



TRUXTON TRUST

A PRIVATE BANK

Annual Meeting of Shareholders

May 15, 2019

Thomas S. Stumb

Chairman and Chief Executive Officer

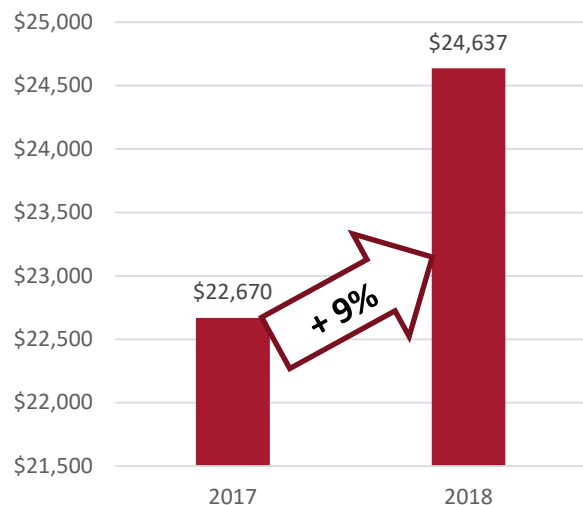
Andrew L. May

President and Chief Financial Officer

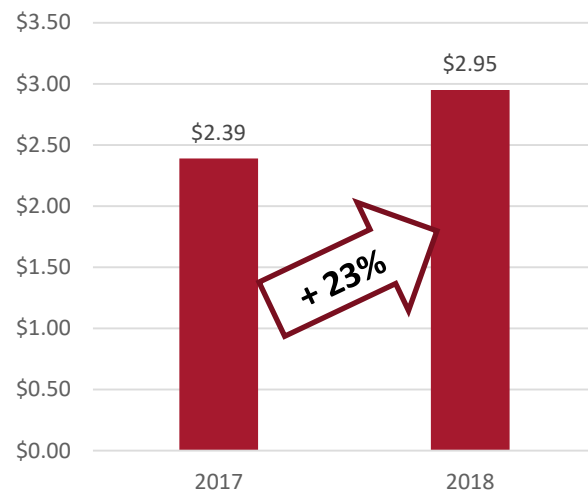


2018 Financial Highlights

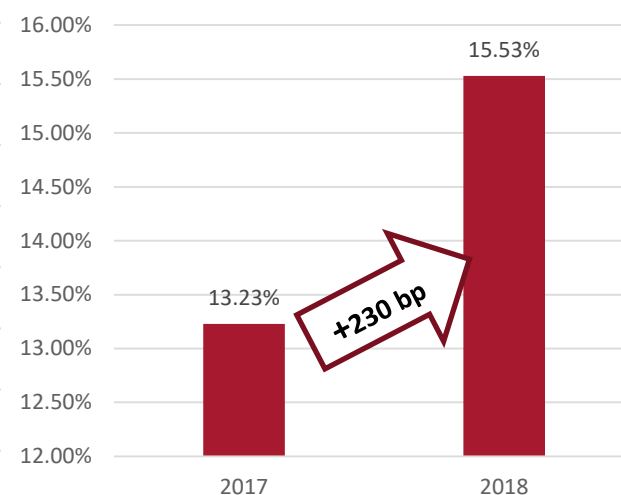
Revenue (000's)



Fully Diluted EPS



ROAE



- Fully diluted EPS increased 23% in 2018
- Adjusted ROAE exceeded 15% for the first time in 2018
- Dividend increased by 13.6% to an annualized \$1.00 per share in 2019
- Net Interest Margin decreased 1 basis point in 2018 compared to 2017, and will continue to be a challenge in 2019
- “Bank” Tier 1 Leverage Ratio was 10.71% at year end 2018
- We ended 2018 with an Efficiency Ratio of 59.30%, a landmark for Truxton

