

FFW CORP PRESS RELEASE

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FFW CORPORATION ANNOUNCES EARNINGS FOR THE QUARTER AND SIX MONTHS ENDED DECEMBER 31, 2009

WABASH, INDIANA - FFW Corporation (the "Corporation") (OTCBB: **FFWC**) (1/26/2010 Close: **\$12.00**), parent corporation of Crossroads Bank, announced earnings for the three and six months ended December 31, 2009.

For the three months ended December 31, 2009, the Corporation reported net income of \$554,000 or \$0.40 per common share. This is compared to net income of \$749,000 or \$0.69 per common share for the quarter ended December 31, 2008. The earnings in the quarter ended December 31, 2009 reflect a net interest margin of \$2,452,000. The provision for loan losses was \$840,000 for the three months ended December 31, 2009 and \$285,000 for the three months ended December 31, 2008. Noninterest income was \$1,094,000 for the quarter ended December 31, 2009 as compared to \$595,000 for the quarter ended December 31, 2008. Noninterest income was positively impacted by gains on the sales of certain securities and gains in the value of our mortgage servicing rights portfolio. Noninterest expense was \$2,013,000 for the quarter ended December 31, 2009 compared to \$1,770,000 for the quarter ended December 31, 2008.

For the six months ended December 31, 2009, the Corporation reported net income of \$1,107,000 or \$0.79 per common share. This is compared to a net loss of (\$2,406,000) or (\$2.19) per common share for the six months ended December 31, 2008. The net interest margin for the six months ended December 31, 2009 was \$4,999,000 compared to \$5,140,000 for the six months ended December 31, 2008. The provision for loan losses increased from \$714,000 for the period ended December 31, 2008 to \$1,250,000 for the period ended December 31, 2009. Total noninterest income (loss) was \$1,723,000 for the six months ended December 31, 2009 and (\$5,556,666) for the six months ended December 31, 2008. The period ended December 31, 2008 includes a non-cash impairment charge of \$6,692,000 related to certain Federal National Mortgage Association ("Fannie Mae") preferred stocks. Noninterest expense increased from \$3,538,000 for the six months ended December 31, 2008 to \$4,064,000 for the six months ended December 31, 2009.

The three and six month periods ended December 31, 2009 represent a return on average common equity of 8.00% and 8.15%, respectively. Return on average common equity for the three and six month periods ended December 31, 2008 was 14.09% and (22.49%), respectively. Return on average total assets for the three and six month periods ended December 31, 2009 was 0.64% and 0.65%, respectively. This is compared to 0.94% and (1.50%) for the three and six month periods ended December 31, 2008.

The allowance for loan losses as a percentage of gross loans receivable was 1.43% at December 31, 2009 and 1.53% at June 30, 2009. Nonperforming assets increased to \$7.6 million at December 31, 2009 from \$4.8 million at June 30, 2009.

As of December 31, 2009, FFWC's equity-to-assets ratio was 8.19% compared to 8.26% at June 30, 2009. Total assets at December 31, 2009 were \$341.0 million compared to \$332.6 million at June 30, 2009. Shareholders' equity was \$27.9 million at December 31, 2009 compared to \$27.5 million at June 30, 2009. Crossroads Bank exceeds all applicable regulatory requirements to be considered "well capitalized."

Crossroads Bank is a wholly owned subsidiary of FFW Corporation providing an extensive array of banking services and a wide range of investments and securities products through its main office in Wabash and four Indiana banking centers located in Columbia City, North Manchester, South Whitley, and Syracuse. The Bank provides leasing services at its banking centers and its Carmel, IN leasing and commercial loan office. Insurance products are offered through an affiliated company, Insurance 1 Services, Inc. The corporation's stock is traded on the OTC Bulletin Board under the symbol "FFWC.OB." Our website address is www.crossroadsbanking.com.

