

### CHAIRMAN'S LETTER



#### Dear Fellow Jefferson Shareholder:

The good news is - it's all good news! For the quarter ending June 30, 2011 assets, loans, deposits and quarterly earnings are all up. Specifically, compared to the second quarter of 2010 – assets are up 20%, net loans up 26%, deposits up 23%, earnings are \$114,318 up 105% and asset quality continues to be pristine as we have no non-performing assets.

A big "Thank You" to our shareholders for approving the preferred stock issue to the U.S. Treasury for the Small Business Lending Fund program. For the record, a majority voted unanimously to approve issuance. Today, we received approval from the Treasury for the \$3,367,000 which will count toward regulatory capital, enabling Jefferson to further grow our assets and earnings.

One year ago we became profitable and after our third consecutive quarter earning in excess of \$100,000, the Board selected a branch site in Palm Harbor. We have agreed, pending regulatory approval, to sublease the Harbor Park Office Building branch at Nebraska and US 19 from BB&T. Since this site has been a bank branch for 25 years, very few renovations are needed and our neighbors know the traffic pattern well. We expect to open in October and of course look forward to seeing each of you at the opening.

One measure of our success at the Palm Harbor branch will be when people say, "Starbucks? It's just in front of Jefferson Bank." Let's each of us commit to move just one account to Jefferson this quarter, and we will be closer to this goal.

In the third quarter, I anticipate a meaningful contribution to our bottom line from mortgage lending. Beth Larson and her team have a full array of mortgages and are ready to help you and your friends. When many of the largest mortgage lenders have stopped offering Reverse Mortgages, we have Elena Katsulos who is an experienced Reverse Mortgage Lender.

The economy muddles on and politics, at home and in Europe, compounds the confusion. The vast majority of our customers indicate their year-over-year revenues are up and backlogs are growing, but fiscal conservatism continues to be the order of the day.

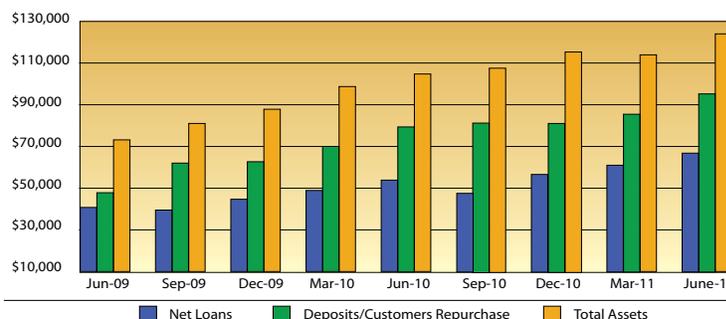
When you hear a business associate or friend say no one at their bank knows their name much less understands their business, please let me know. Jefferson delivers traditional, personal service with all the latest technology to make banking easy and convenient for all customers.

Writing this quarterly letter is indeed a pleasure. On behalf of the entire Board and to all our shareholders, customers and Jefferson Bankers my sincere appreciation for what you have and will do to further the success of your Jefferson Bank.

Respectfully,

*Robert B. McGivney*  
Robert B. McGivney  
Chairman / CEO

Financial Highlights \$(000)  
(Unaudited)



### JEFFERSON BANK OF FLORIDA OLDSMAR, FLORIDA SECOND QUARTER, 2011 (UNAUDITED)

#### ASSETS

#### LIABILITIES AND STOCKHOLDERS' EQUITY

Cash & Due From Banks	\$ 1,009,000	Deposits	\$ 90,910,000
Securities	51,901,000	Customer Repurchase Agreements	4,090,000
		Total Deposits & Repurchase Agreements	\$ 95,000,000
Total Loans	\$ 69,178,000		
Allowance for Loan Loss	(2,270,000)	Total Borrowings	\$ 11,125,000
Net Loans	\$66,908,000	Other Liabilities	479,000
		Total Liabilities	\$ 106,604,000
Premises & Equipment	\$ 1,248,000		
Other Assets	2,526,000	Stockholders' Equity	16,988,000
Total Assets	\$123,592,000	Total Liabilities & Stockholders' Equity	\$ 123,592,000

# Jefferson Bank

## Jefferson Bank Focus



**Pete Fletcher, our Mobile Banking Courier, is available and ready to serve you.**

Pete plays an important role in the prompt delivery of deposits and important documents to and from Jefferson Bank. Pete's position was created in 2008 when Jefferson realized its footprint could be expanded by offering this

service to customers whose headquarters are not close to our Main Office.