Growth is Continuing in 2019



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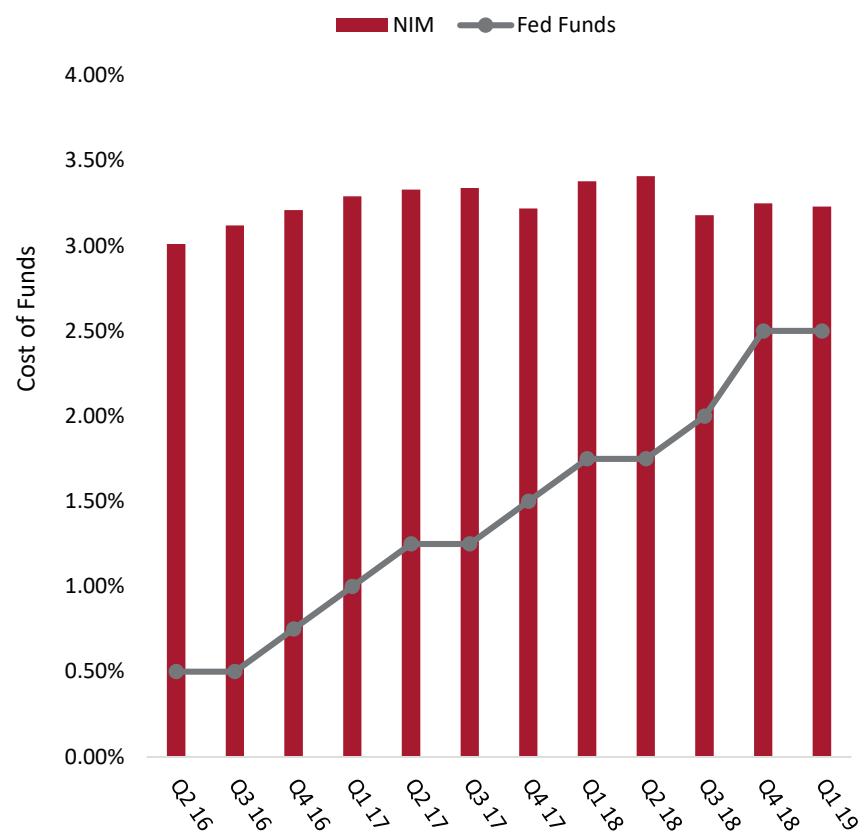
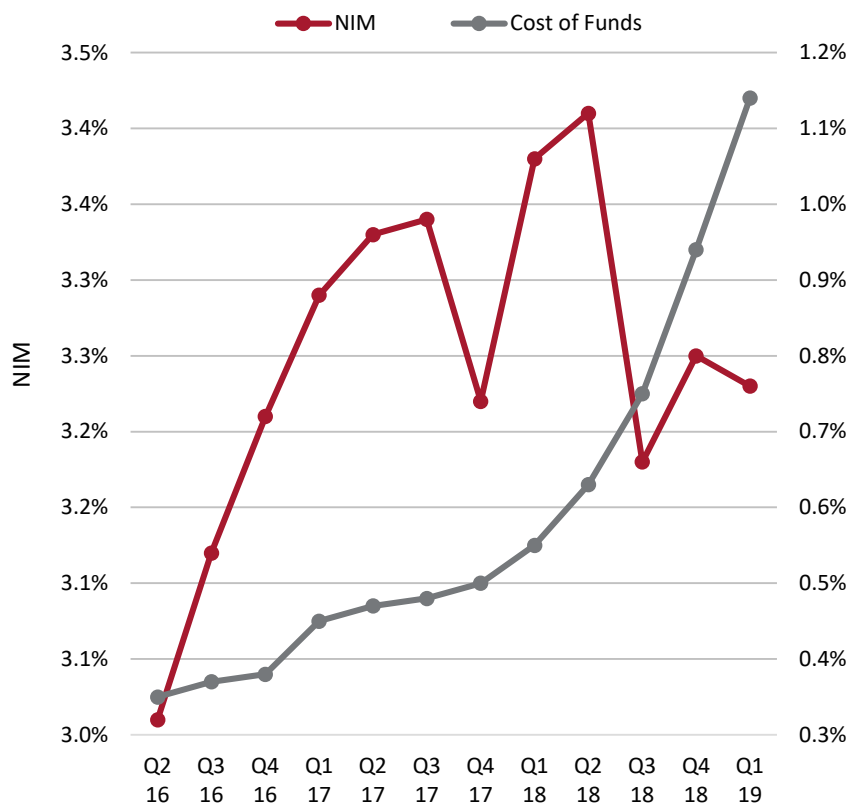
- Truxton Trust continues to experience growth in the new year. Pre-Tax income increased 23.7% in Q1 2019 compared to Q1 2018

\$ in thousands	Quarter Ended March 31		
	2019	2018	% Change
Income Summary			
Net Interest Income	\$3,649	\$3,372	8.2%
Provision for Loan Losses	\$0	\$49	-100.0%
Non-Interest Income	\$2,872	\$2,546	12.8%
Non-Interest Expense	\$3,810	\$3,677	3.6%
Earnings Before Taxes	\$2,711	\$2,192	23.7%
Income Tax Expense	\$523	\$406	28.8%
Net Income	\$2,188	\$1,786	22.5%
Balance Sheet			
Assets	\$494,046	\$440,122	12.3%
Loans	\$339,176	\$304,584	11.4%
Deposits	\$411,400	\$367,847	18.3%
Stockholders' Equity	\$59,293	\$51,089	16.1%
Asset Quality			
Allowance for Loan Losses	\$3,356	\$3,123	7.5%
Allowance to Gross Loans	0.99%	1.03%	-3.9%



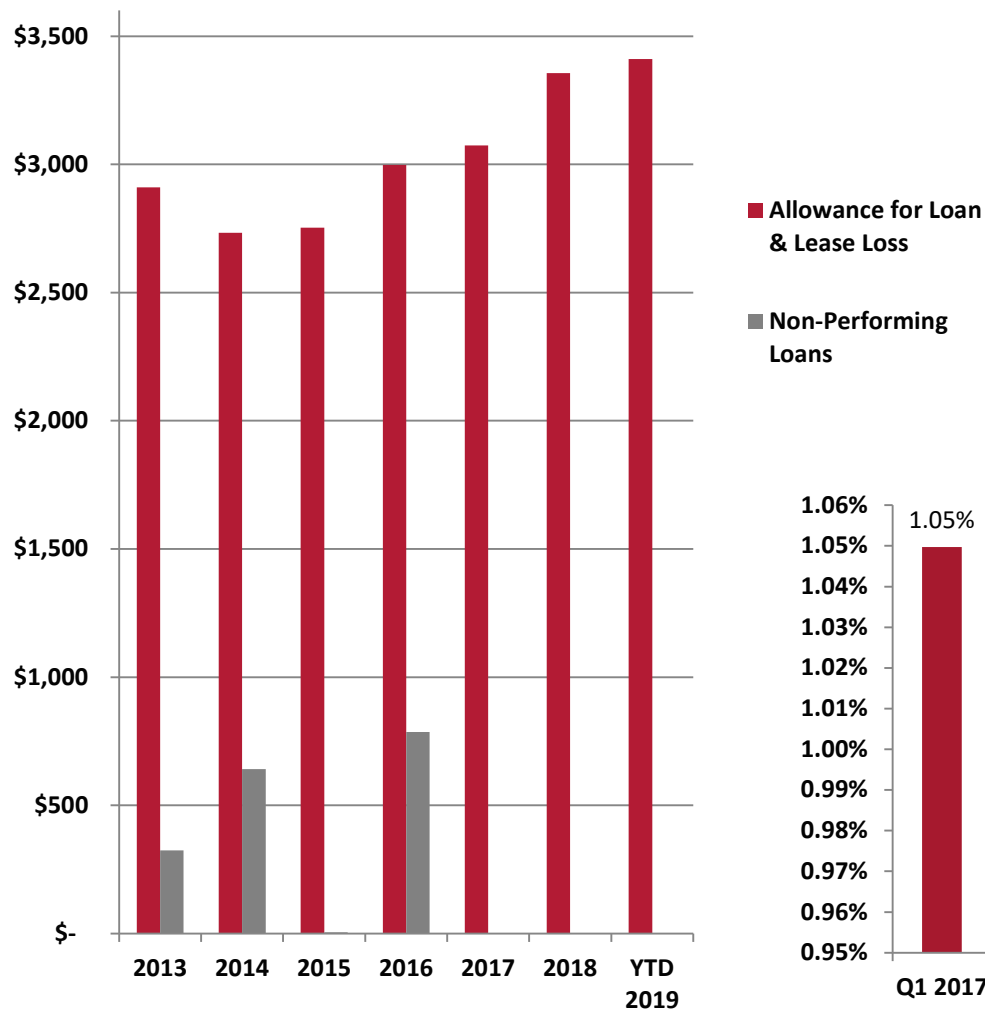
But Deposit Costs are Rising...

