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FOR IMMEDIATE RELEASE
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FPB FINANCIAL CORP. ANNOUNCES
2012 FOURTH QUARTER RESULTS AND DECLARES DIVIDENDS

Hammond, LA -- FPB Financial Corp. (OTCQB:FPBF), the holding company for Florida Parishes Bank, announced financial results for the fourth quarter ended December 31, 2012.

Earnings

Net income for the fourth quarter of 2012 increased to \$452,000; (\$1.28 per fully diluted common share) as compared to the 2011 fourth quarter net income of \$420,000 (\$1.19 per fully diluted common share.)

Net income for 2012 totaled \$1.9 million; (\$5.25 per fully diluted common share) up 2.1% from the 2011 net income of \$1.8 million (\$5.08 per fully diluted common share.)

Items contributing to the Company's fourth quarter earnings when compared to the 2011 period were; a decrease of \$171,000 in total non-interest expense, primarily due to a \$235,000 decrease in foreclosed assets expense; total non-interest income increase by \$70,000, primarily due to a \$23,000 increase in interchange fees. Provisions for loan losses adversely affected net income, increasing 60% to \$240,000.

Asset Quality

Total Non-performing assets at December 31, 2012 increased \$1.9 million, or 36.4%, to \$4.1 million when compared to December 31, 2011. Non-performing assets on September 30, 2012 were \$4.3 million.

Net loan charge-offs for the fourth quarter totaled \$67,000, up \$161,000 from the 2011 fourth quarter total of (\$94,000.) Net loan charge-offs in the 2012 third quarter were \$233,000. For the 2012 twelve month period, net loan charge-offs increased to \$721,000 from \$254,000 in 2011.

Performing Troubled Debt Restructured (TDR's) as of December 31 totaled \$3.4 million, or a decrease of \$200,000 from December 31, 2011. Performing TDR's on September 30, 2012 totaled \$3.7 million.

The Company recorded a provision for loan losses in the 2012 fourth quarter of \$240,000, a 60.4% increase from the 2011 period. Provisions for 2012 totaled \$897,000, up from \$656,000 recorded in 2011. The Company's allowance for loan losses was \$3.2 million on December 31, 2012, or 2.6% of average net loans and 78.2% of non-performing assets. The allowance on December 31, 2011 was \$3.0 million, or 2.5% of average net loans and 99.0% of non-performing assets.

Balance Sheet and Capital

Total Assets on December 31, 2012 increased to \$197.9 million, or 13.3% from \$174.6 million on December 31, 2011. Total Assets on September 30, 2012 were \$191.6 million. Available for sale investment securities increased during the 2012 twelve month period 88.2% to \$48.4 million. Cash and cash equivalents including interest and non-interest deposits increased \$4.7 million or 70.6% while net loans decreased to \$120.0 million or 5.0%. Non-interest bearing deposits and total non-maturity deposits both increased in 2012, 58.4% and 32.6% respectively.

Common Stockholders' equity increased by a net of \$1.6 million, or 9.8% to \$17.7 million for the twelve month period ending December 31, 2012, primarily due to an increase of \$1.5 million in retained earnings. Tangible Common Equity increased to a total of \$17.5 million. Tangible Book Value per share increased to \$49.47 at year-end.

Our subsidiary, Florida Parishes Bank, is considered "well capitalized" by all applicable federal banking regulations and definitions as of December 31, 2012.

FPB Financial Corp. reported the following for the period ending December 31, 2012, and as compared to December 31, 2011:

- Net Income increased to \$1.9 million, or 2.1%
- Tangible Common Stockholders' Equity increased \$1.6 million, or 10.2%
- Tangible Common Book Value per share increased to \$49.47, or 9.4%
- Common Dividends Paid to Shareholders increased to \$307,000, or 7.2%

- Non-Interest Income increased to \$2.5 million, or 20.6%
- Net Interest Income increased to \$8.7 million, or 4.4%
- Revenue per share increased to \$31.93, or 8.9%
- Total Assets increased to \$197.9 million, or 13.3%
- Non-Interest Bearing deposits increased to \$36.1 million, or 58.4%
- Non-maturity Deposits increased by \$28.9 million, or 32.6%
- Allowance for Loan Losses increased to \$3.2 million, or 7.8%

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>Dec 31,</u> <u>2012</u>	<u>Dec 31,</u> <u>2011</u>	<u>%</u> <u>Change</u>	<u>Sept 30,</u> <u>2012</u> <u>(Unaudited)</u>	<u>%</u> <u>Change</u>
Tangible Common Stockholders' Equity	\$17,517,532	\$15,900,488	10%	\$17,135,803	2%
Total Common Stockholders' Equity	17,712,573	16,132,126	10	17,332,526	2
Non-Interest Bearing Deposits	36,086,737	22,776,068	58	31,328,579	15
Non-Maturity Deposits (Included in interest and non-interest bearing deposits)	117,728,693	88,806,588	33	107,330,746	10
Total Assets	197,854,896	174,599,780	13	191,593,859	3
Net Loans	119,757,079	126,309,461	(5)	121,581,212	(2)
Allowance for Loan Losses	3,208,815	2,976,683	8	3,035,642	6
Foreclosed Assets	1,043,322	1,133,388	(8)	1,056,127	(1)
Non-Performing Assets (Includes Foreclosed Assets)	4,101,905	3,007,078	36	4,322,086	(5)
Brokered Deposits (Included in interest-bearing deposits)	6,555,092	7,116,816	(8)	6,549,958	0
FHLB Advances	15,591,803	25,361,627	(39)	19,990,524	(22)

