

FFW CORP PRESS RELEASE

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FFW CORPORATION ANNOUNCES EARNINGS FOR THE NINE MONTHS ENDED MARCH 31, 2020

WABASH, INDIANA - - FFW Corporation (the "Corporation") (OTC PINK: [FFWC](#)) (**4/28/20 Close: \$38.75**), parent corporation of Crossroads Bank (the "Bank"), announced earnings for the three and nine months ended March 31, 2020.

For the three months ended March 31, 2020, the Corporation reported net income of \$1,109,000 or \$0.98 per common share compared to \$1,054,000 or \$0.92 per common share for the three months ended March 31, 2019. Net interest income for the three months ended March 31, 2020 was \$3,639,000 compared to \$3,284,000 for the three months ended March 31, 2019. The provision for loan losses was \$75,000 for the three months ended March 31, 2020 and \$50,000 for the three months ended March 31, 2019. Total noninterest income was \$774,000 for the three months ended March 31, 2020 compared to \$727,000 for the three months ended March 31, 2019. Noninterest expense was \$3,067,000 for the three months ended March 31, 2020 and \$2,750,000 for the three months ended March 31, 2019.

President & CEO, Roger Cromer commented, "Results of operations for the quarter ended March 31, 2020 include our assessment of industries impacted by COVID-19. We continue to analyze this globally stressed situation as we head into our fourth fiscal quarter of 2020. We have been proud to support our communities impacted by COVID-19 by assisting approximately 150 local businesses access PPP funds totaling \$13.0 million. This translates to approximately 1,900 employees with guaranteed payroll for the next 8 weeks. As we head into the fourth quarter, we continue to assist customers with loan deferments, we have ceased foreclosures and diligently work with each customer to meet their individual needs. In addition, we contributed \$50,000 to local Community Foundations to directly provide COVID-19 relief."

For the nine months ended March 31, 2020, the Corporation reported net income of \$3,612,000 or \$3.17 per common share compared to \$3,306,000 or \$2.87 per common share for the nine months ended March 31, 2019. Net interest income for the nine months ended March 31, 2020 was \$10,540,000 compared to \$9,895,000 for the nine months ended March 31, 2019. The Company recognized a provision for loan losses of \$200,000 for the nine months ended March 31, 2020 and \$181,000 for the nine months ended March 31, 2019. Total noninterest income was \$2,830,000 for the nine months ended March 31, 2020 compared to \$2,407,000 for the nine months ended March 31, 2019. Noninterest expense was \$8,996,000 for the nine months ended March 31, 2020 and \$8,307,000 for the nine months ended March 31, 2019.

The three and nine months ended March 31, 2020 represented a return on average common equity of 9.85% and 10.36%, respectively, compared to 10.11% and 10.72% for the three and nine month periods ended March 31, 2019. The three and nine months ended March 31, 2020 represented a return on average assets of 1.05% and 1.14%, respectively, compared to 1.08% and 1.12%, for the three and nine month periods ended March 31, 2019.

The allowance for loan losses as a percentage of gross loans receivable was 1.33% at March 31, 2020 compared to 1.35% at June 30, 2019. Nonperforming assets were \$2,736,000 at March 31, 2020 compared to \$3,693,000 at June 30, 2019.

As of March 31, 2020, FFWC's equity-to-assets ratio was 10.69% compared to 10.79% at June 30, 2019. Total assets at March 31, 2020 were \$423,617,000 compared to \$414,517,000 at June 30, 2019. Shareholders' equity was \$45,280,000 at March 31, 2020 compared to \$44,738,000 at June 30, 2019. Crossroads Bank exceeds all applicable regulatory requirements to be considered "well capitalized."

Forward Looking Statements

This press release may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include expressions such as "expects," "intends," "believes," and "should," which are necessarily statements of belief as to the expected outcomes of future events. Actual results could materially differ from those presented. The Corporation's ability to predict future results involves a number of risks and uncertainties. The Corporation undertakes no obligation to release revisions to these forward-looking statements or reflect events or circumstances after the date of this release.

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 five Indiana banking centers located in Columbia City, North Manchester, Peru, South Whitley and Syracuse. The Bank provides leasing services at its banking centers and its Fishers, 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 Markets under the symbol "FFWC." Our website address is www.crossroadsbanking.com. Crossroads Bank, Member FDIC.

