

Secure Trust Bank

2021 interims

Good news as flagged

Secure Trust Bank (STB) reported H121 PBT of £30.7m, boosted by a net impairments reversion of £1.1m (vs a net charge of £19.8m in H220). The good news on provisions had been previously flagged by management. Loan arrears have remained lower than expected and most borrowers have returned from payment holidays. Loan demand is picking up and loans grew 1.3% (core division loan growth of 2.6%) in the six months to 30 June 2021. STB also announced a new 25% payout dividend policy along with a surprise 20p interim dividend. This policy better matches the bank's growth strategy of organic and opportunistic acquisitions. We have raised our FY21 earnings forecasts to reflect lower impairments while trimming FY22 EPS by 11% (ROE forecast 9.5%) to reflect higher costs as the bank expands. Our fair value has edged to 2,234p from 2,163p per share.

| Year end | Operating income (£m) | PBT* (£m) | EPS* (p) | DPS (p) | P/E (x) | Yield (%) |
|----------|-----------------------|-----------|----------|---------|---------|-----------|
| 12/19 | 165.5 | 38.7 | 180.2 | 87.2 | 7.6 | 6.3 |
| 12/20 | 166.1 | 20.1 | 85.2 | 44.0 | 16.1 | 3.2 |
| 12/21e | 164.6 | 47.9 | 211.9 | 53.0 | 6.5 | 3.9 |
| 12/22e | 191.3 | 36.3 | 156.6 | 39.1 | 8.8 | 2.8 |

Note: *PBT and EPS are normalised, excluding amortisation of acquired intangibles, exceptional items and share-based payments.

H121: Significant impairment reversions

The impairment reversions were centred in the motor finance and retail finance segments, which are STB's higher-margin businesses. The impact was most significant in motor finance, which had a 7.1% charge as a percentage of average loans in FY20 and there was a net reversion of 3.4% of loans in motor finance in H121. We are forecasting a 3% charge in FY21 (as UK government economic support measures are tapered) followed by 4% in FY22.

Optimism leads to a new dividend policy

Despite some words of caution by management in its statement regarding pandemic economic risks, the bank is optimistic about growing its balance sheet. STB is well capitalised with a CET1 ratio of 14.2% in H121, but the new dividend policy seems well balanced by allowing for a good dividend stream while giving management comfortable flexibility to expand. We forecast 24% growth in loans for FY22 after a more modest 2% this year.

Valuation: Fair value of 2,234p per share

We obtain a fair value (FV) of 2,234p per share using a net asset value (NAV) approach. We continue to assume a sustainable return on equity (ROE) of 13.5%, a 10% cost of equity (COE) and 2% annual growth. The FV is the present value (PV) of the (ROE-g)/(COE-g) formula at end 2022 discounted to FY21. The 2,234p value implies an FY21e P/BV of 1.4x; STB is currently trading on a 0.8x P/BV ratio. A slightly higher forecast book value (dividends and slightly higher FY21–22 combined earnings) led to the small upgrade in fair value.

Banks

11 August 2021

Price 1,375p
Market cap £256m

| | |
|--------------------|-------|
| Net debt/cash (£m) | N/M |
| Shares in issue | 18.6m |
| Free float | 84.5% |
| Code | STB |
| Primary exchange | LSE |
| Secondary exchange | N/A |

Share price performance



| | | | |
|------------------|------|--------|-------|
| % | 1m | 3m | 12m |
| Abs | 32.2 | 15.6 | 105.2 |
| Rel (local) | 30.9 | 14.2 | 68.7 |
| 52-week high/low | | 1,385p | 604p |

Business description

Secure Trust Bank is a well-established specialist bank addressing niche markets within consumer and commercial banking.

