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FPB FINANCIAL CORP. (OTCQB: FPBF), the Holding Company for Florida Parishes Bank,  
Announces 2016 Second Quarter Year Results and Declares Dividends.

Hammond, LA -- FPB Financial Corp. (OTCQB: FPBF), the holding company for Florida Parishes Bank, announced financial results for the 2016 period ended June 30, 2016.

Earnings

Net income in the 2016 second quarter decreased 17.9% to \$637,000 (\$0.34 per fully diluted common share) as compared to the 2015 second quarter net income of \$702,000 (\$0.39 per fully diluted common share). Earnings per share decreased by 12.8%. Return on Equity for the second quarter of 2016 was 9.3% (on an annualized basis). The Company's revenue increased \$180,000 in the 2016 second quarter as compared to the 2015 quarter, net income declined primarily due to a \$190,000 increase in compensation expense and a \$62,000 increase in other non-interest expenses. Also net income was affected by a decline in provisions for loan losses by \$49,000, or 55.1% this quarter.

Items affecting and contributing to the Company's 2016 second quarter change in net income when compared to the 2015 quarterly period:

- Net Interest Income increased to \$2.7 million from \$2.6 million in 2015, or 4.1%
- Interest income on investment securities and deposits totaled \$392,000 up from \$309,000 in 2015, or 26.9%
- Total Non-Interest Income increased to \$855,000 from \$781,000 in 2015, or 9.5%
- Mortgage banking fees increased to \$350,000 from \$296,000 in 2015, or 18.2%
- Total non-interest expenses increased to \$2.6 million in 2016 from \$2.2 million in 2015, or 14.8%
- Compensation and employee benefits increased to \$1.5 million from \$1.3 million in 2015, or 14.6%

Other items and per share data of note this Year-To-Date (YTD) as of June 30, 2016, compared to June 30, 2015

- Total Revenue (Net interest income and Non-interest income) increased to \$7.1 million or 5.3%
- Net Interest income increased to \$5.3 million or 3.9%
- Non-Interest income increased to \$1.8 million or 9.5%
- Book Value per common share increased by 15.1% to \$15.09
- Total Common Stockholders' Equity increased to \$28.2 million, or 15.0%
- Cash Dividends paid to common shareholders total \$180,000 in 2016 and \$169,000 in 2015
- Non-Interest Bearing Deposits increased by 18.1% to \$58.3 million
- Non-Maturity deposits increased by 16.7% to \$167.2 million

- Total Assets increased by 8.6% to \$252.2 million
- Net Loans increased to \$146.6 million or 4.8%
- Net-Loan Charge-offs decreased by \$27,000, or 136.2%
- Foreclosed Assets increased to \$134,000 in 2016 from \$0.00 in 2015
- FHLB advances decreased by 53.5% to \$7.7 million in 2016

#### Asset Quality

Net loan charge-offs for the second quarter totaled \$6,000, the Company had \$5,000 of net loan recoveries in second quarter of 2015. Net loan recoveries were \$53,000 in the 2016 first quarter. Total Non-performing assets as of June 30, 2016 total \$2.2 million or an increase of \$904,000 from June 30, 2015. Non-performing assets on March 31, 2016 total \$2.5 million.

Total Performing Troubled Debt Restructured (TDR's) at June 30, 2016, decreased by \$1.4 million, or 45.0% to \$1.7 million as compared to June 30, 2015. TDR's at March 31, 2016 were \$1.7 million. The Company's allowance for loan losses increased by 8.7% to \$3.4 million at June 30, 2016. Total allowance for loan losses were \$3.3 million at March 31, 2016.

#### Balance Sheet and Capital

Total assets at June 30, 2016 increased by 8.6% to \$252.1 million as compared to \$232.2 million at June 30, 2015. The increase in total assets was primarily attributed to an increase of \$6.8 million in net loans, an increase \$5.7 million in total investment securities, an increase of \$4.2 million in cash and cash equivalents, and a \$2.5 million increase in premises and equipment. Total liabilities increased by 7.8% to \$224.0 million primarily due to an increase of \$24.0 million, or 12.8% in total deposits to \$211.0 million offset by a decrease of \$8.9 million or 53.5% in Federal Home Loan Bank advances.

