



# **HIBERNIA**

## **BANCORP, INC.**

### **FOR IMMEDIATE RELEASE**

#### **CONTACT:**

A. Peyton Bush, III, President and Chief Executive Officer  
Donna T. Guerra, CPA, Chief Operating Officer and Chief Financial Officer  
504-522-3203

### **Hibernia Bancorp, Inc. Reports Operating Results for the Year and Quarter Ended December 31, 2015**

New Orleans, Louisiana (February 5, 2016) - Hibernia Bancorp, Inc. (the "Company") (OTCBB: HIBE), the holding company of Hibernia Bank ("Hibernia" or the "Bank"), today reported net income of \$180,000 for the year ended December 31, 2015, compared to net income of \$105,000 for the year ended December 31, 2014. Earnings per basic and diluted share were \$0.22 and \$0.21, respectively, for the year ended December 31, 2015, compared to \$0.12 per basic and diluted share for the year ended December 31, 2014. The Company reported net income of \$61,000 for the quarter ended December 31, 2015, compared to net income of \$55,000 for the quarter ended December 31, 2014. Earnings per basic and diluted share were \$0.08 and \$0.07, respectively, for the quarter ended December 31, 2015, compared to \$0.06 per basic and diluted share for the quarter ended December 31, 2014.

Peyton Bush, III, President and Chief Executive Officer of the Company and the Bank, stated, "Net income for the fourth quarter and year ended December 31, 2015 showed improvement from the same periods of 2014 due primarily to higher net interest income driven by continuing growth of our loan portfolio. The increase in net interest income was partially offset by lower net lease income from property owned by the Bank and modestly higher non-interest expenses. Asset quality remains strong with non-performing assets declining slightly to 0.2% of total assets at December 31, 2015 from 0.3% of total assets at December 31, 2014."

For the year ended December 31, 2015, net interest income increased 7.2% to \$3.5 million from \$3.3 million for the year ended December 31, 2014. Total interest and dividend income increased \$299,000, or 7.8%, for the year ended December 31, 2015, compared to the year ended December 31, 2014. The increase in interest and dividend income reflects a net increase

in interest-earning assets and a change in the composition of earning assets from lower earning securities to higher earning loans. Total interest expense increased \$65,000, or 11.8%, for the year ended December 31, 2015, compared to the year ended December 31, 2014. This increase is attributable to both an increase in the average balance of our interest bearing deposits and to a lesser extent, an increase in the average rate paid for deposits for the year ended December 31, 2015, compared to the year ended December 31, 2014. The net interest margin was 3.36% for both the years ended December 31, 2015 and December 31, 2014.

During the year ended December 31, 2015, provisions for loan and lease losses were \$96,000, compared to provisions of \$39,000 during the year ended December 31, 2014. The provision in 2015 is primarily due to the Bank's increasing volume of loans outstanding. The Company reported no net charge-offs for the years ended December 31, 2015 and December 31, 2014.

Non-interest income decreased to \$132,000 for the year ended December 31, 2015 from \$169,000 for the year ended December 31, 2014. The decrease in non-interest income was primarily due to lower net rental income which was impacted by higher repairs and maintenance expenses on office space leased by the Bank to third parties.

Non-interest expense for the year ended December 31, 2015 increased by \$16,000, or 0.5%, compared the year ended December 31, 2014. The increase in non-interest expense during 2015 was due to higher professional fees and advertising and promotional expenses. Partially offsetting these increases were decreases in data processing costs and regulatory assessments included in other non-interest expenses on the Condensed Consolidated Statements of Income. For the year ended December 31, 2015, income tax expense was \$139,000, compared to \$90,000 for the year ended December 31, 2014. The increase in tax expense in 2015 compared to 2014 was primarily due to higher pre-tax income in 2015 as compared to 2014. Income tax expenses are computed by applying the statutory rate to federal taxable income, which consists of financial statement income before taxes, increased by the net amount of permanent income tax differences for the period.

For the quarter ended December 31, 2015, net interest income increased by 10.0% to \$912,000 from \$829,000 for quarter ended December 31, 2014. Total interest and dividend income increased \$114,000, or 11.8%, for the quarter ended December 31, 2015, compared to the quarter ended December 31, 2014. The increase in interest and dividend income was primarily due to an increase in loan volume. Total interest expense increased \$31,000, or 22.5%, for the quarter ended December 31, 2015, compared to the quarter ended December 31, 2014. The average balance of our interest bearing deposits and the average rate paid for deposits increased for the quarter ended December 31, 2015 as compared to the quarter ended December 31, 2014 resulting in higher interest expense for the 2015 quarter. The net

HIBERNIA BANCORP, INC.

