

Madison County Financial, Inc.

Reports First Quarter 2021 Financial Results

MADISON, Nebraska, May 21, 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 months ended March 31, 2021 and 2020.

The Company's net income for the three months ended March 31, 2021 was \$2.1 million or \$0.81 per diluted share, compared to net income of \$1.5 million or \$0.56 per diluted share for the same period in 2020.

Total assets increased \$23.1 million to \$473.4 million at March 31, 2021, compared to \$450.3 million at December 31, 2020, resulting primarily from increases in cash and cash equivalents, investment securities available for sale, and investment securities held to maturity, offset by decreases in net loans and interest receivable.

As of March 31, 2021, there were 2,676,298 issued and outstanding shares of common stock, par value \$0.01 per share, and at May 20, 2021, there were 2,675,098 issued and outstanding shares of common stock. The Bank was considered well-capitalized under applicable federal regulatory capital guidelines at March 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 March 31,	
	2021	2020
	(Unaudited)	
Operating Data:		
Total interest income	\$ 4,168	\$ 4,694
Total interest expense	682	1,048
Net interest income	3,486	3,646
Provision for loan losses	(700)	100
Net interest income after provision for loan losses	4,186	3,546
Total non-interest income	872	724
Total non-interest expense	2,480	2,486
Income before income taxes	2,578	1,784
Income tax expense	457	299
Net income	\$ 2,121	\$ 1,485
Per Share Information:		
Net income per share, basic	\$ 0.84	\$ 0.58
Average common shares outstanding, basic	2,508,245	2,555,842
Net income per share, diluted	\$ 0.81	\$ 0.56
Average common shares outstanding, diluted	2,625,885	2,654,317
Basic tangible book value per share	\$ 30.40	\$ 27.98
Performance ratios (annualized for 3 month period):		
Return on average assets	1.90%	1.42%
Return on average equity	10.45%	7.66%
Efficiency ratio	56.91%	56.89%
Interest rate spread	3.09%	3.35%
Net interest margin	3.29%	3.67%

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	March 31, 2021	December 31, 2020
(Unaudited)		
Financial Condition Data:		
Total assets	\$ 473,392	\$ 450,339
Securities, including FHLB and FRB Stock	84,707	78,652
Loans held for sale	251	299
Loans receivable, net of allowance for losses of \$9,031 and \$9,731, respectively	328,725	334,499
Deposits	358,361	322,379
Borrowings	20,700	34,900
Total liabilities	390,148	368,812
Stockholders' equity	83,244	81,527
Balance Sheet Ratios:		
Securities, including FHLB and FRB Stock, as a percent of total assets	17.89%	17.47%
Tangible common equity as a percent of tangible assets	17.26%	17.76%
Asset Quality Data:		
Nonaccrual loans	\$ 348	\$ 120
Accruing loans past due 90 days or more	279	-
Asset Quality Ratios:		
Nonperforming assets as a percent of total assets	0.13%	0.03%
Nonperforming loans as a percent of total assets	0.13%	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	2.67%	2.83%
Allowance for loan losses as a percent of nonperforming loans	1440.35%	8109.17%
Regulatory Capital ratios (Bank only):		
Total capital (to risk-weighted assets)	19.99%	19.80%
Tier 1 capital (to risk-weighted assets)	18.73%	18.53%
Tier 1 capital (to average assets)	17.24%	17.67%
Common Equity Tier 1 capital	18.73%	18.53%

SOURCE: Madison County Financial, Inc.