Civista Bancshares (CIVB)

Updated February 3rd, 2026 by Aristofanis Papadatos

Key Metrics

Current Price:	$25	**5 Year CAGR Estimate:**	5.9%	**Market Cap:**	$511 M
Fair Value Price:	$27	**5 Year Growth Estimate:**	2.0%	**Ex-Dividend Date:**	2/10/26
% Fair Value:	94%	**5 Year Valuation Multiple Estimate:**	1.2%	**Dividend Payment Date:**	2/24/26
Dividend Yield:	2.9%	**5 Year Price Target**	$29	**Years Of Dividend Growth:**	13
Dividend Risk Score:	D	**Sector:** Financials		**Rating:**	Hold

Overview & Current Events

Civista Bancshares is a financial services holding company that is headquartered in Sandusky, Ohio. Its primary subsidiary, Civista Bancshares, was founded in 1884 and provides banking, commercial lending, mortgage, wealth management, and commercial equipment leasing services. It has 44 branches across Ohio, Southeastern Indiana and Northern Kentucky and has a market capitalization of $511 million. Civista Bancshares is the 10th largest publicly traded commercial bank headquartered in Ohio.

Civista Bancshares has some attractive characteristics. It gathers low-cost deposits and generates loans in attractive markets, including the 5 largest metropolitan areas in Ohio. It also has an experienced management team, with an average banking experience of 31 years. However, the bank has been under pressure since early 2022 due to the surge of interest rates to a nearly 23-year high. This surge caused large unrealized losses in the fixed-income portfolio of the bank and thus it caused the tangible book value per share to plunge -30%, from $18.11 in 2021 to $12.61 in 2022. This helps explain the vast underperformance of the stock vs. the S&P 500 over the last five years (+36% vs. +82%).

In late January, Civista Bancshares reported (1/29/26) financial results for the fourth quarter of 2025. Net interest margin expanded from 3.36% in the prior year's quarter to 3.69% thanks to lower costs of deposits after the recent interest rate cuts of the Fed. Net interest income grew 16% over the prior year's quarter, assisted by 6% growth of loans. Due to lower noninterest income and higher noninterest expense, earnings-per-share dipped -3%, from $0.63 to $0.61, but exceeded the analysts' consensus by $0.06. Civista Bancshares has begun to recover from the impact of high interest rates on its net interest margin. The bank expects wider net interest margin and mid-single-digit growth of loans in 2026.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	$1.57	$1.28	$1.02	$2.01	$2.00	$2.63	$2.60	$2.73	$2.01	$2.64	***$2.65***	***$2.93***
DPS	$0.22	$0.25	$0.32	$0.42	$0.44	$0.52	$0.56	$0.61	$0.64	$0.68	***$0.72***	***$0.88***
Shares[1]	8.0	9.9	12.0	15.6	16.1	15.3	15.0	15.2	15.4	20.1	***21.0***	***25.0***

Civista Bancshares has acquired seven smaller banks since 2007. As a result, it has grown its loans by 11% per year on average and its deposits by 14% per year on average since 2018. The bank has also grown its earnings-per-share by 5.9% per year on average over the last nine years. The bank went through a downturn in recent years due to high interest rates, which compressed the net interest margin of the bank via higher deposit costs. However, the Fed has begun to cut interest rates and intends to cut them further in the upcoming years. Therefore, we expect Civista Bancshares to recover and grow its earnings-per-share by 2% per year on average beyond this year.

Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	8.5	16.7	22.5	10.7	8.0	8.7	8.7	6.4	8.5	8.1	***9.4***	***10.0***
Avg. Yld.	1.7%	1.2%	1.4%	2.0%	2.8%	2.3%	2.5%	3.5%	3.8%	3.2%	***2.9%***	***3.0%***

[1] In millions.

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Excluding 2018, in which a temporary plunge in earnings caused an abnormally high price-to-earnings ratio, Civista Bancshares has traded at an average price-to-earnings ratio of 10.0 over the last decade. Given the risk related to the small market cap of the bank, we view this as a fair valuation level. The stock has rallied 52% in the last two years thanks to lower interest rates, but it is still trading at a price-to-earnings ratio of 9.4. We expect the stock to trade at its average valuation level in five years. In such a case, the stock will enjoy a 1.2% annualized gain thanks to the expansion of its valuation level.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	14%	20%	31%	21%	22%	20%	22%	22%	32%	26%	***27%***	***30%***

