



Croghan Bancshares, Inc. (CHBH)

Updated April 3rd, 2026 by Nikolaos Sismanis

Key Metrics

Current Price:	\$58	5 Year Annual Expected Total Return:	7.8%	Market Cap:	\$116 M
Fair Value Price:	\$58	5 Year Growth Estimate:	4.0%	Ex-Dividend Date:	04/10/2026
% Fair Value:	100%	5 Year Valuation Multiple Estimate:	0.0%	Dividend Payment Date:	04/30/2026
Dividend Yield:	4.2%	5 Year Price Target	\$70	Years Of Dividend Growth:	16
Dividend Risk Score:	C	Sector:	Financials	Rating:	Hold

Overview & Current Events

Croghan Bancshares is a small Ohio community banking company that owns The Croghan Colonial Bank, founded in 1888 and based in Fremont, Ohio. It offers traditional commercial and retail banking services, including consumer, business, agricultural, and real estate lending, along with checking and savings accounts, time deposits, safe deposit services, and trust and investment services. At the end of 2025, it had about \$1.31 billion in assets, operated 19 banking centers across northern Ohio, and employed 202 full-time equivalent staff. The stock trades at a market cap of \$116 million.

On February 5th, 2026, Croghan Bancshares released its annual results for the period ending December 31st, 2025. For the year, net income totaled \$12.1 million, or \$5.94 per share, up from \$10.1 million, or \$4.80 per share, in 2024. Net interest income rose to \$40.6 million from \$35.4 million, as total interest income increased to \$59.9 million from \$53.3 million, more than offsetting a rise in interest expense to \$19.3 million from \$17.9 million. The company also recorded a \$550 thousand provision for credit losses, compared with no provision in the prior year. Non-interest income was \$7.37 million, up slightly from \$7.31 million, while non-interest expenses increased to \$32.3 million from \$30.4 million, driven largely by higher salaries, wages, and employee benefits, as well as increases in occupancy and other operating costs. For FY2026, we expect EPS of \$6.40.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	\$3.98	\$4.48	\$5.25	\$5.51	\$6.12	\$6.87	\$6.41	\$5.05	\$4.80	\$5.94	\$6.40	\$7.79
DPS	\$1.42	\$1.48	\$1.66	\$1.88	\$2.00	\$2.16	\$2.23	\$2.28	\$2.30	\$2.35	\$2.44	\$2.97
Shares¹	2.3	2.3	2.3	2.3	2.2	2.2	2.2	2.1	2.1	2.0	2.0	1.9

Croghan has delivered consistent EPS growth over time, though the pace has been modest, as reflected in its 4.5% CAGR from 2016 to 2025. From 2016 to 2019, Croghan's EPS rose from \$3.98 to \$5.51, driven by steady loan growth, a higher loan-to-deposit ratio, stronger net interest margin, and solid credit quality. In 2016, loans reached \$552 million and the loan-to-deposit ratio improved to 83.5%, lifting interest income while expenses rose only modestly. That momentum continued in 2017, with net interest income after provision increasing \$1.7 million on better loan quality, lower charge-offs, and solid investment performance. In 2018, net income exceeded \$12 million as higher Fed rates boosted loan yields, balances grew, and the lower corporate tax rate helped results. In 2019, favorable local economic conditions helped offset pressure from a flatter yield curve and higher technology and cyber security costs.

The next phase was shaped by pandemic-era tailwinds and then the rate shock that followed. In 2020 and especially 2021, EPS rose to \$6.12 and \$6.87 as Croghan paired resilient core banking with unusual pandemic-related revenue. Management highlighted PPP lending, residential loan originations, and record wealth management and advisory fees as key drivers of the 2021 record, along with continued balance sheet growth. The bank also expanded its footprint, opening a new office in Milan, enlarging its Maumee office, growing indirect lending in Michigan, and adding commercial lending in Ohio markets beyond its traditional base. That strength began to normalize in 2022, with EPS staying solid at

¹ Share count is in millions.

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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\$6.41 but fell from the 2021 peak as PPP fee income dropped sharply and mortgage fee income weakened with rising rates, partly offset by a stronger core net interest margin and no provision expense.

Moving forward, we believe EPS can grow at 4% per annum, driven by gradual margin normalization, steady loan growth in Croghan’s Ohio markets, trust and fee income, and ongoing technology investment, though deposit competition, softer loan demand, and any credit normalization could temper that pace. We believe the dividend can grow at a similar rate. The company has raised its dividend for 16 consecutive years.

Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	9.7	10.4	10.4	9.6	7.7	8.7	9.7	9.9	9.7	8.3	9.0	9.0
Avg. Yld.	3.7%	3.2%	3.0%	3.6%	4.3%	3.6%	3.6%	4.6%	4.9%	4.8%	4.2%	4.2%

Historically, Croghan has traded in a fairly tight community bank valuation range, with its average P/E mostly clustering around roughly 9x to 10x, aside from a temporary compression to 7.7x in 2020 and 8.3x in 2025. We believe a 9x fair multiple is appropriate because it sits near the middle of the bank’s long term trading range while also reflecting Croghan’s solid profitability and franchise stability, balanced against its small size, limited liquidity, and the likelihood that growth remains steady rather than exceptional.

