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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
2012 THIRD QUARTER RESULTS AND DECLARES DIVIDENDS

Hammond, LA -- FPB Financial Corp. (OTCQB:FPBF), the holding company for Florida Parishes Bank, announced financial results for the third quarter ended September 30, 2012.

Earnings

Net income for the third quarter of 2012 totaled \$420,000 a decrease of 20.2% from \$526,000 in the 2011 period. Net income per fully diluted common share for the quarter was \$1.19 as compared to \$1.66 in the 2011 third quarter. Return on common stockholders' equity (ROE) was 9.7% (annualized) for the period.

The decrease in third quarter earnings, when compared to the 2011 period, was primarily due to an increase of \$205,000, or 456% in provisions for loan losses. The increased provision expense was due to increases in non-performing assets and in net loan charge-offs.

Asset Quality

Total non-performing assets at September 30, 2012 increased \$1.2 million, or 38.7%, to \$4.3 million when compared to September 30, 2011, primarily due to an \$863,000 increase in foreclosed assets. Total non-performing assets on June 30, 2012 were \$4.0 million. The Company's allowance for loan losses increased to \$3.0 million, or 7.1% when compared to the Company's allowance of \$2.8 million on September 30, 2011.

Net loan charge-offs for the third quarter totaled \$233,000, up 171% from \$86,000 in the 2011 third quarter and up 45.6% from \$160,000 in the second quarter of 2012.

Performing troubled debt restructured (TDR's) as of September 30, 2012 totaled \$3.7 million, or a decrease of \$75,000 from September 30, 2011. Performing TDR's totaled \$3.1 million on June 30, 2012.

Balance Sheet and Capital

Total Assets at September 30, 2012 increased to \$191.6 million, or 12.0% when compared to September 30, 2011. The increase in total assets was primarily attributed to an increase of \$19.5 million in available-for-sale investment securities. Total Liabilities increased 12.5% to \$174.2 million primarily due to an increase of \$18.1 million in total deposits. Total Deposits were \$150.4 million on September 30, 2012. Federal Home Loan Bank advances decreased 16.0% in the twelve month period to \$20.0 million. Non-interest bearing deposits and Non-maturity deposits increased 37.3% and 21.3% respectively in the twelve month period ending September 30, 2012.

Common Stockholders' Equity increased by a net of \$1.3 million, or 8.1% to \$17.3 million for the twelve month period ending September 30, 2012, primarily due to an increase of \$1.5 million in retained earnings. Tangible Common Stockholders' equity increased to a total of \$17.1 million at September 30, 2012.

Our subsidiary, Florida Parishes Bank, is considered "well capitalized" by all applicable federal banking regulations and definitions as of September 30, 2012.

FPB Financial Corp. reported the following for the period ending September 30, 2012, and as compared to September 30, 2011:

- Total Assets increased to \$191.6 million, or 12.1%
- Net Interest Income Increased to \$6.5 million, or 5.5%
- Non-Interest Income increased to \$1.9 million, or 23.6%
- Revenue per share increased to \$23.92, or 11.0%
- Common Dividends Paid increased to \$179,000, or 11.8%
- Non-Interest Bearing deposits increased to \$31.3 million, or 37.3%
- Non-maturity Deposits increased \$18.8 million, or 21.2%
- Tangible Common Stockholders' Equity increased \$1.5 million, or 9.6%

- Tangible Common Book Value increased to \$ 48.68, or 9.0%
- Allowance for Loan Losses increased to \$3.0 million, or 7.1%

Our subsidiary, Florida Parishes Bank, will open a new branch office in Amite, Louisiana on November 1, 2012. This will be the Company's fourth full service office.

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.

<u>Selected Balances</u>	<u>Sept 30,</u> <u>2012</u> <u>(Unaudited)</u>	<u>Sept 30,</u> <u>2011</u> <u>(Unaudited)</u>	<u>%</u> <u>Change</u>	<u>June 30,</u> <u>2012</u> <u>(Unaudited)</u>	<u>%</u> <u>Change</u>
Cash and Cash Equivalents Including Interest & Non-interest earning deposits	\$11,763,606	\$10,314,319	14%	\$8,637,795	36%
Net Loans	121,581,212	121,970,199	0	124,618,331	(2)
Foreclosed Assets	1,056,127	193,336	446	868,231	22
Non-Performing Assets (Includes Foreclosed Assets)	4,322,086	3,082,869	40	3,997,023	8
Allowance for Loan Losses	3,035,642	2,789,714	9	3,018,703	1
Total Assets	191,593,859	170,985,880	12	188,202,135	2
Non-Interest Bearing Deposits	31,328,579	22,815,069	37	28,822,902	9
Interest-Bearing Deposits	119,083,001	104,465,550	14	117,659,092	1
Non-Maturity Deposits (Included in interest and non-interest bearing deposits)	107,330,746	88,472,290	21	102,034,162	5
Brokered Deposits (Included in interest-bearing deposits)	6,549,958	7,083,907	(8)	6,809,798	(4)
FHLB Advances	19,990,524	23,768,479	(16)	20,847,650	(4)
Subordinated Debentures/Trust Preferred Securities	3,093,000	3,093,000	0	3,093,000	0
Tangible Common Stockholders' Equity	17,135,803	15,644,775	10	16,773,884	2
Total Common Stockholders' Equity	17,332,526	15,963,597	9	16,942,288	2

