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FOR IMMEDIATE RELEASE

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FPB FINANCIAL CORP. (OTCQB:FPBF), the Holding Company for Florida Parishes Bank,  
Announces 2017 Third Quarter Results and Declares Dividends.

Hammond, LA—FPB Financial Corp. (OTCQB:FPBF), the holding for Florida Parishes Bank, announced financial results for the 2017 period ended September 30, 2017.

Balance Sheet and Capital

Total assets at September 30, 2017 increased 26% to \$337.9 million when compared to September 30, 2016. The increase in total assets was primarily due to a 32% increase in net loans over the twelve month period to \$200.3 million. Total Liabilities increased 25% over the period. Deposits were the primary component of these increases with total deposits of \$289.4 million at Sept. 30, 2017 of which \$75.3 million were Non-Interest Bearing, which represents an increase of 21% from September 30, 2016.

Total loans increased to \$204.9 million at September 30, 2017. Of that total \$176.3 million, or 86.0%, were secured by real estate.

REAL ESTATE SECURED LOANS  
September 30, 2017

	(In Thousands)	
1-4 Family	\$ 68,850	33.6%
Multi-Family	6,229	3.0%
Land & Construction	39,854	19.4%
Commercial Real Estate		
Non-Owner Occupied	29,640	14.5%
Owner Occupied	<u>31,741</u>	<u>15.5%</u>
TOTAL REAL ESTATE	\$176,286	86.0%

## NON - REAL ESTATE SECURED LOANS

Commercial & Industrial	\$16,505	8.1%
Consumer	<u>12,201</u>	<u>5.9%</u>
 TOTAL COMMERCIAL & INDUSTRIAL & CONSUMER	 <u>\$28,605</u>	 <u>14.0%</u>
 TOTAL LOANS	 <u>\$204,891</u>	 <u>100.0%</u>

Total Common Stockholders' Equity increased by a net of \$10.6 million, or 33% to \$42.3 million for the twelve months ended September 30, 2017. This was primarily due to the sale of 594,806 shares of common stock in a private placement during the first and second quarters of 2017. The common shares were sold at a per share price of \$16.75 producing gross proceeds of \$10.0 million. A total of 198,275 warrants shares were authorized in connection with the 2017 private placement sale of common shares, the warrants which are convertible into common shares were authorized at a conversion price of \$16.75 per share. The warrant holders have until March 31, 2019 to exercise and convert their warrants into common shares of the company. The net proceeds from this common stock issue will be used to fund business development and growth opportunities primarily in both the New Orleans and Hammond, LA Metropolitan Statistical Areas (MSA's) through our subsidiary, Florida Parishes Bank and for other general corporate purposes at the Company level.

Capital Surplus increased by \$9.9 million to \$22.1 million at September 30, 2017 when compared to September 30, 2016. Retained Earnings increased by \$1.1 million to \$20.0 million for the twelve month period. Other Comprehensive Income decreased by \$521,000, or 69% from September 30, 2016 to September 30, 2017. Book value per common share increased to \$ 15.93 as total common shares of 2,657,232 were outstanding at September 30, 2017 (this common share total does not include 198,275 of authorized warrants). At the subsidiary bank level, Tier 1 Capital increased to \$ 31.1 million at September 30, 2017.

### Earnings

Net Income in the 2017 third quarter decreased 23% to \$517,000 (\$0.19 per fully diluted common share) as compared to the 2016 third quarter net income of \$670,000 (\$0.34) per fully diluted common share). Revenue increased by \$823,000, or 22% in the third quarter of 2017 when compared to the 2016 third quarter, net income for the 2017 period declined primarily due to increases of \$537,000 in Provisions for Loan Losses, \$272,000 in Compensation and Employee benefit expenses, \$124,000 in interest expenses. Total non-interest income increased by \$241,000 or 27% in the 2017 third quarter, when compared to the 2016 period primarily due to increases in revenue from SBA lending and from mortgage banking. Although the Company's net interest margin decreased in the 2017 third quarter to 4.39% from 4.70% in 2016, net interest income increased by \$582,000, or 21% in the period.

Earnings per share (EPS) decreased primarily due to the Company issuing new common shares in the first six months of 2017. EPS was also affected by the decline in net income.