FFW Corporation
Selected Financial Information

Consolidated Balance Sheet

	March 31	June 30
	2020	2019
	Unaudited	
Assets		
Cash and due from financial institutions	\$ 5,558,214	\$ 4,897,871
Interest-bearing deposits in other financial institutions	12,567,540	21,857,520
Cash and cash equivalents	18,125,754	26,755,391
Securities available for sale	82,604,982	85,275,452
Loans receivable, net of allowance for loan losses of \$4,005,826 at March 31, 2020 and \$3,857,473 at June 30, 2019	296,723,240	279,796,467
Loans held for sale	1,546,625	1,340,765
Federal Home Loan Bank stock, at cost	1,462,500	1,462,500
Accrued interest receivable	2,019,320	2,240,851
Premises and equipment, net	8,500,800	5,442,196
Mortgage servicing rights	677,408	762,392
Cash surrender value of life insurance	9,085,429	8,867,601
Goodwill	1,213,898	1,213,898
Reposessed Assets	151,977	194,730
Other assets	1,505,131	1,165,252
Total assets	\$ 423,617,064	\$ 414,517,495
Liabilities and shareholders' equity		
Deposits		
Noninterest-bearing	\$ 30,166,344	\$ 33,005,454
Interest-bearing	342,684,073	331,115,288
Total deposits	372,850,417	364,120,742
Borrowings	2,000,000	2,000,000
Accrued expenses and other liabilities	3,487,096	3,659,180
Total liabilities	378,337,513	369,779,922
Shareholders' equity		
Common stock, \$.01 par; 2,000,000 shares authorized; Issued: 1,836,328; outstanding: 1,129,394 - March 31, 2020 and 1,149,783 - June 30, 2019		
	18,363	18,363
Additional paid-in capital	9,803,957	9,777,849
Retained earnings	46,520,886	43,691,848
Accumulated other comprehensive income	877,705	2,238,257
Treasury stock, at cost: 706,934 shares at March 31, 2020 and 686,545 shares at June 30, 2019	(11,941,360)	(10,988,744)
Total shareholders' equity	45,279,551	44,737,573
Total liabilities and shareholders' equity	\$ 423,617,064	\$ 414,517,495

Consolidated Statement of Income

	Three Months Ended March 31		Nine Months Ended March 31	
	2020	2019	2020	2019
	Unaudited	Unaudited	Unaudited	Unaudited
Interest and dividend income:				
Loans, including fees	\$ 3,783,885	\$ 3,350,040	\$ 11,173,081	\$ 9,971,669
Taxable securities	357,866	382,257	1,042,224	1,045,902
Tax exempt securities	313,098	302,820	938,957	913,141
Other	66,667	162,797	233,454	361,025
Total interest and dividend income	4,521,516	4,197,914	13,387,716	12,291,737
Interest expense:				
Deposits	873,790	905,675	2,818,437	2,370,805
Borrowings	9,156	8,551	29,434	26,253
Total interest expense	882,946	914,226	2,847,871	2,397,058
Net interest income	3,638,570	3,283,688	10,539,845	9,894,679
Provision for loan losses	75,000	50,000	200,000	181,118
Net interest income after provision for loan losses	3,563,570	3,233,688	10,339,845	9,713,561
Noninterest income:				
Net gains on sales of securities	(4,286)	25,665	(4,545)	43,776
Net gains on sales of loans	248,353	39,408	605,711	232,145
Net gains (losses) on sales of REO	(25,433)	-	(20,868)	5,494
Commission income	275,209	226,017	865,022	714,487
Service charges and fees	30,911	185,149	548,581	655,173
Earnings on life insurance	73,164	69,873	217,829	211,233
Other	176,116	180,637	618,655	545,161
Total noninterest income	774,034	726,749	2,830,385	2,407,469
Noninterest expense:				
Salaries and benefits	1,679,223	1,480,878	4,839,853	4,611,739
Occupancy and equipment	288,123	293,916	872,698	918,791
Professional	130,038	131,075	418,676	321,456
Marketing	95,689	99,156	295,594	293,968
Deposit insurance premium	-	(9,953)	38,939	51,589
Regulatory assessment	10,141	8,850	28,048	25,048
Correspondent bank charges	19,455	20,154	59,078	59,344
Data processing	369,857	258,829	1,031,253	716,500
Printing, postage and supplies	76,661	56,132	214,175	170,044
Expense on life insurance	14,895	18,731	44,684	56,191
Contribution expense	15,977	21,748	34,980	33,300
Expense on REO	9,010	7,082	29,682	15,904
Other	358,109	363,730	1,087,865	1,033,423
Total noninterest expense	3,067,178	2,750,328	8,995,525	8,307,297
Income before income taxes	1,270,426	1,210,109	4,174,705	3,813,733
Income tax expense	161,312	156,331	562,524	507,429
Net income	\$ 1,109,114	\$ 1,053,778	\$ 3,612,181	\$ 3,306,304

FFW Corporation

Selected Financial Information

Key Balances and Ratios

	Three Months Ended March 31		Nine Months Ended March 31	
	2020	2019	2020	2019
	Unaudited	Unaudited	Unaudited	Unaudited
Per common share data:				
Earnings	\$0.98	\$0.92	\$3.17	\$2.87
Diluted earnings	\$0.98	\$0.92	\$3.17	\$2.87
Dividends paid	\$0.23	\$0.21	\$0.69	\$0.63
Average shares issued and outstanding	1,137,906	1,149,685	1,140,049	1,152,694
Shares outstanding end of period	1,129,394	1,149,783	1,129,394	1,149,783

Supplemental data:

Net interest margin **	3.69%	3.59%	3.57%	3.55%
Return on average assets ***	1.05%	1.08%	1.14%	1.12%
Return on average common equity ***	9.85%	10.11%	10.36%	10.72%

	March 31	June 30
	2020	2019
Nonperforming assets *	\$2,736,180	\$3,692,825
Repossessed assets	\$151,977	\$194,730

* Includes non-accruing loans, accruing loans delinquent more than 90 days and repossessed assets

** Yields reflected have not been computed on a tax equivalent basis

*** Annualized