

Bank of Southern California N.A. Announces First Quarter 2018 Results

SAN DIEGO, Calif., May 2, 2018 (SEND2PRESS NEWSWIRE) – Bank of Southern California, N.A. (OTC Pink: BCAL / OTCMKTS:BCAL) announced quarterly earnings of \$1,072,303 for the first quarter of 2018, a 51% increase compared to \$710,022 for the first quarter of 2017. Results for the quarter ended March 31, 2018, include approximately \$320 thousand in expenses related to the pending acquisition of Americas United Bank (OTC Pink: AUNB). As previously announced, the Bank also completed a private placement offering of common stock of approximately \$26 million during March 2018.



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“Building from the successes of 2017, Bank of Southern California had a strong start to 2018. Our loans and deposits grew 17% and 16%, respectively, compared to the first quarter of 2017, while net interest income grew 24%. In the first quarter, the Bank was also recognized as a top SBA 7(a) lender by the San Diego District Office of the Small Business Loan Administration and was awarded a Super Premier Performing Bank status by The Findley Reports,” commented Nathan Rogge, President and CEO of Bank of Southern California.

Total assets at March 31, 2018, were \$522 million, up 9% from \$480 million at December 31, 2017, and up 21% from \$430 million at March 31, 2017. Total

loans increased to \$409 million at March 31, 2018, compared to \$399 million and \$349 million at December 31, 2017, and March 31, 2017, respectively, while total deposits were \$444 million at March 31, 2018, compared to \$407 million at December 31, 2017, and \$383 million at March 31, 2017.

"I am delighted that we continued to organically grow our loan and deposit portfolios in San Diego County, the Coachella Valley, and Orange County in the first quarter, when much of our energy was focused on planning for the acquisition of Americas United Bank (AUNB), as well as successfully completing a \$26 million capital offering," concluded Rogge.

About Bank of Southern California:

A growing community bank established in 2001, Bank of Southern California, N.A., with headquarters in San Diego, Calif., is locally owned and managed, and offers a range of financial products and services to individuals, professionals, and small-to-mid sized businesses. The Bank's solution-driven, relationship-based approach to banking provides accessibility to decision makers and enhances value through strong partnerships with its clients. The Bank currently operates seven branches in San Diego and the Coachella Valley in Riverside County, and a production office in Orange, Calif..

For more information, please visit <https://www.banksocal.com/> or call (858) 847-4780.

Forward-Looking Statements:

This news release may contain comments or information that constitute forward-looking statements (within the meaning of the Private Securities Litigation Reform Act of 1995) and Bank of Southern California intends for such forward-looking statements to be covered by the safe harbor provisions of that Act.

Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts. They often include the words "believe," "expect," "anticipate," "intend," "plan," "estimate," or words of similar meaning, or future or conditional verbs such as "will," "would," "should," "could," or "may." Forward-looking statements are not guarantees of future performance, nor should they be relied upon as representing management's views as of any subsequent date. Future events are difficult to predict. Forward-looking statements involve significant risks and uncertainties and actual results may differ materially from those presented, either expressed or implied, in this news release. Factors that might cause such differences include, but are not limited to: the ability of the Bank to successfully execute its business plan; changes in interest rates and interest rate relationships; changes in demand for products and services; the degree of competition by traditional and non-traditional competitors; changes in banking legislation or regulation; changes in tax laws; changes in prices, levies and assessments; the impact of technological advances; the outcomes of contingencies; trends in customer behavior as well as their ability to repay loans; and changes in the national and local economy.

Bank of Southern California undertakes no obligation to update or clarify forward-looking statements, whether as a result of new information, future

events or otherwise.

