Southern Missouri Bancorp, Inc. (SMBC)

Updated April 23rd, 2026, by Kody Kester

Key Metrics

Current Price:	$66	**5 Year CAGR Estimate:**	9.8%	**Market Cap:**	$724M
Fair Value Price:	$69	**5 Year Growth Estimate:**	7.5%	**Ex-Dividend Date:**	05/14/26[1]
% Fair Value:	96%	**5 Year Valuation Multiple Estimate:**	0.9%	**Dividend Payment Date:**	05/29/26[1]
Dividend Yield:	1.5%	**5 Year Price Target**	$99	**Years Of Dividend Growth:**	2
Dividend Risk Score:	B	**Sector:**	Financials	**Rating:**	Buy

Overview & Current Events

Founded in 1887, Southern Missouri Bancorp, Inc. is a community bank with a rich corporate history. The bank holding company is the parent company of Southern Bank. Across more than 60 full-service branch offices and two limited-service branch offices, the Poplar Bluff, Missouri-based bank serves over 50 communities in Missouri, Arkansas, Illinois, and Kansas. As of March 31st, 2026, the company held $5.1 billion in total assets.

SMBC provides a variety of services to these individual and corporate customers. That includes money market deposit accounts, savings accounts, retirement savings plans, and certificates of deposit. Loan products include residential mortgages, commercial real estate loans, commercial business loans, construction loans, home equity loans, and automobile loans. Additionally, SMBC offers investing and insurance services, debit or credit cards, and online and mobile banking services.

In recent years, the company has leaned into acquisitions to enhance its economies of scale and to realize cost synergies. In the past five years, SMBC has closed several deals and acquired $1.5 billion in total assets. Its most recent acquisition, Citizens Bancshares, Co. (parent company of Citizens Bank & Trust Company) and its nearly $1 billion in total assets, was completed in January 2023.

On April 22nd, SMBC shared its financial results for the fiscal third quarter ended March 31st, 2026. The company's net interest income rose by 9.3% over the year-ago period to $43.2 million in the quarter. A 23-basis-point expansion in the net interest margin to 3.67% and a 7.5% increase in the net loans balance led to these results during the quarter. SMBC's non-interest income grew by 6.4% year-over-year to $7.1 million for the quarter. Higher other noninterest income, deposit account charges, and bank card interchange income fueled these results in the quarter. SMBC's diluted EPS surged 15.1% over the year-ago period to $1.60 during the quarter. That topped the analyst consensus for the quarter by $0.08.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	$1.98	$2.08	$2.39	$3.14	$2.99	$5.21	$5.22	$3.85	$4.41	$5.18	***$6.25***	***$8.97***
DPS	$0.36	$0.40	$0.44	$0.52	$0.60	$0.62	$0.80	$0.84	$0.84	$0.92	***$1.00***	***$1.47***
Shares[2]	7.4	8.6	9.0	9.3	9.1	8.9	9.2	11.3	11.3	11.3	***11.0***	***13.7***

Moving forward, SMBC has positive momentum on its side. The company's net interest margin expanded by 10 basis points sequentially in Q3 2026. As the Federal Reserve announces cuts to the federal funds rate over the next 12 months, we believe that SMBC's net interest margin can expand further. Bolt-on acquisitions are an additional tailwind for the company. As a result, we believe that diluted EPS can rise by 7.5% annually through FY 2031 from the $6.25 diluted EPS analyst consensus for FY 2026.

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[1] Estimated dates based on past dividend dates.

[2] Share count is in millions.

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Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Avg. P/E	12.3	15.5	16.3	11.1	7.7	8.7	8.8	10.0	10.2	10.6	***10.5***	***11.0***
Avg. Yld.	1.5%	1.2%	1.1%	1.5%	2.6%	1.4%	1.7%	2.2%	1.9%	1.7%	***1.5%***	***1.5%***

Since 2016, SMBC's P/E ratio has ranged from as low as the high single digits to as much as the mid-teens. The stock's average P/E ratio over that time was just above 11. Looking ahead, we continue to believe that a valuation multiple of 11 remains sensible for SMBC. After all, the company's forward growth prospects are comparable to the growth posted in the past decade. The current P/E ratio of 10.5 is slightly below our fair value P/E target.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	18%	19%	18%	17%	20%	12%	15%	22%	19%	18%	***16%***	***16%***

SMBC's 139-year operating history means that it has very established relationships with its existing customers. Its wide variety of banking products and resulting harmonious customer relationships are also helping to drive organic growth.

