JEFFERSONVILLE BANCORP

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Press Release

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May 9, 2018

Company Press Release

Jeffersonville Bancorp Announces First Quarter Earnings of \$1,562,000; Declares Dividend of \$0.15

JEFFERSONVILLE, N.Y., May 9, 2018 (PRIME NEWSWIRE) -- Jeffersonville Bancorp, Inc. (OTCQB - JFBC) announced today first quarter net income of \$1,562,000 or \$0.37 per share compared to \$1,401,000 or \$0.33 per share for the same quarter in 2017. The increase in quarterly net income compared to 2017 was attributable to several factors. Net interest income increased by \$143,000, non-interest expense decreased \$181,000, and tax expense decreased \$109,000. Those improvements were partially offset by a negative provision to loan losses of \$300,000 recognized in the first quarter of 2017.

A cash dividend in the amount of fifteen cents (\$0.15) per share on the common stock of the company was declared at the May 8, 2018 meeting of the Board of Directors. The dividend is payable on June 1, 2018 to stockholders of record at the close of business on May 22, 2018.

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)

Securities available for sale, at fair value \$60.00000000000000000000000000000000000	As of	March 31, 2018	December 31, 2017
Cash and cash equivalents \$ 89,778 \$ 73, 8ecurities available for sale, at fair value 75,286 80, 80, 80, 80, 80, 80, 80, 80, 80, 80,	ASSETS		
Securities held to maturity, fair value of \$31,850 at March 31, 2018 and \$30,909 at December 31, 2017 31,927 30, 30, 30, 30, 30, 30, 30, 30, 30, 30,	Cash and cash equivalents	\$ 89,778	\$ 73,437
March 31, 2018 and \$30,909 at December 31, 2017 31,927 30, Loans, net of allowance for loan losses of \$3,597 at 293,527 286, Accrued interest receivable 1,904 1, Bank-owned life insurance 17,589 17, Foreclosed real estate 896 7 Premises and equipment, net 6,936 7, Restricted investments 507 507 Other assets 3,988 3, Total Assets \$522,338 \$502, LIABILITIES AND STOCKHOLDERS' EQUITY **** ***** Liabilities **** ***** Deposits: **** ***** Demand deposits (non-interest bearing) \$117,534 \$114, NOW and super NOW accounts 92,888 79, Savings and insured money market deposits 156,264 148, Time deposits 79, Savings and insured money market deposits 156,264 148, Time deposits 454,295 433, 433, 443, 444, 444, 444, 444, 444,			80,018
Loans, net of allowance for loan losses of \$3,587 at March 31, 2018 and \$3,526 at December 31, 2017 293,527 286, Accrued interest receivable 1,904 1, 1,94 1,94 1,94 1,94 1,94 1,94 1,94 1,94 1,94 1,94 1,94 1,94 1,94 1,94 1,94 1,94 1,94 1,94 1,94 1,94 1,94 1,94 1,94 1,94 1,94 1,94 1,75 1,75 1,75 1,75 1,75 1,75 1,75 1,75 1,75 1,75 1,75 1,75 1,75 1,75 1,75 1,75 1,75 1,75 1,75 1,75 1,75 1,75 1,75 1,75 1,75 1,75 1,75 1,75 1,75 1,75 1,75 1,75 1,75 1,75 1,75 1,75 1,75 1,75 1,75 1,75 1,75 1,75 1,75 1,75 1,75 1,75 1,75 1,75 1,75 1,75 1,75 1,75 1,75 1,75 1,75 1,75 1	Securities held to maturity, fair value of \$31,850 at		
March 31, 2018 and \$3,526 at December 31, 2017 293,527 286, Accrued interest receivable 1,904 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1	March 31, 2018 and \$30,909 at December 31, 2017	31,927	30,450
March 31, 2018 and \$3,526 at December 31, 2017 293,527 286, Accrued interest receivable 1,904 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1	Loans, net of allowance for loan losses of \$3,587 at		
Bank-owned life insurance 17,589 17, 500 Foreclosed real estate 896 7, 600 Premises and equipment, net 6,936 7, 600 Restricted investments 507 500 Other assets 3,988 3, 388 3, 388 3, 388 3, 388 3, 388 502, 300 LIABILITIES AND STOCKHOLDERS' EQUITY Liabilities Deposits Demand deposits (non-interest bearing) \$ 117,534 \$ 114, 800 19, 800 91, 800 79, 800 91, 800 91, 800 91, 800 91, 800 91, 800 91, 800 91, 800 91, 800 91, 800 91, 91, 800 91, 91, 91, 91, 900 91, 91, 91, 91, 900 91, 91, 91, 91, 900 91, 91, 91, 91, 900 91, 91, 91, 91, 900 91, 91, 91, 91, 900 91, 91, 91, 91, 900 91, 91, 91, 91, 900 91, 91, 91, 91, 900 91, 91, 91, 91, 900 91, 91, 91, 91, 900 91, 91, 91, 91, 900 91, 91, 91, 91, 900 91, 91, 91, 91, 900 91, 91, 91, 91, 900 91, 91, 91, 900 91, 91, 91, 900 91, 91, 91, 900 91, 91, 900 91, 91, 900 91, 91, 900 91		293,527	286,800