Next events

| | |
|-------------------|--------------|
| Q3 trading update | October 2021 |
|-------------------|--------------|

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H121: Turning the corner

Impairments reversal

The highlight of the H121 numbers was the significant reversion of provisions that led to a net provisions release of £1.1m (0.1% of average loans). The impairment charge had been 1.7% of average loans in H220 and we were estimating a 1.6% charge for FY21 (£38m). We note that the significant release of provisions in the first half of 2021 is not unique to STB, as other British and European banks have also done so as asset quality has remained better than envisaged when making impairments under the IFRS 9 forward looking provision rules.

Loan arrears have remained low during the first half of 2021 and most of the borrowers that had not already returned from payment holiday at the end of FY20 did so during H121. The extension of the furlough system into H221 by the government along with other support measures have been very helpful.

As a result, the reported PBT of £30.7m in H121 is significantly boosted by this unusual impairment level. The pre-provision profit line was down -28% to £28.9m y-o-y and down 16% on the previous six months. The decline in pre-provision profitability has been due to still depressed activity levels (less fees) but also due to higher expenses. Operating costs have been affected by STB investing to start growing again and because some costs that had been postponed from the peak of the crisis in FY20. The reported cost to income ratio of 64% in H121 was above the average level for STB. We estimate it to decline to 59% in FY22 as the bank expands and revenue picks up. STB's interest margins have remained resilient with the bank able to further reduce its cost of borrowing in H121.

STB's capital position remains quite comfortable with a CET1 of 14.2% at the end of H121.

Exhibit 1: STB semester progression

| Year end 31 December (£m unless stated) | H119 | H219 | H120 | H220 | H121 | H121 y-o-y % |
|---|--------------|--------------|-------------|-------------|--------------|--------------|
| Net interest income | 70.5 | 74.9 | 77.9 | 73.0 | 73.5 | -6% |
| Net fees & commissions | 10.9 | 9.2 | 7.0 | 8.2 | 6.7 | -4% |
| Total operating income | 81.4 | 84.1 | 84.9 | 81.2 | 80.2 | -6% |
| Operating expenses | (45.5) | (48.7) | (44.7) | (46.9) | (51.3) | 15% |
| Pre-provision profit | 35.9 | 35.4 | 40.2 | 34.3 | 28.9 | -28% |
| Impairment charges on loans | (17.9) | (14.7) | (31.5) | (19.8) | 1.1 | N/A |
| Losses on modification of financial assets | 0.0 | 0.0 | (3.6) | 0.5 | 0.7 | N/A |
| Profit before tax | 18.0 | 20.7 | 5.1 | 15.0 | 30.7 | 502% |
| Tax | (3.5) | (4.1) | (1.2) | (2.7) | (4.7) | 292% |
| Tax rate | 19.4% | 19.8% | 23.5% | 18.0% | 15.3% | |
| Net attributable income | 14.3 | 15.9 | 3.9 | 12.3 | 26.0 | 567% |
| Underlying EPS (p) | 80.8 | 95.8 | 20.8 | 65.6 | 138.6 | 566% |
| Selected ratios | | | | | | |
| Cost income ratio | 55.9% | 57.9% | 52.7% | 57.8% | 64.0% | |
| NIM (NII/average loans) | 6.5% | 6.3% | 6.5% | 6.3% | 6.3% | |
| Impairment charge % average loans | 1.7% | 1.2% | 2.6% | 1.7% | -0.1% | |
| Impairments (incl loan modifications losses) % avg loans | 1.7% | 1.2% | 2.9% | 1.6% | -0.2% | |
| CET1 ratio | 12.8% | 12.7% | 13.5% | 14.0% | 14.2% | |
| ROE% | 12.5% | 14.3% | 3.0% | 9.2% | 18.5% | |

Source: Secure Trust Bank

Loans demand picking up

Exhibit 2 shows the STB's loan book progression in recent periods. The H121 loan book grew 0.5% y-o-y and 1.3% on the previous semester. Business is picking up, although there are also significant loan repayments in some segments, such as business real estate. We note that while motor loans are down 15% y-o-y, they are flat over the last six months and now showing signs of recovery.

Retail finance grew 5.5% in the six months to 30 June 2021, while commercial finance grew 3.8%.