Safety, Quality, Competitive Advantage, & Recession Resiliency

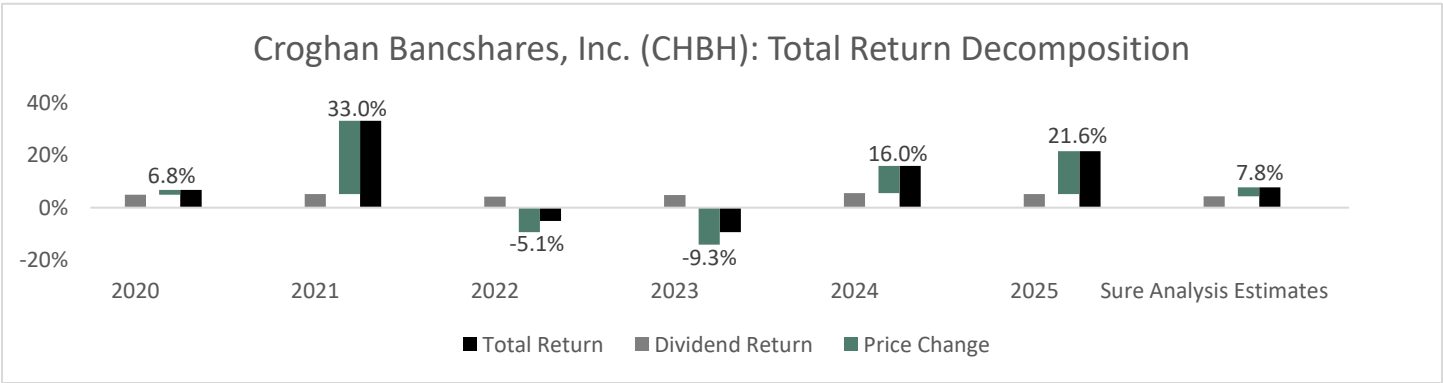
Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	36%	33%	32%	34%	33%	31%	35%	45%	48%	40%	38%	38%

Croghan seems to be a high quality but still distinctly local community bank, with its main strengths coming from conservative underwriting, strong capital, and durable profitability rather than scale. Over time, the bank has posted very low net charge offs, maintained solid capital levels, grown book value steadily, and remained profitable even through the pandemic and the 2023 to 2024 margin squeeze. Its competitive advantage is relationship based, supported by a long operating history in northern Ohio, a stable branch footprint, and an added trust business that diversifies revenue. The main offset is that Croghan remains small and geographically concentrated, so its resilience depends more on disciplined credit and deposit management than on broad diversification. We believe the dividend is safe today.

Final Thoughts & Recommendation

Croghan’s investment case is a conservatively run community bank with a durable northern Ohio franchise, strong credit discipline, steady dividend growth, and demonstrated earnings resilience across cycles, albeit with growth and valuation upside naturally constrained by its small scale and sensitivity to interest rate and deposit cost swings. We see annualized returns of 7.8% through 2031, to be powered by the starting dividend and modest growth. We rate the stock a hold.

Total Return Breakdown by Year



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Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	38	39	41	45	47	48	47	53	61	67
D&A Exp.	2	2	1	1	1	1	1	1	1	1
Operating Profit	12	13	14	15	17	19	17	13	12	15
Operating Margin	31.3%	33.4%	34.4%	33.5%	35.4%	38.5%	36.3%	24.4%	20.4%	22.5%
Net Profit	9	10	12	13	14	15	14	11	10	12
Net Margin	23.7%	26.1%	29.2%	27.9%	29.3%	31.6%	29.9%	20.2%	16.6%	18.1%
Free Cash Flow	10	12	13	13	13	9	17	13	13	13
Income Tax	3	3	2	2	3	3	3	2	2	3

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	823	845	848	879	1,031	1,115	1,128	1,120	1,153	1,316
Cash & Equivalents	17	18	19	15	13	20	19	20	16	13
Goodwill & Int. Ass.	25	24	24	23	23	23	22	22	22	22
Total Liabilities	721	736	733	755	895	975	1,019	1,000	1,028	1,179
Long-Term Debt	16	23	17	18	18	18	61	59	25	145
Shareholder's Equity	102	109	115	124	136	140	109	120	124	138
LTD/E Ratio	0.51	0.47	0.47	0.49	0.52	0.41	0.93	0.88	0.61	1.42

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	1.1%	1.2%	1.4%	1.5%	1.4%	1.4%	1.2%	1.0%	0.9%	1.0%
Return on Equity	9.1%	9.7%	10.7%	10.5%	10.6%	11.0%	11.3%	9.4%	8.2%	9.3%
ROIC	6.2%	6.5%	7.3%	7.1%	7.0%	7.5%	6.9%	5.0%	4.7%	4.6%
Shares Out.	2.3	2.3	2.3	2.3	2.2	2.2	2.2	2.1	2.1	2.0
Revenue/Share	16.74	17.19	17.98	19.74	20.89	21.70	21.42	24.99	28.89	32.90
FCF/Share	4.55	5.28	5.86	5.68	5.61	3.92	7.63	6.18	6.09	6.37

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

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