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## **BV FINANCIAL, INC. ANNOUNCES FINANCIAL RESULTS**

Baltimore, Maryland, May 1, 2018. - BV Financial, Inc. (OTCBB: BVFL), the holding company for Bay-Vanguard Federal Savings Bank, today reported a net loss of (\$49,000), or (\$0.02) per diluted share, for the nine months ended March 31, 2018 compared to net income of \$492,000, or \$0.16 per diluted share, for the nine months ended March 31, 2017. In addition, the Company reported net income of \$104,000, or \$0.03 per diluted share, for the quarter ended March 31, 2017, compared to net income of \$179,000, or \$0.06 per diluted share, for the quarter ended March 31, 2017

The decrease in net income for the nine months ended March 31, 2017 was largely attributable to a revaluation of deferred tax assets due to the lower corporate tax rate resulting from the Tax Cuts and Jobs Act. In the nine-month period, this revaluation and write-down of the deferred tax asset resulted in an effective tax rate of 107%.

The decrease in net income for the three months ended March 31, 2018 was largely attributable to an increase of \$169,000 in expenses, primarily professional fees related to asset work-outs offsetting a \$75,000 decrease in the provision for loan losses.

Non-performing assets decreased to \$1.2 million at March 31, 2017 compared to \$1.5 million at June 30, 2017. At March 31, 2018, the loan loss allowance was \$1.8 million, which represented 1.52% of total loans and 348.8% of non-performing loans compared to \$2.1 million at June 30, 2017, which represented 1.63% of total loans and 180.6% of non-performing loans. In addition at March 31, 2017, the Bank had a credit impairment allowance of \$499,000 that is not included in the loan loss allowance. The credit impairment allowance was established for loans acquired in the merger with Vigilant Savings Bank in 2013.

As of March 31, 2018, BV Financial, Inc. assets of \$167.5 million, net loans of \$120.1 million, deposits of \$139.8 million and total stockholders' equity of \$21.5 million compared to \$171.0 million, \$126.1 million, \$142.6 million and \$21.6 million at June 30, 2017.

Bay-Vanguard's Tier 1 leverage capital ratio was 12.27% at March 31, 2018 compared to 11.80% at June 30, 2017. This ratio and the Bank's other capital measurements continue to exceed all regulatory standards for "well-capitalized" financial institutions.

This press release may contain certain forward-looking statements that are based on management's current expectations regarding economic, legislative and regulatory issues that may impact the Company's earnings in future periods. Factors that could cause future results to vary materially from current management expectations include, but are not limited to, general economic conditions, changes in interest rates, deposit flows, real estate

values and competition, changes in accounting principles, policies or guidelines, changes in legislation or regulation and other economic, competitive, governmental, regulatory and technological factors affecting the Company's operations, pricing, products and services.

BV Financial, Inc. is the parent company of Bay-Vanguard Federal Savings Bank. Bay-Vanguard Federal Savings Bank is headquartered in Baltimore, Maryland with three other branches in the Baltimore metropolitan area. The Bank is a full service community-oriented financial institution dedicated to serving the financial service needs of consumers and businesses within its market area.

BV Financial, Inc.  
Consolidated Financial Highlights  
(In thousands, except per share data)

	<u>3/31/2018</u>	<u>6/30/2017</u>		
Selected Balance Sheet Data: (unaudited)				
Total assets	\$167,525	\$171,087		
Investment securities	19,802	20,850		
Loans receivable, net	120,185	126,095		
Total deposits	139,846	142,603		
Borrowings	3,015	3,057		
Stockholders' equity	21,511	21,622		
	Three months ended March 31,		Nine months ended March 31,	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Operating Results:	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Interest income	\$ 1,667	\$ 1,717	\$ 5,012	\$ 5,163
Interest expense	196	192	592	591
Net interest income	<u>1,471</u>	<u>1,525</u>	<u>4,420</u>	<u>4,572</u>
Provision for loan losses	60	135	180	326
Net interest income after provision	<u>1,411</u>	<u>1,390</u>	<u>4,240</u>	<u>4,246</u>
Non-interest income	93	87	291	230
Non-interest expense	<u>1,366</u>	<u>1,197</u>	<u>3,861</u>	<u>3,729</u>
Income before income taxes	138	280	670	747
Income taxes	34	101	719	255
Net income	<u>\$ 104</u>	<u>\$ 179</u>	<u>(49)</u>	<u>\$ 492</u>
Diluted income per share	<u>\$ 0.03</u>	<u>\$ 0.06</u>	<u>\$ (0.02)</u>	<u>\$ 0.16</u>