Exhibit 2: STB: Loan book progression

| Loan balances (£m) | H119 | H219 | H120 | H220 | H121 |
|------------------------------------|--------------|--------------|--------------|--------------|--------------|
| Real estate finance | 879 | 962 | 1,037 | 1,052 | 1,057 |
| Asset finance | 43 | 28 | 19 | 10 | 6 |
| Commercial finance | 221 | 252 | 192 | 231 | 239 |
| Business finance | 1,142 | 1,242 | 1,248 | 1,293 | 1,302 |
| Motor loans | 300 | 324 | 289 | 244 | 244 |
| Retail finance | 672 | 689 | 648 | 658 | 694 |
| Debt management | 42 | 82 | 93 | 82 | 90 |
| Consumer mortgages | 113 | 106 | 95 | 78 | 57 |
| Consumer finance | 1,127 | 1,201 | 1,124 | 1,062 | 1,086 |
| Other | 9 | 8 | 5 | 4 | 3 |
| Total | 2,278 | 2,450 | 2,378 | 2,359 | 2,390 |
| Year-on-year % | | | | | |
| Real estate finance | 24.7% | 25.0% | 18.0% | 9.3% | 1.9% |
| Commercial finance | 17.7% | 29.3% | -13.2% | -8.3% | 24.9% |
| Motor loans | 10.2% | 17.1% | -3.6% | -24.7% | -15.5% |
| Retail finance | 32.2% | 15.4% | -3.6% | -4.4% | 7.2% |
| Total loans | 23.9% | 20.8% | 4.4% | -3.7% | 0.5% |
| Six months to date % | | | | | |
| Real estate finance | 14.2% | 9.5% | 7.8% | 1.5% | 0.4% |
| Commercial finance | 13.4% | 14.0% | -23.9% | 20.4% | 3.8% |
| Motor loans | 8.5% | 8.0% | -10.7% | -15.6% | 0.2% |
| Retail finance | 12.5% | 2.6% | -6.0% | 1.7% | 5.5% |
| Total loans | 12.3% | 7.5% | -3.0% | -0.8% | 1.3% |
| Impairments % average loans | | | | | |
| Real estate finance | 0.0% | 0.0% | -0.4% | -0.6% | -0.2% |
| Commercial finance | -0.2% | 0.1% | -1.0% | 0.0% | 0.0% |
| Motor loans | -5.6% | -3.7% | -9.7% | -4.4% | 3.4% |
| Retail finance | -2.9% | -3.1% | -4.0% | -0.5% | -0.7% |
| Total loans | -1.7% | -1.2% | -2.6% | -1.7% | 0.1% |

Source: Secure Trust Bank

Dividend policy optimism

Although management repeated its words of caution given that the coronavirus pandemic is not over, it expects loan growth to accelerate during the second half of the year. Management remains interested in taking advantage of acquisition opportunities that may come as the economy emerges out of the pandemic doldrums. The decision to start a dividend payout policy of 25% confirms this expansion optimism and therefore the dividend policy makes sense as a practical approach to capital management. This means a lower dividend forecast for FY22 (39.1p vs 70p previously). However, gains from the provisions reversion means that we now estimate that the FY21 dividend will be higher at 53.0p (including the surprise announced 20p interim dividend) than our previous forecast of 46.1p.

The medium-term goals remain in place as announced in March 2021. These are a **net interest margin of more than 6.0%**, a **cost to income ratio of 50–55%**, a **ROE of 14–16%** and a **CET1 above 12%**.

Finetuning loan forecasts

We have made some adjustments to our loan forecasts, including the sale of the retail mortgage business (about 2% of the loan book) that was announced in July 2021.

We are forecasting loan growth of 2% (our previous forecast of 5% was before the news of the retail mortgage loan book sale) for FY21 and 24% for FY22 (previously 15%). We have made some upward adjustments in retail finance and debt management loan forecasts, which have had offsetting adjustments in real estate, commercial finance and motor finance. In general, lending

conditions remain good in all the key segments and STB management remains keen to grow in all of them.