Common Stockholders' Equity increased by a net of \$3.7 million, or 15.0%, to \$28.2 million for the twelve months ended June 30, 2016. Retained earnings increased by \$2.5 million to \$18.3 million for the twelve month period. Other comprehensive income increased by \$831,000 at June 30, 2016 when compared to June 30, 2015. Tangible common stockholders' equity increased to \$28.2 million for the period. Book value per common share increased to \$15.09 as total common shares of 1,866,735 were outstanding at June 30, 2016. At the Subsidiary Bank level, Tier 1 Capital increased to \$26.7 million at June 30, 2016.

Our subsidiary, Florida Parishes Bank, is considered "well capitalized" by all applicable federal banking regulations and definitions as of June 30, 2016.

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>June 30, 2016 (Unaudited)</u>	<u>June 30, 2015 (Unaudited)</u>	<u>% Change</u>	<u>March 31, 2016 (Unaudited)</u>	<u>% Change</u>
Tangible Common Stockholders' Equity	28,158,619	24,479,484	15%	27,222,850	3%
Total Assets	252,132,285	232,160,472	9	243,901,836	3
Net Loans	146,598,659	139,844,421	5	142,730,721	3

Non-Interest Bearing Deposits	58,274,162	49,325,889	18	55,185,955	6
Non-Maturity Deposits (Included in interest and non-interest bearing deposits)	167,063,787	143,171,989	17	163,601,365	2
Brokered Deposits (Included in interest-bearing deposits)	1,652,703	1,549,029	7	1,401,705	18
FHLB Advances	7,715,000	16,591,000	(54)	9,165,000	(16)
Foreclosed Assets	133,877	0	100	40,680	229
Non-Performing Assets (includes Foreclosed Assets)	2,222,666	1,318,224	69	2,465,355	(10)
Allowance for Loan Losses	3,354,322	3,084,940	9	3,320,693	1

### CONSOLIDATED STATEMENTS OF EARNINGS

	For the Three Months Ended			For the Six Months Ended	
	June 30, 2016 (Unaudited)	March 31 2016 (Unaudited)	June 30, 2015 (Unaudited)	June 30, 2016 (Unaudited)	June 30, 2015 (Unaudited)
INTEREST AND DIVIDEND INCOME:					
Mortgage Loans	\$2,131,697	\$2,061,983	\$2,100,708	\$4,193,680	\$4,174,904
Consumer Loans	203,310	212,115	230,796	415,425	453,469
Commercial Loans	216,164	210,456	172,149	426,620	336,095
Investment Securities and Deposits	<u>392,474</u>	<u>377,632</u>	<u>309,361</u>	<u>770,106</u>	<u>610,701</u>
TOTAL INTEREST AND DIVIDEND INCOME	<u>2,943,645</u>	<u>2,862,186</u>	<u>2,813,014</u>	<u>5,805,831</u>	<u>5,575,169</u>
INTEREST EXPENSE:					
Deposits	202,950	188,967	166,109	391,917	330,027
Federal Home Loan Bank Advances	29,804	32,473	44,526	62,277	98,770
Other	<u>29,473</u>	<u>28,952</u>	<u>26,633</u>	<u>58,425</u>	<u>52,572</u>
TOTAL INTEREST EXPENSE	<u>262,227</u>	<u>250,392</u>	<u>237,268</u>	<u>512,619</u>	<u>481,369</u>
NET INTEREST INCOME	2,681,418	2,611,794	2,575,746	5,293,212	5,093,800
Provisions for loan losses	<u>39,500</u>	<u>26,500</u>	<u>88,000</u>	<u>66,000</u>	<u>163,000</u>
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	<u>2,641,918</u>	<u>2,585,294</u>	<u>2,487,746</u>	<u>5,227,212</u>	<u>4,930,800</u>
NON-INTEREST INCOME:					
Mortgage Banking Fees	349,688	261,237	296,064	610,925	625,584
Service Charge on deposits	210,183	217,874	189,599	428,057	390,214
Interchange Fees	161,634	154,503	149,580	316,137	290,944
Loan Fees and Charges	43,977	61,937	75,895	105,914	136,333
Gain on bank owned life insurance	27,508	27,698	31,345	55,206	62,038
Gain/(Loss) on Sale of Investments and Foreclosed Assets	17,695	122,507	(38,059)	140,202	(22,211)
Gain/(Loss) on Trading Accounts	(8,665)	(14,158)	9,663	(22,823)	383

