

VERSAILLES FINANCIAL CORPORATION  
CONSOLIDATED BALANCE SHEETS  
March 31, 2016 and June 30, 2015

	March 31, 2016 (Unaudited)	June 30, 2015
<b>ASSETS</b>		
Cash and cash equivalents due from financial institutions	\$ 3,032,874	\$ 2,838,350
Overnight deposits	<u>7,800,000</u>	<u>4,200,000</u>
Total cash and cash equivalents	10,832,874	7,038,350
Interest-bearing time deposits in other financial institutions	982,000	1,472,000
Securities held to maturity (fair value of \$236,937 at March 31, 2016 and \$301,997 at June 30, 2015)	225,746	284,509
Federal Home Loan Bank stock	397,500	397,500
Loans, net of allowance of \$255,432 at March 31, 2016 and June 30, 2015	41,212,788	42,028,401
Premises and equipment, net	1,376,671	1,422,977
Accrued interest receivable	107,134	136,920
Other assets	<u>888,476</u>	<u>772,943</u>
Total assets	<u>\$ 56,023,189</u>	<u>\$ 53,553,600</u>
<b>LIABILITIES</b>		
Savings and checking accounts	\$ 22,838,874	\$ 19,463,663
Certificates of deposit	<u>13,850,807</u>	<u>14,701,281</u>
Total deposits	36,689,681	34,164,944
Federal Home Loan Bank advances	6,000,000	6,000,000
Other liabilities	<u>1,688,534</u>	<u>1,898,140</u>
Total liabilities	44,378,215	42,063,084
<b>SHAREHOLDERS' EQUITY</b>		
Preferred stock, \$.01 par value, 1,000,000 shares authorized, none issued and outstanding	-	-
Common stock, \$.01 par value, 10,000,000 shares authorized, 441,104 shares issued	4,340	4,308
Additional paid-in capital	4,024,395	3,977,489
Retained earnings	8,874,308	8,779,618
Treasury stock, 35,460 shares, at cost	(354,600)	(354,600)
Unearned employee stock ownership plan shares	(235,120)	(247,950)
Accumulated other comprehensive loss	<u>(668,349)</u>	<u>(668,349)</u>
Total shareholders' equity	<u>11,644,974</u>	<u>11,490,516</u>
Total liabilities and shareholders' equity	<u>\$ 56,023,189</u>	<u>\$ 53,553,600</u>

VERSAILLS FINANCIAL CORPORATION  
CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)  
Three months and nine months ended March 31, 2016 and 2015

	Three months ended		Nine months ended	
	March 31,		March 31,	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Interest and dividend income				
Loans, including fees	\$ 462,258	\$ 467,667	\$1,400,892	\$1,399,481
Securities held-to-maturity	1,590	1,978	5,114	6,297
FHLB dividends	4,008	4,008	11,979	11,979
Deposits with banks	<u>5,754</u>	<u>5,378</u>	<u>14,344</u>	<u>16,879</u>
Total interest and dividend income	473,610	479,031	1,432,329	1,434,636
Interest expense				
Deposits	30,586	31,581	91,590	99,735
FHLB advances	<u>30,756</u>	<u>25,767</u>	<u>93,114</u>	<u>67,858</u>
Total interest expense	<u>61,342</u>	<u>57,348</u>	<u>184,704</u>	<u>167,593</u>
Net interest income	412,268	421,683	1,247,625	1,267,043
Provisions for loan losses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net interest income after provisions for loan losses	412,268	421,683	1,247,625	1,267,043
Noninterest income				
Other income	<u>3,504</u>	<u>2,260</u>	<u>9,626</u>	<u>7,739</u>
Total noninterest income	3,504	2,260	9,626	7,739
Noninterest expense				
Salaries and employee benefits	202,798	165,721	606,558	523,094
Occupancy and equipment	26,403	27,208	69,594	70,547
Directors' fees	21,020	16,525	61,845	49,525
Data processing	34,157	34,181	97,898	96,657
Ohio Financial Institution Tax	23,202	20,559	64,320	65,873
Legal, accounting and exam fees	28,903	49,371	101,025	115,533
Federal deposit insurance	6,025	5,700	18,025	17,400
Other	<u>27,603</u>	<u>24,204</u>	<u>90,195</u>	<u>77,133</u>
Total noninterest expense	<u>370,111</u>	<u>343,469</u>	<u>1,109,460</u>	<u>1,015,762</u>
Income before income taxes	45,661	80,474	147,791	259,020
Income tax expense	<u>16,400</u>	<u>28,100</u>	<u>53,100</u>	<u>90,200</u>
Net income	<u>\$ 29,261</u>	<u>\$ 52,374</u>	<u>\$ 94,691</u>	<u>\$ 168,820</u>
Basic and diluted earnings per common share	<u>\$ 0.07</u>	<u>\$ 0.13</u>	<u>\$ 0.23</u>	<u>\$ 0.41</u>