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Press Release

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For Release
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Company Press Release

**Jeffersonville Bancorp Announces Second Quarter Earnings,
Declares Quarterly Dividend**

JEFFERSONVILLE, N.Y., August 14, 2013 (PRIME NEWSWIRE) -- Jeffersonville Bancorp, Inc. (OTCQB - JFBC) announced today second quarter net income of \$1,275,000 or \$0.30 per share compared to \$1,115,000 or \$0.26 per share for the same quarter in 2012. The increase in quarterly net income was primarily due to a decrease in the provision for loan losses of \$450,000, interest expense of \$192,000 and non-interest expense of \$85,000 partially offset by a decrease in interest and dividend income of \$472,000 and an increase in income tax expense of \$122,000.

For the six months ended June 30, 2013, the Company earned net income of \$2,180,000 or \$0.51 per share compared to \$2,180,000 or \$0.51 per share for the same period in 2012. While the results were the same for the two periods, interest and dividend income decreased \$1,167,000, non-interest income decreased \$108,000 and income taxes increased by \$115,000. These decreases were offset by decreases in the provision for loan losses of \$850,000, interest expense of \$403,000 and non-interest expense of \$137,000. The decrease in total non-interest income includes a non-recurring, tax-free life insurance benefit of \$93,000 which was recorded in the first quarter of 2012.

A cash dividend in the amount of thirteen cents (\$0.13) per share on the common stock of the company was declared at the August 13, 2013 meeting of the Board of Directors. The dividend is payable on September 2, 2013 to stockholders of record at the close of business on August 26, 2013.

Jeffersonville Bancorp is a one-bank holding company, which owns all the capital stock of Jeff Bank. Jeff Bank maintains twelve full service branches in Sullivan County, New York located in Bloomingburg, Eldred, Callicoon, Jeffersonville, Liberty, Livingston Manor, Loch Sheldrake, Monticello, Narrowsburg, Wal-Mart/Monticello, White Lake and Wurtsboro.