

**Malvern Bancorp, Inc. (NASDAQ: MLVF) Completes Private Placement Offering of \$25.0 Million of Subordinated Notes due 2027**

Sandler O'Neill + Partners, L.P. served as the sole placement agent for this offering.

This transaction is the 96<sup>th</sup> subordinated note or senior note transaction for a community bank since January 1, 2014 in which Sandler O'Neill acted as a placement agent, sole underwriter, book runner, or initial purchaser. Since May 20, 2016, Sandler O'Neill has raised approximately \$2.4 Billion for its clients in 39 transactions as the book-running manager or placement agent, capturing a 68.4% market share of announced transactions.<sup>1</sup>

**About the Offering:**

PAOLI, Pa., Feb. 08, 2017 -- Malvern Bancorp, Inc. (NASDAQ: MLVF) (the "Company"), parent company of Malvern Federal Savings Bank ("Malvern" or the "Bank"), today announced that it has completed a private placement of \$25.0 million in aggregate principal amount of fixed-to-floating rate subordinated notes (the "Notes") to certain institutional investors. The Notes are non-callable for five years, have a stated maturity of February 15, 2027, and bear interest at a fixed rate of 6.125% per year, from and including February 7, 2017 to, but excluding February 15, 2022. From and including February 15, 2022 to the maturity date or early redemption date, the interest rate will reset quarterly to a level equal to the then current three-month LIBOR rate plus 414.5 basis points.

The Notes have been structured to qualify for the Company as Tier 2 capital under regulatory guidelines. The Company plans to use the net proceeds for general corporate purposes including, but not limited to, contributing capital to the Bank and to fund future growth. The Notes were assigned an investment grade rating of BBB- by Kroll Bond Rating Agency.

*This announcement is for informational purposes only and does not constitute an offer to sell or the solicitation of an offer to buy securities.*

**About the Company:**

Malvern Bancorp, Inc., is the holding company for Malvern Federal Savings Bank. Malvern Federal Savings Bank is a federally-chartered, FDIC-insured savings bank that was originally organized in 1887 and now serves as one of the oldest banks headquartered on the Philadelphia Main Line. For more than a century, Malvern has been committed to helping people build prosperous communities as a trusted financial partner, forging lasting relationships through teamwork, respect and integrity.

(1) Source: Sandler O'Neill Syndicate Desk, Bloomberg. Deal count includes nationwide subordinated debt and senior note offerings for Community Banks; Community Banks defined as banks or bank holding companies with less than \$25 billion in assets.

(2) Financial data not pro forma for the offering

February 7, 2017

6.125% Fixed-to-Floating Rate  
Subordinated Notes due 2027  
**\$25.0 Million**



Sole Placement Agent

SANDLER O'NEILL + PARTNERS

**Financial Highlights as of December 31, 2016 <sup>2</sup>****Dollars in Millions**

Total Assets	\$879.0
Net Loans	\$668.4
Total Deposits	\$658.6
Total Common Equity	\$95.7
Tier 1 Leverage Ratio	11.11%
Tier 1 Risk-Based Capital Ratio	13.16%
Total Risk-Based Capital Ratio	14.06%
TCE / TA	10.89%

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