Other	<u>53,350</u>	<u>78,408</u>	<u>66,859</u>	<u>131,758</u>	<u>129,078</u>
TOTAL NON-INTEREST INCOME	<u>855,370</u>	<u>910,006</u>	<u>780,946</u>	<u>1,765,376</u>	<u>1,612,363</u>
NON-INTEREST EXPENSE:					
Compensation and Employee Benefits	1,489,725	1,447,185	1,299,591	2,936,910	2,638,392
Occupancy, local and state taxes, and equipment	348,737	319,138	326,989	667,875	683,589
Technology and Information Processing	223,833	219,544	194,811	443,377	363,807
Professional Fees	105,363	83,150	88,863	188,513	144,772
Regulatory Fees	52,311	50,957	52,087	103,268	102,364
Foreclosed Assets	14,614	1,527	(56)	16,141	532
Other	<u>347,881</u>	<u>258,325</u>	<u>286,436</u>	<u>606,206</u>	<u>563,298</u>
TOTAL NON-INTEREST EXPENSE	<u>2,582,464</u>	<u>2,379,826</u>	<u>2,248,721</u>	<u>4,962,290</u>	<u>4,496,754</u>
INCOME BEFORE INCOME TAXES	914,824	1,115,474	1,019,971	2,030,298	2,046,409
Income Tax Expense	<u>278,119</u>	<u>339,973</u>	<u>317,527</u>	<u>618,092</u>	<u>639,875</u>
NET INCOME	<u>636,705</u>	<u>775,501</u>	<u>702,444</u>	<u>1,412,206</u>	<u>1,406,534</u>
<u>PER COMMON SHARE DATA:</u>					
Net Earnings	\$0.34	\$0.42	\$0.39	\$0.76	\$0.78
Diluted Net Earnings	\$0.34	\$0.42	\$0.39	\$0.76	\$0.78
Revenue (Net Interest Income and Non-Interest Income)	\$1.90	\$1.90	\$1.85	\$3.80	\$3.70
Dividends Paid	\$0.05	\$0.047	\$0.047	\$0.097	\$0.094
Book Value (Period End)	\$15.09	\$14.58	\$13.11	\$15.09	\$13.11
Book Value adjusted Net of Other comprehensive income (Period Ended)	\$14.58	\$14.29	\$13.06	\$14.58	\$13.06
<u>RATIOS:</u>					
ROA (Annualized Net Income to Average Period Assets)	1.03%	1.28%	1.22%	1.16%	1.24%
ROE (Annualized Net Income to Average Period Total Stockholders' Equity)	9.25%	11.59%	11.57%	10.40%	11.80%
Net Interest Margin (Average) for the period	4.80%	4.83%	5.00%	4.81%	4.98%
Non-Interest Expense less Non-Interest Income to Average Period Total Assets (Annualized)	2.79%	2.43%	2.56%	2.61%	2.53%
Efficiency Ratio for the Period	73.02%	67.58%	66.99%	70.03%	67.05%
Net Loan Charge-Offs (Recoveries) for the Period to Average Period Net Loans (Annualized)	\$5,871 0.02%	\$(53,243) (0.15)%	\$(5,012) (0.02)%	\$(47,372) (0.07)%	\$(20,053) (0.03)%
TDRs (Performing) at Period End to Average Period Net Loans	\$1,691,983 1.17%	\$1,692,063 1.19%	\$3,075,826 2.19%	\$1,691,983 1.18%	\$3,075,826 2.21%
Non-Performing Assets at Period End to Average Period Total Assets	\$2,222,666 0.89%	\$2,465,355 1.02%	\$1,318,224 0.57%	\$2,222,666 0.90%	\$1,318,224 0.58%
Allowance for Loan Losses at Period End to Average Period Net Loans to Non-Performing Assets at Period End	\$3,354,322 2.31% 150.92%	\$3,320,693 2.33% 134.69%	\$3,084,940 2.20% 234.02%	\$3,354,322 2.33% 150.92%	\$3,084,940 2.21% 234.02%

