InsCorp, Inc. Reports Results for 2Q26

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IBTN reports fully diluted EPS growth of 14% to $0.72 in 2Q26 compared to $0.63 in 1Q26; Declares cash dividend of $0.12 for 3Q26

NASHVILLE, Tenn., July 31, 2026 /PRNewswire/ -- Today, InsCorp, Inc. (OTCQX: **IBTN**) reported results for the second quarter ("2Q26") ended June 30, 2026. IBTN recorded fully diluted earnings per share ("EPS") of $0.72 in 2Q26 compared to $0.63 in 1Q26 and $0.71 in 2Q25. Balance sheet growth remained solid during the quarter as average earning asset growth of 16% Y/Y reflected average loan growth of 13% Y/Y and average deposit growth of 15% Y/Y. Excluding growth associated with the strategic entry into Murfreesboro in 3Q25, average earning assets, loans, and deposits increased 10%, 8%, and 10% Y/Y, respectively, in 2Q26. InsCorp's ROA of 0.81%, ROATCE of 11.0%, andefficiency ratio of 64.8% in 2Q26 compared to respective levels of 0.72%, 9.8%, and 66.4%, in 1Q26, and 0.91%, 11.1%, and 60.7%, in 2Q25. "The quarter ended with improvement in key metrics including operating leverage, efficiency ratio, and return on equity, while core net interest margin was stable and consistent with our budget," said Jim Rieniets, President and CEO of INSBANK. "Our expectations for the near-term include greater personnel leverage across both production and support teams," Rieniets continued.

New client deposit and loan growth in Murfreesboro remained solid in 2Q26. "We were pleased to see continued growth from our team in Murfreesboro, and excited to share that on a direct expense and revenue basis we reached breakeven in 2Q26," said Peyton Green, CFO, INSBANK. "This accomplishment was achieved in just three quarters and is ahead of our internal projections," Green added. Deposit and loan balances attributed to the Murfreesboro team were $36.3 million and $50.3 million at 2Q26-end compared to $36.2 million and $40.4 million at 1Q26-end. The Murfreesboro expansion benefited EPS by $0.01 in 2Q26 versus ($0.06) in 1Q26 and ($0.15) in 2025.

Average earning asset growth of 16%, or $139 million, Y/Y consisted of average loan growth of 13%, or $107 million, Y/Y and short-term liquidity and securities growth of 37%, or $32 million, Y/Y in 2Q26. The loan yield of 6.54% in 2Q26 compared to 6.53% in 1Q26, which excludes $784,000 of non-accrued interest, prepayment, and late fees received in March, and 6.76% in 2Q25. The yield on securities and short-term liquidity was 4.27%, excluding approximately $75,000 of interest received on the bank's tax refund, and 4.07% in 2Q25. Average deposits increased 15%, or $116 million, Y/Y in 2Q26, which reflected interest bearing deposit growth of 15% Y/Y and noninterest bearing growth of 13% Y/Y in 2Q26. The cost of deposits improved to 3.20% in 2Q26 vs. 3.31% in 1Q26 and 3.50% in 2Q25. The average balance of non-maturity deposits (i.e., noninterest bearing, interest bearing demand, and money market) increased 50% Y/Y and 5% linked-quarter ("LQ") to $445 million, or 49% of average deposits compared to 46% in 1Q26 and 38% in 2Q25. Average CD balance growth of -6% Y/Y and -8% LQ in 2Q26 resulted in a mix of 51% of average deposits, down from 54% a quarter ago and 62% a year ago. INSBANK's loan-to-deposit ratio was 100% versus 96% a quarter ago and 99% a year ago.

