HomeTrust Bancshares, Inc. (HTB)

Updated October 23rd, 2025 by Nikolaos Sismanis

Key Metrics

Current Price:	$40	**5 Year Annual Expected Total Return:**	10.3%	**Market Cap:**	$698 M
Fair Value Price:	$46	**5 Year Growth Estimate:**	6.0%	**Ex-Dividend Date:**	11/14/2025
% Fair Value:	87%	**5 Year Valuation Multiple Estimate:**	2.9%	**Dividend Payment Date:**	11/28/2025
Dividend Yield:	1.3%	**5 Year Price Target**	$61	**Years Of Dividend Growth:**	7
Dividend Risk Score:	B	**Sector:**	Financials	**Rating:**	Buy

Overview & Current Events

HomeTrust Bancshares, based in Asheville, North Carolina, operates 34 branches across North Carolina, South Carolina, Virginia, Tennessee, and Georgia. The bank provides a wide range of financial services, including commercial real estate loans, residential mortgages, equipment financing, and SBA lending, alongside traditional deposit products. Focused on serving businesses and individuals, HomeTrust combines community banking with tailored financial solutions for its regional markets. As of its latest filings, the bank had total assets of $4.6 billion and total deposits of $3.7 billion. Last year, the bank generated $261.6 million in total interest and dividend income. It has a market cap of $698 million.

On February 11th, 2025, HomeTrust Bancshares announced it had successfully transferred its common stock listing from NASDAQ to the New York Stock Exchange, beginning trading under the new ticker symbol "HTB" on February 24th, 2025.

On October 22nd, 2025, HomeTrust Bancshares raised its dividend by 8.3% to a quarterly rate of $0.13.

On the same day, HomeTrust Bancshares reported its Q3 results for the period ending September 30th, 2025. The bank posted net income of $16.5 million, down slightly from $17.2 million in Q2 2025, with EPS of $0.95 compared to $1.00 in the prior quarter. Net interest income rose from $44.2 million to $45.4 million, while the net interest margin remained strong at 4.31% versus 4.32% previously. Non-interest income declined from $10.2 million to $8.8 million, reflecting the absence of the $1.4 million branch sale gain recognized in Q2. For FY2025, we expect EPS of about $3.80.

Growth on a Per-Share Basis

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2030
EPS	$0.42	$0.65	$0.67	$0.45	$1.52	$1.35	$0.97	$2.28	$2.82[1]	$3.34	***$3.80***	***$5.09***
DPS	---	---	---	---	$0.18	$0.27	$0.31	$0.35	$0.41	$0.45	***$0.52***	***$0.92***
Shares[2]	17.4	17.4	18.0	17.7	16.7	16.1	15.5	15.7	16.8	17.0	***17.1***	***16.0***

Up to 2018, HomeTrust's EPS remained modest, reflecting challenges linked to acquisitions, integration expenses, and a competitive rate environment. The 2014 acquisition of Bank of Commerce marked a large expansion into the Knoxville, Tennessee market, while other acquisitions, including BankGreenville in 2015 and TriSummit Bank in 2017, increased the bank's footprint across the Carolinas and Tennessee. These acquisitions added scale and diversified the loan portfolio. However, the associated integration costs and higher operating expenses limited EPS growth during this period. The EPS decline to $0.45 in 2018 was also due to rising competition in loan pricing and a flat interest rate environment, which compressed margins despite the bank's efforts to streamline operations.

From 2019 onward, HomeTrust experienced a notable jump in EPS, starting with $1.52 in 2019. This growth was driven by improved efficiencies as integration costs from earlier acquisitions subsided, alongside rising contributions from its expanded commercial loan portfolio. The onset of the COVID-19 pandemic in 2020 posed challenges, with EPS dropping

[1] Until 2023, the bank's fiscal year ended on June 30th. Starting with Fiscal Year 2024, the fiscal year now concludes on December 31st. During the transition period from July to December 2023, the bank reported an EPS of $1.67.
[2] Share count is in millions.

to $1.35 due to reduced economic activity and cautious lending. However, the bank showed resilience by leveraging government programs like the Paycheck Protection Program (PPP) and managing credit risks effectively.

The recovery gained momentum in 2021, with EPS climbing to $0.97 as loan demand rebounded. By 2022, EPS surged to $2.28, supported by strong loan growth, a focus on high-yield commercial loans, and improved interest margins due to a rising rate environment. This upward trajectory continued through 2024, powered by organic growth, disciplined cost management, and further optimization of its deposit and loan mix. Moving forward, we believe the bank can continue to grow its EPS by about 6% per year, driven by continued expansion in commercial lending, higher margins from rising interest rates, and growth in key markets across the Southeast. We have applied a higher rate of 12% to our dividend growth estimate, which we think the bank can afford. The bank has raised its dividend for seven consecutive years.