FFW Corporation
Selected Financial Information

Consolidated Balance Sheet

	December 31	June 30
	2009	2009
	Unaudited	
Assets		
Cash and due from financial institutions	\$ 3,887,519	\$ 3,830,526
Interest-earning deposits in other financial institutions – short term	3,547,757	7,284,371
Cash and cash equivalents	7,435,276	11,114,897
Securities available for sale	75,979,532	66,273,786
Loans receivable, net of allowance for loan losses of \$3,394,049 at December 31, 2009 and \$3,605,204 at June 30, 2009	234,202,942	232,090,418
Loans held for sale	293,400	1,337,609
Federal Home Loan Bank stock, at cost	3,627,100	3,627,100
Accrued interest receivable	1,676,599	1,425,374
Premises and equipment, net	4,021,745	4,096,623
Mortgage servicing rights	444,521	392,839
Cash surrender value of life insurance	6,233,793	6,094,321
Goodwill	1,213,898	1,213,898
Other assets	5,903,204	4,964,787
Total assets	\$ 341,032,010	\$ 332,631,652
Liabilities		
Noninterest-bearing deposits	\$ 16,008,192	\$ 12,924,010
Interest-bearing deposits	253,681,161	248,643,498
Total deposits	269,689,353	261,567,508
Federal Home Loan Bank advances	40,899,557	38,098,030
Accrued expenses and other liabilities	2,526,452	5,477,874
Total liabilities	313,115,362	305,143,412
Shareholders' equity		
Preferred stock, \$.01 par; \$1,000 liquidation value per share; 500,000 shares authorized;		
Series A, 5% Fixed Rate Cumulative Perpetual Preferred Stock - 7,289 shares outstanding September 30, 2009, \$7,289,000 liquidation preference	6,963,463	6,922,771
Series B, 9% Fixed Rate Cumulative Perpetual Preferred Stock - 364 shares outstanding September 30, 2009, \$364,000 liquidation preference	398,337	402,629
Common stock, \$.01 par; 2,000,000 shares authorized; issued: 1,836,328 outstanding: 1,112,260	18,363	18,363
Additional paid-in capital	9,480,992	9,448,627
Retained earnings	22,734,397	22,351,652
Accumulated other comprehensive (loss)	(564,482)	(541,380)
Treasury stock, at cost; 724,068 shares	(11,114,422)	(11,114,422)
Total shareholders' equity	27,916,648	27,488,240
Total liabilities and shareholders' equity	\$ 341,032,010	\$ 332,631,652

Consolidated Statement of Income

	Three Months Ended December 31		Six Months Ended December 31	
	2009	2008	2009	2008
	Unaudited	Unaudited	Unaudited	Unaudited
Interest and dividend income:				
Loans, including fees	\$ 3,481,420	\$ 3,833,061	\$ 7,119,354	\$ 7,958,892
Taxable securities	633,570	565,538	1,291,257	1,273,642
Nontaxable securities	172,879	187,476	351,803	364,191
Other	9,062	6,327	13,888	28,873
Total interest and dividend income	4,296,931	4,592,402	8,776,302	9,625,598
Interest expense:				
Deposits	1,397,140	1,660,641	2,865,063	3,497,268
Borrowings	448,278	481,435	912,730	988,148
Total interest expense	1,845,418	2,142,076	3,777,793	4,485,416
Net interest income	2,451,513	2,450,326	4,998,509	5,140,182
Provision for loan losses	840,000	285,000	1,250,000	714,000
Net interest income after provision for loan losses	1,611,513	2,165,326	3,748,509	4,426,182
Noninterest income:				
Net gains (losses) on sales of securities	472,337	187,336	474,708	187,336
Net gains on sales of loans	72,762	38,217	164,180	58,026
Other than temporary impairment on securities	(150,000)	-	(150,000)	(6,692,000)
Commission income	145,566	142,322	298,538	288,645
Service charges and fees	366,051	97,103	644,166	403,231
Earnings on life insurance	70,273	75,282	139,471	145,055
Other	117,269	54,926	151,596	53,819
Total noninterest income (loss)	1,094,258	595,186	1,722,659	(5,555,888)
Noninterest expense:				
Salaries and benefits	1,009,152	915,578	2,017,304	1,832,020
Occupancy and equipment	242,636	209,804	478,434	413,782
Professional	89,352	67,037	160,621	121,034
Marketing	33,664	31,875	73,657	82,304
Deposit insurance premium	117,360	44,274	235,537	83,353
Regulatory assessment	24,299	23,080	48,597	46,161
Correspondent bank charges	18,277	18,426	37,696	39,938
Data processing	139,548	127,423	272,422	257,743
Printing, postage and supplies	59,258	61,927	127,504	119,570
Expense on life insurance	16,694	21,507	33,388	46,381
Contribution expense	11,784	16,540	25,201	29,081
Other	250,936	232,524	553,518	466,234
Total noninterest expense	2,012,960	1,769,995	4,063,879	3,537,601
Income (loss) before income taxes	692,811	990,517	1,407,289	(4,667,307)
Income tax expense (benefit)	138,978	241,514	300,148	(2,261,050)
Net income (loss)	\$ 553,833	\$ 749,003	\$ 1,107,141	\$ (2,406,257)
Preferred stock dividends and discount accretion, net	117,503	13,240	235,005	13,240
Net income (loss) attributable to common shareholders	\$ 436,331	\$ 735,763	\$ 872,136	\$ (2,419,497)

