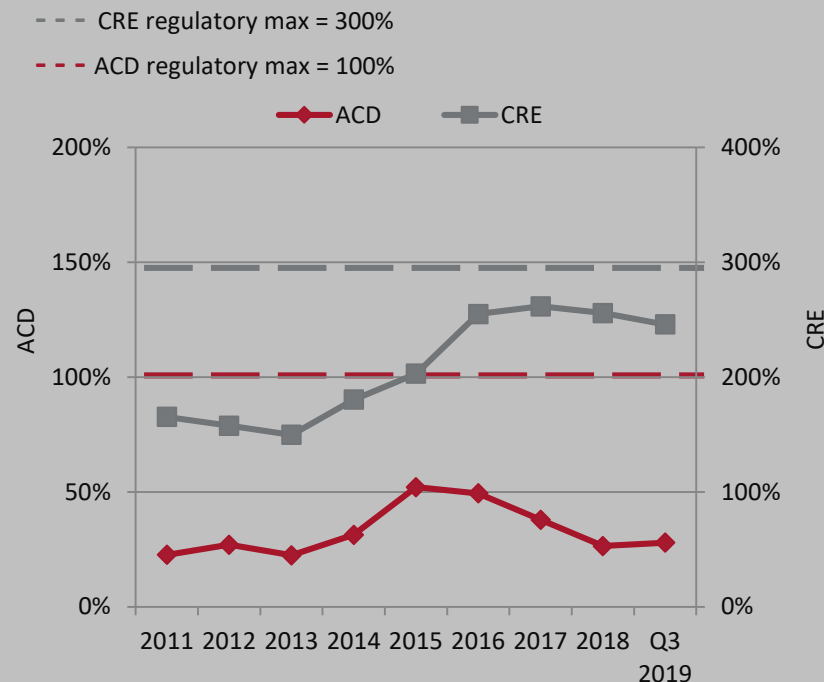
# Loans, cont.

- Our average loan yield continues to grow quarter over quarter
- Riskier loan classes remain well below regulatory limits: 1) commercial real estate (CRE) and 2) acquisition, construction & development (ACD)

