



Better together.

Quarterly Performance Highlights

For quarter ended March 31, 2020



Strategic Merger: We successfully completed the strategic merger with United Community Financial Corp. (UCFC) on 1/31/2020 for approx. \$527M. The merger combined two complementary banking companies through a partnership considered to be an ideal strategic, financial and operational fit, particularly given the individual strong and consistent performance of both companies over time.



Business Client Support: As active participants in the SBA PPP for clients, we have approved and the SBA has authorized approximately 2,200 loan requests for approximately \$400 million under this program through 4/27/2020. We have also partnered with JobsOhio to provide additional financing on favorable terms for local Ohio business customers in good standing that would otherwise not be able to access this credit on such terms due to the COVID-19 crisis.



Community Support: In our continued support of the communities in which we live and work, we committed \$100,000 from the Charitable Foundation to help local non-profit partners throughout our entire footprint address the challenges faced from COVID-19. In addition, we have partnered with Ohio Capital Corporation for Housing to donate an additional \$20,000 to help develop and maintain healthy, thriving communities during this pandemic and beyond.



Organic Deposit Growth

\$41M



Organic Loan Growth

\$37M



Net Interest Margin

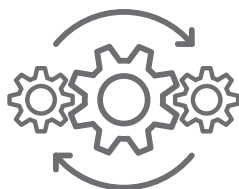
3.78%



"The pandemic has had a severe impact on the global and regional economic outlooks as well as the markets in which we operate. We have shifted focus to servicing the immediate needs of our clients and the health and well-being of our employees while supporting the communities we serve. We have been working extremely hard to assist clients by executing the Small Business Administration Paycheck Protection Program (SBA PPP) enacted as part of the CARES Act stimulus plan and by helping them navigate additional relief programs."

Donald P. Hileman, CEO
First Defiance Financial Corp.

LOOKING AHEAD



Integration remains a management focus as we transition leadership, facilitate system conversions and build talent within the organization post-merger. A dedicated, experienced integration team is leading initiatives to deliver enhanced services and technology while honoring our commitment to superior service and personalized financial solutions.



Name Change to Premier Bank in June will bring together our combined 77 branches under a new name and brand that represents and honors the commitment both banks have made to customers and communities by providing the best in financial partnerships. This name change will bring additional consistency throughout our footprint and an elevated promise to deliver a community banking experience that sets us apart.

For More Information or a Detailed Earnings Release:

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FIRST DEFIANCE FINANCIAL CORP. CONSOLIDATED BALANCE SHEET

(Unaudited, \$ in 000s, except per share data)



ASSETS	March 31, 2020		December 31, 2019		LIABILITIES AND STOCKHOLDERS' EQUITY	March 31, 2020		December 31, 2019	
Cash and cash equivalents	\$	145,708	\$	131,254	Deposits	\$4,994,148	\$2,870,325		
Securities		534,206		283,448	Advances from FHLB	486,000	85,063		
Loans receivable, net		5,028,058		2,746,321	Notes payable and other interest-bearing liabilities	1,961	2,999		
Loans held for sale		85,594		18,008	Subordinated debentures	36,083	36,083		
FHLB stock		89,252		11,915	Other liabilities	106,335	48,355		
Cash value of bank owned life insurance		142,259		75,544	Total liabilities	5,624,527	3,042,825		
Office properties and equipment		59,870		39,563	Stockholders' equity	916,359	426,167		
Real estate and other assets held for sale		548		100	Total liabilities and stockholders' equity	\$6,540,886	\$3,468,992		
Mortgage servicing rights		15,742		10,267	Book value per share	\$24.58	\$21.60		
Goodwill and other intangibles		353,060		103,841	Tangible book value per share	\$15.11	\$16.34		
Other assets		86,589		48,731	Shares outstanding (000s)	37,288	19,730		
Total assets	\$	6,540,886	\$	3,468,992	Stockholders' equity to assets	14.01%	12.29%		

FIRST DEFIANCE FINANCIAL CORP. CONSOLIDATED STATEMENTS OF INCOME AND SELECTED FINANCIAL HIGHLIGHTS

(Unaudited, \$ in 000s, except per share data)



	Three Months Ended March 31	
	2020	2019
CONDENSED STATEMENT OF INCOME		
Interest income	\$54,522	\$33,919
Interest expense	9,059	5,649
Net interest income	45,463	28,270
Non-interest income	13,999	10,813
Non-interest expense	43,768	24,866
Pre-tax pre-provision income	15,694	14,217
Provision for loan losses	43,786	212
Income (loss) before income taxes	(28,092)	14,005
Income tax expense (benefit)	(5,610)	2,523
Net income (loss)	\$(22,482)	\$11,482
Earnings per common share		
Basic	\$(0.71)	\$0.57
Diluted	\$(0.71)	\$0.57
Dividends declared to paid	\$0.22	\$0.19
AVERAGE BALANCES, INTEREST RATES, YIELDS		
Average interest earning assets	\$4,862,532	\$2,871,340
Yield on interest earning assets	4.54%	4.82%
Average interest bearing liabilities	\$3,591,783	\$2,161,491
Cost of deposits and interest bearing liabilities	1.01%	1.06%
Excess of average interest earning assets over average interest bearing liabilities	\$1,270,749	\$709,849
Interest rate spread	3.53%	3.76%
Interest rate margin	3.78%	4.03%
ASSET QUALITY		
Total non-performing assets	\$33,141	\$18,586
Non-performing assets/total assets	0.51%	0.58%
Net charge-offs/(recoveries)	\$(778)	\$379