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Quarterly Financial Highlights Table:

<https://www.banksocal.com/wp-content/uploads/18-0502-BCAL-2018-q1-chart-695x869.png>

For more details about our quarterly results, please visit the “About Us” / “Financials” page of our website and follow the link labeled: Quarterly Results and Trends – <https://www.banksocal.com/about-us/financials/>

Bank of Southern California

Quarterly Financial Highlights
 (Unaudited)

	Quarterly					1st Qtr Prior Years	
(\$\$ in thousands except per share data)	2018	2017	2017	2017	2017		
	1st Qtr	4th Qtr	3rd Qtr	2nd Qtr	1st Qtr	2016	2015
EARNINGS							
Net interest income	\$ 4,851	4,711	4,802	4,319	3,919	3,526	2,848
Provision for loan losses	\$ 300	0	0	102	169	138	0
NonInterest income	\$ 1,098	799	380	626	404	299	275
NonInterest expense	\$ 4,053	3,245	3,389	3,116	2,972	2,830	2,790
Income tax expense	\$ 524	1,132	705	695	472	353	180
Net income	\$ 1,072	1,134	1,088	1,032	710	504	152
Basic earnings per share	\$ 0.20	0.22	0.21	0.20	0.14	0.12	0.04
Average shares outstanding	5,281,297	5,221,606	5,219,095	5,177,997	5,140,497	4,307,538	4,162,608
Ending shares outstanding	6,953,720	5,223,627	5,221,197	5,215,497	5,140,497	4,307,538	4,305,108
PERFORMANCE RATIOS							

Bank of Southern California

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(Unaudited)

	Quarterly					1st Qtr Prior Years	
Return on average assets	0.90%	0.95%	0.96%	0.97%	0.67%	0.59%	0.19%
Retn on avg common	8.53%	9.08%	8.93%	8.89%	6.37%	5.78%	1.95%
Yield on loans	5.13%	4.94%	5.39%	4.94%	4.89%	4.87%	5.03%
Yield on earning assets	4.78%	4.62%	4.85%	4.60%	4.27%	4.66%	4.05%
Cost of deposits	0.53%	0.47%	0.41%	0.33%	0.34%	0.28%	0.24%
Net interest margin	4.27%	4.17%	4.46%	4.29%	3.95%	4.40%	3.82%
Efficiency ratio	68.13%	58.87%	65.40%	63.01%	68.75%	73.99%	89.36%
CAPITAL							
Tangible equity to tangible assets	14.14%	10.10%	10.12%	10.64%	10.24%	9.90%	10.28%
Book value (BV) per common share	\$ 10.79	9.51	9.31	9.10	8.83	8.13	7.60
Tangible BV per common share	\$ 10.59	9.25	9.04	8.83	8.54	7.69	7.20
ASSET QUALITY							
Net loan charge-offs (recoveries)	\$ (9)	210	(106)	66	(54)	(0)	(7)
Allowance for loan losses	\$ 3,385	3,076	3,286	3,179	3,143	2,565	2,398
Allowance for losses to total loans	0.83%	0.77%	0.85%	0.90%	0.90%	0.82%	1.01%
Nonperforming loans	\$ 1,272	1,362	1,086	2,009	2,040	2,054	4,886
Other real estate owned	\$ 0	0	0	0	146	98	0
Nonperforming assets to total assets	0.24%	0.28%	0.23%	0.46%	0.51%	0.59%	1.47%

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(Unaudited)

Quarterly						1st Qtr Prior Years		
END OF PERIOD BALANCES								
Total loans	\$	409,196	399,402	387,790	353,915	349,348	313,971	238,388
Total assets	\$	522,118	479,512	467,976	434,088	430,334	367,122	332,827
Deposits	\$	444,300	407,485	417,519	385,229	382,991	312,321	296,219
Loans to deposits		92.10%	98.02%	92.88%	91.87%	91.22%	100.53%	80.48%
Shareholders' equity	\$	75,016	49,698	48,619	47,480	45,367	38,050	35,782
Full-time equivalent employees		73	76	63	61	65	64	61
AVERAGE BALANCES (QTRLY) (YTD)								
Total loans	\$	403,693	394,864	359,961	354,697	332,308	301,535	235,128
Earning assets	\$	460,636	447,834	426,992	404,017	402,698	321,752	302,149
Total assets (net of AFS valuation)	\$	484,628	471,271	450,737	427,649	426,831	343,841	324,379
Deposits	\$	425,641	419,101	401,147	379,580	379,957	303,409	288,229
Shareholders' equity	\$	50,983	49,548	48,325	46,577	45,175	37,992	34,692

Ticker: OTC Pink:BCAL / OTC:BCAL / OTCMKTS:BCAL / OP: BCAL / OTCMKTS:AUNB / OTC:AUNB