## Average Loan Yield



## Commercial Real Estate

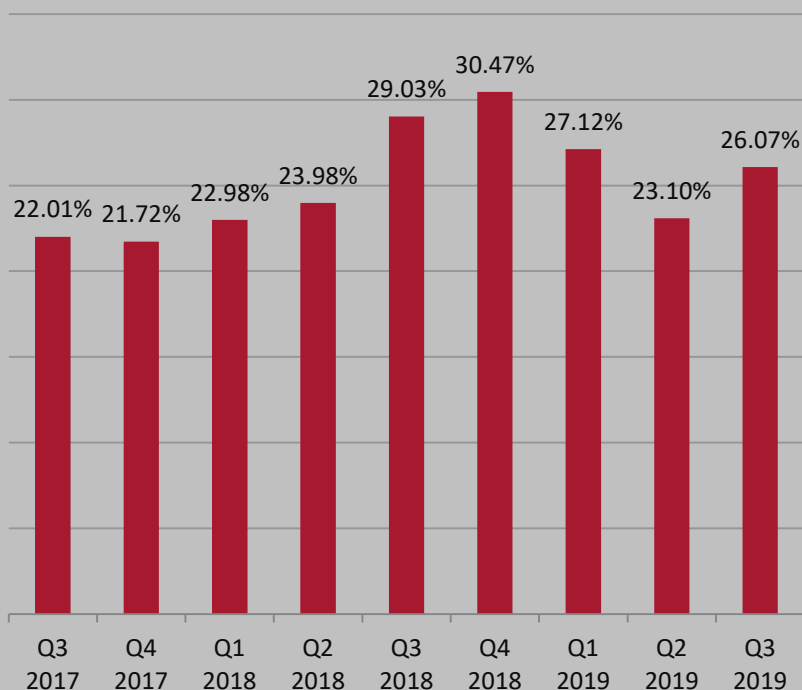




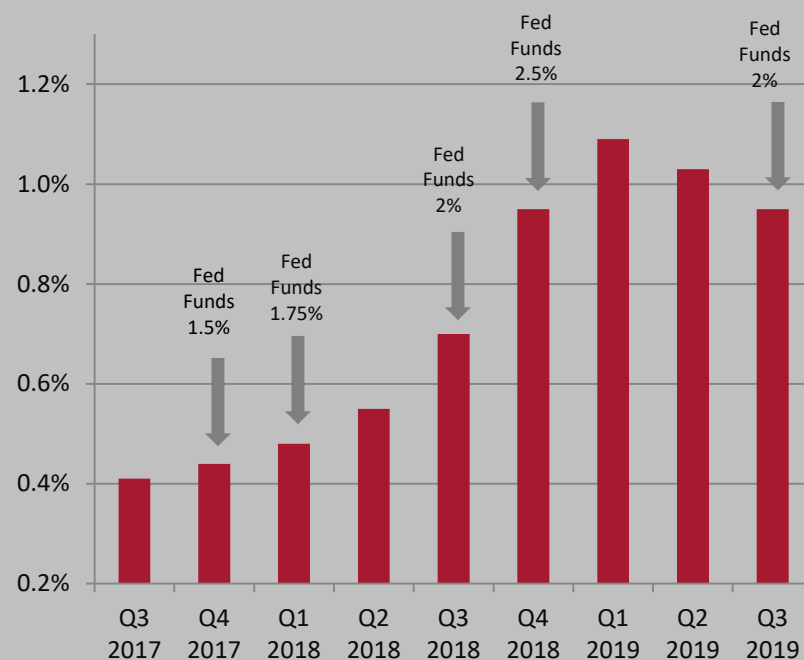
# Deposits Cost Stabilizes

- Non-interest bearing accounts (NIBAs) are a key part of our funding and become more valuable as interest rates rise
- Deposit cost declined slightly compared to Q2; NIBA was a larger share of total deposits

