

JEFFERSONVILLE BANCORP

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Press Release

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For Release
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Company Press Release

Jeffersonville Bancorp Announces Fourth Quarter Earnings of \$1,442,000 or \$0.34 per share and Year to Date Earnings of \$5,944,000 or \$1.40 per share; Declares Dividend of \$0.15

JEFFERSONVILLE, N.Y., February 8, 2022 (PRIME NEWSWIRE) -- Jeffersonville Bancorp, Inc. (OTCQB - JFBC) announced today fourth quarter net income of \$1,442,000 or \$0.34 per share compared to \$1,204,000 or \$0.28 per share for the same quarter in 2020. The increase in quarterly net income compared to 2020 of \$238,000 was primarily attributable to an increase in gains on securities of \$427,000, in securities and other interest and dividends of \$325,000, and in service charge and fee income of \$72,000. These improvements were partially offset by an increase in tax expense of \$280,000, a decrease in loan interest and fees of \$121,000, an increase in provision for loan losses of \$100,000, and decrease in unrealized securities gains of \$52,000.

Year to date net income as of December 31, 2021 was \$5,944,000 or \$1.40 per share compared to \$4,810,000 or \$1.14 per share for the same period in 2020. The increase in year-to-date net income compared to 2020 of \$1,134,000 was attributable to an increase in securities interest of \$833,000, a decrease in provision for loan losses of \$650,000, an increase in unrealized gains on securities of \$505,000, an increase in service charge and fee income of \$426,000, an increase in gains on securities of \$310,000, and a decrease in interest expense of \$239,000. These improvements were partially offset by a decrease in loan interest and fees of \$913,000, an increase in tax expense of \$577,000, and an increase in total non-interest expense of \$216,000.

"Competition for earning assets such as loans and securities driven by the industry wide growth in deposits and higher cash levels, combined with a historically low interest rate environment, continues to pressure net interest margins. In 2021, that was offset by solid equity gains, higher investment levels, a lower provision for loan losses, and higher fee income, mainly from card activity as consumer habits adapted to the pandemic," said

George W. Kinne, Jr., President and CEO, “With the Federal Reserve signaling the prospect of several increases in the federal funds rate, we are optimistic that our high levels of liquidity will enable us to take advantage of higher rates in our loan and securities portfolios in 2022 as well as provide a buffer in the event that deposit levels return to more normal levels.”

A cash dividend in the amount of fifteen cents (\$0.15) per share on the common stock of the company was declared at the February 8, 2022 meeting of the Board of Directors. The dividend is payable on March 2, 2022 to stockholders of record at the close of business on February 22, 2022.

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	December 31, 2021	December 31, 2020
ASSETS		
Cash and cash equivalents	\$ 165,137	\$ 121,474
Securities available for sale, at fair value	205,286	157,877
Equity securities held at fair value	1,694	1,327
Securities held to maturity, fair value of \$9,774 at December, 21, 2021 and \$7,703 at December 31, 2020	9,411	7,118
Loans, net of allowance for loan losses of \$4,005 at December 31, 2021 and \$4,378 at December 31, 2020	288,486	294,781
Accrued interest receivable	2,319	2,361
Bank-owned life insurance	19,703	19,499
Foreclosed real estate	548	717
Premises and equipment, net	6,131	6,630
Restricted investments	487	501
Other assets	<u>5,666</u>	<u>4,311</u>
Total Assets	<u>\$ 704,868</u>	<u>\$ 616,596</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities		
Deposits:		
Demand deposits (non-interest bearing)	\$ 193,862	\$ 159,647
NOW and super NOW accounts	131,957	111,830
Savings and insured money market deposits	226,631	200,561
Time deposits	<u>66,711</u>	<u>63,362</u>
Total Deposits	619,161	535,400
Other liabilities	<u>6,633</u>	<u>6,766</u>
Total Liabilities	<u>625,794</u>	<u>542,166</u>
Stockholders' equity		
Series A preferred stock, no par value; 2,000,000 shares authorized, none issued		
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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	74,285	70,882
Accumulated other comprehensive gain (loss)	<u>887</u>	<u>(354)</u>
Total Stockholders' Equity	<u>79,074</u>	<u>74,430</u>
Total Liabilities and Stockholders' Equity	<u>\$ 704,868</u>	<u>\$ 616,596</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 December 31,	2021	2020
Interest and Dividend Income		
Loan interest and fees	\$ 3,419	\$ 3,540
Securities:		
Taxable	688	545
Tax-exempt	602	445
Other interest and dividend income	79	54
Total Interest and Dividend Income	<u>4,788</u>	<u>4,584</u>
Interest Expense on Deposits		
	<u>86</u>	<u>128</u>
Net interest income	4,702	4,456
Provision for loan losses	450	350
Net Interest Income after Provision for Loan Losses	<u>4,252</u>	<u>4,106</u>
Non-Interest Income		
Service charges	239	209
Fee income	456	414
Earnings on bank-owned life insurance	79	79
Net gain on sales of securities	468	41
Unrealized (loss) gain on equity securities	63	115
Other non-interest income	72	162
Total Non-Interest Income	<u>1,377</u>	<u>1,020</u>
Non-Interest Expense		
Salaries and employee benefits	2,430	2,435
Occupancy and equipment expenses	411	439
Foreclosed real estate expense, net	46	42
Other non-interest expenses	1,023	1,009
Total Non-Interest Expenses	<u>3,910</u>	<u>3,925</u>
Income before income tax expense	1,719	1,201
Income tax expense (benefit)	277	(3)
Net Income	<u>\$ 1,442</u>	<u>\$ 1,204</u>
Basic earnings per common share	<u>\$ 0.34</u>	<u>\$ 0.28</u>
Average common shares outstanding	<u>4,235</u>	<u>4,235</u>
Cash dividends declared per share	<u>\$ 0.15</u>	<u>\$ 0.15</u>

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Consolidated Statements of Income
(In thousands, except per share data)

For the Year Ended December 31,	2021	2020
Interest and Dividend Income		
Loan interest and fees	\$ 14,110	\$ 15,023
Taxable	2,454	1,930
Tax-exempt	2,100	1,791
Other interest and dividend income	281	389
Total Interest and Dividend Income	<u>18,945</u>	<u>19,133</u>
Interest Expense on Deposits		
	<u>369</u>	<u>608</u>
Net interest income	18,576	18,525
Provision for loan losses	450	1,100
Net Interest Income after Provision for Loan Losses	<u>18,126</u>	<u>17,425</u>
Non-Interest Income		
Service charges	855	798
Fee income	2,020	1,651
Earnings on bank-owned life insurance	311	319
Net gain on securities	487	177
Unrealized gain (loss) on equity securities	367	(138)
Other non-interest income	290	297
Total Non-Interest Income	<u>4,330</u>	<u>3,104</u>
Non-Interest Expense		
Salaries and employee benefits	9,654	9,487
Occupancy and equipment expenses	1,701	1,693
Foreclosed real estate expense, net	74	66
Other non-interest expenses	3,873	3,840
Total Non-Interest Expenses	<u>15,302</u>	<u>15,086</u>
Income before income tax expense	7,154	5,443
Income tax expense	1,210	633
Net Income	<u>\$ 5,944</u>	<u>\$ 4,810</u>
Basic earnings per common share	<u>\$ 1.40</u>	<u>\$ 1.14</u>
Average common shares outstanding	<u>4,235</u>	<u>4,235</u>
Cash dividends declared per share	<u>\$ 0.60</u>	<u>\$ 0.60</u>

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