Exhibit 3: Loan book balance estimates

| £m unless stated | 2018 | 2019 | 2020 | 2021e | 2022e |
|--------------------------------------|--------------|--------------|--------------|--------------|--------------|
| Real estate finance | 770 | 962 | 1,052 | 1,070 | 1,230 |
| Asset finance | 63 | 28 | 10 | 0 | 0 |
| Commercial finance | 195 | 252 | 231 | 255 | 340 |
| Business finance | 1,027 | 1,242 | 1,293 | 1,325 | 1,570 |
| Motor finance | 276 | 324 | 244 | 255 | 340 |
| Retail finance | 597 | 689 | 658 | 720 | 960 |
| Debt management | 32 | 82 | 82 | 95 | 110 |
| Retail mortgages | 85 | 106 | 78 | 0 | 0 |
| Consumer finance | 990 | 1,201 | 1,062 | 1,070 | 1,410 |
| Other | 11 | 8 | 4 | 5 | 5 |
| Total lending | 2,029 | 2,450 | 2,359 | 2,400 | 2,985 |
| Y-o-y % | | | | | |
| Real estate finance | 33 | 25 | 9 | 2 | 15 |
| Commercial finance | 54 | 29 | -8 | 11 | 33 |
| Motor finance | 1 | 17 | -25 | 5 | 33 |
| Retail finance | 32 | 15 | -4 | 9 | 33 |
| Total lending growth (y-o-y%) | 27 | 21 | -4 | 2 | 24 |

Source: Secure Trust Bank accounts, Edison Investment Research

Valuation

We continue to value STB on an NAV approach using the (ROE-g)/(COE-g) formula. The assumptions are the same: a 13.5% sustainable ROE, 10% COE and a 2% increase in long-term earnings. We have assumed that this valuation is for end FY22 when the earnings will have started to normalise. We then discount this value back to end FY21 using the COE as the discounting factor. The FV has moved slightly from 2,163p to 2,234 per share to reflect a small increase in book value from higher earnings in H121 and lower dividend forecasts. This new target price is equivalent to an FY21 P/BV of 1.4x, the same as before. This compares to the current trading value of 0.8x, suggesting significant upside to the share price.

STB is still trading below its book value despite its track record of value-creating ROEs. This year's forecast ROE of 13.7% is inflated with provisions writebacks. We are forecasting an ROE of 9.5% for FY22 and expect this to climb further in FY23 as the balance sheet further increases.

Exhibit 4: STB valuation (net asset value approach*)

| | |
|---|--------------|
| ROE (%) | 13.5% |
| COE (%) | 10.0% |
| Long-term growth (%) | 2.0% |
| Book value/share in FY21e (p) | 1,605 |
| Book value/share in FY22e (p) | 1,709 |
| Indicated fair value for FY22 per share (p) | 2,457 |
| PV of FY22 fair value per share (p) | 2,234 |
| Fair value of P/BV FY21 (x) | 1.4 |
| P/BV FY21 (x) | 0.8 |

Source: Edison Investment Research. Note: *(ROE-g)/(COE-g).

Exhibit 5 compares STB to selected challenger and specialist lender UK peers. Its FY22 P/E ratio is similar to the average of these peers. STB's ROE is about 9% lower in FY22; however, its FY22 P/BV is significantly (38%) lower than its peers, a discount that seems to suggest space for a re-rating versus its peers if the bank delivers on forecast earnings and growth. STB also has the highest dividend yield in the comparison even after the dividend reduction following the introduction of the new 25% payout policy.