### NIBA / Total Deposits



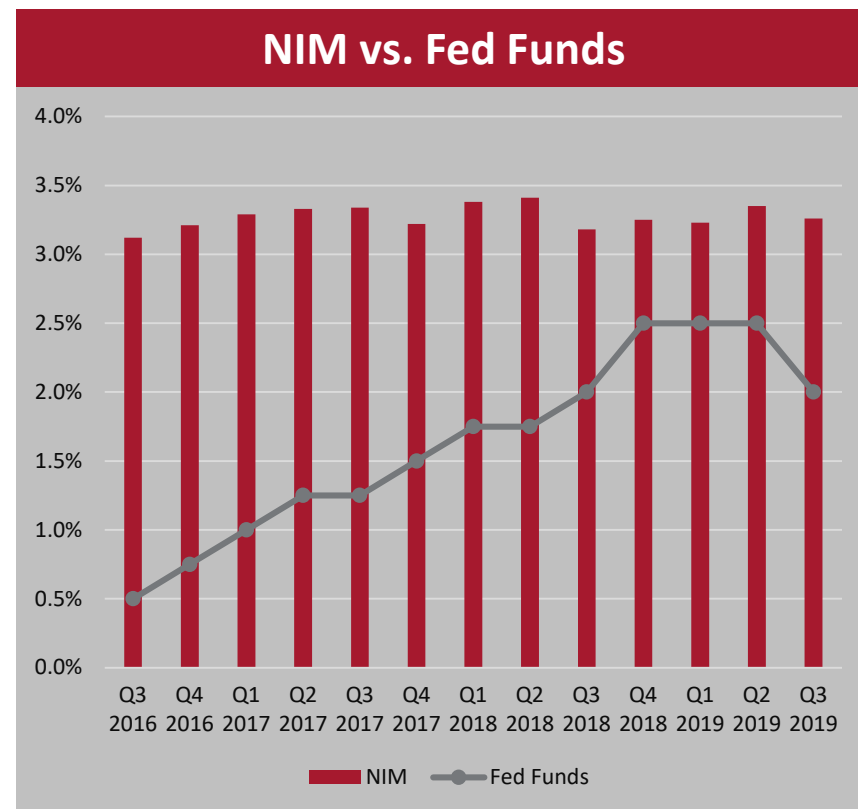
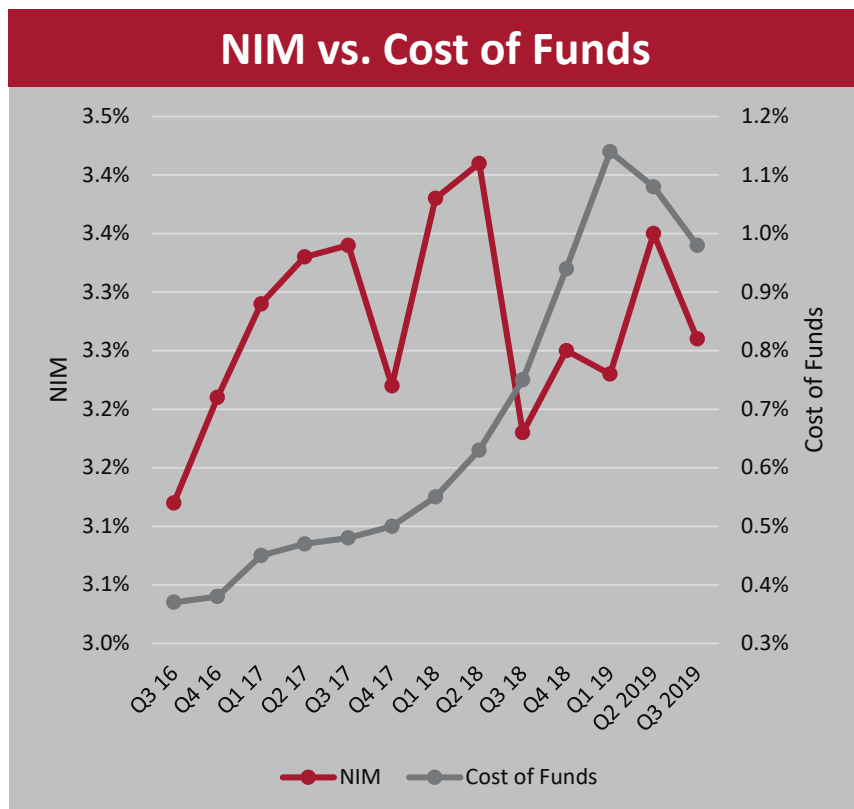
### Cost of Deposits After Effect of NIBA





# Net Interest Margin Stabilized in Q3

- Yield on assets and cost of funds fell in Q3 2019
- Net interest margin (NIM) is still below Q3 2018

