Truxton Corporation (TRUX)

Updated May 9th, 2026, by Nikolaos Sismanis

Key Metrics

Current Price:	$100	**5 Year Annual Expected Total Return:**	9.6%	**Market Cap:**	$287 M
Fair Value Price:	$92	**5 Year Growth Estimate:**	8.0%	**Ex-Dividend Date:**	06/10/2026
% Fair Value:	108%	**5 Year Valuation Multiple Estimate:**	-1.6%	**Dividend Payment Date:**	06/24/2026
Dividend Yield:	3.5%	**5 Year Price Target**	$135	**Years Of Dividend Growth:**	13
Dividend Risk Score:	B	**Sector:**	Financials	**Rating:**	Hold

Overview & Current Events

Truxton Corporation is a financial holding company whose main operating subsidiary is Truxton Trust Company, a Nashville-based private bank and wealth-management firm founded in 2004. The company serves high-net-worth individuals, families, business owners, businesses, and charitable institutions through a combination of private banking, deposit and lending services, investment management, trust administration, wealth advisory, and family-office-style services. It's a boutique private bank focusing on customized advice, personal banker relationships, complex financial planning, and services for wealthy clients and their business interests. The bank reported $56.6 million in net revenue last year. The stock trades over-the-counter and has a market cap of $287 million.

On April 30th, 2026, Truxton Corporation announced its Q1 results for the period ending March 31st, 2026. Net income for the quarter amounted to $6.8 million, or $2.35 per diluted share, up from $5.1 million or $1.75 per diluted share last year. Net interest income increased by $3.2 million compared to the prior year, driven by higher interest income from loans and investment securities. Non-interest income decreased by $30,000 from 2025, as higher wealth management services revenue and bank-owned life insurance income were offset by lower advisory services and other income. Non-interest expense rose to $8.3 million from $7.0 million in the prior year, reflecting higher compensation and employee benefits, data processing, FDIC insurance assessments, and other operating expenses. For FY2026, we forecast EPS of $8.00.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	$2.06	$2.28	$2.95	$3.46	$3.90	$5.02	$5.75	$6.02	$6.34	$7.46	***$8.00***	***$11.75***
DPS	$0.72	$0.80	$0.88	$1.00	$1.12	$1.20	$1.36	$1.52	$1.72	$2.00	***$3.52***	***$5.17***
Shares[1]	2.6	2.6	2.7	2.7	2.8	2.8	2.8	2.8	2.8	2.8	***2.8***	***3.0***

Truxton's EPS has grown at an impressive CAGR north of 15% over the past decade. Specifically, EPS grew from $2.06 in 2016 to $3.46 in 2019, mainly through loan growth, wealth management fee growth, expense discipline, and the lower federal tax rate after tax reform. In 2018 and 2019, the bank saw double-digit loan/deposit growth, rising non-interest income from wealth management, and controlled expense growth as key drivers, with 2018 also benefiting materially from the reduced corporate tax rate.

EPS accelerated from $3.90 in 2020 to $5.75 in 2022 as the bank combined strong loan growth with expanding wealth management revenue and good credit quality. In 2021, EPS benefited from strong growth in loans excluding PPP and a 32% increase in wealth management revenue; in 2022, EPS still rose despite lower PPP fees and securities losses, driven by 25% gross loan growth and continued strong asset quality.

From 2023 to 2025, EPS increased from $6.02 to $7.46, with growth shifting from broad operating leverage to balance-sheet expansion and fee income resilience. 2023 was held back by NIM compression, but wealth management revenue grew and credit losses remained minimal. In 2024, wealth management growth and buybacks helped offset transition costs, while 2025's larger EPS increase was driven by strong loan and deposit growth and improved margin conditions.

[1] Share count is in millions.

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We expect EPS to grow at roughly 8% per year because TRUX's model is still scaling from a single-location private bank into a larger wealth/private banking platform, with deposit growth tied to high-touch treasury service and wealth management fees tied to affluent-client relationships.

Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	13.1	13.9	12.5	12.4	11.2	11.4	11.8	10.2	10.5	10.6	***12.4***	***11.5***
Avg. Yld.	2.7%	2.5%	2.4%	2.3%	2.6%	2.1%	2.0%	2.5%	2.6%	2.5%	***3.5%***	***3.8%***

Truxton's valuation has compressed over time, with its average P/E falling from the 12–14x range in 2016–2019 to about 10–11x in 2023–2025, despite EPS continuing to compound. We have our fair multiple estimate at 11.5x EPS, which we feel is reasonable, even though recent earnings growth could warrant a premium. This is implies the stock is overvalued today. The 3.5% yield also hovers at meaningful levels considering the rather rapid dividend growth lately.

