

Press Release: October 23, 2014

FOR IMMEDIATE RELEASE
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FPB FINANCIAL CORP. (OTCQB: FPBF), the Holding Company for Florida Parishes Bank,
Announces 2014 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 period ended September 30, 2014.

FPB Financial Corp. reported the following for the period ending September 30, 2014, and as compared to September 30, 2013:

- Total Assets increased to \$224.3 million or 10.8%
- Net Loans increased by \$18.9 million or 16.7%
- Net Interest Income increased by \$474,000, or 7.3%
- Non-Interest Income Increased by \$201,000, or 45.3%
- Non-Interest bearing deposits increased to \$43.2 million or 20.0%
- Non-Maturity deposits increased by \$11.2 million or 9.2%
- Dividend paid to common shareholders increased to \$252,000 or 31.7%
- Non-performing Assets decreased to \$1.5 million or 22.6%
- Common Stockholders' equity increased by \$4.3 million or 23.5%
- Common Book Value per share increased to \$18.65, or 9.3%

Earnings

Net income for the third quarter of 2014 totaled \$592,000, an increase of 23.3% from \$480,000 in the third quarter of 2013. Net income in the 2014 second quarter totaled \$446,000. The 2014 third quarter net income per fully diluted common share was \$0.49, up from \$0.45 per fully diluted common share in the third quarter of 2013. Earnings per share increased 8.9% primarily due to a 12.8% increase in net interest income and a 45.3% increase in total non-interest income which was offset by a 13.6% increase in non-interest expense and an increase in the average total common shares outstanding. Return on common stockholders' equity (ROE) was 10.6% on an annualized basis for the 2014 third quarter period.

Total non-interest expense increased by \$261,000 in the third quarter when compared to the 2013 period, primarily due to a \$162,000 increase in compensation and employee benefits, related to the hiring of new officers and staff for our recently opened branch and mortgage loan office located in Covington, LA and in Mandeville, LA., respectively.

Provision for loan losses totaled \$75,000 in the period as compared to -0- in the 2013 period.

The Company's effective tax rate decreased in the period due to the 2013 investment in BOLI and due to investments in municipal securities.

Asset Quality

Total non-performing assets at September 30, 2014 decreased \$435,000 to \$1.5 million when compared to September 30, 2013. Total non-performing assets on June 30, 2014 were \$1.8 million. The Company's allowance for loan losses decreased to \$2.8 million as compared to \$3.2 million at September 30, 2013. Total allowance for loan losses were \$2.8 million at June 30, 2014.

Net loan charge-offs in the third quarter totaled \$100,000 up from \$84,000 in the third quarter of 2013. In the second quarter of 2014, net loan charge-offs totaled \$22,000.

Performing Troubled Debt Restructured (TDR's) as of September 30, 2014 totaled \$2.9 million, or an increase of \$488,000 from September 30, 2013. Performing TDR's totaled \$2.9 million on June 30, 2014.

Balance Sheet and Capital

Total assets at September 30, 2014 increased to \$224.3 million, or 10.8% as compared to September 30, 2013. Total assets on June 30, 2014 were \$216.6 million. The increase in total assets was primarily attributed to an increase of \$18.9 million in Net Loans and \$4.1 million of BOLI. Total liabilities increased by 9.6% to \$201.9 million primarily due to an increase of \$14.7 million, or 9.2% in deposits to \$175.3 million at September 30, 2014 compared to \$160.6 million at September 30, 2013. Federal Home Loan Bank (FHLB) Advances increased by \$5.0 million to \$22.7 million at September 30, 2014 as compared to \$17.7 million at September 30, 2013. Non-interest bearing deposits and total non-maturity deposits both increased in the twelve month period September 30, 2014.

Common Stockholders' Equity increased by a net of \$4.3 million, or 23.5% to \$22.4 million for the twelve month period ending September 30, 2014, primarily due to the October 11, 2013 sale of 129,075 shares of our common stock at a price of \$16.00 per share in a private placement for the total net sale proceeds of \$2.0 million. Retained earnings increased by \$1.6 million in the twelve month period. Other comprehensive income increased by \$603,000, or 82.6% at September 30, 2014 when compared to September 30, 2013. Book value per common share increased to \$18.65 as total common shares of 1,201,557 were outstanding at September 30, 2014.

Our subsidiary, Florida Parishes Bank, is considered "well capitalized" by all applicable federal banking regulations and definitions as of September 30, 2014.