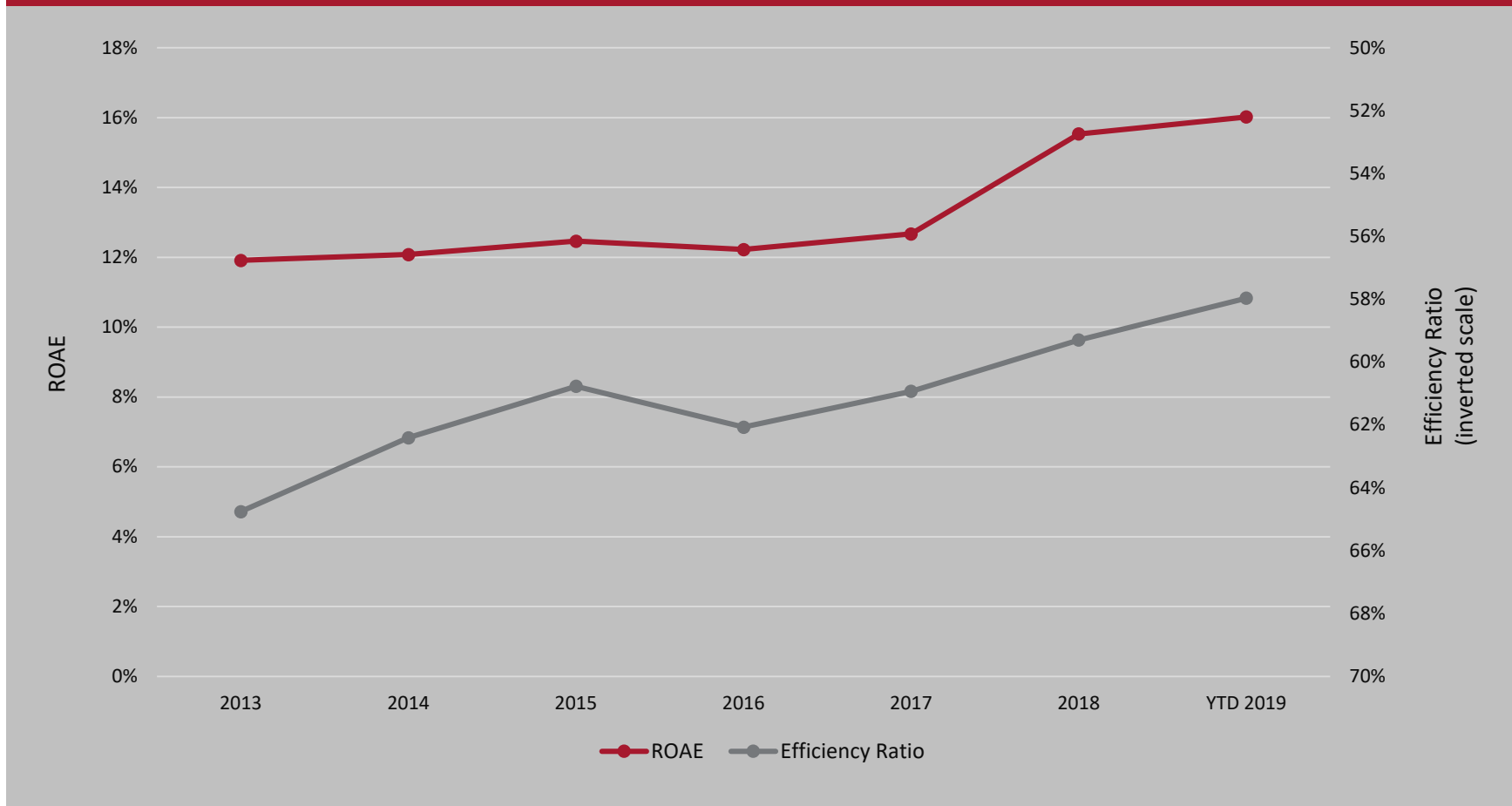


# ROAE and Efficiency Ratio: Record Q3



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## Return on Average Equity (ROAE) vs. Efficiency Ratio



