



# Peoples-Sidney FINANCIAL CORPORATION

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**For Release: Thursday, July 31, 2008**

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## **PSFC ANNOUNCES SHAREHOLDER APPROVAL OF STOCK SPLITS**

**Sidney, Ohio, July 31, 2008** – Peoples-Sidney Financial Corporation (OTCBB: PSFC) (the “Company”) today announced that it has completed the previously announced going private transaction following shareholder approval of the proposal at a special meeting on July 30, 2008 and the filing of its Form 15 today with the Securities and Exchange Commission (the “SEC”).

Under the terms of the going private transaction, the Company’s shareholders authorized an amendment to PSFC’s Certificate of Incorporation to effect a 1-for-600 reverse stock split of the issued and outstanding shares of the Company’s common stock that was followed immediately by an amendment to PSFC’s Certificate of Incorporation to effect a 600-for-1 forward stock split of PSFC’s common shares (collectively, the “Stock Splits”). Appropriate amendments to the Company’s certificate of incorporation were filed with the State of Delaware and, as of July 30, 2008, (a) each stockholder of record owning fewer than 600 common shares of PSFC on that date will receive \$13.47 in cash, without interest, for each PSFC common share owned by such stockholder and will no longer be a stockholder of PSFC; and (b) each stockholder of record of 600 or more PSFC common shares on that date will continue to hold the same number of shares after the Stock Splits and will not receive any cash.

As a result of the reverse and forward stock splits, the Company qualified under SEC rules to deregister its shares. Accordingly, the Company will no longer file periodic reports with the Securities and Exchange Commission, including annual reports on Form 10-K and quarterly reports on Form 10-Q, and it will no longer be subject to the SEC’s proxy rules. The Company’s common shares will, however, continue to be quoted on the Over-the-Counter Bulletin Board.

President Douglas Stewart stated, “Today is the culmination of a long process that we are convinced will save the Company time and money, which will benefit our shareholders.”

When used in this press release or other public or shareholder communications, in filings by the Corporation with the Securities and Exchange Commission and in oral statements made with the approval of an authorized executive office, the words or phrases "should result," "will likely result," "will enable," "are expected to," "is anticipated," "estimate," "project" or similar expressions are intended to identify "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are subject to certain risks and uncertainties, including changes in economic conditions in the Corporation's market area, changes in policies by regulatory agencies, fluctuations in interest rates, and demand for loans in the Corporation's market area and competition, that could cause actual results to differ materially from historical results and those presently anticipated or projected. The Corporation wishes to caution readers not to place undue reliance on such forward-looking statements, which speak only as of the date made. The Corporation wishes to advise readers that the factors listed could affect the Corporation's financial performance and could cause the Corporation's actual results for future periods to differ materially from any opinions or statements expressed with respect to future periods in any current statements.

The Corporation does not undertake-and specifically declines any obligation-to publicly release the result of any revisions which may be made to any forward-looking statements to reflect events or circumstances after the date of such statements or to reflect the occurrence of anticipated or unanticipated events.