Bank7 Corp. (BSVN)

Updated April 28th, 2025, by Patrick Neuwirth

Key Metrics

Current Price:	$36	**5 Year CAGR Estimate:**	11.9%	**Market Cap:**	$338 M
Fair Value Price:	$45	**5 Year Growth Estimate:**	5.0%	**Ex-Dividend Date[1]:**	06/20/25
% Fair Value:	80%	**5 Year Valuation Multiple Estimate:**	4.6%	**Dividend Payment Date[1]:**	07/03/25
Dividend Yield:	2.7%	**5 Year Price Target**	$58	**Years Of Dividend Growth:**	6
Dividend Risk Score:	C	**Sector:**	Financials	**Rating:**	Hold

Overview & Current Events

Bank7 Corp. (BSVN) is a regional bank holding company serving businesses and individuals through its subsidiary, Bank7. Founded in 1901 and headquartered in Oklahoma City, it operates branches in Oklahoma, the Dallas/Fort Worth area, and Kansas. The bank specializes in commercial real estate, hospitality, energy, and industrial lending while offering a full range of deposit and consumer banking services. Bank7 Corp. is an $377 million company and currently employs approximately 125 full-time staff.

On April 10th, 2025, Bank7 Corp. announced its financial results for the first quarter ended March 31st, 2025. The company reported net income of $10.3 million for Q1 2025, a decrease from $11.3 million in Q1 2024, reflecting a modest decline in profitability. Diluted earnings per share (EPS) came in at $1.08, compared to $1.21 in Q1 2024, impacted by lower interest income and higher funding costs. Net interest income totaled $20.8 million for the quarter, down from $22.0 million in the prior-year quarter, as pressure on yields outweighed loan growth. The net interest margin (NIM) declined slightly to 4.69%, compared to 4.73% in Q1 2024, reflecting tighter spreads in a changing rate environment. Total loans reached $1.42 billion, representing a 3.6% year-over-year increase, while total deposits declined to $1.55 billion from $1.58 billion, as the company continued optimizing its deposit mix.

Among the key positives, capital strength remains a standout — the company reported a Tier 1 leverage ratio of 12.39% and a total risk-based capital ratio of 15.24%, both well above regulatory minimums, offering a robust buffer in uncertain macroeconomic conditions. Additionally, Bank7 maintained an exceptionally efficient cost structure, with an efficiency ratio of 39.45%, positioning it well ahead of peers and enabling strong profitability even amid margin pressures. On the negative side, the decline in EPS and net income highlights some pressure on earnings quality compared to the prior year, as the bank navigates a more challenging interest rate environment. Furthermore, net interest income declined year-over-year, reflecting a tightening spread between asset yields and deposit costs, a trend that could persist if interest rates fall further in coming quarters. Noninterest income for Q1 2025 declined to $1.8 million from $2.0 million in the prior-year quarter, primarily due to lower service charges and other income categories. Noninterest expenses decreased to $8.9 million from $9.1 million in Q1 2024, reflecting continued focus on cost control and operational efficiency.

Bank7 Corp. remains focused on organic growth, cost discipline, and sound credit quality, with an emphasis on continued capital build-up and resilience in dynamic markets. The company is well positioned for a declining rate environment, and has consistently achieved a steady spread through various rate cycles.

Growth on a Per-Share Basis

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2030
EPS	--	$2.31	$3.26	$3.03	$0.81	$2.05	$2.55	$3.22	$3.05	$4.84	***$4.10***	***$5.23***
DPS	--	--	--	--	$0.20	$0.41	$0.45	$0.52	$0.74	$0.87	***$0.96***	***$1.23***
Shares[2]	--	9	9	9	9	9	9	9	9	9	***9***	***9***

[1] Estimated date

[2] In millions.

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The company has grown earnings by 9.7% per year since 2015 and 14.9% over the past five years. We expect earnings to grow on average by 5% per year for the next five years. The company has been able to increase its dividend for 6 consecutive years. Over the last five years, the average annual dividend growth rate is 18.5%. In July 2024, the company increased its quarterly dividend by 14.3% from $0.21 to $0.24 per share. There was no share repurchase activity in Q1 2025.

Valuation Analysis

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Now	2030
Avg. P/E	--	--	--	--	24.3	7.2	9.4	8.7	7.1	12.3	***8.8***	***11.0***
Avg. Yld.	--	--	--	--	1.1%	2.9%	2.0%	2.0%	2.7%	1.9%	***2.7%***	***2.1%***

Shares of Bank7 Corp. have traded with an average price-to-earnings ratio of about 11.5 and today, it stands at 8.8. We are using 11 times earnings as a fair value baseline, implying the potential for a valuation tailwind. The company's dividend yield is currently 2.7% which is above the long-term average yield of 2.1%.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2030
Payout	--	--	--	--	--	20%	18%	16%	24%	18%	***23%***	***23%***

