UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of report (Date of earliest event reported): October 21, 2024

Investar Holding Corporation
(Exact name of registrant as specified in its charter)

Louisiana	001-36522	27-1560715
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

10500 Coursey Blvd.
Baton Rouge, Louisiana 70816
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (225) 227-2222

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, $1.00 par value per share	ISTR	The Nasdaq Global Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.02 Results of Operations and Financial Condition.

On October 21, 2024, Investar Holding Corporation (the "Company"), the holding company of Investar Bank, National Association (the "Bank"), issued a press release reporting third quarter 2024 results and posted on its website its third quarter 2024 earnings release and investor presentation. The materials contain forward-looking statements regarding the Company and include a cautionary note identifying important factors that could cause actual results to differ materially from those anticipated. Copies of the earnings release and investor presentation are furnished as Exhibit 99.1 and Exhibit 99.2 to this Current Report on Form 8-K.

The information contained in Item 2.02, including Exhibit 99.1 and Exhibit 99.2 of this Current Report, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act except as shall be expressly set forth by specific reference in such a filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Description of Exhibit
99.1	Earnings release of Investar Holding Corporation dated October 21, 2024, announcing financial results for the quarter ended September 30, 2024
99.2	Investor presentation dated October 21, 2024
104	The cover page of Investar Holding Corporation's Form 8-K is formatted in Inline XBRL

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

INVESTAR HOLDING CORPORATION

Date: October 21, 2024

By: /s/ John J. D'Angelo
John J. D'Angelo
President and Chief Executive Officer

For Immediate Release

Investar Holding Corporation Announces 2024 Third Quarter Results

BATON ROUGE, LA / ACCESSWIRE / October 21, 2024 / Investar Holding Corporation ("Investar") (NASDAQ:ISTR), the holding company for Investar Bank, National Association (the "Bank"), today announced financial results for the quarter ended September 30, 2024. Investar reported net income of $5.4 million, or $0.54 per diluted common share, for the third quarter of 2024, compared to net income of $4.1 million, or $0.41 per diluted common share, for the quarter ended June 30, 2024, and net income of $2.8 million, or $0.28 per diluted common share, for the quarter ended September 30, 2023.

On a non-GAAP basis, core earnings per diluted common share for the third quarter of 2024 were $0.45 compared to $0.36 for the second quarter of 2024, and $0.33 for the third quarter of 2023. Core earnings exclude certain items including, but not limited to, (gain) loss on call or sale of investment securities, net, loss on sale or disposition of fixed assets, net, loss (gain) on sale of other real estate owned, net, change in the fair value of equity securities, income from a legal settlement, gain on early extinguishment of subordinated debt, and legal settlement expense (refer to the *Reconciliation of Non-GAAP Financial Measures* tables for a reconciliation of GAAP to non-GAAP metrics).

Investar's President and Chief Executive Officer John D'Angelo commented:

"Investar had a solid third quarter, and I am pleased with our results as we continued to execute our strategy of consistent, quality earnings through the optimization of our balance sheet. Our net interest margin improved to 2.67% as we remained focused on originating higher yielding loans and securing lower cost funding sources that are accretive to our margin. During the third quarter, we originated and renewed loans, 77% of which were variable-rate loans, at an 8.5% blended interest rate. Book value per common share and tangible book value per common share reached record highs of $24.98 and $20.73, respectively, at September 30, 2024. Our GAAP and core metrics for diluted earnings per share, return on average assets, and efficiency ratio also improved from the prior quarter.

Our efforts to focus on underwriting high quality credits that are less susceptible to the effects of a potential economic downturn are producing results. Credit quality continued to strengthen as nonperforming loans were only $4.1 million, or 0.19% of total loans at September 30, 2024.

Finally, I could not be more confident about the future of Investar. We have worked hard to optimize our asset mix and funding sources, and, as a result, we believe our liability sensitive balance sheet positions us well to benefit from potential additional rate cuts. Additionally, we are continually evaluating opportunities to optimize our physical branch and ATM footprint to deliver products and services to our customers more efficiently to improve our financial performance over time.

As always, we remain focused on shareholder value and returning capital to shareholders. We repurchased 2,000 shares of our common stock during the third quarter at an average price of $18.50 per share and increased our quarterly dividend per share by 5% compared to the second quarter."

Third Quarter Highlights

- Return on average assets increased to 0.77% for the quarter ended September 30, 2024 compared to 0.59% for the quarter ended June 30, 2024. Core return on average assets improved to 0.63% for the quarter ended September 30, 2024 compared to 0.52% for the quarter ended June 30, 2024.

- Net interest margin improved to 2.67% for the quarter ended September 30, 2024 compared to 2.62% for the quarter ended June 30, 2024.

- Credit quality continued to strengthen with nonperforming loans improving to 0.19% of total loans at September 30, 2024 compared to 0.23% at June 30, 2024.

- Consistent with our strategy of optimizing the balance sheet, total loans decreased $10.9 million, or 0.5%, to $2.16 billion at September 30, 2024, compared to $2.17 billion at June 30, 2024. As a result of our strategy and net recoveries of $0.4 million, we recognized the benefit of a $0.9 million negative provision for credit losses.

- Variable-rate loans represented 30% of total loans at both September 30, 2024 and June 30, 2024. During the third quarter, we originated and renewed loans, 77% of which were variable-rate loans, at an 8.5% blended interest rate.

- The yield on the loan portfolio increased to 6.04% for the quarter ended September 30, 2024 compared to 5.96% for the quarter ended June 30, 2024.

- Book value per common share increased to $24.98 at September 30, 2024, or 6.7%, compared to $23.42 at June 30, 2024. Tangible book value per common share increased to $20.73 at September 30, 2024, or 8.3%, compared to $19.15 at June 30, 2024.

- Total deposits increased $77.2 million, or 3.5%, to $2.29 billion at September 30, 2024, compared to $2.21 billion at June 30, 2024.

- During the quarter ended September 30, 2024, Investar recorded $1.1 million in noninterest income from a legal settlement related to one loan relationship that became impaired in the third quarter of 2021 as a result of Hurricane Ida.

- Investar repurchased 2,000 shares of its common stock through its stock repurchase program at an average price of $18.50 per share during the quarter ended September 30, 2024, leaving 495,645 shares authorized for repurchase under the program at September 30, 2024.

Loans

Total loans were $2.16 billion at September 30, 2024, a decrease of $10.9 million, or 0.5%, compared to June 30, 2024, and an increase of $52.8 million, or 2.5%, compared to September 30, 2023.

The following table sets forth the composition of the total loan portfolio as of the dates indicated (dollars in thousands).

				Linked Quarter Change		Year/Year Change		Percentage of Total Loans	
	9/30/2024	6/30/2024	9/30/2023	$	%	$	%	9/30/2024	9/30/2023
Mortgage loans on real estate									
Construction and development	$ 166,954	$ 177,840	$ 211,390	$ (10,886)	(6.1)%	$ (44,436)	(21.0)%	7.7%	10.0%
1-4 Family	403,097	414,756	415,162	(11,659)	(2.8)	(12,065)	(2.9)	18.7	19.7
Multifamily	85,283	104,269	102,974	(18,986)	(18.2)	(17,691)	(17.2)	4.0	4.9
Farmland	7,173	7,542	8,259	(369)	(4.9)	(1,086)	(13.1)	0.3	0.4
Commercial real estate									
Owner-occupied	467,467	453,456	440,208	14,011	3.1	27,259	6.2	21.7	20.9
Nonowner-occupied	499,274	489,984	501,649	9,290	1.9	(2,375)	(0.5)	23.2	23.9
Commercial and industrial	515,273	507,822	411,290	7,451	1.5	103,983	25.3	23.9	19.6
Consumer	11,325	11,090	12,090	235	2.1	(765)	(6.3)	0.5	0.6
Total loans	**$ 2,155,846**	**$ 2,166,759**	**$ 2,103,022**	**$ (10,913)**	**(0.5)%**	**$ 52,824**	**2.5%**	**100%**	**100%**

At September 30, 2024, the Bank's total business lending portfolio, which consists of loans secured by owner-occupied commercial real estate properties and commercial and industrial loans, was $982.7 million, an increase of $21.5 million, or 2.2%, compared to $961.3 million at June 30, 2024, and an increase of $131.2 million, or 15.4%, compared to $851.5 million at September 30, 2023. The increase in the business lending portfolio compared to June 30, 2024 is primarily driven by conversions of construction and development loans to owner-occupied loans upon completion of construction and increased loan production by our Commercial and Industrial Division, partially offset by loan amortization. The increase in the business lending portfolio compared to September 30, 2023 is primarily driven by our purchase of commercial and industrial revolving lines of credit with an unpaid principal balance of $127.0 million during the fourth quarter of 2023.

Nonowner-occupied loans totaled $499.3 million at September 30, 2024, an increase of $9.3 million, or 1.9%, compared to $490.0 million at June 30, 2024, and a decrease of $2.4 million, or 0.5%, compared to $501.6 million at September 30, 2023. The increase in nonowner-occupied loans compared to June 30, 2024 is primarily due to a reclassification of a $15.9 million multifamily loan to a nonowner-occupied loan and conversions of construction and development loans to nonowner-occupied loans upon completion of construction, partially offset by loan amortization. The decrease in nonowner-occupied loans compared to September 30, 2023 is primarily due to loan amortization, partially offset by the reclassification of a $15.9 million multifamily loan to a nonowner-occupied loan and conversions of construction and development loans to nonowner-occupied loans upon completion of construction.

Construction and development loans totaled $167.0 million at September 30, 2024, a decrease of $10.9 million, or 6.1%, compared to $177.8 million at June 30, 2024, and a decrease of $44.4 million, or 21.0%, compared to $211.4 million at September 30, 2023. The decrease in construction and development loans compared to June 30, 2024 is primarily due to conversions to permanent loans upon completion of construction, partially offset by the utilization of credit lines. The decrease in construction and development loans compared to September 30, 2023 is primarily due to conversions to permanent loans upon completion of construction.

Credit Quality

Nonperforming loans were $4.1 million, or 0.19% of total loans, at September 30, 2024, a decrease of $0.9 million compared to $5.0 million, or 0.23% of total loans, at June 30, 2024, and a decrease of $1.5 million compared to $5.6 million, or 0.27% of total loans, at September 30, 2023. The decrease in nonperforming loans compared to June 30, 2024 is mainly attributable to paydowns.

The allowance for credit losses was $28.1 million, or 682.0% and 1.30% of nonperforming and total loans, respectively, at September 30, 2024, compared to $28.6 million, or 576.4% and 1.32% of nonperforming and total loans, respectively, at June 30, 2024, and $29.8 million, or 534.1% and 1.42% of nonperforming and total loans, respectively, at September 30, 2023.

Investar recorded a negative provision for credit losses of $0.9 million for the quarter ended September 30, 2024 compared to negative provisions for credit losses of $0.4 million and $34,000 for the quarters ended June 30, 2024 and September 30, 2023, respectively. The negative provision for credit losses in the quarter ended September 30, 2024 was primarily due to net recoveries of $0.4 million, a decrease in total loans, aging of existing loans, and an improvement in the economic forecast. The negative provision for credit losses in the quarter ended June 30, 2024 was primarily due to a decrease in total loans and aging of existing loans. The negative provision for credit losses for the quarter ended September 30, 2023 was primarily due to net recoveries.

Deposits

Total deposits at September 30, 2024 were $2.29 billion, an increase of $77.2 million, or 3.5%, compared to $2.21 billion at June 30, 2024, and an increase of $78.0 million, or 3.5%, compared to $2.21 billion at September 30, 2023.

The following table sets forth the composition of deposits as of the dates indicated (dollars in thousands).

				Linked Quarter Change		Year/Year Change		Percentage of Total Deposits	
	9/30/2024	6/30/2024	9/30/2023	$	%	$	%	9/30/2024	9/30/2023
Noninterest-bearing demand deposits	$ 437,734	$ 436,571	$ 459,519	$ 1,163	0.3%	$ (21,785)	(4.7)%	19.1%	20.8%
Interest-bearing demand deposits	500,345	467,184	482,706	33,161	7.1	17,639	3.7	21.9	21.8
Money market deposits	196,710	177,191	186,478	19,519	11.0	10,232	5.5	8.6	8.4
Savings deposits	128,241	128,583	131,743	(342)	(0.3)	(3,502)	(2.7)	5.6	6.0
Brokered time deposits	271,684	249,354	197,747	22,330	9.0	73,937	37.4	11.9	9.0
Time deposits	752,694	751,319	751,240	1,375	0.2	1,454	0.2	32.9	34.0
Total deposits	**$ 2,287,408**	**$ 2,210,202**	**$ 2,209,433**	**$ 77,206**	**3.5%**	**$ 77,975**	**3.5%**	**100%**	**100%**

The increase in noninterest-bearing demand deposits, interest-bearing demand deposits, money market deposits and time deposits at September 30, 2024 compared to June 30, 2024 is primarily the result of organic growth. Brokered time deposits increased to $271.7 million at September 30, 2024 from $249.4 million at June 30, 2024. Investar utilizes brokered time deposits, entirely in denominations of less than $250,000, to secure fixed cost funding and reduce short-term borrowings. At September 30, 2024, the balance of brokered time deposits remained below 10% of total assets, and the remaining weighted average duration was approximately nine months with a weighted average rate of 5.07%.

The increase in interest-bearing demand deposits, money market deposits, and time deposits at September 30, 2024 compared to September 30, 2023 is primarily the result of organic growth resulting from a deposit campaign. The decrease in noninterest-bearing demand deposits and savings deposits at September 30, 2024 compared to September 30, 2023 is primarily due to customers drawing down on their existing deposit accounts and shifts into interest-bearing deposit products with higher rates. Brokered time deposits increased to $271.7 million at September 30, 2024 from $197.7 million at September 30, 2023. We utilized shorter term brokered time deposits, which were laddered to provide flexibility, to fund a portion of the purchase of commercial and industrial revolving lines of credit with an unpaid principal balance of $127.0 million in the fourth quarter of 2023.

Stockholders' Equity

Stockholders' equity was $245.5 million at September 30, 2024, an increase of $15.3 million compared to June 30, 2024, and an increase of $36.8 million compared to September 30, 2023. The increase in stockholders' equity compared to June 30, 2024 is primarily attributable to a decrease in accumulated other comprehensive loss due to an increase in the fair value of the Bank's available for sale securities portfolio and net income for the quarter. The increase in stockholders' equity compared to September 30, 2023 is primarily attributable to a decrease in accumulated other comprehensive loss due to an increase in the fair value of the Bank's available for sale securities portfolio and net income for the last twelve months.

