

Contact:

David M. Flair.  
Chief Executive Officer  
(410) 477-5000

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

Baltimore, Maryland, May 02, 2014. – BV Financial, Inc. (OTCBB: BVFL), the holding company for Bay-Vanguard Federal Savings Bank, today reported net income of \$581,000, or \$0.20 per diluted share, for the nine months ended March 31, 2014 compared to net income of \$353,000, or \$0.15 per diluted share, for the nine months ended March 31, 2013. In addition, the Company reported net income of \$212,000, or \$0.07 per diluted share, for the quarter ended March 31, 2014, compared to net income of \$149,000, or \$0.06 per diluted share, for the quarter ended March 31, 2013.

The increase in net income was attributed to an increase in net interest income offsetting increases in the provision for loan losses and operating expenses. The increases in net interest income are primarily due to higher average balances of earning assets resulting from the merger with Vigilant Federal Savings Bank in May 2013. The merger was also primarily responsible for the increase in operating expenses. The provision for loan loss was \$614,000 for the nine months ended March 31, 2014 compared to \$427,000 for the nine months ended March 31, 2013. Non-performing loans were \$6.5 million at March 31, 2014 compared to \$5.2 million at June 30, 2013 mainly due to an increase in non-performing one- to four-family non-owner occupied residential loans. At March 31, 2014, the loan loss allowance was \$1.5 million, which represented 1.1% of total loans and 22.8% of non-performing loans compared to \$1.4 million at June 30, 2013, which represented 1.1% of total loans and 27.7% of non-performing loans. In addition at March 31, 2014, the Bank had a credit impairment allowance of \$907,000 that is not included in the loan loss allowance. The credit impairment allowance was established for loans acquired in the Vigilant merger.

The loan portfolio decreased \$900,000 due primarily to decreases in residential mortgage and mobile home loans, somewhat offset by increases in consumer loans. Cash and cash equivalents decreased \$1.0 million and the investment portfolio decreased \$1.6 million as those funds were used to fund deposit outflows. Deposits decreased \$5.7 million for the nine months ended March 31, 2014, primarily as maturing certificate of deposit accounts were not reinvested in the Bank and because of a decrease in higher rate money market accounts.

Bay-Vanguard's Tier 1 capital ratio was 9.62% at March 31, 2014 compared to 8.90% at June 30, 2013. 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>3/31/2014</u>	<u>6/30/2013</u>		
Selected Balance Sheet Data:	(unaudited)			
Total assets	\$179,452	\$185,695		
Investment securities	15,334	16,979		
Loans receivable, net	134,804	135,716		
Total deposits	152,276	157,996		
Stockholders' equity	20,157	19,512		
			Three months	Nine months
			ended March 31,	ended March 31,
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Operating Results:	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Interest income	\$ 1,850	\$ 1,462	\$ 5,779	\$ 4,604
Interest expense	193	215	619	726
Net interest income	<u>1,657</u>	<u>1,247</u>	<u>5,160</u>	<u>3,876</u>
Provision for loan losses	127	65	614	427
Net interest income after provision	1,530	1,182	4,546	3,451
Non-interest income	84	93	231	240
Non-interest expense	1,274	991	3,820	3,077
Income before income taxes	<u>340</u>	<u>284</u>	<u>957</u>	<u>614</u>
Income taxes	128	135	376	261
Net income	<u>\$ 212</u>	<u>\$ 149</u>	<u>\$ 581</u>	<u>\$ 353</u>
Diluted income per share	<u>\$ 0.07</u>	<u>\$ 0.06</u>	<u>\$ 0.20</u>	<u>\$ 0.15</u>