- Rise in Cost of Funds > Rise in Yield on Earning Assets = NIM contraction
- But the NIM decline has been small relative to the Fed Funds increase



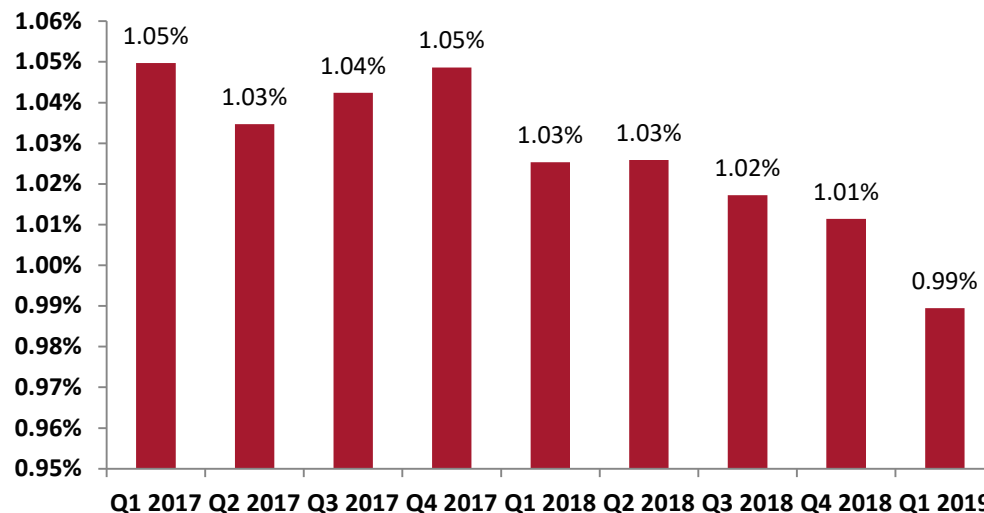


Credit Quality is Perfect, For Now...



- Less than 0.1% 30+ days past due
- No Non-Performing Assets
- No "Other Real Estate Owned"

