

FFW CORP PRESS RELEASE

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FFW CORPORATION ANNOUNCES EARNINGS FOR THE QUARTER ENDED SEPTEMBER 30, 2020

WABASH, INDIANA - - FFW Corporation (the "Corporation") (OTC PINK: FFWC) (**10/27/20 Close: \$39.00**), parent corporation of Crossroads Bank (the "Bank"), announced earnings for the quarter ended September 30, 2020.

For the three months ended September 30, 2020, the Corporation reported net income of \$1,748,000 or \$1.53 per common share compared to \$1,236,000 or \$1.08 per common share for the three months ended September 30, 2019. Net interest income for the three months ended September 30, 2020 was \$3,706,000 compared to \$3,491,000 for the three months ended September 30, 2019. The provision for loan losses was \$165,000 for the three months ended September 30, 2020 and \$75,000 for the three months ended September 30, 2019. Total noninterest income was \$1,982,000 for the three months ended September 30, 2020 compared to \$1,011,000 for the three months ended September 30, 2019. Noninterest expense was \$3,426,000 for the three months ended September 30, 2020 and \$2,990,000 for the three months ended September 30, 2019.

The three months ended September 30, 2020 represented a return on average common equity of 13.71% compared to 10.77% for the three months ended September 30, 2019. The three months ended September 30, 2020 represented a return on average assets of 1.48% compared to 1.18% for the three months ended September 30, 2019.

The allowance for loan losses as a percentage of gross loans receivable was 1.29% at September 30, 2020 compared to 1.29% at June 30, 2020. Nonperforming assets were \$3,175,000 at September 30, 2020 compared to \$3,551,000 at June 30, 2020.

As of September 30, 2020, FFWC's equity-to-assets ratio was 10.83% compared to 10.66% at June 30, 2020. Total assets at September 30, 2020 were \$466,214,000 compared to \$461,724,000 at June 30, 2020. Shareholders' equity was \$50,474,000 at September 30, 2020 compared to \$49,198,000 at June 30, 2020. 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 six Indiana banking centers located in Columbia City, North Manchester, Peru, South Whitley, Syracuse and Warsaw. The Bank also provides leasing services at each of its banking centers. 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

	September 30	June 30
	2020	2020
	Unaudited	
Assets		
Cash and due from financial institutions	\$ 4,865,661	\$ 6,084,611
Interest-bearing deposits in other financial institutions	26,909,857	30,077,626
Cash and cash equivalents	31,775,518	36,162,237
Securities available for sale	100,178,257	86,147,475
Loans receivable, net of allowance for loan losses of \$4,036,116 at September 30, 2020 and \$4,098,026 at June 30, 2020	304,558,569	303,102,891
Loans held for sale	4,107,705	10,876,733
Federal Home Loan Bank stock, at cost	1,462,500	1,462,500
Accrued interest receivable	2,339,030	2,281,588
Premises and equipment, net	9,376,500	9,338,832
Mortgage servicing rights	784,574	731,190
Cash surrender value of life insurance	9,233,735	9,159,293
Goodwill	1,213,898	1,213,898
Repossessed Assets	179,184	145,782
Other assets	1,004,677	1,101,841
Total assets	\$ 466,214,147	\$ 461,724,260
Liabilities and shareholders' equity		
Deposits		
Noninterest-bearing	\$ 46,598,906	\$ 42,014,196
Interest-bearing	365,015,219	366,527,945
Total deposits	411,614,125	408,542,141
Accrued expenses and other liabilities	4,126,072	3,984,019
Total liabilities	415,740,197	412,526,160
Shareholders' equity		
Common stock, \$.01 par; 2,000,000 shares authorized;		
Issued: 1,836,328; outstanding: 1,142,690 - September 30, 2020 and 1,129,394 - June 30, 2020	18,363	18,363
Additional paid-in capital	9,653,604	9,826,124
Retained earnings	49,122,033	47,660,175
Accumulated other comprehensive income	3,396,740	3,634,798
Treasury stock, at cost: 693,638 shares at September 30, 2020 and 706,934 shares at June 30, 2020	(11,716,790)	(11,941,360)
Total shareholders' equity	50,473,950	49,198,100
Total liabilities and shareholders' equity	\$ 466,214,147	\$ 461,724,260

Consolidated Statement of Income

	Three Months Ended September 30	
	2020	2019
	Unaudited	Unaudited
Interest and dividend income:		
Loans, including fees	\$ 3,604,316	\$ 3,703,229
Taxable securities	333,193	392,816
Tax exempt securities	372,271	313,594
Other	7,781	106,981
Total interest and dividend income	4,317,561	4,516,620
Interest expense:		
Deposits	611,385	1,015,660
Borrowings	-	9,840
Total interest expense	611,385	1,025,500
Net interest income	3,706,176	3,491,120
Provision for loan losses	165,000	75,000
Net interest income after provision for loan losses	3,541,176	3,416,120
Noninterest income:		
Net gains on sales of securities	98,467	-
Net gains on sales of loans	1,195,486	166,585
Net gains (losses) on sales of REO	(6,535)	-
Commission income	290,078	312,606
Service charges and fees	95,419	226,690
Earnings on life insurance	74,441	71,319
Other	234,343	234,187
Total noninterest income	1,981,699	1,011,387
Noninterest expense:		
Salaries and benefits	1,761,064	1,579,123
Occupancy and equipment	343,094	295,692
Professional	60,586	140,339
Marketing	113,941	108,184
Deposit insurance premium	33,000	33,000
Regulatory assessment	9,301	8,953
Correspondent bank charges	17,517	20,330
Data processing	420,582	316,938
Printing, postage and supplies	95,412	68,519
Expense on life insurance	15,849	14,895
Contribution expense	15,388	9,546
Expense on REO	4,781	3,524
Other	535,313	391,426
Total noninterest expense	3,425,828	2,990,469
Income before income taxes	2,097,047	1,437,038
Income tax expense	349,517	201,246
Net income	\$ 1,747,530	\$ 1,235,792

Selected Financial Information

Key Balances and Ratios

	Three Months Ended September 30	
	2020	2019
	Unaudited	Unaudited
Per common share data:		
Earnings	\$1.53	\$1.08
Diluted earnings	\$1.53	\$1.08
Dividends paid	\$0.25	\$0.23
Average shares issued and outstanding	1,142,690	1,144,435
Shares outstanding end of period	1,142,690	1,137,783
Supplemental data:		
Net interest margin **	3.38%	3.56%
Return on average assets ***	1.48%	1.18%
Return on average common equity ***	13.71%	10.77%
	September 30	June 30
	2020	2020
Nonperforming assets *	\$3,174,865	\$3,550,611
Repossessed assets	\$179,184	\$145,782

* 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