

InsCorp, Inc. Reports Results for 1Q26



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IBTN reports EPS growth of 15% Y/Y to \$0.63 in 1Q26 compared to \$0.55 in 1Q25; Declares cash dividend of \$0.12 for 2Q26

NASHVILLE, Tenn., April 27, 2026 /PRNewswire/ -- Today, InsCorp, Inc. (OTCQX: **IBTN**) reported results for the first quarter ("1Q26") ended March 31, 2026. IBTN recorded earnings per share ("EPS") of \$0.63 in 1Q26 compared to (\$0.57) in 4Q25 and \$0.55 in 1Q25. Balance sheet growth remained solid during the quarter as average earning asset growth of 18% Y/Y (8% linked-quarter, "LQ") was driven by average deposit growth of 21% Y/Y (10% LQ) and average loan growth of 13% Y/Y (6% LQ). Excluding growth associated with the strategic entry into Murfreesboro in 3Q25, average earning assets, deposits, and loans increased 14%, 17%, and 9% Y/Y, respectively, in 1Q26. InsCorp generated a ROA of 0.72%, ROATCE of 9.8%, and an efficiency ratio of 66.1% in 1Q26 versus 0.74%, 8.8%, and 66.2%, respectively, in 1Q25. "As we embarked on 2026, our goals included an early push to core growth in the first quarter, healthy credit metrics, and maintaining momentum in our recent expansion market of Murfreesboro," said President and CEO, Jim Rieniets. "I'm pleased to report that our results are consistent with those goals, and that we continue to have visibility into further enhancing operating leverage during the course of the year," Rieniets continued.

New client deposit and loan growth in Murfreesboro remained strong in 1Q26. "Our expansion into Murfreesboro was driven by relationships, not geography," stated Chief Banking Officer Billie Jo Parker. "Our new team members' longstanding presence and reputation as trusted partners in Rutherford County were central to our decision to expand into that market. Their holistic approach—serving personal and commercial needs—is resulting in the onboarding of full client relationships and a durable foundation in the vibrant Murfreesboro community," continued Parker. Deposit and loan balances attributed to the Murfreesboro team increased to \$36.2 million and \$40.4 million at 1Q26-end versus \$27.5 million and



\$22.9 million at year-end and \$6.0 and \$2.0 million, respectively, at 3Q25-end. Although balance sheet and performance metrics have progressed ahead of plan, the Murfreesboro growth initiative affected EPS by approximately (\$0.06) in 1Q26 and (\$0.15) in 2025. On a pre-provision, pretax basis, the Murfreesboro operation is expected to reach profitability in the coming months.

Loan growth of 14% Y/Y and 15% LQA in 1Q26 reflected solid contributions from commercial & industrial ("C&I"), commercial real estate ("CRE"), and home equity ("HELOC") loans. Growth in C&I (21% Y/Y; 7% LQ), CRE (12% Y/Y; -1% LQ), and HELOC (153% Y/Y; 35% LQ), outpaced construction & development (2% Y/Y; -2% LQ), residential (-8% Y/Y; 5% LQ), and consumer (-68% Y/Y; 30% LQ) in 1Q26. INSBANK's healthcare division, Medquity, generated a strong quarter of \$37 million in originations, exceeding the quarterly average of \$26 million during 2025. Net of participations sold and payoffs, Medquity's portfolio grew 13% Y/Y in 1Q26. "Importantly, our pipeline remains strong heading into 2Q26, even after considering strong funded loan growth of \$18.2 million, or 8% LQ, in 1Q26," explained Blake Wilson, President, Medquity Healthcare Banking. Excluding Medquity's loan balances (28% of loans), loan growth was 15% Y/Y (2% LQ) in 1Q26.

Deposit growth of 18% Y/Y reflected interest-bearing transaction balance growth of 46% Y/Y and noninterest bearing deposit growth of 14% Y/Y in 1Q26. Non-maturity deposit balances, which include noninterest bearing, interest-bearing demand, and money market balances, increased 54% Y/Y, lifting the mix to 49% of deposits up from 46% a quarter ago and 38% a year ago. "Without question, core deposit growth is a key strategic pursuit, as it benefits margin, interest rate risk, and franchise value," said Andrew Smith, Chief Deposit Officer. "During the first quarter we continued to see deposit mix away from higher-cost CDs and toward core relationship balances, reflecting the focus and execution of our client-facing team members," Smith continued. CD balance growth of -3% Y/Y and LQ in 1Q26 resulted in a mix of 51% of deposits, down from 54% a quarter ago and 62% a year ago. INSBANK's loan-to-deposit ratio was 97% versus 96% a quarter ago and 100% a year ago.

