

Contact:
Michael J. Dee
Chief Financial Officer
(410) 477- 5000

BV FINANCIAL, INC. ANNOUNCES FINANCIAL RESULTS

Baltimore, Maryland, July 27, 2017 – BV Financial, Inc. (OTC: BVFL), the holding company for Bay-Vanguard Federal Savings Bank, today reported net income of \$653,000, or \$0.22 per diluted share, for the year ended June 30, 2017 compared to a net loss (\$120,000), or (\$0.04) per diluted share, for the year ended June 30, 2016.

The change in net income is primarily due to a decrease in the provision for loan losses of \$1.0 million from the previous year and a decrease in non-interest expense of \$250,000. The lower provision for loan loss expense resulted from lower net charge-offs in the year ended June 30, 2017 of \$423,000 compared to \$1.2 million in the year ended June 30, 2016, as well as decreased levels of problem assets. Lower non-interest expense in the current year when compared to the previous year is a result of lower FDIC, other and professional fee expenses.

Total assets increased to \$171.0 million at June 30, 2017 compared to \$169.2 million at June 30, 2016. Increases in net loans of \$0.6 million, securities available for sale of \$2.6 million and Bank owned life insurance of \$1.6 million were somewhat offset by decreases in cash and cash equivalents of \$3.0 million. Non-interest bearing deposits increased by \$4.5 million while interest bearing deposits decreased by \$3.1 million. Non-performing loans decreased to \$1.2 million at June 30, 2017 compared to \$4.6 million at June 30, 2016. Repossessed assets also decreased from \$0.7 million at June 30, 2016 to \$0.3 million at June 30, 2017. The loan loss allowance was \$2.1 million, which represented 1.63% of total loans and 181% of non-performing loans compared to \$2.1 million at June 30, 2016, which represented 1.66% of total loans and 46.4% of non-performing loans. In addition at June 30, 2017, the Bank had a credit impairment allowance of \$556,000 that is not included in the loan loss allowance.

Bay-Vanguard's Tier 1 capital ratio increased to 11.80% at June 30, 2017 compared to 11.50% at June 30, 2016. 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>6/30/2017</u>	<u>6/30/2016</u>
Selected Balance Sheet Data:	(unaudited)	
Total assets	\$ 171,011	\$169,150
Investment securities	20,850	17,253
Loans receivable, net	126,095	125,502
Total deposits	142,603	141,264
Stockholders' equity	21,614	20,983
	For the Year ended June 30,	
	<u>2017</u>	<u>2016</u>
Operating Results:	(unaudited)	
Interest income	\$ 6,905	\$ 6,851
Interest expense	784	748
Net interest income	<u>6,121</u>	<u>6,103</u>
Provision for loan losses	401	1,446
Net interest income after provision	5,720	4,657
Non-interest income	341	408
Non-interest expense	5,036	5,286
Income before income taxes	<u>1,025</u>	<u>(221)</u>
Income taxes	372	(101)
Net income	<u>\$ 653</u>	<u>\$ (120)</u>
Diluted income per share	<u>\$ 0.22</u>	<u>\$ (\$0.04)</u>