

HIGHLIGHTS



MERGER: First Defiance Financial Corp finalized its name and ticker symbol change to Premier Financial Corp. (Nasdaq: PFC) in June; and in July, the 78-branch network came together as Premier Bank. The Bank's "Powered by People" philosophy represents their dedication to

bringing people and resources together to make stronger communities in the places they call home. Supported by a unique market structure, every employee is able to keep clients at the center of our business during these times of uncertainty and for many years to come.

BUSINESS CLIENT SUPPORT:

As a part of the CARES Act, the Small Business Administration ("SBA") created the Paycheck Protection Program ("PPP") to provide small businesses with loans as a direct incentive to keep their workers on the payroll. Premier Bank actively participated in the PPP program for clients and completed 2,758 loans totaling \$434 million as of June 30, 2020.

COVID-19 RESPONSE:

Premier Bank continues to be a pillar of support for their clients, employees and communities including over \$120K as an organization and in partnership with the Ohio Capital Corporation for Housing to help local and state non-profit partners address the challenges faced by the COVID-19 global pandemic. We continue our commitment providing the safest and healthiest environments possible for clients and employees, including enhanced cleaning regimens and the continued support of remote work environments.



ORGANIC
DEPOSIT GROWTH

\$766M
15.3%



ORGANIC
LOAN GROWTH

\$343M
6.7%



NET
INTEREST
MARGIN

3.51%



Donald P. Hileman, CEO
Premier Financial Corp.

"Strong non-interest income performance and operating efficiency led to record quarterly results for the second quarter of 2020. We are very pleased by our ability to generate solid profitability for our shareholders while supporting the communities we serve. We happily participated in the SBA PPP program while also conducting loan deferrals for both commercial and retail customers to help them during this difficult and uncertain time."



LOOKING AHEAD

INTEGRATION: Positioning our company for long-term success through management focus on leadership transition, system conversions and building talent within the organization post-merger. Strategic focus remains on credit quality and providing smart financial solutions through enhanced product and service offerings.

NAME CHANGE: Continuing our commitment to our customers and communities by providing the best in financial partnerships through our 78-branch network now combined under the Premier Bank name. This name change brings 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:

PremierFinCorp.com

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CONSOLIDATED BALANCE SHEET (unaudited, \$ in 000s, except per share data)

ASSETS	JUN 30, 2020	DEC 31, 2019	LIABILITIES & STOCKHOLDERS' EQUITY	JUN 30, 2020	DEC 31, 2019
Cash and cash equivalents	\$ 192,681	\$ 131,254	Deposits	\$ 5,759,843	\$ 2,870,325
Securities	567,527	283,448	Advances from FHLB & PPPLF	139,327	85,063
Loans receivable, net	5,368,683	2,746,321	Notes payable & other interest-bearing liabilities	6,948	2,999
Loans held for sale	160,467	18,008	Subordinated debentures	36,083	36,083
FHLB stock	45,955	11,915	Other liabilities	130,642	48,355
Cash value of bank owned life insurance	143,097	75,544	Total liabilities	6,072,843	3,042,825
Office properties and equipment	59,533	39,563	Stockholders' equity	940,968	426,167
Real estate and other assets held for sale	573	100	Total liabilities and stockholders' equity	\$ 7,013,811	\$ 3,468,992
Mortgage servicing rights	14,646	10,267	Book value per share	\$ 25.23	\$ 21.60
Goodwill and other intangibles	351,679	103,841	Tangible book value per share	\$ 15.80	\$ 16.34
Other assets	108,970	48,731	Shares outstanding (000s)	37,296	19,730
Total assets	\$ 7,013,811	\$ 3,468,992	Stockholders' equity to assets	13.42%	12.29%

CONSOLIDATED STATEMENTS OF INCOME & SELECTED FINANCIAL HIGHLIGHT (unaudited, \$ in 000s, except per share data)

	THREE MONTHS ENDED		SIX MONTHS ENDED	
	2020	2019	2020	2019
CONDENSED STATEMENT OF INCOME				
Interest income	\$ 62,449	\$ 35,241	\$ 116,972	\$ 69,160
Interest expense	8,145	6,252	17,205	11,901
Net interest income	54,304	28,989	99,767	57,259
Non-interest income	23,015	10,486	37,014	21,299
Non-interest expense	37,984*	24,320	80,293*	49,100
Pre-tax pre-provision income	39,335*	15,155	56,488*	29,458
Provision for credit losses	2,975	197	48,220**	495
Income (loss) before income taxes	36,360†	14,958	8,268†	28,963
Income tax expense (benefit)	7,303	2,759	1,693	5,282
Net income (loss)	\$ 29,057†	\$ 12,199	\$ 6,575†	\$ 23,681
Earnings per common share				
Basic	\$ 0.78†	\$ 0.62	\$ 0.19†	\$ 1.19
Diluted	\$ 0.78†	\$ 0.61	\$ 0.19†	\$ 1.19
Dividends declared per share	\$ 0.22	\$ 0.19	\$ 0.44	\$ 0.38

AVERAGE BALANCES, INTEREST RATES, YIELDS

Average interest earning assets	\$ 6,247,037	\$ 2,912,278	\$ 5,559,542	\$ 2,892,695
Yield on interest earning assets	4.04%	4.89%	4.24%	4.86%
Average interest bearing liabilities	\$ 4,616,840	\$ 2,196,907	\$ 4,110,462	\$ 2,179,199
Cost of deposits and interest bearing liabilities	0.71%	1.14%	0.84%	1.10%
Excess of average interest earning assets over average interest bearing liabilities	\$ 1,630,197	\$ 715,371	\$ 1,449,080	\$ 713,496
Interest rate spread	3.33%	3.75%	3.40%	3.76%
Interest rate margin	3.51%	4.03%	3.63%	4.03%

ASSET QUALITY

Total non-performing assets	\$ 40,043	\$ 15,334	\$ 40,043	\$ 15,334
Non-performing assets/total assets	0.57%	0.47%	0.57%	0.47%
Net charge-offs/(recoveries)	\$ (828)	\$ (488)	\$ (1,606)	\$ (109)

* Includes impact of merger-related costs totaling \$11,486 pre-tax (\$9,452 after-tax) and \$13,585 pre-tax (\$11,110 after-tax) for the three and six months, respectively. Excluding those costs, non-interest expenses would be \$35,885 and \$66,709 and pre-tax pre-provision income would be \$41,434 and \$70,072 each for the three and six months, respectively.

** Includes impact of merger-related provision charge totaling \$25,949 pre-tax (\$20,500 after-tax). Excluding that charge, provision for credit losses would be \$22,271.

† Excluding the impact of merger-related provision and costs, income before taxes would be \$38,459; net income would be \$30,715 and earnings per share would be \$0.82 for the three month period and income before taxes would be \$47,802, net income would be \$38,185 and earnings per share would be \$1.11 for the six month period.