

ATTENTION: News Director /Assignment Editor

HEADLINE: VSB Bancorp, Inc. Announces 10% Cash Dividend Increase and Our Forty-Third Consecutive Cash Dividend

STATEN ISLAND, NY / ACCESSWIRE / June 15, 2018 / VSB Bancorp, Inc. (OTCQX: VSBN), the holding company for Victory State Bank, announced today that its Board of Directors has declared a quarterly cash dividend of \$0.11 per share, a 10 percent increase from the prior quarter, payable on July 2, 2018 to stockholders of record on June 22, 2018. Joseph J. LiBassi, Chairman of the Board of Directors, stated, "We are pleased to announce our forty-third consecutive cash dividend. We are able to increase our cash dividend by 10% because of our strong earnings."

Raffaele M. Branca, President and Chief Executive Officer, reported, "Our dividend payout ratio is 22.4% on first quarter 2018 earnings, even with the increase in our cash dividend. We continue to look for opportunities to increase our shareholders' value."

VSB Bancorp, Inc. is the one-bank holding company for Victory State Bank. Victory State Bank, a Staten Island based commercial bank, commenced operations on November 17, 1997. The Bank's initial capitalization of \$7.0 million was primarily raised in the Staten Island community. The Bancorp's total equity stood at \$33.1 million by March 31st, 2018. The Bank operates five full service locations in Staten Island, the main office at 4142 Hylan Boulevard in Great Kills and branches on Forest Avenue in West Brighton, Hyatt Street in St. George, Hylan Boulevard in Dongan Hills and Bay Street in Rosebank. We are planning to open a sixth branch in 2018 in the Meiers Corners section of Staten Island, which has received both regulatory and building department approvals.

The payment of dividends is at the discretion of the Board of Directors and nothing contained herein should be interpreted as a commitment to pay future dividends.

Statements contained in this press release, which are not historical facts, are forward-looking statements, as defined in the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are subject to risks and uncertainties, which could cause actual results to materially differ from those currently anticipated. Those risks and uncertainties include, among other things, possible future changes in (i) the local, regional or national economy, (ii) market interest rates, (iii) customer preferences, (iv) competition or (v) federal or state laws.

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SOURCE: VSB Bancorp, Inc.