

JEFFERSONVILLE BANCORP

PO Box 398

Jeffersonville, NY 12748

845-482-4000

Press Release

For More Information, call: 845-482-4000

Contact: George W. Kinne, Jr., President – CEO

For Release
November 8, 2022

Company Press Release

Jeffersonville Bancorp Announces Third Quarter Earnings of \$2,680,000 or \$0.63 per share and Year to Date Earnings of \$6,501,000 or \$1.53 per share; Declares Dividend of \$0.15

JEFFERSONVILLE, N.Y., November 8, 2022 (PRIME NEWSWIRE) -- Jeffersonville Bancorp, Inc. (OTCQB - JFBC) announced today second quarter net income of \$2,680,000 or \$0.63 per share compared to \$1,453,000 or \$0.34 per share for the same quarter in 2021. The increase in quarterly net income compared to 2021 of \$1,227,000 was primarily attributable to an increase in securities and other interest and dividends of \$1,239,000, an increase of \$188,000 in loan interest and fees, and a decrease in salary expense of \$146,000, partially offset by an increase in tax expense of \$371,000.

Year to date net income as of September 30, 2022 was \$6,501,000 or \$1.53 per share compared to \$4,502,000 or \$1.06 per share for the same period in 2021. The increase in year-to-date net income compared to 2021 of \$1,999,000 was primarily attributable to an increase in securities and other interest and dividends of \$2,375,000 and a decrease in salary expense of \$374,000, partially offset by an increase in income tax expense of \$563,000, a decrease in unrealized gains on securities of \$228,000, and a decrease in fee income of \$105,000 compared to the same period in 2021.

"Higher rates on loans and balances held at the Federal Reserve Bank, along with higher levels of investment securities, contributed to higher net interest income in the third quarter," said George W. Kinne, Jr., President and CEO, "With the Federal Reserve Board expected to continue on its course of increasing the federal funds rate to curb still high inflation, the Company continues to be well positioned to take advantage of rising rates."

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

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

Jeffersonville Bancorp and Subsidiary
Consolidated Balance Sheets

(In thousands, except share and per share data)

As of	September 30, 2022	December 31, 2021
ASSETS		
Cash and cash equivalents	\$ 112,432	\$ 165,137
Securities available for sale, at fair value	242,621	205,286
Equity securities held at fair value	1,985	1,694
Securities held to maturity, fair value of \$7,949 at September 30, 2022 and \$9,774 at December 31, 2021	8,070	9,411
Loans, net of allowance for loan losses of \$3,987 at September 30, 2022 and \$4,005 at December 31, 2021	305,726	288,486
Accrued interest receivable	3,069	2,319
Bank-owned life insurance	19,930	19,703
Foreclosed real estate	491	548
Premises and equipment, net	5,583	6,131
Restricted investments	483	487
Other assets	<u>14,080</u>	<u>5,666</u>
Total Assets	<u>\$ 714,470</u>	<u>\$ 704,868</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities		
Deposits:		
Demand deposits (non-interest bearing)	\$ 209,044	\$ 193,862
NOW and super NOW accounts	133,572	131,957
Savings and insured money market deposits	238,867	226,631
Time deposits	<u>63,195</u>	<u>66,711</u>
Total Deposits	644,678	619,161
Other liabilities	<u>6,725</u>	<u>6,633</u>
Total Liabilities	<u>651,403</u>	<u>625,794</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	78,881	74,286
Accumulated other comprehensive (loss) gain	<u>(19,716)</u>	<u>886</u>
Total Stockholders' Equity	<u>63,067</u>	<u>79,074</u>
Total Liabilities and Stockholders' Equity	<u>\$ 714,470</u>	<u>\$ 704,868</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 September 30,	2022	2021
Interest and Dividend Income		
Loan interest and fees	\$ 3,615	\$ 3,427
Securities:		
Taxable	1,072	666
Tax-exempt	761	519
Other interest and dividend income	671	80
Total Interest and Dividend Income	<u>6,119</u>	<u>4,692</u>
Interest Expense on Deposits		
	<u>98</u>	<u>88</u>
Net interest income	6,021	4,604
Provision for loan losses	<u>—</u>	<u>—</u>
Net Interest Income after Provision for Loan Losses	<u>6,021</u>	<u>4,604</u>
Non-Interest Income		
Service charges	244	219
Fee income	534	605
Earnings on bank-owned life insurance	76	80
Net gain on sale of securities	—	16
Unrealized gain (loss) on equity securities	26	(30)
Other non-interest income	92	46
Total Non-Interest Income	<u>972</u>	<u>936</u>
Non-Interest Expense		
Salaries and employee benefits	2,245	2,391
Occupancy and equipment expenses	404	398
Foreclosed real estate expense, net	10	11
Other non-interest expenses	980	984
Total Non-Interest Expenses	<u>3,639</u>	<u>3,784</u>
Income before income tax expense	3,354	1,756
Income tax expense	674	303
Net Income	<u>\$ 2,680</u>	<u>\$ 1,453</u>
Basic earnings per common share	<u>\$ 0.63</u>	<u>\$ 0.34</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>

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

Consolidated Statements of Income

(In thousands, except per share data)

For the Nine Months Ended September 30,	2022	2021
Interest and Dividend Income		
Loan interest and fees	\$ 10,746	\$ 10,691
Securities:		
Taxable	2,716	1,766
Tax-exempt	2,062	1,498
Other interest and dividend income	<u>1,063</u>	<u>202</u>
Total Interest and Dividend Income	<u>16,587</u>	<u>14,157</u>
Interest Expense on Deposits		
	<u>267</u>	<u>283</u>
Net interest income	16,320	13,874
Provision for loan losses	<u>—</u>	<u>—</u>
Net Interest Income after Provision for Loan Losses	<u>16,320</u>	<u>13,874</u>
Non-Interest Income		
Service charges	721	616
Fee income	1,459	1,564
Earnings on bank-owned life insurance	227	232
Net gain on securities	(5)	19
Unrealized gain (loss) on equity securities	76	304
Other non-interest income	<u>210</u>	<u>218</u>
Total Non-Interest Income	<u>2,688</u>	<u>2,953</u>
Non-Interest Expense		
Salaries and employee benefits	6,850	7,224
Occupancy and equipment expenses	1,289	1,290
Foreclosed real estate expense, net	(60)	28
Other non-interest expenses	<u>2,932</u>	<u>2,850</u>
Total Non-Interest Expenses	<u>11,011</u>	<u>11,392</u>
Income before income tax expense	7,997	5,435
Income tax expense	<u>1,496</u>	<u>933</u>
Net Income	<u>\$ 6,501</u>	<u>\$ 4,502</u>
Basic earnings per common share	<u>\$ 1.53</u>	<u>\$ 1.06</u>
Average common shares outstanding	<u>4,235</u>	<u>4,235</u>
Cash dividends declared per share	<u>\$ 0.45</u>	<u>\$ 0.45</u>

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