Loan growth was 15% Y/Y and 8% linked-quarter annualized ("LQA") in 2Q26 and reflected solid contributions from commercial & industrial ("C&I"), commercial real estate ("CRE"), construction, and home equity ("HELOC") loans. "Although increased payoff activity over the first six months of the year restrained the growth rate, the loan pipeline remained healthy heading into the third quarter and supportive of solid growth in the second half of the year," explained Chad Hankins, Chief Lending Officer. Growth in C&I (19% Y/Y; 5% LQA), CRE (10% Y/Y; 13% LQA), and HELOC (143% Y/Y; 42% LQA), and construction & development (23% Y/Y; 11% LQ), outpaced multifamily (-2% Y/Y; -23% LQ) and consumer (-70% Y/Y; -33% LQA) in 2Q26. Funded balance growth was restrained by loan payoffs of $20 million in 2Q26 and $29 million in 1Q26 vs. $13 million in 4Q25. Medquity's loan balances increased 13% Y/Y and 20% LQA in 2Q26. "Although Medquity's loan originations decreased to $15 million in 2Q26 compared to $38 million in 1Q26, the pipeline remains strong heading into 2H26, and supportive of double digit growth," explained Blake Wilson, President, Medquity Healthcare Banking. Excluding loans related to Medquity (29% of total loans), loan growth was 16% Y/Y and 3% LQA in 2Q26.

Revenue growth of 10% Y/Y reflected net interest income growth of 14% Y/Y in 2Q26. Pre-provision pretax income ("PPNR") growth of -2% Y/Y (+5% LQ) to $2.9 million in 2Q26 reflected expense growth 18% Y/Y due to hiring activity late in 2Q25, which did not materially affect personnel expense in 2Q25, the onboarding of the five-person Murfreesboro team in 2H25, and an additional six FTEs hired in 2Q26. Solid growth in net interest income of $1.0 million Y/Y was partially offset by a drop in noninterest income of $257,000 Y/Y to $337,000 in 2Q26, which reflected a drop in SBIC income vs. 2Q25.

Net interest income increased 14% Y/Y to $8.1 million in 2Q26 versus $7.1 million in 2Q25. The LQ decline in net interest income of $209,000 was due to the inclusion of $803,801 from non-accrued interest recognized on the migration of a loan to performing status in 1Q26 and interest income received on a federal tax refund in 1Q26. Excluding these two items, net interest income grew 8% to $8.1 million in 2Q26 versus $7.5 million in 1Q26. The net interest margin ("NIM") was 3.18% in 2Q26 compared to 3.20% in 2Q25. Adjusted to exclude the non-accrued interest from the nonperforming loan that returned to accruing status and the tax refund in 1Q26, the NIM improved 15 bps LQ in 2Q26.

INSBANK's balance sheet is slightly asset sensitive. Continued improvement in the mix of non-maturity deposits to total deposits was largely responsible for 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 in the Fed Funds rate. Assuming no change to the Fed Funds target rate and a static balance sheet, the NIM is projected to gradually increase from the current level.

Noninterest expense growth of 18% Y/Y reflected an increase in personnel expense of 15% Y/Y in 2Q26. Personnel expense reflected associate growth of eight people, or 11%, Y/Y, and six people, or 8%, in YTD26. Excluding costs related to the Murfreesboro expansion, noninterest expense growth was 12% Y/Y in 2Q26 and 9% Y/Y in 1Q26. Noninterest expense represented 2.06% of average assets in 2Q26 versus 1.99% in 1Q26, 2.11% in 4Q25, and 2.02% in 2Q25; costs associated with the Murfreesboro expansion contributed 10 bp in 2Q26 and 1Q26. Overhead is expected to remain relatively stable on a quarterly basis over 2H26.