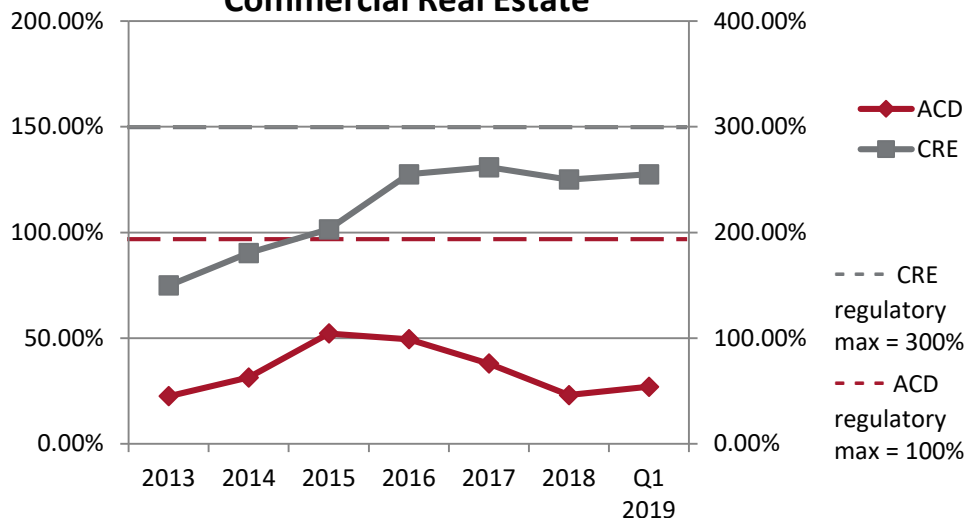
Reserves/Loans





We Have Conservative, Diversified Loans

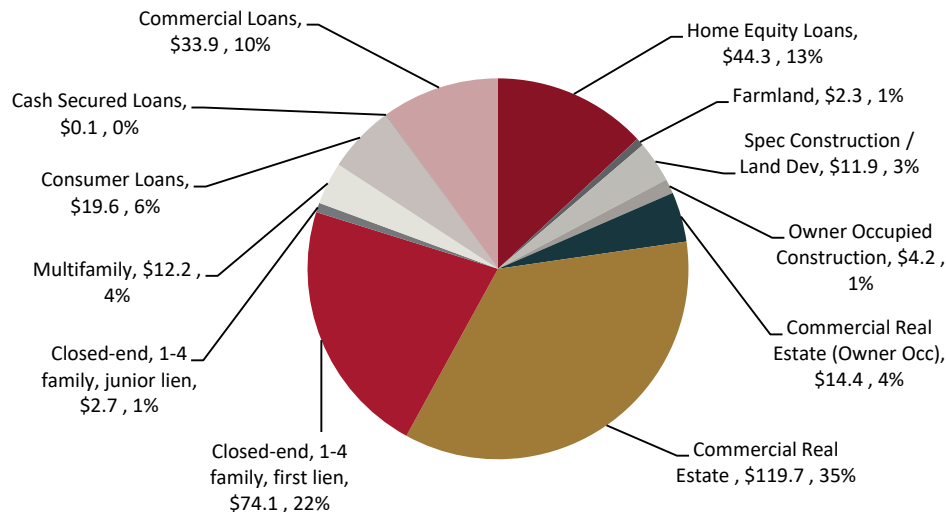
Commercial Real Estate



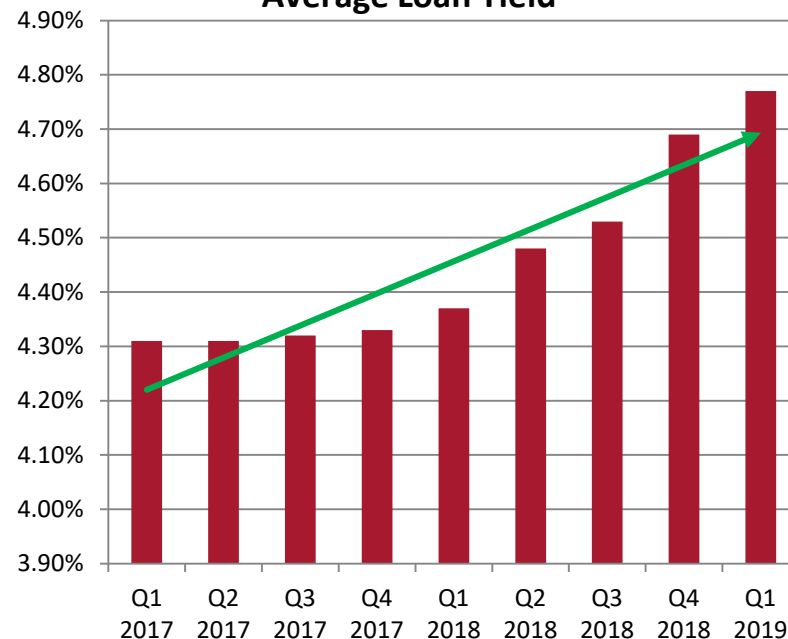
- Risky Commercial Real Estate below regulatory limits for Commercial Real Estate and Acquisition, Construction & Development
- Our average loan yield continues to grow quarter over quarter, but not as fast as deposit cost

Truxton Trust

Total Loans March 31, 2019: \$339.5 million
(in \$millions)

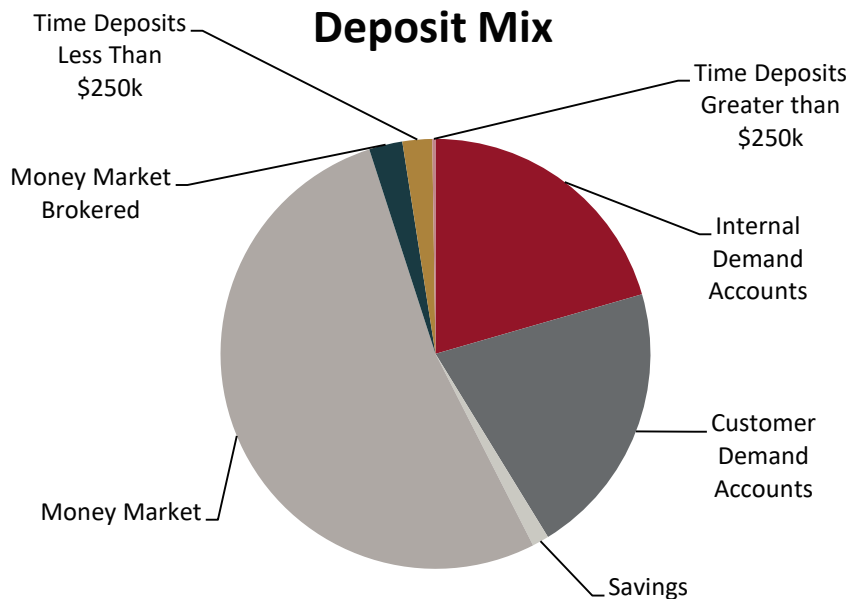


Average Loan Yield

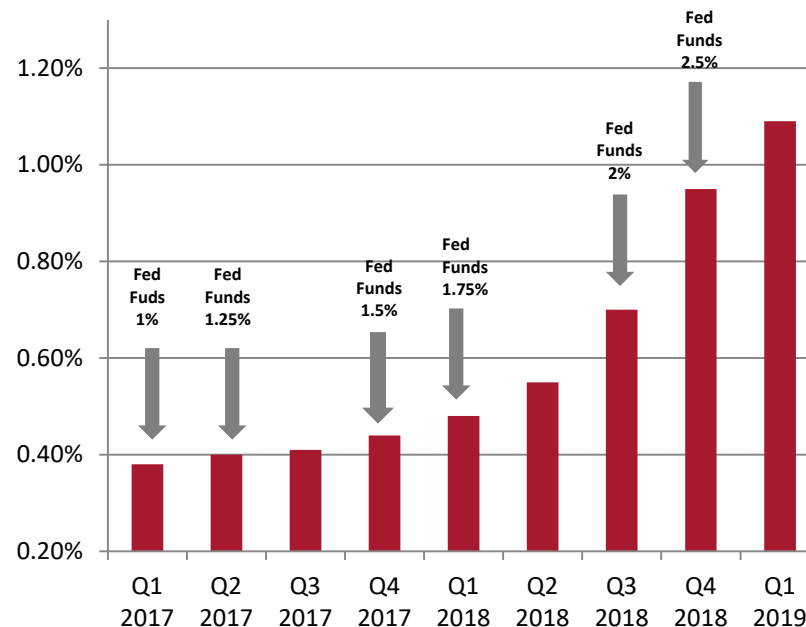




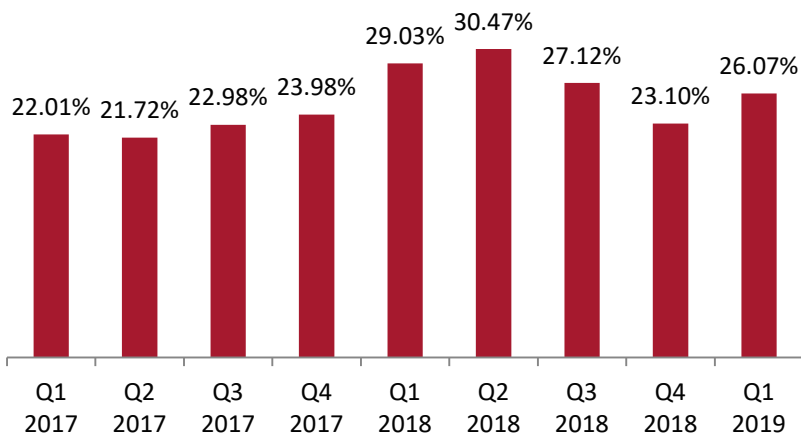
Deposits are Still Cheap but Getting Dearer



