

HEADLINE: VSB Bancorp, Inc. Announces 8.3% Increase in Our Forty-Fifth Consecutive Cash Dividend

STATEN ISLAND, NY / ACCESSWIRE / December 11, 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 \$0.12 per share, payable on January 2, 2019, to stockholders of record on December 21, 2018. Joseph J. LiBassi, Chairman of the Board of Directors, stated, "We are pleased to announce our forty-fifth consecutive cash dividend. Our strong level of earnings allowed us the ability to increase our cash dividend by 8.3%. In 2018, we have increased our cash dividend rate by \$0.02 per quarter, or 20%"

Raffaele M. Branca, President and Chief Executive Officer, reported, "Our dividend payout ratio is 34.5% on third quarter 2018 earnings. We were able to accomplish the increase in our dividend rate even with the one-time expenses related to the implementation of our new core computer system."

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 \$34.0 million by September 30, 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 the first quarter of 2019 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.