Exhibit 5: Challenger/specialist lender comparative table

| | Price (p) | Market cap (£m) | P/E (x) FY21e | P/E (x) FY22e | Dividend yield (%) | ROE (%) FY21e | ROE (%) FY22e | P/BV (x) last reported |
|---------------------------------|--------------|-----------------|---------------|---------------|--------------------|---------------|---------------|------------------------|
| Secure Trust Bank | 1,313 | 257.3 | 6.2 | 8.4 | 4.0 | 13.7 | 9.5 | 0.8 |
| Close Brothers | 1,587 | 2,393.2 | 16.8 | 12.1 | 2.5 | 7.8 | 13.0 | 1.7 |
| CYBG | 202 | 2,925.1 | 16.0 | 6.7 | 0.0 | 1.4 | 8.6 | 0.6 |
| Metrobank | 100 | 173.1 | N/A | -1.0 | 0.0 | -18.3 | -15.1 | 0.1 |
| OneSavings Bank | 490 | 2,196.4 | 9.3 | 7.5 | 0.0 | 0.0 | 18.0 | 1.4 |
| Paragon | 559 | 1,413.7 | 14.5 | 10.5 | 2.6 | 10.3 | 0.0 | 1.2 |
| S&U | 2,800 | 341.5 | 8.2 | 6.2 | 3.2 | 10.5 | 13.2 | 1.8 |
| Average ex-Metrobank | | | 13.0 | 8.6 | 1.7 | 6.0 | 10.6 | 1.3 |
| STB versus average ex-Metrobank | | | -52% | -2% | 142% | 128% | -10% | -38% |

Source: Refinitiv, Edison Investment Research. Note: Priced at 9 August 2021.

Exhibit 6 compares the share price performance of the companies shown in the previous table. Over the last few months STB has been the strongest performer. Its performance is also above average on a year-to-date basis. However, it has lagged the peers over a 12-month period.

Exhibit 6: Recent share price performance in a peer group context, %

| | 1 month | 3 months | 1 year | YTD | From 12m high |
|--------------------------|-------------|-------------|-------------|-------------|---------------|
| Secure Trust Bank | 17.5 | 32.9 | 26.0 | 38.1 | -3.4 |
| Close Brothers | 3.2 | -2.3 | 44.3 | 14.8 | -6.8 |
| CYBG | 4.3 | 1.4 | 132.8 | 50.4 | -5.9 |
| Metrobank | -3.4 | -8.8 | -3.4 | -28.6 | -38.7 |
| OneSavings Bank | 5.1 | 1.5 | 98.5 | 15.6 | -1.9 |
| Paragon | 5.1 | 15.2 | 68.1 | 14.3 | -3.0 |
| S&U | 5.3 | 0.0 | 73.9 | 23.9 | 0.0 |
| Average | 3.3 | 1.2 | 69.0 | 15.1 | -9.4 |
| STB versus average | 14 | 32 | -43 | 23 | 6 |

Source: Refinitiv, Edison Investment Research. Note: Priced at 9 August 2021.

Forecasts

The key changes in our FY21 forecasts come from the much lower impairments, but we have also made an increase in operating cost estimates. We are now forecasting PBT of £47.9m for FY21, 75% higher than the previous forecast. EPS has been moved up by 84% to 211.9p per share.

Our PBT and EPS forecasts for FY22 have been trimmed by 13% and 11% to £36.3m and 156.6p, respectively. Impairment charges remains similar at 1.6% of average loans, but operating expenses have been raised from £108.8m to £113.8m. We are forecasting an FY21 ROE of 9.6% as profitability starts to return to normal with balance sheet expansion and rebounding business levels.

Our view remains that there will be no cliff-edge economic scenario and that government and central bank support will continue to be pragmatic during this crisis.