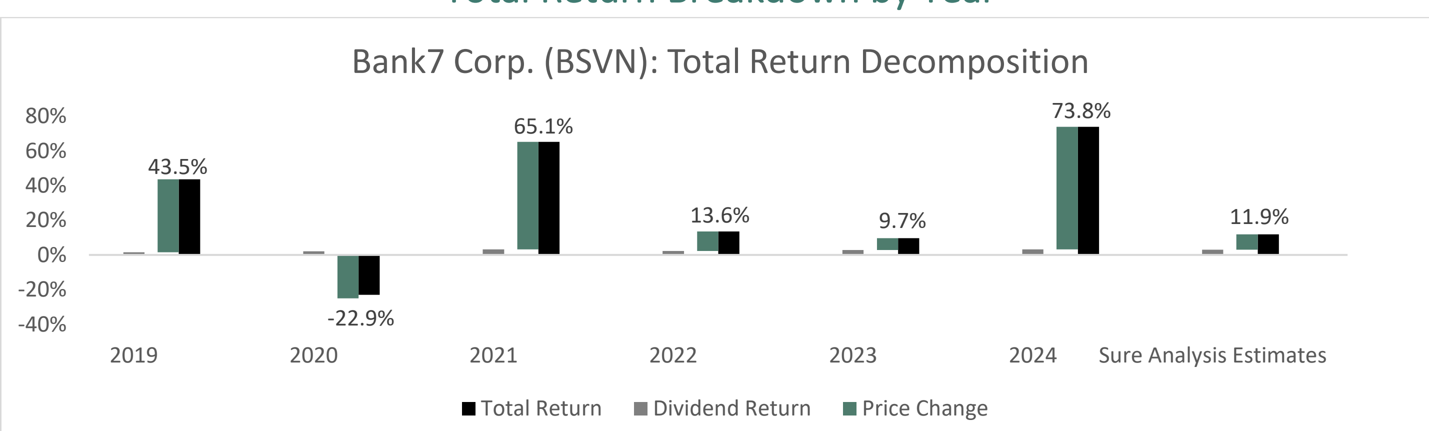
During the past five years, the company's dividend payout ratio has averaged around 19%. Bank7 Corp.'s dividend is comfortably covered by earnings. Given the expected earnings growth, there is room for the dividend to continue to grow at least at the same pace and keep the payout ratio around the same levels, which is safe.

Bank7 Corp. remains a well-capitalized regional bank with strong profitability, disciplined cost control, and solid credit quality. In Q1 2025, the bank posted a net interest margin of 4.69%, slightly lower than 4.73% a year earlier, reflecting stable spreads amid rising funding pressures. Deposits declined to $1.55B, while loan growth remained healthy at +3.6% YoY. Capital levels are robust, with a Tier 1 leverage ratio of 12.39%, supporting resilience in volatile markets. As rate headwinds persist, Bank7's ability to sustain loan growth, optimize funding, and maintain operational efficiency (39.45% efficiency ratio) will be key to long-term performance.

Final Thoughts & Recommendation

Bank7 Corp. is a commercially focused regional bank known for its strong profitability, disciplined cost control, and conservative credit management. Maintaining loan growth and optimizing its funding mix will be critical for sustaining long-term success in a competitive banking environment. We estimate total return potential of 11.9% per year for the stock over the next five years based on a 5% earnings-per-share growth, the dividend yield of 2.7%, and a valuation tailwind. Shares earn a hold rating.

Total Return Breakdown by Year



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Income Statement Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenue		31	40	41	44	49	55	72	92	97
SG&A Exp.		7	8	9	22	11	12	18	18	21
D&A Exp.		1	1	1	1	1	1	1	1	
Net Profit		17	24	25	8	19	23	30	28	46
Net Margin		53.4%	60.1%	61.0%	18.9%	39.5%	41.7%	41.0%	30.8%	46.9%
Free Cash Flow		17	22	27	16	25	30	39	46	
Income Tax		-	-	1	7	7	8	10	9	15

Balance Sheet Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Assets		614	704	771	866	1,017	1,351	1,584	1,772	1,740
Cash & Equivalents		104	130	160	147	170	199	115	199	241
Goodwill & Int.		2	2	2	2	2	10	10	9	9
Total Liabilities		559	634	682	766	909	1,223	1,440	1,601	1,527
Long-Term Debt		6	6	-	-	-	-	-	-	-
Total Equity		55	69	88	100	107	127	144	170	213
LTD/E Ratio		0.12	0.08	-	-	-	-	-	-	-

Profitability & Per Share Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Return on Assets			3.6%	3.4%	1.0%	2.0%	2.0%	2.0%	1.7%	2.6%
Return on Equity			38.3%	31.7%	8.7%	18.6%	19.7%	21.8%	18.0%	23.8%
ROIC			34.9%	30.6%	8.7%	18.6%	19.7%	21.8%	18.0%	23.8%
Shares Out.	--	9	9	9	9	9	9	9	9	9
Revenue/Share		3.09	3.88	4.97	4.29	5.21	6.10	7.86	9.91	10.31
FCF/Share		1.67	2.15	3.23	1.58	2.64	3.25	4.28	5.00	

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.