

Press Release: July 21, 2011

FOR IMMEDIATE RELEASE  
For More Information Contact:  
Fritz W. Anderson, II  
President, Chief Executive Officer,  
And Chairman  
FPB Financial Corp.  
(985) 345-1880

FPB FINANCIAL CORP. ANNOUNCES  
2011 SECOND QUARTER RESULTS AND DECLARES DIVIDENDS

Hammond, LA -- FPB Financial Corp. (OTCQB:FPBF), the holding company for Florida Parishes Bank, announced financial results for the second quarter ended June 30, 2011.

Earnings

Net income available to common shareholders was \$405,000 with fully diluted available earnings per common share of \$1.13. The 2011 second quarter diluted available earnings decreased slightly when compared to \$1.15 for the same quarter a year ago and to \$1.30 in the 2011 first quarter.

Items contributing to the Company's first quarter earnings when compared to the 2010 period were; a \$177,000, or 101% increase in provisions for loan losses; a \$106,000 decrease in dividends paid/accretion of discount on preferred stock; a \$72,000, or 30.5% decrease in mortgage banking revenue; and a \$64,000, or 28% decrease in income tax expense.

Second quarter total non-interest expenses decreased slightly when compared to the 2010 second quarter.

Asset Quality

Non-performing assets (including troubled debt restructured) on June 30, 2011 decreased \$199,000, or 6.1% to \$3.1 million when compared to June 30, 2010. Non-performing assets on March 31, 2011 totaled \$2.8 million.

Net loan charge-offs for the second quarter totaled \$225,000, down from \$230,000 in the 2010 second quarter. Included in the quarter's loan charge-offs was a \$223,000 charge-off of a previously noted real estate owned property involved in a parish zoning dispute. This property as of June 30 has a carrying value of \$27,000 as compared to a carrying value of \$250,000 on March 31, 2011.

Performing Troubled Debt Restructured (TDR's) as of June 30 totaled \$3.4 million, or an increase of \$1.6 million when compared to June 30, 2010. Performing TDR's on March 31, 2011 totaled \$3.1 million.

The Company recorded a provision for loan losses in the second quarter of \$352,000, a 101% increase over the 2010 period, primarily due to a discussed second quarter charge-off of an individual real estate owned parcel. The company's allowance for loan losses was \$2.8 million on June 30, 2011, or 2.3% of average net loans, \$2.3 million on June 30, 2010 and \$2.7 million on March 31, 2011.

Balance Sheet and Capital

Total Assets on June 30, 2011 increased to \$175.1 million, or 3.0% from \$170.1 million on June 30, 2010, primarily due to a \$14.1 million increase in investment, trading and mortgage-backed securities. Net loans decreased 6.4% to \$122.3 million. Total deposits increased 4.4% to \$132.0 million.

Tangible Common Stockholders' Equity increased \$799,000, or 5.5% to \$15.2 million for the twelve month period ending June 20, 2011, due to an increase of \$1.6 million in retained earnings and due to an increase of \$556,000 in treasury stock. The increase in treasury stock was due to the company completing the termination of its Employee Stock Ownership Plan (ESOP) and distributing the ESOP account balances to the ESOP participants during the second quarter of 2011.

Our subsidiary, Florida Parishes Bank, is considered "well capitalized" by all applicable federal banking regulations and definitions as of June 30, 2011.

FPB Financial Corp. reported the following for the period ending June 30, 2011, and as compared to June 30, 2010:

- Total Assets increased \$5.0 million to \$175.1 million, or 2.9%
- Non-Interest Bearing deposits increased to \$23.9 million, or 18.9%
- Non-maturity Deposits increased \$10.5 million, or 13.1%
- Dividends paid to common shareholders increased to \$0.80 per share, or 2.6%
- Tangible Common Stockholders' Equity increased \$800,000, or 5.5%
- Tangible Common Book Value per share increased to \$43.11, or 9.9%

- Non-performing Assets decreased \$199,000, or 6.1%
- Net Loan Charge-off decreased \$23,000, or 8.6%
- Allowance for Loan Losses increased to \$2.8 million

FPB Financial Corp. is headquartered in Hammond, LA and is the parent company of Florida Parishes Bank. The Company's common stock is traded under the "FPBF" symbol.

