



Greenville Federal

FINANCIAL CORPORATION

FOR IMMEDIATE RELEASE

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GREENVILLE FEDERAL FINANCIAL CORPORATION REPORTS EARNINGS FOR THE FOURTH QUARTER ENDED DECEMBER 31, 2016

Greenville, Ohio, January 30, 2017. Greenville Federal Financial Corporation (the "Corporation") (OTCBB: GVFF), today announced the Corporation's financial results for the fourth fiscal quarter. For the quarter ended December 31, 2016 the Corporation reported net income of \$88,000, or \$0.04 per diluted share, compared to net income of \$243,000, or \$0.12 per share, for the same quarter in 2015.

The quarter-to-quarter decrease in net income was attributed primarily to an increase in general, administrative and other expenses and provision for losses on loans. These increases were offset by increases in net interest income and other income, as well as a decrease in federal income taxes. The general, administrative and other expenses increased approximately \$324,000, or 30.98%. Provision for losses on loans increased \$15,000, or 60.00%. These changes were offset by an increase in net interest income of approximately \$48,000, or 4.02%, an increase in other income of approximately \$56,000, or 23.99%, and a decrease in federal income tax expense of approximately \$80,000, or 74.96%.

The Corporation recorded net income of \$495,000 for the twelve months ended December 31, 2016, compared to net income of \$625,000 for the same period in 2015. The decrease in net income was attributed primarily to an increase in general, administrative and other expenses and provision for losses on loans. These increases were offset by increases in net interest income and other income, as well as a decrease in federal income taxes. The general, administrative and other expenses increased approximately \$472,000, or 10.30%. Provision for losses on loans increased \$162,000, or 324.00%. These changes were offset by an increase in net interest income of approximately \$241,000, or 5.24%, an increase in other income of approximately \$193,000, or 21.35%, and a decrease in federal income tax expense of approximately \$69,000, or 27.42%.

The Corporation reported total assets of \$160.7 million at December 31, 2016, total liabilities of \$140.2 million, including deposits of \$125.5 million, and total stockholders' equity of \$20.5 million.

Greenville Federal Financial Corporation is the holding company for Greenville Federal, a federally chartered savings bank headquartered in Greenville, Ohio, with offices in Greenville and Troy, Ohio. Greenville Federal attracts deposits from, and makes loans in, the Ohio counties of Darke, Preble, Auglaize, Miami, Shelby and Mercer and the Indiana counties of Randolph and Wayne.

GREENVILLE FEDERAL FINANCIAL CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION

(In thousands)

(Unaudited)

ASSETS	Dec 31, 2016	Dec 31, 2015
Cash and cash equivalents	\$12,716	\$7,493
Investment securities	3,252	4,529
Loans receivable, net	135,114	126,541
Other assets	<u>9,642</u>	<u>10,483</u>
Total assets	<u>\$160,724</u>	<u>\$149,046</u>

LIABILITIES AND STOCKHOLDERS' EQUITY

Deposits	\$125,464	\$108,789
Advances from the FHLB	12,529	17,761
Other liabilities	<u>2,244</u>	<u>2,137</u>
Total liabilities	140,237	128,687
Stockholders' equity	<u>20,487</u>	<u>20,359</u>
Total liabilities and stockholders' equity	<u>\$160,724</u>	<u>\$149,046</u>

GREENVILLE FEDERAL FINANCIAL CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(In thousands, except per share data)

(Unaudited)

	Three months ended		Twelve months ended	
	December 31,		December 31,	
	2016	2015	2016	2015
Total interest income	\$1,452	\$1,390	\$5,705	\$5,493
Total interest expense	<u>217</u>	<u>203</u>	<u>857</u>	<u>887</u>
Net interest income	1,235	1,154	4,848	4,606
Provision for losses on loans	<u>40</u>	<u>25</u>	<u>212</u>	<u>50</u>
Net interest income after provision for losses on loans	1,195	1,162	4,636	4,556
Other income	289	233	1,099	906
General, administrative and other expense	<u>1,369</u>	<u>1,045</u>	<u>5,057</u>	<u>4,585</u>
Income (loss) before income taxes	115	350	678	877
Income taxes	<u>27</u>	<u>107</u>	<u>183</u>	<u>252</u>
NET INCOME	<u>\$ 88</u>	<u>\$ 243</u>	<u>\$ 495</u>	<u>\$ 625</u>
EARNINGS PER SHARE - basic and diluted	<u>\$0.04</u>	<u>\$0.12</u>	<u>\$0.24</u>	<u>\$0.30</u>