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PERPETUAL FEDERAL SAVINGS BANK OF URBANA, OHIO ANNOUNCES THIRD QUARTER OPERATING RESULTS

August 6, 2012, Perpetual Federal Savings Bank of Urbana, Ohio (OTCBB: "PFOH") today reported fiscal third quarter net income of \$1.2 million, or basic and diluted earnings per share of \$0.48, for the quarter ended June 30, 2012, compared to net income of \$672,000, or basic and diluted earnings per share of \$0.27, for the quarter ended June 30, 2011. For the nine months ended June 30, 2012, the Bank reported \$2.5 million of net income, or \$1.00 per share of basic and diluted earnings, compared to \$2.1 million of net income, or \$0.84 per share of basic and diluted earnings for the nine months ended June 30, 2011. The factor primarily responsible for the changes in net income for the comparative three and nine month periods is the provision for loan losses.

Net interest income increased for the three and nine months ended June 30, 2012 compared to the prior comparable periods primarily due to decreases in interest expense, which more than offset a smaller decrease in interest income. Declines in market interest rates were primarily responsible for decreased interest expense during the three and nine month periods ended June 30, 2012 as compared to the same periods in 2011. Similarly, lower rates paid on the Savings Bank's interest-bearing deposits in other financial institutions and loans resulted in decreased interest income for the three and nine months ended June 30, 2012 compared to the same periods in 2011.

The Savings Bank recorded a provision for loan losses of \$240,000 and \$2.3 million for the three and nine months ended June 30, 2012, compared to \$939,000 and \$2.6 million for the three and nine months ended June 30, 2011. These entries were recorded as a result of management's analysis of the loan portfolio during the three and nine month periods, and charge-off activity during these same periods, and reflect the amounts management believed necessary to maintain the adequacy of the allowance for loan losses. Net interest income after provision for loan losses increased \$786,000 from \$1.9 million for the three months ended June 30, 2011 to \$2.7 million for the three months ended June 30, 2012. Net interest income after provision for loan losses increased \$613,000 from \$5.8 million for the nine months ended June 30, 2011 to \$6.4 million for the nine months ended June 30, 2012.

Operating expenses were essentially unchanged, increasing \$26,000 from \$903,000 to \$929,000 for the three months ended June 30, 2012, and increasing \$22,000 from \$2.7 million for the nine months ended June 30, 2012. Noninterest income increased from \$9,000 to \$11,000 and increased from \$30,000 to \$34,000 for the three and nine months ended June 30, 2012, compared to the prior comparable periods. Income tax expense increased by \$260,000 for the three months ended June 30, 2012, and increased by \$204,000 for the nine months ended June 30, 2012 compared to the prior comparable periods, principally due to changes in taxable income.

Total assets increased \$2.7 million, or 0.7%, to \$366.8 million at June 30, 2012 from \$364.1 million at September 30, 2011, the Savings Bank's fiscal year end. Total shareholders' equity increased \$1.3 million, or 2.2%, from \$56.7 million at September 30, 2011 to \$57.9 million at June 30, 2012 due to net income less dividends paid. The Savings Bank's ratio of allowance for loan losses to total assets decreased from 2.3% at September 30, 2011 to 1.2% at June 30, 2012. This decrease is the result of charge-offs against specific valuation allowances ("SVAs") established in previous periods. The Savings Bank's new federal regulator, the Office of the Comptroller of the Currency ("OCC"), requires that any such SVAs be charged off against the loan balance rather than be carried as part of the allowance for loan losses. The Savings Bank's capital ratios remain in excess of those required to be considered well-capitalized under U.S. banking regulations.

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SELECTED CONSOLIDATED FINANCIAL INFORMATION

(In Thousands, except per share data)

Selected Financial Condition Data:	(unaudited)	
	<u>06/30/12</u>	<u>09/30/11</u>
Total assets	\$366,787	\$364,118
Loans receivable, net	302,638	306,525
Allowance for loan losses	4,503	8,466
Interest bearing deposits in other financial institutions	54,528	46,997
Deposits	286,768	284,039
Shareholders' equity	57,945	56,672

Selected Operations Data:	Three Months Ended (unaudited)		Nine months Ended (unaudited)	
	06/30/12	06/30/11	06/30/12	06/30/11
Total interest income	\$ 4,390	\$ 4,607	\$ 13,526	\$ 13,934
Total interest expense	<u>1,457</u>	<u>1,762</u>	<u>4,743</u>	<u>5,506</u>
Net interest income	2,933	2,845	8,783	8,428
Provision for loan losses	<u>240</u>	<u>939</u>	<u>2,337</u>	<u>2,596</u>
Net interest income/loss after provision for loan losses	2,693	1,905	6,446	5,832
Other non-interest income	11	9	34	30
Operating expenses	<u>929</u>	<u>903</u>	<u>2,772</u>	<u>2,750</u>
Income before income taxes	1,775	1,012	3,708	3,112
Income tax expense	<u>600</u>	<u>340</u>	<u>1,250</u>	<u>1,046</u>
Net Income	<u>\$ 1,175</u>	<u>\$ 672</u>	<u>\$ 2,458</u>	<u>\$ 2,066</u>
Earnings per share/Basic and Diluted	<u>\$ 0.48</u>	<u>\$ 0.27</u>	<u>\$ 1.00</u>	<u>\$ 0.84</u>