Business First Bancshares, Inc. (BFST)

Updated July 25th, 2026, by Sure Dividend Analyst

Key Metrics

Current Price:	$31	**5 Year Annual Expected Total Return:**	10.7%	**Market Cap:**	$1.1 B
Fair Value Price:	$36	**5 Year Growth Estimate:**	6.0%	**Ex-Dividend Date:**	08/14/26
% Fair Value:	87%	**5 Year Valuation Multiple Estimate:**	2.9%	**Dividend Payment Date:**	08/31/26
Dividend Yield:	1.9%	**5 Year Price Target**	$48	**Years Of Dividend Growth:**	7
Dividend Risk Score:	B	**Sector:**	Financials	**Rating:**	Buy

Overview & Current Events

Business First Bancshares, Inc. (BFST) is a United States-based bank holding company headquartered in Baton Rouge, Louisiana. Through its subsidiary, b1BANK, the company offers a comprehensive range of financial services, including personal and commercial banking, treasury management, and wealth solutions. Catering primarily to small-to-midsized businesses and professionals, BFST generates the majority of its revenues from interest income on loans, customer service and loan fees, and interest income from securities. Business First Bancshares is a $1.1 B company that was founded in 2006 and has about 850 employees.

Business First Bancshares acquired Oakwood Bancshares in October 2024 and Progressive Bancorp in January 2026, adding approximately $863.6 million and $773.8 million in assets, respectively. In June 2026, it also acquired American Planning Corporation, expanding Smith Shellnut Wilson's advisory platform. These acquisitions strengthen the company's scale, market position, and growth prospects across Louisiana, Texas, and Houston.

On July 23rd, 2026, Business First Bancshares released its financial results for the second quarter, which ended June 30th, 2026. For the quarter, the company reported net income available to common shareholders of $22.8 million, compared to $22.2 million in Q1 2026 and $20.8 million in Q2 2025. Earnings per diluted share (EPS) totaled $0.70, up from $0.68 in the prior quarter and unchanged from $0.70 in the year-ago period. Net interest income was $77.8 million, compared to $75.2 million in Q1 2026 and $67.0 million in the year-ago period, supported by a net interest margin (NIM) of 3.73%, versus 3.65% in Q1 and 3.68% a year earlier. Total deposits decreased to $7.24 billion, down $229.4 million, or 3.07%, from Q1, but remained above $6.42 billion in the year-ago period. Non-interest-bearing deposits were 21.9% of total deposits, compared to 21.1% in the prior quarter. Total loans held for investment declined to $6.66 billion, a decrease of $24.8 million, or 0.37%, from Q1, as organic loan production of approximately $96.4 million was offset by the sale of $100.3 million of acquired loans and the resolution or reduction of a $21.0 million nonperforming loan. Non-interest income was $14.0 million, broadly unchanged from $14.1 million in Q1 but down from $14.4 million a year earlier, as lower swap fee income was partially offset by a gain on the redemption of debt and higher gains on loan sales. Non-interest expenses rose to $59.5 million, compared to $57.5 million in Q1, primarily driven by higher advertising and promotion costs, legal and other professional fees, regulatory assessments, and other expenses. Provisions for credit losses were $2.0 million, down from $2.3 million in Q1. The allowance for credit losses was 1.02% of total loans.

Management expects a strong second half of 2026, supported by solid loan growth, margin expansion, stronger capital, improving asset quality, the Progressive integration, Houston pipeline growth, and opportunities from Meta's additional $40 billion investment in Northeast Louisiana.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	$0.70	$0.61	$1.22	$1.74	$1.64	$2.53	$2.32	$2.59	$2.26	$2.79	***$3.00***	***$4.01***
DPS	--	--	$0.24	$0.38	$0.40	$0.46	$0.48	$0.50	$0.56	$0.60	***$0.60***	***$0.80***
Shares[1]	7	8	12	14	18	21	23	25	25	30	***33***	***34***

[1] 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.

Business First Bancshares, Inc. (BFST)

Updated July 25th, 2026, by Sure Dividend Analyst

The company has grown earnings by 16.6% per year since 2016 and 3.5% over the past five years. The company has been able to increase its dividend for 7 consecutive years. Over the last five years, the average annual dividend growth rate is 5.5%. In October 2025, the company increased its quarterly dividend by 7.1% from $0.14 to $0.15 per share.

Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	--	--	4.8	13.4	16.8	10.6	8.3	11.0	15.6	9.1	***10.4***	***12.0***
Avg. Yld.	--	--	1.0%	1.5%	2.0%	1.6%	2.2%	2.0%	2.2%	2.4%	***1.9%***	***1.7%***

During the past decade shares of Business First Bancshares have traded with an average price-to-earnings ratio of about 11 and today, it stands at 10.4. We are using 12 times earnings as a fair value baseline, implying the potential for a valuation tailwind. The company's dividend yield is currently 1.9% which is in line with the average yield of 1.9% over the past decade.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	--	--	20%	22%	24%	18%	21%	19%	25%	22%	***20%***	***20%***

