

Madison County Financial, Inc.

Reports Third Quarter 2021 Financial Results

MADISON, Nebraska, November 3, 2021. 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 and nine months ended September 30, 2021 and 2020.

The Company's net income for the three months ended September 30, 2021 was \$2.0 million or \$0.75 per diluted share, compared to net income of \$1.5 million or \$0.57 per diluted share for the same period in 2020. The Company's net income for the nine months ended September 30, 2021 was \$6.2 million or \$2.35 per diluted share, compared to net income of \$5.2 million or \$1.95 per diluted share for the same period in 2020.

Total assets increased \$70.0 million to \$520.3 million at September 30, 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.

As of September 30, 2021, there were 2,675,098 issued and outstanding shares of common stock, par value \$0.01 per share, and at November 2, 2021 the number of issued and outstanding shares of common stock remained at 2,675,098. The Bank was considered well-capitalized under applicable federal regulatory capital guidelines at September 30, 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 September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
	(Unaudited)		(Unaudited)	
Operating Data:				
Total interest income	\$ 5,013	\$ 4,387	\$ 14,004	\$ 13,524
Total interest expense	785	684	2,193	2,414
Net interest income	4,228	3,703	11,811	11,110
Provision for loan losses	-	75	(700)	250
Net interest income after provision for loan losses	4,228	3,628	12,511	10,860
Total non-interest income	787	980	2,656	2,882
Total non-interest expense	2,608	2,799	7,662	7,474
Income before income taxes	2,407	1,809	7,505	6,268
Income tax expense	410	313	1,284	1,105
Net income	\$ 1,997	\$ 1,496	\$ 6,221	\$ 5,163
Per Share Information:				
Net income per share, basic	\$ 0.79	\$ 0.59	\$ 2.47	\$ 2.02
Average common shares outstanding, basic	2,513,093	2,519,781	2,510,771	2,536,674
Net income per share, diluted	\$ 0.75	\$ 0.57	\$ 2.35	\$ 1.95
Average common shares outstanding, diluted	2,649,324	2,627,462	2,639,352	2,636,164
Basic tangible book value per share	\$ 31.44	\$ 28.98	\$ 31.44	\$ 28.98
Performance ratios (annualized for 9 month period):				
Return on average assets	1.57%	1.38%	1.74%	1.62%
Return on average equity	9.30%	7.45%	9.94%	8.75%
Efficiency ratio	52.00%	59.77%	52.96%	53.42%
Interest rate spread	3.32%	3.40%	3.27%	3.43%
Net interest margin	3.51%	3.60%	3.47%	3.67%

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	September 30, 2021	December 31, 2020
(Unaudited)		
Financial Condition Data:		
Total assets	\$ 520,332	\$ 450,339
Securities, including FHLB and FRB Stock	102,768	78,652
Loans held for sale	148	299
Loans receivable, net of allowance for losses of \$9,031 and \$9,731, respectively	343,308	334,499
Deposits	403,662	322,379
Borrowings	20,700	34,900
Total liabilities	434,379	368,812
Stockholders' equity	85,953	81,527
 Balance Sheet Ratios:		
Securities, including FHLB and FRB Stock, as a percent of total assets	19.75%	17.47%
Tangible common equity as a percent of tangible assets	16.22%	17.76%
 Asset Quality Data:		
Nonaccrual loans	\$ 74	\$ 120
Accruing loans past due 90 days or more	-	-
 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	2.56%	2.83%
Allowance for loan losses as a percent of nonperforming loans	12204.05%	8109.17%
 Regulatory Capital ratios (Bank only):		
Total capital (to risk-weighted assets)	21.16%	19.80%
Tier 1 capital (to risk-weighted assets)	19.90%	18.53%
Tier 1 capital (to average assets)	16.75%	17.67%
Common Equity Tier 1 capital	19.90%	18.53%

SOURCE: Madison County Financial, Inc.