Net Interest Income

Net interest income for the third quarter of 2024 totaled $17.9 million, an increase of $0.7 million, or 3.8%, compared to the second quarter of 2024, and an increase of $0.4 million, or 2.2%, compared to the third quarter of 2023. Total interest income was $36.8 million, $35.8 million and $33.2 million for the quarters ended September 30, 2024, June 30, 2024 and September 30, 2023, respectively. Total interest expense was $19.0 million, $18.6 million and $15.7 million for the corresponding periods. Included in net interest income for the quarters ended September 30, 2024, June 30, 2024 and September 30, 2023 is $13,000, $18,000, and $36,000, respectively, of interest income accretion from the acquisition of loans. Also included in net interest income for the quarters ended September 30, 2024, June 30, 2024 and September 30, 2023 are interest recoveries of $79,000, $44,000 and $0.1 million, respectively.

Investar's net interest margin was 2.67% for the quarter ended September 30, 2024, compared to 2.62% for the quarter ended June 30, 2024 and 2.66% for the quarter ended September 30, 2023. The increase in net interest margin for the quarter ended September 30, 2024 compared to the quarter ended June 30, 2024 was driven by a six basis point increase in the yield on interest-earning assets, partially offset by a three basis point increase in the overall cost of funds. The increase in net interest margin for the quarter ended September 30, 2024 compared to the quarter ended September 30, 2023 was driven by a 46 basis point increase in the yield on interest-earning assets, partially offset by a 54 basis point increase in the overall cost of funds.

The yield on interest-earning assets was 5.51% for the quarter ended September 30, 2024, compared to 5.45% for the quarter ended June 30, 2024 and 5.05% for the quarter ended September 30, 2023. The increase in the yield on interest-earning assets compared to the quarter ended June 30, 2024 was primarily attributable to an eight basis point increase in the yield on the loan portfolio. The increase in the yield on interest-earning assets compared to the quarter ended September 30, 2023 was primarily driven by a 51 basis point increase in the yield on the loan portfolio.

Exclusive of the interest income accretion from the acquisition of loans and interest recoveries, adjusted net interest margin was 2.66% for the quarter ended September 30, 2024, compared to 2.61% for the quarter ended June 30, 2024 and 2.64% for the quarter ended September 30, 2023. The adjusted yield on interest-earning assets was 5.50% for the quarter ended September 30, 2024 compared to 5.44% and 5.03% for the quarters ended June 30, 2024 and September 30, 2023, respectively. Refer to the *Reconciliation of Non-GAAP Financial Measures* table for a reconciliation of GAAP to non-GAAP metrics.

The cost of deposits increased seven basis points to 3.45% for the quarter ended September 30, 2024 compared to 3.38% for the quarter ended June 30, 2024 and increased 72 basis points compared to 2.73% for the quarter ended September 30, 2023. The increase in the cost of deposits compared to the quarter ended June 30, 2024 resulted primarily from both a higher average balance of, and an increase in rates paid on, time deposits and interest-bearing demand deposits and a higher average balance of brokered time deposits. The increase in the cost of deposits compared to the quarter ended September 30, 2023 resulted from both a higher average balance of, and an increase in rates paid on, interest-bearing demand deposits, brokered time deposits and time deposits and an increase in rates paid on savings deposits.

The cost of short-term borrowings decreased nine basis points to 4.59% for the quarter ended September 30, 2024 compared to 4.68% for the quarter ended June 30, 2024 and decreased 38 basis points compared to 4.97% for the quarter ended September 30, 2023. Beginning in the second quarter of 2023, the Bank began utilizing the Federal Reserve's Bank Term Funding Program ("BTFP") to secure fixed rate funding for up to a one-year term and reduce short-term Federal Home Loan Bank ("FHLB") advances, which are priced daily. The Bank utilized this source of funding due to its lower rate as compared to FHLB advances, the ability to prepay the obligations without penalty, and as a means to lock in funding. The decrease in the cost of short-term borrowings compared to the quarter ended June 30, 2024 resulted primarily from utilization of FHLB advances during the quarter ended June 30, 2024. The decrease in the cost of short-term borrowings compared to the quarter ended September 30, 2023 resulted primarily from the refinancing of borrowings under the BTFP at lower rates during the first quarter of 2024.

The overall cost of funds for the quarter ended September 30, 2024 increased three basis points to 3.61% compared to 3.58% for the quarter ended June 30, 2024 and increased 54 basis points compared to 3.07% for the quarter ended September 30, 2023. The increase in the cost of funds for the quarter ended September 30, 2024 compared to the quarter ended June 30, 2024 resulted from a higher average balance of, and an increase in the cost of deposits, partially offset by a lower average balance of, and a decrease in the cost of short-term borrowings. The increase in the cost of funds for the quarter ended September 30, 2024 compared to the quarter ended September 30, 2023 resulted from both a higher average balance of, and an increase in the cost of deposits, partially offset by both a lower average balance of, and a decrease in the cost of short-term borrowings.

Noninterest Income

Noninterest income for the third quarter of 2024 totaled $3.5 million, an increase of $0.8 million, or 28.9%, compared to the second quarter of 2024 and an increase of $1.9 million, or 116.5%, compared to the third quarter of 2023.

The increase in noninterest income compared to the quarter ended June 30, 2024 is driven by $1.1 million in income from a legal settlement recorded in the third quarter of 2024 related to one loan relationship that became impaired in the third quarter of 2021 as a result of Hurricane Ida, a $0.4 million decrease in loss on call or sale of investment securities, and a $0.2 million increase in the change in fair value of equity securities, partially offset by a $0.7 million decrease in gain on sale of other real estate owned and a $0.2 million decrease in other operating income. The decrease in the gain on sale of other real estate owned resulted primarily from the sale of a property during the second quarter of 2024 related to one loan relationship that became impaired in the third quarter of 2021 as a result of Hurricane Ida. The decrease in other operating income is primarily attributable to a $0.2 million decrease in derivative fee income.

The increase in noninterest income compared to the quarter ended September 30, 2023 is primarily attributable to $1.1 million in income from a legal settlement recorded in the third quarter of 2024, discussed above, a $0.4 million decrease in the loss on sale or disposition of fixed assets, a $0.2 million increase in the change in fair value of equity securities, a $0.1 million increase in income from bank owned life insurance, and a $0.2 million increase in other operating income. The decrease in the loss on sale or disposition of fixed assets resulted primarily from the disposition of automated teller machines and a reclassification of bank premises and equipment to other real estate owned during the third quarter of 2023. The increase in other operating income is primarily attributable to a $0.2 million increase in the change in the net asset value of other investments.

We project that our noninterest income in the fourth quarter of 2024 will include approximately $3.1 million in nontaxable income from bank owned life insurance upon receipt of death benefit proceeds.

Noninterest Expense

Noninterest expense for the third quarter of 2024 totaled $16.2 million, an increase of $0.7 million, or 4.5%, compared to the second quarter of 2024, and an increase of $0.4 million, or 2.6%, compared to the third quarter of 2023.

The increase in noninterest expense for the quarter ended September 30, 2024 compared to the quarter ended June 30, 2024 was primarily driven by a $0.4 million increase in salaries and employee benefits, a $0.3 million decrease in gain on early extinguishment of subordinated debt, and a $0.1 million increase in other operating expense. The increase in salaries and employee benefits is primarily due to investment in people with an emphasis on our Texas markets to remix and strengthen our balance sheet and an increase in health insurance claims. During the second quarter of 2024, Investar repurchased $5.0 million in principal amount of our 5.125% Fixed-to-Floating Rate Subordinated Notes due 2029 and $2.0 million of our 5.125% Fixed-to-Floating Rate Subordinated Notes due 2032 and recognized a gain on early extinguishment of subordinated debt of $0.3 million. The increase in other operating expense resulted from $0.3 million in collection and repossession expenses related to the income from the legal settlement discussed above and a $0.1 million increase in Federal Deposit Insurance Corporation ("FDIC") assessments, partially offset by a $0.2 million decrease in other real estate owned expense and a $0.1 million decrease in branch services expense.

The increase in noninterest expense for the quarter ended September 30, 2024 compared to the quarter ended September 30, 2023 was primarily driven by a $0.5 million increase in salaries and employee benefits, partially offset by a $0.1 million decrease in depreciation and amortization. The increase in salaries and employee benefits is primarily due to investment in people with an emphasis on our Texas markets to remix and strengthen our balance sheet and deferred compensation expense, partially offset by a decrease in health insurance claims and severance expense. The decrease in depreciation and amortization is primarily due to the closure of one branch location in the first quarter of 2024. The increase in other operating expense resulted primarily from $0.3 million in collection and repossession expenses related to the income from the legal settlement discussed above and a $0.1 million increase in FDIC assessments, partially offset by a $0.2 million decrease in other real estate owned expense, a $0.1 million decrease in branch services expense, and a $0.1 million decrease in bank shares tax.

Taxes

Investar recorded an income tax expense of $0.8 million for the quarter ended September 30, 2024, which equates to an effective tax rate of 12.7%, compared to effective tax rates of 17.0% and 17.4% for the quarters ended June 30, 2024 and September 30, 2023, respectively. The third quarter 2024 effective tax rate reflects a revision to our estimated 2024 annual effective tax rate to account for our projected increase in nontaxable income from bank owned life insurance in the fourth quarter of approximately $3.1 million upon receipt of death benefit proceeds.

Basic and Diluted Earnings Per Common Share

Investar reported basic and diluted earnings per common share of $0.55 and $0.54, respectively, for the quarter ended September 30, 2024, compared to basic and diluted earnings per common share of $0.41 for the quarter ended June 30, 2024, and basic and diluted earnings per common share of $0.28 for the quarter ended September 30, 2023.

About Investar Holding Corporation

Investar, headquartered in Baton Rouge, Louisiana, provides full banking services, excluding trust services, through its wholly-owned banking subsidiary, Investar Bank, National Association. The Bank currently operates 28 branch locations serving Louisiana, Texas, and Alabama. At September 30, 2024, the Bank had 331 full-time equivalent employees and total assets of $2.8 billion.

Non-GAAP Financial Measures

This press release contains financial information determined by methods other than in accordance with generally accepted accounting principles in the United States of America, or GAAP. These measures and ratios include "tangible common equity," "tangible assets," "tangible equity to tangible assets," "tangible book value per common share," "core noninterest income," "core earnings before noninterest expense," "core noninterest expense," "core earnings before income tax expense," "core income tax expense," "core earnings," "core efficiency ratio," "core return on average assets," "core return on average equity," "core basic earnings per share," and "core diluted earnings per share." We also present certain average loan, yield, net interest income and net interest margin data adjusted to show the effects of excluding interest recoveries and interest income accretion from the acquisition of loans. Management believes these non-GAAP financial measures provide information useful to investors in understanding Investar's financial results, and Investar believes that its presentation, together with the accompanying reconciliations, provide a more complete understanding of factors and trends affecting Investar's business and allow investors to view performance in a manner similar to management, the entire financial services sector, bank stock analysts and bank regulators. These non-GAAP measures should not be considered a substitute for GAAP basis measures and results, and Investar strongly encourages investors to review its consolidated financial statements in their entirety and not to rely on any single financial measure. Because non-GAAP financial measures are not standardized, it may not be possible to compare these financial measures with other companies' non-GAAP financial measures having the same or similar names. A reconciliation of the non-GAAP financial measures disclosed in this press release to the comparable GAAP financial measures is included at the end of the financial statement tables.

Forward-Looking and Cautionary Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that reflect Investar's current views with respect to, among other things, future events and financial performance. Investar generally identifies forward-looking statements by terminology such as "outlook," "believes," "expects," "potential," "continues," "may," "will," "could," "should," "seeks," "approximately," "predicts," "intends," "plans," "estimates," "anticipates," or the negative version of those words or other comparable words.

Any forward-looking statements contained in this press release are based on the historical performance of Investar and its subsidiaries or on Investar's current plans, estimates and expectations. The inclusion of this forward-looking information should not be regarded as a representation by Investar that the future plans, estimates or expectations by Investar will be achieved. Such forward-looking statements are subject to various risks and uncertainties and assumptions relating to Investar's operations, financial results, financial condition, business prospects, growth strategy and liquidity. If one or more of these or other risks or uncertainties materialize, or if Investar's underlying assumptions prove to be incorrect, Investar's actual results may vary materially from those indicated in these statements. Investar does not undertake any obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future developments or otherwise. A number of important factors could cause actual results to differ materially from those indicated by the forward-looking statements. These factors include, but are not limited to, the following, any one or more of which could materially affect the outcome of future events:

- the significant risks and uncertainties for our business, results of operations and financial condition, as well as our regulatory capital and liquidity ratios and other regulatory requirements caused by business and economic conditions generally and in the financial services industry in particular, whether nationally, regionally or in the markets in which we operate;
- changes in inflation, interest rates, yield curves and interest rate spread relationships that affect our loan and deposit pricing;
- our ability to continue to successfully execute the pivot of our near-term strategy from primarily a growth strategy to a strategy primarily focused on consistent, quality earnings through the optimization of our balance sheet, and our ability to successfully execute a long-term growth strategy;
- our ability to achieve organic loan and deposit growth, and the composition of that growth;
- a reduction in liquidity, including as a result of a reduction in the amount of deposits we hold or other sources of liquidity, which may be caused by, among other things, disruptions in the banking industry similar to those that occurred in early 2023 that caused bank depositors to move uninsured deposits to other banks or alternative investments outside the banking industry;
- our ability to identify and enter into agreements to combine with attractive acquisition candidates, finance acquisitions, complete acquisitions after definitive agreements are entered into, and successfully integrate and grow acquired operations;
- our adoption on January 1, 2023 of ASU 2016-13, and inaccuracy of the assumptions and estimates we make in establishing reserves for credit losses and other estimates;
- changes in the quality or composition of our loan or investment portfolios, including adverse developments in borrower industries or in the repayment ability of individual borrowers;
- changes in the quality and composition of, and changes in unrealized losses in, our investment portfolio, including whether we may have to sell securities before their recovery of amortized cost basis and realize losses;
- the extent of continuing client demand for the high level of personalized service that is a key element of our banking approach as well as our ability to execute our strategy generally;
- our dependence on our management team, and our ability to attract and retain qualified personnel;
- the concentration of our business within our geographic areas of operation in Louisiana, Texas and Alabama;
- increasing costs of complying with new and potential future regulations;
- new or increasing geopolitical tensions, including resulting from wars in Ukraine and Israel and surrounding areas;
- the emergence or worsening of widespread public health challenges or pandemics including COVID-19;
- concentration of credit exposure;
- any deterioration in asset quality and higher loan charge-offs, and the time and effort necessary to resolve problem assets;
- fluctuations in the price of oil and natural gas;
- data processing system failures and errors;
- risks associated with our digital transformation process, including increased risks of cyberattacks and other security breaches and challenges associated with addressing the increased prevalence of artificial intelligence;

- risks of losses resulting from increased fraud attacks against us and others in the financial services industry;
- potential impairment of our goodwill and other intangible assets;
- our potential growth, including our entrance or expansion into new markets, and the need for sufficient capital to support that growth;
- the impact of litigation and other legal proceedings to which we become subject;
- competitive pressures in the commercial finance, retail banking, mortgage lending and consumer finance industries, as well as the financial resources of, and products offered by, competitors;
- the impact of changes in laws and regulations applicable to us, including banking, securities and tax laws and regulations and accounting standards, as well as changes in the interpretation of such laws and regulations by our regulators;
- changes in the scope and costs of FDIC insurance and other coverages;
- governmental monetary and fiscal policies; and
- hurricanes, tropical storms, tropical depressions, floods, winter storms, droughts and other adverse weather events, all of which have affected Investar’s market areas from time to time; other natural disasters; oil spills and other man-made disasters; acts of terrorism; other international or domestic calamities; acts of God; and other matters beyond our control.

