



HIBERNIA

BANCORP, INC.

FOR IMMEDIATE RELEASE

CONTACT:

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

Hibernia Bancorp, Inc. Reports Operating Results for the Second Quarter and Six Months Ended June 30, 2012

New Orleans, Louisiana (August 8, 2012) - Hibernia Bancorp, Inc. (the "Company") (OTCBB: HIBE), the holding company of Hibernia Bank (the "Bank"), today reported net income of \$35,000 for the quarter ended June 30, 2012 compared to net income of \$2,000 for the quarter ended June 30, 2011. Earnings per basic and diluted share for the quarter ended June 30, 2012 were \$0.04, compared to no material net income on a per share basis for the quarter ended June 30, 2011. For the six months ended June 30, 2012, the Company reported net income of \$86,000 compared to net income of \$21,000 for the six months ended June 30, 2011. Earnings per basic and diluted share were \$0.09 for the six months ended June 30, 2012, compared to \$0.02 per basic and diluted share for the six months ended June 30, 2011.

A. Peyton Bush, III, President and Chief Executive Officer of the Company and the Bank, stated, "While we are pleased with the growth and improving profitability experienced in the first half of 2012, we recognize that Hibernia faces challenges in attaining the level of performance needed to provide acceptable long term shareholder returns. We are confident in our ability to meet these challenges, but we are also mindful that today's uncertain economic conditions call for a degree of caution and patience in the pursuit of growth and earnings. Asset quality will continue to be our highest priority."

Net interest income increased 19.6% to \$873,000 for the quarter ended June 30, 2012, from \$730,000 for quarter ended June 30, 2011. Several factors affected net interest income for the period. Gross interest income was higher due to an increase in loans and a decrease in lower yielding investment securities as a percentage of earning assets. Interest bearing deposits increased, but the average rate paid for deposits declined. As a result, there was little change

in total interest expense. During the quarter ended June 30, 2012, the Company made a provision for loan and lease losses of \$32,000.

Non-interest expense increased 11.3% from \$718,000 for the quarter ended June 30, 2011 to \$799,000 for the quarter ended June 30, 2012. The increase in non-interest expense for the quarter ended June 30, 2012 reflected increases in personnel expenses, advertising and promotional expense, occupancy expenses, and professional fees. The increase in personnel expense included merit based salary increases, the addition of two staff members and costs associated with the Company's stock benefit plans. These increases were offset partially by decreases in other operating expenses.

For the six months ended June 30, 2012, net interest income increased 19.8% to \$1.7 million from \$1.5 million for the six months ended June 30, 2011, primarily due to higher loan volume. During the six months ended June 30, 2012, the Company made provisions for loan and lease losses of \$64,000 compared to provisions of \$38,000 during the six months ended June 30, 2011.

Non-interest expense for the six months ended June 30, 2012 increased \$160,000, or 11.2%, to \$1.6 million compared to \$1.4 million for the six months ended June 30, 2011. The non-interest expense for the six months ended June 30, 2012 reflected increases in personnel expense, occupancy expenses, data processing expenses and marketing related expenses. These increases were partially offset by decreases other operating expenses.

Income tax expense for the quarter ended June 30, 2012 was \$38,000 as compared to \$11,000 for the quarter ended June 30, 2011. For the six months ended June 30, 2012, income tax expense was \$76,000 compared to \$30,000 for the six months ended June 30, 2011. The increases in quarterly and year-to-date taxes were due to increases in pre-tax income and Alternative Minimum Tax (AMT) recorded following the filing of the Company's consolidated federal income tax return for the year ended December 31, 2011.

Hibernia Bancorp's total consolidated assets at June 30, 2012 were \$101.3 million compared to \$88.5 million at December 31, 2011. Net loans increased 8.8% from \$76.9 million at December 31, 2011 to \$83.7 million at June 30, 2012, reflecting a \$4.8 million increase in residential mortgage and residential construction loans and \$2.0 million increase in commercial real estate loans. An increase of \$12.9 million in deposits and a \$1.1 million decrease in investment securities funded the increase in loan volume, increased interest bearing cash by \$7.5 million and funded the \$224,000 repurchase of the Company's stock for treasury. Total deposits increased 19.6% from \$65.5 million at December 31, 2011 to \$78.4 million at June 30, 2012, reflecting increases of \$5.1 million in certificates of deposit, \$5.6 million in interest bearing

HIBERNIA BANCORP, INC.

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

checking deposits, \$2.1 million in non-interest bearing demand deposits, and \$60,000 in savings deposits.

Non-performing assets, defined as non-accrual loans, accruing loans past due 90 days or more and other real estate owned, totaled \$673,000, or 0.7%, of total assets at June 30, 2012, compared to \$695,000, or 0.8%, of total assets, at December 31, 2011. The non-performing assets at June 30, 2012 consisted of three loans secured by first mortgages on one-to-four family residential real estate and a one-to-four family residential property acquired through foreclosure. 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 and does not expect to incur further losses on the disposition of the other real estate owned. Other real estate owned at June 30, 2012 and December 31, 2011 totaled \$126,000.

