

Madison County Financial, Inc.

Reports Second Quarter 2021 Financial Results

MADISON, Nebraska, August 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 six months ended June 30, 2021 and 2020.

The Company's net income for the three months ended June 30, 2021 was \$2.1 million or \$0.79 per diluted share, compared to net income of \$2.2 million or \$0.83 per diluted share for the same period in 2020. The Company's net income for the six months ended June 30, 2021 was \$4.2 million or \$1.60 per diluted share, compared to net income of \$3.7 million or \$1.38 per diluted share for the same period in 2020.

Total assets increased \$41.0 million to \$491.3 million at June 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 June 30, 2021, there were 2,675,735 issued and outstanding shares of common stock, par value \$0.01 per share, and at August 2, 2021, the number of issued and outstanding shares of common stock remained at 2,675,735. The Bank was considered well-capitalized under applicable federal regulatory capital guidelines at June 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 June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
	(Unaudited)		(Unaudited)	
Operating Data:				
Total interest income	\$ 4,823	\$ 4,443	\$ 8,991	\$ 9,137
Total interest expense	726	682	1,408	1,730
Net interest income	4,097	3,761	7,583	7,407
Provision for loan losses	-	75	(700)	175
Net interest income after provision for loan losses	4,097	3,686	8,283	7,232
Total non-interest income	997	1,178	1,869	1,902
Total non-interest expense	2,574	2,189	5,054	4,675
Income before income taxes	2,520	2,675	5,098	4,459
Income tax expense	417	493	874	792
Net income	\$ 2,103	\$ 2,182	\$ 4,224	\$ 3,667
Per Share Information:				
Net income per share, basic	\$ 0.84	\$ 0.86	\$ 1.68	\$ 1.43
Average common shares outstanding, basic	2,511,017	2,534,588	2,509,622	2,545,215
Net income per share, diluted	\$ 0.79	\$ 0.83	\$ 1.60	\$ 1.38
Average common shares outstanding, diluted	2,642,888	2,626,815	2,634,377	2,640,611
Basic tangible book value per share	\$ 30.65	\$ 28.38	\$ 30.65	\$ 28.38
Performance ratios (annualized for 6 month period):				
Return on average assets	1.76%	2.06%	1.88%	1.74%
Return on average equity	10.11%	11.15%	10.35%	9.41%
Efficiency ratio	50.53%	44.32%	53.47%	50.22%
Interest rate spread	3.44%	3.58%	3.25%	3.56%
Net interest margin	3.64%	3.79%	3.45%	3.80%

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	June 30, 2021	December 31, 2020
(Unaudited)		
Financial Condition Data:		
Total assets	\$ 491,288	\$ 450,339
Securities, including FHLB and FRB Stock	92,529	78,652
Loans held for sale	-	299
Loans receivable, net of allowance for losses of \$9,031 and \$9,731, respectively	347,219	334,499
Deposits	375,455	322,379
Borrowings	20,700	34,900
Total liabilities	407,424	368,812
Stockholders' equity	83,864	81,527
Balance Sheet Ratios:		
Securities, including FHLB and FRB Stock, as a percent of total assets	18.83%	17.47%
Tangible common equity as a percent of tangible assets	16.75%	17.76%
Asset Quality Data:		
Nonaccrual loans	\$ 691	\$ 120
Accruing loans past due 90 days or more	-	-
Asset Quality Ratios:		
Nonperforming assets as a percent of total assets	0.14%	0.03%
Nonperforming loans as a percent of total assets	0.14%	0.03%
Nonperforming loans as a percent of total loans	0.19%	0.03%
Net chargeoffs as a percent of average loans	0.00%	0.00%
Allowance for loan losses as a percent of total loans	2.54%	2.83%
Allowance for loan losses as a percent of nonperforming loans	1306.95%	8109.17%
Regulatory Capital ratios (Bank only):		
Total capital (to risk-weighted assets)	20.16%	19.80%
Tier 1 capital (to risk-weighted assets)	18.90%	18.53%
Tier 1 capital (to average assets)	16.53%	17.67%
Common Equity Tier 1 capital	18.90%	18.53%

SOURCE: Madison County Financial, Inc.