*This news release contains certain forward-looking statements, including statements about the financial condition, results of operations and earnings outlook for FPB Financial Corp. and its subsidiaries. Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts. They often include words such as "believe," "expect," "anticipate," "estimate" and "intend" or future or conditional verbs such as "will," "would," "should," "could" or "may." Forward-looking statements, by their nature, are subject to risks and uncertainties. A number of factors, many of which are beyond the Company's control, could cause actual conditions, events or results to differ significantly from those described in the forward-looking statements. These factors include, among others, the following: general economic conditions, changes in interest rates, deposit flows, the cost of funds, changes in credit quality, interest rate risks associated with the Company's business and operations and the adequacy of our allowance for loan losses. Other factors include changes in our loan portfolio, changes in competition, fiscal and monetary policies and legislation and regulatory changes. We undertake no obligation to update any forward-looking statements.*

FPB Financial Corp.

<b><u>Selected Balances</u></b>	<b><u>June 30,</u></b> <b><u>2011</u></b> <b><u>(Unaudited)</u></b>	<b><u>June 30,</u></b> <b><u>2010</u></b> <b><u>(Unaudited)</u></b>	<b><u>%</u></b> <b><u>Change</u></b>	<b><u>March 31,</u></b> <b><u>2011</u></b> <b><u>(Unaudited)</u></b>	<b><u>%</u></b> <b><u>Change</u></b>
Cash and Cash Equivalents	\$14,127,682	\$14,650,738	(4%)	\$9,009,941	57%
Investment, Trading, and Mortgaged-backed Securities	28,872,664	14,783,997	95	40,390,609	(29)
Net Loans	122,310,968	130,665,499	(6)	119,766,770	2
Other Real Estate Owned (OREO)	793,336	649,491	22	1,229,058	(35)
Non-Performing Assets (Includes OREO)	3,071,596	3,270,674	(6)	2,806,704	9
Allowance for Loan Losses	2,829,188	2,258,188	25	2,718,214	4
Total Assets	175,118,317	170,099,652	3	179,483,840	(2)
Non-Interest Bearing Deposits	23,864,037	20,123,747	19	20,480,043	17
Interest-Bearing Deposits	108,124,732	106,357,036	2	112,507,012	(4)
Non-Maturity Deposits (Included in interest and non-interest bearing deposits)	90,861,158	80,377,355	13	89,702,708	1
Brokered Deposits (Included in interest-bearing deposits)	7,128,026	6,152,947	16	7,194,851	(1)
FHLB Advances	23,973,008	25,379,298	(6)	27,279,702	(12)
Subordinated Debentures/Trust Preferred Securities	3,093,000	3,093,000	0	3,093,000	0
Tangible Common Stockholders' Equity (Includes other comprehensive income (OCI))	15,208,798	14,410,112	6	15,369,469	(1)

