



HIBERNIA

BANCORP, INC.

FOR IMMEDIATE RELEASE

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Hibernia Bancorp, Inc. Reports Operating Results for the Year and Fourth Quarter Ended December 31, 2013

New Orleans, Louisiana (February 5, 2014) - Hibernia Bancorp, Inc. (the "Company") (OTCBB: HIBE), the holding company of Hibernia Bank (the "Bank"), today reported net income of \$101,000 for the year ended December 31, 2013, compared to net income of \$199,000 for the year ended December 31, 2012. Earnings per basic and diluted share were \$0.11 for the year ended December 31, 2013, compared to \$0.22 and \$0.21 per basic and diluted share, respectively, for the year ended December 31, 2012. The Company reported net income of \$59,000 for the quarter ended December 31, 2013 compared to net income of \$66,000 for the quarter ended December 31, 2012. Earnings per basic and diluted share for the quarter ended December 31, 2013 were \$0.06, compared to \$0.08 and \$0.07 per basic and diluted share, respectively, for the quarter ended December 31, 2012.

A. Peyton Bush, III, President and Chief Executive Officer of the Company and the Bank, stated, "We experienced narrowing net interest margins throughout 2013, and outstanding loans declined due to unscheduled prepayments and lower new loan production. These were the primary factors in the Company's lower net income for the year. Non-interest expense net of non-interest income was held relatively flat showing less than a 2% increase. Asset quality remains high with total non-performing assets declining to \$259,000, or 0.2% of total assets, at year end 2013."

For the year ended December 31, 2013, net interest income decreased 8.2% to \$3.2 million from \$3.5 million for the year ended December 31, 2012. This decrease was due to a decrease in the average rate we earned on loans and investment securities as well as a decrease in average loan volume in the year ended December 31, 2013 compared to the year ended

December 31, 2012. This decline in loan volume was partially offset by higher average balances in investment securities and short term interest bearing deposits for the year ended December 31, 2013 as compared to the year ended December 31, 2012. Total interest expense decreased 6.4% for the year ended December 31, 2013 to \$656,000 compared to \$701,000 for the year ended December 31, 2012. The decrease was due to a decline in the average rate paid for deposits for the year ended December 31, 2013 partially offset by an increase in the average balance of our interest bearing deposits which resulted in a slightly lower interest expense for the period. The net interest margin decreased to 3.27% for the year ended December 31, 2013 from 3.90% for the year ended December 31, 2012.

During the year ended December 31, 2013, the Company made provisions for loan and lease losses of \$13,000 compared to provisions of \$128,000 during the year ended December 31, 2012. The Company reported no net charge-offs for the years ended December 31, 2013 and 2012.

Non-interest income decreased slightly to \$155,000 for the year ended December 31, 2013 from \$156,000 for the year ended December 31, 2012. The components of non-interest income include service charges and fees, secondary market loan income, gains or losses on other real estate and other income.

Non-interest expense was \$3.2 million for both of the years ended December 31, 2013 and 2012. The slight increase of \$56,000 in non-interest expense was due to personnel expense, data processing expenses and franchise and share taxes. These increases were partially offset by decreases in other professional fees, occupancy expenses and advertising.

For the year ended December 31, 2013, income tax expense was \$47,000 compared to \$179,000 for the year ended December 31, 2012. This decrease is primarily due to a decrease in the Company's pre-tax income.

Net interest income decreased 12.5% to \$784,000 for the quarter ended December 31, 2013, from \$896,000 for quarter ended December 31, 2012. This was due to a decrease in interest and dividend income. Total interest and dividend income decreased \$141,000, or 13.1%, for the quarter ended December 31, 2013 compared to the quarter ended December 31, 2012. This decrease was due primarily to a decrease in the average rate we earned on loans and investment securities combined with a decline in average loan volume. Total interest expense decreased \$29,000, or 16.0%, for the quarter ended December 31, 2013 compared to the quarter ended December 31, 2012. Although the average balance of our interest bearing deposits for the quarter ended December 31, 2013 increased as compared to the average balance for the quarter ended December 31, 2012, the average rate paid for deposits decreased resulting in lower interest expense for the period. The net interest margin

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decreased to 3.07% for the three months ended December 31, 2013 from 3.69% for the three months ended December 31, 2012.