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>	Sept. 30, 2014 (Unaudited)	Sept. 30, 2013 (Unaudited)	% Change	June 30, 2014 (Unaudited)	% Change
Tangible Common Stockholders' Equity	22,411,468	18,146,908	24%	21,764,077	3%
Net Loans	132,080,832	113,165,148	17	125,728,515	5
Foreclosed Assets	68,000	361,067	(81)	0	-
Non-Performing Assets (Includes					

Foreclosed Assets)	1,493,422	1,928,701	(23)	1,842,896	(19)
Allowance for Loan Losses	2,805,475	3,186,015	(12)	2,830,652	(1)
Total Assets	224,326,211	202,384,931	11	216,622,073	4
Non-Interest Bearing Deposits	43,224,862	36,033,709	20	42,539,401	2
Non-Maturity Deposits (Included in interest and non-interest bearing deposits)	132,844,713	121,619,702	9	131,935,775	1
Brokered Deposits (Included in interest-bearing deposits)	1,549,540	2,459,461	(37)	1,798,280	(14)
FHLB Advances	22,673,000	17,716,500	28	20,418,000	11

CONSOLIDATED STATEMENTS OF EARNINGS

	For the Three Months Ended			For the Nine Months Ended	
	Sept. 30, 2014 (Unaudited)	June 30, 2014 (Unaudited)	Sept. 30, 2013 (Unaudited)	Sept. 30, 2014 (Unaudited)	Sept. 30, 2013 (Unaudited)
INTEREST AND DIVIDEND INCOME:					
Mortgage Loans	\$2,017,494	\$1,844,756	\$1,856,595	\$5,678,249	\$5,725,511
Consumer Loans	245,461	258,377	259,697	756,815	755,089
Commercial Loans	168,892	148,328	97,639	429,524	274,767
Investment Securities and Deposits	<u>292,941</u>	<u>293,409</u>	<u>229,430</u>	<u>873,159</u>	<u>592,168</u>
TOTAL INTEREST AND DIVIDEND INCOME	<u>2,724,788</u>	<u>2,544,870</u>	<u>2,443,361</u>	<u>7,737,747</u>	<u>7,347,535</u>
INTEREST EXPENSE:					
Deposits	160,622	149,318	151,947	461,034	514,397
Federal Home Loan Bank Advances	68,715	68,122	75,461	207,556	236,534
Other	<u>26,432</u>	<u>26,361</u>	<u>26,691</u>	<u>78,665</u>	<u>79,894</u>
TOTAL INTEREST EXPENSE	<u>255,769</u>	<u>243,801</u>	<u>254,099</u>	<u>747,255</u>	<u>830,825</u>
NET INTEREST INCOME	2,469,019	2,301,069	2,189,262	6,990,492	6,516,710
Provisions for loan losses	<u>75,000</u>	<u>0</u>	<u>0</u>	<u>75,000</u>	<u>181,000</u>
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	<u>2,394,019</u>	<u>2,301,069</u>	<u>2,189,262</u>	<u>6,915,492</u>	<u>6,335,710</u>
NON-INTEREST INCOME:					
Service charge on deposits	187,106	199,674	235,077	618,924	669,827
Interchange Fees	119,300	107,562	110,700	335,244	322,437
Mortgage Banking Fees	105,206	104,208	106,198	297,622	497,249
Loan Fees and Charges	108,884	65,436	32,057	235,480	115,292
Gain on bank owned life insurance	37,278	36,815	0	109,841	0
Gain/(Loss) on Sale of Investments and Foreclosed Assets	33,100	8,147	(88,008)	69,680	(85,574)
Gain/(Loss) on Trading Accounts	(4,463)	(10,798)	648	(30,173)	17,069
Other	<u>57,502</u>	<u>50,962</u>	<u>46,506</u>	<u>196,933</u>	<u>177,759</u>
TOTAL NON-INTEREST INCOME	<u>643,913</u>	<u>562,006</u>	<u>443,178</u>	<u>1,833,551</u>	<u>1,714,059</u>
NON-INTEREST EXPENSE:					

