

VERSAILLES FINANCIAL CORPORATION
CONSOLIDATED BALANCE SHEETS
September 30, 2017 and June 30, 2017

	September 30, <u>2017</u> (Unaudited)	June 30, <u>2017</u>
ASSETS		
Cash and cash equivalents due from financial institutions	\$ 4,011,051	\$ 4,162,152
Overnight deposits	<u>7,700,000</u>	<u>5,000,000</u>
Total cash and cash equivalents	11,711,051	9,162,152
Interest-bearing time deposits in other financial institutions	-	247,000
Securities held to maturity (fair value of \$151,295 at September 30, 2017 and \$165,910 at June 30, 2017)	144,688	159,573
Federal Home Loan Bank stock	397,500	397,500
Loans, net of allowance of \$255,432 at September 30, 2017 and June 30, 2017	42,450,006	41,943,637
Premises and equipment, net	1,219,762	1,231,897
Accrued interest receivable	115,503	113,703
Other assets	<u>437,516</u>	<u>467,932</u>
Total assets	<u>\$ 56,476,026</u>	<u>\$ 53,723,394</u>
LIABILITIES		
Savings and checking accounts	\$ 26,998,529	\$ 23,557,720
Certificates of deposit	<u>14,272,754</u>	<u>15,049,746</u>
Total deposits	41,271,283	38,607,466
Federal Home Loan Bank advances	3,000,000	3,000,000
Other liabilities	<u>842,229</u>	<u>856,425</u>
Total liabilities	45,113,512	42,463,891
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, 387,867 and 387,867 shares issued	3,840	3,840
Additional paid-in capital	3,025,123	3,016,581
Retained earnings	8,897,621	8,807,432
Treasury stock, 35,460 shares, at cost	(354,600)	(354,600)
Unearned employee stock ownership plan shares	(209,470)	(213,750)
Accumulated other comprehensive loss	<u>-</u>	<u>-</u>
Total shareholders' equity	<u>11,362,514</u>	<u>11,259,503</u>
Total liabilities and shareholders' equity	<u>\$ 56,476,026</u>	<u>\$ 53,723,394</u>

VERSAILLES FINANCIAL CORPORATION
CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)
Three months ended September 30, 2017 and 2016

	Three months ended September 30,	
	<u>2016</u>	<u>2016</u>
Interest and dividend income		
Loans, including fees	\$ 473,073	\$ 468,643
Securities held-to-maturity	1,175	1,539
FHLB dividends	5,203	3,953
Deposits with banks	<u>19,861</u>	<u>5,913</u>
Total interest and dividend income	499,312	480,048
Interest expense		
Deposits	35,571	33,265
FHLB advances	<u>16,913</u>	<u>31,094</u>
Total interest expense	<u>52,484</u>	<u>64,359</u>
Net interest income	446,828	415,689
Provision for loan losses	<u>-</u>	<u>-</u>
Net interest income after provision for loan losses	446,828	415,689
Noninterest income		
Other income	4,468	3,968
Loss on sale of other real estate owned	<u>-</u>	<u>(58,622)</u>
Total noninterest income	4,468	(54,654)
Noninterest expense		
Salaries and employee benefits	155,250	150,820
Pension expense	-	520,507
Occupancy and equipment	18,147	21,139
Directors' fees	19,660	19,800
Data processing	31,434	29,181
Franchise taxes	22,699	23,202
Legal, accounting and exam fees	26,100	36,854
Federal deposit insurance	3,800	6,400
Other	<u>35,118</u>	<u>31,184</u>
Total noninterest expense	<u>312,208</u>	<u>839,087</u>
Income before income taxes	139,088	(478,052)
Income tax expense	<u>48,900</u>	<u>(161,400)</u>
Net income	<u>\$ 90,188</u>	<u>\$ (316,652)</u>
Basic and diluted earnings per common share	<u>\$ 0.24</u>	<u>\$ (0.74)</u>