The Company made no loan loss provision for the quarter ended December 31, 2013, compared to \$32,000 for the quarter ended December 31, 2012. The Company reported no recoveries and no charge-offs for the quarters ended December 31, 2013 and December 31, 2012.

Non-interest income decreased slightly to \$35,000 for the quarter ended December 31, 2013 compared to \$40,000 for the quarter ended December 31, 2012. The decrease is primarily due to a decline in net rental income.

Non-interest expense decreased 4.6% to \$749,000 for the quarter ended December 31, 2013 from \$785,000 for the quarter ended December 31, 2012. The decrease in non-interest expense was due primarily to decreases in professional fees and occupancy expenses. These decreases were partially offset by increases in data processing and personnel expenses.

Income tax expense for the quarter ended December 31, 2013 was \$11,000 as compared to \$53,000 for the quarter ended December 31, 2012. The decrease in quarterly taxes was primarily due to a decrease in pre-tax income.

The Company's total consolidated assets at December 31, 2013 were \$106.2 million compared to \$101.9 million at December 31, 2012, an increase of \$4.3 million, or 4.3%. Purchases of investment securities of \$9.8 million, net of maturities and repayments, resulted in an increase of \$9.5 million in investment securities. Interest bearing cash increased by \$2.7 million during the year ended December 31, 2013. These increases were primarily the result of a decline in net loans to \$79.4 million at December 31, 2013 from \$87.7 million at December 31, 2012, and an increase in deposits of \$4.4 million. The decrease in net loans reflects a \$2.7 million decrease in residential mortgage and residential construction loans, and a \$5.7 million decrease in commercial real estate loans primarily due to unscheduled prepayments. Total deposits increased 5.6% to \$83.3 million at December 31, 2013 from \$78.9 million at December 31, 2012, reflecting increases of \$4.5 million in money market and interest bearing checking accounts, \$1.4 million in savings accounts, and \$1.8 million in non-interest bearing demand deposits offset by a decrease of \$3.3 million in certificates of deposit which included the maturity of \$1.0 million in brokered CDs.

Non-performing assets, defined as non-accrual loans, accruing loans past due 90 days or more and other real estate owned, totaled \$259,000, or 0.2%, of total assets at December 31, 2013, compared to \$715,000, or 0.7%, of total assets at December 31, 2012. The non-performing assets at December 31, 2013 consisted of three loans secured by first mortgages on one-to-four family residential real estate. Our allowance for loan and lease losses was \$641,000, or 0.8%,

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of total loans at December 31, 2013, and \$628,000, or 0.7%, of total loans at December 31, 2012. Management believes that the allowance for loan and lease losses is sufficient to cover any losses that may be incurred on its non-performing loans. At December 31, 2013 and December 31, 2012, there was no other real estate owned.

The Company's total stockholders' equity remained essentially unchanged at \$22.0 million as of December 31, 2013 and December 31, 2012. During the year ended December 31, 2013, the Company repurchased 8,553 shares of its common stock as treasury stock for an aggregate cost of \$145,000. There are 12,547 shares remaining to be repurchased under the Company's stock repurchase program. The Company's book value per share increased to \$22.30 at December 31, 2013 from \$22.08 at December 31, 2012 due to our net income for the year and our purchase of treasury stock. Hibernia Bank's regulatory capital levels continue to exceed requirements for well capitalized institutions.

Statements contained in this news release which are not historical facts may be forward-looking statements identified by words like "believe," "expect," "anticipate," "estimate," and "intend" or future or conditional verbs such as "will," "would," "should," "could" or "may." Such forward-looking statements are subject to risks and uncertainties which could cause actual results to differ materially from those currently anticipated due to a number of factors, including, but not limited to, changes in interest rates, changes in demand for loans, deposits and other financial services in the Company's market area, changes in asset quality and general economic conditions. We undertake no obligation to update any forward-looking statements.

Hibernia Bank, the wholly-owned subsidiary of Hibernia Bancorp, Inc., has served the New Orleans metropolitan area since 1903. Operating from its main office and two branches, Hibernia Bank offers loan, deposit and on-line banking services to commercial and individual customers in the New Orleans metropolitan area. Additional information about Hibernia Bank is available at www.hibbank.com.