Items affecting and contributing to the Company's 2017 third quarter change in net income when compared to the 2016 quarterly period:

- Net Interest Income increased to \$3.4 million from \$2.8 million in 2016, or 21.0%
- Total non-interest income increased to \$1.1 million, or 26.6%
- Total non-interest expenses increased to \$3.2 million in 2017 from \$2.7 million in 2016, or 19.6%
- Compensation and employee benefits increased to \$1.8 million from \$1.5 million in 2016, or 17.7%
- Provisions for Loan Losses increased to \$612,000, or 716.0%

Other items and per share data of note this Year-To-Date (YTD) as of September 30, 2017, compared to the nine month period ending September 30, 2016

- Total Revenue (Net interest income and Non-interest income) increased to \$12.1 million or 12.9%
- Net Interest income increased to \$9.3 million or 15.1%
- Total Common Stockholders' Equity increased to \$42.3 million, or 33.3%

- Cash Dividends paid to common shareholders total \$367,000 in 2017 and \$282,000 in 2016
- Book Value per common share increased by 3.5% to \$15.93
- Net Loans increased to \$200.3 million or 32.1%
- Allowance for Loan Losses increased to \$4.3 million, or 24.7%
- Non-Interest Bearing Deposits increased by 21.2% to \$75.3 million
- Non-Maturity deposits increased by 31.0% to \$242.3 million
- Total Assets increased by 25.8% to \$338.0 million
- FHLB advances decreased by 78.7% to \$2.0 million

#### Asset Quality

Total non-performing assets (NPA's) at September 30, 2017 increased by \$1.2 million, or 54% to \$3.4 million when compared to September 30, 2016 and represents 1.7% of gross loans. NPA's at June 30, 2017 totaled \$3.8 million. The increase during the 12 month period ending September 30, 2017 in NPA's were attributed to an increase of \$622,000 in loans on nonaccrual, to \$2.1 million; an increase of \$458,000 in Other Real Estate Owned (OREO), to \$1.2 million and a \$115,000 increase in loans 90-days past due and accruing, to \$115,000. The decrease in NPA's during the 3 month period ending September 30, 2017 were attributed to a decrease of \$256,000 in non-accrual loans, a decrease of \$64,000 in OREO and a \$56,000 reduction in loans 90-days past due and accruing. The Company's allowance for loan losses (ALLL) increased by 25% to \$4.3 million at September 30, 2017 when compared to September 30, 2016. The \$4.3 million in the ALLL represents 2.4% of average net loans in the 2017 third quarter period and 124% of NPA's on September 30, 2017. At June 30, 2017 the Company's ALLL totaled \$3.7 million or 2.1% of 2017 second quarter average net loans and 98% of NPA's at period end.

Net loan charge-offs for the 2017 third quarter totaled \$70,000 (0.14% of average net loans) up from \$8,000 (0.02%) of net loan charge-offs in the 2016 third quarter. Net loan charge-offs were \$94,000 (0.21%) in the 2017 second quarter. Troubled Debt Restructured (TDR's) cumulative total through September 30, 2017 was \$3.2 million, of which \$471,000 are on nonaccrual. Total TDR's on September 30, 2016 and June 30, 2017 were \$3.2 million and \$3.4 million respectively.

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, 2017 (Unaudited)</u>	<u>Sept. 30, 2016 (Unaudited)</u>	<u>% Change</u>	<u>June 30, 2017 (Unaudited)</u>	<u>% Change</u>
Tangible Common Stockholders' Equity	42,325,625	31,761,541	33%	42,099,344	1%
Total Assets	337,925,939	268,887,250	26	332,582,863	2
Net Loans	200,004,420	151,668,049	32	186,466,214	7

Non-Interest Bearing Deposits	75,276,323	62,103,473	21	69,655,793	8
Non-Maturity Deposits (included in Interest and non-interest bearing Deposits)	242,251,184	184,975,143	31	231,720,879	5
Brokered Deposits (included in Interest-Bearing deposits)	4,022,470	1,777,725	126	4,014,316	-
FHLB Advances	2,000,000	9,405,000	(79)	2,650,000	(25)
Foreclosed Assets	783,170	129,470	505	851,620	(8)
Non-Performing Assets (includes Foreclosed Assets and Other Real Estate Owned)	3,430,584	2,223,326	54	3,802,411	(10)
Allowance for Loan Losses	4,267,899	3,421,542	25	3,725,755	15