CONSOLIDATED STATEMENTS OF EARNINGS

	For the Three Months			For the Nine Months	
	Sept 30, 2012 (Unaudited)	June 30, 2012 (Unaudited)	Sept 30, 2011 (Unaudited)	Sept 30, 2012 (Unaudited)	Sept 30, 2011 (Unaudited)
INTEREST AND DIVIDEND INCOME:					
Mortgage Loans	\$2,029,301	\$2,057,109	\$2,031,765	\$6,211,984	\$6,055,288
Consumer Loans	233,079	219,407	241,298	674,836	707,937
Commercial Loans	54,302	59,619	68,250	186,731	199,624
Consumer & Commercial Lines of Credit	49,500	47,112	43,638	142,347	126,257
Investment Securities and Deposits	<u>158,817</u>	<u>115,036</u>	<u>145,397</u>	<u>436,956</u>	<u>373,546</u>
TOTAL INTEREST AND DIVIDEND INCOME	<u>2,524,999</u>	<u>2,498,283</u>	<u>2,530,348</u>	<u>7,652,854</u>	<u>7,462,652</u>
INTEREST EXPENSE:					
Deposits	232,213	240,670	220,881	696,836	768,982
Federal Home Loan Bank Advances	112,893	114,873	146,402	373,325	456,341
Other	<u>28,152</u>	<u>28,248</u>	<u>26,452</u>	<u>85,184</u>	<u>79,775</u>
TOTAL INTEREST EXPENSE	<u>373,258</u>	<u>383,791</u>	<u>393,735</u>	<u>1,155,345</u>	<u>1,305,098</u>
NET INTEREST INCOME	2,151,741	2,114,492	2,136,613	6,497,509	6,157,554
Provisions for loan losses	<u>250,000</u>	<u>142,000</u>	<u>45,000</u>	<u>657,000</u>	<u>506,828</u>
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	<u>1,901,741</u>	<u>1,972,492</u>	<u>2,091,613</u>	<u>5,840,509</u>	<u>5,650,726</u>
NON-INTEREST INCOME:					
Mortgage Banking Fees	193,839	177,774	223,089	557,673	553,409
Service charge on deposits	182,657	178,249	223,392	537,853	577,005
Interchange Fees	115,659	107,070	98,959	324,632	275,756
Loan Fees and Charges	49,413	44,520	46,558	145,417	131,232
Gain/(Loss) on Sale of Investments and Foreclosed Assets	89,760	216,325	7,070	278,094	9,876
Gain/(Loss) on Trading Accounts	(3,092)	(22,330)	(62,850)	(9,525)	(87,262)
Other	<u>22,872</u>	<u>22,433</u>	<u>26,573</u>	<u>82,718</u>	<u>91,208</u>
TOTAL NON-INTEREST INCOME	<u>651,108</u>	<u>724,041</u>	<u>562,791</u>	<u>1,916,862</u>	<u>1,551,224</u>
NON-INTEREST EXPENSE:					
Compensation and Employee Benefits	1,092,555	1,093,820	1,010,805	3,257,026	2,866,111
Occupancy, Property Taxes, and Equipment	206,792	209,432	212,374	624,820	612,271
Technology and Information Processing	137,384	150,121	147,138	424,768	418,232
Regulatory Fees	87,492	82,358	101,795	251,636	324,376
Professional Fees	90,828	80,987	65,393	225,345	168,870
Foreclosed Assets	21,361	15,437	2,124	67,812	22,464
Other	<u>279,343</u>	<u>269,352</u>	<u>233,091</u>	<u>800,279</u>	<u>616,548</u>
TOTAL NON-INTEREST EXPENSE	<u>1,915,755</u>	<u>1,901,507</u>	<u>1,772,720</u>	<u>5,651,686</u>	<u>5,028,872</u>

INCOME BEFORE INCOME TAXES	637,094	795,026	881,684	2,105,685	2,173,078
Income Tax Expense	<u>216,612</u>	<u>269,497</u>	<u>295,646</u>	<u>700,551</u>	<u>704,360</u>
NET INCOME	<u>420,482</u>	<u>525,529</u>	<u>586,038</u>	<u>1,405,134</u>	<u>1,468,718</u>

PER COMMON SHARE DATA:

Net Earnings	\$1.19	\$1.49	\$1.67	\$3.99	\$4.11
Diluted Net Earnings	\$1.19	\$1.49	\$1.66	\$3.98	\$4.09
Revenue (Net Interest Income and Non-Interest Income)	\$7.96	\$8.07	\$7.71	\$23.92	\$21.55
Dividends Paid	\$0.18	\$0.17	\$0.15	\$0.51	\$0.45
Book Value Period End	\$49.24	\$48.16	\$45.55	\$49.24	\$45.55
Tangible Book Value Period End	\$48.68	\$47.68	\$44.65	\$48.68	\$44.65

