

Civista Bancshares, Inc.

Second Quarter 2025 Earnings Conference Call

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KBW — Analyst

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PRESENTATION

Operator

Before we begin, I would like to remind you that this conference call may contain forward-looking statements with respect to the future performance and financial condition of Civista Bancshares, Inc. that involves risks and uncertainties. Various factors could cause actual results to be materially different from any future results expressed or implied by such forward-looking statements. These factors are discussed in the Company's SEC filings, which are available on the Company's website. The Company disclaims any obligation to update any forward-looking statements made during the call.

Additionally, management may refer to non-GAAP measures, which are intended to supplement, but not substitute, the most directly comparable GAAP measures. The press release, also available on the Company's website, contains the financial and other quantitative information to be discussed today as well as the reconciliation of the GAAP to non-GAAP measures.

This call will be recorded and made available on the Civista Bancshares website at www.civb.com. At the conclusion of Mr. Shaffer's remarks, he and the Civista management team will take any questions you may have.

Now, I will turn the call over to Mr. Shaffer. Please go ahead.

Dennis Shaffer — President & Chief Executive Officer, Civista Bancshares, Inc.

Good afternoon. This is Dennis Shaffer, President and CEO of Civista Bancshares, and I would like to thank you for joining us for our second quarter 2025 earnings call. I'm joined today by Chuck Parcher,

EVP of the Company and President and Chief Lending Officer of the Bank; Rich Dutton, SVP of the Company and Chief Operating Officer of the Bank; Ian Whinnem, SVP of the Company and Chief Financial Officer of the Bank; and other members of our executive team.

This morning, we reported net income for the second quarter of \$11 million, or \$0.71 per diluted share, which represents a \$4 million or 56% increase over our second quarter in 2024 and an \$847,000 increase over our linked quarter. This also represents an increase in pre-provision net revenue of \$3.3 million or 37.5% over our second quarter in 2024 and a \$770,000 or 6.7% increase over our linked quarter. Our second quarter results included a \$757,000 positive non-recurring adjustment related to finalizing the conversion of our leasing division's core system. Absent this adjustment, net income for the second quarter would have been \$10.3 million or \$0.66 per diluted share.

Net interest income for the quarter was \$34.8 million, which represents an increase of \$2 million, or 6.2%, compared to our linked quarter. The increase was attributable to our earning asset yield increasing 13 basis points to 5.84% while holding our overall funding costs steady at 2.32%.

Our cost of core deposits increased by 6 basis points to 1.48%, which was offset by the repricing of a \$150 million brokered CD that matured in late March at carry a rate of 5.18%. We were also able to reduce and replace these deposits with \$125 million of CDs laddered over the next 12 months at a blended rate of 4.26%, representing a savings of 92 basis points. This resulted in our margin expanding by 13 basis points to 3.64% compared to the linked quarter.

We continued to have solid loan demand across our footprint. Our loan and lease portfolio grew at an annualized rate of 6.8% during the quarter. This was organic growth and we believe it is indicative

of the continued strength of our markets and our organization. We continued our focus on holding loan rates at higher levels to ensure an appropriate return for the use of our liquidity and capital.

Earlier this week, we announced a quarterly dividend of \$0.17 per share, which is consistent with the prior quarter. Based on our July 22nd dividend declaration date closing share price of \$21.26, this represents a 3.20% yield and a dividend payout ratio of nearly 24%.

This month we also announced entering into a definitive agreement to acquire The Farmers Savings Bank based in Spencer, Ohio and the announcement of an \$88.5 million follow-on capital offering. The acquisition was not contingent on raising capital, but we felt the additional earnings the acquisition will provide would offset the earnings dilution created by issuing additional shares. We have been considering raising capital for some time and viewed pairing it with an acquisition as a great opportunity to improve our TCE ratio above 8% and reduce our CRE ratio below 300%. The additional capital will allow us to grow our franchise by accelerating organic loan and deposit growth, investing in technology and infrastructure and future acquisitions.

We were presented with the Farmers opportunity early this year and thought it was both strategically and financially compelling. We have very similar philosophies in how we view our employees, our customers and the communities that we serve. As we have in prior acquisitions, our strategy will be to leverage Farmers' \$233 million in low-cost core deposits and their \$161 million security portfolio to fund loan growth into Farmers' current markets, Greater Northeast Ohio, and across Civista's footprint. We look forward to closing the transaction during the fourth quarter and welcoming them into the Civista family.