CONSOLIDATED STATEMENTS OF EARNINGS

	For the Three Months Ended			For the Twelve Months Ended	
	Dec 31, 2012	Sept 30, 2012 <u>(Unaudited)</u>	Dec 31, 2011	Dec 31, 2012	Dec 31, 2011
INTEREST AND DIVIDEND INCOME:					
Mortgage Loans	\$1,993,949	\$2,029,301	\$2,061,602	\$8,205,934	\$8,116,890
Consumer Loans	227,645	233,079	233,039	902,482	940,976
Commercial Loans	50,971	54,302	71,999	237,702	271,623
Consumer & Commercial Lines of Credit	49,010	49,500	42,284	191,358	168,541
Investment Securities and Deposits	<u>244,108</u>	<u>158,817</u>	<u>156,553</u>	<u>681,064</u>	<u>530,099</u>
TOTAL INTEREST AND DIVIDEND INCOME	<u>2,565,683</u>	<u>2,524,999</u>	<u>2,565,477</u>	<u>10,218,540</u>	<u>10,028,129</u>
INTEREST EXPENSE:					
Deposits	218,433	232,213	209,010	915,270	977,992
Federal Home Loan Bank Advances	113,901	112,893	148,157	487,226	604,567
Other	<u>27,108</u>	<u>28,152</u>	<u>27,106</u>	<u>112,292</u>	<u>106,812</u>
TOTAL INTEREST EXPENSE	<u>359,442</u>	<u>373,258</u>	<u>384,273</u>	<u>1,514,788</u>	<u>1,689,371</u>
NET INTEREST INCOME	2,206,241	2,151,741	2,181,204	8,703,752	8,338,758
Provisions for loan losses	<u>240,000</u>	<u>250,000</u>	<u>149,640</u>	<u>897,000</u>	<u>656,468</u>
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	<u>1,966,241</u>	<u>1,901,741</u>	<u>2,031,564</u>	<u>7,806,752</u>	<u>7,682,290</u>
NON-INTEREST INCOME:					
Mortgage Banking Fees	196,512	193,839	177,812	754,185	731,221
Service charge on deposits	197,283	182,657	216,906	735,137	793,911
Interchange Fees	120,516	115,659	97,636	445,148	373,392
Loan Fees and Charges	59,307	49,413	47,375	204,725	178,607
Gain/(Loss) on Sale of Investments and Foreclosed Assets	15,626	89,760	(4,295)	293,720	5,581
Gain/(Loss) on Trading Accounts	840	(3,092)	(5,814)	(8,686)	(93,076)
Other	<u>29,955</u>	<u>22,872</u>	<u>20,409</u>	<u>110,173</u>	<u>111,617</u>
TOTAL NON-INTEREST INCOME	<u>620,039</u>	<u>651,108</u>	<u>550,029</u>	<u>2,534,402</u>	<u>2,101,253</u>
NON-INTEREST EXPENSE:					
Compensation and Employee Benefits	1,049,168	1,092,555	1,029,834	4,306,195	3,895,945
Occupancy and Equipment	219,263	206,792	215,862	844,083	828,133
Technology and Information Processing	174,374	137,384	145,890	599,143	564,122
Regulatory Fees	76,290	87,492	2,726	327,912	327,102
Professional Fees	77,627	90,828	73,609	302,972	242,479
Foreclosed Assets	26,186	21,361	260,854	93,998	283,318
Other	<u>284,237</u>	<u>279,343</u>	<u>349,368</u>	<u>1,082,025</u>	<u>965,916</u>
TOTAL NON-INTEREST EXPENSE	<u>1,907,145</u>	<u>1,915,755</u>	<u>2,078,143</u>	<u>7,556,328</u>	<u>7,107,015</u>