Safety, Quality, Competitive Advantage, & Recession Resiliency

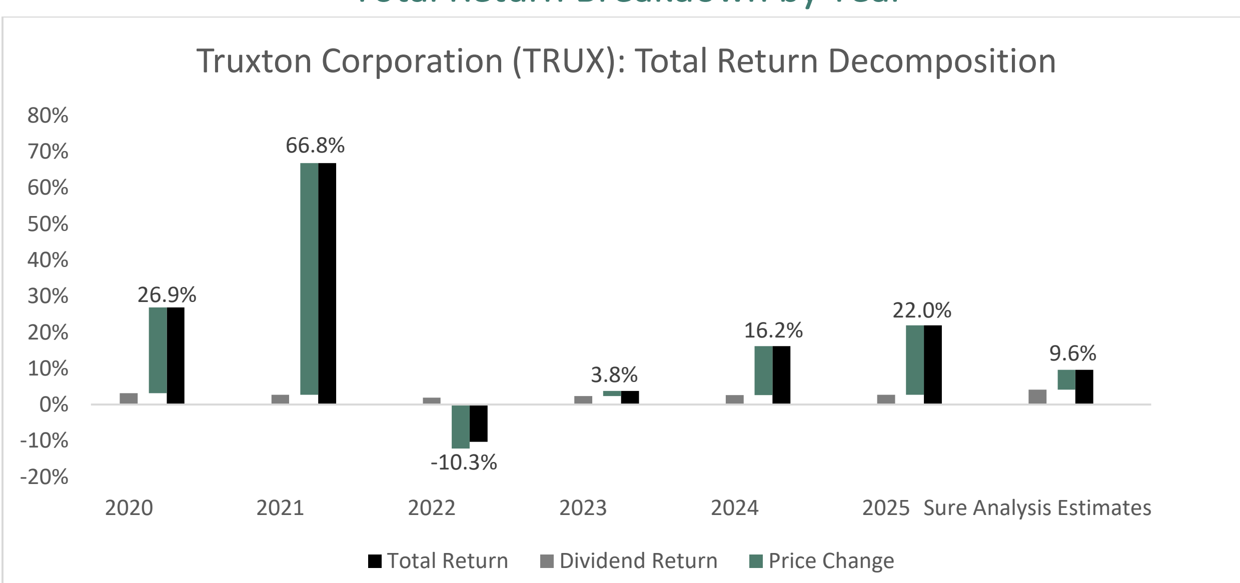
Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	35%	35%	30%	29%	29%	24%	24%	25%	27%	27%	***44%***	***44%***

Truxton's profile is anchored by a private banking model focused on high-net-worth clients, which gives the franchise deeper relationships than a typical branch-led community bank. The fact that the company combines private banking, wealth management, trust, and family-office/advisory services creates recurring fee income and broader client wallet share, while its conservative underwriting history has helped credit quality remain strong through rate and economic cycles. This makes the business less dependent on pure loan growth and more resilient than a commodity spread-lending model. We believe the dividend is safe today. It has grown every year since the first payout in 2013.

Final Thoughts & Recommendation

Truxton offers a niche private-bank investment case built on conservative balance-sheet growth, recurring management fees, strong credit history, and a reasonable valuation relative to its long-term EPS compounding. We see annualized returns of 9.6% through 2031, powered by our earnings growth estimate, the 3.5% starting dividend yield, and the possibility of a valuation headwind. We rate TRUX stock as a hold.

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	22	25	28	32	33	39	49	67	78	92
D&A Exp.	0	0	0	0	0	0	0	0	0	1
Operating Profit	8	9	10	12	13	17	21	22	23	27
Op. Margin	35.1%	35.3%	35.5%	38.0%	40.7%	44.4%	41.7%	32.2%	29.3%	29.0%
Net Profit	5	6	8	10	11	14	16	17	18	21
Net Margin	24.6%	24.6%	28.6%	30.1%	32.9%	36.2%	33.1%	25.4%	22.8%	22.7%
Free Cash Flow	6	8	10	11	12	18	24	20	10	20
Income Tax	2	3	2	2	2	3	4	4	5	5

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	408	438	486	540	744	919	919	957	1,006	1,416
Cash & Equivalents	7	6	7	9	13	9	5	6	5	7
Goodwill & Int.	-	-	-	-	-	-	-	-	-	-
Total Liabilities	362	387	429	477	667	835	846	869	908	1,299
Long-Term Debt	21	20	19	19	33	19	19	73	27	50
Total Equity	46	51	56	63	77	84	73	88	99	117
LTD/E Ratio	0.44	0.42	0.36	0.31	0.43	0.24	0.33	0.83	0.28	0.43

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	1.3%	1.4%	1.7%	1.9%	1.7%	1.7%	1.8%	1.8%	1.8%	1.7%
Return on Equity	12.1%	12.4%	14.9%	15.9%	15.6%	17.7%	20.7%	21.2%	19.2%	19.4%
ROIC	8.2%	8.7%	10.7%	11.9%	11.3%	13.3%	16.1%	13.2%	12.5%	14.3%
Shares Out.	2.6	2.6	2.7	2.7	2.8	2.8	2.8	2.8	2.8	2.8
Revenue/Share	8.36	9.27	10.30	11.51	11.85	13.88	17.39	23.75	27.75	32.90
FCF/Share	2.47	2.89	3.64	4.03	4.37	6.50	8.58	7.09	3.45	7.28

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