

WATERSTONE FINANCIAL, INC.
WATERSTONE BANK
11200 W. PLANK CT.
WAUWATOSA, WI 53226

Contact: Mark R. Gerke
Chief Financial Officer
414.459.4012
markgerke@wsbonline.com

FOR IMMEDIATE RELEASE

Waterstone Financial, Inc. Declares Special Dividend

Wauwatosa, Wis. – 3/11/2019 – On March 11, 2019 the Board of Directors of Waterstone Financial, Inc. (NASDAQ: WSBF) declared a special dividend of \$0.50 per common share.

"Our strong earnings in 2018 enable us to reward our shareholders with a special dividend for a third consecutive year," said Doug Gordon, CEO of Waterstone Financial, Inc. "This dividend reflects our commitment to delivering shareholder value and our continued efforts to actively manage our capital."

The dividend is payable on April 2, 2019, to shareholders of record at the close of business on March 21, 2019.

About Waterstone Financial, Inc.

Waterstone Financial, Inc. is the savings and loan holding company for WaterStone Bank. WaterStone Bank was established in 1921 and offers a full suite of personal and business banking products. The Bank has branches in Wauwatosa, Brookfield, Fox Point/North Shore, Franklin/Hales Corners, Germantown/Menomonee Falls, Greenfield, Oak Creek, Oconomowoc/Lake Country, Pewaukee, Waukesha/Brookfield, and West Allis, Wisconsin and a commercial lending office in Minneapolis, Minnesota. WaterStone Bank is the parent company to Waterstone Mortgage, which has the ability to lend in 47 states. For more information about WaterStone Bank, go to <http://www.wsbonline.com>.

###