



FOR IMMEDIATE RELEASE
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FOR FURTHER INFORMATION
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Harleysville Financial Corporation Announces Regular Cash Dividend and Third Quarter Earnings for Fiscal Year 2017

Harleysville, PA., July 19, 2017 – Harleysville Financial Corporation (OTCQX:HARL) reported today that the Company's board of directors declared a regular quarterly cash dividend of \$.22 per share on the Company's common stock. The cash dividend will be payable on August 16, 2017 to stockholders of record on August 2, 2017.

Net income for the third quarter was \$1,388,000 or \$.36 per diluted share compared to \$1,369,000 or \$.36 per diluted share for the same quarter last year.

Net income for the nine months ended June 30, 2017 amounted to \$4,146,000 or \$1.09 per diluted share compared to \$3,999,000 or \$1.06 per diluted share for the same nine-month period a year ago.

"We are pleased with our third quarter results as they reflect our discipline to our fundamental operating principles of maintaining prudent underwriting standards, investing in high credit quality assets and practicing sound capital management. We continue to increase the number of relationships with small businesses and customers

wanting to establish loans and their checking and savings accounts with a locally owned and managed community bank,” said Ron Geib, Chief Executive Officer.

The Company’s assets totaled \$781.8 million compared to \$759.9 million a year ago. Stockholders’ tangible book value increased 3.0% to \$18.14 per share from \$17.62 a year ago.

Harleysville Financial Corporation is traded on the OTCQX market under the symbol HARL (<http://www.otcm Markets.com>) and is the holding company for Harleysville Bank. Established in 1915, Harleysville Bank is a Pennsylvania chartered and federally insured bank, headquartered in Harleysville, PA. The Bank operates from six full-service offices located in Montgomery County and one office located in Bucks County, Pennsylvania.

This presentation may contain forward-looking statements (within the meaning of the Private Securities Litigation Reform Act of 1995). Actual results may differ materially from the results discussed in these forward-looking statements. Factors that might cause such a difference include, but are not limited to, general economic conditions, changes in interest rates, deposit flows, loan demand, real estate values and competition; changes in accounting principles, policies, or guidelines; changes in legislation or regulation; and other economic; competitive, governmental, regulatory, and technological factors affecting the Company's operations, pricing, products and services.