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BV FINANCIAL, INC. ANNOUNCES FINANCIAL RESULTS

Baltimore, Maryland, February 4, 2015. - BV Financial, Inc. (OTCBB: BVFL), the holding company for Bay-Vanguard Federal Savings Bank, today reported net income of \$481,000, or \$0.16 per diluted share, for the six months ended December 31, 2014 compared to net income of \$369,000, or \$0.12 per diluted share, for the six months ended December 31, 2013. In addition, the Company reported net income of \$257,000, or \$0.09 per diluted share, for the quarter ended December 31, 2014, compared to net income of \$263,000, or \$0.09 per diluted share, for the quarter ended December 31, 2013.

The increase in net income for the six months ended December 31, 2014 was largely attributable to an increase in noninterest income of \$366,000 and a decrease in the provision for loan losses of \$202,000, offsetting lower net interest income and higher operating expenses. Noninterest income increased due to gains on the sale of a former branch building of \$173,000 and the gain on the sale of an REO property of \$162,000. This gain is in effect a recovery of costs incurred during the six-month period to bring the property up to saleable condition. The lower provision expense was due to a lower level of charge-offs. For the six months ended December 31, 2014, net charge-offs totaled \$22,000 as compared to \$471,000 in the six months ended December 31, 2013. Net interest income decreased \$227,000 primarily due to lower loan balances offsetting lower deposit costs. Operating expenses increased \$177,000 primarily due to higher professional fees incurred due to loan workout costs.

The decrease in net income for the three months ended December 31, 2014 was largely attributable to a decrease in net interest income of \$161,000, a slightly higher provision for loan losses of \$16,000 and higher operating expenses of \$37,000 offsetting higher noninterest income of \$182,000. Net interest income decreased due to lower loan balances offsetting lower deposit costs. Operating expenses increased \$37,000 primarily due to higher professional fees of \$93,000 incurred due to loan workout costs. Noninterest income increased due to gains on the sale of an REO property of \$162,000.

Non-performing assets decreased by \$0.8 million or 13.3%, to \$5.2 million at December 31, 2014 compared to \$6.0 million at June 30, 2014. Non-performing loans were flat at \$3.8 million at December 31, 2014 and June 30, 2014. At December 31, 2014, the loan loss allowance was \$1.8 million, which represented 1.4% of total loans and 48.3% of non-performing loans compared to \$1.6 million at June 30, 2014, which represented 1.2% of total loans and 43.7% of non-performing loans. In addition at December 31, 2014, the Bank had a credit impairment allowance of \$777,000 that is not included in the loan loss allowance. The credit impairment allowance was established for loans acquired in the Vigilant merger

As of December 31, 2014, BV Financial, Inc. assets of \$171.1 million, net loans of \$129.8 million, deposits of \$144.0 million and total stockholders' equity of \$20.8 million compared to \$178.4 million, \$131.9,

150.8 million and \$20.3 million at June 30, 2014, the Company's previous fiscal year end.

Bay-Vanguard's Tier 1 leverage capital ratio was 10.58% at December 31, 2014 compared to 9.82% at June 30, 2014. 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>12/31/2014</u>	<u>6/30/2014</u>		
Selected Balance Sheet Data: (unaudited)				
Total assets	\$171,093	\$178,417		
Investment securities	13,345	14,391		
Loans receivable, net	129,817	131,940		
Total deposits	143,983	150,804		
Borrowings	3,189	3,215		
Stockholders' equity	20,788	20,285		
	Three months ended December 31, 2014	Three months ended December 31, 2013	Six months ended December 31, 2014	Six months ended December 31, 2013
Operating Results:	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Interest income	\$ 1,778	\$ 1,964	\$ 3,643	\$ 3,929
Interest expense	181	206	366	426
Net interest income	<u>1,597</u>	<u>1,758</u>	<u>3,277</u>	<u>3,503</u>
Provision for loan losses	150	134	285	487
Net interest income after provision	1,447	1,624	2,992	3,016
Non-interest income	249	67	508	146
Non-interest expense	1,302	1,265	2,719	2,545
Income before income taxes	394	426	781	617
Income taxes	137	163	300	248
Net income	<u>\$ 257</u>	<u>\$ 263</u>	<u>\$ 481</u>	<u>\$ 369</u>
Diluted income per share	<u>\$ 0.09</u>	<u>\$ 0.09</u>	<u>\$ 0.16</u>	<u>\$ 0.12</u>