

## EXECUTIVE OFFICERS

**James T. McCoy**, Chairman of the Board

**David M. Geis**, President

**Marvin S. Veatch**, Vice President/Treasurer

**Susan E. Haskett**, Vice President/Secretary

## LOCATIONS

- Seymour** 125 South Chestnut  
Seymour, Indiana 47274  
(812) 522-3607
- 1200 East Tipton Street  
Seymour, Indiana 47274  
(812) 522-3607
- 1181 West Tipton Street  
Seymour, Indiana 47274  
(812) 522-3607
- Brownstown** 108 West Commerce Street  
Brownstown, Indiana 47220  
(812) 358-2520
- Bedford** 1515 K Street  
Bedford, Indiana 47421  
(812) 279-3553
- 2635 West 16th Street  
Bedford, Indiana 47421  
(812) 275-1120
- Columbus** 400 Washington Street  
Columbus, Indiana 47201  
(812) 379-1991
- 3880 West Jonathan Moore Pike  
Columbus, Indiana 47201  
(812) 342-3633
- 3019 East 25th Street  
Columbus, Indiana 47203  
(812) 378-0850
- North Vernon** 611 A North State Street  
North Vernon, Indiana 47265  
(812) 346-8014

[www.jcbank.com](http://www.jcbank.com)



P.O. Box 1001  
Seymour, Indiana 47274

 **Bancorp**  
*of Southern Indiana*

PARENT COMPANY OF JACKSON COUNTY BANK  
AND SUBSIDIARIES

Quarterly  
Performance  
Profile

March 31, 2011



Parent Company of Jackson County Bank and Subsidiaries

**UPDATE FROM THE PRESIDENT**

BSI's first quarter performance proved to be a very good beginning for 2011. In spite of continued sluggish loan demand, the balance sheet restructuring that occurred during the later part of 2010 led to BSI achieving an increase of \$223,000, or 7.45% in net interest income. This improvement, along with higher noninterest income and substantially reduced operating costs resulted in a \$477,000, or 88.6% increase in net income when compared to the first quarter of 2010. The first quarter 2011 annualized net income per share amounted to \$8.63, which was an increase of \$4.15 per share over the prior year.

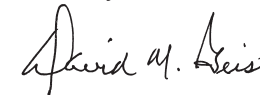
While these are significant improvements, it is not expected that this level of increased net income will be sustained for the remainder of 2011. As the year progresses, we anticipate the number of mortgage loan refinancings to decline, thereby reducing various sources of related revenue from the first quarter's levels. Impacts of the Dodd-Frank legislation passed during 2010 and other regulatory guidance issued by the FDIC to the entire banking industry will likely affect certain sources of noninterest income. Lastly, the pace of the economic recovery is expected to be slow, thereby affecting business and consumer attitudes toward expansion of borrowing thus restraining growth in loan volumes. The impact of continued elevated unemployment and softness within certain business sectors may result in higher than normal loan loss provision expense.

With that said, the board and leadership of BSI is continuing to gain confidence in our ability to restore higher earnings and other key performance measures during 2011.

I am pleased to report that effective April 20th, BSI's stock redemption price was increased by \$1.00 per share from \$62 per share to \$63 per share. The book value per share of BSI's stock at March 31, 2011 was \$78.57 per share.

We welcome the thoughts and questions of our stockholders at any time.

Sincerely,

  
David M. Geis  
President

	For the year ending December 31,		For the three months ending March 31,	
	2010	2009	2011	2010
<b>Per Share Performance</b>				
Net income	\$5.02	\$4.84	\$8.63	\$4.84
Dividends	1.55	1.55	0.00	0.00
Book value	76.47	73.24	78.57	74.87
<b>Balance Sheet (000's)</b>				
Total assets	\$375,395	\$400,242	\$376,625	\$390,392
Total loans held-for-sale	3,225	0	730	688
Total loans	280,239	291,213	276,925	279,239
Total deposits	288,858	319,796	291,922	306,015
Total equity	36,544	35,767	37,357	36,275
<b>Profitability</b>				
Net interest margin (FTE)	3.66 %	3.47 %	3.88 %	3.50 %
Return on average assets	0.64	0.60	1.10	0.55
Return on average equity	6.63	6.68	11.13	6.03
Net interest income (000's)	\$12,325	\$12,252	\$3,213	\$2,990
Net income (000's)	2,425	2,379	1,015	538
<b>Asset Quality</b>				
Net charge-offs/average loans	0.41 %	0.30 %	0.13 %	0.51 %
Provision/average loans	0.80	0.46	0.58	0.60
Allowance/non-performing loans at period end	49.39	71.25	52.59	81.22
Non-performing assets/assets at period end	3.72	1.88	3.70	2.10
<b>Capital Strength - Bank</b>				
Tangible equity/assets at period end	10.09 %	9.17 %	10.24 %	9.59 %
Total risk-based capital ratio at period end	14.97	13.80	15.27	14.58