CONSOLIDATED STATEMENTS OF EARNINGS

	For the Three Months Ended			For the Six Months Ended	
	June 30, 2011 (Unaudited)	March 31, 2011 (Unaudited)	June 30, 2010 (Unaudited)	June 30, 2011 (Unaudited)	June 30, 2010 (Unaudited)
INTEREST INCOME:					
Mortgage Loans	\$2,042,430	\$1,981,093	\$2,122,376	\$4,023,523	\$4,213,845
Consumer Loans	237,244	229,394	253,433	466,639	504,151
Commercial Loans	66,333	65,042	66,054	131,374	124,494
Consumer & Commercial Lines of Credit	42,570	40,049	38,877	82,619	73,994
Mortgage-backed securities	56,911	68,976	57,968	125,887	125,092
FHLB stock and other Investment, Trading Securities/Deposits	<u>44,223</u>	<u>58,039</u>	<u>63,771</u>	<u>102,262</u>	<u>119,845</u>
TOTAL INTEREST INCOME	<u>2,489,711</u>	<u>2,442,593</u>	<u>2,602,479</u>	<u>4,932,304</u>	<u>5,161,421</u>
INTEREST EXPENSE:					
Deposits	250,193	297,908	396,882	548,101	761,168
Federal Home Loan Bank Advances	152,507	157,501	195,627	309,939	399,135
Other	26,942	26,312	26,756	53,323	52,665
TOTAL INTEREST EXPENSE	<u>429,642</u>	<u>481,721</u>	<u>619,265</u>	<u>911,363</u>	<u>1,212,968</u>
NET INTEREST INCOME	2,060,069	1,960,872	1,983,214	4,020,941	3,948,453
Provisions for loan losses	<u>351,828</u>	<u>110,000</u>	<u>175,000</u>	<u>461,828</u>	<u>340,000</u>
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	<u>1,708,241</u>	<u>1,850,872</u>	<u>1,808,214</u>	<u>3,559,113</u>	<u>3,608,453</u>
NON-INTEREST INCOME:					
Service charge on deposits	188,381	165,232	193,448	353,613	379,209
Mortgage Banking	163,606	166,714	235,255	330,320	377,250
Interchange Fees	90,473	86,323	76,195	176,797	148,610
Loan Fees and Charges	41,580	43,094	25,246	84,673	57,786
Gain/(Loss) on Sale of Real Estate/Investments	(4,910)	7,716	16,712	2,806	83,944
Gain/(Loss) on Investment Trading Accounts	(15,720)	(8,693)	(104)	(24,412)	39,727
Other	<u>27,036</u>	<u>37,602</u>	<u>32,246</u>	<u>64,637</u>	<u>62,331</u>
TOTAL NON-INTEREST INCOME	<u>490,446</u>	<u>497,988</u>	<u>578,998</u>	<u>988,434</u>	<u>1,148,857</u>
NON-INTEREST EXPENSE:					
Compensation and Employee Benefits	930,252	925,054	900,242	1,855,306	1,745,109
Occupancy, Property Taxes, and Equipment	200,905	198,992	183,246	399,897	366,360
Technology and Information Processing	135,529	135,565	143,438	271,094	270,835
Federal Deposit Insurance, Supervisory Fees/Taxes	112,244	110,337	85,285	222,581	173,713
Professional Fees	40,588	62,889	71,433	103,477	138,711
Other	<u>210,996</u>	<u>192,802</u>	<u>249,346</u>	<u>403,798</u>	<u>435,287</u>

TOTAL NON-INTEREST EXPENSE	<u>1,630,514</u>	<u>1,625,639</u>	<u>1,632,990</u>	<u>3,256,153</u>	<u>3,130,015</u>
INCOME BEFORE INCOME TAXES	568,173	723,221	754,222	1,291,394	1,627,295
Income Tax Expense	<u>162,820</u>	<u>245,895</u>	<u>226,341</u>	<u>408,715</u>	<u>491,961</u>
NET INCOME	405,353	477,326	527,881	882,679	1,135,334
Dividends Paid to Preferred Shareholders	0	0	42,545	0	74,190
Accretion of Discount on Preferred Stock	<u>0</u>	<u>0</u>	<u>63,150</u>	<u>0</u>	<u>102,672</u>
Net Income Available to Common Shareholders	<u>\$405,353</u>	<u>\$477,326</u>	<u>\$422,186</u>	<u>\$882,679</u>	<u>\$958,472</u>
<u>PER COMMON SHARE DATA:</u>					
Available Earnings	\$1.13	\$1.31	\$1.16	\$2.44	\$2.64
Diluted Available Earnings	\$1.13	\$1.30	\$1.15	\$2.42	\$2.61
Revenue (Net Interest Income and Non-Interest Income)	\$7.11	\$6.74	\$7.05	\$13.86	\$14.04
Dividends Paid	\$0.15	\$0.15	\$0.14	\$0.30	\$0.28
Tangible Book Value Period End	\$43.11	\$41.82	\$39.23	\$43.11	\$39.23
<u>RATIOS:</u>					
Net Income to Average Period Assets (Annualized)	0.91%	1.10%	1.23%	1.00%	1.36%
Net Income to Average Period Total Stockholders' Equity (Annualized)	10.59%	12.75%	13.25%	11.66%	14.32%
Net Interest Margin (Average) for the period	5.07%	5.00%	5.06%	5.00%	5.16%
Non-Interest Expense less Non-Interest Income to Average Period Total Assets (Annualized)	2.56%	2.59%	2.46%	2.58%	2.37%
Efficiency Ratio for the Period	63.93%	66.11%	63.73%	65.00%	61.41%
Net Loan Charge-Offs for the Period to Average Period Net Loans (Annualized)	\$224,526 0.74%	\$22,733 0.08%	\$230,187 0.70%	\$247,259 0.41%	\$270,421 0.41%
TDRs (Performing) at Period End to Average Period Net Loans	\$3,433,778 2.84%	\$3,142,668 2.63%	\$1,814,138 1.37%	\$3,433,778 2.86%	\$1,814,138 1.38%
Non-Performing Assets at Period End to Average Period Total Assets	\$3,071,596 1.72%	\$2,806,704 1.59%	\$3,270,674 1.91%	\$3,071,596 1.73%	\$3,270,674 1.94%
Allowance for Loan Losses at Period End to Average Period Net Loans to Non-Performing Assets at Period End	\$2,829,188 2.34% 92.11%	\$2,718,214 2.28% 96.85%	\$2,258,188 1.71% 69.04%	\$2,829,188 2.35% 92.11%	\$2,258,188 1.71% 69.04%

