BancFirst Corp. (BANF)

Updated August 24th, 2026 by Felix Martinez

Key Metrics

Current Price:	$113	**5 Year Annual Expected Total Return:**	6.1%	**Market Cap:**	$3.8B
Fair Value Price:	$115	**5 Year Growth Estimate:**	4.0%	**Ex-Dividend Date:**	09/30/26
% Fair Value:	98%	**5 Year Valuation Multiple Estimate:**	0.4%	**Dividend Payment Date:**	10/15/26
Dividend Yield:	1.7%	**5 Year Price Target**	$140	**Years Of Dividend Growth:**	32
Dividend Risk Score:	B	**Sector:**	Financials	**Rating:**	Hold

Overview & Current Events

BancFirst Corp. (BANF) serves as the financial holding company for BancFirst, a state-chartered bank headquartered in Oklahoma City, Oklahoma. The company was founded in 1984, and in subsequent years merged with seven other bank holding companies based in Oklahoma. BancFirst has 104 banking locations serving 59 communities throughout Oklahoma and has over 1,900 employees. BancFirst offers retail customers and small and mid-sized businesses various commercial banking services. This includes checking, savings, CDs, personal loans, and other services for retail customers. The bank offers business lending services for commercial customers, including agricultural and multi-family loans and various business banking services. The company has a $3.8 billion market capitalization.

On July 23rd, 2026, BancFirst Corporation reported second-quarter results for Fiscal Year 2026. The company reported second-quarter 2026 net income of $66.7 million, or $1.96 per diluted share, compared with $62.3 million, or $1.85 per diluted share, in the same period of 2025. Net interest income rose to $133.5 million from $121.3 million, driven by higher loan volumes and growth in earning assets, while the net interest margin expanded to 3.84% from 3.75%. The company recorded a $4.9 million provision for credit losses, up from $1.4 million a year earlier.

Noninterest income increased to $53.9 million from $48.0 million, supported by gains in trust revenue, deposit service charges, securities transactions, treasury income, and $2.9 million in bank-owned life insurance claims, partially offset by lower insurance commissions. Noninterest expense grew to $97.5 million from $88.2 million, primarily due to a $5.2 million rise in salaries and employee benefits and higher other real estate owned costs. At June 30, 2026, total assets reached $15.1 billion, loans totaled $8.7 billion, deposits stood at $12.8 billion, and stockholders' equity increased to $2.0 billion. Nonaccrual loans rose to 0.94% of total loans, while the allowance for credit losses remained solid at 1.25% and net charge-offs declined.

CEO David Harlow described the results as a record quarter fueled by margin expansion and earning-asset growth, with solid noninterest income performance and disciplined expense control. During the quarter the company announced the pending acquisition of SpiritBank, which will expand its presence in the Tulsa market; a fourth-quarter close is expected pending regulatory approval. Management maintains a cautious economic outlook while noting that charge-offs remain at historically low levels and the credit-loss allowance continues to provide adequate coverage.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	$2.22	$2.79	$3.76	$4.05	$3.00	$5.03	$5.77	$6.34	$6.44	$7.11	***$7.69***	***$9.36***
DPS	$0.74	$0.80	$1.02	$1.24	$1.32	$1.40	$1.52	$1.66	$1.78	$1.90	***$1.99***	***$2.42***
Shares[1]	32.0	33.0	33.0	33.0	33.0	33.0	33.0	33.0	33.6	33.8	***33.9***	***34.0***

BancFirst has grown EPS, averaging 13.8% per year over the past ten years and 8.9% over the past five years. However, going back to a more extended 15-year period to account for the prior recession, the bank has only grown earnings by

[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.

an average of 6.1% per year. With the current interest environment, we expect EPS to grow at around a rate of 4% for the next five years, which is in line with its long-term earnings growth.

Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Avg. P/E	21.8	19.4	14.8	15.4	19.6	14.0	15.3	15.4	18.2	14.9	***14.7***	***15.00***
Avg. Yld.	1.6%	1.6%	2.0%	2.0%	2.3%	2.0%	1.7%	1.7%	1.5%	1.8%	***1.7%***	***1.7%***

BancFirst's P/E ratio has averaged 16.9x over the past ten years, with relatively little change from year to year. We feel that a multiple of 15.0x is fair for a company of this size with a low estimated growth rate and yield. Thus, the company looks undervalued based on the average PE with a current PE of 14.7x. The stock currently has a price-to-book (PB) ratio of 1.9, lower to its five-year average of 2.2.