Cost of Deposits after effect of NIBA



NIBA/ Total Deposits

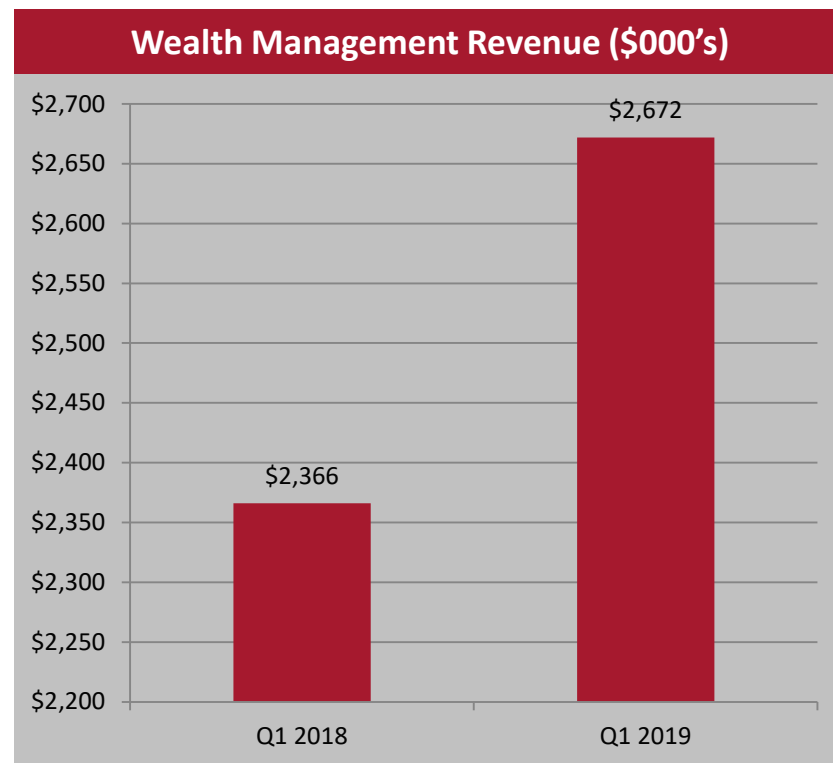
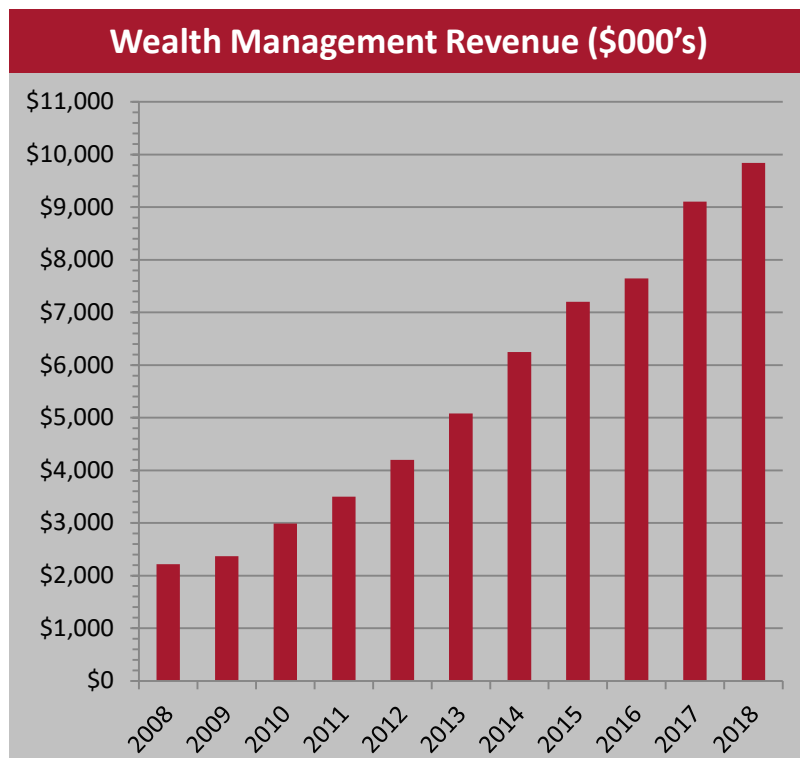


- We have a well balanced Deposit Mix
- Our cost of Funds remains well below the change in the Fed Funds Rate, however there is a direct correlation to Fed Rate Increases and increasing Cost of Funds



Wealth Management Drives Growth and Returns

- Non-interest income constituted 43% of total revenue in 2018
- Wealth management services represents 93% of total non-interest income in 2018
- Wealth management revenue increased 12.93% in Q1 2019 compared to Q1 2018





