

Madison County Financial, Inc.

Reports 2021 and 2020 Financial Results

MADISON, Nebraska, March 8, 2022. 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 and years ended December 31, 2021 and 2020.

The Company's net income for the three months ended December 31, 2021 was \$1.2 million or \$0.45 per diluted share, compared to net income of \$1.6 million or \$0.60 per diluted share for the same period in 2020. The Company's net income for the year ended December 31, 2021 was \$7.4 million or \$2.80 per diluted share, compared to net income of \$6.7 million or \$2.55 per diluted share for the same period in 2020.

Total assets increased \$82.4 million to \$532.7 million at December 31, 2021, compared to \$450.3 million at December 31, 2020, resulting from increases in cash and cash equivalents, investment securities classified as available for sale, investment securities classified as held to maturity, and net loans, offset in part by a decrease in Federal Home Loan Bank stock. Federal Reserve Bank stock and Federal Home Loan Bank stock are required investments for institutions that are members of the Federal Reserve Bank and Federal Home Loan Bank systems. The required investment in the common stock is based on a predetermined formula, carried at cost and evaluated for impairment.

As of December 31, 2021, there were 2,678,898 issued and outstanding shares of common stock, par value \$0.01 per share, and at March 7, 2022, there were 2,692,476 issued and outstanding shares of common stock. The Bank was considered well-capitalized under applicable federal regulatory capital guidelines at December 31, 2021.

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 December 31,		Years Ended December 31,	
	2021	2020	2021	2020
	(Unaudited)			
Operating Data:				
Total interest income	\$ 4,441	\$ 4,443	\$ 18,445	\$ 17,967
Total interest expense	825	675	3,018	3,089
Net interest income	3,616	3,768	15,427	14,878
Provision for loan losses	-	(245)	(700)	5
Net interest income after provision for loan losses	3,616	4,013	16,127	14,873
Total non-interest income	769	841	3,425	3,723
Total non-interest expense	3,005	2,978	10,667	10,452
Income before income taxes	1,380	1,876	8,885	8,144
Income tax expense	189	303	1,473	1,408
Net income	\$ 1,191	\$ 1,573	\$ 7,412	\$ 6,736
Per Share Information:				
Net income per share, basic	\$ 0.47	\$ 0.62	\$ 2.94	\$ 2.65
Average common shares outstanding, basic	2,518,499	2,512,025	2,512,706	2,530,469
Net income per share, diluted	\$ 0.45	\$ 0.60	\$ 2.80	\$ 2.55
Average common shares outstanding, diluted	2,647,908	2,621,624	2,641,494	2,631,062
Basic tangible book value per share	\$ 31.88	\$ 29.61	\$ 31.88	\$ 29.61
Performance ratios (annualized for 3 month and 12 month periods):				
Return on average assets	0.90%	1.44%	1.51%	1.57%
Return on average equity	5.45%	7.76%	8.78%	8.50%
Efficiency ratio	68.53%	64.61%	56.58%	56.19%
Interest rate spread	2.67%	3.42%	3.11%	3.43%
Net interest margin	2.86%	3.63%	3.31%	3.67%

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	December 31, 2021	December 31, 2020
(Unaudited)		
Financial Condition Data:		
Total assets	\$ 532,716	\$ 450,339
Securities, including FHLB and FRB Stock	110,496	78,652
Loans held for sale	-	299
Loans receivable, net of allowance for losses of \$9,031 and \$9,731, respectively	365,448	334,499
Deposits	413,309	322,379
Borrowings	20,700	34,900
Total liabilities	445,486	368,812
Stockholders' equity	87,230	81,527
Balance Sheet Ratios:		
Securities, including FHLB and FRB Stock, as a percent of total assets	20.74%	17.47%
Tangible common equity as a percent of tangible assets	16.09%	17.76%
Asset Quality Data:		
Nonaccrual loans	\$ 72	\$ 120
Accruing loans past due 90 days or more	4	-
Asset Quality Ratios:		
Nonperforming assets as a percent of total assets	0.01%	0.03%
Nonperforming loans as a percent of total assets	0.01%	0.03%
Nonperforming loans as a percent of total loans	0.02%	0.03%
Net chargeoffs as a percent of average loans	0.00%	0.00%
Allowance for loan losses as a percent of total loans	2.41%	2.83%
Allowance for loan losses as a percent of nonperforming loans	11882.89%	8109.17%
Regulatory Capital ratios (Bank only):		
Total capital (to risk-weighted assets)	19.06%	19.80%
Tier 1 capital (to risk-weighted assets)	17.80%	18.53%
Tier 1 capital (to average assets)	15.31%	17.67%
Common Equity Tier 1 capital	17.80%	18.53%

SOURCE: Madison County Financial, Inc.