

## FFW CORP PRESS RELEASE

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### FFW CORPORATION ANNOUNCES EARNINGS FOR THE QUARTER ENDED SEPTEMBER 30, 2009

**WABASH, INDIANA** - - FFW Corporation (the "Corporation") (**OTCBB: FFWC**) (**10/27/2009 Close: \$12.00**), parent corporation of Crossroads Bank, announced earnings for the three months ended September 30, 2009.

For the three months ended September 30, 2009, the Corporation reported net income of \$553,000 or \$0.39 per common share. This is compared to net loss of (\$3,155,000) for the quarter ended September 30, 2008. The period ended September 30, 2008 includes a non-cash impairment charge, net of the tax benefit, of \$3,945,000 related to certain Federal National Mortgage Association ("Fannie Mae") preferred stocks. These securities were sold prior to December 31, 2008. The earnings in the quarter ended September 30, 2009 reflect a net interest margin of \$2,547,000, which is down only 5.3% from the prior year same quarter. The provision for loan losses was \$410,000 for the three months ended September 30, 2009 and \$429,000 for the three months ended September 30, 2008. Noninterest income was \$628,000 for the quarter ended September 30, 2009 as compared to noninterest loss of (\$6,151,000) for the quarter ended September 30, 2008. The noninterest loss includes the Fannie Mae impairment charge. Noninterest expense increased from \$1,768,000 for the three months ended September 30, 2008 to \$2,051,000 for the three months ended September 30, 2009. Noninterest expenses will be impacted in the current year by deposit insurance premiums and costs associated with the core data processor conversion scheduled for the spring of 2010. This conversion is expected to increase efficiency and functionality.

Emily Boardman, Vice President and Chief Financial Officer stated, "This first fiscal quarter has sparked enthusiasm within the Company for the coming year. We are squarely focused on capital preservation and capital growth and ensuring the loan loss allowance is adequate to absorb anticipated losses."

"While there are still unavoidable challenges expected in the coming year, there are also opportunities, said Roger Cromer, President and Chief Executive Officer. "We feel we are well equipped to meet those challenges and capitalize on select opportunities to build for the future."

The three month period ended September 30, 2009 represents a return on average common equity of 8.31% compared to (56.49%) for the three month period ended September 30, 2008. Return on average total assets for the three months ended September 30, 2009 and 2008 was 0.66% and (3.94%), respectively.

The allowance for loan losses as a percentage of gross loans receivable was 1.57% at September 30, 2009 and 1.53% at June 30, 2009. Nonperforming assets increased to \$5.1 million at September 30, 2009 from \$4.8 million at June 30, 2009.

As of September 30, 2009, FFWC's equity-to-assets ratio was 8.40% compared to 8.26% at June 30, 2009. Total assets at September 30, 2009 were \$335.6 million compared to \$332.6 million at June 30, 2009. Shareholders' equity was \$28.2 million at September 30, 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](http://www.crossroadsbanking.com).

**FFW Corporation**  
**Selected Financial Information**

**Consolidated Balance Sheet**

	<b>September 30</b>	<b>June 30</b>
	<b>2009</b>	<b>2009</b>
	Unaudited	
<b>Assets</b>		
Cash and due from financial institutions	\$ 9,980,835	\$ 3,830,526
Interest-earning deposits in other financial institutions – short term	1,416,330	7,284,371
Cash and cash equivalents	11,397,165	11,114,897
Securities available for sale	68,819,028	66,273,786
Loans receivable, net of allowance for loan losses of \$3,723,422 at September 30, 2009 and \$3,605,204 at June 30, 2009	233,429,064	232,378,508
Loans held for sale	278,376	1,049,519
Federal Home Loan Bank stock, at cost	3,627,100	3,627,100
Accrued interest receivable	1,632,256	1,425,374
Premises and equipment, net	4,059,590	4,096,623
Mortgage servicing rights	378,020	392,839
Cash surrender value of life insurance	6,163,519	6,094,321
Goodwill	1,213,898	1,213,898
Deferred tax asset	2,357,544	2,357,544
Other assets	2,222,884	2,607,243
<b>Total assets</b>	<b>\$ 335,578,444</b>	<b>\$ 332,631,652</b>
<b>Liabilities</b>		
Noninterest-bearing deposits	\$ 14,219,016	\$ 12,924,010
Interest-bearing deposits	251,810,814	248,643,498
Total deposits	266,029,830	261,567,508
Federal Home Loan Bank advances	38,098,030	38,098,030
Accrued expenses and other liabilities	2,066,806	2,066,806
Accrued expenses and other liabilities	1,180,555	3,411,068
<b>Total liabilities</b>	<b>307,375,221</b>	<b>305,143,412</b>
<b>Shareholders' equity</b>		
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	6,943,117	6,922,771
Series B, 9% Fixed Rate Cumulative Perpetual Preferred Stock - 364 shares outstanding September 30, 2009, \$364,000 liquidation preference	400,483	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	9,464,810	9,448,627
Retained earnings	22,542,765	22,351,652
Accumulated other comprehensive (loss)	(51,893)	(541,380)
Treasury stock, at cost; 724,068 shares	(11,114,422)	(11,114,422)
<b>Total shareholders' equity</b>	<b>28,203,223</b>	<b>27,488,240</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 335,578,444</b>	<b>\$ 332,631,652</b>