These factors should not be construed as exhaustive. Additional information on these and other risk factors can be found in Part I Item 1A. “Risk Factors” and in the “Special Note Regarding Forward-Looking Statements” in Part II Item 7. “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in Investar’s Annual Report on Form 10-K for the year ended December 31, 2023 filed with the Securities and Exchange Commission.

For further information contact:

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John.Campbell@investarbank.com

INVESTAR HOLDING CORPORATION
SUMMARY FINANCIAL INFORMATION
(Amounts in thousands, except share data)
(Unaudited)

	As of and for the three months ended				
	9/30/2024	**6/30/2024**	**9/30/2023**	**Linked Quarter**	**Year/Year**
EARNINGS DATA					
Total interest income	$ 36,848	$ 35,790	$ 33,160	3.0%	11.1%
Total interest expense	18,992	18,592	15,691	2.2	21.0
Net interest income	17,856	17,198	17,469	3.8	2.2
Provision for credit losses	(945)	(415)	(34)	(127.7)	(2,679.4)
Total noninterest income	3,544	2,750	1,637	28.9	116.5
Total noninterest expense	16,180	15,477	15,774	4.5	2.6
Income before income tax expense	6,165	4,886	3,366	26.2	83.2
Income tax expense	784	829	585	(5.4)	34.0
Net income	$ 5,381	$ 4,057	$ 2,781	32.6	93.5
AVERAGE BALANCE SHEET DATA					
Total assets	$ 2,796,969	$ 2,773,792	$ 2,736,358	0.8%	2.2%
Total interest-earning assets	2,660,011	2,643,232	2,603,837	0.6	2.2
Total loans	2,159,412	2,168,762	2,072,617	(0.4)	4.2
Total interest-bearing deposits	1,813,775	1,770,985	1,707,848	2.4	6.2
Total interest-bearing liabilities	2,093,260	2,090,296	2,026,587	0.1	3.3
Total deposits	2,246,901	2,196,949	2,170,373	2.3	3.5
Total stockholders' equity	238,778	227,537	220,393	4.9	8.3
PER SHARE DATA					
Earnings:					
Basic earnings per common share	$ 0.55	$ 0.41	$ 0.28	34.1%	96.4%
Diluted earnings per common share	0.54	0.41	0.28	31.7	92.9
Core Earnings(1):					
Core basic earnings per common share(1)	0.45	0.36	0.33	25.0	36.4
Core diluted earnings per common share(1)	0.45	0.36	0.33	25.0	36.4
Book value per common share	24.98	23.42	21.34	6.7	17.1
Tangible book value per common share(1)	20.73	19.15	17.00	8.3	21.9
Common shares outstanding	9,827,622	9,828,825	9,779,688	(0.0)	0.5
Weighted average common shares outstanding - basic	9,828,776	9,827,903	9,814,727	0.0	0.1
Weighted average common shares outstanding - diluted	9,902,448	9,902,170	9,817,607	0.0	0.9
PERFORMANCE RATIOS					
Return on average assets	0.77%	0.59%	0.40%	30.5%	92.5%
Core return on average assets(1)	0.63	0.52	0.47	21.2	34.0
Return on average equity	8.97	7.17	5.01	25.1	79.0
Core return on average equity(1)	7.40	6.31	5.87	17.3	26.1
Net interest margin	2.67	2.62	2.66	1.9	0.4
Net interest income to average assets	2.54	2.49	2.53	2.0	0.4
Noninterest expense to average assets	2.30	2.24	2.29	2.7	0.4
Efficiency ratio(2)	75.61	77.59	82.56	(2.6)	(8.4)
Core efficiency ratio(1)	79.33	80.24	79.98	(1.1)	(0.8)
Dividend payout ratio	19.09	24.39	35.71	(21.7)	(46.5)
Net (recoveries) charge-offs to average loans	(0.02)	0.01	(0.01)	(300.0)	(100.0)

(1) Non-GAAP financial measure. See reconciliation.
(2) Efficiency ratio represents noninterest expense divided by the sum of net interest income (before provision for credit losses) and noninterest income.

INVESTAR HOLDING CORPORATION
SUMMARY FINANCIAL INFORMATION
(Unaudited)

	As of and for the three months ended				
	9/30/2024	6/30/2024	9/30/2023	Linked Quarter	Year/Year
ASSET QUALITY RATIOS					
Nonperforming assets to total assets	0.32%	0.30%	0.36%	6.7%	(11.1)%
Nonperforming loans to total loans	0.19	0.23	0.27	(17.4)	(29.6)
Allowance for credit losses to total loans	1.30	1.32	1.42	(1.5)	(8.5)
Allowance for credit losses to nonperforming loans	682.03	576.38	534.08	18.3	27.7
CAPITAL RATIOS					
Investar Holding Corporation:					
Total equity to total assets	8.76%	8.26%	7.48%	6.1%	17.1%
Tangible equity to tangible assets(1)	7.38	6.85	6.05	7.6	21.9
Tier 1 leverage capital	8.95	8.81	8.53	1.6	4.9
Common equity tier 1 capital(2)	10.33	10.02	9.40	3.1	9.9
Tier 1 capital(2)	10.74	10.42	9.79	3.1	9.7
Total capital(2)	13.48	13.16	12.87	2.4	4.7
Investar Bank:					
Tier 1 leverage capital	10.06	9.95	10.05	1.1	0.1
Common equity tier 1 capital(2)	12.07	11.78	11.53	2.5	4.7
Tier 1 capital(2)	12.07	11.78	11.53	2.5	4.7
Total capital(2)	13.26	12.98	12.78	2.2	3.8

(1) Non-GAAP financial measure. See reconciliation.
(2) Estimated for September 30, 2024.

INVESTAR HOLDING CORPORATION
CONSOLIDATED BALANCE SHEETS
(Amounts in thousands, except share data)
(Unaudited)

	September 30, 2024	June 30, 2024	September 30, 2023
ASSETS			
Cash and due from banks	$ 28,869	$ 27,130	$ 27,084
Interest-bearing balances due from other banks	57,471	42,542	36,584
Cash and cash equivalents	86,340	69,672	63,668
Available for sale securities at fair value (amortized cost of $399,615, $398,954, and $481,296, respectively)	350,646	336,616	404,485
Held to maturity securities at amortized cost (estimated fair value of $18,018, $18,461, and $19,815, respectively)	18,302	18,457	20,044
Loans	2,155,846	2,166,759	2,103,022
Less: allowance for credit losses	(28,103)	(28,620)	(29,778)
Loans, net	2,127,743	2,138,139	2,073,244
Equity securities at fair value	2,434	2,260	1,156
Nonmarketable equity securities	13,951	13,901	12,178
Bank premises and equipment, net of accumulated depreciation of $21,275, $20,667, and $21,646, respectively	41,795	42,383	44,764
Other real estate owned, net	4,739	3,372	4,438
Accrued interest receivable	14,324	14,186	13,633
Deferred tax asset	14,719	17,595	20,989
Goodwill and other intangible assets, net	41,844	41,996	42,496
Bank owned life insurance	61,667	61,208	58,425
Other assets	24,069	27,793	30,013
Total assets	$ 2,802,573	$ 2,787,578	$ 2,789,533
LIABILITIES			
Deposits			
Noninterest-bearing	$ 437,734	$ 436,571	$ 459,519
Interest-bearing	1,849,674	1,773,631	1,749,914
Total deposits	2,287,408	2,210,202	2,209,433
Advances from Federal Home Loan Bank	63,500	23,500	23,500
Borrowings under Bank Term Funding Program	109,000	229,000	235,800
Repurchase agreements	12,994	7,432	13,930
Subordinated debt, net of unamortized issuance costs	36,494	36,475	44,296
Junior subordinated debt	8,709	8,683	8,602
Accrued taxes and other liabilities	38,926	42,090	45,255
Total liabilities	2,557,031	2,557,382	2,580,816
STOCKHOLDERS' EQUITY			
Preferred stock, no par value per share; 5,000,000 shares authorized	—	—	—
Common stock, $1.00 par value per share; 40,000,000 shares authorized; 9,827,622, 9,828,825, and 9,779,688 shares issued and outstanding, respectively	9,828	9,829	9,780
Surplus	146,393	145,918	145,241
Retained earnings	127,860	123,510	114,148
Accumulated other comprehensive loss	(38,539)	(49,061)	(60,452)
Total stockholders' equity	245,542	230,196	208,717
Total liabilities and stockholders' equity	$ 2,802,573	$ 2,787,578	$ 2,789,533

INVESTAR HOLDING CORPORATION
CONSOLIDATED STATEMENTS OF INCOME
(Amounts in thousands, except share data)
(Unaudited)

	For the three months ended		
	September 30, 2024	June 30, 2024	September 30, 2023
INTEREST INCOME			
Interest and fees on loans	$ 32,764	$ 32,161	$ 28,892
Interest on investment securities			
Taxable	2,755	2,766	3,055
Tax-exempt	228	214	216
Other interest income	1,101	649	997
Total interest income	36,848	35,790	33,160
INTEREST EXPENSE			
Interest on deposits	15,729	14,865	11,733
Interest on borrowings	3,263	3,727	3,958
Total interest expense	18,992	18,592	15,691
Net interest income	17,856	17,198	17,469
Provision for credit losses	(945)	(415)	(34)
Net interest income after provision for credit losses	18,801	17,613	17,503
NONINTEREST INCOME			
Service charges on deposit accounts	828	799	806
Gain (loss) on call or sale of investment securities, net	1	(383)	—
Loss on sale or disposition of fixed assets, net	—	—	(367)
(Loss) gain on sale of other real estate owned, net	(4)	712	23
Servicing fees and fee income on serviced loans	—	—	2
Interchange fees	403	410	399
Income from bank owned life insurance	459	463	357
Change in the fair value of equity securities	174	—	22
Legal settlement	1,122	—	—
Other operating income	561	749	395
Total noninterest income	3,544	2,750	1,637
Income before noninterest expense	22,345	20,363	19,140
NONINTEREST EXPENSE			
Depreciation and amortization	760	787	900
Salaries and employee benefits	9,982	9,593	9,463
Occupancy	652	696	618
Data processing	880	893	888
Marketing	121	72	83
Professional fees	473	471	516
Gain on early extinguishment of subordinated debt	—	(287)	—
Other operating expenses	3,312	3,252	3,306
Total noninterest expense	16,180	15,477	15,774
Income before income tax expense	6,165	4,886	3,366
Income tax expense	784	829	585
Net income	$ 5,381	$ 4,057	$ 2,781
EARNINGS PER SHARE			
Basic earnings per share	$ 0.55	$ 0.41	$ 0.28
Diluted earnings per share	0.54	0.41	0.28
Cash dividends declared per common share	0.105	0.10	0.10

INVESTAR HOLDING CORPORATION
CONSOLIDATED AVERAGE BALANCE SHEET, INTEREST EARNED AND YIELD ANALYSIS
(Amounts in thousands)
(Unaudited)

	For the three months ended								
	September 30, 2024			June 30, 2024			September 30, 2023		
	Average Balance	Interest Income/ Expense	Yield/ Rate	Average Balance	Interest Income/ Expense	Yield/ Rate	Average Balance	Interest Income/ Expense	Yield/ Rate
Assets									
Interest-earning assets:									
Loans	$ 2,159,412	$ 32,764	6.04%	$ 2,168,762	$ 32,161	5.96%	$ 2,072,617	$ 28,892	5.53%
Securities:									
Taxable	396,254	2,755	2.77	403,391	2,766	2.76	442,556	3,055	2.74
Tax-exempt	24,552	228	3.68	23,558	214	3.66	25,493	216	3.35
Interest-bearing balances with banks	79,793	1,101	5.49	47,521	649	5.50	63,171	997	6.26
Total interest-earning assets	2,660,011	36,848	5.51	2,643,232	35,790	5.45	2,603,837	33,160	5.05
Cash and due from banks	26,121			25,974			27,734		
Intangible assets	41,927			42,082			42,595		
Other assets	97,704			91,439			92,108		
Allowance for credit losses	(28,794)			(28,935)			(29,916)		
Total assets	$ 2,796,969			$ 2,773,792			$ 2,736,358		
Liabilities and stockholders' equity									
Interest-bearing liabilities:									
Deposits:									
Interest-bearing demand deposits	$ 676,946	$ 3,440	2.02%	$ 658,594	$ 3,083	1.88%	$ 668,732	$ 2,462	1.46%
Savings deposits	127,536	366	1.14	128,957	342	1.07	130,262	179	0.54
Brokered time deposits	255,076	3,335	5.20	241,777	3,126	5.20	159,244	1,990	4.96
Time deposits	754,217	8,588	4.53	741,657	8,314	4.51	749,610	7,102	3.76
Total interest-bearing deposits	1,813,775	15,729	3.45	1,770,985	14,865	3.38	1,707,848	11,733	2.73
Short-term borrowings	207,539	2,396	4.59	248,189	2,886	4.68	242,363	3,039	4.97
Long-term debt	71,946	867	4.79	71,122	841	4.76	76,376	919	4.77
Total interest-bearing liabilities	2,093,260	18,992	3.61	2,090,296	18,592	3.58	2,026,587	15,691	3.07
Noninterest-bearing deposits	433,126			425,964			462,525		
Other liabilities	31,805			29,995			26,853		
Stockholders' equity	238,778			227,537			220,393		
Total liability and stockholders' equity	$ 2,796,969			$ 2,773,792			$ 2,736,358		
Net interest income/net interest margin		$ 17,856	2.67%		$ 17,198	2.62%		$ 17,469	2.66%

INVESTAR HOLDING CORPORATION
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES
INTEREST EARNED AND YIELD ANALYSIS ADJUSTED FOR INTEREST RECOVERIES AND ACCRETION
(Amounts in thousands)
(Unaudited)