Pete has been Jefferson's courier since inception. Our customers have come to appreciate his prompt and reliable service. There are days Pete drives over 150 miles to complete all of his pickups and deliveries.

Originally from Rhode Island, Pete moved to Florida in 1997 to retire and play golf. He had completed 30 years of military service including "Operation Desert Storm" working in personnel management. When asked about his military career, Pete responded "Being a soldier was the most fulfilling job I have ever had".

Pete was married to Barbara, his wife of 23 years, before she passed away in 2009. He has a son and two grandsons in Arkansas and two daughters and one grandson still living back in Rhode Island. Pete likes to spend his vacation time visiting his family.

Being Jefferson Bank's Mobile Banking Courier has provided Pete with his second career and he says he really enjoys the people and customer friendly atmosphere. Pete provides one more way for our customers to get their deposits to Jefferson Bank.



*Jefferson Bank's Mobile Banking Courier, is available and ready to serve you.*

If our Mobile Banking Courier will help move your account to Jefferson, please contact Renee Jones, Treasury Management, at 813-855-7500.

## Jefferson Bank Focus



**Donna Thompson, Head Teller, is Jefferson Bank's first retiree**

Donna will be retiring on July 22nd and has been with Jefferson since day one. Donna feels July 22nd will be both a happy and sad day all at once. She will be leaving her family here at Jefferson and also looking forward to enjoying retirement.

When asked about leaving Jefferson, Donna responded: "I have been with Jefferson Bank since day one and I can honestly say in all my years of banking Jefferson has been the most wonderful place to work. It's really great to work somewhere from the beginning and be part of the team to make it grow. Jefferson has the greatest group of people I have ever met. We each care about each other and everyone is focused on making Jefferson the best bank in Florida."

Donna admits she has a lot to look forward to when she retires. Her Mom is 92 years old and needs help and support, she has 7 grandchildren and 2 great grandchildren to spend more time with, and a husband of 47 years who will appreciate more of Donna's company. She is also looking forward to some free time for herself.

Donna has played a key role in the growth of Jefferson Bank. Customers as well as all Jefferson Bankers will miss her. We all wish Donna a wonderful retirement!

**Free  
withdrawals  
at ALL Publix.  
Presto! ATMs  
for Jefferson  
Customers.**



# Jefferson Bank

## Jefferson Bank Board of Directors:

Gary L. Blackwell,  
Real Estate Developer and Investor

David L. Brandon, President  
Brandon Construction Company, Inc.

Ronald S. Hockman, President  
Hockman Insurance Agency, Inc.

Stephen H. Jacobs, M.D., Board Certified Internal  
Medicine and President of Morton Plant Mease  
Primary Care

Robert B. McGivney, Chairman/CEO,  
Jefferson Bank of Florida

Joseph L. Oliveri, A.I.A., Oliveri Architects

Paul J. Wikle, CCIM, Coldwell Banker/Commercial  
NRT/Real Estate Investor

## Jefferson Bank of Florida Officers

Robert B. McGivney  
Chairman/CEO

James P. Nelson  
President/Chief Operating Officer  
Senior Lending Officer

Mickey Orr  
Executive Vice President  
Chief Financial Officer

Gary S. Gray  
Senior Vice President/Commercial Lending

Susan L. Martin  
Senior Vice President/Commercial Lending

Patricia C. Rhodes  
Vice President/Operations

Maggie Mathey  
Vice President/Loan Operations

Joseph M. LaRussa  
Vice President/Commercial Lending

Renee K. Jones  
Vice President/Treasury Management

Beth A. Larson  
Vice President/Residential Lending Manager.