Capital Ratios: Conservative...Performance: Solid

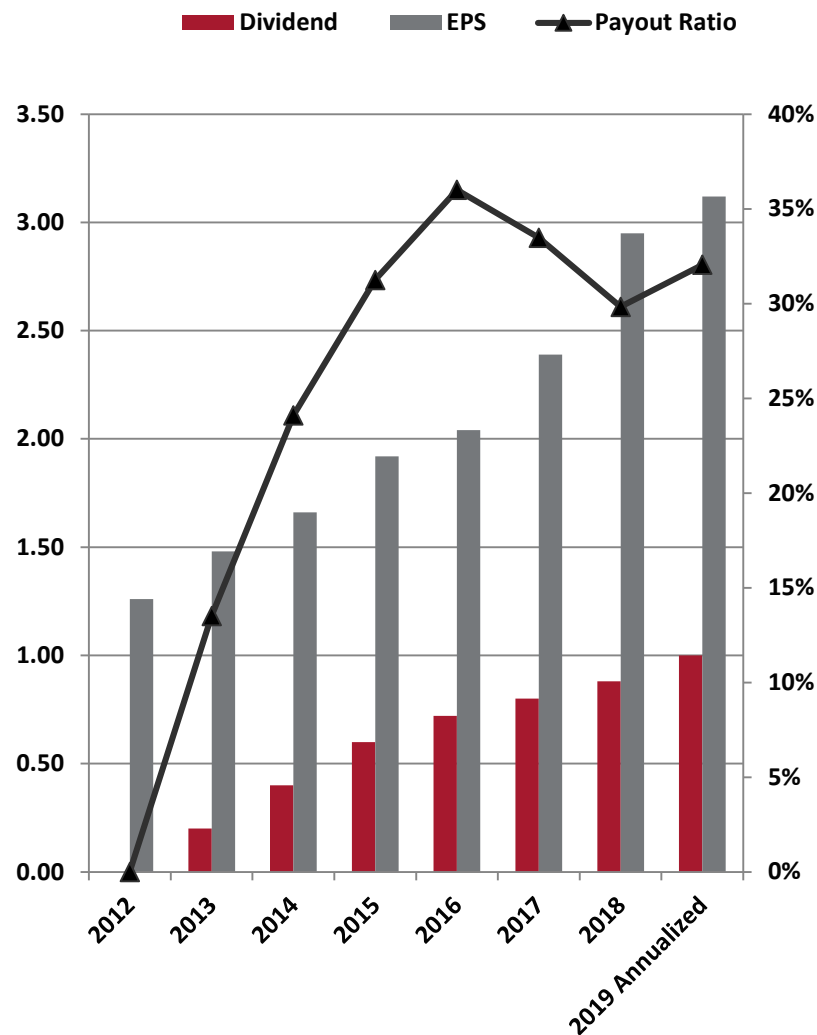
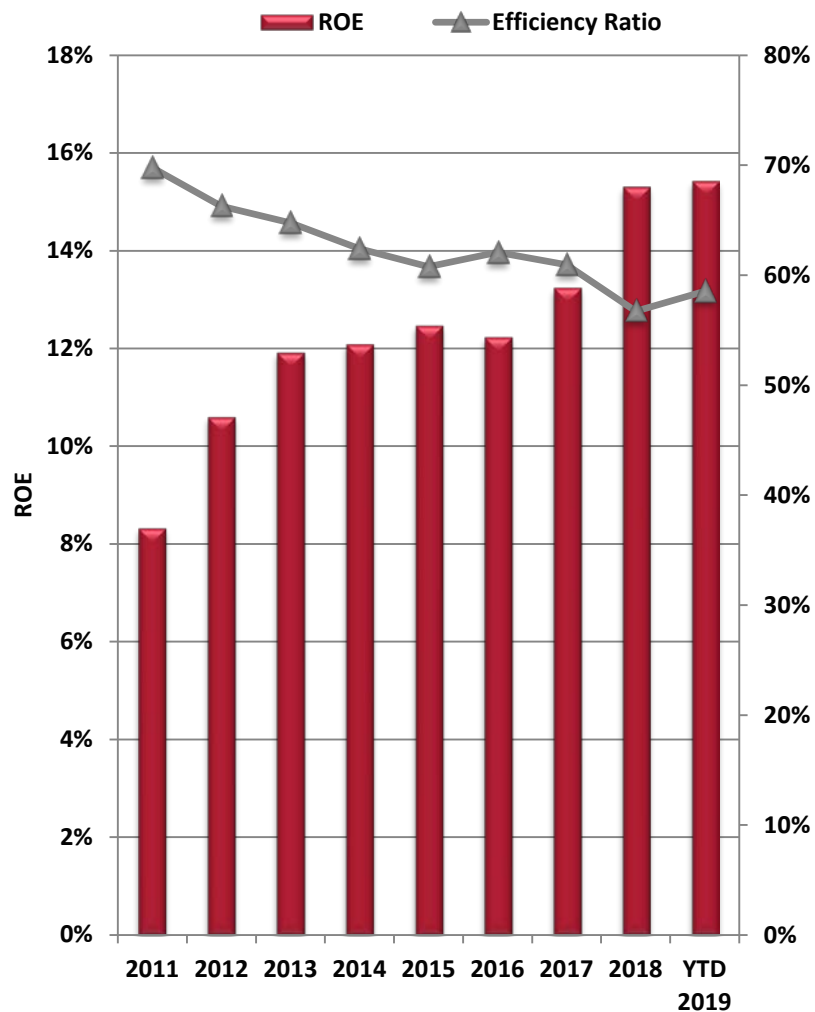
In Q1 2019 compared to Q1 2018...

- Efficiency ratio solidly under 60% in the seasonally weak Q1
- Net interest margin (NIM) declined vs Q1 2018 , but stabilizing along with rates
- Return on Average Assets (ROAA) up 17 bps from Q1 2018
- Return on Average Equity (ROAE) up 141 bps, making 16% for full year very possible
- Tier 1 Leverage Ratio for the Bank remains very conservative – making the returns more impressive

Capital Ratios	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019
Efficiency Ratio	64.67%	59.72%	56.24%	56.73%	58.53%
Net Interest Margin	3.38%	3.41%	3.18%	3.25%	3.23%
ROAA	1.64%	1.85%	1.85%	1.70%	1.81%
ROAE	13.97%	15.80%	16.97%	15.29%	15.41%
Tier 1 Leverage Ratio (Bank)	11.12%	11.25%	10.55%	10.76%	11.14%
Tangible Equity/ Tangible Assets	10.74%	11.68%	10.56%	11.61%	12.00%



..And it Graphs Well, Too...