	For the three months ended								
	September 30, 2024			June 30, 2024			September 30, 2023		
	Average Balance	Interest Income/ Expense	Yield/ Rate	Average Balance	Interest Income/ Expense	Yield/ Rate	Average Balance	Interest Income/ Expense	Yield/ Rate
Interest-earning assets:									
Loans	$2,159,412	$ 32,764	6.04%	$2,168,762	$ 32,161	5.96%	$2,072,617	$ 28,892	5.53%
Adjustments:									
Interest recoveries		79			44			118	
Accretion		13			18			36	
Adjusted loans	2,159,412	32,672	6.02	2,168,762	32,099	5.95	2,072,617	28,738	5.50
Securities:									
Taxable	396,254	2,755	2.77	403,391	2,766	2.76	442,556	3,055	2.74
Tax-exempt	24,552	228	3.68	23,558	214	3.66	25,493	216	3.35
Interest-bearing balances with banks	79,793	1,101	5.49	47,521	649	5.50	63,171	997	6.26
Adjusted interest-earning assets	2,660,011	36,756	5.50	2,643,232	35,728	5.44	2,603,837	33,006	5.03
Total interest-bearing liabilities	2,093,260	18,992	3.61	2,090,296	18,592	3.58	2,026,587	15,691	3.07
Adjusted net interest income/adjusted net interest margin		$ 17,764	2.66%		$ 17,136	2.61%		$ 17,315	2.64%

INVESTAR HOLDING CORPORATION
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES
(Amounts in thousands, except share data)
(Unaudited)

	September 30, 2024	June 30, 2024	September 30, 2023
Tangible common equity			
Total stockholders’ equity	$ 245,542	$ 230,196	$ 208,717
Adjustments:			
Goodwill	40,088	40,088	40,088
Core deposit intangible	1,656	1,808	2,308
Trademark intangible	100	100	100
Tangible common equity	$ 203,698	$ 188,200	$ 166,221
Tangible assets			
Total assets	$ 2,802,573	$ 2,787,578	$ 2,789,533
Adjustments:			
Goodwill	40,088	40,088	40,088
Core deposit intangible	1,656	1,808	2,308
Trademark intangible	100	100	100
Tangible assets	$ 2,760,729	$ 2,745,582	$ 2,747,037
Common shares outstanding	9,827,622	9,828,825	9,779,688
Tangible equity to tangible assets	7.38%	6.85%	6.05%
Book value per common share	$ 24.98	$ 23.42	$ 21.34
Tangible book value per common share	20.73	19.15	17.00

INVESTAR HOLDING CORPORATION
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES
(Amounts in thousands, except share data)
(Unaudited)

		Three months ended		
		9/30/2024	6/30/2024	9/30/2023
Net interest income	(a)	$ 17,856	$ 17,198	$ 17,469
Provision for credit losses		(945)	(415)	(34)
Net interest income after provision for credit losses		18,801	17,613	17,503
Noninterest income	(b)	3,544	2,750	1,637
(Gain) loss on call or sale of investment securities, net		(1)	383	—
Loss on sale or disposition of fixed assets, net		—	—	367
Loss (gain) on sale of other real estate owned, net		4	(712)	(23)
Change in the fair value of equity securities		(174)	—	(22)
Legal settlement(1)		(1,122)	—	—
Change in the net asset value of other investments(2)		(48)	27	105
Core noninterest income	(d)	2,203	2,448	2,064
Core earnings before noninterest expense		21,004	20,061	19,567
Total noninterest expense	(c)	16,180	15,477	15,774
Gain on early extinguishment of subordinated debt		—	287	—
Severance(3)		—	—	(123)
Loan purchase expense(4)		—	—	(29)
Legal settlement expense(5)		(267)	—	—
Core noninterest expense	(f)	15,913	15,764	15,622
Core earnings before income tax expense		5,091	4,297	3,945
Core income tax expense(6)		647	730	686
Core earnings		$ 4,444	$ 3,567	$ 3,259
Core basic earnings per common share		0.45	0.36	0.33
Diluted earnings per common share (GAAP)		$ 0.54	$ 0.41	$ 0.28
(Gain) loss on call or sale of investment securities, net		—	0.03	—
Loss on sale or disposition of fixed assets, net		—	—	0.03
Loss (gain) on sale of other real estate owned, net		—	(0.06)	—
Change in the fair value of equity securities		(0.01)	—	—
Legal settlement(1)		(0.10)	—	—
Change in the net asset value of other investments(2)		—	—	0.01
Gain on early extinguishment of subordinated debt		—	(0.02)	—
Severance(3)		—	—	0.01
Loan purchase expense(4)		—	—	—
Legal settlement expense(5)		0.02	—	—
Core diluted earnings per common share		$ 0.45	$ 0.36	$ 0.33
Efficiency ratio	(c) / (a+b)	75.61%	77.59%	82.56%
Core efficiency ratio	(f) / (a+d)	79.33	80.24	79.98
Core return on average assets(7)		0.63	0.52	0.47
Core return on average equity(7)		7.40	6.31	5.87
Total average assets		$ 2,796,969	$ 2,773,792	$ 2,736,358
Total average stockholders' equity		238,778	227,537	220,393

(1) Adjustment to noninterest income directly attributable to income from a legal settlement related to one loan relationship that became impaired in the third quarter of 2021 as a result of Hurricane Ida.
(2) Change in net asset value of other investments represents unrealized gains or losses on Investar's investments in Small Business Investment Companies and other investment funds included in other operating income in the accompanying consolidated statements of income.
(3) Adjustments to noninterest expense directly attributable to Investar's exit from its consumer mortgage origination business, consisting of salaries and employee benefits.
(4) Adjustments to noninterest expense directly attributable to the purchase of loans, consisting of professional fees for legal and consulting services.
(5) Adjustments to noninterest expense directly attributable to the income from a legal settlement, consisting of professional fees for legal services and collection and repossession expenses included in other operating expenses in the accompanying consolidated statements of income.
(6) Core income tax expense is calculated using the effective tax rates of 12.7%, 17.0% and 17.4% for the quarters ended September 30, 2024, June 30, 2024 and September 30, 2023, respectively.

(7) Core earnings used in calculation. No adjustments were made to average assets or average equity.

Exhibit 99.2

INVESTAR®

NASDAQ: ISTR

Q3 2024 Investor Presentation

INVESTAR®
HOLDING CORPORATION

Cautionary Statements

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that reflect Investar's current views with respect to, among other things, future events and financial performance. Investar generally identifies forward-looking statements by terminology such as "outlook," "believes," "expects," "potential," "continues," "may," "will," "could," "should," "seeks," "approximately," "predicts," "intends," "plans," "estimates," "anticipates," or the negative version of those words or other comparable words.

Any forward-looking statements contained in this press release are based on the historical performance of Investar and its subsidiaries or on Investar's current plans, estimates and expectations. The inclusion of this forward-looking information should not be regarded as a representation by Investar that the future plans, estimates or expectations by Investar will be achieved. Such forward-looking statements are subject to various risks and uncertainties and assumptions relating to Investar's operations, financial results, financial condition, business prospects, growth strategy and liquidity. If one or more of these or other risks or uncertainties materialize, or if Investar's underlying assumptions prove to be incorrect, Investar's actual results may vary materially from those indicated in these statements. Investar does not undertake any obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future developments or otherwise.

A number of important factors could cause actual results to differ materially from those indicated by the forward-looking statements. These factors include, but are not limited to, the following, any one or more of which could materially affect the outcome of future events: (1) the significant risks and uncertainties for our business, results of operations and financial condition, as well as our regulatory capital and liquidity ratios and other regulatory requirements caused by business and economic conditions generally and in the financial services industry in particular, whether nationally, regionally or in the markets in which we operate; (2) changes in inflation, interest rates, yield curves and interest rate spread relationships that affect our loan and deposit pricing; (3) our ability to continue to successfully execute the pivot of our near-term strategy from primarily a growth strategy to a strategy primarily focused on consistent, quality earnings through the optimization of our balance sheet, and our ability to successfully execute a long-term growth strategy; (4) our ability to achieve organic loan and deposit growth, and the composition of that growth; (5) a reduction in liquidity, including as a result of a reduction in the amount of deposits we hold or other sources of liquidity, which may be caused by, among other things, disruptions in the banking industry similar to those that occurred in early 2023 that caused bank depositors to move uninsured deposits to other banks or alternative investments outside the banking industry; (6) our ability to identify and enter into agreements to combine with attractive acquisition candidates, finance acquisitions, complete acquisitions after definitive agreements are entered into, and successfully integrate and grow acquired operations; (7) our adoption on January 1, 2023 of ASU 2016-13, and inaccuracy of the assumptions and estimates we make in establishing reserves for credit losses and other estimates; (8) changes in the quality or composition of our loan or investment portfolios, including adverse developments in borrower industries or in the repayment ability of individual borrowers; (9) changes in the quality and composition of, and changes in unrealized losses in, our investment portfolio, including whether we may have to sell securities before their recovery of amortized cost basis and realize losses; (10) the extent of continuing client demand for the high level of personalized service that is a key element of our banking approach as well as our ability to execute our strategy generally; (11) our dependence on our management team, and our ability to attract and retain qualified personnel; (12) the concentration of our business within our geographic areas of operation in Louisiana, Texas and Alabama; (13) increasing costs of complying with new and potential future regulations; (14) new or increasing geopolitical tensions, including resulting from wars in Ukraine and Israel and surrounding areas; (15) the emergence or worsening of widespread public health challenges or pandemics including COVID-19; (16) concentration of credit exposure; (17) any deterioration in asset quality and higher loan charge-offs, and the time and effort necessary to resolve problem assets; (18) fluctuations in the price of oil and natural gas; (19) data processing system failures and errors; (20) risks associated with our digital transformation process, including increased risks of cyberattacks and other security breaches and challenges associated with addressing the increased prevalence of artificial intelligence; (21) risks of losses resulting from increased fraud attacks against us and others in the financial services industry; (22) potential impairment of our goodwill and other intangible assets; (23) our potential growth, including our entrance or expansion into new markets, and the need for sufficient capital to support that growth; (24) the impact of litigation and other legal proceedings to which we become subject; (25) competitive pressures in the commercial finance, retail banking, mortgage lending and consumer finance industries, as well as the financial resources of, and products offered by, competitors; (26) the impact of changes in laws and regulations applicable to us, including banking, securities and tax laws and regulations and accounting standards, as well as changes in the interpretation of such laws and regulations by our regulators; (27) changes in the scope and costs of FDIC insurance and other coverages; (28) governmental monetary and fiscal policies; and (29) hurricanes, tropical storms, tropical depressions, floods, winter storms, droughts and other adverse weather events, all of which have affected Investar's market areas from time to time; other natural disasters; oil spills and other man-made disasters; acts of terrorism; other international or domestic calamities; acts of God; and other matters beyond our control.

These factors should not be construed as exhaustive. Additional information on these and other risk factors can be found in Part I Item 1A. "Risk Factors" and in the "Special Note Regarding Forward-Looking Statements" in Part II Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Investar's Annual Report on Form 10-K for the year ended December 31, 2023 filed with the SEC

Non-GAAP Financial Measures

This presentation contains financial information determined by methods other than in accordance with generally accepted accounting principles in the United States of America, or GAAP. These measures and ratios include "tangible common equity," "tangible assets," "tangible equity to tangible assets," "tangible book value per common share," "core noninterest income," "core earnings before noninterest expense," "core noninterest expense," "core earnings before income tax expense," "core income tax expense," "core earnings," "core efficiency ratio," "core return on average assets," "core return on average equity," "core basic earnings per share," and "core diluted earnings per share." We also present certain average loan, yield, net interest income and net interest margin data adjusted to show the effects of excluding interest recoveries and interest income accretion from the acquisition of loans. Management believes these non-GAAP financial measures provide information useful to investors in understanding Investar's financial results, and Investar believes that its presentation, together with the accompanying reconciliations, provide a more complete understanding of factors and trends affecting Investar's business and allow investors to view performance in a manner similar to management, the entire financial services sector, bank stock analysts and bank regulators. These non-GAAP measures should not be considered a substitute for GAAP basis measures and results, and Investar strongly encourages investors to review its consolidated financial statements in their entirety and not to rely on any single financial measure. Because non-GAAP financial measures are not standardized, it may not be possible to compare these financial measures with other companies' non-GAAP financial measures having the same or similar names. Reconciliation of the non-GAAP financial measures disclosed in this presentation to the comparable GAAP financial measures are included in the appendix.

Our Company

Investar Holding Corp. is the Bank Holding Company for Investar Bank

- Headquartered in Baton Rouge, LA
- Founded in 2006
- Full service, commercially-oriented community bank
- 28 branches across Alabama, Louisiana and Texas
- Initial public offering and Nasdaq listing in 2014
- Completed 7 whole bank acquisitions and 1 branch transaction
- 44 consecutive quarters of dividends paid; 9 consecutive years of dividend growth

Mission

Investar is a dynamic full service community bank focused on relationships that create value and opportunities for our customers, employees, shareholders and the community served

Execution of Strategic Initiatives – 3rd Quarter 2024

Balance Sheet Optimization and Capital

- We are continuing to focus on consistent, quality earnings through the optimization and right-sizing of the balance sheet. As a result of the right-sizing of our balance sheet and net recoveries of $0.4 million, we recognized the benefit of a $0.9 million negative provision for credit losses.
- Net interest margin improved to 2.67% for the 3rd quarter of 2024 compared to 2.62% for the 2nd quarter of 2024. Exclusive of interest income accretion from the acquisition of loans and interest recoveries, adjusted net interest margin[1] improved to 2.66% for the 3rd quarter of 2024, compared to 2.61% for the 2nd quarter of 2024.
- Variable-rate loans as a percentage of total loans was 30% at September 30, 2024. During the 3rd quarter we originated or renewed loans, 77% of which were variable-rate loans, at an 8.5% blended interest rate.
- We exited the consumer mortgage loan origination business during the 3rd quarter of 2023. The consumer mortgage portfolio decreased $5.1 million, or 2.0%, to $247.2 million at September 30, 2024 compared to $252.3 million at June 30, 2024.
- We refinanced all of our borrowings under the Federal Reserve's Bank Term Funding Program ("BTFP") during the 1st quarter of 2024 at a weighted average rate of 4.76%. Outstanding borrowings under the BTFP decreased $120.0 million to $109.0 million at September 30, 2024, compared to $229.0 million at June 30, 2024.
- We remain focused on building capital levels through organic earnings coupled with strategic management of the balance sheet, including a disciplined pace of share repurchases. We repurchased 2,000 shares during the 3rd quarter at an average price of $18.50 per share and increased our quarterly dividend per share by 5% compared to the 2nd quarter.

