

VERSAILLES FINANCIAL CORPORATION
CONSOLIDATED BALANCE SHEETS (UNAUDITED)
June 30, 2016 and June 30, 2015

	June 30, 2016 (Unaudited)	June 30, 2015
ASSETS		
Cash and cash equivalents due from financial institutions	\$ 3,950,475	\$ 2,838,350
Overnight deposits	<u>5,000,000</u>	<u>4,200,000</u>
Total cash and cash equivalents	8,950,475	7,038,350
Interest-bearing time deposits in other financial institutions	982,000	1,472,000
Securities held to maturity (fair value of \$226,679 at June 30, 2016 and \$301,997 at June 30, 2015)	216,053	284,509
Federal Home Loan Bank stock	397,500	397,500
Loans, net of allowance of \$255,432 at June 30, 2016 and June 30, 2015	41,528,086	42,028,401
Premises and equipment, net	1,361,890	1,422,977
Accrued interest receivable	116,232	136,920
Other assets	<u>737,745</u>	<u>772,943</u>
Total assets	<u>\$ 54,289,981</u>	<u>\$ 53,553,600</u>
LIABILITIES		
Savings and checking accounts	\$ 21,579,811	\$ 19,463,663
Certificates of deposit	<u>13,772,253</u>	<u>14,701,281</u>
Total deposits	35,352,064	34,164,944
Federal Home Loan Bank advances	6,000,000	6,000,000
Other liabilities	<u>1,317,493</u>	<u>1,898,140</u>
Total liabilities	42,669,557	42,063,084
SHAREHOLDERS' EQUITY		
Preferred stock, \$.01 par value, 1,000,000 shares authorized, none issued and outstanding	-	-
Common stock, \$.01 par value, 10,000,000 shares authorized, 421,667 shares issued at June 30, 2016 and 441,104 shares issued at June 30, 2015	4,146	4,308
Additional paid-in capital	3,646,365	3,977,489
Retained earnings	8,914,181	8,779,618
Treasury stock, 35,460 shares, at cost	(354,600)	(354,600)
Unearned employee stock ownership plan shares	(230,850)	(247,950)
Accumulated other comprehensive loss	<u>(358,818)</u>	<u>(668,349)</u>
Total shareholders' equity	<u>11,620,424</u>	<u>11,490,516</u>
Total liabilities and shareholders' equity	<u>\$ 54,289,981</u>	<u>\$ 53,553,600</u>

VERSAILLS FINANCIAL CORPORATION
CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)
Twelve months ended June 30, 2016 and 2015

	Twelve months ended	
	<u>June 30, 2016</u>	<u>June 30, 2015</u>
	(Unaudited)	
Interest and dividend income		
Loans, including fees	\$ 1,863,858	\$ 1,865,549
Securities available for sale	-	-
Securities held to maturity	6,667	8,169
FHLB dividends	15,933	15,900
Deposits with banks	<u>20,457</u>	<u>19,632</u>
Total interest and dividend income	1,906,915	1,909,250
Interest expense		
Deposits	121,756	131,966
Federal Home Loan Bank advances	<u>123,870</u>	<u>98,698</u>
Total interest expense	<u>245,626</u>	<u>230,664</u>
Net interest income	1,661,289	1,678,586
Provision for loan losses	<u>-</u>	<u>-</u>
Net interest income after provision for loan losses	1,661,289	1,678,586
Noninterest income		
Other income	12,990	10,629
Gain on sale of premises and equipment	<u>-</u>	<u>-</u>
Total noninterest income	12,990	10,629
Noninterest expense		
Salaries and employee benefits	802,916	685,875
Occupancy and equipment	92,405	94,636
Directors' fees	82,525	67,450
Data processing	128,169	129,998
Franchise taxes	87,522	86,432
Legal, accounting and exam fees	127,740	151,309
Federal deposit insurance	24,435	23,245
Other	<u>119,049</u>	<u>106,974</u>
Total noninterest expense	<u>1,464,761</u>	<u>1,345,919</u>
Income before income taxes	209,518	343,296
Income tax expense	<u>74,955</u>	<u>119,600</u>
Net income	<u>\$ 134,563</u>	<u>\$ 223,696</u>
Basic and diluted earnings per common share	<u>\$ 0.31</u>	<u>\$ 0.54</u>