

JEFFERSONVILLE BANCORP

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Press Release

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Company Press Release

Jeffersonville Bancorp Announces First Quarter Earnings of \$1,046,000 or \$0.25 per share; Declares Dividend of \$0.15

JEFFERSONVILLE, N.Y., May 12, 2020 (PRIME NEWSWIRE) -- Jeffersonville Bancorp, Inc. (OTCQB - JFBC) announced today first quarter net income of \$1,046,000 or \$0.25 per share compared to \$1,676,000 or \$0.40 per share for the same quarter in 2019. The decrease in quarterly net income compared to 2019 of \$630,000 was primarily attributable to a decrease in interest income of \$304,000, an increase in unrealized losses on equity securities of \$247,000, and an increase in the provision for loan losses of \$150,000, partially offset by a decrease in tax expense of \$154,000.

"The Company was impacted, as most financial institutions were, by the dramatic drop in interest rates as the Federal Reserve responded to the Covid-19 pandemic. The 150 basis point reduction in rates caused variable rate loans to reprice lower and interest on excess cash reserves at the Federal Reserve Bank dropped to near zero. Fortunately, the Company has a very strong liquidity and capital profile that will help us weather the unprecedented economic conditions caused by the pandemic," 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 May 12, 2020 meeting of the Board of Directors. The dividend is payable on June 2, 2020 to stockholders of record at the close of business on May 26, 2020.

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	March 31, 2020	December 31, 2019
ASSETS		
Cash and cash equivalents	\$ 66,545	\$ 72,886
Securities available for sale, at fair value	130,506	92,845
Equity securities held at fair value	1,046	1,283
Securities held to maturity, fair value of \$7,505 at March 31, 2020 and \$7,828 at December 31, 2019	7,278	7,437
Loans, net of allowance for loan losses of \$3,748 at March 31, 2020 and \$3,503 at December 31, 2019	301,916	305,023
Accrued interest receivable	2,107	1,593
Bank-owned life insurance	18,751	18,680
Foreclosed real estate	754	786
Premises and equipment, net	7,116	7,181
Restricted investments	494	535
Other assets	3,429	3,349
Total Assets	<u>\$ 539,942</u>	<u>\$ 511,598</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities		
Deposits:		
Demand deposits (non-interest bearing)	\$ 123,289	\$ 117,828
NOW and super NOW accounts	107,366	88,381
Savings and insured money market deposits	169,895	164,765
Time deposits	63,301	64,246
Total Deposits	463,851	435,220
Other liabilities	6,133	6,189
Total Liabilities	<u>469,984</u>	<u>441,409</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	69,023	68,612
Accumulated other comprehensive loss	(2,967)	(2,325)
Total Stockholders' Equity	<u>69,958</u>	<u>70,189</u>
Total Liabilities and Stockholders' Equity	<u>\$ 539,942</u>	<u>\$ 511,598</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,	2020	2019
Interest and Dividend Income		
Loan interest and fees	\$ 3,959	\$ 4,161
Securities:		
Taxable	416	360
Tax-exempt	393	476
Other interest and dividend income	258	333
Total Interest and Dividend Income	5,026	5,330
Interest Expense on Deposits	175	182
Net interest income	4,851	5,148
Provision for loan losses	250	100
Net Interest Income after Provision for Loan Losses	4,601	5,048
Non-Interest Income		
Service charges	263	269
Fee income	367	338
Earnings on bank-owned life insurance	71	84
Unrealized (loss) gain on equity securities	(237)	10
Other non-interest income	37	57
Total Non-Interest Income	501	758
Non-Interest Expense		
Salaries and employee benefits	2,396	2,263
Occupancy and equipment expenses	468	485
Foreclosed real estate expense, net	5	75
Other non-interest expenses	1,008	974
Total Non-Interest Expenses	3,877	3,797
Income before income tax expense	1,225	2,009
Income tax expense	179	333
Net Income	\$ 1,046	\$ 1,676
Basic earnings per common share	\$ 0.25	\$ 0.40
Average common shares outstanding	4,235	4,235
Cash dividends declared per share	\$ 0.15	\$ 0.15

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