With respect to the capital raise, we have said for some time that we would need to raise capital to support our strong organic growth. Ideally, we wanted to raise that additional capital in conjunction with an acquisition. The Farmers transaction presented us with that opportunity. We successfully closed our follow-on offering, raising \$76,274,000 of additional capital net of offering costs and issuing 3,788,238 additional shares. The immediate use of the proceeds generated from the offering will be to reduce overnight borrowings with the longer-term strategy to convert these funds into loans over the next several quarters. We will work as quickly as possible to close the Farmers transaction and begin including the additional earnings it will provide to offset the dilution in earnings created by the additional shares.

During the quarter, noninterest income declined \$1.3 million, or 16.2%, from the first quarter and \$3.8 million from the second quarter of 2024. The primary drivers of the decline from our linked quarter were \$1.4 million in fees related to leasing operations at Civista Leasing and Finance. This decline was primarily attributable to the non-recurring adjustments related to our Leasing and Finance division's core system conversion. The primary drivers for the \$3.8 million decline from the prior year's second quarter were a \$2 million decline in fees generated from leasing operations due to stronger lease originations in 2024 and lower residential fee revenue in 2025 along with the non-recurring adjustments that occurred in the second quarter.

Noninterest expense for the quarter was \$27.5 million and represents a \$356,000 or 1.3% increase over the first quarter. This was due to an increase in compensation and is primarily attributable to merit increases, which take effect in April of each year. In addition, we made a few individual salary adjustments for in-demand physicians to get those employees into an appropriate salary range. This

increase was partially offset by declines in professional fees, as we concluded our annual audit during the first quarter, and equipment expense, as we continued to execute our residual value insurance strategy, reducing depreciation expense related to operating leases. Compared to the prior year's second quarter, noninterest expense declined \$907,000, or 3.2%. The decline is attributable to a reduction in equipment expense for the reason previously mentioned and a reduction in compensation expense is the result of 11 fewer FTEs. This reflects closing a branch during the fourth quarter of last year, shutting down our call center in the first quarter of this year and not replacing a few positions.

Our efficiency ratio for the quarter improved to 64.5% compared to 64.9% for the linked quarter and 72.6% from the prior year's second quarter. Our effective tax rate was 14.6% for the quarter and 14.7% year to date.

Turning our focus to the balance sheet, for the quarter, total loans and leases grew by \$47.1 million. This represents an annualized growth rate of 6.1%. While we experienced increases in nearly every loan category, our most significant increase was in residential loans, which increased by \$42 million. The loans we originate for our portfolio continue to be virtually all adjustable rate and our leases all have maturities of five years or less. As we have shared on previous calls, we continue to price commercial and ag loan opportunities aggressively and are being more conservative in how we price commercial real estate opportunities as we try to manage the overall mix in our loan portfolio.

During the quarter, new and renewed commercial loans were originated at an average rate of 7.48%, residential real estate loans were originated at 6.53% and loans and leases originated by our leasing division were at an average rate of 9.05%. Loans secured by office buildings make up 4.8% of our

total loan portfolio. As we have stated previously, these loans are not secured by high-rise metro office buildings; rather, they are predominantly secured by single or two-story offices located outside of central business districts.

Along with year-to-date loan production, our pipelines are steady and our undrawn construction lines were \$188 million at June 30th. Post capital raise and Farmers acquisition, our pro forma CRE to risk-based capital ratio will be 292%, and while we anticipate maintaining this ratio at no more than 325%, this will allow us to be a little bit more aggressive in our CRE lending. We anticipate loan growth will remain in the mid-single digit for the balance of 2025 and accelerate into the high single digits in 2026 as we leverage the excess Farmers deposits and our loan pipeline [inaudible].

On the funding side, total deposits were mostly flat, declining just \$42.7 million, or 1.3%, for the quarter. This was primarily attributable to one municipal customer that deposited approximately \$47 million during the first quarter and transferred those funds out during the second quarter. We continue to focus on growing core funding. In July, we launched our new digital deposit account opening platform using MANTL that we expect to ramp up during the third and fourth quarters, focusing our marketing on new customers outside our current branch locations. While our overall cost of funding only increased 1 basis point to 2.32%, we continue to see migration from lower-rate interest-bearing accounts into higher-rate deposit accounts during the quarter. As a result, our cost of deposits, excluding broker deposits, increased by 6 basis points from the linked quarter to 1.48%.

