Citizens Community Bancorp, Inc. (CZWI)

Updated July 30th, 2026 by Nikolaos Sismanis

Key Metrics

Current Price:	$22.25	**5 Year Annual Expected Total Return:**	5.1%	**Market Cap:**	$212 M
Fair Value Price:	$19.20	**5 Year Growth Estimate:**	6.0%	**Ex-Dividend Date:**	08/07/2026
% Fair Value:	116%	**5 Year Valuation Multiple Estimate:**	-2.9%	**Dividend Payment Date:**	08/21/2026
Dividend Yield:	1.9%	**5 Year Price Target**	$26	**Years Of Dividend Growth:**	7
Dividend Risk Score:	C	**Sector:**	Financials	**Rating:**	Hold

Overview & Current Events

Citizens Community Bancorp is the holding company behind Citizens Community Federal N.A., a federally chartered National Bank. Headquartered in Eau Claire, Wisconsin, the bank serves customers across Wisconsin and Minnesota through a network of 22 full-service branch locations. The bank's primary markets include the Chippewa Valley Region, the Twin Cities, and Mankato areas, as well as other surrounding rural communities. The bank provides several financial services, including commercial, agricultural, and consumer banking. At the end of the second quarter of 2026, the bank had $1.81 billion in total assets and $1.55 billion in total deposits. The stock trades at a market cap of $212 million.

On July 27th, 2026, Citizens Community Bancorp reported its Q2 results for the period ending June 30th, 2026. The bank posted net income of $1.1 million, or $0.11 per share, compared to $3.3 million, or $0.33 per share, in the same period last year. Earnings declined mainly due to a $4.3 million provision for credit losses related to three troubled commercial loan relationships. Net interest income increased to $13.5 million, while the net interest margin expanded by 4 basis points quarter-over-quarter to 3.22%, supported by lower deposit costs and higher performing-loan yields. Non-interest income declined to $2.6 million due to lower gains on loan sales. Tangible book value per share rose 9.2% year-over-year to $16.55, while the Board maintained its quarterly dividend at $0.105 per share. For FY2026, we see EPS of $1.60.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	$0.46	$0.58	$0.50	$0.85	$1.14	$1.98	$1.69	$1.25	$1.34	$1.46	***$1.60***	***$2.14***
DPS	$0.16	$0.20	---	$0.20	$0.21	$0.23	$0.26	$0.29	$0.32	$0.36	***$0.42***	***$0.68***
Shares[1]	5.4	7.4	8.5	11.1	11.2	10.7	10.5	10.5	10.3	9.8	***9.6***	***9.0***

Citizens Community Bancorp features a rather solid EPS track record over the past decade. In 2016, EPS was $0.46, due to limited growth as the bank faced challenges adapting to a competitive market and low interest rate environment. Loan and deposit growth remained modest during this period as the bank restructured its operations, closing branches and trimming underperforming assets.

The periods of 2017 and 2018 marked notable initiatives, despite the lack of earnings growth. In 2017, the acquisition of Wells Federal Bank contributed to a larger loan portfolio and stronger deposit growth, but integration expenses and a repositioning of its balance sheet kept EPS at $0.58. In 2018, EPS dipped slightly to $0.50, despite continued organic and acquisition-driven growth, reflecting transition costs from the integration of United Bank. However, by 2019, EPS rose to $0.85, benefiting from loan growth and better cost efficiency, even as branch consolidations continued.

From 2020 to 2021, EPS grew sharply, reaching $1.14 in 2020 and peaking at $1.98 in 2021. This increase was driven by strong mortgage banking revenue, PPP loan participation during the COVID-19 pandemic, and disciplined cost control. The bank also benefited from a shift toward a more commercial-focused portfolio and improved operational efficiencies following multiple acquisitions in prior years.

[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.

Still, in 2022 and 2023, EPS declined to $1.69 and $1.25, respectively, due to rising rate pressures, narrowing net interest margins, and increased provisioning for potential loan losses in a tighter economic environment. In 2024, its operations stabilized, with EPS rising modestly. In 2025, the recovery gained further traction, with EPS increasing to $1.46, driven primarily by higher net interest income, lower deposit and funding costs, and a normalization of credit provisioning.

Moving forward, we believe that the bank can grow its EPS by about 6% per annum. We have applied a more optimistic rate of 10% to our dividend growth estimates, which we believe the company can afford. The bank has grown its dividend for seven consecutive years.

Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	21.2	21.8	27.2	14.2	8.1	5.8	8.1	8.9	8.9	11.0	***13.9***	***12.0***
Avg. Yld.	1.6%	1.6%	---	1.7%	2.3%	2.0%	1.9%	2.6%	2.7%	2.3%	***1.9%***	***2.6%***

The bank's P/E ratio has fluctuated notably over the years, reflecting the ever-shifting market sentiment. High multiples from 2016 to 2018 were driven by modest earnings growth and acquisition-related integration costs. The sharp decline to 8.1 in 2020 and 5.8 in 2021 reflects stronger earnings outpacing share price gains during the pandemic recovery. We believe the stock is modestly overvalued today, with our fair multiple standing at 12 times earnings.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	35%	34%	0%	24%	18%	12%	15%	23%	24%	25%	***26%***	***32%***

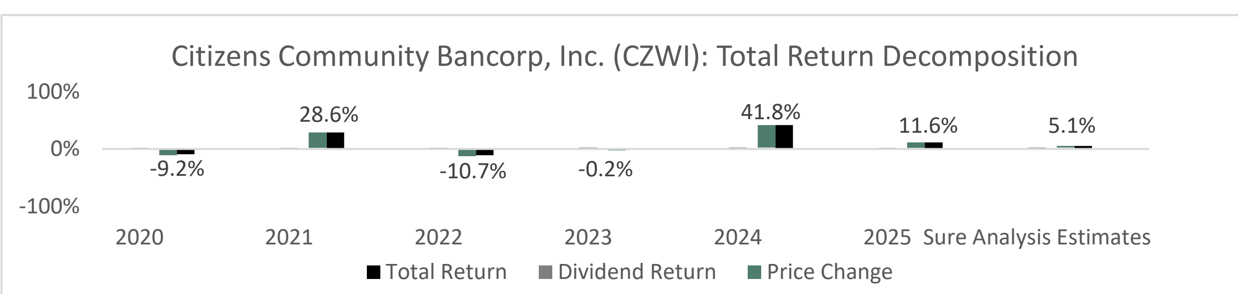
Citizens Community Bancorp benefits from a competitive position as a locally-focused regional bank with a diverse loan portfolio spanning commercial, agricultural, and residential segments. It operates mostly in Wisconsin and Minnesota, areas with relatively stable economic environments. The bank's prudent underwriting practices, as evidenced by low non-performing loan ratios and high credit quality metrics, show financial discipline.

However, we believe that the bank faces stiff competition from larger national and regional banks, which can leverage broader economies of scale and tech advantages. The community banking sector, including CZWI, is inherently sensitive to market downturns due to its reliance on net interest margins and local economic health. Still, we do recognize CZWI's healthy capital ratios, with a CET1 ratio of 13.3% as of 2025. We also view the bank's dividend as a fairly safe one.

Final Thoughts & Recommendation

CZWI presents a decent investment case built on its steady regional presence and solid earnings growth history post-acquisitions. While EPS levels remain well-below their 2021 highs, we believe that the bank's strong capital position, conservative underwriting, and focus on expanding its commercial lending provide a solid foundation for long-term growth in a competitive landscape. We see total returns per annum of 5.1% through 2031, mainly driven by our growth estimate of 6% and the starting yield of 1.9%, offset by the possibility of a valuation headwind. CZWI earns a hold 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.

Citizens Community Bancorp, Inc. (CZWI)

Updated July 30th, 2026 by Nikolaos Sismanis

Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	24	27	37	56	68	70	67	59	56	98
SG&A Exp.	12	13	18	24	24	24	24	23	24	-
Net Profit	3	2	4	9	13	21	18	13	14	14
Net Margin	10.7%	9.4%	11.5%	16.8%	18.6%	30.5%	26.4%	22.3%	25.0%	14.3%
Free Cash Flow	5	1	8	6	21	18	26	12	19	10
Income Tax	1	1	2	3	5	8	6	6	4	3

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	696	941	975	1,531	1,649	1,740	1,816	1,851	1,749	1,782
Cash & Equivalents	11	50	42	61	123	49	36	37	50	119
Total Liabilities	631	867	840	1,381	1,489	1,569	1,649	1,678	1,569	1,594
Long-Term Debt	70	120	88	175	182	170	215	147	67	52
Shareholder's Equity	65	73	136	151	161	171	167	173	179	188
LTD/E Ratio	1.09	1.64	0.65	1.16	1.13	0.99	1.29	0.85	0.37	0.28

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	0.4%	0.3%	0.4%	0.8%	0.8%	1.3%	1.0%	0.7%	0.8%	0.8%
Return on Equity	4.1%	3.6%	4.1%	6.6%	8.2%	12.8%	10.5%	7.7%	7.8%	7.9%
ROIC	2.0%	1.5%	2.1%	3.5%	3.8%	6.2%	4.9%	3.7%	4.9%	5.9%
Shares Out.	5.4	7.4	8.5	11.1	11.2	10.7	10.5	10.5	10.3	9.9
Revenue/Share	4.56	4.97	5.06	5.06	6.13	6.50	6.39	5.59	5.48	9.90
FCF/Share	0.90	0.24	1.08	0.55	1.90	1.66	2.44	1.12	1.88	1.05

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