

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** 2635 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

The logo for Bancorp of Southern Indiana, featuring the word "Bancorp" in a bold, serif font, with "of Southern Indiana" in a smaller, italicized serif font below it. A small icon of a building with a steeple is positioned to the left of the text.

PARENT COMPANY OF JACKSON COUNTY BANK
AND SUBSIDIARIES

Quarterly
Performance
Profile

June 30, 2013

Bancorp of Southern Indiana

Parent Company of Jackson County Bank and Subsidiaries

	For the six months ending June 30,		For the year ending December 31,	
	2013	2012	2012	2011
Per Share Performance				
Net income (annualized)	\$7.64	\$8.87	\$8.17	\$6.89
Dividends	1.10	1.20	2.45	1.90
Book value	84.71	85.59	88.26	82.15
Balance Sheet (000's)				
Total assets	\$429,783	\$400,422	\$447,596	\$389,972
Total loans held-for-sale	1,013	902	1,462	1,795
Total loans	286,981	280,423	282,281	275,423
Total deposits	341,295	317,025	358,169	304,164
Total equity	38,427	39,279	40,461	38,164
Profitability				
Net interest margin (FTE)	3.30 %	3.78 %	3.61 %	3.73 %
Return on average assets	0.79	1.05	0.93	0.85
Return on average equity	8.64	10.50	9.50	8.64
Net interest income (000's)	\$6,365	\$6,529	\$12,996	\$13,038
Net income (000's)	1,721	2,029	3,753	3,251
Asset Quality				
Net charge-offs/average loans	(0.01 %)	0.04 %	0.07 %	0.53 %
Provision/average loans	0.48	0.00	0.19	0.47
Allowance/non-performing loans at period end	73.02	53.10	79.31	53.45
Non-performing assets/assets at period end	2.64	3.07	2.20	3.24
Capital Strength - Bank				
Tangible equity/assets at period end	9.37 %	10.05 %	9.20 %	10.03 %
Total risk-based capital ratio at period end	15.66	15.04	15.61	14.89

UPDATE FROM THE PRESIDENT

Through the second quarter, 2013, BSI's consolidated net income amounted to \$1,721,000 compared with \$2,029,000, a decrease of \$308,000 or 15.2%. Contributing factors include a decline in net interest income of approximately \$164,000 stemming from net interest margin compression and an increase in loan loss provision expense of \$675,000 related to a single troubled credit for which management is taking a conservative approach. The latter expense compares to no loan loss provision expense recorded through the first six months of 2012. Favorably offsetting these two items is net noninterest expense, which through the June 30, 2013 is down \$292,000 compared with the same period in 2012. Annualized consolidated net income per share through the second quarter 2013 amounted to \$7.64 compared with \$8.87 for the same period in 2012.

With continued signs of economic improvement in our state and region, although not robust, total gross loans are showing growth of \$6,558,000 on a year-over-year basis. Ample liquidity still exists in BSI's balance sheet to fund increasing loan demand as, and when, businesses and consumers are more self assured of the sustained economic improvements. In total, BSI's consolidated balance sheet has grown year-over-year to \$429,783,000, an increase of \$29,361,000 or 7.3%.

Recent trades in BSI's stock of which management is aware have been at \$74 per share near the end of the second quarter, 2013, an increase of \$2 per share from the end of the second quarter, 2012.

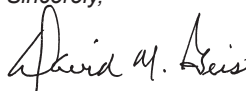
Measures of overall asset quality continue to improve and JCB's capital ratios remain above "well-capitalized" levels by all regulatory standards.

As 2013 continues to unfold, we are gratified by the sustained improvements in our national and regional economy that we hope will lead to improving economic activity and loan demand on all fronts. BSI is well positioned to extend credit to qualified borrowers for a wide array of purposes such as support of business expansion, home construction and improvements and purchases of consumer goods and vehicles.

We continue to realize increased new account openings from the effects of a recent bank merger in our market area with a larger out of area bank. We welcome our many new customers who have "made the switch" to JCB.

We value greatly the investment of our stockholders in BSI and seek to preserve and grow the value of your investment consistently over time.

Sincerely,



David M. Geis
President