Credit Quality

- Nonperforming assets to total assets was 0.32% at September 30, 2024 compared to 0.30% at June 30, 2024. The allowance for credit losses to nonperforming loans was 682.0% at September 30, 2024 compared to 576.4% at June 30, 2024.
- We continued to originate high quality loans that are less susceptible to the effects of a potential economic downturn.

Expense Control and Efficiency

- Despite inflationary pressures, expenses are closely monitored and remain well-controlled. GAAP noninterest expense increased $0.7 million to $16.2 million for the 3rd quarter of 2024 compared to $15.5 million for the 2nd quarter of 2024, and core noninterest expense[1] increased $0.1 million, or less than 1%, to $15.9 million for the 3rd quarter of 2024 compared to $15.8 million for the 2nd quarter of 2024. The increase in core noninterest expense is primarily due to investment in people with an emphasis on our Texas markets to remix and strengthen our balance sheet.
- We are continuing to execute on our digital transformation and evaluating opportunities to optimize our physical branch and ATM footprint.

INVESTAR HOLDING CORPORATION

[1] Non-GAAP financial measure; please see appendix for additional details

Financial Overview – 3rd Quarter 2024

Highlights

- Return on average assets increased to 0.77% for the 3rd quarter of 2024 compared to 0.59% for the 2nd quarter of 2024. Core return on average assets[1] increased to 0.63% for the 3rd quarter of 2024 compared to 0.52% for the 2nd quarter of 2024.
- Net interest margin improved to 2.67% for the quarter ended September 30, 2024 compared to 2.62% for the quarter ended June 30, 2024.
- Book value per common share increased to $24.98 at September 30, 2024, or 6.7%, compared to $23.42 at June 30, 2024. Tangible book value per common share[1] increased to $20.73 at September 30, 2024, or 8.3%, compared to $19.15 at June 30, 2024.
- During the 3rd quarter of 2024, we recorded $1.1 million in noninterest income from a legal settlement related to one loan relationship that became impaired in the 3rd quarter of 2021 as a result of Hurricane Ida.

Liquidity

- Beginning in the 2nd quarter of 2023, the Bank began utilizing the BTFP to secure fixed rate funding for up to a one-year term and reduce short-term Federal Home Loan Bank ("FHLB") advances, which are priced daily. The Bank utilized this source of funding due to its lower rate as compared to FHLB advances, the ability to prepay the obligations without penalty, and as a means to lock in funding.
- At September 30, 2024, we held $86.3 million of cash and cash equivalents and maintained approximately $739.1 million of available funding from FHLB advances and unsecured lines of credit with correspondent banks. Cash and cash equivalents and available funding represent 111% of uninsured deposits of $746.6 million at September 30, 2024.

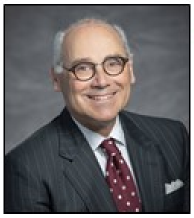
Loans and Credit Quality

- Consistent with our strategy of optimizing the balance sheet, total loans decreased $10.9 million, or 0.5%, to $2.16 billion at September 30, 2024 compared to $2.17 billion at June 30, 2024.
- Nonperforming loans improved to 0.19% of total loans at September 30, 2024 compared to 0.23% of total loans at June 30, 2024.

3rd Quarter Results	
Balance Sheet (in millions)	
Assets	$ 2,803
Net Loans	$ 2,128
Deposits	$ 2,287
Equity	$ 246
Holding Company Capital	
TCE/TA[1]	7.38%
Tier 1 Leverage Capital	8.95%
Common Equity Tier 1 Capital	10.33%
Tier 1 Capital	10.74%
Total Capital	13.48%
Profitability (dollars in thousands)	
Net Interest Margin	2.67%
ROAA	0.77%
ROAE	8.97%
Net Income	$ 5,381
Pre-Tax, Pre-Provision Income[1]	$ 5,220
Per Share Information	
Tangible Book Value[1]	$ 20.73
Earnings (Diluted)	$ 0.54
Dividends	$ 0.105

[1] *Non-GAAP financial measure; please see appendix for additional details*

Leadership Team



John J. D'Angelo, President and Chief Executive Officer

Mr. D'Angelo has been the President and Chief Executive Officer of the Company since our organization as a bank holding company in 2013. He has also served as the Bank's President and Chief Executive Officer since its organization in 2006. Prior to Investar Bank's organization, Mr. D'Angelo was manager of the private banking, small business banking, construction lending, brokerage and trust areas of Hibernia National Bank (the predecessor to Capital One Bank, N.A.) for more than six years in the East Baton Rouge Parish, Louisiana, market. From 1996 to 2005, Mr. D'Angelo was president and director of Aegis Lending Corporation, a company with lending operations in 46 states and the District of Columbia.

John R. Campbell, Executive VP and Chief Financial Officer

Mr. Campbell joined the Bank in January 2023 as the Chief Financial Officer. Prior to joining the Bank, he served as the Director of Accounting and Corporate Controller for Laitram LLC, a global manufacturing company. Prior to joining Laitram LLC in 2005, Mr. Campbell served in corporate treasury, accounting and financial reporting, portfolio management, and lending roles for Hibernia National Bank for over ten years. Mr. Campbell also spent four years as an auditor with Ernst & Young LLP serving both public and privately-held clients in a variety of industries, including financial services. He has a Bachelor of Science in Finance from Louisiana State University and is a licensed Certified Public Accountant.

Jeffrey W. Martin, Executive VP and Chief Credit Officer

Mr. Martin joined the Bank in April 2020 as the Business Banking Director. In October 2021, he assumed the role of Chief Credit Officer. Prior to joining the Bank, he served as a Commercial Banking Executive for Regions Bank. He has over 30 years of banking experience, including senior roles in credit risk management, special assets, business development strategy and commercial banking.

Linda M. Crochet, Executive VP and Chief Operating Officer

Ms. Crochet joined the Bank in January 2019 as the Greater Baton Rouge Loan Portfolio President. In October 2021, she assumed the role of Chief Operations Officer of the Company and the Bank. Prior to joining the Bank, Ms. Crochet served as Senior Director of Credit Process and Technology within the Credit Risk Management department of Capital One Bank from 2005 to 2018. Ms. Crochet also spent 21 years at Hibernia National Bank, which was acquired by Capital One Bank in 2005, in various roles that include credit underwriting, credit policy, lending, and investor relations.

Corporate Culture

VALUES

Integrity
Neighborly
Visionary
Empowerment
Star Service
Team Focused
Accountable
Responsive

MISSION

INVESTAR IS
a dynamic full service community bank focused on relationships that create value and opportunities for our customers, employees, shareholders and the community served

Creating Shareholder Value

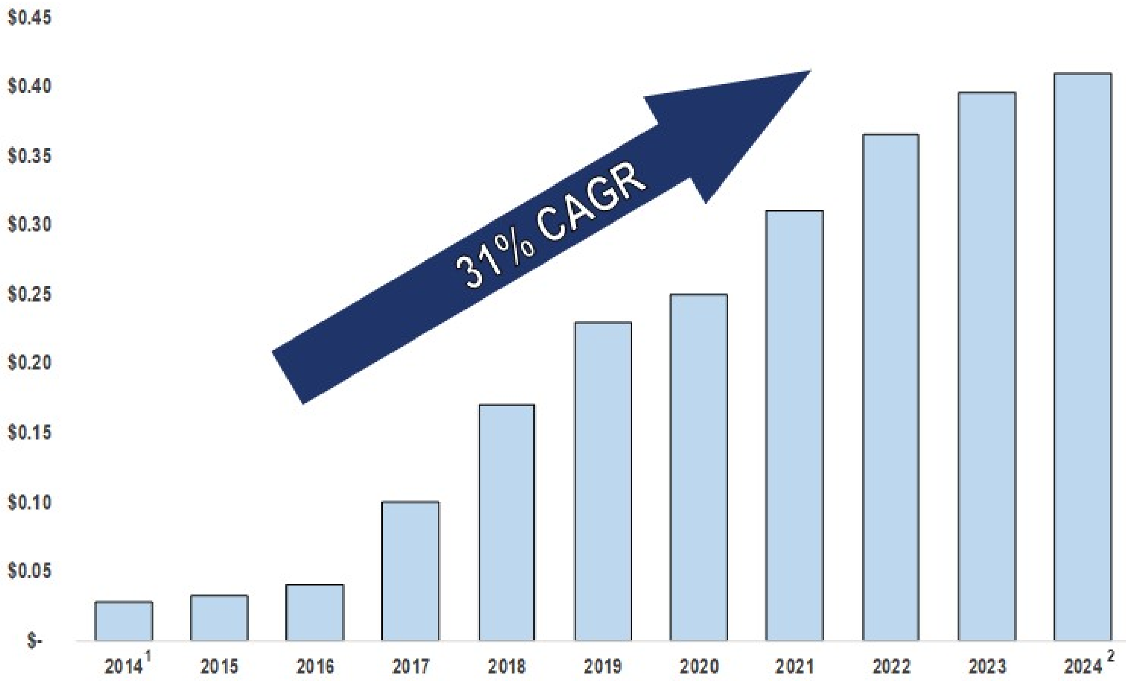
Tangible Book Value Per Share[1]

5.8% TBV / Share (Ex. AOCI)[1]
GROWTH CAGR[2]
2019 – 2024Q3

INVESTAR HOLDING CORPORATION

[1] Non-GAAP financial measure; please see appendix for additional details
[2] Abbreviation for Compound Annual Growth Rate – for the period beginning December 31, 2019 and ending September 30, 2024

Dividend History



INVESTAR HOLDING CORPORATION

[1] Annualized based on 3rd quarter 2014 dividend of $0.0068 plus 4th quarter 2014 dividend of $0.007
[2] Annualized based on actual dividends of $0.305 through the 3rd quarter of 2024 plus an assumed 4th quarter 2024 dividend of $0.105.

Recent GAAP Earnings Performance

Net Income ($000)

Earnings Per Share (Diluted)

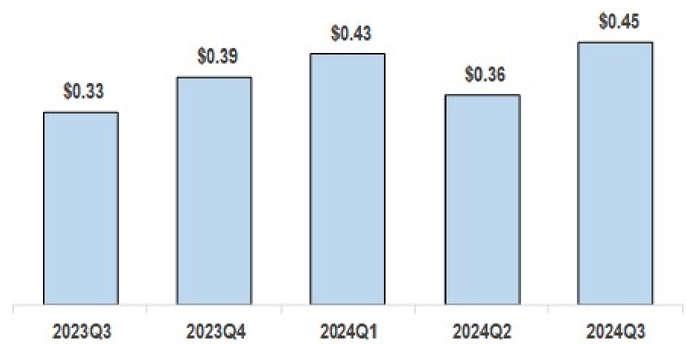
ROAA (%)

Net Interest Margin (%)

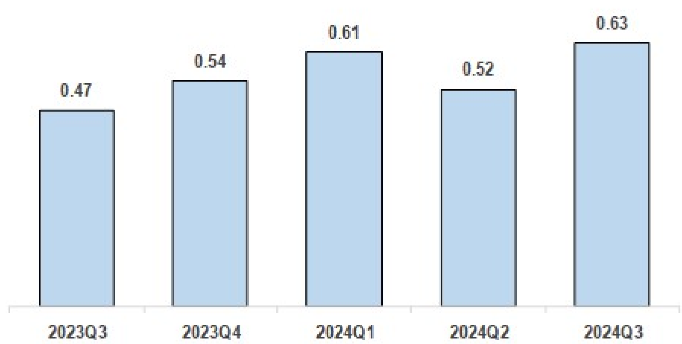
Recent Core Earnings Performance

Core Earnings ($000)[1]

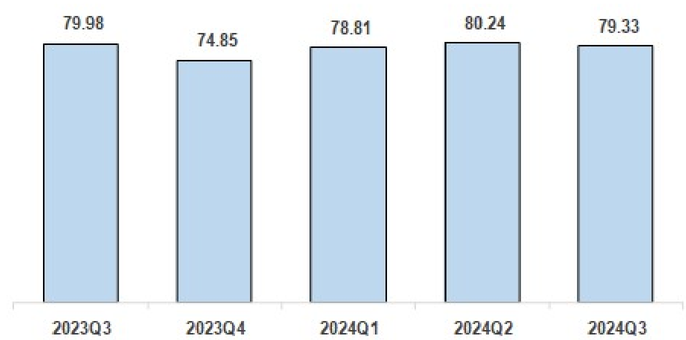
Core Earnings Per Share (Diluted)[1]



Core ROAA (%)[1]



Core Efficiency Ratio (%)[1]

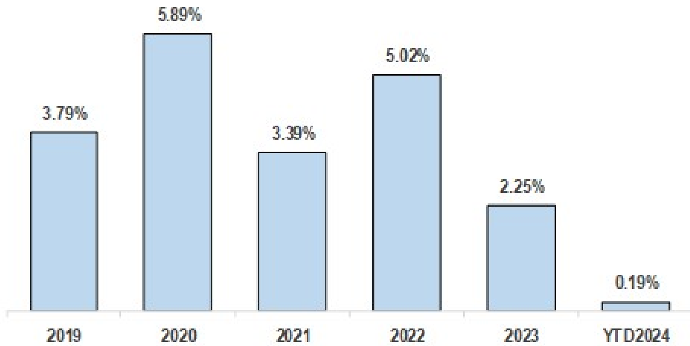


INVESTAR HOLDING CORPORATION

[1] Non-GAAP financial measure; please see the appendix for additional details

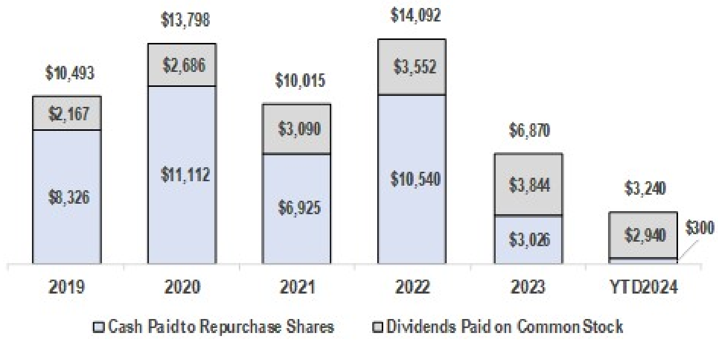
Returns to Shareholders

Shares Repurchased (%)[1]



- In July 2023, the Board of Directors authorized an additional 350,000 shares for repurchase under our stock repurchase program.
- Repurchased 2,000 shares during the 3rd quarter at an average price of $18.50 and 18,621 shares YTD at an average price of $16.13.
- QTD and YTD purchases represent discounts to tangible book value of 11% and 22%, respectively, as of September 30, 2024.

