

FOR IMMEDIATE RELEASE  
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FPB FINANCIAL CORP. (OTCQB: FPBF), the Holding Company for Florida Parishes Bank,  
Announces 2016 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 2016 period ended September 30, 2016.

Earnings

Net income in the 2016 third quarter decreased 10.4% to \$670,000 (\$0.34 per fully diluted common share) as compared to the 2015 third quarter net income of \$747,000 (\$0.41 per fully diluted common share). Net income increased 5.2% as compared to The Company's 2016 second quarter net income of \$637,000. Return on Equity for the third quarter of 2016 was 8.8% (on an annualized basis). The Company's revenue increased \$194,000 in the 2016 third quarter as compared to the 2015 quarter with net income declining primarily due to a \$207,000 increase in compensation expense and a \$74,000 increase in technology and information processing expenses and a \$40,000 increase in foreclosed assets expenses. Net income was also affected by a decline in provisions for loan losses by \$41,000, or 35.4% this quarter. The decline in earnings per share of 17.1% was greater than the 10.4% decline in net income due to the Company completing the sale of 197,370 shares of our common stock on July 28, 2016 at a price of \$16.50 per share in a private placement for the total gross proceeds of \$3.3 million. The net sales proceeds are approximately \$3.2 million. The additional capital raised in the private placement will be used to fund growth opportunities.

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

- Net Interest Income increased to \$2.8 million from \$2.6 million in 2015, or 5.9%
- Total Non-Interest Income increased to \$905,000 from \$866,000 in 2015, or 4.4%
- Mortgage banking fees increased to \$353,000 from \$313,000 in 2015, or 12.8%
- Total non-interest expenses increased to \$2.7 million in 2016 from \$2.3 million in 2015, or 15.3%
- Compensation and employee benefits increased to \$1.5 million from \$1.3 million in 2015, or 15.6%

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

- Total Revenue (Net interest income and Non-interest income) increased to \$10.7 million or 5.4%
- Net Interest income increased to \$8.1 million or 4.6%
- Non-Interest income increased to \$2.7 million or 7.7%
- Book Value per common share increased by 13.1% to \$15.39
- Total Common Stockholders' Equity increased to \$31.8 million, or 25.0%

- Cash Dividends paid to common shareholders total \$282,000 in 2016 and \$255,000 in 2015
- Non-Interest Bearing Deposits increased by 16.4% to \$62.1 million
- Non-Maturity deposits increased by 23.7% to \$185.0 million
- Total Assets increased by 14.7% to \$268.9 million
- Net Loans increased to \$151.7 million or 9.9%
- FHLB advances decreased by 6.1% to \$9.4 million
- Net-Loan Recoveries increased by \$39,000 in 2016 from \$1,000 in 2015
- Foreclosed Assets increased to \$129,000 in 2016 from \$0.00 in 2015

#### Asset Quality

The Company had \$8,000 of net loan charge-offs in third quarter of 2016 and \$19,000 in the 2015 third quarter. Net loan charge-offs were \$6,000 in the 2016 second quarter. Non-performing assets as of September 30, 2016 total \$2.2 million, a 20.7% increase of \$382,000 from September 30, 2015. Non-performing assets on June 30, 2016 total \$2.2 million.

Total Troubled Debt Restructured (TDR'S) at September 30, 2016 increased by \$430,000, or 15.2% to \$3.2 million as compared to September 30, 2015. TDR'S that are current (less than 30 days past due) at September 30, 2016 represent \$2.4 million of the \$3.2 million TDR total. Total TDR'S at June 30, 2016 were \$2.6 million. The Company's allowance for loan losses increased by 7.5% to \$3.4 million at September 30, 2016. Total allowance for loan losses were \$3.4 million at June 30, 2016.

#### Balance Sheet and Capital

Total assets at September 30, 2016 increased by 14.7% to \$268.9 million as compared to \$234.5 million at September 30, 2015. The increase in total assets was primarily attributed to an increase of \$13.7 million in net loans, an increase of \$9.8 million in cash and cash equivalents, an increase of \$5.7 million in total investment securities and a \$2.8 million increase in premises and equipment. Total liabilities increased by 13.4% to \$237.1 million primarily due to an increase of \$28.3 million, or 14.5% in total deposits to \$223.1 million offset by a decrease of \$608,000 or 6.1% in Federal Home Loan Bank advances.