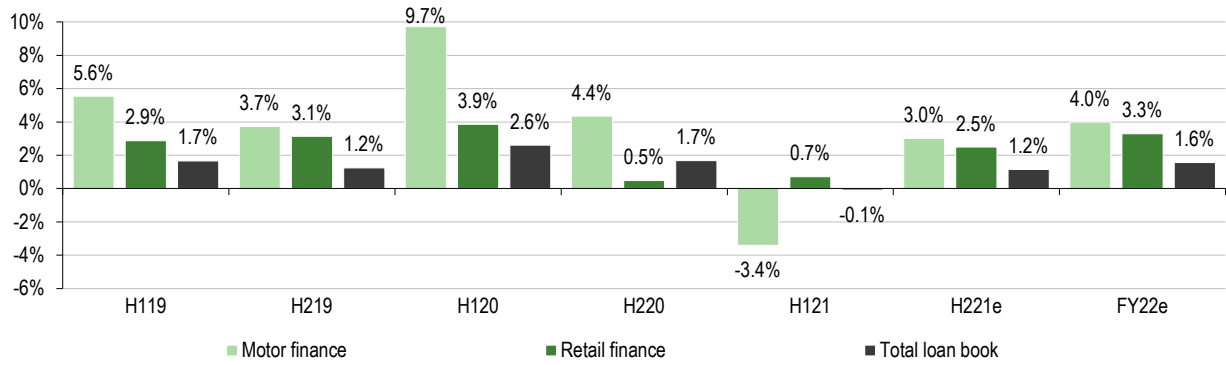
We expect STB's balance sheet to remain well capitalised; we are forecasting a CET1 of 12.2% (previously 12.8%) at the end of FY22. This will help give it greater flexibility in its two-pronged growth strategy of organic expansion and value creating acquisitions.

Exhibit 7: FY21 and FY22 forecasts changes

| | Operating income (£m) | | | Normalised PBT (£m) | | | Normalised EPS (p) | | |
|-------|-----------------------|-------|--------|---------------------|------|--------|--------------------|-------|--------|
| | Old | New | % chg. | Old | New | % chg. | Old | New | % chg. |
| 2021e | 165.7 | 164.6 | (0.7) | 27.4 | 47.9 | 75.0 | 115.2 | 211.9 | 83.9 |
| 2022e | 190.8 | 191.3 | 0.3 | 41.5 | 36.3 | (12.7) | 175.0 | 156.6 | (10.5) |

Source: Secure Trust Bank, Edison Investment Research

Exhibit 8: Impairment charge forecasts as % of average loans*



Source: Secure Trust Bank, Edison Investment Research. Note: *Negative numbers signify net provisions reversions.