#### CONSOLIDATED STATEMENT OF EARNINGS

	<u>For the Three Months Ended</u>			<u>For the Nine Months Ended</u>	
	<b>Sept. 30, 2017 (Unaudited)</b>	<b>June 30, 2017 (Unaudited)</b>	<b>Sept. 30, 2016 (Unaudited)</b>	<b>Sept. 30, 2017 (Unaudited)</b>	<b>Sept. 30, 2016 (Unaudited)</b>
INTEREST AND DIVIDEND INCOME:					
Mortgage Loans	\$2,768,117	\$2,433,392	\$2,229,953	\$7,516,523	\$6,423,633
Commercial Loans	281,084	256,234	228,469	748,095	655,089
Consumer Loans	191,637	195,850	211,120	590,460	626,545
Investment Securities and Deposits	<u>523,803</u>	<u>513,531</u>	<u>388,929</u>	<u>1,512,898</u>	<u>1,159,035</u>
TOTAL INTEREST AND DIVIDEND INCOME	<u>3,764,641</u>	<u>3,399,007</u>	<u>3,058,471</u>	<u>10,367,976</u>	<u>8,864,302</u>
INTEREST EXPENSE:					
Deposits	351,440	314,157	216,025	913,868	607,942
Subordinated debentures/trust Preferred securities	34,909	33,616	29,678	100,206	88,103
Federal Home Loan Bank Advances	<u>13,008</u>	<u>18,372</u>	<u>29,747</u>	<u>58,669</u>	<u>92,024</u>
TOTAL INTEREST EXPENSE	<u>399,357</u>	<u>366,145</u>	<u>275,450</u>	<u>1,072,743</u>	<u>788,069</u>
NET INTEREST INCOME	3,365,284	3,032,862	2,783,021	9,295,233	8,076,233
Provisions for loan losses	<u>612,000</u>	<u>385,000</u>	<u>75,000</u>	<u>1,122,000</u>	<u>141,000</u>
NET INTEREST INCOME AFTER PROVISION FOR					

LOAN LOSSES	<u>2,753,284</u>	<u>2,647,862</u>	<u>2,708,021</u>	<u>8,173,233</u>	<u>7,935,233</u>
NON-INTEREST INCOME:					
Mortgage Banking Fees	410,517	309,057	352,723	1,014,203	963,648
Service Charge on Deposits	236,450	221,760	224,161	665,239	652,218
Interchange Fees	181,428	185,592	159,230	544,894	475,367
SBA Lending Fees	128,613	-	-	128,613	-
Gain on Bank Owned Life Insurance	48,265	45,406	38,184	137,557	93,390
Loan Fees and Charges	53,424	34,732	56,309	130,998	162,223
Gain/(Loss) on Trading Accounts	(211)	(5,032)	910	(8,600)	(21,913)
Gain/(Loss) on Sale of Investments and Foreclosed Assets	24,327	(3,874)	28,066	20,453	168,268
Other	<u>63,446</u>	<u>67,299</u>	<u>45,490</u>	<u>204,690</u>	<u>177,248</u>
TOTAL NON-INTEREST INCOME	1,146,259	854,940	905,073	2,838,047	2,670,449
NON-INTEREST EXPENSE:					
Compensation and Employee Benefits	1,811,219	1,950,892	1,538,730	5,622,158	4,475,640
Occupancy, local and state taxes, and Equipment	413,537	424,997	348,396	1,228,846	1,016,271
Technology and Information Processing	268,269	253,745	249,244	749,579	692,621
Professional Fees	127,491	97,916	89,062	305,541	277,575
Regulatory Fees	106,312	71,165	52,527	240,842	155,795
Other	<u>451,581</u>	<u>571,762</u>	<u>378,677</u>	<u>1,363,152</u>	<u>1,001,024</u>
TOTAL NON-INTEREST EXPENSE	<u>3,178,409</u>	<u>3,370,477</u>	<u>2,656,636</u>	<u>9,510,118</u>	<u>7,618,926</u>
INCOME BEFORE INCOME TAXES	721,134	132,325	956,458	1,501,162	2,986,756
Income Tax Expense	<u>204,114</u>	<u>7,094</u>	<u>286,903</u>	<u>390,269</u>	<u>904,995</u>
NET INCOME	<u>517,020</u>	<u>125,231</u>	<u>669,555</u>	<u>1,110,893</u>	<u>2,081,761</u>
<u>PER COMMON SHARE DATA:</u>					
Net Earnings	\$0.19	\$0.05	\$0.34	\$0.45	\$1.10
Diluted Net Earnings	\$0.19	\$0.05	\$0.34	\$0.45	\$1.10
Revenue (Net Interest Income and Non-Interest Income)	\$1.70	\$1.50	\$1.83	\$4.96	\$5.59
Dividends Paid	\$0.05	\$0.05	\$0.05	\$0.15	\$0.147
Book Value (Period End)	\$15.93	\$15.84	\$15.39	\$15.93	\$15.39
Book Value Adjusted Net of Other Comprehensive income (Period Ended)	\$15.84	\$15.69	\$15.02	\$15.84	\$15.02
<u>RATIOS:</u>					

