

JEFFERSONVILLE BANCORP

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Press Release

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Company Press Release

Jeffersonville Bancorp Announces Second Quarter Earnings of \$2,103,000 or \$0.51 per share and Year to Date Earnings of \$3,762,000 or \$0.89 per share; Declares Dividend of \$0.15

JEFFERSONVILLE, N.Y., August 13, 2019 (PRIME NEWSWIRE) -- Jeffersonville Bancorp, Inc. (OTCQB - JFBC) announced today second quarter net income of \$2,103,000 or \$0.51 per share compared to \$1,743,000 or \$0.41 per share for the same quarter in 2018. The increase in quarterly net income compared to 2018 of \$360,000 was primarily attributable to an increase in interest income of \$548,000 and an increase in other non-interest income of \$95,000, partially offset by an increase in total non-interest expense of \$129,000 and an increase in the provision for loan losses of \$100,000.

Year to date net income as of June 30, 2019 was \$3,762,000 or \$0.89 per share compared to \$3,305,000 or \$0.78 per share for the same period in 2018. The increase in year to date net income compared to 2018 was primarily attributable to an increase in interest income on loans of \$838,000 and an increase in total non-interest income of \$108,000, partially offset by increases in non-interest expense of \$343,000, the provision for loan losses of \$200,000, and income tax expense of \$129,000 compared to the same period in 2018.

"The Company continues to perform very well this year despite a highly competitive environment for loans and deposits. Net income is up for the quarter by 20% and year to date by 14% compared to the same period last year. We are particularly pleased with these results considering that 2018 was a year of record profits for the Company," said George W. Kinne, Jr., President and CEO.

A cash dividend in the amount of fifteen cents (\$0.15) per share on the common stock of the company was declared at the August 13, 2019 meeting of the Board of Directors. The dividend is payable on September 4, 2019 to stockholders of record at the close of business on August 26, 2019.

Jeffersonville Bancorp is a one-bank holding company, which owns all the capital stock of Jeff Bank. Jeff Bank maintains twelve full service branches in Sullivan and Orange County, New York located in Anawana Lake Road/Monticello, Eldred, Callicoon, Jeffersonville, Liberty, Livingston Manor, Loch Sheldrake, Monticello, Narrowsburg, Port Jervis, White Lake, and Wurtsboro.

Jeffersonville Bancorp and Subsidiary
Consolidated Balance Sheets

(In thousands, except share and per share data)

As of	June 30, 2019	December 31, 2018
ASSETS		
Cash and cash equivalents	\$ 83,588	\$ 60,554
Securities available for sale, at fair value	86,234	68,815
Equity securities held at fair value	919	906
Securities held to maturity, fair value of \$7,416 at June 30, 2019 and \$31,923 at December 31, 2018	7,123	31,874
Loans, net of allowance for loan losses of \$3,423 at June 30, 2019 and \$3,311 at December 31, 2018	308,705	311,816
Accrued interest receivable	1,668	1,704
Bank-owned life insurance	18,511	18,341
Foreclosed real estate	1,145	1,351
Premises and equipment, net	7,154	6,707
Restricted investments	535	519
Other assets	4,076	4,082
Total Assets	<u>\$ 519,658</u>	<u>\$ 506,669</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities		
Deposits:		
Demand deposits (non-interest bearing)	\$ 121,110	\$ 116,260
NOW and super NOW accounts	95,854	82,746
Savings and insured money market deposits	157,259	160,513
Time deposits	69,843	76,166
Total Deposits	444,066	435,685
Other liabilities	6,318	5,762
Total Liabilities	<u>450,384</u>	<u>441,447</u>
Stockholders' equity		
Series A preferred stock, no par value; 2,000,000 shares authorized, none issued	—	—
Common stock, \$0.50 par value; 11,250,000 shares authorized, 4,767,786 shares issued with 4,234,505 outstanding	2,384	2,384
Paid-in capital	6,483	6,483
Treasury stock, at cost; 533,281 shares	(4,965)	(4,965)
Retained earnings	67,562	65,070
Accumulated other comprehensive loss	(2,190)	(3,750)
Total Stockholders' Equity	<u>69,274</u>	<u>65,222</u>
Total Liabilities and Stockholders' Equity	<u>\$ 519,658</u>	<u>\$ 506,669</u>

This does not represent complete financial statements. Complete financial statements may be found at www.jeffbank.com

Jeffersonville Bancorp and Subsidiary
Consolidated Statements of Income
(In thousands, except per share data)

For the Three Months Ended June 30,	2019	2018
Interest and Dividend Income		
Loan interest and fees	\$ 4,384	\$ 3,919
Securities:		
Taxable	294	289
Tax-exempt	455	526
Other interest and dividend income	463	314
Total Interest and Dividend Income	5,596	5,048
Interest Expense on Deposits		
	177	196
Net interest income	5,419	4,852
Provision for loan losses	100	—
Net Interest Income after Provision for Loan Losses	5,319	4,852
Non-Interest Income		
Service charges	274	279
Fee income	395	370
Earnings on bank-owned life insurance	87	84
Net gain on sales of securities	3	—
Other non-interest income	158	63
Total Non-Interest Income	917	796
Non-Interest Expense		
Salaries and employee benefits	2,254	2,151
Occupancy and equipment expenses	375	405
Foreclosed real estate expense, net	28	46
Other non-interest expenses	1,026	952
Total Non-Interest Expenses	3,683	3,554
Income before income tax expense	2,553	2,094
Income tax expense	450	351
Net Income	\$ 2,103	\$ 1,743
Basic earnings per common share	\$ 0.51	\$ 0.41
Average common shares outstanding	4,235	4,235
Cash dividends declared per share	\$ 0.15	\$ 0.15

Jeffersonville Bancorp and Subsidiary
Consolidated Statements of Income
(In thousands, except per share data)

For the Six Months Ended June 30,	2019	2018
Interest and Dividend Income		
Loan interest and fees	\$ 8,545	\$ 7,707
Securities:		
Taxable	654	555
Tax-exempt	931	1,060
Other interest and dividend income	779	598
Total Interest and Dividend Income	<u>10,909</u>	<u>9,920</u>
Interest Expense on Deposits		
	<u>359</u>	<u>391</u>
Net interest income	10,550	9,529
Provision (credit) for loan losses	200	—
Net Interest Income after Provision for Loan Losses	<u>10,350</u>	<u>9,529</u>
Non-Interest Income		
Service charges	542	577
Fee income	734	705
Earnings on bank-owned life insurance	171	168
Net gain on sales of securities	14	25
Other non-interest income	215	93
Total Non-Interest Income	<u>1,676</u>	<u>1,568</u>
Non-Interest Expense		
Salaries and employee benefits	4,517	4,337
Occupancy and equipment expenses	860	871
Foreclosed real estate expense, net	96	73
Other non-interest expenses	2,008	1,857
Total Non-Interest Expenses	<u>7,481</u>	<u>7,138</u>
Income before income tax expense	4,545	3,959
Income tax expense	783	654
Net Income	<u>\$ 3,762</u>	<u>\$ 3,305</u>
Basic earnings per common share	<u>\$ 0.89</u>	<u>\$ 0.78</u>
Average common shares outstanding	<u>4,235</u>	<u>4,235</u>
Cash dividends declared per share	<u>\$ 0.30</u>	<u>\$ 0.30</u>