

JEFFERSONVILLE BANCORP

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Press Release

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Company Press Release

Jeffersonville Bancorp Announces Third Quarter Earnings of \$2,972,000 or \$0.70 per share and Year to Date Earnings of \$8,828,000 or \$2.08 per share; Declares Dividend of \$0.15

JEFFERSONVILLE, N.Y., November 14, 2023 (PRIME NEWSWIRE) -- Jeffersonville Bancorp, Inc. (OTCQB - JFBC) announced today third quarter net income of \$2,972,000 or \$0.70 per share compared to \$2,680,000 or \$0.63 per share for the same quarter in 2022. The increase in quarterly net income compared to 2022 of \$292,000 was primarily attributable to an increase in loan interest and fees of \$913,000, an increase in securities and other interest and dividends of \$553,000, and a reverse provision for loan losses of \$148,000, partially offset by an increase in interest expense of \$704,000, an increase in total non-interest expenses of \$329,000, an increase in tax expense of \$121,000, and an increase in realized losses on securities of \$88,000.

Year to date net income as of September 30, 2023 was \$8,828,000 or \$2.08 per share compared to \$6,501,000 or \$1.53 per share for the same period in 2022. The increase in year-to-date net income compared to 2022 of \$2,327,000 was primarily attributable to an increase in securities and other interest and dividends of \$2,866,000, an increase in loan interest and fees of \$2,340,000, and a reverse provision for loan losses of \$768,000, partially offset by an increase in interest expense of \$1,252,000, an increase in realized losses on securities of \$866,000, an increase in tax expense of \$843,000, an increase in total non-interest expenses of \$709,000, and a decrease in unrealized gains on securities of \$261,000 compared to the same period in 2022.

"The Company continues to perform well in a challenging interest rate environment. While interest expense has increased, we are performing better than our peers in that metric, and interest income on loans is increasing." said George W. Kinne, Jr., President and CEO, "Though many economists believe the federal funds rate is at or near its peak, the Federal Reserve Board is signaling rates may need to be at higher levels for a longer period of time than previously expected to curb inflation. That environment will continue to be a

challenge, but the Company's strong capital and liquidity positions are a buffer to that economic headwind."

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 14, 2023 meeting of the Board of Directors. The dividend is payable on December 5, 2023 to stockholders of record at the close of business on November 28, 2023.

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, 2023	December 31, 2022
ASSETS		
Cash and cash equivalents	\$ 101,191	\$ 75,750
Securities available for sale, at fair value	214,161	243,736
Equity securities held at fair value	984	1,682
Securities held to maturity, fair value of \$7,042 at September 30, 2023 and \$8,091 at December 31, 2022	7,172	8,196
Loans, net of allowance for loan losses of \$4,033 at September 30, 2023 and \$4,570 at December 31, 2022	329,649	320,177
Accrued interest receivable	2,993	2,985
Bank-owned life insurance	20,229	20,005
Foreclosed real estate	492	492
Premises and equipment, net	5,452	5,562
Restricted investments	506	483
Other assets	15,313	12,959
Total Assets	<u>\$ 698,142</u>	<u>\$ 693,027</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities		
Deposits:		
Demand deposits (non-interest bearing)	\$ 188,346	\$ 194,258
NOW and super NOW accounts	117,466	124,671
Savings and insured money market deposits	198,010	236,890
Time deposits	90,577	61,113
Total Deposits	594,399	616,932
FRB borrowing	25,000	—
Other liabilities	7,338	9,314
Total Liabilities	<u>626,737</u>	<u>624,246</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	87,343	81,048
Accumulated other comprehensive (loss) gain	(19,840)	(16,169)
Total Stockholders' Equity	<u>71,405</u>	<u>68,781</u>
Total Liabilities and Stockholders' Equity	<u>\$ 698,142</u>	<u>\$ 693,027</u>

This does not represent complete financial statements. Complete financial statements may be found at www.jeff.bank

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

For the Three Months Ended September 30,	2023	2022
Interest and Dividend Income		
Loan interest and fees	\$ 4,528	\$ 3,615
Securities:		
Taxable	1,155	1,072
Tax-exempt	660	761
Other interest and dividend income	<u>1,242</u>	<u>671</u>
Total Interest and Dividend Income	7,585	6,119
Interest Expense		
	<u>802</u>	<u>98</u>
Net interest income	6,783	6,021
Provision for loan losses	<u>(148)</u>	<u>—</u>
Net Interest Income after Provision for Loan Losses	<u>6,931</u>	<u>6,021</u>
Non-Interest Income		
Service charges	219	244
Fee income	531	534
Earnings on bank-owned life insurance	76	76
Net gain (loss) on sale of securities	(88)	—
Unrealized loss on equity securities	18	26
Other non-interest income	<u>48</u>	<u>92</u>
Total Non-Interest Income	<u>804</u>	<u>972</u>
Non-Interest Expense		
Salaries and employee benefits	2,375	2,245
Occupancy and equipment expenses	432	404
Foreclosed real estate expense, net	10	10
Other non-interest expenses	<u>1,151</u>	<u>980</u>
Total Non-Interest Expenses	<u>3,968</u>	<u>3,639</u>
Income before income tax expense	3,767	3,354
Income tax expense	<u>795</u>	<u>674</u>
Net Income	<u>\$ 2,972</u>	<u>\$ 2,680</u>
Basic earnings per common share	<u>\$ 0.70</u>	<u>\$ 0.63</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 Nine Months Ended September 30,	2023	2022
Interest and Dividend Income		
Loan interest and fees	\$ 13,086	\$ 10,746
Securities:		
Taxable	3,621	2,716
Tax-exempt	1,994	2,062
Other interest and dividend income	<u>3,092</u>	<u>1,063</u>
Total Interest and Dividend Income	<u>21,793</u>	<u>16,587</u>
Interest Expense	<u>1,519</u>	<u>267</u>
Net interest income	20,274	16,320
Provision for loan losses	<u>(768)</u>	<u>—</u>
Net Interest Income after Provision for Loan Losses	<u>21,042</u>	<u>16,320</u>
Non-Interest Income		
Service charges	683	721
Fee income	1,460	1,459
Earnings on bank-owned life insurance	224	227
Net loss on securities	(871)	(5)
Unrealized (loss) gain on equity securities	(185)	76
Other non-interest income	<u>534</u>	<u>210</u>
Total Non-Interest Income	<u>1,845</u>	<u>2,688</u>
Non-Interest Expense		
Salaries and employee benefits	7,155	6,850
Occupancy and equipment expenses	1,266	1,289
Foreclosed real estate expense, net	20	(60)
Other non-interest expenses	<u>3,279</u>	<u>2,932</u>
Total Non-Interest Expenses	<u>11,720</u>	<u>11,011</u>
Income before income tax expense	11,167	7,997
Income tax expense	<u>2,339</u>	<u>1,496</u>
Net Income	<u>\$ 8,828</u>	<u>\$ 6,501</u>
Basic earnings per common share	<u>\$ 2.08</u>	<u>\$ 1.53</u>
Average common shares outstanding	<u>4,235</u>	<u>4,235</u>
Cash dividends declared per share	<u>\$ 0.55</u>	<u>\$ 0.45</u>

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