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Hibernia Bancorp, Inc. and Subsidiary
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION
(In thousands)

	December 31, 2013	December 31, 2012
	(Unaudited)	
ASSETS		
Cash - Non-Interest Bearing	\$ 1,071	\$ 647
Cash - Interest Bearing	9,271	6,618
TOTAL CASH AND CASH EQUIVALENTS	10,342	7,265
Certificates of Deposit	100	100
Securities - Available For Sale	10,389	854
Loans Receivable, Net of Allowances for Loan Losses of \$641,000 and \$628,000 as of December 31, 2013 and December 31, 2012, respectively	79,424	87,721
Accrued Interest Receivable	237	257
Investment in FHLB Stock	41	36
Investment in FNBB Stock	210	210
Prepaid Expenses and Other Assets	259	193
Premises and Equipment, Net	4,874	4,941
Deferred Income Taxes	318	286
TOTAL ASSETS	\$ 106,194	\$ 101,863
LIABILITIES AND EQUITY		
LIABILITIES		
Deposits		
Non-Interest Bearing	\$ 7,847	\$ 6,019
Interest Bearing	75,474	72,889
Total Deposits	83,321	78,908
Escrow Balances	680	727
Accrued Interest Payable	39	51
Accounts Payable and Other Liabilities	140	191
TOTAL LIABILITIES	84,180	79,877
EQUITY		
Preferred Stock, \$.01 par value - 1,000,000 shares authorized; none issued	-	-
Common Stock, \$.01 par value - 9,000,000 shares authorized; 1,113,334 issued; 987,331 and 995,884 shares outstanding at December 31, 2013 and December 31, 2012, respectively	11	11
Additional Paid in Capital	10,834	10,695
Treasury Stock at cost - 126,003 and 117,450 shares at December 31, 2013 and December 31, 2012, respectively	(1,912)	(1,767)
Unallocated Common Stock held by:		
Employee Stock Ownership Plan	(712)	(748)
Recognition and Retention Plan	(200)	(231)
Accumulated Other Comprehensive Income (Loss), Net of Tax Effects	(95)	39
Retained Earnings	14,088	13,987
TOTAL EQUITY	22,014	21,986
TOTAL LIABILITIES AND EQUITY	\$ 106,194	\$ 101,863

Hibernia Bancorp, Inc. and Subsidiary
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Dollars in thousands, except per share data)

	Three Months Ended December 31,		Year Ended December 31,	
	2013	2012	2013	2012
	(Unaudited)		(Unaudited)	
Total Interest and Dividend Income	\$ 936	\$ 1,077	\$ 3,900	\$ 4,233
Total Interest Expense	<u>152</u>	<u>181</u>	<u>656</u>	<u>701</u>
Net Interest Income	784	896	3,244	3,532
Provision For Loan Losses	<u>-</u>	<u>32</u>	<u>13</u>	<u>128</u>
Net Interest Income After Provision For Loan Losses	784	864	3,231	3,404
Total Non-Interest Income	35	40	155	156
Non-Interest Expenses				
Salaries and Employee Benefits	389	369	1,588	1,490
Occupancy Expenses	102	126	477	493
Data Processing	120	95	419	372
Advertising and Promotional Expenses	25	18	131	143
Professional Fees	(2)	55	137	229
Other Non-Interest Expenses	<u>115</u>	<u>122</u>	<u>486</u>	<u>455</u>
Total Non-Interest Expenses	<u>749</u>	<u>785</u>	<u>3,238</u>	<u>3,182</u>
Income Before Income Taxes	70	119	148	378
Income Tax Expense	<u>11</u>	<u>53</u>	<u>47</u>	<u>179</u>
NET INCOME	<u>\$ 59</u>	<u>\$ 66</u>	<u>\$ 101</u>	<u>\$ 199</u>
INCOME PER COMMON SHARE				
Basic	\$ 0.06	\$ 0.08	\$ 0.11	\$ 0.22
Diluted	\$ 0.06	\$ 0.07	\$ 0.11	\$ 0.21