RATIOS:

ROA (Annualized Net Income to Average Period Assets)	0.89%	1.12%	1.35%	1.01%	1.12%
ROE (Annualized Net Income to Average Period Total Stockholders' Equity)	9.71%	12.58%	14.94%	11.15%	12.78%
Net Interest Margin (Average) for the period	4.96%	4.92%	5.36%	5.10%	5.12%
Non-Interest Expense less Non-Interest Income to Average Period Total Assets (Annualized)	2.66%	2.51%	2.78%	2.68%	2.64%
Efficiency Ratio for the Period	68.35%	66.99%	65.67%	67.17%	65.23%
Net Loan Charge-Offs (Recoveries) for the Period to Average Period Net Loans (Annualized)	\$233,062 0.75%	\$159,774 0.52%	\$85,881 0.28%	\$654,641 0.70%	\$349,467 0.39%
TDRs (Performing) at Period End to Average Period Net Loans	\$3,747,371 3.05%	\$3,124,881 2.51%	\$3,822,451 3.11%	\$3,747,371 3.02%	\$3,822,451 3.16%
Non-Performing Assets at Period End to Average Period Total Assets	\$4,322,086 2.29%	\$3,997,023 2.12%	\$3,082,869 1.78%	\$4,322,086 2.32%	\$3,082,869 1.75%
Allowance for Loan Losses at Period End to Average Period Net Loans to Non-Performing Assets at Period End	\$3,035,642 2.47% 70.24%	\$3,018,703 2.43% 75.52%	\$2,789,714 2.27% 96.02%	\$3,035,642 2.44% 70.24%	\$2,789,714 2.30% 96.02%

CONSOLIDATED STATEMENTS OF CONDITION

	Sept 30, 2012 (Unaudited)	Sept 30, 2011 (Unaudited)	% Change	June 30, 2012 (Unaudited)	% Change
<u>ASSETS:</u>					
Cash and Cash Equivalents including Interest and Non-Interest Earning Deposits	\$11,763,606	\$10,314,319	14%	\$8,637,795	36%
Certificates of Deposit	1,994,000	1,992,000	0	2,986,000	(33)
Securities – Available for Sale	44,471,396	25,027,946	78	41,175,614	8
Trading Securities	189,098	2,265,249	(92)	192,189	(2)
Net Loans	121,581,212	121,970,199	0	124,618,331	(2)
Accrued Interest Receivable	574,456	544,304	6	539,249	7
Premises and Equipment, Net	8,447,000	7,603,649	11	7,789,866	8
Foreclosed Assets	1,056,127	193,336	446	868,231	22
Other Assets	<u>1,516,964</u>	<u>1,074,878</u>	<u>41</u>	<u>1,394,860</u>	<u>9</u>

TOTAL ASSETS	<u>\$191,593,859</u>	<u>\$170,985,880</u>	<u>12</u>	<u>\$188,202,135</u>	<u>2</u>
<u>LIABILITIES:</u>					
Deposits	150,411,580	127,359,107	18	146,481,994	3
Federal Home Loan Bank Advances	19,990,524	23,768,479	(16)	20,847,650	(4)
Subordinated debentures/trust preferred securities	3,093,000	3,093,000	0	3,093,000	0
Other Liabilities	<u>766,229</u>	<u>801,697</u>	<u>(4)</u>	<u>837,203</u>	<u>(8)</u>
TOTAL LIABILITIES	<u>\$174,261,333</u>	<u>\$155,022,283</u>	<u>12</u>	<u>\$171,259,847</u>	<u>2</u>
<u>STOCKHOLDERS' EQUITY:</u>					
Common Stock	\$4,433	\$4,289	3	\$4,433	0
Capital Surplus	6,283,971	6,264,367	0	6,279,173	0
Retained Earnings	12,650,272	11,201,594	13	12,293,151	3
Unearned Compensation	(19,405)	(42,007)	54	(19,405)	0
Treasury Stock	(1,783,468)	(1,783,468)	0	(1,783,468)	0
Other Comprehensive Income (Loss)	<u>196,723</u>	<u>318,822</u>	<u>(38)</u>	<u>168,404</u>	<u>17</u>
Total Stockholders' Equity	<u>17,332,526</u>	<u>15,963,597</u>	<u>9</u>	<u>16,942,288</u>	<u>2</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$191,593,859</u>	<u>\$170,985,880</u>	<u>12%</u>	<u>\$188,202,135</u>	<u>2%</u>

Fritz W. Anderson II, Chairman of the Board announced today that "On October 11, 2012, 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 \$0.36 per share. This dividend rate is composed of a regular quarterly dividend rate of \$0.18 per share and a special year-end dividend of \$0.18 per share and will be paid on December 26, 2012 to stockholders of record at the close of business on December 10 2012."