Dollars Returned to Shareholders ($000)



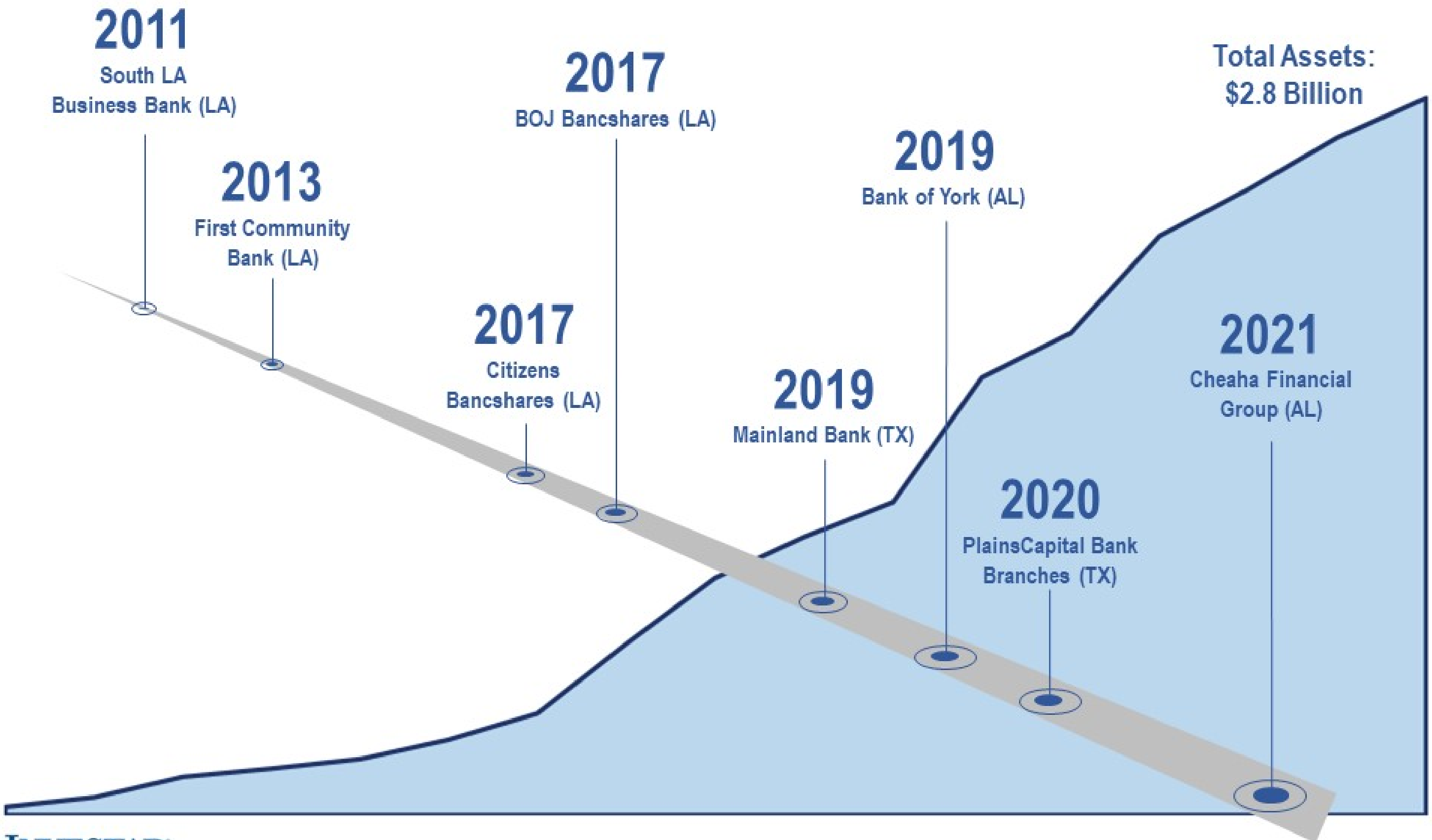
- Since the inception of the stock repurchase program in 2015, the Company has paid $48.0 million to repurchase 2,554,355 shares at an average price of $18.80.
- The repurchase program is complemented by our ongoing quarterly shareholder dividend, which has increased at 31% per annum since our initial public offering to $0.105 per share.

INVESTAR HOLDING CORPORATION

[1] Represents shares repurchased in period stated divided by common shares outstanding at prior period end.

Continued Execution of Acquisition Strategy

Investar Has Completed 7 Whole Bank Acquisitions and 1 Branch Transaction



INVESTAR HOLDING CORPORATION

Investment Portfolio – 3rd Quarter 2024

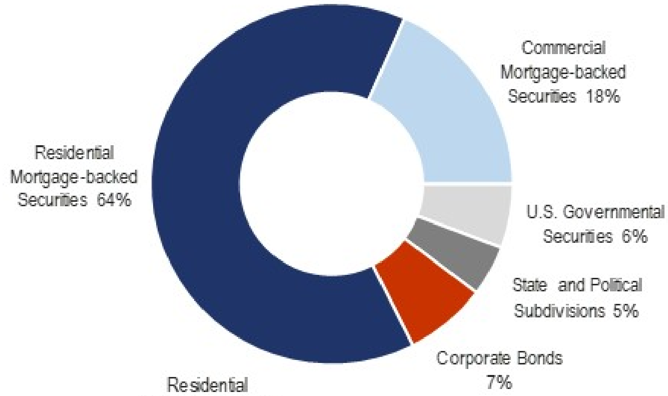
Available-for-Sale *(Dollars in thousands)*	Book Value	Gain (Loss)	Fair Value
U.S. Governmental Securities	$ 20,298	$ (173)	$ 20,125
State and Political Subdivisions	17,748	(1,866)	15,882
Corporate Bonds	28,322	(2,623)	25,699
Residential Mortgage-backed Securities	261,627	(37,190)	224,437
Commercial Mortgage-backed Securities	71,620	(7,117)	64,503
Total	$ 399,615	$ (48,969)	$ 350,646

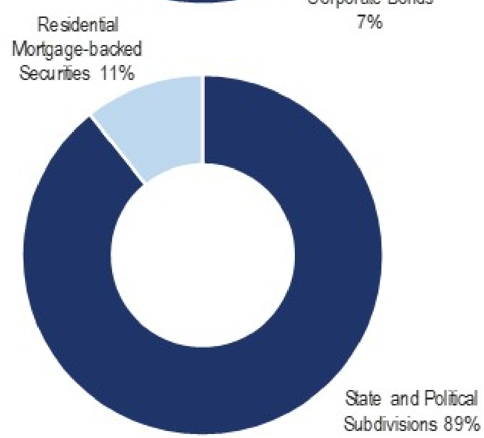
Available-for-Sale Portfolio Characteristics	
Weighted average modified duration	5.3 years
Current tax-equivalent yield	2.79%

Held-to-Maturity *(Dollars in thousands)*	Book Value	Gain (Loss)	Fair Value
Residential Mortgage-backed Securities	$ 2,090	$ (156)	$ 1,934
State and Political Subdivisions	16,212	(128)	16,084
Total	$ 18,302	$ (284)	$ 18,018

Held-to-Maturity Portfolio Characteristics	
Weighted average modified duration	7.5 years
Current tax-equivalent yield	5.12%

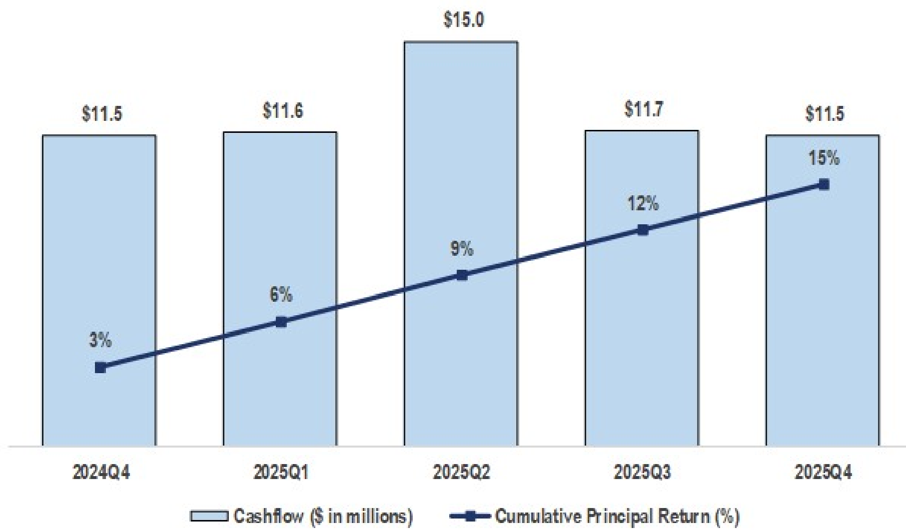
Total Effective Duration: 5.6 years





Investment Portfolio – Principal Cash Flows

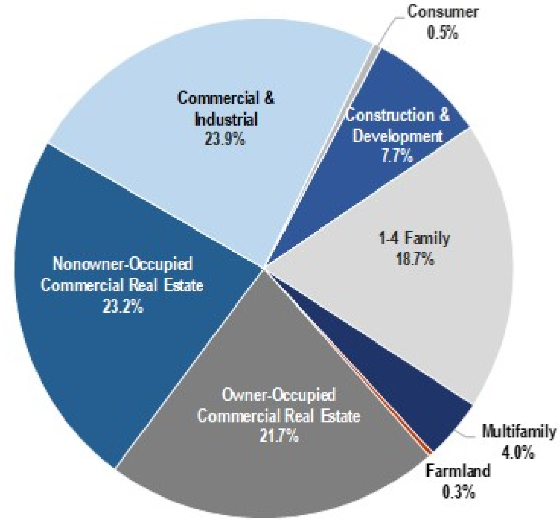
~$61 Million Maturing by Q4 2025



INVESTAR HOLDING CORPORATION

Loan Portfolio – 3rd Quarter 2024

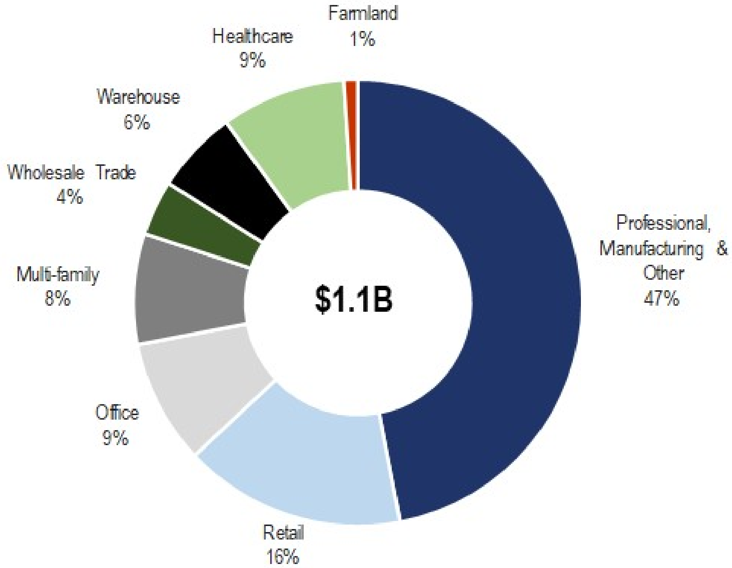
- Consistent with our strategy to optimize the balance sheet, total loans decreased $10.9 million, or 0.5%, to $2.16 billion at September 30, 2024 compared to $2.17 billion at June 30, 2024.
- Loan yield increased to 6.04% for the 3rd quarter of 2024 compared to 5.96% for the 2nd quarter of 2024 . Exclusive of interest income accretion from the acquisition of loans and interest recoveries, adjusted loan yield[1] improved to 6.02% for the 3rd quarter of 2024 compared to 5.95% for the 2nd quarter of 2024.
- Variable-rate loans represented 30% of total loans at both September 30, 2024 and June 30, 2024. Variable-rate loans as a percentage of loan originations and renewals was 77% for the 3rd quarter of 2024.



	Loan Portfolio Detail - Quarterly Lookback							
(Dollars in thousands)	12/31/2022	3/31/2023	6/30/2023	9/30/2023	12/31/2023	3/31/2024	6/30/2024	9/30/2024
Construction & Development	$ 201,633	$ 210,274	$ 197,850	$ 211,390	$ 190,371	$ 173,511	$ 177,840	$ 166,954
1-4 Family	401,377	401,329	414,380	415,162	413,786	414,480	414,756	403,097
Multifamily	81,812	80,980	80,424	102,974	105,946	105,124	104,269	85,283
Farmland	12,877	10,731	8,434	8,259	7,651	7,539	7,542	7,173
Owner-Occupied Commercial Real Estate	445,148	433,585	441,393	440,208	449,610	453,414	453,456	467,467
Nonowner-Occupied Commercial Real Estate	513,095	533,572	530,820	501,649	488,098	495,844	489,984	499,274
Commercial & Industrial	435,093	425,093	399,488	411,290	543,421	518,969	507,822	515,273
Consumer	13,732	13,480	12,074	12,090	11,736	11,697	11,090	11,325
Total Loans	$ 2,104,767	$ 2,109,044	$ 2,084,863	$ 2,103,022	$ 2,210,619	$ 2,180,578	$ 2,166,759	$ 2,155,846

[1] *Non-GAAP financial measure; please see appendix for additional details*

CRE Portfolio Overview

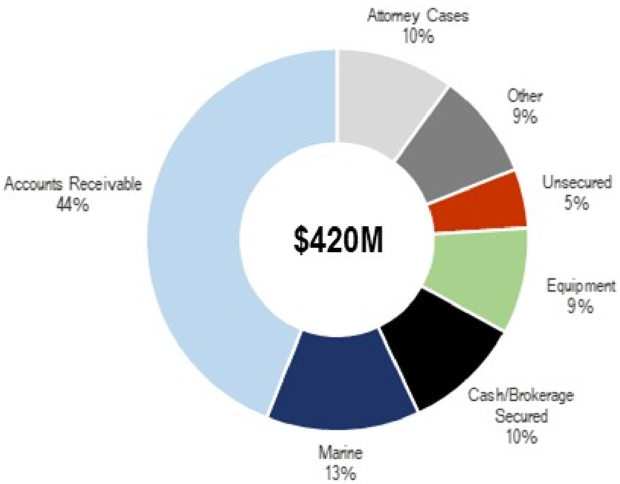


Portfolio Characteristics September 30, 2024	
% of Total Portfolio	49.2%
Owner-Occupied as % of CRE Portfolio	44.1%
Nonowner-Occupied Office as a % of Total Portfolio	4.7%
Average Loan Size	$979K

