



Greenville Federal

FINANCIAL CORPORATION

FOR IMMEDIATE RELEASE

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GREENVILLE FEDERAL FINANCIAL CORPORATION REPORTS EARNINGS FOR THE FOURTH QUARTER ENDED DECEMBER 31, 2017

Greenville, Ohio, January 30, 2018. 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, 2017 the Corporation reported net income of \$288,000, or \$0.14 per diluted share, compared to net income of \$88,000, or \$0.04 per share, for the same quarter in 2016.

The quarter-to-quarter increase in net income was attributed primarily to an increase in net interest income and a decrease in general, administrative and other expenses. These changes were offset by a decrease in other income, an increase in provision for losses on loans, and an increase in federal income tax expense. Net interest income increased approximately \$121,000, or 9.82%, and general, administrative and other expenses decreased approximately \$132,000, or 9.62%. These changes were offset by a decrease in other income of approximately \$29,000, or 9.98%, an increase in provision for losses on loans of \$15,000, or 37.50%, and an increase in federal income tax expense of approximately \$9,000, or 32.23%.

The Corporation recorded net income of \$717,000 for the twelve months ended December 31, 2017, compared to net income of \$495,000 for the same period in 2016. The increase in net income was attributed primarily to increases in net interest income and other income, as well as a decrease in federal income taxes. These variances were offset by increases in provision for losses on loans and general, administrative, and other expenses. Net interest income increased approximately \$393,000, or 8.11%, other income increased approximately \$10,000, or 0.90%, and federal income tax expense decreased approximately \$38,000, or 20.54%. Offsetting these changes were an increase in provision of losses on loans of \$23,000, or 10.85%, and an increase of approximately \$196,000, or 3.87%, in general, administrative, and other expenses.

The Corporation reported total assets of \$174.5 million at December 31, 2017, total liabilities of \$153.4 million, including deposits of \$141.2 million, and total stockholders' equity of \$21.1 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, 2017	Dec 31, 2016
Cash and cash equivalents	\$10,775	\$12,716
Investment securities	2,874	3,252
Loans receivable, net	150,694	135,114
Other assets	<u>10,160</u>	<u>9,642</u>
Total assets	<u>\$174,503</u>	<u>\$160,724</u>

LIABILITIES AND STOCKHOLDERS' EQUITY

Deposits	\$141,227	\$125,464
Advances from the FHLB	9,224	12,529
Other liabilities	<u>2,987</u>	<u>2,244</u>
Total liabilities	153,438	140,237
Stockholders' equity	<u>21,065</u>	<u>20,487</u>
Total liabilities and stockholders' equity	<u>\$174,503</u>	<u>\$160,724</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,	
	2017	2016	2017	2016
Total interest income	\$1,629	\$1,452	\$6,192	\$5,705
Total interest expense	<u>273</u>	<u>217</u>	<u>951</u>	<u>857</u>
Net interest income	1,356	1,235	5,241	4,848
Provision for losses on loans	<u>55</u>	<u>40</u>	<u>235</u>	<u>212</u>
Net interest income after provision for losses on loans	1,301	1,195	5,006	4,636
Other income	260	289	1,109	1,099
General, administrative and other expense	<u>1,237</u>	<u>1,369</u>	<u>5,253</u>	<u>5,057</u>
Income (loss) before income taxes	324	115	862	678
Income taxes	<u>36</u>	<u>27</u>	<u>145</u>	<u>183</u>
NET INCOME	<u>\$ 288</u>	<u>\$ 88</u>	<u>\$ 717</u>	<u>\$ 495</u>
EARNINGS PER SHARE - basic and diluted	<u>\$0.14</u>	<u>\$0.04</u>	<u>\$0.35</u>	<u>\$0.24</u>