325 Carondelet St., New Orleans, LA 70131 Phone (504) 522-3203 Fax (504) 522-3217

interest margin was 3.36% for both the quarters ended December 31, 2015 and December 31, 2014.

The loan loss provision for the quarter ended December 31, 2015 was \$32,000, compared to \$8,000 for the quarter ended December 31, 2014. The provision in the 2015 period is primarily due to the increase in the volume of loans outstanding during the fourth quarter of 2015 as compared to the fourth quarter of 2014. The Company had no recoveries or charge-offs for the quarters ended December 31, 2015 and 2014.

Non-interest income decreased to \$32,000 for the quarter ended December 31, 2015 from \$46,000 for the quarter ended December 31, 2014. The decrease in non-interest income was primarily due to lower net rental income which was impacted by higher repairs and maintenance expenses on office space leased by the Bank to third parties, offset partially by an increase in service charge income for the quarter ended December 31, 2015, compared to the quarter ended December 31, 2014.

Non-interest expense increased 2.8% to \$804,000 for the quarter ended December 31, 2015 from \$782,000 for the quarter ended December 31, 2014. The increase in non-interest expenses was due primarily to increases in professional fees and data processing expenses offset partially by decreases in salaries and employee benefits during the quarter ended December 31, 2015 compared to the prior year period.

Income tax expense for the quarter ended December 31, 2015 was \$47,000, compared to \$30,000 for the quarter ended December 31, 2014. This increase was primarily due to an increase in the Company's pre-tax income.

The Company's total consolidated assets at December 31, 2015 were \$112.9 million, compared to \$105.4 million at December 31, 2014, an increase of \$7.4 million, or 7.0%. Interest bearing cash decreased by \$1.7 million, or 41.3%, during the year ended December 31, 2015. Investment securities decreased by \$2.6 million, or 27.4%, primarily as a result of maturities, repayments and the redemption of a callable security. These decreases funded the 14.4% increase in net loans to \$97.1 million at December 31, 2015, from \$84.9 million at December 31, 2014. The increase in net loans reflects increases of \$13.3 million in commercial loans secured by real estate, \$2.2 million in commercial and industrial loans, and \$1.1 million in outstanding balances on home equity lines of credit. These increases were offset by decreases of \$2.3 million in residential mortgage loans and \$2.0 million in residential construction loans. Total deposits increased 10.5% to \$89.6 million at December 31, 2015 from \$81.1 million at December 31, 2014, reflecting increases of \$6.2 million in money market and interest bearing checking accounts and \$4.8 million in certificates of deposit partially offset by decreases of \$1.7 million in non-interest bearing demand deposits and \$689,000 in savings accounts. As of

HIBERNIA BANCORP, INC.

325 Carondelet St., New Orleans, LA 70131 Phone (504) 522-3203 Fax (504) 522-3217

December 31, 2015 and 2014, the Bank had outstanding advances of \$1.5 million from the FHLB of Dallas. Advances from the FHLB are collateralized by loans or investments and are utilized as a source of funding for the Bank.

Non-performing assets, defined as non-accrual loans, accruing loans past due 90 days or more and other real estate owned, decreased slightly to 0.2% from 0.3% of total assets, totaling \$259,000 at December 31, 2015, compared to \$286,000 at December 31, 2014. The non-performing assets at December 31, 2015 consisted of four loans secured by first mortgages on one-to-four family residential real estate. Our allowance for loan and lease losses was \$776,000, or 0.79%, of total loans at December 31, 2015, and \$680,000, or 0.80%, of total loans at December 31, 2014. Management believes that the allowance for loan and lease losses is sufficient to cover any losses that may be incurred on its loans. At December 31, 2015 and 2014, there was no other real estate owned.

The Company's total stockholders' equity decreased to \$20.8 million as of December 31, 2015 from \$21.9 million as of December 31, 2014. During the year ended December 31, 2015, the Company repurchased 76,200 shares of its common stock for an aggregate cost of \$1.4 million. An additional 24,210 shares are available under the Company's fifth stock repurchase program. The Company's book value per share increased to \$23.62 at December 31, 2015, from \$22.90 at December 31, 2014 due to our net income for the year ended December 31, 2015 and our stock repurchases.