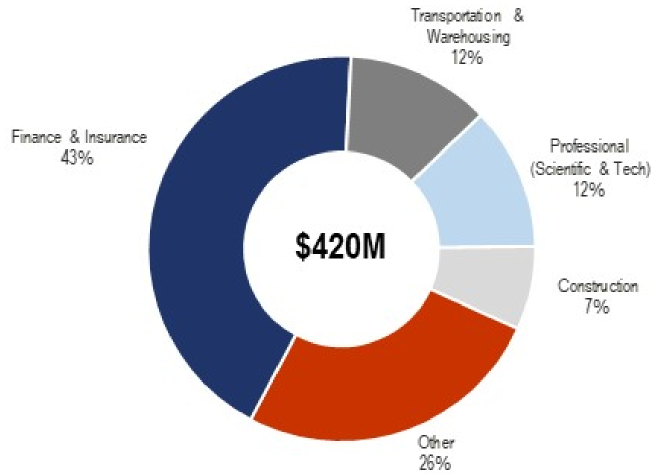
Note: CRE portfolio is inclusive of multifamily and farmland loans

C&I Portfolio Overview

By Collateral Type



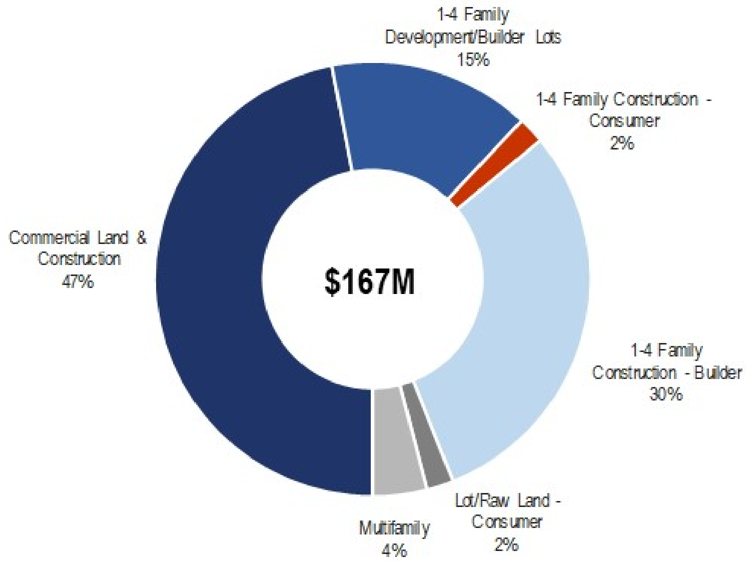
By Industry



Portfolio Characteristics September 30, 2024	
% of Total Portfolio	19.5%
Average Loan Size	$109K

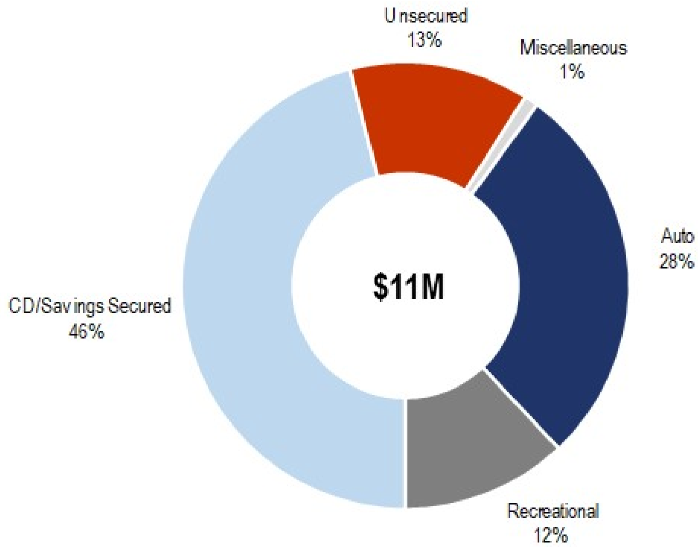
Note: C&I portfolio excludes public finance loans

Construction & Development Portfolio Overview



Portfolio Characteristics September 30, 2024	
% of Total Portfolio	7.7%
Average Loan Size	$597K

Consumer Portfolio Overview



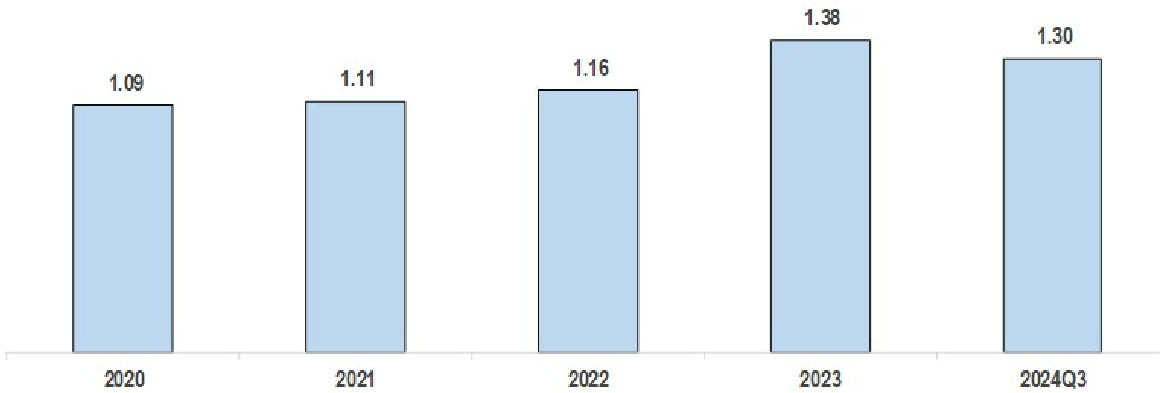
Portfolio Characteristics September 30, 2024	
% of Total Portfolio	0.5%
Average Loan Size	$11K

INVESTAR HOLDING CORPORATION

Note: Since exiting the indirect auto loan origination business at the end of 2015, the Bank has experienced decreased loan sales and has ceased originations of consumer loans held for sale.

Allowance for Credit Losses

Allowance for Credit Losses / Total Loans (%)



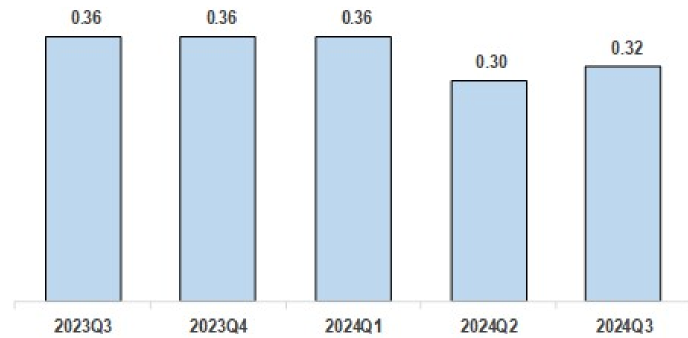
(Dollars in thousands)	For the Year Ended 12/31/2020	12/31/2021	12/31/2022	12/31/2023	For the Nine Months Ended 9/30/2024
Allowance for Credit Losses					
Allowance for Credit Losses - Beginning	$ 10,700	$ 20,363	$ 20,859	$ 24,364	$ 30,540
ASC Topic 326 adoption impact[1]	-	-	-	5,865	-
Provision for credit losses on loans	11,160	22,885	2,922	(1,964)	(2,615)
Charge-offs & Adj.	(1,754)	(22,636)	(633)	(742)	(455)
Recoveries	257	247	1,216	3,017	633
Allowance for Credit Losses - Ending	$ 20,363	$ 20,859	$ 24,364	$ 30,540	$ 28,103

[1] Investar adopted the Current Expected Credit Loss accounting standard on January 1, 2023. Upon adoption, Investar recorded a one-time, cumulative effect adjustment to increase the allowance for credit losses by \$5.9 million and reduce retained earnings, net of tax, by \$4.3 million.

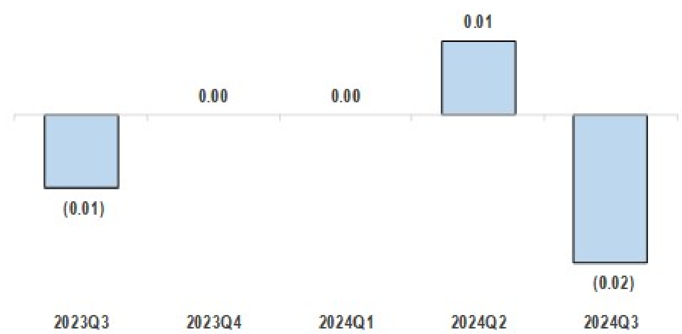
Asset Quality Trends

Nonperforming Assets ($000s)

NPAs / Assets (%)



Net Charge-offs / Avg. Loans (%)

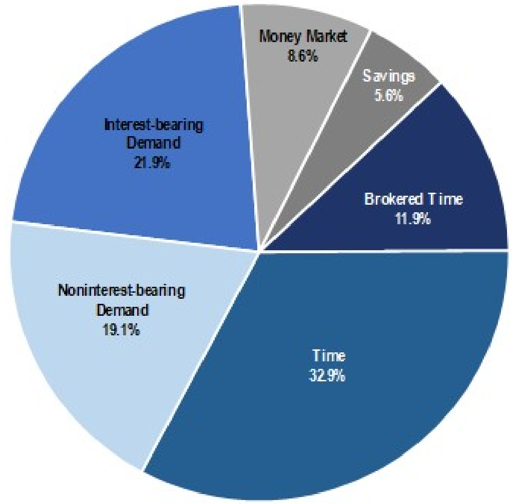


Reserves / NPLs (%)

INVESTAR HOLDING CORPORATION

Deposit Portfolio – 3rd Quarter 2024

- Total deposits increased $77.2 million, or 3.5%, to $2.29 billion at September 30, 2024, compared to $2.21 billion at June 30, 2024.
- Beginning in the 4th quarter of 2022, management utilized brokered time deposits, entirely in denominations of less than $250,000, to secure fixed cost funding and reduce short-term borrowings. At September 30, 2024, the remaining weighted average duration of brokered time deposits was approximately 9 months with a weighted average rate of 5.07%
- We utilized shorter term brokered time deposits, which were laddered to provide flexibility, to fund a portion of the purchase of commercial and industrial revolving lines of credit in the 2nd half of 2023.

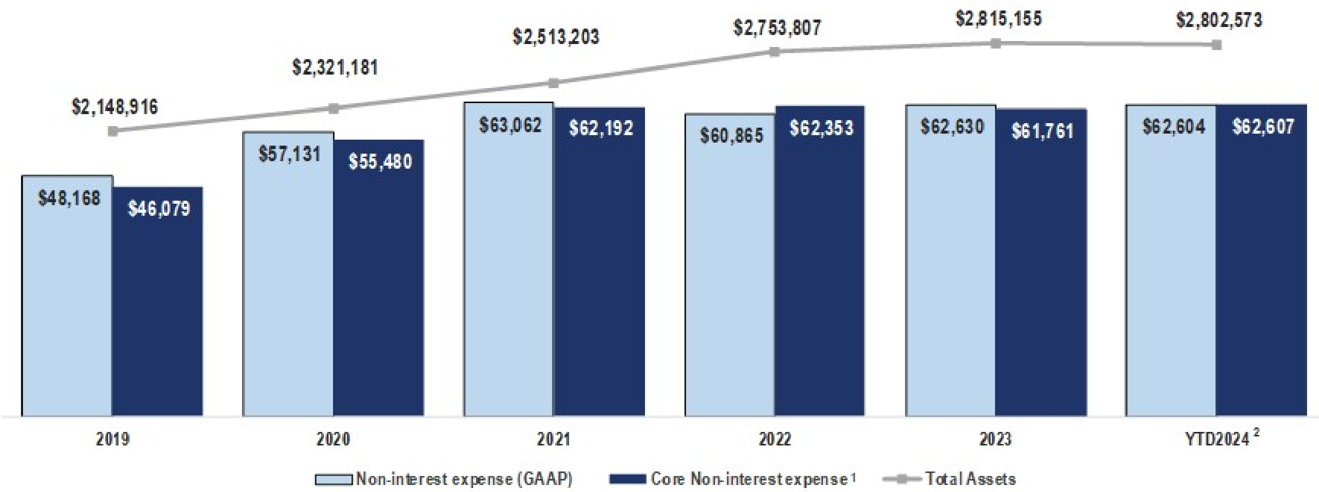


	Deposit Composition - Quarterly Lookback								
(Dollars in thousands)	9/30/2022	12/31/2022	3/31/2023	6/30/2023	9/30/2023	12/31/2023	3/31/2024	6/30/2024	9/30/2024
Noninterest-bearing Demand	$ 590,610	$ 580,741	$ 508,241	$ 488,311	$ 459,519	$ 448,752	$ 435,397	$ 436,571	$ 437,734
Interest-bearing Demand	624,025	565,598	538,515	514,501	482,706	489,604	502,818	467,184	500,345
Money Market	251,213	208,596	180,402	158,984	186,478	179,366	171,113	177,191	196,710
Savings	167,131	155,176	137,336	125,442	131,743	137,606	132,449	128,583	128,241
Brokered Time	-	9,990	146,270	153,365	197,747	269,102	237,850	249,354	271,684
Time	419,704	562,264	634,883	740,250	751,240	731,297	728,201	751,319	752,694
Total Deposits	$ 2,052,683	$ 2,082,365	$ 2,145,647	$ 2,180,853	$ 2,209,433	$ 2,255,727	$ 2,207,828	$ 2,210,202	$ 2,287,408
Total Deposit Interest Rate[1]	**0.25%**	**0.58%**	**1.20%**	**1.78%**	**2.14%**	**2.54%**	**2.67%**	**2.72%**	**2.78%**

INVESTAR HOLDING CORPORATION

[1] *Non-GAAP financial measure; please see appendix for additional details*

Non-Interest Expense



[1] Non-GAAP financial measure; please see appendix for additional details
[2] Annualized based YTD 2024 actual results as of September 30, 2024

Financial Profile

(Dollars in thousands, except per share data)	As of December 31, 2019	2020	2021	2022	2023	For the Three Months Ended 12/31/2023	3/31/2024	6/30/2024	9/30/2024
Balance Sheet									
Total Assets	$ 2,148,916	$ 2,321,181	$2,513,203	$ 2,753,807	$2,815,155	$ 2,815,155	$2,787,706	$ 2,787,578	$ 2,802,573
Total Loans	$ 1,691,975	$ 1,860,318	$1,872,012	$ 2,104,767	$2,210,619	$ 2,210,619	$2,180,578	$ 2,166,759	$ 2,155,846
Total Deposits	$ 1,707,706	$ 1,887,824	$2,120,266	$ 2,082,365	$2,255,727	$ 2,255,727	$2,207,828	$ 2,210,202	$ 2,287,408
Loans/Deposits	99.08%	98.54%	88.29%	101.08%	98.00%	98.00%	98.77%	98.03%	94.25%
Capital									
TCA/ TA[1]	9.96%	9.22%	8.04%	6.37%	6.65%	6.65%	6.73%	6.85%	7.38%
Total Capital	15.02%	14.71%	12.99%	13.25%	12.99%	12.99%	13.21%	13.16%	13.48%
Tier 1 Capital	12.03%	11.36%	9.90%	10.21%	9.90%	9.90%	10.18%	10.42%	10.74%
Tier 1 Leverage Capital	10.45%	9.49%	8.12%	8.53%	8.35%	8.35%	8.62%	8.81%	8.95%
Profitability Measures									
Net Interest Margin	3.51%	3.49%	3.53%	3.67%	2.83%	2.72%	2.59%	2.62%	2.67%
Non Interest Income / Average Assets	0.31%	0.53%	0.47%	0.70%	0.24%	0.25%	0.39%	0.40%	0.50%
Non Interest Expense / Average Assets	2.44%	2.51%	2.45%	2.34%	2.27%	2.17%	2.20%	2.24%	2.30%
Efficiency Ratio	67.81%	66.72%	65.79%	56.29%	77.26%	76.26%	76.62%	77.59%	75.61%
ROAA	0.85%	0.61%	0.31%	1.37%	0.60%	0.50%	0.68%	0.59%	0.77%
ROAE	8.21%	5.77%	3.22%	15.63%	7.63%	6.61%	8.28%	7.17%	8.97%
Diluted Earnings Per Share	$ 1.66	$ 1.27	$ 0.76	$ 3.50	$ 1.69	$ 0.36	$ 0.48	$ 0.41	$ 0.54
Net Income	$ 16,839	$ 13,889	$ 8,000	$ 35,709	$ 16,678	$ 3,538	$ 4,707	$ 4,057	$ 5,381
Asset Quality									
NPAs / Assets	0.30%	0.62%	1.28%	0.44%	0.36%	0.36%	0.36%	0.30%	0.32%
NCOs / Avg Loans	0.04%	0.08%	1.18%	-0.03%	-0.11%	0.00%	0.00%	0.01%	-0.02%

INVESTAR HOLDING CORPORATION

[1] Non-GAAP financial measure; please see appendix for additional details

Appendix

Non-GAAP Reconciliation

(Dollars in thousands, except per share data)	As of December 31,					As of the Three Months Ended			
	2019	2020	2021	2022	2023	12/31/2023	3/31/2024	6/30/2024	9/30/2024
Tangible common equity:									
Total stockholders' equity	$ 241,976	$ 243,284	$ 242,598	$ 215,782	$ 226,768	$ 226,768	$ 227,005	$ 230,196	$ 245,542
Adjustments:									
Goodwill	(26,132)	(28,144)	(40,088)	(40,088)	(40,088)	(40,088)	(40,088)	(40,088)	(40,088)
Other intangibles	(4,903)	(4,088)	(3,948)	(3,059)	(2,232)	(2,232)	(2,066)	(1,908)	(1,756)
Tangible common equity	$ 210,941	$ 211,052	$ 198,562	$ 172,635	$ 184,448	$ 184,448	$ 184,851	$ 188,200	$ 203,698
AOCI	1,891	1,805	1,163	(48,913)	(45,147)	(45,147)	(48,957)	(49,061)	(38,539)
Tangible common equity excluding AOCI	$ 209,050	$ 209,247	$ 197,399	$ 221,548	$ 229,595	$ 229,595	$ 233,808	$ 237,261	$ 242,237
Common shares outstanding	11,228,775	10,608,869	10,343,494	9,901,847	9,748,067	9,748,067	9,781,946	9,828,825	9,827,622
Book value per common share	$ 21.55	$ 22.93	$ 23.45	$ 21.79	$ 23.26	$ 23.26	$ 23.21	$ 23.42	$ 24.98
Tangible book value per common share	$ 18.79	$ 19.89	$ 19.20	$ 17.43	$ 18.92	$ 18.92	$ 18.90	$ 19.15	$ 20.73
Tangible book value per common share excluding AOCI	$ 18.62	$ 19.72	$ 19.08	$ 22.37	$ 23.55	$ 23.55	$ 23.90	$ 24.14	$ 24.65
Tangible assets:									
Total assets	$ 2,148,916	$ 2,321,181	$ 2,513,203	$ 2,753,807	$ 2,815,155	$ 2,815,155	$ 2,787,706	$ 2,787,578	$ 2,802,573
Adjustments:									
Goodwill	(26,132)	(28,144)	(40,088)	(40,088)	(40,088)	(40,088)	(40,088)	(40,088)	(40,088)
Other intangibles	(4,903)	(4,088)	(3,948)	(3,059)	(2,232)	(2,232)	(2,066)	(1,908)	(1,756)
Tangible assets	$ 2,117,881	$ 2,288,949	$ 2,469,167	$ 2,710,660	$ 2,772,835	$ 2,772,835	$ 2,745,552	$ 2,745,582	$ 2,760,729
Total stockholders' equity to total assets ratio	11.26%	10.48%	9.65%	7.84%	8.06%	8.06%	8.14%	8.26%	8.76%
Tangible common equity to tangible assets ratio	9.96%	9.22%	8.04%	6.37%	6.65%	6.65%	6.73%	6.85%	7.38%

Non-GAAP Reconciliation (continued)

(Dollars in thousands)	For the Three Months Ended 3/31/2023	6/30/2023	9/30/2023	12/31/2023	3/31/2024	6/30/2024	9/30/2024
Net Income	$ 3,812	$ 6,547	$ 2,781	$ 3,538	$ 4,707	$ 4,057	$ 5,381
Plus: Provision for Credit Losses	388	(2,840)	(34)	486	(1,419)	(415)	(945)
Plus: Income Tax Expense	874	1,509	585	782	1,380	829	784
Pre-Tax, Pre-Provision Net Income	**$ 5,074**	**$ 5,216**	**$ 3,332**	**$ 4,806**	**$ 4,668**	**$ 4,471**	**$ 5,220**

Non-GAAP Reconciliation (continued)

(Dollars in thousands)	For the Three Months Ended 9/30/2022	12/31/2022	3/31/2023	6/30/2023	9/30/2023	12/31/2023	3/31/2024	6/30/2024	9/30/2024
Interest on Deposits	$ 1,315	$ 3,052	$ 6,221	$ 9,534	$ 11,733	$ 14,584	$ 14,845	$ 14,865	$ 15,729
Average Interest-Bearing Deposits	1,456,826	1,482,268	1,557,665	1,655,506	1,707,848	1,824,318	1,805,569	1,770,985	1,813,775
Average Noninterest-Bearing Deposits	612,777	590,020	550,503	490,123	462,525	454,893	428,135	425,964	433,126
Average Total Deposits	2,069,603	2,072,288	2,108,168	2,145,629	2,170,373	2,279,211	2,233,704	2,196,949	2,246,901
Total Deposit Interest Rate	**0.25%**	**0.58%**	**1.20%**	**1.78%**	**2.14%**	**2.54%**	**2.67%**	**2.72%**	**2.78%**

Non-GAAP Reconciliation (continued)

(Dollars in thousands)	For the Three Months Ended 9/30/2023	12/31/2023	3/31/2024	6/30/2024	9/30/2024
Net interest income	$ 17,469	$ 18,491	$ 17,216	$ 17,198	$ 17,856
Provision for credit losses	(34)	486	(1,419)	(415)	(945)
Net interest income after provision for credit losses	**$ 17,503**	**$ 18,005**	**$ 18,635**	**$ 17,613**	**$ 18,801**
Noninterest income	1,637	1,755	2,748	2,750	3,544
Loss (gain) on call or sale of investment securities, net	-	322	-	383	(1)
Loss (gain) on sale or disposition of fixed assets, net	367	39	(427)	-	-
(Gain) loss on sale of other real estate owned, net	(23)	-	-	(712)	4
Change in the fair value of equity securities	(22)	(24)	(80)	-	(174)
Legal settlement [1]	-	-	-	-	(1,122)
Change in the net asset value of other investments [2]	105	(43)	(70)	27	(48)
Core noninterest income	**$ 2,064**	**$ 2,049**	**$ 2,171**	**$ 2,448**	**$ 2,203**
Core earnings before noninterest expense	19,567	20,054	20,806	20,061	21,004
Total noninterest expense	15,774	15,440	15,296	15,477	16,180
Write down of other real estate owned [3]	-	-	(233)	-	-
Gain on early extinguishment of subordinated debt	-	-	215	287	-
Severance [4]	(123)	-	-	-	-
Loan purchase expense [5]	(29)	(66)	-	-	-
Legal settlement expense [6]	-	-	-	-	(267)
Core noninterest expense	**$ 15,622**	**$ 15,374**	**$ 15,278**	**$ 15,764**	**$ 15,913**
Core earnings before income tax expense	**$ 3,945**	**$ 4,680**	**$ 5,528**	**$ 4,297**	**$ 5,091**
Core income tax expense [7]	686	847	1,255	730	647
Core earnings	**$ 3,259**	**$ 3,833**	**$ 4,273**	**$ 3,567**	**$ 4,444**

INVESTAR HOLDING CORPORATION

Non-GAAP Reconciliation (continued)

(Dollars in thousands, except per share data)	For the Three Months Ended 9/30/2023	12/31/2023	3/31/2024	6/30/2024	9/30/2024
Core basic earnings per common share	$ 0.33	$ 0.39	$ 0.44	$ 0.36	$ 0.45
Diluted earnings per common share (GAAP)	0.28	0.36	0.48	0.41	0.54
Loss (gain) on call or sale of investment securities, net	-	0.03	-	0.03	-
Loss (gain) on sale or disposition of fixed assets, net	0.03	-	(0.03)	-	-
(Gain) loss on sale of other real estate owned, net	-	-	-	(0.06)	-
Change in the fair value of equity securities	-	-	(0.01)	-	(0.01)
Legal settlement [1]	-	-	-	-	(0.10)
Change in the net asset value of other investments [2]	0.01	-	(0.01)	-	-
Write down of other real estate owned [3]	-	-	0.02	-	-
Gain on early extinguishment of subordinated debt	-	-	(0.02)	(0.02)	-
Severance [4]	0.01	-	-	-	-
Loan purchase expense [5]	-	-	-	-	-
Legal settlement expense [6]	-	-	-	-	0.02
Core diluted earnings per common share	**$ 0.33**	**$ 0.39**	**$ 0.43**	**$ 0.36**	**$ 0.45**
Efficiency Ratio	82.56%	76.26%	76.62%	77.59%	75.61%
Core Efficiency Ratio	79.98%	74.85%	78.81%	80.24%	79.33%
Core return on average assets [8]	0.47%	0.54%	0.61%	0.52%	0.63%
Total average assets	$ 2,736,358	$ 2,817,388	$ 2,802,192	$ 2,773,792	$ 2,796,969

[1] Adjustment to noninterest income directly attributable to income from a legal settlement related to one loan relationship that became impaired in the third quarter of 2021 as a result of Hurricane Ida.

[2] Change in net asset value of other investments represents unrealized gains or losses on Investar's investments in Small Business Investment Companies and other investment funds included in other operating income in the accompanying consolidated statements of income.

[3] Adjustment to noninterest expense for provision for estimated losses on other real estate owned when fair value is determined to be less than carrying values, which is included in other operating expense in the accompanying consolidated statements of income.

[4] Severance in the third quarter of 2023 is directly attributable to Investar's exit from its consumer mortgage origination business, consisting of salaries and employee benefits.

[5] Adjustments to noninterest expense directly attributable to the purchase of loans, consisting of professional fees for legal and consulting services.

[6] Adjustments to noninterest expense directly attributable to the income from a legal settlement, consisting of professional fees for legal services and collection and repossession expenses included in other operating expenses in the accompanying consolidated statements of income.

[7] Core income tax expense is calculated using the effective tax rates of 12.7%, 17.0%, 22.7%, 18.1%, and 17.4% for the quarters ended September 30, 2024, June 30, 2024, March 31, 2024, December 31, 2023, and September 30, 2023, respectively.

[8] Core earnings used in calculation. No adjustments were made to average assets.

Non-GAAP Reconciliation (continued)

(Dollars in thousands)	2019	2020	2021	2022	2023	YTD 2024	YTD 2024 Annualized
Total noninterest expense	$ 48,168	$ 57,131	$ 63,062	$ 60,865	$ 62,630	$ 46,953	$ 62,604
Severance	-	(289)	(181)	(632)	(123)	-	
Loan purchase expense	-	-	-	-	(95)	-	
Acquisition expense	(2,089)	(1,062)	(2,448)	-	-	-	
Employee retention credit, net of consulting fees	-	-	1,759	2,342	-	-	
(Loss) gain on early extinguishment of subordinated debt	-	-	-	(222)	-	502	
Divestiture expense	-	-	-	-	(651)	-	
PPP incentive	-	(200)	-	-	-	-	
Community grant	-	(100)	-	-	-	-	
Write down of other real estate owned	-	-	-	-	-	(233)	
Loan settlement expense	-	-	-	-	-	(267)	
Core noninterest expense	**$ 46,079**	**$ 55,480**	**$ 62,192**	**$ 62,353**	**$ 61,761**	**$ 46,955**	**$ 62,607**

Non-GAAP Reconciliation (continued)

	For the three months ended					
	September 30, 2024			June 30, 2024		
(Dollars in thousands)	Average Balance	Interest Income/ Expense	Yield/ Rate	Average Balance	Interest Income/ Expense	Yield/ Rate
Interest-earning assets:						
Loans	$ 2,159,412	$ 32,764	6.04%	$ 2,168,762	$ 32,161	5.96%
Adjustments:						
Interest recoveries		79			44	
Accretion		13			18	
Adjusted loans	2,159,412	32,672	6.02	2,168,762	32,099	5.95
Securities:						
Taxable	396,254	2,755	2.77	403,391	2,766	2.76
Tax-exempt	24,552	228	3.68	23,558	214	3.66
Interest-bearing balances with banks	79,793	1,101	5.49	47,521	649	5.50
Adjusted interest-earning assets	2,660,011	36,756	5.50	2,643,232	35,728	5.44
Total interest-bearing liabilities	2,093,260	18,992	3.61	2,090,296	18,592	3.58
Net interest income/net interest margin		$ 17,856	2.67%		$ 17,198	2.62%
Adjusted net interest income/adjusted net interest margin		$ 17,764	2.66%		$ 17,136	2.61%