Chatserver:

```java
import java.io.*;

import java.net.*;

public class ChatServer {

   public static void main(String[] args) {

      int port = 12345;

      try (ServerSocket serverSocket = new ServerSocket(port)) {

         System.out.println("Server started. Waiting for client to connect on port " + port +
"...");

         Socket socket = serverSocket.accept();

         System.out.println("Client connected: " + socket.getInetAddress());

         BufferedReader in = new BufferedReader(new
InputStreamReader(socket.getInputStream()));

         PrintWriter out = new PrintWriter(socket.getOutputStream(), true);

         Thread readThread = new Thread(() -> {

            try {

               String msg;

               while ((msg = in.readLine()) != null) {

                  System.out.println("Client: " + msg);

                  if (msg.equalsIgnoreCase("bye")) {

                     System.out.println("Client ended the chat.");

                     break;

                  }

               }

            } catch (IOException e) {

               System.out.println("Connection closed.");

            }

         });

         readThread.start();
```

```java
        BufferedReader console = new BufferedReader(new
InputStreamReader(System.in));

        String msgToClient;

        while ((msgToClient = console.readLine()) != null) {

          out.println(msgToClient);

          if (msgToClient.equalsIgnoreCase("bye")) {

            System.out.println("You ended the chat.");

            break;

          }

        }

      socket.close();

      System.out.println("Server socket closed.");

    } catch (IOException e) {

      e.printStackTrace();

    }

  }

}
```

Chatclient:

```java
import java.io.*;

import java.net.*;

public class ChatClient {

  public static void main(String[] args) {

    String serverAddress = "localhost";

    int port = 12345;

    try (Socket socket = new Socket(serverAddress, port)) {

      System.out.println("Connected to server at " + serverAddress + ":" + port);

      BufferedReader in = new BufferedReader(new
InputStreamReader(socket.getInputStream()));

      PrintWriter out = new PrintWriter(socket.getOutputStream(), true);

      Thread readThread = new Thread(() -> {

        try {
```

```java
        String msg;
        while ((msg = in.readLine()) != null) {
          System.out.println("Server: " + msg);
          if (msg.equalsIgnoreCase("bye")) {
            System.out.println("Server ended the chat.");
            break;
          }
        }
      } catch (IOException e) {
        System.out.println("Connection closed.");
      }
    });

    readThread.start();
    BufferedReader console = new BufferedReader(new InputStreamReader(System.in));
    String msgToServer;
    while ((msgToServer = console.readLine()) != null) {
      out.println(msgToServer);
      if (msgToServer.equalsIgnoreCase("bye")) {
        System.out.println("You ended the chat.");
        break;
      }
    }

    socket.close();
    System.out.println("Client socket closed.");
  } catch (IOException e) {
    e.printStackTrace();
  }
}
```

Output: