



## PRESS RELEASE

**Contact: Frank Di Tomaso**  
**Chairman of the Board of Directors and**  
**Chief Executive Officer**  
**(661) 362-6000**

*For Immediate Release*

### **Bank of Santa Clarita Announces Continued Improvement in Earnings and Promotions of Executives**

SANTA CLARITA, CALIFORNIA – July 21, 2014. Bank of Santa Clarita (OTC BB: BSCA.OB) today announced its results of operations for the second quarter and first half of 2014. For the second quarter of 2014 the Bank reported net earnings of \$308,000, which exceeded the amount reported in the second quarter of 2013, and also represents the second-greatest quarterly earnings ever recorded by the Bank. The Bank also reported year-to-date net earnings of \$556,000, a 4% increase over the amount reported in the first half of 2013.

The Bank reported that its loans totaled \$167.6 million at quarter-end, an increase of \$14.9 million or 10% from the June 30, 2013 total. In addition, deposits totaled \$183.0 million at June 30, 2014, an increase of \$13.9 million or 8% over the year-earlier date; this increase in deposits was comprised entirely of core deposits.

The Bank continues to experience very good credit quality in its loan portfolio, as nonaccrual loans totaled approximately \$872,000 or 0.52% of total loans as of June 30, 2014.

“We are pleased to report another quarter of strong operating performance, as we continue to key in on our core earnings,” stated Frank Di Tomaso, Chairman and Chief Executive Officer. He continued, “Our performance continues to reflect the benefits of our strategic planning and a strong commitment to achieving meaningful growth and returns for our shareholders. We are also pleased with our sustained asset quality which is a reflection of the Bank’s historically strong underwriting standards.”

At June 30, 2014, shareholders’ equity totaled \$22.8 million and the Bank’s total risk-based regulatory capital ratio was 13.42%, exceeding the “well-capitalized” level of 10% which is prescribed in the applicable capital regulations. The Bank also continues to maintain substantial liquidity positions, retaining significant balances of liquidity on its balance sheet as well as readily available collateralized borrowings and other potential sources of liquidity.

Additionally, the Bank’s Board of Directors, at its June meeting, announced the promotion of Walter Purdy, Chief Financial Officer, and Greg Weinberg, Chief Credit Officer, to the position of Executive Vice President of the Bank. “As the only community bank headquartered in the Santa

Clarita Valley, it is important to have a knowledgeable and experienced team in place to enhance and grow our institution” stated Mr. Di Tomaso.

Walt Purdy joined Bank of Santa Clarita in 2008 as a Senior Vice President and the Chief Financial Officer. He is responsible for investor relations and for directing the fiscal functions of the Bank by meeting all reporting requirements set forth by the Board and by regulatory and advisory agencies. Mr. Purdy also oversees the Bank’s strategic planning and budgeting functions and the Centralized Operations Department. He manages the Bank’s liquidity levels and asset/liability management function and financial statement preparation, and also develops and implements appropriate policies and procedures. Mr. Purdy has over 35 years of banking and savings & loan experience with both large and small financial institutions and holds a Bachelor of Science Degree in Accounting from California State University at Northridge.

Greg Weinberg joined Bank of Santa Clarita in 2006 as a Senior Vice President and the Chief Credit Officer. He is responsible for overseeing credit administration and the note department, maintaining high levels of portfolio quality, and directing loss mitigation and collections, developing and implementing loan policies and procedures. Mr. Weinberg has over 30 years of banking experience with both large and small financial institutions and holds a Bachelor of Science Degree in Finance from the University of California Los Angeles and a Master of Science Degree in Management from Thunderbird Graduate School of International Management in Phoenix, Arizona.

Founded in 2004, Bank of Santa Clarita is the only full service commercial bank headquartered in the Santa Clarita Valley and is focused on the needs of our community and its businesses. We promote face-to-face interaction with our clients, which in turn leads to deeper relationships overall. The Bank provides local, experienced decision-making and the personalized service that growing businesses need on a daily basis. Bank clients have direct access to executive management and professional staff members to address their credit requirements from commercial lines of credit to SBA loans to commercial real estate and other commercial loans, and also technology-based services that include online bill-paying, remote capture depositing, check imaging and initiating online wire transfers, among other cash management facilities.

We are proud of the fact that later this year Bank of Santa Clarita will celebrate its 10-Year Anniversary, and we truly cherish the relationships we’ve made with many of our neighbors, including individuals, businesses and local non-profits, and invite any of those in the community who do not yet know us well to visit us, and together we can build an even better community.