CONSOLIDATED STATEMENTS OF CONDITION

	June 30, 2016 (Unaudited)	June 30, 2015 (Unaudited)	% Change	March 31, 2016 (Unaudited)	% Change
<b><u>ASSETS:</u></b>					
Cash and Cash Equivalents (including Interest and Non-Interest Earning Deposits)	\$17,950,440	\$13,741,724	31	\$17,752,155	1
Securities – Held to Maturity	1,466,500	3,984,099	(63)	4,457,007	(67)
Securities – Available for Sale	67,345,130	59,089,007	14	62,557,617	8
Trading Securities	115,993	150,292	(23)	124,659	(7)
Bank Owned Life Insurance	4,334,814	4,217,986	3	4,307,306	1
Net Loans	146,598,659	139,844,421	5	142,730,721	3
Accrued Interest Receivable	955,978	927,834	3	949,100	1
Premises and Equipment, Net	11,518,325	9,035,878	27	9,477,988	22
Foreclosed Assets	133,877	0	100	40,680	229
Other Assets	<u>1,712,569</u>	<u>1,169,231</u>	<u>46</u>	<u>1,504,603</u>	<u>14</u>
TOTAL ASSETS	<u>\$252,132,285</u>	<u>\$232,160,472</u>	<u>9</u>	<u>\$243,901,836</u>	<u>3</u>
<b><u>LIABILITIES:</u></b>					
Deposits	210,968,609	186,973,118	13	202,983,071	4
Federal Home Loan Bank Advances	7,715,000	16,591,000	(54)	9,165,000	(16)
Subordinated debentures/trust preferred securities	3,093,000	3,093,000	0	3,093,000	0
Other Liabilities	<u>2,197,057</u>	<u>1,023,870</u>	<u>115</u>	<u>1,437,915</u>	<u>53</u>
TOTAL LIABILITIES	<u>\$223,973,666</u>	<u>\$207,680,988</u>	<u>9</u>	<u>\$216,678,986</u>	<u>3</u>
<b><u>STOCKHOLDERS' EQUITY:</u></b>					
Common Stock	\$12,434	\$13,202	(6)	\$12,434	-
Capital Surplus	8,911,140	8,529,946	4	8,911,140	-
Retained Earnings	18,295,878	15,827,971	16	17,752,020	3
Other Comprehensive Income (Loss)	<u>939,167</u>	<u>108,365</u>	<u>767</u>	<u>547,256</u>	<u>72</u>
Total Stockholders' Equity	<u>28,158,619</u>	<u>24,479,484</u>	<u>15</u>	<u>27,222,850</u>	<u>3</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$252,132,285</u>	<u>\$232,160,472</u>	<u>9%</u>	<u>\$243,901,836</u>	<u>3%</u>

Fritz W. Anderson II, CEO and Chairman of the Board, announced today that, "On July 14, 2016, the Board of Directors of FPB Financial Corp. declared a cash dividend on the common stock of the company. The dividend rate of \$0.05 per share will be paid on September 23, 2016 to stockholders of record at the close of business on September 9, 2016."