The Company reported no net charge-offs for the three and six months ended June 30, 2012 compared to charge-offs of \$26,000 for the three and six months ended June 30, 2011. The Company's loan loss provision for the quarter ended June 30, 2012 was \$32,000, compared to \$23,000 for the quarter ended June 30, 2011. For the six months ended June 30, 2012, the Company's loan loss provision was \$64,000, compared to \$38,000 for the six months ended June 30, 2011. The increases in the provision for the three and six months ended June 30, 2012 were primarily due to increases in general reserves driven by the higher volume of loans outstanding.

The Company's total stockholders' equity remained essentially unchanged at \$22.1 million as of June 30, 2012 and December 31, 2011. During the quarter ending June 30, 2012, the Company repurchased 14,000 shares of its common stock as treasury stock for an aggregate cost of \$224,000 which leaves 7,332 shares remaining to be repurchased under the Company's stock repurchase program. The Company's book value per share increased from \$21.55 at December 31, 2011 to \$21.82 at June 30, 2012 due to our net income for the period and, to a lesser extent, to 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.

###

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)

	<u>June 30,</u> <u>2012</u>	<u>December 31,</u> <u>2011</u>
	(Unaudited)	
ASSETS		
Cash - Non-Interest Bearing	\$ 773	\$ 831
Cash - Interest Bearing	9,241	1,788
TOTAL CASH AND CASH EQUIVALENTS	<u>10,014</u>	<u>2,619</u>
Certificates of Deposit	100	100
Securities - Available For Sale	1,099	2,229
Loans Receivable, Net	83,691	76,947
Accrued Interest Receivable	286	275
Investment in FHLB Stock	36	172
Investment in FNBB Stock	210	210
Prepaid Expenses and Other Assets	260	216
Other Real Estate Owned, Net	126	126
Premises and Equipment, Net	5,059	5,174
Deferred Income Taxes	372	431
TOTAL ASSETS	<u>\$ 101,253</u>	<u>\$ 88,499</u>
LIABILITIES AND EQUITY		
LIABILITIES		
Deposits		
Non-Interest Bearing	6,104	3,975
Interest Bearing	72,288	61,567
Total Deposits	<u>78,392</u>	<u>65,542</u>
Advance Payments by Borrowers for Taxes and Insurance	482	634
Accrued Interest Payable	56	11
Accounts Payable and Other Liabilities	243	203
TOTAL LIABILITIES	<u>79,173</u>	<u>66,390</u>
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; 1,012,116 and 1,026,116 shares outstanding at June 30, 2012 and December 31, 2011, respectively	11	11
Additional Paid in Capital	10,628	10,560
Treasury Stock at cost - 101,218 and 87,218 shares at June 30, 2012 and December 31, 2011, respectively	(1,484)	(1,260)
Unallocated Common Stock held by:		
Employee Stock Ownership Plan	(766)	(784)
Recognition and Retention Plan	(231)	(262)
Accumulated Other Comprehensive Income, Net of Tax Effects	48	56
Retained Earnings	13,874	13,788
TOTAL EQUITY	<u>22,080</u>	<u>22,109</u>
TOTAL LIABILITIES AND EQUITY	<u>\$ 101,253</u>	<u>\$ 88,499</u>

Hibernia Bancorp, Inc. and Subsidiary

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(Dollars in thousands, except per share data)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2012	2011	2012	2011
	(Unaudited)		(Unaudited)	
Total Interest and Dividend Income	\$ 1,045	\$ 899	\$ 2,083	\$ 1,792
Total Interest Expense	172	169	342	339
Net Interest Income	873	730	1,741	1,453
Provision For Loan Losses	32	23	64	38
Net Interest Income After Provision For Loan Losses	841	707	1,677	1,415
Total Non-Interest Income	31	24	74	65
Non-Interest Expenses				
Salaries and Employee Benefits	373	321	749	657
Occupancy Expenses	122	106	244	209
Data Processing	91	85	180	149
Advertising and Promotional Expenses	46	27	77	55
Professional Fees	58	48	117	108
Other Non-Interest Expenses	109	131	222	251
Total Non-Interest Expenses	799	718	1,589	1,429
Income Before Income Taxes	73	13	162	51
Income Tax Expense	38	11	76	30
NET INCOME	<u>\$ 35</u>	<u>\$ 2</u>	<u>\$ 86</u>	<u>\$ 21</u>
INCOME PER COMMON SHARE				
Basic	\$ 0.04	\$ N/M *	\$ 0.09	\$ 0.02
Diluted	\$ 0.04	\$ N/M *	\$ 0.09	\$ 0.02

* Not Meaningful