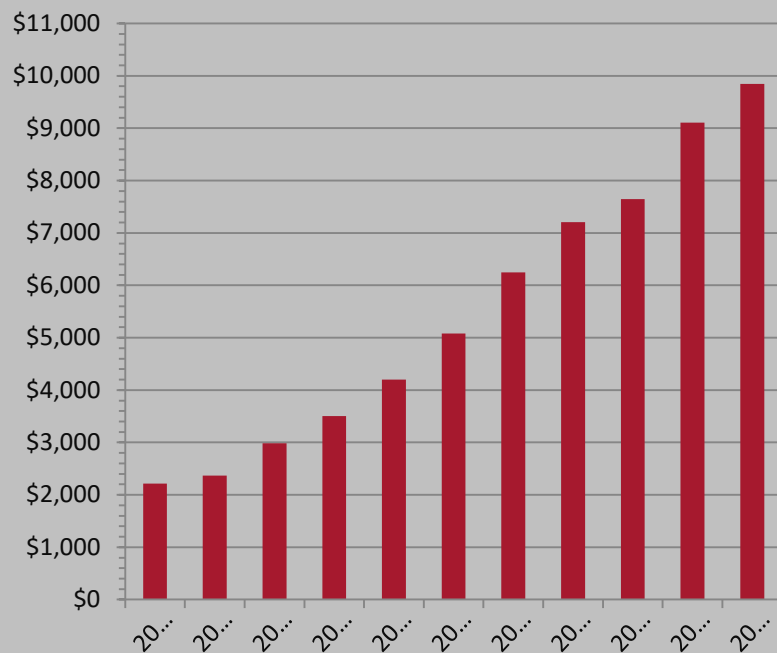


# Wealth Management Growth Continues

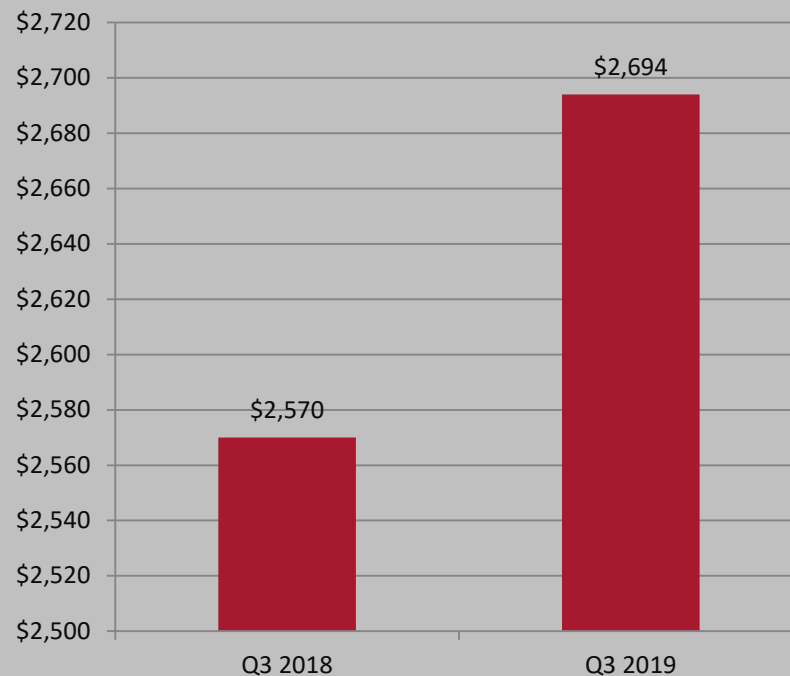
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- Non-interest income constituted 37% of total revenue in 2019 YTD
- Wealth management services represents 89% of total non-interest income YTD 2019
- Wealth management revenue increased 4.82% in Q3 2019 compared to Q3 2018

### Wealth Management Revenue (\$000's)



### Wealth Management Revenue (\$000's)





# TRUX Financial Returns are Excellent



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- Efficiency ratio solidly under 60% again
- Net interest margin (NIM) declined in Q3 2019, but stabilized along with rates
- Return on average assets (ROAA) up 12 basis points from Q3 2018
- Return on average equity (ROAE) down 95 basis points from Q3 2018
- Tier 1 leverage ratio for the Bank remains very conservative – making the returns more impressive

Capital Ratios	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019
Efficiency Ratio	56.24%	56.73%	58.53%	54.60%	57.97%
Net Interest Margin	3.18%	3.25%	3.23%	3.35%	3.26%
ROAA	1.85%	1.70%	1.81%	2.05%	1.97%
ROAE	16.97%	15.29%	15.41%	16.69%	16.02%
Tier 1 Leverage Ratio (Bank)	10.55%	10.76%	11.15%	11.44%	11.31%
Tangible Equity / Tangible Assets	10.56%	11.61%	12.00%	12.70%	11.77%



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