Exhibit 9: Financial summary

| Year end 31 December | 2018 | 2019 | 2020 | 2021e | 2022e |
|--|----------------|----------------|----------------|----------------|----------------|
| £m except where stated | | | | | |
| PROFIT & LOSS | | | | | |
| Net interest income | 133.7 | 145.4 | 150.9 | 149.0 | 169.8 |
| Net commission income | 17.9 | 20.1 | 15.2 | 15.6 | 21.5 |
| Total operating income | 151.6 | 165.5 | 166.1 | 164.6 | 191.3 |
| Total G&A expenses (exc non-recurring items below) | (84.5) | (94.2) | (91.6) | (105.3) | (113.8) |
| Operating profit pre impairments & exceptionals | 67.1 | 71.3 | 74.5 | 59.3 | 77.5 |
| Impairment charges on loans | (32.4) | (32.6) | (51.3) | (12.7) | (42.2) |
| Losses on modification of financial assets | 0.0 | 0.0 | (3.1) | 1.3 | 1.0 |
| Other income | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Profit before tax | 34.7 | 38.7 | 20.1 | 47.9 | 36.3 |
| Corporation Tax | (6.4) | (7.6) | (3.9) | (8.1) | (6.9) |
| Tax rate | 18.4% | 19.6% | 19.4% | 17.0% | 19.0% |
| Profit after tax | 28.3 | 31.1 | 16.2 | 39.7 | 29.4 |
| Minority interests | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Net income attributable to equity shareholders | 28.3 | 31.1 | 16.2 | 39.7 | 29.4 |
| Company reported pre-tax earnings adjustments | 2.0 | 2.4 | 0.0 | 0.0 | 0.0 |
| Reported underlying earnings after tax | 29.9 | 33.5 | 16.2 | 39.7 | 29.4 |
| Average basic number of shares in issue (m) | 18.5 | 18.5 | 18.6 | 18.6 | 18.6 |
| Average diluted number of shares in issue (m) | 18.6 | 18.6 | 18.8 | 18.8 | 18.8 |
| Reported diluted EPS (p) | 152.2 | 167.3 | 85.2 | 211.9 | 156.6 |
| Underlying diluted EPS (p) | 161.0 | 180.2 | 85.2 | 211.9 | 156.6 |
| Ordinary DPS (p) | 83.0 | 87.2 | 44.0 | 53.0 | 39.1 |
| Special DPS (p) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Net interest/average loans | 7.32% | 6.44% | 6.32% | 6.26% | 6.28% |
| Impairments incl losses on loan modifications /average loans | 1.79% | 1.46% | 2.26% | 0.48% | 1.53% |
| Cost income ratio | 55.7% | 56.9% | 55.1% | 64.0% | 59.5% |
| BALANCE SHEET | | | | | |
| Net customer loans | 2,028.9 | 2,450.1 | 2,358.9 | 2,400.0 | 2,985.0 |
| Other assets | 415.4 | 232.7 | 305.2 | 327.3 | 331.7 |
| Total assets | 2,444.3 | 2,682.8 | 2,664.1 | 2,727.3 | 3,316.7 |
| Total customer deposits | 1,847.7 | 2,020.3 | 1,992.5 | 2,000.0 | 2,487.5 |
| Other liabilities | 359.5 | 408.4 | 401.1 | 428.6 | 510.9 |
| Total liabilities | 2,207.2 | 2,428.7 | 2,393.6 | 2,428.6 | 2,998.4 |
| Net assets | 237.1 | 254.1 | 270.5 | 298.7 | 318.2 |
| Minorities | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Shareholders' equity | 237.1 | 254.1 | 270.5 | 298.7 | 318.2 |
| Reconciliation of movement in equity | | | | | |
| Opening shareholders' equity | 249.1 | 237.1 | 254.1 | 270.5 | 298.7 |
| Profit in period | 28.1 | 31.1 | 16.2 | 39.7 | 29.4 |
| Other comprehensive income | (25.8) | 0.0 | (0.2) | (0.1) | 0.0 |
| Ordinary dividends | (14.8) | (15.5) | 0.0 | (11.9) | (9.9) |
| Special dividend | 0.0 | 1.2 | 0.0 | 0.0 | 0.0 |
| Share based payments | 0.5 | 0.3 | (0.7) | 0.5 | 0.0 |
| Issue of shares | 0.0 | 0.0 | 1.1 | 0.0 | 0.0 |
| Share issuance costs | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Closing shareholders' equity | 237.1 | 254.1 | 270.5 | 298.7 | 318.2 |
| OTHER SELECTED DATA AND RATIOS | | | | | |
| Period end shares in issue (m) | 18.5 | 18.5 | 18.6 | 18.6 | 18.6 |
| NAV per share (p) | 1,283 | 1,375 | 1,453 | 1,605 | 1,709 |
| Tangible NAV per share (p) | 1,230 | 1,326 | 1,412 | 1,571 | 1,680 |
| Return on average equity | 11.6% | 12.7% | 6.2% | 14.0% | 9.5% |
| Return on average TNAV | 13.3% | 14.8% | 6.7% | 16.1% | 11.5% |
| Average loans | 1,826.4 | 2,258.9 | 2,389.0 | 2,379.5 | 2,692.5 |
| Average deposits | 1,655.4 | 1,967.8 | 2,010.3 | 2,002.8 | 2,243.8 |
| Loans/deposits | 109.8% | 121.3% | 118.4% | 120.0% | 120.0% |
| Risk exposure | 1,824.6 | 2,118.1 | 2,001.5 | 2,101.3 | 2,565.3 |
| Common equity tier 1 ratio | 13.8% | 12.7% | 14.2% | 14.3% | 12.2% |

Source: Secure Trust Bank, Edison Investment Research

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