Bank of Santa Clarita, Corporate Headquarters  
23780 Magic Mountain Parkway  
Santa Clarita, California 91355  
(661) 362-6000  
[www.bankofsantaclarita.com](http://www.bankofsantaclarita.com)

#### **FORWARD LOOKING STATEMENTS**

Certain matters discussed in this release constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements relate to the Bank’s current expectations regarding deposit and loan growth, operating results and the strength of the local economy. These forward-looking statements are subject to certain risks and uncertainties that could cause the actual results, performance or achievements to differ materially from those expressed, suggested or implied by the forward-looking statements. These risks and uncertainties include, but are not limited to: the impact of changes in interest rates, a decline in economic conditions and increased competition among financial service providers as these factors may impact the

Bank's operating results, its ability to attract deposit and loan customers, the quality of the Bank's earning assets and government regulation. The Bank does not undertake, and specifically disclaims, any obligation to update any forward-looking statements to reflect occurrences or unanticipated events or circumstances after the date of such statements.

# BANK OF SANTA CLARITA

## BALANCE SHEETS

*Unaudited*

	<u>June 30, 2014</u>	<u>December 31, 2013</u>	<u>June 30, 2013</u>
		<i>(In thousands)</i>	
<b>ASSETS</b>			
Cash and Due From Banks	\$ 4,145	\$ 3,142	\$ 3,630
Interest Bearing Deposits at Other Financial Institutions	53,438	32,162	29,398
Federal Funds Sold	2,000	2,000	1,200
Investment Securities	30,148	34,580	31,540
Loans, Net	167,622	161,888	152,712
Other Assets	16,684	16,614	15,569
<b>Total Assets</b>	<u><u>\$ 274,037</u></u>	<u><u>\$ 250,386</u></u>	<u><u>\$ 234,049</u></u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>			
Noninterest Bearing Demand Deposits	\$ 59,804	\$ 53,390	\$ 53,359
Interest Bearing Demand Deposits	10,182	12,409	8,261
Money Market and Savings Deposits	61,327	56,917	49,809
Time Deposits	51,731	58,457	57,632
Total Deposits	183,044	181,173	169,061
Borrowings	67,000	46,000	42,500
Other Liabilities	1,229	1,448	1,185
Total Liabilities	251,273	228,621	212,746
Stockholders' Equity	22,764	21,765	21,303
<b>Total Liabilities &amp; Stockholders' Equity</b>	<u><u>\$ 274,037</u></u>	<u><u>\$ 250,386</u></u>	<u><u>\$ 234,049</u></u>

# STATEMENTS OF EARNINGS

*Unaudited*

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2014	2013	2014	2013
	<i>(In thousands except per share amounts)</i>			
<b>Interest Income</b>				
Loans	\$ 1,990	\$ 1,936	\$ 3,964	\$ 3,723
Interest Bearing Deposits at Other Financial Institutions	41	25	78	48
Investment Securities	201	180	432	351
Federal Funds Sold	1	-	1	1
<b>Total Interest Income</b>	<b>2,233</b>	<b>2,141</b>	<b>4,475</b>	<b>4,123</b>
<b>Interest Expense</b>				
Interest Bearing Demand Deposits	9	7	19	16
Money Market and Savings Deposits	66	51	134	103
Time Deposits	195	216	400	429
Borrowings	126	84	238	216
<b>Total Interest Expense</b>	<b>396</b>	<b>358</b>	<b>791</b>	<b>764</b>
<b>Net Interest Income</b>	<b>1,837</b>	<b>1,783</b>	<b>3,684</b>	<b>3,359</b>
Provision for Loan Losses	61	(20)	61	(20)
<b>Net Interest Income after Provision for Loan Losses</b>	<b>1,776</b>	<b>1,803</b>	<b>3,623</b>	<b>3,379</b>
Noninterest Income	157	140	303	336
Noninterest Expense	1,456	1,458	3,020	2,842
<b>Net Earnings Before Income Taxes</b>	<b>477</b>	<b>485</b>	<b>906</b>	<b>873</b>
Income Tax Expense	169	182	350	336
<b>Net Earnings</b>	<b>\$ 308</b>	<b>\$ 303</b>	<b>\$ 556</b>	<b>\$ 537</b>
<b>Basic Earnings Per Share</b>	<b>\$ 0.14</b>	<b>\$ 0.14</b>	<b>\$ 0.25</b>	<b>\$ 0.24</b>
<b>Diluted Earnings Per Share</b>	<b>\$ 0.14</b>	<b>\$ 0.13</b>	<b>\$ 0.25</b>	<b>\$ 0.24</b>