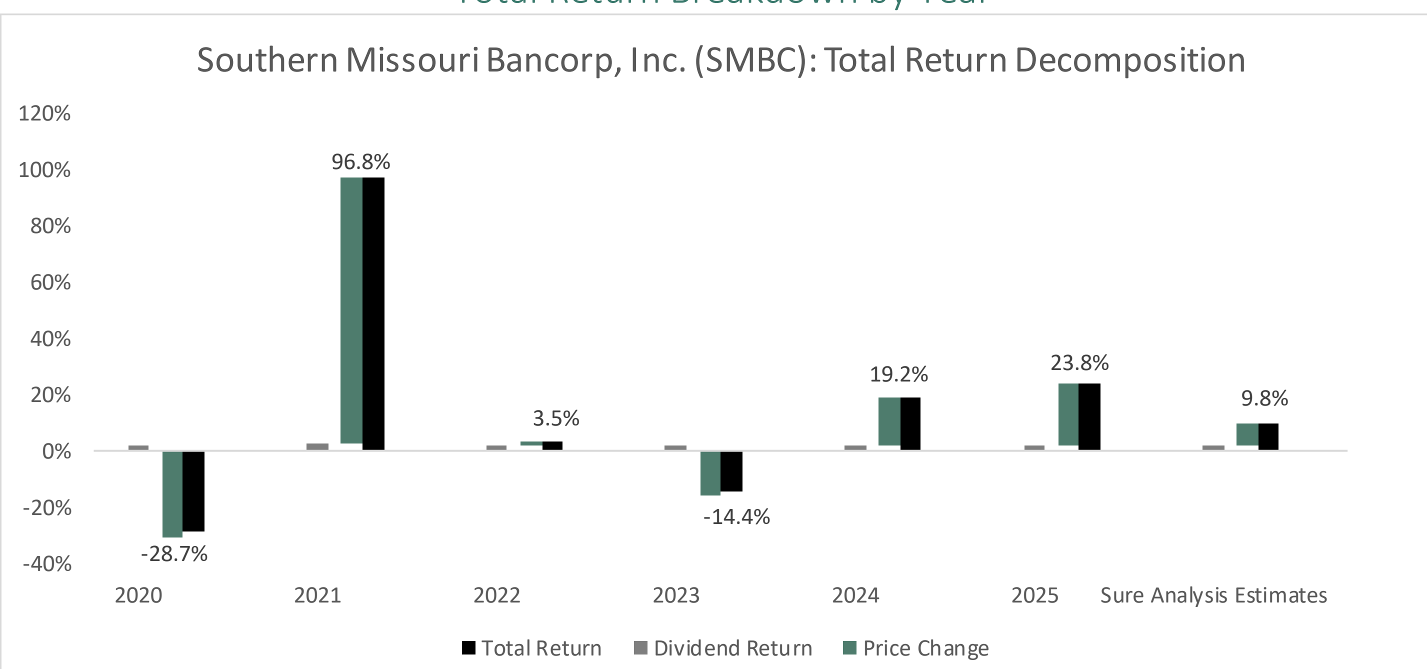
SMBC's diluted EPS has risen in eight out of the last ten fiscal years. Even in its worst year of the decade, 2023, diluted EPS only fell by a quarter. Coupled with a dividend payout ratio that has historically been in the teens to 20% range, that makes the dividend relatively secure for a community bank. These elements make up for the fact that a plurality of SMBC's loans (32.9% as of March 31st, 2026) are in the commercial real estate class.

Lastly, SMBC's asset quality is sound. As of March 31st, 2026, the company's nonperforming assets to total assets ratio was 0.62% (up one basis point sequentially). That puts SMBC in a good position to navigate mild to moderate recessionary scenarios without a dividend cut.

Final Thoughts & Recommendation

SMBC's 1.5% dividend yield, 7.5% annual diluted EPS growth prospects, and 0.9% annual valuation multiple expansion could deliver 9.8% annual total returns over the next five years. That's why we're reiterating our 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	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	66	73	91	113	122	130	138	203	273	305
D&A Exp.	4	4	5	5	6	5	6	8	10	10
Net Profit	15	16	21	29	28	47	47	39	50	58
Net Margin	22.5%	21.4%	23.0%	25.7%	22.6%	36.3%	34.2%	19.3%	18.3%	19.1%
Free Cash Flow	(1)	22	29	31	32	49	62	56	61	75
Income Tax	7	6	8	7	7	13	13	10	13	15

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	1,404	1,708	1,886	2,214	2,542	2,701	3,218	4,369	4,613	5,027
Cash & Equivalents	23	31	26	35	54	124	87	54	61	193
Goodwill & Int.	8	14	18	22	21	19	33	78	74	71
Total Liabilities	1,278	1,535	1,685	1,976	2,284	2,417	2,897	3,923	4,124	4,483
Long-Term Debt	125	61	95	63	87	76	64	162	136	133
Shareholder's Equity	126	173	201	238	258	283	321	446	489	545
LTD/E Ratio	1.21	0.41	0.49	0.28	0.34	0.27	0.20	0.36	0.28	0.27

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	1.1%	1.0%	1.2%	1.4%	1.2%	1.8%	1.6%	1.0%	1.1%	1.2%
Return on Equity	11.5%	10.4%	11.2%	13.2%	11.1%	17.4%	15.5%	10.2%	10.7%	11.3%
ROIC	5.7%	5.9%	7.7%	9.6%	8.5%	13.4%	12.6%	7.9%	8.1%	8.8%
Shares Out.	7.4	8.6	9.0	9.3	9.1	8.9	9.2	11.3	11.3	11.3
Revenue/Share	8.86	9.66	10.41	12.24	13.24	14.37	15.26	19.97	24.16	27.11
FCF/Share	(0.18)	2.93	3.26	3.36	3.48	5.42	6.92	5.52	5.42	6.63

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