SVB&T Corporation, Parent Company of Springs Valley Bank & Trust Company, Reports 2025 First Quarter Earnings

JASPER, Indiana, May 13, 2025 -- SVB&T Corporation (OTCQX: SVBT), parent company of Springs Valley Bank & Trust Company, today announced 2025 first quarter unaudited earnings of $2.09 million or $1.91 earnings per share (EPS), a 49.22% increase over the same prior year period earnings on a per share basis. This 2025 first quarter performance translates to a return on average assets (ROAA) of 1.32%, compared to the same prior year period ROAA of 0.93%.

Net interest income before provision expense for the first quarter ended March 31, 2025, was $4.70 million compared to $4.06 million for the same period in 2024. Interest income increased $510,000 compared to the prior year first quarter, primarily due to increased interest rates on loans resulting from the elevated rate environment and assets repricing. Interest expense decreased $129,000 compared to the same prior year quarter, due largely to the fact that, starting in late 2024, short-term interest rates have moved off the recent highs reached in 2023, and deposits have subsequently started repricing lower. Provision expense increased by $91,000 over the prior year first quarter. Additionally, noninterest income increased approximately $350,000 to $2.64 million from $2.29 million. The higher income can be attributed to increased revenue over the prior year first quarter from a variety of areas, including the Financial Advisory Group and Financial Services, electronic banking income, and sold mortgage income. As has been in the past, noninterest income generation continues to be a strategic focus of SVB&T's by growing the Financial Advisory Group, increasing sold loan income, expanding electronic banking services, and other avenues, to continue to reduce margin dependence. Noninterest expense decreased $49,000 to $4.70 million from $4.75 million, attributable primarily to decreased health insurance claims in the first quarter of 2025.

Quarter over trailing quarter earnings increased approximately $793,000 or 61.06%. The earnings increase was largely driven by increased revenue from the Financial Advisory Group, Financial Services, and electronic banking, as well as reduced interest expense, salaries and benefits expense (primarily due to lower health insurance claims), and marketing expenses.

SVB&T Corporation book value has increased from $55.58 per share as of March 31, 2024, to $60.06 as of March 31, 2025, an 8.06% increase. SVB&T Corporation stock closed at $42.92 per share on the OTCQX exchange on March 31, 2025. In February of 2021, the Corporation's Board of Directors authorized a share repurchase program through December 31, 2022. Under the program, the Corporation was authorized to repurchase, from time to time as the Corporation deemed appropriate, shares of SVB&T Corporation's common stock with an aggregate purchase price of up to $2.00 million. As of December 31, 2022, SVB&T had repurchased (adjusted for 2022 stock split) 24,400 shares, with an average purchase price of $40.59, under the program. As of May 16, 2023, the repurchase program was renewed with an aggregate purchase price of up to $1.00 million. As of the end of the first quarter of 2025, 5,952 additional shares have been repurchased under the newly approved plan, with an average purchase price of $42.00.

Total assets decreased $1.26 million to $636.55 million on March 31, 2025, compared to December 31, 2024 assets of $637.81 million. Total loans before allowance decreased $10.10 million to $469.30 million on March 31, 2025, from $479.40 million on December 31, 2024. The decrease in loans in 2025 was primarily a result of payoffs and paydowns on commercial real estate loans. Springs Valley does have a healthy loan pipeline heading into the second quarter of 2025. That said, the Bank is strategically managing loan growth with a focus on quality and relationship in order to alleviate some of the pressure on the funding side of the balance sheet as cost of funds still remain relatively elevated. Allowance as a percentage of total loans was 1.51% as of March 31, 2025, compared to 1.41% as of December 31, 2024. Total deposits decreased $756,000 to $562.32 million on March 31, 2025, from $563.08 million on December 31, 2024. Noninterest-bearing deposits increased by approximately $3.63 million due largely to increases in business account balances. Interest-bearing deposits decreased by approximately $4.39 million. The largest deposit decrease occurred in Springs Valley's integrated cash sweep (ICS) demand deposit accounts. Core deposit growth continues to be a primary focus of Springs Valley's as it is a critical component in generating sustainable, long-term profitability for the institution.

President and CEO, J. Craig Buse, commented, "We have had one of the best first quarters in terms of earnings in the history of the franchise, generating a very healthy 1.32% annualized ROAA. All areas of the institution are performing at a high level, with some tailwinds helping to boost financial performance; most notably an increasing net interest margin largely due to a lower cost of funds, resulting from short-term interest rates coming down from the high reached in late 2023. Asset quality continues to hold up well. Our focus for future loan growth is going to be concentrated on quality, relationship pricing, and local demands. Although there are some economic headwinds, including a slowing economy and potential tariff impacts, we remain optimistic regarding the Bank's future performance as we expect additional margin expansion as the Bank's cost of funds continues to decrease given the prevailing expectation regarding the Federal Funds rate trajectory, which is indicating three to four rate cuts by year end. All that said, Springs Valley continues to focus on relationship-oriented community banking to provide year-over-year financial performance for all stakeholders."

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For more information contact: Ryan Heim, Treasurer & CFO, SVB&T Corporation, at 812.634.4889 or rheim@svbt.bank.