Growth in revenue of 16% Y/Y and overhead 15% Y/Y in 1Q26 resulted in pre-provision pretax income ("PPNR") growth of 17% Y/Y in 1Q26. Specifically, PPNR increased to \$2.7 million in 1Q26 versus \$1.9 million in 4Q25 and \$2.4 million in 1Q25. Strong growth in net interest income of 30%, or \$1.9 million, Y/Y was partially offset by a drop in noninterest income to (\$0.3 million) in 1Q26 versus \$0.5 million in 1Q25. As detailed in the press release for 4Q25, INSBANK incurred a negative non-cash valuation adjustment to the carrying value of its SBIC investments of (\$725,000) in 1Q26 and (\$681,000) in 4Q25; the negative carrying value adjustment in 1Q26 and 4Q25 resulted from the change in value of one investment, which was partially offset by solid performance in the bank's other SBIC investments. Excluding SBIC income (loss), PPNR increased 63% Y/Y (+37% LQ) to \$3.5 million in 1Q26 versus \$2.5 million in 4Q25 and \$2.1 million in 1Q25.

Net interest income increased 30% Y/Y (+13% LQ) to \$8.4 million in 1Q26 versus \$7.4 million in 4Q25 and \$6.4 million in 1Q25. Net interest income included \$858,000 from accrued interest recognized on the migration of a loan to performing status, interest income received on a federal tax refund, and prepayment and late fees received on \$10.2 million of loan prepayments on March 31st. Excluding these items, net interest income grew 8% Y/Y (6% LQ) to \$7.5 million in 1Q26 versus \$7.4 million in 4Q25 and \$6.4 million in 1Q25.

Notable Items in 1Q26	Pretax	Net	EPS	NIM	ROA
	Income	Income			
	(Loss)	(Loss)			
(1) Accrued Interest due to Migration of a Nonperforming Loan to Accruing Status	\$729,000	\$575,910	\$0.19	0.29 %	0.22 %
(2) Securities Gains (Losses)	\$97,884	\$77,328	\$0.03	NA	0.03 %
(3) Interest Income on Tax Refund	\$74,801	\$59,093	\$0.02	0.03 %	0.02 %
(4) Prepayment & Late Fees Collected	\$54,682	\$43,199	\$0.01	0.02 %	0.02 %
(5) SBIC Investment Writedown	(\$801,293)	(\$633,021)	(\$0.21)	NA	-0.24 %
(6) Murfreesboro Expansion	(\$227,734)	(\$179,910)	(\$0.06)	NA	-0.07 %
Total	(\$72,660)	(\$57,401)	(\$0.02)	0.34 %	-0.02 %

The reported net interest margin ("NIM") of 3.35%, or 3.01% adjusted for the items discussed previously, in 1Q26 compared to 3.15% in 4Q25 and 3.01% in 1Q25. The adjusted NIM was in line with management's expectations coming into the quarter. Going forward, continued re-pricing of the bank's deposits, especially CD balances, and the re-pricing of maturing/re-pricing loans with yields below 5.00% should benefit NIM over the balance of 2026. At quarter-end, approximately \$10.2 million of loan prepayments with a weighted average interest rate of 4.21% were re-deployed into loans with a yield pick-up of approximately 240 basis points ("bps")—representing an annual EPS benefit of \$0.06, all else equal. Looking ahead, favorable re-pricing of \$315 million of CDs, or 34% of deposits, with an average yield of 4.02% and \$66 million of loans, or 7% of total loans, yielding 5.02% are expected to contribute to NIM expansion progressively during the second half of 2026 and into 2027.

Average earning asset growth of 18%, or \$152 million, Y/Y consisted of average loan growth of 13%, or \$103 million, Y/Y and short-term liquidity and securities growth of 53%, or \$49 million, Y/Y in 1Q26. On an adjusted basis, which excludes approximately \$784,000 of accrued interest, prepayment, and late fees received in March, the loan yield was 6.53% in 1Q26 vs. 6.64% in 4Q25 and 6.63% in 1Q25. The yield on securities and short-term liquidity was 3.94%, excluding approximately \$75,000 of interest received on the bank's tax refund, compared to 4.18% in 4Q25 and 4.15% in 1Q25.