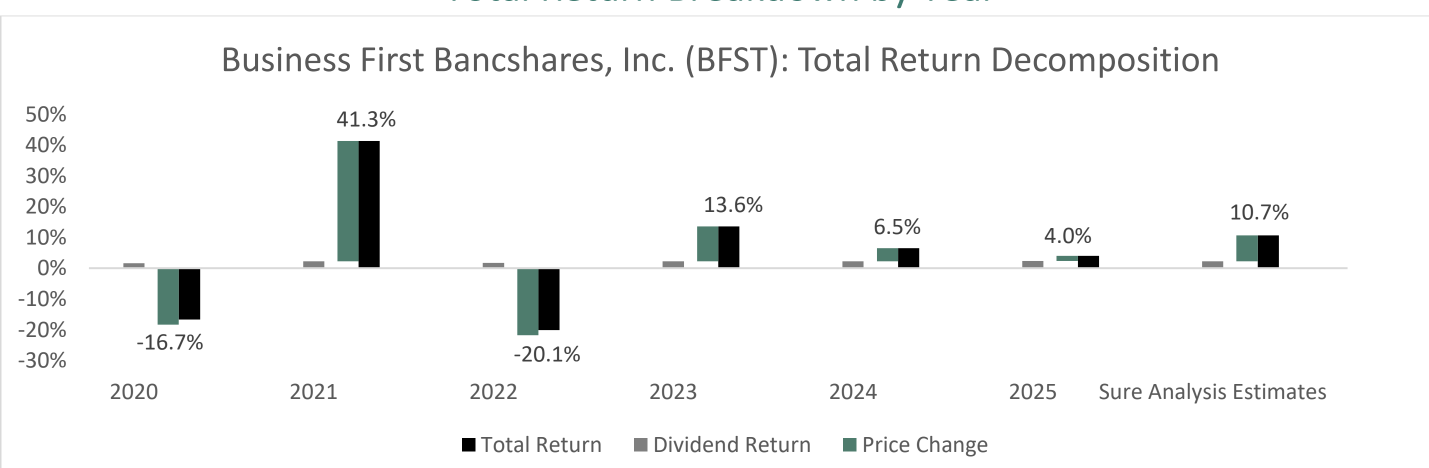
During the past five years, the company's dividend payout ratio has averaged around 21%. Business First's dividend is comfortably covered by earnings. Given the expected earnings growth, there is room for the dividend to continue to grow at least at the same pace and keep the payout ratio around the same levels which is safe.

Business First demonstrates strengths through revenue diversification, robust core profitability, solid organic loan origination, and tangible book value expansion, supported by the Oakwood and Progressive acquisitions. Its expanding footprint and broader revenue base position the company well for future growth. Asset quality improved in Q2 2026, with lower nonperforming loan and asset ratios, although higher operating expenses, declining deposits, increased borrowings, and rising net charge-offs introduce some risk. The expected integration of Progressive in August also carries execution risk related to achieving synergies and managing credit exposure. Despite these challenges, BFST's focus on organic growth, margin expansion, capital strength, and efficient execution provides a solid foundation for long-term resilience.

Final Thoughts & Recommendation

Business First Bancshares, Inc. is a well-established regional bank, with a strong presence in commercial banking, a growing presence across Louisiana and Texas, a sound earnings profile, and a dividend yield of 1.9%. We estimate total return potential of 10.7% per year for the stock over the next five years based on a 6% earnings-per-share growth, the dividend yield, and a 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.

Business First Bancshares, Inc. (BFST)

Updated July 25th, 2026, by Sure Dividend Analyst

Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	43	50	70	89	147	187	228	247	270	513
SG&A Exp.	23	25	31	40	66	70	92	98	113	-
D&A Exp.	1	1	1	2	3	4	5	5	-	6
Net Profit	5	5	14	24	30	52	54	71	65	88
Net Margin	11.9%	9.7%	20.1%	26.6%	20.4%	27.9%	23.8%	28.7%	24.1%	17.2%
Free Cash Flow	7	7	18	20	26	52	62	81		92
Income Tax	2	4	3	6	7	12	14	20	18	22

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	1,106	1,321	2,095	2,274	4,160	4,726	5,990	6,585	7,857	8,228
Cash & Equivalents	42	108	96	89	149	68	153	226	319	411
Goodwill & Int.	9	9	57	55	64	72	103	100	139	136
Total Liabilities	992	1,141	1,835	1,989	3,750	4,293	5,410	5,940	7,058	7,331
Long-Term Debt	51	79	80	118	84	168	526	616	461	550
Total Equity	114	180	260	285	410	433	509	572	728	825
LTD/E Ratio	0.45	0.44	0.31	0.41	0.21	0.39	0.91	0.96	0.58	0.65

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets		0.4%	0.8%	1.1%	0.9%	1.2%	1.0%	1.1%	0.9%	1.1%
Return on Equity		3.3%	6.4%	8.7%	8.6%	12.4%	10.7%	11.6%	9.0%	10.4%
ROIC		2.3%	4.7%	6.4%	6.7%	9.5%	6.4%	6.0%	5.2%	6.4%
Shares Out.	7	8	12	14	18	21	23	25	25	29.6
Revenue/Share	6.22	4.33	6.06	6.54	8.04	9.04	9.97	9.78	10.22	17.35
FCF/Share	0.98	0.65	1.59	1.50	1.45	2.54	2.71	3.19	-	3.11

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