Compensation and Employee Benefits	1,244,628	1,243,814	1,082,659	3,737,218	3,253,239
Occupancy, local and state taxes, and equipment	315,539	287,222	260,650	865,999	786,755
Technology and Information Processing	192,460	214,874	203,584	601,734	522,102
Professional Fees	65,867	76,653	92,107	217,571	208,964
Regulatory Fees	50,966	50,870	48,320	150,337	159,193
Foreclosed Assets	5,946	4,795	8,440	44,309	76,950
Other	<u>304,107</u>	<u>351,492</u>	<u>223,240</u>	<u>982,747</u>	<u>766,941</u>
TOTAL NON-INTEREST EXPENSE	<u>2,179,513</u>	<u>2,229,720</u>	<u>1,919,000</u>	<u>6,599,915</u>	<u>5,774,144</u>
INCOME BEFORE INCOME TAXES	858,419	633,355	713,440	2,149,128	2,275,625
Income Tax Expense	<u>266,895</u>	<u>187,778</u>	<u>233,446</u>	<u>646,507</u>	<u>754,529</u>
NET INCOME	<u>591,524</u>	<u>445,577</u>	<u>479,994</u>	<u>1,502,621</u>	<u>1,521,096</u>
<u>PER COMMON SHARE DATA:</u> <u>(Adjusted for 3 for 1 stock split)</u>					
Net Earnings	\$0.49	\$0.37	\$0.45	\$1.25	\$1.43
Diluted Net Earnings	\$0.49	\$0.37	\$0.45	\$1.25	\$1.42
Revenue (Net Interest Income and Non-Interest Income)	\$2.59	\$2.38	\$2.47	\$7.35	\$7.74
Dividends Paid	\$0.07	\$0.07	\$0.06	\$0.21	\$0.18
Book Value (Period End)	\$18.65	\$18.12	\$17.02	\$18.65	\$17.02
Book Value adjusted for Other comprehensive income (Period Ended)	\$18.76	\$18.34	\$17.71	\$18.76	\$17.71
<u>RATIOS:</u>					
ROA (Annualized Net Income to Average Period Assets)	1.07%	0.84%	0.95%	0.94%	1.02%
ROE (Annualized Net Income to Average Period Total Stockholders' Equity)	10.60%	8.30%	10.63%	9.33%	11.28%
Net Interest Margin (Average) for the period	4.95%	4.86%	4.77%	4.88%	4.81%
Non-Interest Expense less Non-Interest Income to Average Period Total Assets (Annualized)	2.76%	3.16%	2.92%	2.98%	2.73%
Efficiency Ratio for the Period	70.02%	77.88%	72.90%	74.80%	70.15%
Net Loan Charge-Offs (Recoveries) for the Period to Average Period Net Loans (Annualized)	\$100,176 0.31%	\$21,487 0.07%	83,507 0.29%	\$273,472 0.30%	\$203,799 0.24%
TDRs (Performing) at Period End to Average Period Net Loans	\$2,878,020 2.23%	\$2,905,005 2.39%	\$2,390,264 2.11%	\$2,878,020 2.34%	\$2,390,264 2.08%
Non-Performing Assets at Period End to Average Period Total Assets	\$1,493,422 0.68%	\$1,842,896 0.87%	\$1,928,701 0.96%	\$1,493,422 0.70%	\$1,928,701 0.97%
Allowance for Loan Losses at Period End to Average Period Net Loans to Non-Performing Assets at Period End	\$2,805,475 2.18% 187.86%	\$2,830,652 2.33% 153.60%	\$3,186,015 2.81% 165.19%	\$2,805,475 2.28% 187.86%	\$3,186,015 2.77% 165.19%

CONSOLIDATED STATEMENTS OF CONDITION

	Sept. 30, 2014 (Unaudited)	Sept. 30, 2013 (Unaudited)	%	June 30, 2014 (Unaudited)	%
			Change		Change
<u>ASSETS:</u>					
Cash and Cash Equivalents including Interest and Non-Interest Earning Deposits	\$10,729,294	\$9,737,748	10	\$9,444,417	14
Certificates of Deposit	0	1,994,000	-	0	-
Securities – Held to Maturity	5,694,069	4,563,195	25	5,698,479	0
Securities – Available for Sale	60,015,549	59,450,958	1	59,981,455	0
Trading Securities	163,506	186,226	(12)	167,969	(3)
Bank Owned Life Insurance	4,120,959	0	-	4,084,581	1
Net Loans	132,080,832	113,165,148	17	125,728,515	5
Accrued Interest Receivable	825,267	762,599	8	880,523	(6)
Premises and Equipment, Net	9,347,985	9,111,881	3	9,325,698	0
Foreclosed Assets	68,000	361,109	(81)	0	-
Other Assets	<u>1,280,750</u>	<u>3,052,109</u>	<u>(58)</u>	<u>1,310,436</u>	<u>(2)</u>
TOTAL ASSETS	<u>\$224,326,211</u>	<u>\$202,384,931</u>	<u>11</u>	<u>\$216,622,073</u>	<u>4</u>
<u>LIABILITIES:</u>					
Deposits	175,306,273	160,592,502	9	170,751,521	3
Federal Home Loan Bank Advances	22,673,000	17,716,500	28	20,418,000	11
Subordinated debentures/trust preferred securities	3,093,000	3,093,000	0	3,093,000	0
Other Liabilities	<u>842,470</u>	<u>2,836,021</u>	<u>(70)</u>	<u>595,475</u>	<u>41</u>
TOTAL LIABILITIES	<u>\$201,914,743</u>	<u>\$184,238,023</u>	<u>7</u>	<u>\$194,857,996</u>	<u>4</u>
<u>STOCKHOLDERS' EQUITY:</u>					
Common Stock	\$13,127	\$4,448	195	\$13,127	0
Capital Surplus	8,413,084	6,364,018	32	8,404,758	0
Retained Earnings	15,902,533	14,304,084	11	15,395,118	3
Unearned Compensation	(6,900)	(12,339)	44	(6,902)	0
Treasury Stock	(1,783,468)	(1,783,468)	0	(1,783,468)	0
Other Comprehensive Income (Loss)	<u>(126,908)</u>	<u>(729,835)</u>	<u>83</u>	<u>(258,556)</u>	<u>51</u>
Total Stockholders' Equity	<u>22,411,468</u>	<u>18,146,909</u>	<u>24</u>	<u>21,764,077</u>	<u>3</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$224,326,211</u>	<u>\$202,384,931</u>	<u>11%</u>	<u>\$216,622,073</u>	<u>4%</u>

Fritz W. Anderson II, Chairman of the Board, announced today that, "On October 9, 2014, the Board of Directors of FPB Financial Corp. declared a cash dividend on the common stock of the company. The dividend rate of \$0.07 per share will be paid on December 26, 2014 to stockholders of record at the close of business on December 10, 2014."