## Consolidated Statement of Income

	Three Months Ended September 30	
	2009	2008
	Unaudited	Unaudited
<b>Interest and dividend income:</b>		
Loans, including fees	\$ 3,637,935	\$ 4,125,833
Taxable securities	657,687	708,103
Nontaxable securities	178,924	176,715
Other	4,826	22,546
Total interest and dividend income	4,479,372	5,033,197
<b>Interest expense:</b>		
Deposits	1,467,922	1,836,626
Borrowings	464,452	506,713
Total interest expense	1,932,374	2,343,339
<b>Net interest income</b>	<b>2,546,998</b>	<b>2,689,858</b>
Provision for loan losses	410,000	429,000
<b>Net interest income after provision for loan losses</b>	<b>2,136,998</b>	<b>2,260,858</b>
<b>Noninterest income:</b>		
Net gains (losses) on sales of securities	2,371	-
Net gains on sales of loans	91,419	19,808
Net gains (losses) on fixed assets	-	-
Other than temporary impairment on securities		
Total impairment losses	-	(6,692,000)
Losses recognized in other comprehensive income	-	-
Net impairment loss recognized in earnings	-	(6,692,000)
Commission income	152,972	146,322
Service charges and fees	278,115	306,128
Earnings on life insurance	69,198	69,773
Other	34,327	(1,106)
Total noninterest income (loss)	628,402	(6,151,075)
<b>Noninterest expense:</b>		
Salaries and benefits	1,008,151	916,443
Occupancy and equipment	235,798	203,978
Professional	71,270	53,997
Marketing	39,993	50,430
Deposit insurance premium	118,177	39,079
Regulatory assessment	24,299	23,081
Correspondent bank charges	19,420	21,512
Data processing	132,873	130,320
Printing, postage and supplies	68,245	57,644
Expense on life insurance	16,694	24,874
Contribution expense	13,417	12,541
Other	302,583	233,711
Total noninterest expense	2,050,920	1,767,610
<b>Income (loss) before income taxes</b>	<b>714,480</b>	<b>(5,657,827)</b>
Income tax expense (benefit)	161,170	(2,502,564)
<b>Net income (loss)</b>	<b>\$ 553,310</b>	<b>\$ (3,155,263)</b>
<b>Preferred stock dividends and discount accretion, net</b>	<b>117,503</b>	<b>-</b>
<b>Net income (loss) attributable to common shareholders</b>	<b>\$ 435,807</b>	<b>\$ (3,155,263)</b>

		<b>Three Months Ended September 30</b>	
		<b>2009</b>	<b>2008</b>
		Unaudited	Unaudited
<b>Per common share data:</b>			
Earnings		\$0.39	\$(2.88)
Diluted earnings		\$0.39	\$(2.88)
Dividends paid		\$0.22	\$0.22
Average shares issued and outstanding		1,112,260	1,108,977
Shares outstanding end of period		1,112,260	1,112,260
<b>Supplemental data:</b>			
Net interest margin **		3.19%	3.53%
Return on average assets ***		0.66%	-3.94%
Return on average common equity ***		8.31%	-56.49%
		<b>September 30</b>	<b>June 30</b>
		<b>2009</b>	<b>2009</b>
Nonperforming assets *		\$5,113,193	\$4,829,152
Repossessed assets		\$1,384,985	\$1,334,259
* Includes non-accruing loans, accruing loans delinquent more than 90 days and foreclosed assets			
** Yields reflected have not been computed on a tax equivalent basis			
*** Annualized			