

# Madison County Financial, Inc.

## Reports First Quarter 2020 Financial Results

MADISON, Nebraska, April 28, 2020. Madison County Financial, Inc. (OTC Pink: MCBK) (“Company”), the parent holding company of Madison County Bank (“Bank”), today announced its results of operations for the three months ended March 31, 2020 and 2019.

The Company's net income for the three months ended March 31, 2020 was \$1.5 million or \$0.56 per diluted share, compared to net income of \$1.2 million or \$0.46 per diluted share for the same period in 2019.

Total assets decreased \$8.8 million to \$420.7 million at March 31, 2020, compared to \$429.5 million at December 31, 2019, resulting primarily from decreases in investment securities held to maturity, investment securities available for sale and interest receivable, offset by increases in cash and cash equivalents and premises and equipment.

As of March 31, 2020, there were 2,729,886 issued and outstanding shares of common stock, par value \$0.01 per share, and at April 27, 2020, there were 2,718,786 issued and outstanding shares of common stock. The Bank was considered well-capitalized under applicable federal regulatory capital guidelines at March 31, 2020.

This release may contain forward-looking statements within the meaning of the federal securities laws. These statements are not historical facts; rather, they are statements based on the Company's current expectations regarding its business strategies and their intended results and its future performance. Forward-looking statements are preceded by terms such as "expects", "believes", "anticipates", "intends" and similar expressions.

Forward-looking statements are not guarantees of future performance. Numerous risks and uncertainties could cause or contribute to the Company's actual results, performance and achievements to be materially different from those expressed or implied by the forward-looking statements. Factors that may cause or contribute to these differences include, without limitation, general economic conditions, including changes in market interest rates and changes in monetary and fiscal policies of the federal government, legislative and regulatory changes.

Because of the risks and uncertainties inherent in forward-looking statements, readers are cautioned not to place undue reliance on them, whether included in this report or made elsewhere from time to time by the Company or on its behalf. Except as may be required by applicable law or regulation, the Company assumes no obligation to update any forward-looking statements.

MADISON COUNTY FINANCIAL, INC.  
CONSOLIDATED FINANCIAL HIGHLIGHTS  
(Dollars in Thousands, Except Per Share Data)

	Three Months Ended March 31,	
	2020	2019
	(Unaudited)	
<b>Operating Data:</b>		
Total interest income	\$ 4,694	\$ 4,475
Total interest expense	1,048	1,489
Net interest income	3,646	2,986
Provision for loan losses	100	-
Net interest income after provision for loan losses	3,546	2,986
Total non-interest income	724	601
Total non-interest expense	2,486	2,105
Income before income taxes	1,784	1,482
Income tax expense	299	234
Net income	\$ 1,485	\$ 1,248
<b>Per Share Information:</b>		
Net income per share, basic	\$ 0.58	\$ 0.48
Average common shares outstanding, basic	2,555,842	2,582,412
Net income per share, diluted	\$ 0.56	\$ 0.46
Average common shares outstanding, diluted	2,654,317	2,675,547
Basic tangible book value per share	\$ 27.98	\$ 26.10
<b>Performance ratios (annualized for 3 month period):</b>		
Return on average assets	1.42%	1.25%
Return on average equity	7.66%	6.86%
Efficiency ratio	56.89%	58.68%
Interest rate spread	3.35%	2.65%
Net interest margin	3.67%	3.10%

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	March 31, 2020	December 31, 2019
(Unaudited)		
<b>Financial Condition Data:</b>		
Total assets	\$ 420,738	\$ 429,463
Securities, including FHLB and FRB Stock	68,401	74,145
Loans held for sale	360	217
Loans receivable, net of allowance for losses of \$9,826 and \$9,726, respectively	318,665	319,449
Deposits	291,378	293,298
Borrowings	43,600	52,800
Total liabilities	342,355	352,340
Stockholders' equity	78,383	77,123
 <b>Balance Sheet Ratios:</b>		
Securities, including FHLB and FRB Stock, as a percent of total assets	16.26%	17.26%
Tangible common equity as a percent of tangible assets	18.24%	17.57%
 <b>Asset Quality Data:</b>		
Nonaccrual loans	\$ 1,360	\$ 2,147
Accruing loans past due 90 days or more	214	-
 <b>Asset Quality Ratios:</b>		
Nonperforming assets as a percent of total assets	0.37%	0.50%
Nonperforming loans as a percent of total assets	0.37%	0.50%
Nonperforming loans as a percent of total loans	0.48%	0.65%
Net chargeoffs as a percent of average loans	0.00%	0.00%
Allowance for loan losses as a percent of total loans	2.99%	2.95%
Allowance for loan losses as a percent of nonperforming loans	624.27%	453.00%
 <b>Regulatory Capital ratios (Bank only):</b>		
Total capital (to risk-weighted assets)	20.12%	20.27%
Tier 1 capital (to risk-weighted assets)	18.85%	19.01%
Tier 1 capital (to average assets)	17.53%	17.19%
Common Equity Tier 1 capital	18.85%	19.01%

SOURCE: Madison County Financial, Inc.