SVB&T Corporation is headquartered at 8482 West State Road 56, French Lick, Indiana 47432 with administrative offices at 1500 Main Street, Jasper, Indiana 47546. Its subsidiary, Springs Valley Bank & Trust Company, has locations in Dubois, Daviess, Gibson, and Orange Counties, offering full-service bank and financial services. Springs Valley has products and services for all types of families and businesses, including checking and savings accounts, certificates of deposit, electronic services, online consumer and mortgage applications, and a variety of other loan options. Springs Valley Bank is a member of FDIC and is an Equal Housing Lender.

In addition, the company has a full-service financial advisory group managed by experienced, talented professionals specializing in estate planning, tax planning, and wealth management. Investment services are also offered by a licensed, professional Springs Valley representative. Trust and investment products are not deposits; not insured by the FDIC; not a deposit or other obligation of, or guaranteed by, the depository institution; not insured by any Federal Government Agency; and may lose value - subject to investment risks, including possible loss of the principal amount invested.

More information can be found online at www.svbt.bank. The Corporation's stock is traded on the OTCQX trading platform under ticker symbol SVBT (www.otcmarkets.com).

Information conveyed in this press release regarding SVB&T Corporation's and its subsidiaries' anticipated future performance is forward-looking and therefore involves risks and uncertainties that could cause the results or developments to differ significantly from those indicated in these statements. These risks and uncertainties include, but are not limited to, risks and uncertainties inherent in general and local banking, as well as mortgage conditions, competitive factors specific to markets in which the company and its subsidiaries operate, future interest rate levels, changes in local real estate markets, legislative and regulatory decisions, capital market conditions, and/or other factors.

Selected Consolidated Financial Data of SVB&T Corporation
(In Thousands, Except Shares Outstanding and Per Share Data)

	Unaudited		Audited
	31-Mar		31-Dec
	2025	2024	2024
Assets			
Cash and due from banks	$19,488	$11,045	$18,559
Interest-bearing time deposits	0	0	0
Fed funds sold	52,905	17,304	45,770
Available for sale securities	66,197	63,281	65,594
Other investments	2,517	2,517	2,517
Loans held for sale	1,232	137	1,222
Loans net of allowance for credit losses	461,210	475,553	471,398
Premises and equipment	5,902	6,231	6,016
Bank-owned life insurance	10,601	10,565	10,549
Accrued interest receivable	3,316	3,220	3,398
Foreclosed assets held for sale	309	522	49
Mortgage servicing rights	2,549	2,041	2,489
Lender risk account (FHLBI)	1,693	1,636	1,666
Other assets	8,632	8,219	8,583
Total assets	**$636,551**	**$602,271**	**$637,810**
Liabilities and Stockholders' Equity			
Noninterest-bearing deposits	91,656	85,864	88,021
Interest-bearing deposits	470,666	437,562	475,057
Borrowed funds	0	5,000	0
Subordinated debentures	0	5,000	0
Accrued interest payable and other liabilities	8,077	7,929	9,918
Total liabilities	**$570,399**	**$541,355**	**$572,996**
Stockholders' equity	66,152	60,916	64,814
Total liabilities and stockholders' equity	**$636,551**	**$602,271**	**$637,810**

	Three Months Ended	
	31-Mar	
	2025	2024
Operating Data:		
Interest and dividend income	$8,615	$8,105
Interest expense	3,915	4,044
Net interest income	$4,700	$4,061
Provision for credit losses	103	12
Net interest income after provision for credit losses	**$4,597**	**$4,049**
Fiduciary activities	1,404	1,210
Customer service fees	230	230
Increase in cash surrender value of life insurance	52	52
Net gain/(loss) on loan sales	244	188
Realized gain/(loss) on securities	0	0
Other income	708	608
Total noninterest income	**$2,638**	**$2,288**
Salary and employee benefits	2,866	2,950
Premises and equipment	560	573
Data processing	434	369
Deposit insurance premium	66	67
Professional fees	194	160
Other expenses	580	630
Total noninterest expense	**$4,700**	**$4,749**
Income before taxes	2,535	1,588
Income tax expense	442	187
Net income	**$2,093**	**$1,401**
Shares outstanding	1,101,458	1,095,956
Average shares - basic	1,097,729	1,098,435
Average shares - diluted	1,097,729	1,098,435
Basic earnings per share	$1.91	$1.28
Diluted earnings per share	$1.91	$1.28
Other Data:		
Yield on average assets	5.42%	5.36%
Cost on average assets	2.46%	2.67%
Interest rate spread	2.96%	2.69%
Net interest margin	3.08%	2.78%
Number of full service banking centers	6	6
Return on average assets	1.32%	0.93%
Average assets	$636,289	$604,572
Return on average equity	12.89%	9.32%
Average equity	$64,941	$60,156
Equity to assets ratio (end of period)	10.39%	10.11%
Average total deposits	$561,935	$525,533
Loans past due 30 to 89 days (still accruing)	$1,819	$1,735
Loans past due 90 days or more (still accruing)	$72	$91
Nonaccrual loans	$1,009	$1,210
Book value per share	$60.06	$55.58
Market value per share - end of period close	$42.92	$40.90