Linda Jouben  
BSA/Bank Compliance Officer

Elena Katsulos  
Reverse Mortgage Specialist  
Mortgage Loan Originator

## Shareholder Checking

As a Jefferson Bank Shareholder you have a safe and sound place for your money. Uniquely for our Shareholders, it's our Jefferson Bank Shareholder Interest Checking Account. We offer you .25% discount on consumer installment loans when your payments are conveniently debited automatically from your checking account and



.10% more on our stated interest rates on CD's once you open your Shareholder checking account with us. Minimum \$100 to open and \$1,000 to earn interest.

**Your Shareholder Account includes the following benefits:**

- **Jefferson Bank MasterCard Debit Card**
- **Safe Box Rental (3 x 10) 50% off first 3 years**
- **No Fee ATM at Jefferson Bank and all Publix Presto! ATM's**
- **Official Checks are Free**
- **Notary Service is Free**
- **Plus, your first 3 orders of our Jefferson "Shareholder Checks" are Free.**
- **Online Access with unlimited Bill Pay Banking. This product provides an easy and convenient way to transfer funds, view check images, obtain information about accounts and even pay bills, 24 hours a day, seven days a week.**

# Jefferson Bank

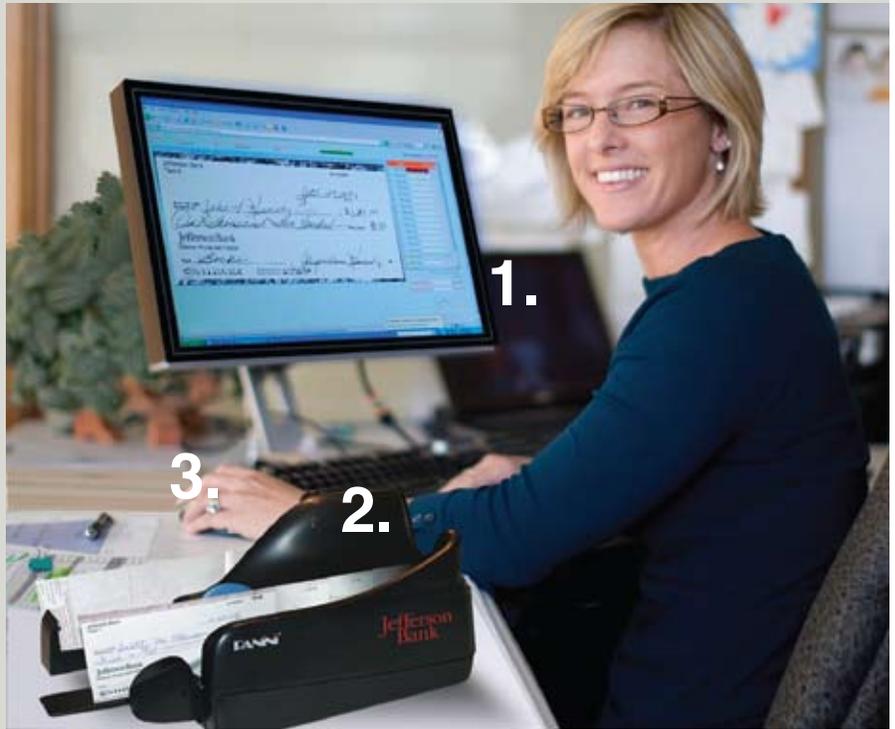
## JEFF REMOTE DEPOSIT IS AS EASY AS 1...2...3...

1. LOG ON
2. SCAN CHECKS
3. CLICK **SUBMIT**

- Scan checks straight into your Jefferson account
- Access funds as early as the next day
- Convenient and simple

If you have not already taken advantage of this – watch a demonstration at [JeffersonBankfl.com](http://JeffersonBankfl.com) and click on “Deposit checks 24/7”

Located in Oldsmar (Tampa Road & Forest Lakes Blvd.) and “Virtually” everywhere.  
813.855.7500 727.781.7500



**Jefferson Bank**  
Member FDIC.

## Jefferson Bank

V I E W & O V E R V I E W

3711 Tampa Road  
Oldsmar, FL 34677

Jefferson Bank  
A Better Banking Experience

