

Oconee Financial Corporation Reports Fourth Quarter 2019 Results

WATKINSVILLE, Ga., February 19, 2020/PRNewswire/ -- Oconee Financial Corporation ("Oconee") (OTCQX: OSBK) is pleased to report results for the fourth quarter and for the year ended December 31, 2019. Unaudited net income for the three months ending December 31, 2019 was \$1,936,379 or \$2.17 per common share. This compares to \$607,064 or \$0.67 per common share for the fourth quarter of the prior year. This represents an increase of 219% in net earnings in the fourth quarter of 2019 as compared to the same period in 2018. Excluding an after-tax gain on sale of the Bank's operations center in the fourth quarter of \$1.3 million, net earnings for the fourth quarter were \$638,578, or \$0.71 per share.

Unaudited net income for the year ending December 31, 2019 was \$3.8 million or \$4.20 per common share, compared to \$1.7 million or \$1.93 per common share for the year ending December 31, 2018. This represents an increase of 116% in net earnings over the year ending December 31, 2018. Excluding an after-tax gain on sale of the Bank's operations center in the fourth quarter of \$1.3 million, net earnings for the year ending December 31, 2019 were \$2.5 million, or \$2.75 per share.

Total assets as of December 31, 2019 were \$399.6 million, compared to total assets of \$349.8 million as of December 31, 2018. Total loans were \$248.8 million and deposits were \$361.5 million as of December 31, 2019. This compared to total loans of \$221.8 million and deposits of \$318.5 million at December 31, 2018. For the year ended December 31, 2019, total loans increased 12.2% and total deposits increased 13.5% versus December 31, 2018.

Neil Stevens, President and Chief Executive Officer of Oconee stated "we are pleased with the fourth quarter results. Excluding the gain on the sale of our operations building, our fourth quarter results reflected an increase of 5% over the fourth quarter of 2018. Earnings continue to benefit from the investments we've made in high performing bankers as we continued to see strong loan growth this quarter and for the year. We were also pleased to announce the addition of Laura Whitaker to our board on January 16th. Laura is already making a significant contribution to our board."

Oconee Financial Corporation is headquartered in Watkinsville, Georgia and operates four full-service branches and one limited-service loan production office. In February 2020, Oconee State bank celebrated 60 years of service and continues to be the only locally owned and operated community bank headquartered in Oconee County. Oconee State Bank has proudly served the local community, providing an unparalleled commitment to personalized service, innovative products and solutions, and strives to bring exceptional value to our customers through local ownership, involvement and decision-making. We continuously strive to create remarkable experiences that significantly mark the lives of others.

OCONEE FINANCIAL CORPORATION
BALANCE SHEET

	12/31/2019	12/31/2018
	(Unaudited)	
<u>ASSETS</u>		
Cash and due from banks	\$ 38,097,412	\$ 22,365,042
Securities available for sale (at fair value)	99,228,506	90,802,006
Other investment	314,900	319,600
Mortgage loans held for sale	1,572,800	745,000
Loans, less allowance for loan losses	248,771,230	221,802,558
Premises and equipment	3,499,383	5,850,891
Other real estate owned	--	--
Other assets	8,087,517	7,975,186
Total Assets	\$ 399,571,748	\$ 349,860,283
<u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>		
Liabilities:		
Deposits	\$ 361,522,575	\$ 318,496,973
Repurchase agreements	--	--
Dividends payable	--	--
Federal Home Loan Bank advances	--	--
Accrued expenses and other liabilities	2,382,077	674,253
Total Liabilities	363,904,652	319,171,226
Stockholder's Equity:		
Common Stock	1,793,760	1,802,728
Restricted Stock	(36,745)	(30,684)
Additional Paid in Capital	4,139,146	4,288,610
Retained earnings	29,501,154	26,281,797
Unrealized gain/loss on securities	269,781	(1,653,394)
Total Stockholder's Equity	35,667,096	30,689,057
Total Liabilities and Stockholder's Equity	\$ 399,571,748	\$ 349,860,283

OCONEE FINANCIAL CORPORATION
STATEMENT OF INCOME-YTD

	12/31/2019	12/31/2018
	(Unaudited)	
Interest Income:		
Loans	\$ 12,381,600	\$ 10,033,144
Securities available for sale		
State, County & Municipal	454,790	884,801
Treasuries & Agencies	1,259,350	1,524,166
Federal funds sold & other	375,577	316,842
	14,471,318	12,758,953
Interest Expense:		
Deposits	1,523,254	765,402
Other	11,211	1,108
Total Interest Expense	1,534,465	766,510
Net interest income	12,936,853	11,992,443
Provision for loan losses	570,000	240,300
Net income after provision for loan losses	12,366,853	11,752,143
Noninterest income		
Service charges on deposit accounts	584,527	528,367
Gain on Sale of Assets	1,781,545	--
Securities gains (losses), net	7,437	73,255
Mortgage banking income	518,339	--
SBA loan related income	1,076,190	352,846
Commissions on investment sales	510,184	491,888
Other	1,249,918	1,126,943
Total noninterest income	5,728,139	2,573,299
Noninterest expense		
Salaries and employee benefits	8,493,647	7,874,617
Occupancy	1,358,796	1,065,187
Other operating	3,465,678	3,438,823
Total noninterest expense	13,318,121	12,378,627
Income before provision for income taxes	4,776,871	1,946,815
Provision for income taxes	1,017,506	209,417
Net Income	\$ 3,759,365	\$ 1,737,400
Shares Outstanding	895,742	900,401
YTD Earnings Per Common Share	4.20	1.93

OCONEE FINANCIAL CORPORATION
STATEMENT OF INCOME-QTD

	12/31/2019	12/31/2018
	(Unaudited)	
Interest Income:		
Loans	\$ 3,221,637	\$ 2,855,317
Securities available for sale		
State, County & Municipal	93,972	146,548
Treasuries & Agencies	296,051	371,710
Federal funds sold & other	145,286	59,760
	3,756,947	3,433,335
Interest Expense:		
Deposits	475,516	213,780
Other	398	1,108
Total Interest Expense	475,914	214,888
Net interest income	3,281,033	3,218,447
Provision for loan losses	142,500	80,100
Net income after provision for loan losses	3,138,533	3,138,347
Noninterest income		
Service charges on deposit accounts	139,893	149,717
Gain on Sale of Assets	1,781,545	--
Securities gains (losses), net	930	0
Mortgage banking income	194,979	--
SBA loan related income	271,413	229,676
Commissions on investment sales	123,821	130,665
Other	306,319	296,423
Total noninterest income	2,818,899	806,481
Noninterest expense		
Salaries and employee benefits	2,178,654	2,114,257
Occupancy	380,418	292,868
Other operating	872,193	863,420
Total noninterest expense	3,431,265	3,270,545
Income before provision for income taxes	2,526,167	674,283
Provision for income taxes	589,788	67,219
Net Income	\$ 1,936,379	\$ 607,064
Shares Outstanding	895,742	900,401
QTD Earnings Per Common Share	2.17	0.67