Foreclosed real estate 896 Premises and equipment, net 6,936 7, Restricted investments 507 70 Other assets 3,988 3, Total Assets \$522,338 \$502 LIABILITIES AND STOCKHOLDERS' EQUITY Liabilities Deposits: Demand deposits (non-interest bearing) 117,534 \$ 114, NOW and super NOW accounts \$2,888 79, Savings and insured money market deposits 156,264 148, Time deposits \$7,609 91, Total Deposits \$6,00 91, Total Deposits \$6,00 91, Total Deposits \$6,00 91, Total Deposits \$6,00 91, Total Liabilities \$6,00 91, Total Liabilities \$6,00 91, Total Liabilities \$6,00 \$6,00 \$6,00 \$6,00 \$6,00 \$6,00 \$6,00 \$6,00 \$6,00 \$6,00 \$6,00 \$6,00 \$6,00 \$6,00 \$6,00 \$6,00 \$6,00 \$6,00 \$6,00 \$6,00 \$6,00 \$6,00 \$6,00 \$6,00 \$6,00 \$6,00 \$6,00	Accrued interest receivable	1,904	1,682
Premises and equipment, net 6,936 7, Restricted investments 5,077 Other assets 3,988 3,988 3,988 3,988 3,988 3,988 3,982 5,022 3,988 5,022 3,988 5,022 3,022 5,022 5,022 3,022 5,022 5,022 3,022 5,022 3,022 5,022 3,022 5,022 3,022 5,022 3,022 5,022 3,022 5,022 3,022 5,022 3,022 5,022 3,022 5,022 3,022 5,022 3,022 5,022 3,022 5,022 3,022 5,022 3,022 5,022 3,022 3,022 3,022 3,022 3,022 3,022 3,022 3,022 3,022 3,022 3,022 3,022 3,022 3,022 3,022 3,022 3,022 3,022 3,022 3,022 3,022 3,022 3,022 3,022 3,022 3,022 3,022 3,022 3,022 3,022 3,022 3,022 3,022 3,022	Bank-owned life insurance	17,589	17,506
Restricted investments 507 Other assets 3,988 3, Total Assets \$ 522,338 \$ 502. LIABILITIES AND STOCKHOLDERS' EQUITY Substitution Substitution Liabilities Demand deposits (non-interest bearing) \$ 117,534 \$ 114, NOW and super NOW accounts 92,888 79, Savings and insured money market deposits 156,264 148, Time deposits 145,295 91, Total Deposits 91, Total Deposits 454,295 433, Time deposits 454,295 433, Time deposits 454,295 433, Time deposits 6, Total Liabilities 5,081 6, Time deposits 7, Time deposi	Foreclosed real estate	896	948
Other assets 3,988 3, Total Assets \$ 522,338 \$ 502 LIABILITIES AND STOCKHOLDERS' EQUITY Liabilities Deposits: Demand deposits (non-interest bearing) \$ 117,534 \$ 114, NOW and super NOW accounts 92,888 79, Savings and insured money market deposits 156,264 148, Time deposits 145,295 433, 433, 433, 443, 444,295 454,295 433, 433, 433, 444,295 454,295 433, 433, 433, 444,295 459,376 6, 6, 6, 6, 6, 6, 6, 6, 6, 6, 6, 6, 6, 6	Premises and equipment, net	6,936	7,079
Total Assets \$52,338 \$502	Restricted investments	507	507
LIABILITIES AND STOCKHOLDERS' EQUITY Liabilities 3 Deposits: 117,534 \$ 114, NOW and super NOW accounts 92,888 79, Savings and insured money market deposits 156,264 148, Time deposits 87,609 91, Total Deposits 454,295 433, Other liabilities 5,081 6, Total Liabilities 6, Total Liabilities 459,376 439, 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, Paid-in capital 6,483 6, 483 6, 483 6, 483 6, 483 6, 483 6, 483 6, 483 6, 483 6, 483 6, 483 6, 483 6, 483 6, 483 6, 483 6, 483 6, 483 6, 483 6, 483 6, 483 6, 483 6, 483 6, 483 6, 483 6, 483 6, 483 6, 483 6, 483 6, 483 6, 483 6, 483 6, 483 6, 483 6, 483 6, 483 6, 483 6, 483 6, 483 6, 483 6, 483 6, 483 6, 483 6, 483 6, 483	Other assets	3,988	3,630
Liabilities Deposits: \$ 117,534 \$ 114, NOW and super NOW accounts \$ 2,888 79, 32,888 79, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,893 97, 32,8	Total Assets	<u>\$ 522,338</u>	<u>\$ 502,057</u>
Demand deposits (non-interest bearing) \$ 117,534 \$ 114, NOW and super NOW accounts 92,888 79, Savings and insured money market deposits 156,264 148, Time deposits 87,609 91, Total Deposits 454,295 433, 433, 433, 454,295 459,376 439, 433, 439, 459,376 439, 439, 439, 439, 439, 439, 439, 439,	Liabilities		