ROA (Annualized Net Income to Average Period Assets)	0.61%	0.16%	1.02%	0.47%	1.11%
ROE (Annualized Net Income to Average Period Total Stockholders' Equity)	4.86%	1.23%	8.77%	3.84%	9.82%
Net Interest Margin (Average for the Period)	4.39%	4.16%	4.70%	4.30%	4.77%
Non-Interest Expense less Non-Interest Income to Average Period Total Assets (Annualized)	2.41%	3.14%	2.67%	2.81%	2.63%
Efficiency Ratio for the Period	70.45%	86.69%	72.03%	78.38%	70.90%
Net Loan Charge-Offs (Recoveries) for the Period to Average Period Net Loans	\$69,856 0.14%	\$94,060 0.21%	\$7,779 0.02%	\$194,505 0.15%	\$(39,592) (0.04)%
TDR's at Period End to Average Period Net Loans	\$3,175,034 1.61%	\$3,369,444 1.91%	\$3,248,646 2.20%	\$3,175,034 1.77%	\$3,248,646 2.24%
Non-Performing Assets at Period End to Average Period Total Assets	\$3,430,584 1.03%	\$3,802,411 1.18%	\$2,223,326 0.85%	3,430,584 1.08%	\$2,223,326 0.89%
Allowance for Loan Losses at Period End to Average Period Net Loans to Non-Performing Assets at Period End	\$4,267,899 2.17%	\$3,725,755 2.11%	\$3,421,542 2.31%	\$4,267,899 2.38%	\$3,421,542 2.36%
	124.41%	97.98%	153.89%	124.41%	153.89%

#### CONSOLIDATED STATEMENT OF CONDITION

	Sept. 30, 2017 (Unaudited)	Sept. 30, 2016 (Unaudited)	% Change	June 30, 2017 (Unaudited)	% Change
<u>ASSETS:</u>					
Cash and Cash Equivalents (including Interest and Non-Interest Earning Deposits)	\$25,144,154	\$23,505,723	7	\$34,141,370	(26)
Securities – Held to Maturity	3,405,644	1,960,711	74	3,410,803	-
Securities – Available for Sale	86,789,197	70,891,481	22	86,514,148	-
Trading Securities	125,225	116,903	7	125,435	-
Bank Owned Life Insurance	7,057,131	6,372,998	11	6,508,867	8
Net Loans	200,326,778	151,668,049	32	186,466,214	7
Accrued Interest Receivable	1,203,375	956,536	26	1,165,431	3
Premises and Equipment, Net	11,553,154	11,696,239	(1)	11,695,360	(1)
Foreclosed Assets	785,170	129,470	506	851,620	(9)
Other Assets	<u>1,536,111</u>	<u>1,412,272</u>	<u>9</u>	<u>1,703,615</u>	<u>(10)</u>
TOTAL ASSETS	<u>\$337,925,939</u>	<u>\$268,710,382</u>	<u>26</u>	<u>\$332,582,863</u>	<u>2</u>

#### LIABILITIES:

Deposits	289,418,157	223,078,334	30	283,744,513	2
Federal Home Loan Bank Advances	2,000,000	9,405,000	(79)	2,650,000	25
Subordinated debentures/trust preferred securities	3,093,000	3,093,000	0	3,093,000	0
Other Liabilities	<u>1,089,157</u>	<u>1,372,507</u>	<u>(21)</u>	<u>996,006</u>	<u>9</u>
TOTAL LIABILITIES:	<u>\$295,600,314</u>	<u>\$236,948,841</u>	<u>25</u>	<u>\$290,483,519</u>	<u>2</u>
<b><u>STOCKHOLDERS' EQUITY:</u></b>					
Common Stock	\$14,192	\$12,872	10	\$14,192	-
Capital Surplus	22,069,909	12,127,479	82	22,062,244	-
Retained Earnings	20,004,420	18,862,684	6	19,620,072	2
Other Comprehensive Income (Loss)	<u>237,104</u>	<u>758,506</u>	<u>(69)</u>	<u>402,836</u>	<u>(41)</u>
Total Stockholders' Equity	<u>42,325,625</u>	<u>31,761,541</u>	<u>33</u>	<u>42,099,344</u>	<u>1</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$337,925,939</u>	<u>\$268,710,382</u>	<u>26%</u>	<u>\$332,582,863</u>	<u>2%</u>

Fritz W. Anderson II, CEO and Chairman of the Board, announced today that, "On October 12, 2017, 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, 2017 to stockholders of record at the close of business on December 11, 2017."