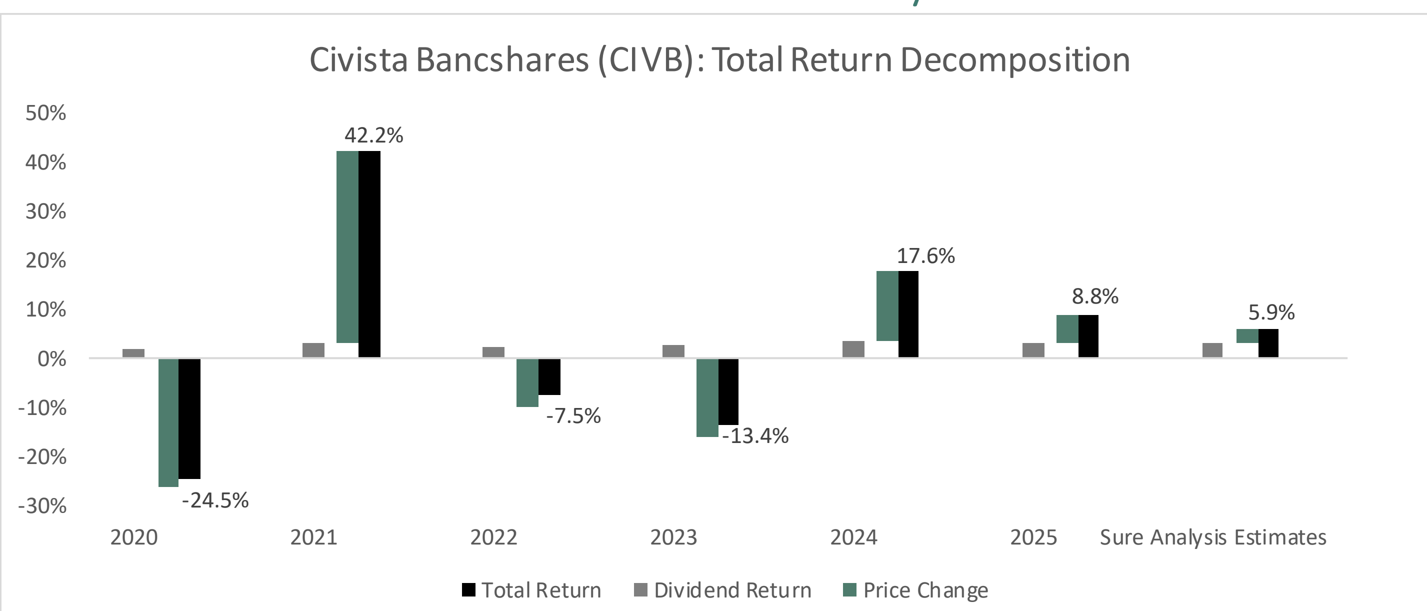
Civista Bancshares has an experienced management, with an average tenure of 31 years, and enjoys lower-cost deposits than the average bank. It has grown its dividend for 13 consecutive years, though it is offering a modest dividend yield of 2.9%, which is in line with the median dividend yield of the financial sector. Civista Bancshares has grown its dividend by 7% per year on average over the last five years and has a healthy payout ratio of 27%, which provides room for meaningful dividend hikes in the upcoming years.

On the other hand, the bank is highly sensitive to the path of interest rates. The -30% plunge in tangible book value per share in 2022 due to the surge of interest rates is a testament to the high sensitivity of the bank to downturns of the financial sector. While we believe that the worse is behind the bank regarding the downturn from high interest rates, investors should be aware of the vulnerability of the bank to downturns. If inflation rebounds, the stock will probably come under pressure.

Final Thoughts & Recommendation

Civista Bancshares has vastly underperformed the S&P 500 over the last five years due to the headwind of high interest rates. Interest rates have begun to normalize but the market has already priced a portion of the expected recovery of the bank in the stock, given the 52% rally of the stock in the last two years. The stock could offer a 5.9% average annual return over the next five years thanks to 2.0% earnings-per-share growth, a 2.9% dividend and a 1.2% annualized valuation gain. The stock maintains its hold rating.

Total Return Breakdown by Year



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Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	66	70	83	106	116	125	137	160	152	173
SG&A Exp.	28	33	47	44	44	47	53	61	65	---
D&A Exp.	2	2	2	3	3	3	6	12	11	---
Net Profit	17	16	14	34	32	41	39	43	32	46
Net Margin	26.2%	22.7%	17.0%	32.1%	27.7%	32.6%	28.8%	26.8%	20.9%	26.6%
Free Cash Flow	15	20	18	36	31	39	19	59	44	---
Income Tax	7	6	3	6	5	8	8	8	5	9

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	1,377	1,526	2,139	2,310	2,769	3,013	3,639	3,861	4,098	4,336
Cash & Equivalents	37	41	43	49	128	255	45	62	65	77
Goodwill & Int. Ass.	29	28	86	85	85	84	136	135	133	144
Total Liabilities	1,240	1,341	1,840	1,979	2,419	2,658	3,305	3,489	3,710	3,793
Long-Term Debt	78	101	223	256	154	179	618	454	451	109
Shareholder's Equity	119	167	290	330	350	355	335	372	389	543
LTD/E Ratio	0.57	0.55	0.75	0.78	0.44	0.50	1.85	1.22	1.16	0.52

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	1.3%	1.1%	0.8%	1.5%	1.3%	1.4%	1.2%	1.1%	0.8%	1.1%
Return on Equity	13.1%	9.9%	5.9%	10.8%	9.5%	11.5%	11.4%	12.2%	8.3%	9.9%
ROIC	7.8%	6.3%	3.5%	6.1%	5.9%	7.8%	5.3%	4.8%	3.8%	5.5%
Shares Out.	8.0	9.9	12.0	15.6	16.1	15.3	15.0	15.2	15.4	---
Revenue/Share	6.01	5.67	6.00	6.27	7.22	8.12	9.15	10.57	9.87	---
FCF/Share	1.39	1.60	1.31	2.11	1.91	2.53	1.25	3.91	2.86	---

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