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Time deposits 87,609 91, Total Deposits 454,295 433, Other liabilities 5,081 6, Total Liabilities 459,376 439, 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, Paid-in capital 6,483 6, Treasury stock, at cost; 533,281 shares (4,965) (4, Retained earnings 62,489 61, Accumulated other comprehensive loss (3,429) (3, Total Stockholders' Equity 62,962 62,		· · · · · · · · · · · · · · · · · · ·	148,758
Total Deposits 454,295 433, Other liabilities 5,081 6, Total Liabilities 459,376 439, 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, Paid-in capital 6,483 6, Treasury stock, at cost; 533,281 shares (4,965) (4, Retained earnings 62,489 61, Accumulated other comprehensive loss (3,429) (3, Total Stockholders' Equity 62,962 62,			91,058
Total Liabilities 459,376 439, 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, Paid-in capital 6,483 6, Treasury stock, at cost; 533,281 shares (4,965) (4, Retained earnings 62,489 61, Accumulated other comprehensive loss (3,429) (3, Total Stockholders' Equity 62,962 62,	·	454,295	433,662
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, Paid-in capital 6,483 6, Treasury stock, at cost; 533,281 shares (4,965) (4, Retained earnings 62,489 61, Accumulated other comprehensive loss (3,429) (3, Total Stockholders' Equity 62,962 62,	Other liabilities	5,081	6,016
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, Paid-in capital 6,483 6, Treasury stock, at cost; 533,281 shares (4,965) (4, Retained earnings 62,489 61, Accumulated other comprehensive loss (3,429) (3, Total Stockholders' Equity 62,962 62,	Total Liabilities	459,376	439,678
authorized, 4,767,786 shares issued with 4,234,505 outstanding 2,384 2, Paid-in capital 6,483 6, Treasury stock, at cost; 533,281 shares (4,965) (4, Retained earnings 62,489 61, Accumulated other comprehensive loss (3,429) (3, Total Stockholders' Equity 62,962 62,	Series A preferred stock, no par value; 2,000,000 shares authorized, none issued	_	_
Paid-in capital 6,483 6, Treasury stock, at cost; 533,281 shares (4,965) (4, Retained earnings 62,489 61, Accumulated other comprehensive loss (3,429) (3, Total Stockholders' Equity 62,962 62,		2.384	2,384
Treasury stock, at cost; 533,281 shares (4,965) (4, Retained earnings 62,489 61, Accumulated other comprehensive loss (3,429) (3, Total Stockholders' Equity 62,962 62,			6,483
Retained earnings 62,489 61, Accumulated other comprehensive loss (3,429) (3, Total Stockholders' Equity 62,962 62,			(4,965)
Accumulated other comprehensive loss (3,429) (3, Total Stockholders' Equity 62,962 62,		· · · /	61,563
Total Stockholders' Equity 62,962 62,			(3,086)
· ·	·		62,379
Total Liabilities and Stockholders Equity <u>\$ 522,338</u> <u>\$ 502,</u>	• •	<u> </u>	
	Total Liabilities and Stockholders Equity	<u>a 522,338</u>	<u>a 302,037</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 March 31,	2018		2017
Interest and Dividend Income			
Loan interest and fees	\$ 3,788	\$	3,813
Securities:			
Taxable	266		236
Tax-exempt	533		608
Other interest and dividend income	284		83
Total Interest and Dividend Income	4,871		4,740
Interest Expense on Deposits	195		207
Net interest income	4,676		4,533
Provision (credit) for loan losses	<u></u>		(300)
Net Interest Income after Provision for Loan Losses	4,676		4,833
Non-Interest Income			
Service charges	298		271
Fee income	335		316
Earnings on bank-owned life insurance	84		89
Net gain (loss) on sales of securities	25		_
Other non-interest income	30		69
Total Non-Interest Income	772		745
Non-Interest Expense			
Salaries and employee benefits	2,186		2,174
Occupancy and equipment expenses	466		492
Foreclosed real estate expense, net	27		45
Other non-interest expenses	904		1,054
Total Non-Interest Expenses	3,584		3,765
Income before income tax expense	1,865		1,813
Income tax expense	303		412
Net Income	<u>\$ 1,562</u>	<u>\$</u>	1,401
Basic earnings per common share	<u>\$ 0.37</u>	\$	0.33
Average common shares outstanding	<u>4,235</u>		4,235
Cash dividends declared per share	<u>\$ 0.15</u>	\$	0.14

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