INCOME BEFORE INCOME TAXES	679,135	637,094	503,450	2,784,826	2,676,528
Income Tax Expense	<u>227,504</u>	<u>216,612</u>	<u>153,927</u>	<u>928,042</u>	<u>858,287</u>
NET INCOME	<u>451,631</u>	<u>420,482</u>	<u>349,523</u>	<u>1,856,784</u>	<u>1,818,241</u>
<u>PER COMMON SHARE DATA:</u>					
Net Earnings	\$1.28	\$1.19	\$1.00	\$5.27	\$5.11
Diluted Net Earnings	\$1.28	\$1.19	\$0.99	\$5.25	\$5.08
Revenue (Net Interest Income and Non-Interest Income)	\$8.02	\$7.96	\$7.81	\$31.93	\$29.33
Dividends Paid	\$0.36	\$0.18	\$0.36	\$0.87	\$0.81
Book Value Period End	\$50.02	\$49.24	\$45.89	\$50.02	\$45.89
Tangible Book Value Period End	\$49.47	\$48.68	\$45.23	\$49.47	\$45.23
<u>RATIOS:</u>					
ROA (Annualized Net Income to Average Period Assets)	0.88%	0.89%	0.80%	0.98%	1.04%
ROE (Annualized Net Income to Average Period Total Stockholders' Equity)	10.19%	9.71%	8.66%	10.91%	11.70%
Net Interest Margin (Average) for the period	4.74%	4.96%	5.49%	5.00%	5.12%
Non-Interest Expense less Non-Interest Income to Average Period Total Assets (Annualized)	2.52%	2.66%	3.50%	2.64%	2.86%
Efficiency Ratio for the Period	67.48%	68.35%	76.14%	67.24%	68.07%
Net Loan Charge-Offs (Recoveries) for the Period to Average Period Net Loans (Annualized)	\$66,827 0.22%	\$233,062 0.75%	(93,929) (0.30%)	\$721,468 0.59%	\$254,132 0.21%
TDRs (Performing) at Period End to Average Period Net Loans	\$3,351,121 2.78%	\$3,747,371 3.05%	\$3,632,371 2.94%	\$3,351,121 2.72%	\$3,632,371 2.98%
Non-Performing Assets at Period End to Average Period Total Assets	\$4,101,905 2.02%	\$4,322,086 2.29%	\$3,007,078 1.74%	\$4,101,905 2.15%	\$3,007,078 1.72%
Allowance for Loan Losses at Period End to Average Period Net Loans to Non-Performing Assets at Period End	\$3,208,815 2.66% 78.23%	\$3,035,642 2.47% 70.24%	\$2,976,683 2.41% 98.99%	\$3,208,815 2.60% 78.23%	\$2,976,683 2.46% 98.99%

CONSOLIDATED STATEMENTS OF CONDITION

	Dec 31, 2012	Dec 31, 2011	% Change	Sept 30, 2012 <u>(Unaudited)</u>	% Change
<u>ASSETS:</u>					
Cash and Cash Equivalents including Interest and Non-Interest Earning Deposits	\$11,674,524	\$6,695,951	74%	\$9,522,606	23%
Certificates of Deposit	4,235,000	5,239,000	(19)	4,235,000	0
Securities- Held to Maturity	1,081,508	0	-	0	-
Securities – Available for Sale	48,444,962	25,735,921	88	44,471,396	9
Trading Securities	189,937	243,069	(22)	189,098	0
Net Loans	119,757,079	126,309,461	(5)	121,581,212	(2)
Accrued Interest Receivable	796,447	622,775	28	574,456	39
Premises and Equipment, Net	9,052,566	7,870,052	15	8,447,000	7
Foreclosed Assets	1,043,322	1,133,388	(8)	1,056,127	(1)

Other Assets	<u>1,579,551</u>	<u>750,163</u>	<u>111</u>	<u>1,516,964</u>	<u>4</u>
TOTAL ASSETS	<u>\$197,854,896</u>	<u>\$174,599,780</u>	<u>13</u>	<u>\$191,593,859</u>	<u>3</u>
<u>LIABILITIES:</u>					
Deposits	160,663,155	129,335,554	24	150,411,580	7
Federal Home Loan Bank Advances	15,591,803	25,361,627	(39)	19,990,524	(22)
Subordinated debentures/trust preferred securities	3,093,000	3,093,000	0	3,093,000	0
Other Liabilities	<u>794,365</u>	<u>677,476</u>	<u>17</u>	<u>766,229</u>	<u>4</u>
TOTAL LIABILITIES	<u>\$180,142,323</u>	<u>\$158,467,657</u>	<u>14</u>	<u>\$174,261,333</u>	<u>3</u>
<u>STOCKHOLDERS' EQUITY:</u>					
Common Stock	\$4,437	\$4,431	0	\$4,433	0
Capital Surplus	6,335,022	6,274,941	1	6,283,971	1
Retained Earnings	12,974,449	11,424,555	14	12,650,272	3
Unearned Compensation	(12,908)	(19,974)	35	(19,405)	33
Treasury Stock	(1,783,468)	(1,783,468)	0	(1,783,468)	0
Other Comprehensive Income (Loss)	<u>195,041</u>	<u>231,638</u>	<u>(16)</u>	<u>196,723</u>	<u>(1)</u>
Total Stockholders' Equity	<u>17,712,573</u>	<u>16,132,123</u>	<u>10</u>	<u>17,332,526</u>	<u>2</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$197,854,896</u>	<u>\$174,599,780</u>	<u>13%</u>	<u>\$191,593,859</u>	<u>3%</u>

Fritz W. Anderson II, Chairman of the Board announced today that "On January 10, 2013, 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 of \$0.18 per share and will be paid on March 25, 2013 to stockholders of record at the close of business on March 8, 2013."