

# JEFFERSONVILLE BANCORP

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## Press Release

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For Release  
August 11, 2020

### Company Press Release

#### **Jeffersonville Bancorp Announces Second Quarter Earnings of \$1,264,000 or \$0.30 per share and Year to Date Earnings of \$2,310,000 or \$0.55 per share; Declares Dividend of \$0.15**

JEFFERSONVILLE, N.Y., August 11, 2020 (PRIME NEWSWIRE) -- Jeffersonville Bancorp, Inc. (OTCQB - JFBC) announced today second quarter net income of \$1,264,000 or \$0.30 per share compared to \$2,086,000 or \$0.49 per share for the same quarter in 2019. The decrease in quarterly net income compared to 2019 of \$822,000 was primarily attributable to a decrease in interest income of \$836,000, a decrease in total non-interest income of \$185,000 and an increase in the provision for loan losses of \$150,000, partially offset by a decrease in income tax expense of \$242,000 and a decrease in total non-interest expense of \$97,000 compared to the same period in 2019.

Year to date net income as of June 30, 2020 was \$2,310,000 or \$0.55 per share compared to \$3,762,000 or \$0.89 per share for the same period in 2019. The decrease in year to date net income compared to 2019 of \$1,452,000 was primarily attributable to a decrease in interest income of \$1,140,000, a decrease in total non-interest income of \$442,000 and an increase in the provision for loan losses of \$300,000, partially offset by a decrease in income tax expense of \$396,000 compared to the same period in 2019.

"The Company's performance has continued to be impacted by the Covid-19 pandemic as our variable rate loans and securities continued to reprice lower and interest on excess reserves at the Federal Reserve are at near zero. In addition, fee income has dropped due to lower economic activity and waiving of fees for those customers impacted by the pandemic. Uncertainty surrounding the resumption of more normal business activity has also led to higher loan loss provisions. We are fortunate that our strong core business has allowed us to remain profitable and add to our already strong levels of capital. We also remain highly liquid, which will allow us to take advantage of competitive opportunities as they arise," 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 August 11, 2020 meeting of the Board of Directors. The dividend is payable on September 1, 2020 to stockholders of record at the close of business on August 24, 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	June 30, 2020	December 31, 2019
<b>ASSETS</b>		
Cash and cash equivalents	\$ 94,711	\$ 72,886
Securities available for sale, at fair value	146,472	92,845
Equity securities held at fair value	999	1,283
Securities held to maturity, fair value of \$7,326 at June 30, 2020 and \$7,828 at December 31, 2019	6,962	7,437
Loans, net of allowance for loan losses of \$4,004 at June 30, 2020 and \$3,503 at December 31, 2019	305,534	305,023
Accrued interest receivable	2,679	1,593
Bank-owned life insurance	18,841	18,680
Foreclosed real estate	754	786
Premises and equipment, net	6,980	7,181
Restricted investments	501	535
Other assets	2,621	3,349
Total Assets	<u>\$ 587,054</u>	<u>\$ 511,598</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Liabilities		
Deposits:		
Demand deposits (non-interest bearing)	\$ 158,513	\$ 117,828
NOW and super NOW accounts	100,995	88,381
Savings and insured money market deposits	185,401	164,765
Time deposits	62,944	64,246
Total Deposits	507,853	435,220
Other liabilities	6,629	6,189
Total Liabilities	<u>514,482</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	69,652	68,612
Accumulated other comprehensive loss	(982)	(2,325)
Total Stockholders' Equity	<u>72,572</u>	<u>70,189</u>
Total Liabilities and Stockholders' Equity	<u>\$ 587,054</u>	<u>\$ 511,598</u>

This does not represent complete financial statements. Complete financial statements may be found at [www.jeffbank.com](http://www.jeffbank.com)

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

For the Three Months Ended June 30,	2020	2019
<b>Interest and Dividend Income</b>		
Loan interest and fees	\$ 3,750	\$ 4,384
Securities:		
Taxable	489	294
Tax-exempt	467	455
Other interest and dividend income	37	446
Total Interest and Dividend Income	4,743	5,579
<b>Interest Expense on Deposits</b>	167	177
Net interest income	4,576	5,402
Provision for loan losses	250	100
Net Interest Income after Provision for Loan Losses	4,326	5,302
<b>Non-Interest Income</b>		
Service charges	154	273
Fee income	407	396
Earnings on bank-owned life insurance	90	87
Net gain on sales of securities	64	4
Unrealized loss on equity securities	(46)	—
Other non-interest income	64	158
Total Non-Interest Income	733	918
<b>Non-Interest Expense</b>		
Salaries and employee benefits	2,308	2,254
Occupancy and equipment expenses	413	375
Foreclosed real estate expense, net	2	21
Other non-interest expenses	864	1,034
Total Non-Interest Expenses	3,587	3,684
Income before income tax expense	1,472	2,536
Income tax expense	208	450
Net Income	\$ 1,264	\$ 2,086
Basic earnings per common share	\$ 0.30	\$ 0.49
Average common shares outstanding	4,235	4,235
Cash dividends declared per share	\$ 0.15	\$ 0.15

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

<b>For the Six Months Ended June 30,</b>	<b>2020</b>	<b>2019</b>
<b>Interest and Dividend Income</b>		
Loan interest and fees	\$ 7,709	\$ 8,545
Securities:		
Taxable	905	654
Tax-exempt	860	931
Other interest and dividend income	295	779
Total Interest and Dividend Income	<u>9,769</u>	<u>10,909</u>
<b>Interest Expense on Deposits</b>		
	<u>342</u>	<u>359</u>
Net interest income	9,427	10,550
Provision for loan losses	500	200
Net Interest Income after Provision for Loan Losses	<u>8,927</u>	<u>10,350</u>
<b>Non-Interest Income</b>		
Service charges	417	542
Fee income	774	734
Earnings on bank-owned life insurance	161	171
Net gain on securities	64	14
Unrealized loss on equity securities	(283)	—
Other non-interest income	101	215
Total Non-Interest Income	<u>1,234</u>	<u>1,676</u>
<b>Non-Interest Expense</b>		
Salaries and employee benefits	4,704	4,517
Occupancy and equipment expenses	881	860
Foreclosed real estate expense, net	7	96
Other non-interest expenses	1,872	2,008
Total Non-Interest Expenses	<u>7,464</u>	<u>7,481</u>
Income before income tax expense	2,697	4,545
Income tax expense	387	783
Net Income	<u>\$ 2,310</u>	<u>\$ 3,762</u>
Basic earnings per common share	<u>\$ 0.55</u>	<u>\$ 0.89</u>
Average common shares outstanding	<u>4,235</u>	<u>4,235</u>
Cash dividends declared per share	<u>\$ 0.30</u>	<u>\$ 0.30</u>

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