Our deposit base continues to be fairly granular with our average deposit account, excluding CDs, approximately \$27,000. Noninterest-bearing deposits and business operating accounts continue to be a

focus. In addition to our new digital platform, we have several initiatives underway to gather these types of deposits, including monthly marketing blitzes and marketing to low and no deposit balance loan customers.

At quarter end, our loan-to-deposit ratio was 98.6%, which is up from our linked quarter and is higher than we would like it to be. We anticipate reducing this ratio to our targeted range of 90% to 95% as our deposit initiatives take hold and the Farmers acquisition closes. With respect to FDIC-insured deposits, 12.5%, or \$398.6 million, of our deposits were in excess of the FDIC limits at quarter end. Our cash and unpledged securities at June 30th were \$507.9 million, which more than covered our uninsured deposits. Other than the \$518.4 million of public funds with various municipalities across our footprint, we had no deposit concentrations at June 30th. We believe our low-cost deposit franchise is one of Civista's most valuable characteristics, contributing significantly to our solid net interest margin and overall profitability, and look forward to adding Farmers' deposit base.

The interest rate environment continues to put pressure on our bond portfolios. At June 30th, our securities were all classified as available for sale and had \$63.1 million of unrealized losses associated with that. This represented an increase in unrealized losses of \$5.6 million since December 31, 2024.

At June 30th, our security portfolio was \$645 million, which represented 15.4% of our balance sheet, and when combined with cash balances, it represented 22.5% of our deposits.

We ended the quarter with our Tier 1 leverage ratio at 8.80%, which is deemed well capitalized for regulatory purposes. Our tangible common equity ratio was 6.70% at June 30th, up from 6.59% at March 31st. Post capital raise and Farmers acquisition, our Tier 1 leverage ratio increases to 10.6% and

our tangible common equity ratio increases to 8.6%, which we feel gives us capital to support organic growth, future strategic transactions and general corporate purposes.

Civista's earnings continue to create capital and our overall goal remains to maintain adequate capital to support organic growth and potential acquisitions. We will continue to focus on earnings and will balance the payment of dividends and any repurchases with building capital to support our growth. Although we did not repurchase any shares during the quarter, we do continue to believe that our stock is of value.

Despite the uncertainties associated with the economy and the expense pressures on borrower space, our credit quality remains strong and our credit metrics remain stable. For the quarter, criticized credits declined by \$2 million with the biggest movement coming from a sub-standard and non-performing \$7.2 million loan payoff. We did make a \$1.2 million provision during the quarter which was primarily attributable to funding loan growth and a \$549,000 charge-off which was associated with a non-operating hotel loan that has been worked out. Our ratio of allowance for credit losses to total loans is 1.28% at June 30th, which is consistent with the 1.29% at December 31, 2024. In addition, our allowance for credit losses to non-performing loans is 175% at June 30, 2025, an improvement when compared to 122% at December 31, 2024.

In summary, it has been a very busy and productive quarter. I could not be more bullish for Civista and our shareholders given the success of our follow-on offering and our new partnership with Farmers Savings. I look forward to watching our teams work together over the next few quarters to prepare Farmers for a successful integration into the Civista family. Our margins remain strong and we

will continue our focus on generating more lower-cost funding. We anticipate loan growth will remain in the mid-single-digit range for the balance of 2025 and accelerate into the high single digits in 2026 as we leverage the excess Farmers' deposits and our loan pipelines build. While our newly issued shares will put some pressure on our earnings per share for the next several quarters, I am confident in Civista's ability to leverage our new capital, generate solid earnings and create long-term shareholder value while meeting the needs of our customers and communities. We also look forward to welcoming Farmers customers, employees and their communities into the Civista family.

Thank you for your attention this afternoon and your investment and now we'll be happy to address any questions you may have.

Q & A

Operator

Thank you. Ladies and gentlemen, we will now begin the question-and-answer session. Should you have a question, please press star followed by the one on your touchtone phone. You will hear a prompt that your hand has been raised. Should you wish to decline from the polling process, please press star followed by the two. If you are using a speakerphone, please lift the handset before pressing any keys. One moment please for your first question.

Your first question comes from Brendan Nosal with Hovde Group. Your line is now open.

Brendan Nosal — Analyst, Hovde Group

Good afternoon, guys. Hope you're doing well.

