

# Madison County Financial, Inc. Announces Annual Cash Dividend

Madison, Nebraska, April 18, 2016.

Madison County Financial, Inc. (OTC Pink: MCBK) (“Company”), the holding company of Madison County Bank (“Bank”) today announced that its Board of Directors has declared an annual cash dividend on the Company’s common stock of \$0.28 per share. The dividend will be paid on or about May 13, 2016, to stockholders of record as of the close of business on May 3, 2016.

The Company has 2,982,094 shares of common stock outstanding. Based on the \$0.28 per share cash dividend, the aggregate amount of the dividend to be paid is \$834,986, which represents approximately 25% of the Company’s 2015 consolidated net income of \$3.44 million.

In April, 2013, the Company announced its adoption of an annual cash dividend policy, whereby it will target an annual cash dividend payout ratio of 25% of the Company’s prior year consolidated net income, with any such annual dividends expected to be declared and paid during the second quarter of each calendar year. The Company will review each future proposed cash dividend, and any future cash dividends will be subject to the Company and the Bank continuing to satisfy all applicable statutory and regulatory capital and asset maintenance requirements, the continued financial strength of the Company and the Bank, and other factors to be considered by the Board of Directors.

SOURCE Madison County Financial, Inc.