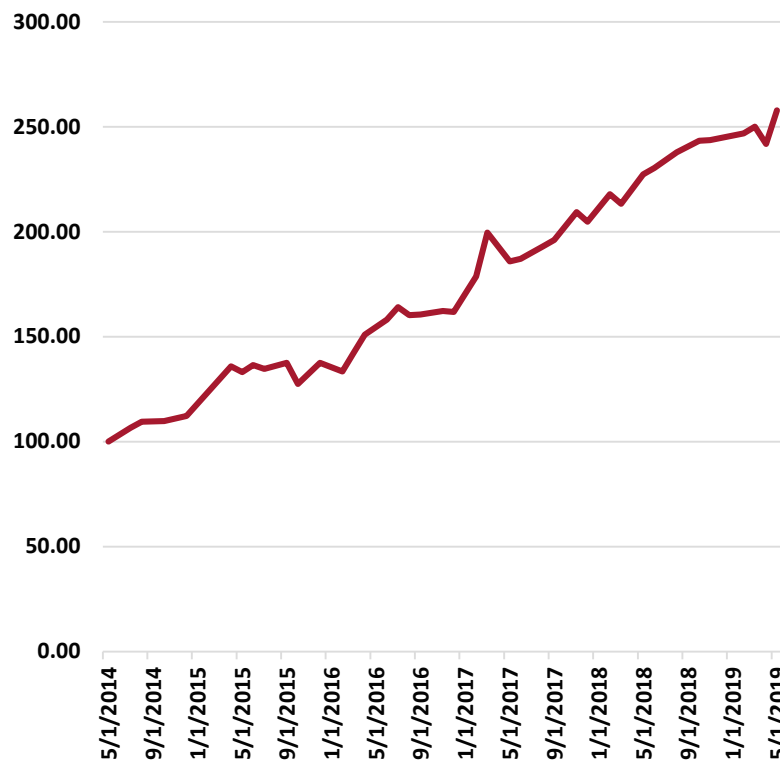




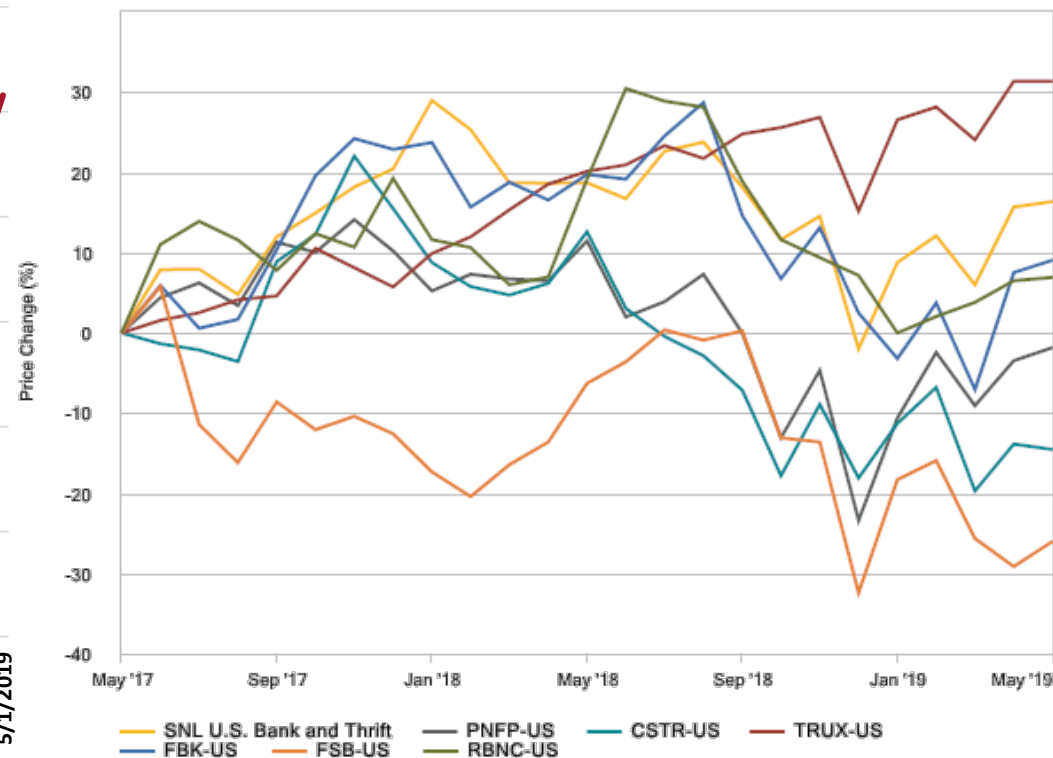
Stock Price & Total Return

- Five Year Total Return is more than 150%
- TRUX share price for the last year leads local peers