Common Stockholders' Equity increased by \$6.3 million, or 25.0%, to \$31.8 million for the twelve months ended September 30, 2016, primarily due to the completion of the \$3.2 million (net) private placement common stock offering on July 28, 2016. Capital surplus increased by \$3.6 million or 41.6% to \$12.1 million. Retained earnings increased by \$2.4 million to \$18.9 million for the twelve month period. Other comprehensive income increased by \$417,000 at September 30, 2016. Tangible common stockholders' equity increased to \$31.8 million for the period. Book value per common share increased to \$15.39 as total common shares of 2,065,203 were outstanding at September 30, 2016. At the Subsidiary Bank level, Tier 1 Capital increased to \$27.4 million at September 30, 2016.

#### Other Matters

On March 31, 2016 a 3 for 2 stock split was paid on our common stock. Primary as a result of the stock split, our total shares issued increased to 2,065,203 shares at September 30, 2016, and our net number of shares issued and outstanding after subtracting unearned RRP shares increased to 2,057,810 shares. In addition our per share stock price currently reflects the stock split.

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

<b><u>Selected Balances</u></b>	<b>Sept. 30, 2016 <u>(Unaudited)</u></b>	<b>Sept. 30, 2015 <u>(Unaudited)</u></b>	<b>% Change</b>	<b>June 30, 2016 <u>(Unaudited)</u></b>	<b>% Change</b>
Tangible Common Stockholders' Equity	31,761,541	25,408,493	25%	28,158,619	13%
Total Assets	268,887,250	234,462,670	15	252,019,862	7
Net Loans	151,668,049	138,001,407	10	146,598,659	3
Non-Interest Bearing Deposits	62,103,473	53,371,851	16	58,274,162	7
Non-Maturity Deposits (Included in interest and non-interest bearing deposits)	184,975,143	149,507,469	24	167,063,787	11
Brokered Deposits (Included in interest-bearing deposits)	1,777,725	1,549,022	15	1,652,703	8
FHLB Advances	9,405,000	10,013,000	(6)	7,715,000	22
Foreclosed Assets	129,470	0	100	133,877	(3)
Non-Performing Assets (includes Foreclosed Assets and Other Real Estate Owned)	2,223,326	1,841,454	21	2,222,666	0
Allowance for Loan Losses	3,421,542	3,181,841	8	3,354,322	2

#### CONSOLIDATED STATEMENTS OF EARNINGS

	<b>For the Three Months Ended</b>			<b>For the Nine Months Ended</b>	
	<b>Sept. 30, 2016 <u>(Unaudited)</u></b>	<b>June 30 2016 <u>(Unaudited)</u></b>	<b>Sept. 30, 2015 <u>(Unaudited)</u></b>	<b>Sept. 30, 2016 <u>(Unaudited)</u></b>	<b>Sept. 30, 2015 <u>(Unaudited)</u></b>
<b>INTEREST AND DIVIDEND INCOME:</b>					
Mortgage Loans	\$2,229,953	\$2,131,697	\$2,117,137	\$6,423,633	\$6,292,041
Commercial Loans	228,469	216,164	186,602	655,089	522,697
Consumer Loans	211,120	203,310	225,265	626,545	678,734
Investment Securities and Deposits	<u>388,929</u>	<u>392,474</u>	<u>328,895</u>	<u>1,159,035</u>	<u>939,596</u>
<b>TOTAL INTEREST AND DIVIDEND INCOME</b>	<b><u>3,058,471</u></b>	<b><u>2,943,645</u></b>	<b><u>2,857,899</u></b>	<b><u>8,864,302</u></b>	<b><u>8,433,068</u></b>
<b>INTEREST EXPENSE:</b>					
Deposits	216,025	202,950	169,202	607,942	499,229
Federal Home Loan Bank Advances	29,747	29,804	34,663	92,024	133,433
Other	<u>29,678</u>	<u>29,473</u>	<u>26,804</u>	<u>88,103</u>	<u>79,376</u>
<b>TOTAL INTEREST EXPENSE</b>	<b><u>275,450</u></b>	<b><u>262,227</u></b>	<b><u>230,669</u></b>	<b><u>788,069</u></b>	<b><u>712,038</u></b>
<b>NET INTEREST INCOME</b>	<b>2,783,021</b>	<b>2,681,418</b>	<b>2,627,230</b>	<b>8,076,233</b>	<b>7,721,030</b>
Provisions for loan losses	<u>75,000</u>	<u>39,500</u>	<u>116,000</u>	<u>141,000</u>	<u>279,000</u>
<b>NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES</b>	<b><u>2,708,021</u></b>	<b><u>2,641,918</u></b>	<b><u>2,511,230</u></b>	<b><u>7,935,233</u></b>	<b><u>7,442,030</u></b>