On January 1, 2015, the Louisiana Business Corporation Act (the Act) became effective. Under the provisions of the Act, there is no concept of "Treasury Shares". Rather, shares purchased by the Company constitute authorized but unissued shares. Under Accounting Standards Codification (ASC) 505-30, Treasury Stock, accounting for treasury stock shall conform to state law. Accordingly, the Company's Condensed Consolidated Statement of Financial Condition as of December 31, 2015 reflects this change. The cost of shares purchased by the Company has been allocated to Common Stock and Retained Earnings balances. 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](http://www.hibbank.com).*

###

HIBERNIA BANCORP, INC.

325 Carondelet St., New Orleans, LA 70131 Phone (504) 522-3203 Fax (504) 522-3217

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

	<b>December 31, 2015</b>	<b>December 31, 2014</b>
	(Unaudited)	
<b>ASSETS</b>		
Cash - Non-Interest Bearing	\$ 624	\$ 953
Cash - Interest Bearing	2,478	4,218
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>3,102</b>	<b>5,171</b>
Certificates of Deposit	100	100
Securities - Available For Sale	6,896	9,505
Loans Receivable, Net of Allowances for Loan Losses of \$776,000 at December 31, 2015 and \$680,000 at December 31, 2014	97,087	84,900
Accrued Interest Receivable	238	229
Investment in FHLB Stock	104	104
Investment in FNBB Stock	210	210
Premises and Equipment, Net	4,634	4,848
Deferred Income Taxes	262	191
Prepaid Expenses and Other Assets	227	187
<b>TOTAL ASSETS</b>	<b>\$ 112,860</b>	<b>\$ 105,445</b>
<b>LIABILITIES AND EQUITY</b>		
<b>LIABILITIES</b>		
Deposits		
Non-Interest Bearing	\$ 8,801	\$ 10,521
Interest Bearing	80,756	70,538
Total Deposits	89,557	81,059
Escrow Balances	676	780
FHLB Advances	1,500	1,500
Accrued Interest Payable	38	36
Accounts Payable and Other Liabilities	323	193
<b>TOTAL LIABILITIES</b>	<b>92,094</b>	<b>83,568</b>
<b>EQUITY</b>		
Preferred Stock, \$.01 par value - 1,000,000 shares authorized; none issued	-	-
Common Stock, \$.01 par value - 9,000,000 shares authorized; 878,994 shares issued and outstanding at December 31, 2015; 1,113,334 shares issued and 955,194 shares outstanding at December 31, 2014	9	11
Additional Paid in Capital	11,059	10,973
Treasury Stock at cost - 158,140 shares at December 31, 2014	-	(2,476)
Unallocated Common Stock held by:		
Employee Stock Ownership Plan	(641)	(677)
Recognition and Retention Plan	(133)	(167)
Accumulated Other Comprehensive Income, Net of Tax Effects	3	20
Retained Earnings	10,469	14,193
<b>TOTAL EQUITY</b>	<b>20,766</b>	<b>21,877</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 112,860</b>	<b>\$ 105,445</b>

**Hibernia Bancorp, Inc. and Subsidiary**  
**CONDENSED CONSOLIDATED STATEMENTS OF INCOME**

(Dollars in thousands, except per share data)

	Three Months Ended		Year Ended	
	December 31,		December 31,	
	2015	2014	2015	2014
	(Unaudited)		(Unaudited)	
<b>Total Interest and Dividend Income</b>	\$ 1,081	\$ 967	\$ 4,119	\$ 3,820
<b>Total Interest Expense</b>	169	138	618	553
<b>Net Interest Income</b>	912	829	3,501	3,267
<b>Provision For Loan Losses</b>	32	8	96	39
<b>Net Interest Income After Provision For Loan Losses</b>	880	821	3,405	3,228
<b>Total Non-Interest Income</b>	32	46	132	169
<b>Non-Interest Expenses</b>				
Salaries and Employee Benefits	422	431	1,608	1,610
Occupancy Expenses	140	141	530	528
Data Processing	105	97	398	404
Advertising and Promotional Expenses	(21)	(26)	58	44
Professional Fees	45	23	160	145
Other Non-Interest Expenses	113	116	464	471
<b>Total Non-Interest Expenses</b>	804	782	3,218	3,202
<b>Income Before Income Taxes</b>	108	85	319	195
<b>Income Tax Expense</b>	47	30	139	90
<b>NET INCOME</b>	\$ 61	\$ 55	\$ 180	\$ 105
<b>INCOME PER COMMON SHARE</b>				
Basic	\$ 0.08	\$ 0.06	\$ 0.22	\$ 0.12
Diluted	\$ 0.07	\$ 0.06	\$ 0.21	\$ 0.12