



HIBERNIA

BANCORP, INC.

FOR IMMEDIATE RELEASE

CONTACT:

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

Hibernia Bancorp, Inc. Reports Operating Results for the Second Quarter and Six Months Ended June 30, 2014

New Orleans, Louisiana (August 7, 2014) - Hibernia Bancorp, Inc. (the "Company") (OTCBB: HIBE), the holding company of Hibernia Bank ("Hibernia" or the "Bank"), today reported net income of \$12,000 for the quarter ended June 30, 2014 compared to net income of \$13,000 for the quarter ended June 30, 2013. Earnings per basic and diluted share were \$0.01 for both the quarters ended June 30, 2014 and June 30, 2013. For the six months ended June 30, 2014, the Company reported net income of \$16,000 compared to net income of \$39,000 for the six months ended June 30, 2013. Earnings per basic and diluted share were \$0.02 for the six months ended June 30, 2014, compared to \$0.04 per basic and diluted share for the six months ended June 30, 2013.

Peyton Bush, III, President and Chief Executive Officer of the Company and the Bank, stated, "As of June 30, 2014, Hibernia has made progress toward reversing the declining trend in net loans experienced in the second and third quarters of 2013. The Bank's loan portfolio increased by \$3.1 million from December 31, 2013, to June 30, 2014. While progress has been made, average loans for the first six months of 2014 remained below the average for the first six months of 2013, and consequently the Company's year-to-date net interest margin of 3.33% is lower for 2014 than 2013. Our quarterly net interest margin stabilized in the second quarter of 2014 at 3.39%, the same as the second quarter of 2013, and net income for the second quarter was consistent with the second quarter of 2013 despite an increase in the provision for loan losses. However, net income for the six months ended June 30, 2014, was less than in the prior year period."

Mr. Bush further stated, "During the second quarter the Bank completed its conversion to a new data processing system. While modest one-time expenses were incurred in connection with the conversion, ongoing data processing costs are not expected to increase significantly and the enhanced capabilities of the new system will improve Hibernia's ability to offer competitive modern banking services."

Net interest income decreased 1.6% to \$816,000 for the quarter ended June 30, 2014, from \$829,000 for quarter ended June 30, 2013. Total interest and dividend income decreased \$44,000, or 4.4%, for the quarter ended June 30, 2014 compared to the quarter ended June 30, 2013. This decrease was due to a decrease in the average balances for loans and a decrease in the average rate we earned on loans offset by an increase in the average balances for investment securities. Total interest expense decreased \$31,000, or 18.3%, for the quarter ended June 30, 2014 compared to the quarter ended June 30, 2013. The average rate paid for deposits and the average balance of our interest bearing deposits decreased for the quarter ended June 30, 2014 as compared to the quarter ended June 30, 2013 resulting in lower interest expense for the period. The net interest margin remained unchanged at 3.39% for the quarter ended June 30, 2014 as compared to the quarter ended June 30, 2013.

The Company made a \$20,000 loan loss provision for the quarter ended June 30, 2014, compared to none for the quarter ended June 30, 2013. The Company had no recoveries or charge-offs for the quarter ended June 30, 2014 compared to reported recoveries of \$11,000 and no charge-offs for the quarter ended June 30, 2013.

Non-interest income increased to \$48,000 for the quarter ended June 30, 2014 from \$46,000 for the quarter ended June 30, 2013. The increase in non-interest income was due to an increase in net rental income offset by a decrease in secondary market loan income.

Non-interest expense decreased 3.4% to \$818,000 for the quarter ended June 30, 2014 from \$847,000 for the quarter ended June 30, 2013. The decrease in non-interest expense was due primarily to decreases in professional fees and other operating expenses, which included a loss on disposal of assets of approximately \$5,000 during the quarter ended June 30, 2013.

Income tax expense for the quarter ended June 30, 2014 was \$14,000 as compared to \$15,000 for the quarter ended June 30, 2013. The taxes remained fairly level as did the income before income taxes for the quarters ended June 30, 2014 and 2013.

For the six months ended June 30, 2014, net interest income decreased 4.2% to \$1.61 million from \$1.68 million for the six months ended June 30, 2013. This decrease was due primarily to a decrease in the average balance of loans and the average rate we earned on loans and investment securities, partially offset by a higher average balance of investment securities for

HIBERNIA BANCORP, INC.

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

the six months ended June 30, 2014 as compared to the six months ended June 30, 2013. Total interest expense decreased \$63,000, or 18.4%, for the six months ended June 30, 2014 compared to the six months ended June 30, 2013. This decline is attributable to both a decrease in the average rate paid for deposits as well as a decrease in the average balance of our interest bearing deposits for the six months ended June 30, 2014 compared to the six months ended June 30, 2013. The net interest margin decreased to 3.33% for the six months ended June 30, 2014 from 3.49% for the six months ended June 30, 2013.

During the six months ended June 30, 2014, the Company made provisions for loan and lease losses of \$20,000 compared to provisions of \$13,000 during the six months ended June 30, 2013. The Company reported no net charge-offs for the six months ended June 30, 2014 and June 30, 2013.

Non-interest expense for the six months ended June 30, 2014 decreased \$43,000, or 2.6%, to \$1.6 million compared to \$1.7 million for the six months ended June 30, 2013. The decrease in non-interest expense was due primarily to decreases in advertising and promotional expenses, professional fees and losses on the disposal of assets which are included in other operating expenses.

For the six months ended June 30, 2014, income tax expense was \$29,000 compared to \$34,000 for the six months ended June 30, 2013. 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 amount of permanent income tax differences for the period.