#### CONSOLIDATED STATEMENTS OF CONDITION

	<b>June 30, 2011 (Unaudited)</b>	<b>June 30, 2010 (Unaudited)</b>	<b>% Change</b>	<b>March 31, 2011 (Unaudited)</b>	<b>% Change</b>
<b><u>ASSETS:</u></b>					
Cash and Cash Equivalents	\$14,127,682	\$14,650,738	(4%)	\$9,009,941	57%
Investment, Trading and Mortgage-Backed Securities	28,872,664	14,783,997	95	40,390,609	(29)
Net Loans	122,310,968	130,665,499	(6)	119,766,770	2
Premises and Equipment, Net	7,673,113	7,861,743	(2)	7,754,061	(1)
Other Real Estate Owned	793,336	649,491	22	1,229,058	(35)

Other Assets	<u>1,340,554</u>	<u>1,488,184</u>	(10)	<u>1,333,401</u>	<u>1</u>
TOTAL ASSETS	<u>\$175,118,317</u>	<u>\$170,099,652</u>	<u>3</u>	<u>\$179,483,840</u>	<u>(2)</u>
<b><u>LIABILITIES:</u></b>					
Deposits	131,988,769	126,480,783	4	132,987,055	(1)
Federal Home Loan Bank Advances	23,973,008	25,379,298	(6)	27,279,702	(12)
Subordinated debentures/trust preferred securities	3,093,000	3,093,000	0	3,093,000	0
Other Liabilities	<u>854,742</u>	<u>736,459</u>	<u>16</u>	<u>754,614</u>	<u>13</u>
TOTAL LIABILITIES	<u>\$159,909,519</u>	<u>\$155,689,540</u>	<u>3</u>	<u>\$164,114,371</u>	<u>(3)</u>
<b><u>STOCKHOLDERS' EQUITY:</u></b>					
Common Stock	\$4,285	\$4,283	0	\$4,284	0
Capital Surplus	6,258,751	6,244,738	0	6,258,751	0
Retained Earnings	10,668,116	9,111,912	17	10,315,248	3
Unearned Compensation	(45,012)	(57,978)	22	(45,012)	0
Treasury Stock	(1,783,468)	(1,227,321)	(45)	(1,227,321)	(45)
Other Comprehensive Income (Loss)	<u>106,126</u>	<u>334,478</u>	<u>(68)</u>	<u>63,519</u>	<u>67</u>
Total Stockholders' Equity	<u>15,208,798</u>	<u>14,410,112</u>	<u>6</u>	<u>15,369,469</u>	<u>(1)</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$175,118,317</u>	<u>\$170,099,652</u>	<u>3%</u>	<u>\$179,483,840</u>	<u>(2%)</u>

Fritz W. Anderson II, Chairman of the Board announced today that "On July 14, 2011, the Board of Directors of FPB Financial Corp. declared a cash dividend on the common stock of the company bearing Cusip #302549 10 0. The dividend rate increased to \$0.15 per share and will be paid on September 26, 2011 to stockholders of record at the close of business on September 9, 2011."