Dennis Shaffer — President & Chief Executive Officer, Civista Bancshares, Inc.

Hey, Brendan.

Brendan Nosal — Analyst, Hovde Group

Maybe just starting off here on the core margin, ex the one-time noise that you guys called out, it more or less came in as expected and was up nicely from the first quarter. Any thoughts on how that core margin trends over the balance of the second half as you weigh deposit competition with a pickup in asset yields on remixing?

Ian Whinnem — Executive Vice President, Chief Financial Officer, Civista Bancshares, Inc.

Hi, Brendan. It's Ian. So, as we kind of think of Q2 going into Q3, you know, early in Q2 we shifted our focus on our CDs into a shorter term as we expected some rate cuts occurring in the third and fourth quarters, so now our highest rate on those 3-months CDs as opposed to 7 and 12 months that we're doing earlier in the year.

Also, we have a good amount of loans that are coming up for repricing as they come forward into the year. That's going to be helping us also. We have about \$50 million in the third quarter, another \$50 million in the fourth quarter. They're going to reprice up about 150 basis points. So, as we factor in those as well as the immediate benefit that we get out of that \$75 million of capital, that's paying down borrowings immediately, that's going to pay off near 4.5% of the borrowings. All in all, we expect our margin for the third quarter to come in maybe low to mid 350s, so somewhere around 352, 353, and then expanding a little bit more in the fourth quarter.

Brendan Nosal — Analyst, Hovde Group

Fantastic, Ian. I appreciate the color there. That's helpful. One more for me before I step back. Can you just update us on the competitive environment and how it's evolved for both lending and funding? We're hearing that several larger regionals are starting to step back into certain asset classes and trying to grow loans again, so I'm just kind of curious what your experience is.

Chuck Parcher — Executive Vice President, Chief Lending Officer, Civista Bancshares, Inc.

We're seeing some of the same, you know, the same thing you're just alluding to. I think the regionals are getting a little more aggressive.

I think the WesBanco Premier thing, as it kind of settles through, I think WesBanco is going to get a little more aggressive as well. We are seeing some opportunities in the marketplace because of that acquisition, both with talent and with new clients, so we look forward to that, but it is a very competitive market across both deposits and lending.

Brendan Nosal — Analyst, Hovde Group

Okay. Wonderful. Thank you for the color.

Operator

Your next question comes from Terry McEvoy with Stephens. Your line is now open.

Terry McEvoy — Analyst, Stephens

Thanks. Good afternoon, everybody. Dennis, you said in your prepared remarks you're seeing solid loan growth across the footprint. Could you just talk about maybe specific markets or sectors that are behind the demand? And were you maybe a bit more selective on loan growth in the second quarter given the loan-to-deposit ratio? And I think that kind of feeds into your optimism for accelerated loan growth next year.

Dennis Shaffer — President & Chief Executive Officer, Civista Bancshares, Inc.

Yeah, I think we've been muting loan growth for a while. Now a lot of that loan growth in the second quarter was residential loan growth. We've been muting kind of the CRE just because of the higher concentration. So I think the additional capital is going to help us accelerate that organic growth. And we felt we were kind of at a point where we needed to do something to be able to accelerate that. We know that the next quarter or two we'll probably take a step back as far as EPS growth and things like that, but then we really look long term, we think we can accelerate it and keep growing that and improving our ROA, improving our earnings and stuff. So we do see loan growth accelerating because there's a lot of opportunities over the last year to 18 months that we passed on. The opportunities are really throughout our footprint. Ohio has really become a business-friendly state, so we are adding jobs. All throughout the state there's been some significant companies announce investments into Ohio. So we feel really bullish on that and we see that with our loan demand. I mean we see our lenders bringing in stuff from all across our footprint. So I'll let Chuck here comment to see if he has other comments. He's probably even closer to it than I am.

Chuck Parcher — Executive Vice President, Chief Lending Officer, Civista Bancshares, Inc.

I just think, you know, I think Dennis alluded to it, the nice part of Ohio right now is the three major cities, Cleveland, Columbus and Cincinnati, are all doing quite well, all expanding marketplaces from a jobs perspective and from a population perspective slightly. So we feel good about that. We really never saw any, what I would call major deterioration in our office, even though we don't have much Central City office, very little at all. All of our office really held in there pretty good and the demand around, especially the suburbs of those three cities, and then you throw in Dayton and Toledo are doing very well as well, so we feel good about where we're positioned inside the Midwest right now.