Hibernia Bancorp's total consolidated assets at June 30, 2014 were \$102.0 million compared to \$106.2 million at December 31, 2013, a decrease of \$4.2 million, or 4.0%. Interest bearing cash decreased by \$6.9 million, or 74.6%, during the six months ended June 30, 2014. Investment securities decreased by \$373,000, or 3.6%, primarily as a result of maturities and repayments. These decreases funded the 3.9% increase in net loans to \$82.6 million at June 30, 2014 from \$79.4 million at December 31, 2013. The increase in net loans reflects a \$3.2 million increase in commercial real estate loans, a \$246,000 increase in HELOC and consumer loans and \$180,000 increase in commercial and industrial loans. These increases are offset by a decrease of \$465,000 in residential mortgage and residential construction loans. Total deposits decreased 5.1% to \$79.1 million at June 30, 2014 from \$83.3 million at December 31, 2013, reflecting decreases of \$2.5 million in money market and interest bearing checking accounts, \$2.1 million in certificates of deposit and \$313,000 in savings accounts offset slightly by an increase of \$635,000 in non-interest bearing demand deposits.

Non-performing assets, defined as non-accrual loans, accruing loans past due 90 days or more and other real estate owned, remained at 0.2% of total assets, totaling \$246,000 at June 30,

HIBERNIA BANCORP, INC.

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

2014, compared to \$259,000 at December 31, 2013. The non-performing assets at June 30, 2014 consisted of three loans secured by first mortgages on one-to-four family residential real estate. Our allowance for loan and lease losses was \$661,000, or 0.80%, of total loans at June 30, 2014, and \$641,000, or 0.80%, of total loans at December 31, 2013. 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 June 30, 2014 and December 31, 2013, there was no other real estate owned.

The Company's total stockholders' equity remained essentially unchanged at \$22.0 million as of June 30, 2014 and December 31, 2013. During the six months ended June 30, 2014, the Company repurchased 12,137 shares of its common stock as treasury stock for an aggregate cost of \$212,000 which leaves 410 shares remaining to be repurchased under the Company's third stock repurchase program. An additional 30,000 shares and 90,000 shares are available under the Company's fourth and fifth stock repurchase programs, respectively, which will commence as the prior programs are completed. The Company's book value per share increased to \$22.61 at June 30, 2014 from \$22.30 at December 31, 2013 due to our net income for the six month period 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.

###

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

	June 30, 2014	December 31, 2013
	(Unaudited)	
ASSETS		
Cash - Non-Interest Bearing	\$ 867	\$ 1,071
Cash - Interest Bearing	2,352	9,271
TOTAL CASH AND CASH EQUIVALENTS	3,219	10,342
Certificates of Deposit	100	100
Securities - Available For Sale	10,016	10,389
Loans Receivable, Net of Allowances for Loan Losses of \$661,000 at June 30, 2014 and \$641,000 at December 31, 2013	82,558	79,424
Accrued Interest Receivable	236	237
Investment in FHLB Stock	43	41
Investment in FNBB Stock	210	210
Premises and Equipment, Net	4,987	4,874
Deferred Income Taxes	322	318
Prepaid Expenses and Other Assets	271	259
TOTAL ASSETS	\$ 101,962	\$ 106,194
LIABILITIES AND EQUITY		
LIABILITIES		
Deposits		
Non-Interest Bearing	\$ 8,481	\$ 7,847
Interest Bearing	70,587	75,474
Total Deposits	79,068	83,321
Escrow Balances	490	680
Accrued Interest Payable	37	39
Accounts Payable and Other Liabilities	319	140
TOTAL LIABILITIES	79,914	84,180
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; 975,194 and 987,331 shares outstanding at June 30, 2014 and December 31, 2013, respectively	11	11
Additional Paid in Capital	10,905	10,834
Treasury Stock at cost - 138,140 and 126,003 shares at June 30, 2014 and December 31, 2013, respectively	(2,124)	(1,912)
Unallocated Common Stock held by:		
Employee Stock Ownership Plan	(695)	(712)
Recognition and Retention Plan	(167)	(200)
Accumulated Other Comprehensive Income (Loss), Net of Tax Effects	14	(95)
Retained Earnings	14,104	14,088
TOTAL EQUITY	22,048	22,014
TOTAL LIABILITIES AND EQUITY	\$ 101,962	\$ 106,194

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

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2014	2013	2014	2013
	(Unaudited)		(Unaudited)	
Total Interest and Dividend Income	\$ 954	\$ 998	\$ 1,891	\$ 2,025
Total Interest Expense	138	169	280	343
Net Interest Income	816	829	1,611	1,682
Provision For Loan Losses	20	-	20	13
Net Interest Income After Provision For Loan Losses	796	829	1,591	1,669
Total Non-Interest Income	48	46	85	78
Non-Interest Expenses				
Salaries and Employee Benefits	404	399	796	804
Occupancy Expenses	129	126	254	246
Data Processing	98	102	218	198
Advertising and Promotional Expenses	30	36	47	71
Professional Fees	40	51	81	101
Other Non-Interest Expenses	117	133	235	254
Total Non-Interest Expenses	818	847	1,631	1,674
Income Before Income Taxes	26	28	45	73
Income Tax Expense	14	15	29	34
NET INCOME	<u>\$ 12</u>	<u>\$ 13</u>	<u>\$ 16</u>	<u>\$ 39</u>
INCOME PER COMMON SHARE				
Basic	\$ 0.01	\$ 0.01	\$ 0.02	\$ 0.04
Diluted	\$ 0.01	\$ 0.01	\$ 0.02	\$ 0.04