Valuation Analysis

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Now	2030
Avg. P/E	38.1	28.2	33.0	58.2	17.6	16.1	21.5	12.3	8.6	8.5	***10.4***	***12.0***
Avg. Yld.	---	---	---	---	0.7%	1.2%	1.5%	1.3%	1.6%	1.6%	***1.3%***	***1.5%***

HomeTrust's elevated multiples from 2015 to 2018 were driven by modest earnings and market optimism following the company's acquisition-driven growth strategy. The P/E compressed to 17.6 in 2019 and further to 16.1 in 2020 as EPS started to climb up. By 2022, the P/E had normalized to 12.3. In 2023 and 2024, the bank's valuation saw a compression as rising uncertainty tempered valuations despite lasting EPS gains. Today, believe the bank is undervalued.

Safety, Quality, Competitive Advantage, & Recession Resiliency

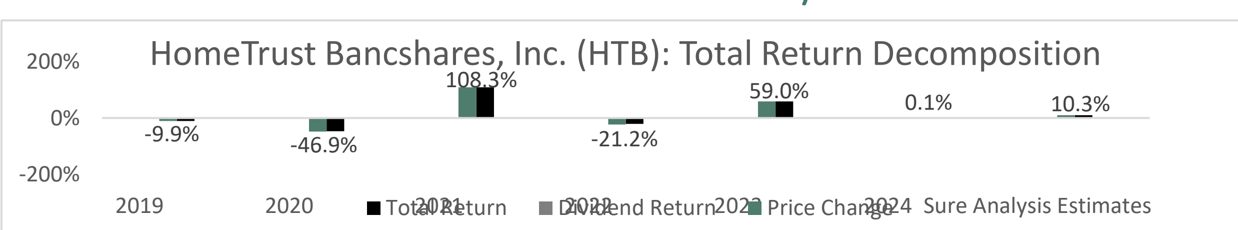
Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2030
Payout	---	---	---	---	12%	20%	32%	15%	15%	13%	***14%***	***18%***

HomeTrust benefits from its focus on personalized customer service, regional expertise, and an expanding presence in its core markets across the Southeast. The bank competes effectively in its niche, particularly in originating commercial and residential real estate loans. Its robust capital ratios, including a CET1 ratio of about 13% as of the end of last year, underscore financial stability. Still, HomeTrust operates in a highly competitive landscape dominated by larger regional and national banks with broader resources, which could pressure margins and market share. Also, the banking industry remains susceptible to economic downturns that can tighten credit conditions and weaken demand. So even though the bank wasn't public during the Great Financial Crisis, and its performance stayed resilient during the COVID-19 pandemic, we urge investors to be cautious of the potential risks attached. Regardless, we view the bank's dividend as quite safe.

Final Thoughts & Recommendation

HomeTrust presents a decent investment case with its focus on commercial lending and potential for expansion in high-growth Southeast markets. Recent EPS growth reflects improved efficiency and rising interest margins, while its robust capital position adds to the positives. That said, risks related to its rather small size remain. We see annualized returns of 10.3% moving forward, backed by our 6% growth estimate, the starting dividend yield of 1.3%, and the potential for a 2.9% annual valuation tailwind. Shares earn a buy rating.

Total Return Breakdown by Year



Disclosure: This analyst has no position in the security discussed in this research report, and no plans to initiate one in the next 72 hours.

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Income Statement Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenue	92	95	107	120	129	134	144	150	186	202
SG&A Exp.	54	55	59	61	66	71	66	64	67	72
Net Profit	8	11	12	8	27	23	16	36	45	17
Net Margin	8.7%	12.0%	11.1%	6.9%	21.0%	16.9%	10.9%	23.8%	23.9%	8.4%
Free Cash Flow	(3)	28	12	28	(11)	(57)	(18)	24	(57)	28
Income Tax	3	5	5	27	7	6	3	10	13	15

Balance Sheet Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Assets	2,783	2,718	3,207	3,304	3,476	3,723	3,525	3,549	4,607	4,595
Cash & Equivalents	583	444	369	367	364	482	281	323	337	308
Total Liabilities	2,412	2,358	2,809	2,895	3,067	3,315	3,128	3,160	4,136	4,044
Long-Term Debt	475	491	697	635	680	475	115	-	210	10
Shareholder's Equity	371	360	398	409	409	408	397	389	471	552
LTD/E Ratio	1.28	1.36	1.75	1.55	1.66	1.16	0.29	-	0.45	0.02

Profitability & Per Share Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Return on Assets	0.3%	0.4%	0.4%	0.3%	0.8%	0.6%	0.4%	1.0%	1.1%	1.2%
Return on Equity	2.1%	3.1%	3.1%	2.0%	6.6%	5.6%	3.9%	9.1%	10.4%	10.4%
ROIC	1.3%	1.4%	1.2%	0.8%	2.5%	2.3%	2.2%	7.9%	8.3%	8.8%
Shares Out.	17.4	17.4	18.0	17.7	16.7	16.1	15.5	15.7	16.8	17
Revenue/Share	4.83	5.42	5.94	6.41	7.03	7.77	8.76	9.49	11.81	11.91
FCF/Share	(0.14)	1.60	0.68	1.49	(0.60)	(3.27)	(1.12)	1.49	(3.62)	1.66

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