

ASB FINANCIAL CORP.

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FOR IMMEDIATE RELEASE:

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ASB Financial Corp. Reports Net Earnings For The Six and Three Month Periods Ended December 31, 2010

Portsmouth, Ohio - ASB Financial Corp., parent company of American Savings Bank, fsb, reported net earnings for the six months ended December 31, 2010 of \$965, or \$.61 per diluted share compared to net earnings of \$1,003, or \$.63 per diluted share, for the six months ended December 31, 2009.

The \$38,000, or 3.8%, decrease in net earnings resulted primarily from a \$298,000, or 10.7%, increase in general, administrative and other expense due to increases of \$175,000 for FDIC premiums, \$23,000 for franchise taxes, \$65,000 for data processing expenses and \$95,000 for employee compensation and benefits. These were partially offset by a decrease of \$54,000 in other operating expenses. The increase in net interest income resulted primarily from a decrease in total interest expense of \$292,000, or 14.7%, which was offset by a decrease of \$212,000, or 3.6%, in net interest income due to decreases in interest rates. The \$59,000, or 8.7%, decrease in other income was a result of decreases of \$126,000 in gain of sale of investment securities and \$27,000 in fee income, which were partially offset by a decrease of \$94,000 in the loss on sale of foreclosed assets. The \$260,000, or 51.4% decrease in net provision for losses on loans was a result of reduced monthly contributions to the allowance for loan loss. Although taxable income decreased by \$21,000, or 1.6%, federal income tax expense increased due to lower prepaid tax balances at the beginning of the period.

Net earnings for the three months ended December 31, 2010 totaled \$536,000, or \$.34 per diluted share, compared to net earnings of \$513,000, or \$.32 per diluted share, for the quarter ended December 31, 2009. The increase in net earnings of \$23,000 or 4.5%, was due primarily to a \$145,000, or 44.6%, decrease in provision for losses on loans, an \$82,000, or 27.9%, increase in other income and a \$140,000, 14.6% decrease in total interest expense, which was partially offset by a decrease in total interest income of \$182,000, or 6.1% and an increase of \$156,000, or 11.8% in general, administrative and other expense.

At December 31, 2010, ASB Financial Corp. reported total assets of \$231 million, total liabilities of \$211 million, including deposits of \$190.9 million, and shareholders' equity of \$20 million.

American Savings Bank, fsb, serving Southern Ohio and Northeastern Kentucky was founded in 1892. The common shares of ASB are traded through Pinksheets.com under the symbol ASBN.

ASB Financial Corp.
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION
(In thousands)

ASSETS	December 31, 2010	June 30, 2010
Cash and cash equivalents	\$ 11,959	\$ 11,438
Available-for sale securities	40,363	35,544
Loans receivable	166,906	170,856
Other assets	<u>11,836</u>	<u>11,478</u>
Total assets	<u>\$231,064</u>	<u>\$229,316</u>
 LIABILITIES AND SHAREHOLDERS' EQUITY		
Deposits	\$190,935	\$188,730
Borrowings	18,214	18,274
Other liabilities	<u>1,879</u>	<u>2,174</u>
Total liabilities	211,028	209,178
Shareholders' equity	<u>20,036</u>	<u>20,138</u>
Total liabilities and shareholders' equity	<u>\$231,064</u>	<u>\$229,316</u>

ASB Financial Corp.
CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS
(In thousands, except share data)

	Six months ended December 31,		Three months ended December 31,	
	2010	2009	2010	2009
Total interest income	\$5,730	\$5,946	\$2,815	\$2,997
Total interest expense	<u>1,697</u>	<u>1,989</u>	<u>819</u>	<u>959</u>
Net interest income	4,033	3,957	1,996	2,038
Net provision for losses on loans	<u>275</u>	<u>535</u>	<u>180</u>	<u>325</u>
Net interest income after provision for losses on loans	3,758	3,422	1,816	1,713
Other income	623	682	376	294
General, administrative and other expense	<u>3,073</u>	<u>2,775</u>	<u>1,477</u>	<u>1,321</u>
Earnings before income taxes	1,308	1,329	715	686
Federal income taxes	<u>343</u>	<u>326</u>	<u>179</u>	<u>173</u>
NET EARNINGS	<u>\$965</u>	<u>\$1,003</u>	<u>\$ 536</u>	<u>\$ 513</u>
EARNINGS PER SHARE				
Basic	<u>\$.61</u>	<u>\$.63</u>	<u>\$.34</u>	<u>\$.32</u>
Diluted	<u>\$.61</u>	<u>\$.63</u>	<u>\$.34</u>	<u>\$.32</u>