Although INSBANK's balance sheet remains modestly asset sensitive, its sensitivity to interest rate changes decreased in 1Q26. Continued improvement in the mix of non-maturity deposits to total deposits was largely responsible for the decreased sensitivity on a Y/Y and LQ basis. INSBANK's asset re-pricing mismatch, relative to liability re-pricing, is short-lived and largely resolved within six months of a change of

the Fed Funds rate. Based on current market expectations for a relatively stable Fed Funds rate over the balance of 2026, INSBANK's NIM should improve in 2Q26 through 4Q26 relative to the adjusted NIM of 3.01% in 1Q26.

Core noninterest income of \$396,000 increased 9% LQ to \$0.4 million in 1Q26. Total non-interest income was adversely affected by a decrease in the value of one SBIC fund investment for the second consecutive quarter. For more than a decade, INSBANK has committed capital to SBIC funds as part of its plan to fulfill CRA objectives and further the development of small business formation within its market, region, and the nation. INSBANK committed \$1.5 million of capital to one SBIC fund over a decade ago, which was fully drawn during the fund's investment period; over the fund's life, INSBANK has received distributions of \$1.7 million, or 111% of its capital contribution. The fund's largest investment experienced difficulty in 2025, which resulted in a decline in the value of the fund from \$2.3 million to \$0.6 million over the five-quarter period ended December 31, 2025. Most of INSBANK's other SBIC fund investments are earlier in their lifecycles and performing in line with expectations.

Noninterest expense growth of 15% Y/Y (2% LQ) reflected an increase in personnel expense of 16% Y/Y (2% LQ) in 1Q26. Growth in associates slowed to seven people, or 10%, Y/Y versus 11, or 17%, Y/Y growth in 4Q25. Excluding costs related to the Murfreesboro expansion, noninterest expense growth was 9% Y/Y in 1Q26. Noninterest expense improved to 1.99% of average assets in 1Q26 versus 2.11% in 4Q25 and 2.04% in 1Q25; costs associated with the Murfreesboro expansion contributed 5 bp in 1Q26.

Asset quality measures improved in 1Q26. Net chargeoffs ("NCOs") represented 0.00% of average loans on an annualized basis in 1Q26 vs. 2.26% in 4Q25 and 0.00% in 1Q25. As discussed in previous press releases in December 2025 and February 2026, the 4Q25 chargeoff activity was related entirely to a fraudulent loan incident. Nonperforming loans and 90-day past dues ("NPLs") ended March 2026 at 0.25% of loans vs. 0.60% a quarter ago and 0.66% a year ago. Virtually all NPLs are collateralized by real estate with significant equity. The drop in NPLs reflected the migration of a well-collateralized real estate loan into accruing status, based on the property's healthy cash flow performance in 2025. Loans 30-89 days past due represented 0.08% of loans at 1Q26-end compared to 0.02% a quarter ago and 0.24% a year ago. The allowance for credit losses of 1.25% of loans (-5 bps Y/Y) represented 503% of NPLs vs. 207% a quarter ago and 196% a year ago.

Existing capital levels support solid asset growth. INSBANK remained "well capitalized" from a regulatory perspective with a tier-1 leverage ratio of 10.06%, a common equity tier-1 capital ratio of 11.01%, and a total risk-based capital ratio of 12.20%. InsCorp, Inc.'s tangible common equity ratio was 7.24% as of 1Q26-end versus 7.32% a quarter ago and 8.01% a year ago. Tangible book value per share increased by 4% Y/Y to \$26.06, as of March 31, 2026. C&D and CRE balances represented 75% and 313% of total risk-based capital, respectively, versus 87% and 307% a year ago. Accumulated Other Comprehensive Income was (\$2.4 million), or 2.3% of bank-level tier-1 capital of \$107.1 million, as of March 31, 2026.

