

JEFFERSONVILLE BANCORP

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Press Release

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Company Press Release

Jeffersonville Bancorp Announces Second Quarter Earnings of \$3,196,000 or \$0.75 per share and Year to Date Earnings of \$5,856,000 or \$1.38 per share; Declares Dividend of \$0.15

JEFFERSONVILLE, N.Y., August 8, 2023 (PRIME NEWSWIRE) -- Jeffersonville Bancorp, Inc. (OTCQB - JFBC) announced today second quarter net income of \$3,196,000 or \$0.75 per share compared to \$2,031,000 or \$0.48 per share for the same quarter in 2022. The increase in quarterly net income compared to 2022 of \$1,165,000 was primarily attributable to an increase in securities and other interest and dividends of \$1,078,000, an increase in loan interest and fees of \$818,000, and a reverse provision for loan losses of \$439,000, partially offset by an increase in interest expense of \$470,000, an increase in tax expense of \$418,000, and an increase in total non-interest expense of \$225,000.

Year to date net income as of June 30, 2023 was \$5,856,000 or \$1.38 per share compared to \$3,821,000 or \$0.90 per share for the same period in 2022. The increase in year-to-date net income compared to 2022 of \$2,035,000 was primarily attributable to an increase in securities and other interest and dividends of \$2,313,000, an increase in loan interest and fees of \$1,427,000, and a reverse provision for loan losses of \$620,000, partially offset by an increase in realized losses on securities of \$778,000, an increase in income tax expense of \$722,000, a decrease in unrealized gains on securities of \$253,000, and an increase in total non-interest expense of \$380,000 compared to the same period in 2022.

"Higher rates on loans, securities, and balances held at the Federal Reserve Bank continued to contribute to higher net interest income in the second quarter," said George W. Kinne, Jr., President and CEO, "While our deposit interest expense has increased, and will likely continue to do so as the Federal Reserve is signaling higher rates for longer, we have been fortunate to maintain a stable deposit base and liquidity position in the face of intense competition."

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 8, 2023 meeting of the Board of Directors. The dividend is payable on September 1, 2023 to stockholders of record at the close of business on August 22, 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	June 30, 2023	December 31, 2022
ASSETS		
Cash and cash equivalents	\$ 88,532	\$ 75,750
Securities available for sale, at fair value	223,410	243,736
Equity securities held at fair value	1,036	1,682
Securities held to maturity, fair value of \$7,487 at June 30, 2023 and \$8,091 at December 31, 2022	7,579	8,196
Loans, net of allowance for loan losses of \$4,039 at June 30, 2023 and \$4,570 at December 31, 2022	326,281	320,177
Accrued interest receivable	2,976	2,985
Bank-owned life insurance	20,153	20,005
Foreclosed real estate	492	492
Premises and equipment, net	5,456	5,562
Restricted investments	506	483
Other assets	14,080	12,959
Total Assets	\$ 690,501	\$ 693,027
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities		
Deposits:		
Demand deposits (non-interest bearing)	\$ 190,378	\$ 194,258
NOW and super NOW accounts	118,146	124,671
Savings and insured money market deposits	210,405	236,890
Time deposits	92,364	61,113
Total Deposits	611,293	616,932
Other liabilities	6,919	9,314
Total Liabilities	618,212	624,246
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	85,006	81,048
Accumulated other comprehensive (loss) gain	(16,619)	(16,169)
Total Stockholders' Equity	72,289	68,781
Total Liabilities and Stockholders' Equity	\$ 690,501	\$ 693,027

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 June 30,	2022	2022
Interest and Dividend Income		
Loan interest and fees	\$ 4,333	\$ 3,515
Securities:		
Taxable	1,226	945
Tax-exempt	666	655
Other interest and dividend income	<u>1,080</u>	<u>294</u>
Total Interest and Dividend Income	7,305	5,409
Interest Expense on Deposits		
	<u>556</u>	<u>86</u>
Net interest income	6,749	5,323
Provision for loan losses	<u>(439)</u>	<u>—</u>
Net Interest Income after Provision for Loan Losses	<u>7,188</u>	<u>5,323</u>
Non-Interest Income		
Service charges	226	246
Fee income	482	487
Earnings on bank-owned life insurance	76	76
Net gain (loss) on sale of securities	2	(5)
Unrealized loss on equity securities	(130)	(74)
Other non-interest income	<u>91</u>	<u>74</u>
Total Non-Interest Income	<u>747</u>	<u>804</u>
Non-Interest Expense		
Salaries and employee benefits	2,330	2,247
Occupancy and equipment expenses	398	441
Foreclosed real estate expense, net	—	—
Other non-interest expenses	<u>1,143</u>	<u>958</u>
Total Non-Interest Expenses	<u>3,871</u>	<u>3,646</u>
Income before income tax expense	4,064	2,481
Income tax expense	<u>868</u>	<u>450</u>
Net Income	<u>\$ 3,196</u>	<u>\$ 2,031</u>
Basic earnings per common share	<u>\$ 0.75</u>	<u>\$ 0.48</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 Six Months Ended June 30,	2023	2022
Interest and Dividend Income		
Loan interest and fees	\$ 8,558	\$ 7,131
Securities:		
Taxable	2,466	1,644
Tax-exempt	1,334	1,301
Other interest and dividend income	<u>1,850</u>	<u>392</u>
Total Interest and Dividend Income	<u>14,208</u>	<u>10,468</u>
Interest Expense on Deposits	<u>717</u>	<u>169</u>
Net interest income	13,491	10,299
Provision for loan losses	<u>(620)</u>	<u>—</u>
Net Interest Income after Provision for Loan Losses	<u>14,111</u>	<u>10,299</u>
Non-Interest Income		
Service charges	464	477
Fee income	929	925
Earnings on bank-owned life insurance	148	151
Net loss on securities	(783)	(5)
Unrealized (loss) gain on equity securities	(203)	50
Other non-interest income	<u>486</u>	<u>118</u>
Total Non-Interest Income	<u>1,041</u>	<u>1,716</u>
Non-Interest Expense		
Salaries and employee benefits	4,780	4,605
Occupancy and equipment expenses	834	885
Foreclosed real estate expense, net	10	(70)
Other non-interest expenses	<u>2,128</u>	<u>1,952</u>
Total Non-Interest Expenses	<u>7,752</u>	<u>7,372</u>
Income before income tax expense	7,400	4,643
Income tax expense	<u>1,544</u>	<u>822</u>
Net Income	<u>\$ 5,856</u>	<u>\$ 3,821</u>
Basic earnings per common share	<u>\$ 1.38</u>	<u>\$ 0.90</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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