

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

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P.O. Box 1001
Seymour, Indiana 47274

 **Bancorp**
of Southern Indiana

PARENT COMPANY OF JACKSON COUNTY BANK
AND SUBSIDIARIES

Quarterly
Performance
Profile

September 30, 2011



Bancorp of Southern Indiana

Parent Company of Jackson County Bank and Subsidiaries

	For the nine months ending September 30,		For the year ending December 31,	
	2011	2010	2010	2009
Per Share Performance				
Net income	\$6.27	\$4.89	\$5.02	\$4.84
Dividends	0.85	0.65	1.55	1.55
Book value	81.66	77.17	76.47	73.24
Balance Sheet (000's)				
Total assets	\$386,480	\$366,188	\$375,395	\$400,242
Total loans held-for-sale	1,721	3,530	3,225	0
Total loans	270,299	276,435	280,239	291,213
Total deposits	303,760	286,371	288,858	319,796
Total equity	38,104	37,027	36,544	35,767
Profitability				
Net interest margin (FTE)	3.78 %	3.57 %	3.66 %	3.47 %
Return on average assets	0.78	0.59	0.64	0.60
Return on average equity	7.93	6.22	6.63	6.68
Net interest income (000's)	\$9,710	\$9,061	\$12,325	\$12,252
Net income (000's)	2,223	1,770	2,425	2,379
Asset Quality				
Net charge-offs/average loans	0.11 %	0.47 %	0.41 %	0.30 %
Provision/average loans	0.83	0.71	0.80	0.46
Allowance/non-performing loans at period end	63.06	43.29	49.39	71.25
Non-performing assets/assets at period end	3.57	3.76	3.72	1.88
Capital Strength - Bank				
Tangible equity/assets at period end	10.14 %	10.45 %	10.09 %	9.17 %
Total risk-based capital ratio at period end	15.38	15.40	14.97	13.80

UPDATE FROM THE PRESIDENT

I am pleased to continue to report that BSI's net income per share exceeds that of 2010's levels. Annualized earnings per share through September 30, 2011 amounted to \$6.27 compared with \$4.89 for the same period in 2010, an increase of \$1.38 per share or 28.2%. Thus far during 2011 stockholders have received cash dividends of \$0.85 per share, an increase of \$0.20 per share over the amount paid to date during 2010, a 30.8% increase.

Your board of directors recently increased BSI's stock redemption price from \$63.00 to \$66.00 per share. This is an indication of the board's confidence in BSI's improved performance and its ability to sustain that improvement going forward.

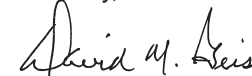
Your Company's capital and liquidity remain very strong, which is by design during these continuing economically challenging times. There are uncertainties on many fronts, all which lead to a lackluster economy which is keeping businesses and individuals on the sidelines and not currently borrowing. Capital goods are not being purchased and housing development and new home purchases are severely lagging more typical economic recoveries. While this may be the wise thing to do for businesses and consumers at this time, it is these factors that are contributing to the very slow growth in our economy and present challenges for many banks, including JCB.

There are limited acceptable investment alternatives to loans in this very low and extended interest rate cycle. Contrary to much of the rhetoric in our national press, banks have money to lend and are willing to lend it to qualified consumers and businesses and JCB has every motivation to consider any and all worthy loans. It has been an extremely advantageous time for homeowners to refinance their homes to lower their payments and shorten the remaining lives of their mortgages.

BSI's asset quality and loan loss allowance measures are beginning to show improvement. However, we remain guarded about the potential of the economy to retreat from its present tepid growth and the impact that could have, particularly on businesses in the foreseeable future. We continue to take a responsible approach in early recognition of struggling customers and attempt to offer solutions and arrangements that make good business sense for the customers and the bank.

As we enter the fourth and final quarter of 2011, we have expectations of continuing the achievement of improved performance through the end of the year. Your support and confidence are important to us as is your feedback at any time.

Sincerely,



David M. Geis
President