Terry McEvoy — Analyst, Stephens

Thanks. And then as a follow up, Dennis, thanks for running through some of the deposit initiatives. I believe it was last year when you announced a few other initiatives, one, I believe, with the State of Ohio. Can you just talk about the last year's, the deposit growth strategy in those initiatives? Are they at capacity? And then what do you think some of these newer initiatives can add to the balance sheet over the next few years?

Dennis Shaffer — President & Chief Executive Officer, Civista Bancshares, Inc.

Yeah, some of the things we did last year are probably at capacity. I mean they were specifically, like the Ohio Homebuyers was a specific program and stuff. So I think some of the new initiatives are limitless for us. We've made a big investment into this MANTL product and that's a new deposit account origination system that really can expand our footprint and stuff and provides people just an easier way

to open accounts. We'll initially lead with, as Ian was alluding to when he addressed the margin question, a kind of higher-rate CD to attract people, but that's still cheaper than some of the broker deposits and borrowings that we have. So the goal was to raise enough deposits to kind of keep pace with our loan growth. So that was a significant investment. We already talked about targeting these low and no deposit balances.

I think in our strategic plan, we call for maybe hiring some more treasury management officers. We've had great success adding deposits and growing fee income over the last several years, so that's one of our initiatives and we'd like to kick off and stuff, maybe adding some branches in areas where we've identified where we think there's growth and opportunity for us. So there are just a number of initiatives that we've outlined in our strategic plan that we are starting to execute. And some of those, they take a little while to take hold, but hopefully we're able to execute and increase our deposits to help keep pace with a lot of what we see is the opportunity on the loan side.

Terry McEvoy — Analyst, Stephens

That's great color. Thanks for taking my questions.

Dennis Shaffer — President & Chief Executive Officer, Civista Bancshares, Inc.

Thanks, Terry.

Operator

Your next question comes from Tim Switzer with KBW. Your line is now open.

Tim Switzer — Analyst, KBW

Good afternoon. Thanks for taking my questions. I've been jumping around calls, so sorry if this was already covered, but after adjusting for the one-timer in leasing fee income this quarter, still a little bit below what we had, and I know that line item can jump around quite a bit. Can you give us an update on maybe what we should be projecting going forward there?

Dennis Shaffer — President & Chief Executive Officer, Civista Bancshares, Inc.

Chuck, do you have thoughts on that?

Chuck Patcher — Executive Vice President, Chief Lending Officer, Civista Bancshares, Inc.

Well, I mean I think our gain on sale and mortgage will continue to stay relatively consistent. We're hoping the back half of the leasing year will be a little bit better. I think Trump's Big Beautiful, whatever you want to call it, Bill brought back accelerated depreciation. We feel like the back half of the year on the leasing side we'll have a little bit more volume there from that perspective.

Dennis Shaffer — President & Chief Executive Officer, Civista Bancshares, Inc.

The pipelines are a little bit up, they're [inaudible], so we don't have probably a real good number for you yet, Tim, and it's been very lumpy for us because we've been just tweaking, like I said, we did the core conversion in there too. So that's been a little bit, it just made things lumpy, but we'll see if we can get a better number and provide some guidance here to everyone a little bit later.

Ian Whinnem — Executive Vice President, Chief Financial Officer, Civista Bancshares, Inc.

This is Ian, just to add a little, I think the first half, as Dennis just mentioned, was slow because of the CapEx spending on businesses on the leasing side and then also I think our sales team just had some distress because of our core system conversion. So, as we take those two items away, getting bonus depreciation put in, maybe a little bit more comfort on what the future looks like with tariffs, we do expect to see that business rebound in the second half.

Tim Switzer — Analyst, KBW

Okay. All right. That makes sense. And you just touched on my next question related to the tariffs. Have you guys done kind of like a good deep dive into your loan book, see where you have exposure, if any, and what were the results of that?

Chuck Parcher — Executive Vice President, Chief Lending Officer, Civista Bancshares, Inc.