The loan pipeline remains solid and supportive of double-digit growth in the near-term. The pipeline included approximately \$50 to \$70 million of funded loan balances expected to close in the next three months. Loan growth eased to \$32 million, or 15% linked-quarter annualized ("LQA"), in 1Q26 compared to \$57 million, or 27% LQA, in 4Q26. Funded balance growth was restrained by \$29 million of loan payoffs in 1Q26 compared to \$13 million in 4Q25. "Importantly, the bank's loan pipeline remained healthy as we headed into April, considering the strong activity over the past six months," explained Chad Hankins, Chief Lending Officer. "Fortunately, our team remains well positioned to take advantage of recent and future dislocations in the Nashville market," added Hankins.

The Board of Directors approved the payment of a quarterly dividend of \$0.12 per common share on June 5, 2026, to shareholders of record on May 15, 2026. The annualized quarterly dividend rate of \$0.48 per share represents an increase of 9% compared to dividends of \$0.44 per share paid in 2025. Although the Company did not repurchase shares in 1Q26, 59,000 shares, or 2.0% of the prior year-end's share count, were repurchased in 2025. The current repurchase program authorizes management to repurchase 100,000 shares, or 3.4% of IBTN's outstanding shares, through January 25, 2028.

About InsCorp, Inc. and INSBANK

Since 2000, INSBANK has offered clients highly personalized services from experienced relationship managers, positioning itself as an innovator by leveraging technology to deliver those services efficiently and conveniently. In addition to its commercial-focused operation, INSBANK has two divisions: Medquity and Finworth. Medquity offers healthcare banking solutions to physicians, partnerships, and practices nationwide. Finworth offers nationally available virtual private client services for interest-bearing deposits. InsCorp, Inc., a Tennessee bank holding company, owns INSBANK. InsCorp, Inc.'s shares are traded on the OTCQX under the ticker symbol IBTN. Headquartered in Nashville at 2106 Crestmoor Road, the bank has offices in Brentwood at 5614 Franklin Pike Circle and in Murfreesboro at 1574 Medical Center Parkway. For more information, please visit www.insbank.com.

InsCorp, Inc.
Consolidated Balance Sheets

(000's)

(Unaudited)

	<i>Change</i>		<i>For the period ending:</i>		
	<i>Y/Y</i>	<i>QTD</i>	<i>March 31, 2026</i>	<i>December 31, 2026</i>	<i>March 31, 2025</i>
Assets					
Cash and due from banks	-15.9 %	-0.8 %	\$ 4,744	\$ 4,783	\$ 5,642
Fed funds sold	556.9 %	1298.8 %	25,598	1,830	3,897
Interest bearing deposits with banks	-54.1 %	-61.0 %	22,842	58,495	49,817
Investment Securities	56.5 %	13.3 %	89,127	78,684	56,963
Loans, net of unearned income	14.2 %	3.7 %	895,705	863,868	784,251
Allowance for Credit Losses	10.0 %	3.7 %	(11,178)	(10,780)	(10,158)
Net loans	14.3 %	3.7 %	884,527	853,088	774,093
Premises and equipment, net	3.6 %	0.0 %	12,858	12,861	12,414
Accrued interest receivable	16.5 %	4.0 %	4,538	4,364	3,894
Goodwill	0.0 %	0.0 %	1,091	1,091	1,091
Other assets	18.4 %	-7.9 %	33,430	36,281	28,223
Total Assets	15.2 %	2.6 %	\$ 1,078,755	\$ 1,051,477	\$ 936,034
Liabilities					
Noninterest bearing deposits	7.0 %	5.6 %	\$ 98,452	\$ 93,234	\$ 91,997
Interest bearing demand deposits	46.1 %	59.9 %	42,936	26,859	29,394
Savings and money market deposits	81.3 %	7.3 %	311,415	290,178	171,805
Time deposits	-3.5 %	-3.2 %	470,766	486,243	487,598
Total deposits	18.3 %	3.0 %	923,569	896,514	780,794
Accrued expenses and other liabilities	-3.2 %	-7.9 %	9,754	10,596	10,081
Federal Home Loan Bank Advances	-28.6 %	-30.8 %	27,000	39,000	37,800
Subordinated debentures	0.1 %	0.0 %	17,398	17,393	17,376
Other borrowings	56.8 %	120.6 %	21,950	9,950	14,000
Total Liabilities	16.2 %	2.7 %	999,671	973,453	860,051
Equity					
Common stock	-0.5 %	0.6 %	29,016	28,833	29,154
Retained earnings	6.4 %	8.6 %	50,606	46,581	47,561
Accumulated other comprehensive income (loss)	1.8 %	36.8 %	(2,427)	(1,774)	(2,383)
Net Income	14.3 %	-56.9 %	1,889	4,384	1,652
Total Equity	4.1 %	1.4 %	79,084	78,024	75,984
Total Liabilities & Equity	15.2 %	2.6 %	\$ 1,078,755	\$ 1,051,477	\$ 936,035
Tangible Book Value per Share	4.3 %	0.7 %	\$ 26.06	\$ 25.87	\$ 24.98