Asset quality measures were stable in 2Q26. Net chargeoffs ("NCOs") represented 0.00% of average loans on an annualized basis in 2Q26, 1Q26 and 2Q25. "Measures of asset quality remained stable in the quarter, as evidenced by modest nonperforming asset levels," said Philip Fons, Chief Credit Officer, INSBANK. "While local economic indicators remain healthy, our underwriting practices continue to emphasize stress scenarios to ensure durability through a nationwide credit cycle, which is arguably long overdue," Fons continued. Specifically, nonperforming loans and 90-day past dues ("NPLs") were 0.25% of loans vs. 0.27% a quarter ago and 0.65% a year ago. Loans 30-89 days past due represented 0.28% of loans at 2Q26-end vs. 0.08% a quarter ago and 0.43% a year ago. The allowance for credit losses of 1.25% of loans represented 523% of NPLs+90s vs. 503% a quarter ago and 204% 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 10.20%, a common equity tier-1 capital ratio of 11.00%, and a total risk-based capital ratio of 12.19%. InsCorp, Inc.'s tangible common equity ratio was 7.43% as of 2Q26-end versus 7.24% a quarter ago and 8.02% a year ago. Tangible book value per share increased by 4% Y/Y to $26.57, as of June 30, 2026. C&D and CRE balances represented 81% and 314% of total risk-based capital, respectively, versus 70% and 301% a year ago. Accumulated Other Comprehensive Income was ($2.4 million), or 2.2% of bank-level tier-1 capital of $109.8 million.

The Board of Directors approved the payment of a quarterly dividend of $0.12 per common share on September 4, 2026, to shareholders of record on August 14, 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 1H26, 59,000 shares, or 2.0% of the prior year-end's shares, 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)

	Change		*For the period ending:*		
	Y/Y	***QTD***	***June 30, 2026***	***December 31, 2025***	***June 30, 2025***
Assets					
Cash and due from banks	-13.0 %	2.4 %	$ 4,900	$ 4,783	$ 5,630
Fed funds sold	-32.5 %	-26.3 %	1,349	1,830	1,999
Interest bearing deposits with banks	-62.9 %	-69.8 %	17,639	58,495	47,594
Investment Securities	72.0 %	28.2 %	100,864	78,684	58,645
Loans, net of unearned income	14.5 %	5.8 %	914,022	863,868	797,935
Allowance for Credit Losses	8.2 %	5.8 %	(11,408)	(10,780)	(10,548)
Net loans	14.6 %	5.8 %	902,614	853,088	787,387
Premises and equipment, net	1.5 %	0.0 %	12,864	12,861	12,672
Accrued interest receivable	12.2 %	6.8 %	4,660	4,364	4,155
Goodwill	0.0 %	0.0 %	1,091	1,091	1,091
Other assets	19.6 %	-7.1 %	33,719	36,281	28,201
Total Assets	14.0 %	2.7 %	$ 1,079,700	$ 1,051,477	$ 947,374
Liabilities			0.99689428	0.95156127	0.985614843
Noninterest bearing deposits	7.4 %	1.6 %	$ 94,680	$ 93,228	$ 88,140
Interest bearing demand deposits	35.0 %	28.5 %	34,526	26,859	25,580
Savings and money market deposits	62.9 %	11.4 %	323,129	290,184	198,316
Time deposits	-6.9 %	-6.8 %	453,091	486,243	486,843
Total deposits	13.3 %	1.0 %	905,426	896,514	798,879
Accrued expenses and other liabilities	8.0 %	0.4 %	10,643	10,596	9,853
Federal Home Loan Bank Advances	61.8 %	41.0 %	55,000	39,000	34,000
Subordinated debentures	-2.9 %	0.0 %	9,950	9,950	10,250
Other borrowings	0.1 %	0.1 %	17,404	17,393	17,382
Total Liabilities	14.7 %	2.6 %	998,423	973,453	870,364
Equity					
Common stock	2.9 %	2.0 %	29,396	28,833	28,564
Retained earnings	6.4 %	7.9 %	50,246	46,581	47,234
Accumulated other comprehensive income (loss)	-4.4 %	36.8 %	(2,427)	(1,774)	(2,538)
Net Income	8.3 %	-7.3 %	4,062	4,384	3,750
Total Equity	5.5 %	4.2 %	81,277	78,024	77,010
Total Liabilities & Equity	14.0 %	2.7 %	$ 1,079,700	$ 1,051,477	$ 947,374
Tangible Book Value per Share	3.8 %	2.7 %	$ 26.57	$ 25.87	$ 25.60

InsCorp, Inc.