We did look at it and we've had quite a few conversations with especially our larger manufacturers. Believe it or not, most of them are optimistic, feel like if we do bring more stuff back domestically from overseas that there's opportunity there. Almost all of them said the capacity isn't there right now to take on all that work if it would all come back tomorrow, but most are optimistic. Now at the same time, Tim, as Ian just alluded to, CapEx spend, everybody is still kind of waiting to see how it totally plays out and at least CapEx spending for our, what I would call major middle market borrowers, has not accelerated yet to look at that. I think everybody is still waiting a little bit to see how it totally plays out.

Tim Switzer — Analyst, KBW

That's great color. Thank you, guys.

Operator

Ladies and gentlemen, as a reminder, should you have a question, please press star one.

Your next question comes from Manuel Navas with D.A. Davidson. Your line is now open.

Manuel Navas — Analyst, D.A. Davidson

Good afternoon. Loan growth was a little bit higher through May. Was there some payoffs in commercial by the end of the quarter in June? Just trying to understand that shift.

Chuck Parcher — Executive Vice President, Chief Lending Officer, Civista Bancshares, Inc.

Not anything drastic from that perspective. Our run rate has been pretty consistent, Manuel. So I guess I don't know... What are you picking that up from, I guess?

Manuel Navas — Analyst, D.A. Davidson

I guess the update through May, I think, had a little bit more loan growth. And the MANTL initiative, is there any numbers around that so far in terms of amounts that it's brought in here in July? You've just been pretty excited about how it—

Dennis Shaffer — President & Chief Executive Officer, Civista Bancshares, Inc.

Yeah, we don't really... We just kicked it off July 7th, so we do see some positive pickup in the CD balances, but we're two weeks into it, so it was nothing major. Like we haven't raised \$100 million in deposits.

Chuck Parcher — Executive Vice President, Chief Lending Officer, Civista Bancshares, Inc.

We've got lots of employees in our family so far.

Manuel Navas — Analyst, D.A. Davidson

Okay. I appreciate the commentary on leasing recovery. Is that also impacting the loan balances as well? Or the lease balance—?

Dennis Shaffer — President & Chief Executive Officer, Civista Bancshares, Inc.

On the leasing side, yes.

Ian Whinnem — Executive Vice President, Chief Financial Officer, Civista Bancshares, Inc.

Yes. So yeah, on the leasing side, we saw about half of them, and so that would increase our leases that go on to the balance sheet too, if that's what your question is.

Manuel Navas — Analyst, D.A. Davidson

Okay. And then in the out-of-balance sheet, was there anything interesting going on in deposit costs? It seems like CDs came down, but then your other line kind of saw a jump in deposit costs. Is that just some of the public funds? Your overall deposit costs were fine, but it just seemed like some of the geographies shifted around.

Ian Whinnem — Executive Vice President, Chief Financial Officer, Civista Bancshares, Inc.

Yeah, we have seen a little bit of shift in some larger deposits that are in some of the different pricing buckets for public funds.

Manuel Navas — Analyst, D.A. Davidson

Okay.

Dennis Shaffer — President & Chief Executive Officer, Civista Bancshares, Inc.

That goes back to, it's the competitive environment, Manuel. Some of those higher deposit balances we've had to tweak up. We kind of have priced into our effective Fed funds rate, but we did see a little bit of shift in some of the higher deposit balances.

Ian Whinnem — Executive Vice President, Chief Financial Officer, Civista Bancshares, Inc.

Discount to the effective funds rate.

Dennis Shaffer — President & Chief Executive Officer, Civista Bancshares, Inc.

Right. [inaudible] A discount to that rate, you're right.

Manuel Navas — Analyst, D.A. Davidson

Okay. I appreciate that. That's all I've got right now.

Dennis Shaffer — President & Chief Executive Officer, Civista Bancshares, Inc.

Thank you.

Operator

There are no further questions at this time. I will now turn the call over to Dennis Shaffer for closing remarks.

Dennis Shaffer — President & Chief Executive Officer, Civista Bancshares, Inc.

Well, in closing, I just want to thank everyone for joining us for today's call. The quarter is strong. We had this quarter's strong financial results. Our announcement of the Farmers deal and the follow-on offering were due in large part just to a lot of hard work and discipline from our team. I'm really confident as we move forward that we continue to improve on our strong core deposit franchise and we take this disciplined approach to managing the Company and I think it's just going to lead to a lot of long-term future success for us. So I look forward to talking to everyone again in a few months to share our third quarter results. Thank you for your time today.

Operator

Ladies and gentlemen, this concludes your conference call for today. We thank you for participating and ask that you please disconnect your lines.