Safety, Quality, Competitive Advantage, & Recession Resiliency

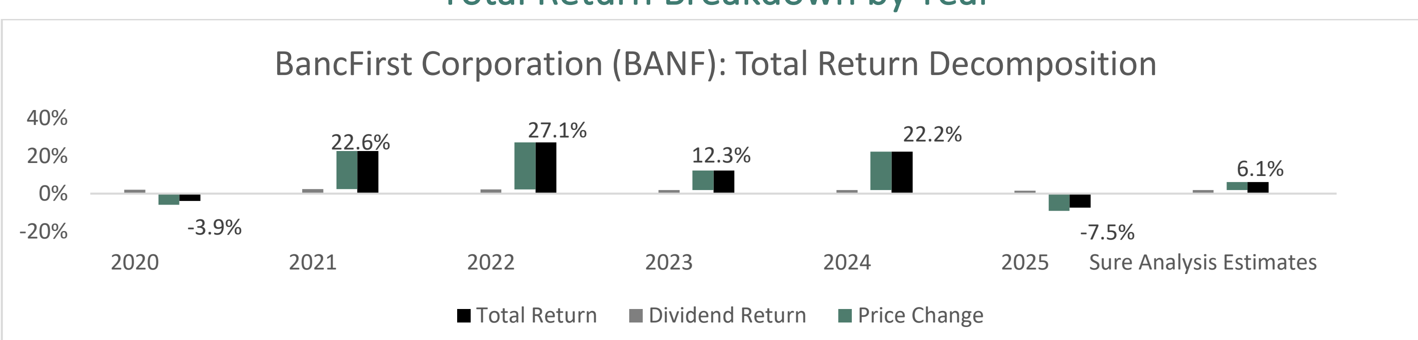
Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	33%	29%	27%	31%	44%	28%	26%	26%	28%	27%	***26%***	***26%***

BancFirst is a well-managed bank that has raised its dividend for 32 consecutive years and emerged from the global financial crisis relatively unscathed. Although earnings fell approximately 35% from their peak in 2007 to their bottom in 2009 and then took five years to surpass the 2007 peak, this was better-than-average compared to many other banks in the country. At no point did earnings fall enough to put the dividend payout ratio above 50%. Today, the bank has a highly diversified asset base with commercial loans, real estate loans, and debt securities, maintaining compliance with banking regulations and capital reserve ratios. Oklahoma's banking industry is diversified, and the company does not have a significant competitive advantage over regional or national banks. However, well-run banks generally enjoy high switching costs, as depositors are unlikely to go through the hassle of switching banks in most scenarios. BancFirst has considerably outperformed the S&P 500 and all of the "Big Four" national banks over the past 25 years in total shareholder returns, indicating an above-average company culture and management team. David Rainbolt was the CEO for virtually all of this extended outperformance, but two years ago moved on to become the executive chairman. At the same time, David Harlow, former BancFirst president, is now the CEO.

Final Thoughts & Recommendation

BancFirst is a small bank with a long stretch of consistent dividend growth, significant resilience through recessions, and history of considerably outperforming the broader banking industry and the stock market more generally. Interest rates and other factors outside their control may be a negative headwind as we advance. We expect a five-year annual rate of return of 6.1%. Thus, we rate BancFirst a hold at the current price because of the expected total return.

Total Return Breakdown by Year



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Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	311	345	386	419	444	486	557	610	631	691
D&A Exp.	12	12	14	16	18	20			22	23
Net Profit	71	86	126	135	100	168	193	212	216	241
Net Margin	22.7%	25.0%	32.6%	32.2%	22.4%	34.5%	34.6%	34.8%	34.2%	34.9%
Income Tax	37	50	34	35	24	41	44	57	59	65

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	7,019	7,253	7,574	8,566	9,212	9406	12388	12370	13550	14839
Cash & Equivalents	1,850	1,758	1,424	1,868	1,617	2050			3554	4404
Accounts Receivable	139	150	168	203	221	234				
Total Liabilities	67	65	96	171	169	167		10940	11930	12985
Accounts Payable	6,308	6,478	6,671	7,561	8,144	8234	11137			
Long-Term Debt		30	37	49	52	56			86	98
Shareholder's Equity	32	32	27	27	27	86		1434	1621	1854
LTD/E Ratio	711	776	903	1,005	1,068	1172	1251	0	0.05	0.05

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	1.0%	1.2%	1.7%	1.7%	1.1%	1.8%	1.8%	1.7%	1.7%	1.7%
Return on Equity	10.3%	11.6%	15.0%	14.1%	9.6%	15.0%	15.9%	15.8%	14.2%	13.9%
ROIC	9.9%	11.1%	14.5%	13.8%	9.4%	14.3%	15.4%	15.3%	13.4%	
Shares Out.	32	33	33	33	33	33	33	33	34	34
Revenue/Share	9.77	10.60	11.54	12.58	13.37	14.58	16.67	18.21	18.78	20.41
FCF/Share	2.50	2.82	2.64	3.96	2.65	4.88			6.68	7.00

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