Consolidated Statements of Income

(000's)

(Unaudited)

	Change vs.		*For the Three Months Ended*			*Six Months Ended*	
	2Q25	**1Q26**	***June 30, 2026***	***March 31, 2026***	***June 30, 2025***	***June 30, 2026***	***Jun 20***
Interest Income	12.5 %	-1.3 %	$ 16,259	$ 16,481	$ 14,447	$ 32,740	$ 2
Interest Expense	10.8 %	-0.2 %	8,118	8,131	7,329	16,249	1
Net Interest Income	14.4 %	-2.5 %	8,141	8,350	7,118	16,491	1
Provision for Credit Losses	-32.4 %	-35.4 %	257	398	380	655	
Noninterest Income							
Deposit Service Charges	40.5 %	10.3 %	118	107	84	224	
Bank Owned Life Insurance	5.8 %	2.8 %	110	107	104	217	
Gains (losses), net	-55.6 %	-108.2 %	(8)	98	(18)	90	
Other	-72.4 %	-118.9 %	117	(619)	424	(501)	
Total Noninterest Income	-43.3 %	-209.8 %	337	(307)	594	30	
Noninterest Expense							
Salaries and Benefits	14.6 %	2.1 %	3,616	3,542	3,154	7,158	
Occupancy and Equipment	39.3 %	-1.6 %	379	385	272	764	
Data Processing	41.5 %	-11.0 %	382	429	270	811	
Marketing and Advertising	-7.5 %	30.5 %	124	95	134	219	
Other	19.2 %	22.3 %	1,031	843	865	1,875	
Total Noninterest Expense	17.8 %	4.5 %	5,532	5,294	4,695	10,827	
Income Before Income Taxes	2.0 %	14.4 %	2,689	2,351	2,637	5,039	
Income Tax Expense	-4.6 %	11.5 %	$ 515	$ 462	$ 540	$ 977	$
Net Income	3.7 %	15.1 %	$ 2,174	$ 1,889	$ 2,097	$ 4,062	$
Basic Earnings per Share	2.7 %	15.4 %	$ 0.75	$ 0.65	$ 0.73	$ 1.40	$
Diluted Earnings per Share	1.4 %	14.3 %	$ 0.72	$ 0.63	$ 0.71	$ 1.35	$

	Change vs.		*For the Three Months Ended*			*Six Months Ended*	
InsCorp, Inc.	**2Q25**	**1Q26**	***June 30, 2026***	***March 31, 2026***	***June 30, 2025***	***June 30, 2026***	***Jun 20***
ROAA	-10 bps	9 bps	0.81 %	0.72 %	0.91 %	0.77 %	
ROAE	-13 bps	117 bps	10.85 %	9.68 %	10.98 %	10.24 %	
ROATCE	-14 bps	119 bps	10.97 %	9.79 %	11.11 %	5.15 %	
Net Interest Margin	-2 bps	-16 bps	3.18 %	3.34 %	3.20 %	3.26 %	
Efficiency	410 bps	-152 bps	64.83 %	66.35 %	60.73 %	65.56 %	(
Revenue / Employee	-4.4 %	-1.4 %	422	428	442	211	
Expense / Employee	2.5 %	-2.2 %	276	282	269	138	
Assets / Employee	-0.9 %	-5.3 %	13,412	14,162	13,534		

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ROAA	-12 bps	9 bps	0.99 %	0.90 %	1.11 %	0.94 %
ROAE	-17 bps	84 bps	10.00 %	9.16 %	10.17 %	9.56 %
Net Interest Margin	-5 bps	-15 bps	3.34 %	3.49 %	3.39 %	3.41 %
Capital Ratios						
Tier-1 Leverage	-108 bps	14 bps	10.20 %	10.06 %	11.28 %	
Common Equity Tier-1	-101 bps	-1 bps	11.00 %	11.01 %	12.01 %	

SOURCE INSBANK