NON-INTEREST INCOME:

Mortgage Banking Fees	352,723	349,688	312,757	963,648	938,341
Service Charge on deposits	224,161	210,183	191,075	652,218	581,289
Interchange Fees	159,230	161,634	150,916	475,367	441,860
Loan Fees and Charges	56,309	43,977	56,713	162,223	193,046
Gain on bank owned life insurance	38,184	27,508	32,005	93,390	94,043
Gain/(Loss) on Sale of Investments and Foreclosed Assets	28,066	17,695	81,087	168,268	58,876
Gain/(Loss) on Trading Accounts	910	(8,665)	(11,652)	(21,913)	(11,269)
Other	<u>45,490</u>	<u>53,350</u>	<u>53,723</u>	<u>177,248</u>	<u>182,801</u>
TOTAL NON-INTEREST INCOME	<u>905,073</u>	<u>855,370</u>	<u>866,624</u>	<u>2,670,449</u>	<u>2,478,987</u>

NON-INTEREST EXPENSE:

Compensation and Employee Benefits	1,538,730	1,489,725	1,331,567	4,475,640	3,969,959
Occupancy, local and state taxes, and equipment	348,396	348,737	330,382	1,016,271	1,013,971
Technology and Information Processing	249,244	223,833	175,707	692,621	539,514
Professional Fees	89,062	105,363	96,184	277,575	240,956
Regulatory Fees	52,527	52,311	50,360	155,795	152,724
Foreclosed Assets	40,832	14,614	1,051	56,973	1,583
Other	<u>337,845</u>	<u>347,881</u>	<u>319,451</u>	<u>944,051</u>	<u>882,749</u>
TOTAL NON-INTEREST EXPENSE	<u>2,656,636</u>	<u>2,582,464</u>	<u>2,304,702</u>	<u>7,618,926</u>	<u>6,801,456</u>

INCOME BEFORE INCOME TAXES

	956,458	914,824	1,073,152	2,986,756	3,119,561
Income Tax Expense	<u>286,903</u>	<u>278,119</u>	<u>326,238</u>	<u>904,995</u>	<u>966,113</u>
NET INCOME	<u>669,555</u>	<u>636,705</u>	<u>746,914</u>	<u>2,081,761</u>	<u>2,153,448</u>

PER COMMON SHARE DATA: (Adjusted for a 3 for 2 Stock Split)

Net Earnings	\$0.34	\$0.34	\$0.41	\$1.10	\$1.19
Diluted Net Earnings	\$0.34	\$0.34	\$0.41	\$1.10	\$1.19
Revenue (Net Interest Income and Non-Interest Income)	\$1.83	\$1.90	\$1.92	\$5.59	\$5.62
Dividends Paid	\$0.05	\$0.05	\$0.047	\$0.147	\$0.14
Book Value (Period End)	\$15.39	\$15.09	\$13.61	\$15.39	\$13.61
Book Value adjusted Net of Other comprehensive income (Period Ended)	\$15.02	\$14.58	\$13.43	\$15.02	\$13.43

RATIOS:

ROA (Annualized Net Income to Average Period Assets)	1.02%	1.03%	1.27%	1.11%	1.25%
ROE (Annualized Net Income to Average Period Total Stockholders' Equity)	8.77%	9.25%	11.85%	9.82%	11.82%
Net Interest Margin (Average) for the period	4.70%	4.80%	4.99%	4.77%	4.91%
Non-Interest Expense less Non-Interest Income to Average Period Total Assets (Annualized)	2.67%	2.79%	2.44%	2.63%	2.50%
Efficiency Ratio for the Period	72.03%	73.02%	65.97%	70.90%	66.68%

