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BV FINANCIAL, INC. ANNOUNCES FINANCIAL RESULTS

Baltimore, Maryland, August 12, 2016 – BV Financial, Inc. (OTC: BVFL), the holding company for Bay-Vanguard Federal Savings Bank, today reported a net loss of (\$119,000), or (\$0.04) per diluted share, for the year ended June 30, 2016 compared to net income of \$713,000, or \$0.24 per diluted share, for the year ended June 30, 2015.

The change in net income is primarily due to an increase in the provision for loan losses of \$860,000 from the previous year, a decrease in non-interest income of \$235,000 and lower interest income. The higher provision for loan loss expense resulted from an increase in net charge-offs in the year ended June 30, 2016 to \$1.1 million from \$337,000 in the year ended June 30, 2015. Lower non-interest income in the current year when compared to the previous year is a result of the \$173,000 gain on the sale of a former branch office and higher gains on sale of repossessed properties incurred in the year ended June 30, 2015. Lower interest income is primarily due to lower yields on loans

Total assets decreased to \$169.2 million at June 30, 2016 compared to \$169.5 million at June 30, 2015, primarily due to a decrease in loans, time deposits in other banks, repossessed assets and premises and equipment. Net loans decreased \$759,000 as new production was offset by pay-offs, an increase in the allowance for loan losses and transfers to other real estate owned. Time deposits in other banks decreased by \$1.7 million as these instruments are being allowed to run-off at maturity. The securities portfolio increased by \$2.7 million. Non-performing loans increased to \$4.6 million at June 30, 2016 compared to \$2.5 million at June 30, 2015. At June 30, 2016, the loan loss allowance was \$2.1 million, which represented 1.66% of total loans and 46.4% of non-performing loans compared to \$1.8 million at June 30, 2015, which represented 1.43% of total loans and 72.3% of non-performing loans. In addition at June 30, 2016, the Bank had a credit impairment allowance of \$630,000 that is not included in the loan loss allowance. Deposits increased \$263,000 as an increase in non-interest bearing deposits of \$1.2 million offset a decrease in interest bearing deposits.

Bay-Vanguard's Tier 1 capital ratio increased to 11.50% at June 30, 2016 compared to 11.37% at June 30, 2015. 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>6/30/2016</u>	<u>6/30/2015</u>
Selected Balance Sheet Data:	(unaudited)	
Total assets	\$ 169,150	\$169,507
Investment securities	17,253	14,584
Loans receivable, net	125,502	126,261
Total deposits	141,264	141,001
Stockholders' equity	20,983	21,060
For the Year ended June 30,		
	<u>2015</u>	<u>2015</u>
Operating Results:	(unaudited)	
Interest income	\$ 6,851	\$ 7,004
Interest expense	748	713
Net interest income	<u>6,103</u>	<u>6,291</u>
Provision for loan losses	1,446	586
Net interest income after provision	<u>4,657</u>	<u>5,705</u>
Non-interest income	408	643
Non-interest expense	<u>5,286</u>	<u>5,326</u>
Income before income taxes	(221)	1,022
Income taxes	(102)	309
Net income	<u>\$ (119)</u>	<u>\$ 713</u>
Diluted income per share	<u>\$ (\$0.04)</u>	<u>\$ 0.24</u>