Truxton Trust Total Return



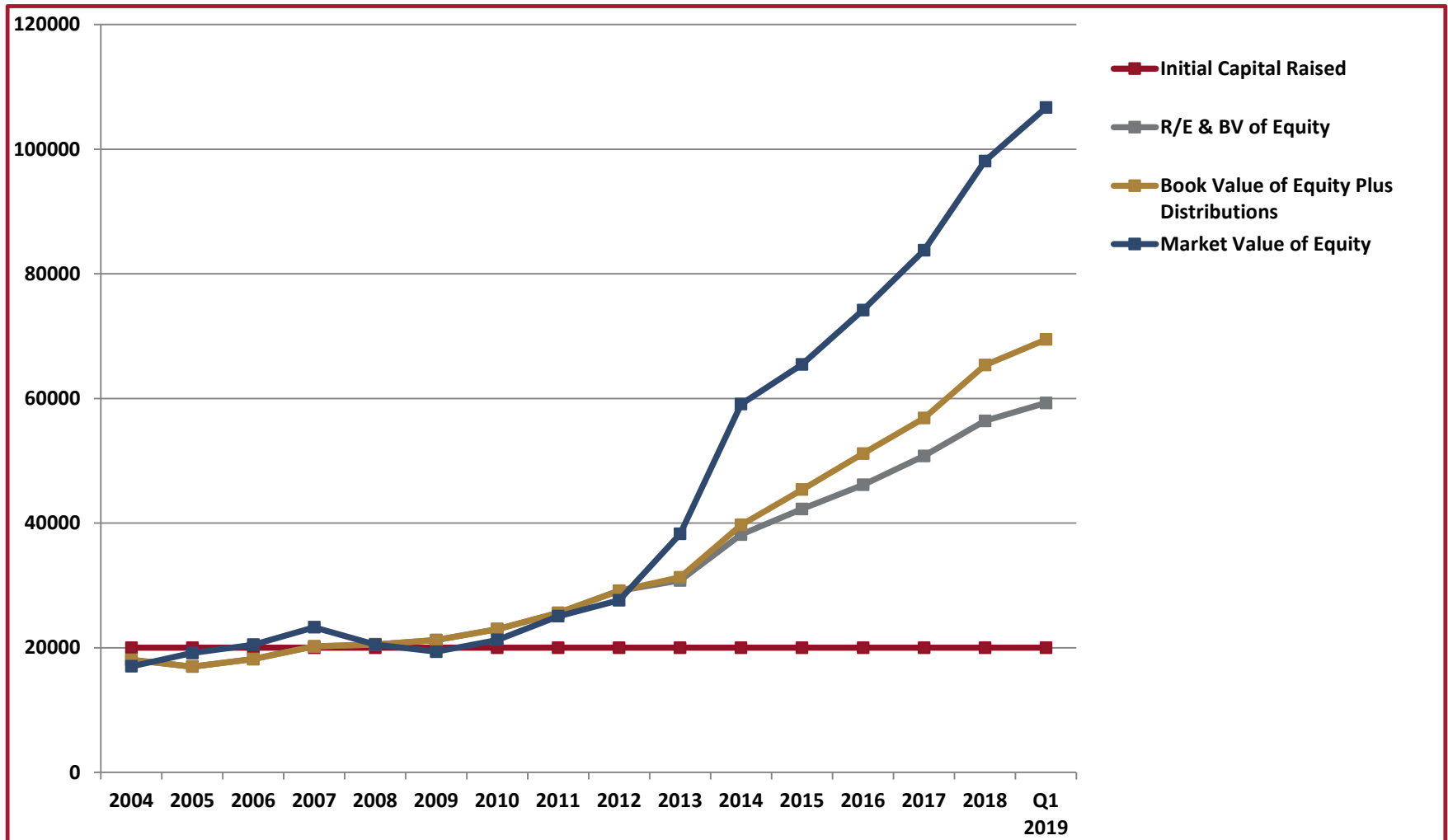
Truxton vs. Local Peers Stock Price



We are Creating Value from your Capital

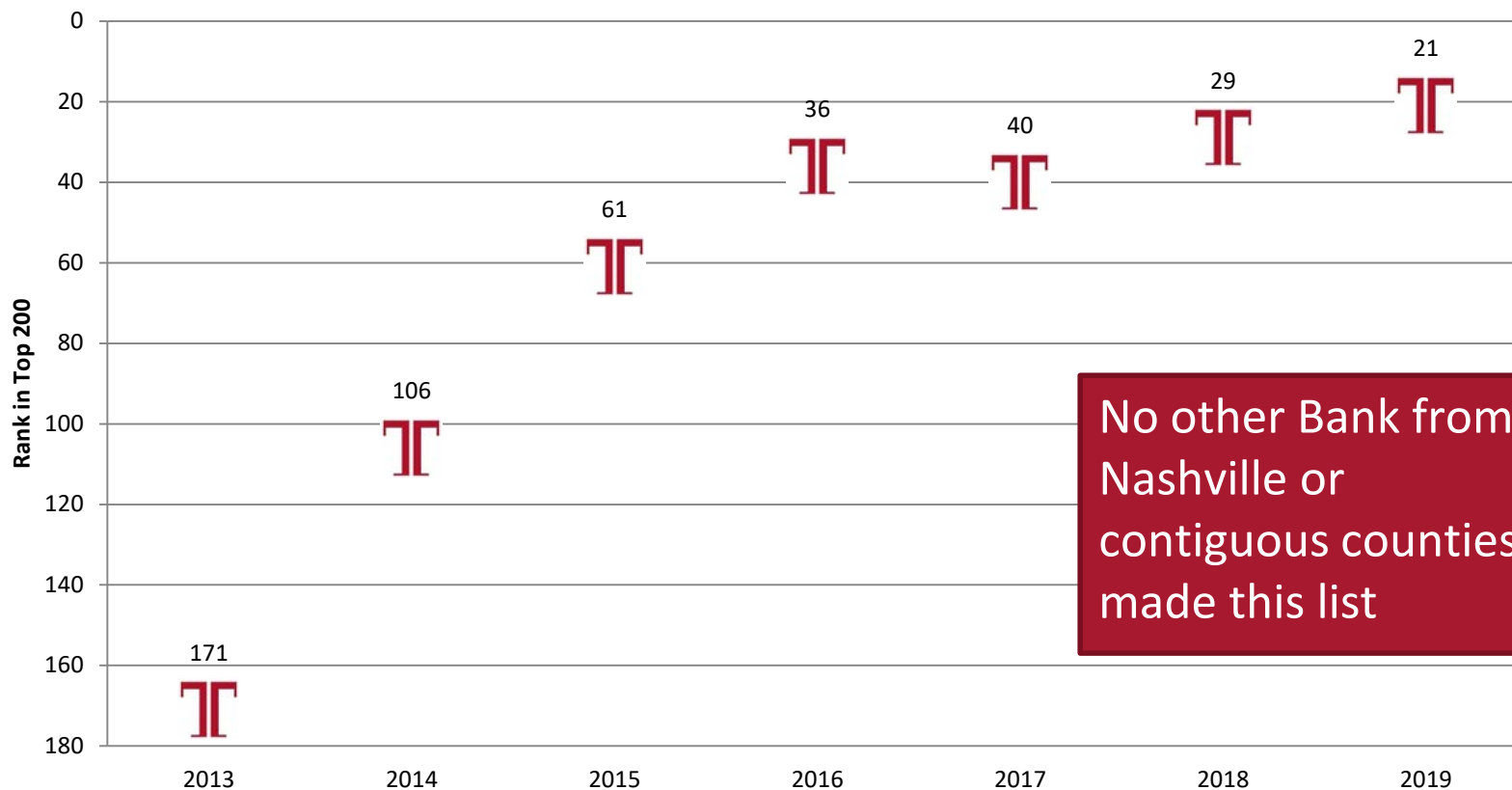


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American Banker Top 200 Community Banks



No other Bank from Nashville or contiguous counties made this list



To do the right thing every day,
putting our clients' interests first,
with distinctive, comprehensive financial solutions
that protect and promote
client prosperity and quality of life.