Net Loan Charge-Offs (Recoveries) for the Period to Average Period Net Loans (Annualized)	\$7,779 0.02%	\$5,871 0.02%	\$19,099 0.06%	\$(39,592) (0.04)%	\$(954) -
TDR's at Period End to Average Period Net Loans	\$3,248,646 2.20%	\$2,565,727 1.77%	\$2,818,958 2.02%	\$3,248,646 2.24%	\$2,818,958 2.02%
Non-Performing Assets at Period End to Average Period Total Assets	\$2,223,326 0.85%	\$2,222,666 0.89%	\$1,841,454 0.79%	\$2,223,326 0.89%	\$1,841,454 0.80%
Allowance for Loan Losses at Period End to Average Period Net Loans to Non-Performing Assets at Period End	\$3,421,542 2.31% 153.89%	\$3,354,322 2.31% 150.92%	\$3,181,841 2.29% 172.79%	\$3,421,542 2.36% 153.89%	\$3,181,841 2.28% 172.79%

#### CONSOLIDATED STATEMENTS OF CONDITION

	Sept. 30, 2016 (Unaudited)	Sept. 30, 2015 (Unaudited)	% Change	June 30, 2016 (Unaudited)	% Change
<b><u>ASSETS:</u></b>					
Cash and Cash Equivalents (including Interest and Non-Interest Earning Deposits)	\$23,505,723	\$13,678,437	72	\$17,950,440	31
Securities – Held to Maturity	1,960,711	4,462,428	(56)	1,466,500	34
Securities – Available for Sale	70,891,481	62,651,766	14	67,345,130	5
Trading Securities	116,903	138,641	(16)	115,993	1
Bank Owned Life Insurance	6,372,998	4,249,991	50	4,334,814	47
Net Loans	151,668,049	138,001,407	10	146,598,659	3
Accrued Interest Receivable	956,536	903,230	6	955,978	0
Premises and Equipment, Net	11,696,239	8,943,315	31	11,477,238	2
Foreclosed Assets	129,470	0	100	133,877	(3)
Other Assets	<u>1,589,140</u>	<u>1,433,455</u>	<u>11</u>	<u>1,641,233</u>	<u>(3)</u>
TOTAL ASSETS	<u>\$268,887,250</u>	<u>\$234,462,670</u>	<u>15</u>	<u>\$252,019,862</u>	<u>7</u>
<b><u>LIABILITIES:</u></b>					
Deposits	223,078,334	194,799,380	15	210,976,212	6
Federal Home Loan Bank Advances	9,405,000	10,013,000	(6)	7,715,000	22
Subordinated debentures/trust preferred securities	3,093,000	3,093,000	0	3,093,000	0
Other Liabilities	<u>1,549,375</u>	<u>1,148,797</u>	<u>35</u>	<u>2,077,031</u>	<u>(25)</u>
TOTAL LIABILITIES	<u>\$237,125,709</u>	<u>\$209,054,177</u>	<u>13</u>	<u>\$223,861,243</u>	<u>6</u>
<b><u>STOCKHOLDERS' EQUITY:</u></b>					
Common Stock	\$12,872	\$13,202	(3)	\$12,434	4
Capital Surplus	12,127,479	8,564,201	42	8,911,140	36
Retained Earnings	18,862,684	16,489,724	14	18,295,878	3
Other Comprehensive Income (Loss)	<u>758,506</u>	<u>341,366</u>	<u>122</u>	<u>939,167</u>	<u>(19)</u>
Total Stockholders' Equity	<u>31,761,541</u>	<u>25,408,493</u>	<u>25</u>	<u>28,158,619</u>	<u>13</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$268,887,250</u>	<u>\$234,462,670</u>	<u>15%</u>	<u>\$252,019,862</u>	<u>7%</u>

Fritz W. Anderson II, CEO and Chairman of the Board, announced today that, "On October 13, 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 December 26, 2016 to stockholders of record at the close of business on December 12, 2016."