InsCorp, Inc.
Consolidated Statements of Income

(000's)

(Unaudited)

	<i>Change vs.</i>		<i>For the Three Months Ended</i>		
	<u>1Q25</u>	<u>4Q25</u>	<u>March 31,</u>	<u>December 31,</u>	<u>March 31,</u>
			<u>2026</u>	<u>2026</u>	<u>2025</u>
Interest Income	21.3 %	9.7 %	\$ 16,481	\$ 15,022	\$ 13,591
Interest Expense	13.5 %	6.5 %	8,131	7,637	7,167
Net Interest Income	30.0 %	13.1 %	8,350	7,385	6,424
Provision for Credit Losses	51.3 %	-91.8 %	398	4,874	263
Noninterest Income					
Deposit Account Service Charges	27.4 %	7.0 %	107	100	84
Bank Owned Life Insurance	7.0 %	-0.9 %	107	108	100
Gains (losses), net	1860.0 %	-372.2 %	98	(36)	5
Other	-282.1 %	21.9 %	(619)	(508)	340
Total Noninterest Income	-158.0 %	-8.6 %	(307)	(336)	529
Noninterest Expense					
Salaries and Benefits	15.6 %	2.0 %	3,542	3,473	3,064
Occupancy and Equipment	44.7 %	7.2 %	385	359	266
Data Processing	37.1 %	12.6 %	429	381	313
Marketing and Advertising	-18.8 %	-45.4 %	95	174	117
Other	0.6 %	4.3 %	843	808	838
Total Noninterest Expense	15.1 %	1.9 %	5,294	5,195	4,598
Income Before Income Taxes	12.4 %	-177.8 %	2,351	(3,020)	2,092
Income Tax Expense	5.0 %	-133.3 %	\$ 462	\$ (1,389)	\$ 440
Net Income	14.3 %	-215.8 %	\$ 1,889	\$ (1,631)	\$ 1,652
Basic Earnings per Share	14.0 %	-214.0 %	\$ 0.65	\$ (0.57)	\$ 0.57
Diluted Earnings per Share	14.5 %	-210.5 %	\$ 0.63	\$ (0.57)	\$ 0.55

	<i>Change vs.</i>		<i>For the Three Months Ended</i>		
	<u>1Q25</u>	<u>4Q25</u>	<u>March 31,</u>	<u>December 31,</u>	<u>March 31,</u>
			<u>2026</u>	<u>2026</u>	<u>2025</u>
InsCorp, Inc.					
ROAA	-2 bps	138 bps	0.72 %	-0.66 %	0.74 %
ROAE	82 bps	1772 bps	9.68 %	-8.04 %	8.86 %
ROATCE	94 bps	1792 bps	9.79 %	-8.13 %	8.84 %
Tangible Common Equity / Tangible Assets	-77 bps	-9 bps	7.24 %	7.32 %	8.01 %
Net Interest Margin	34 bps	20 bps	3.35 %	3.15 %	3.01 %
Efficiency	-8 bps	-661 bps	66.10 %	72.71 %	66.18 %
Revenue / Employee	4.8 %	13.1 %	428	379	409

Expense / Employee	4.3 %	1.0 %	282	279	270
Assets / Employee	4.4 %	-0.6 %	14,162	14,241	13,566
INSBANK					
ROAA	-4 bps	138 bps	0.90 %	-0.48 %	0.94 %
ROAE	66 bps	1359 bps	9.16 %	-4.43 %	8.50 %
Net Interest Margin	31 bps	19 bps	3.49 %	3.30 %	3.18 %
Capital Ratios					
Tier-1 Leverage	-127 bps	-60 bps	10.06 %	10.66 %	11.33 %
Common Equity Tier-1	-94 bps	4 bps	11.01 %	10.97 %	11.95 %
Total Risk-Based Capital	-98 bps	6 bps	12.20 %	12.14 %	13.18 %

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