



PRESS RELEASE

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For Immediate Release

Bank of Santa Clarita Announces Growth in Profitability

SANTA CLARITA, CALIFORNIA – April 23, 2015. Bank of Santa Clarita (BSCA) today announced its results of operations for the first quarter of 2015. Net earnings were at a record level for the Bank, totaling \$347,000, an increase of nearly 40% over \$248,000 earned in the first quarter of 2014. The Bank also reported that its loans totaled \$167.6 million at quarter-end, an increase of \$9.3 million or 6% over the year-earlier date. In addition, the Bank continues to experience excellent credit quality in its loan portfolio, as nonaccrual loans as of quarter-end totaled approximately \$1,000, or less than 0.01% of total loans.

“We are pleased with this quarter’s record operating results, which continues a trend of consecutive quarterly profitability for the Bank,” stated Frank Di Tomaso, Chairman and Chief Executive Officer. He continued, “We are also encouraged by the improvement in the economy, which will tend to support our momentum in growing both loans and core deposits, while maintaining strong credit lending practices, which are key drivers to our overall profitability.”

At March 31, 2015, shareholders’ equity totaled \$24.5 million and the Bank’s total risk-based regulatory capital ratio was 14.11%, 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.

Founded in October 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 the 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 Bank of Santa Clarita has served the Santa Clarita Valley’s residents, including individuals, small businesses and non-profit organizations, for more than ten

years, and we cherish the relationships we've made with many of our neighbors, and invite any of those in the community who do not yet know us well to visit us, and together we can continue to build an even more vibrant community.

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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>March 31, 2015</u>	<u>December 31, 2014</u>	<u>March 31, 2014</u>
	<i>(In thousands)</i>		
ASSETS			
Cash and Due From Banks	\$ 6,493	\$ 3,365	\$ 3,100
Interest Bearing Deposits at Other Financial Institutions	40,123	39,080	35,399
Federal Funds Sold	3,000	3,000	2,000
Investment Securities	28,635	29,415	33,872
Loans, Net	167,573	165,169	158,281
Other Assets	20,623	20,996	16,254
Total Assets	<u>\$ 266,447</u>	<u>\$ 261,025</u>	<u>\$ 248,906</u>
LIABILITIES AND STOCKHOLDERS' EQUITY			
Deposits			
Interest-Bearing			
Money Market, Savings and Demand	\$ 76,859	\$ 72,745	\$ 65,904
Time	48,594	51,086	57,948
Total Interest-Bearing	125,453	123,831	123,852
Noninterest-Bearing	61,662	56,054	62,925
Total	187,115	179,885	186,777
Borrowings	53,000	55,000	39,000
Other Liabilities	1,819	2,122	1,128
Total Liabilities	241,934	237,007	226,905
Stockholders' Equity	24,513	24,018	22,001
Total Liabilities & Stockholders' Equity	<u>\$ 266,447</u>	<u>\$ 261,025</u>	<u>\$ 248,906</u>

STATEMENTS OF EARNINGS

Unaudited

	For the Three Months Ended March 31,	
	2015	2014
	<i>(In thousands)</i>	
Interest Income		
Loans	\$ 2,041	\$ 1,975
Interest Bearing Deposits at Other Financial Institutions	45	37
Investment Securities	119	230
Fed Funds Sold	2	-
Total Interest Income	2,207	2,242
Interest Expense		
Money Market, Savings and Interest-Bearing Demand	82	77
Time Deposits	170	206
Borrowings	103	113
Total Interest Expense	355	396
Net Interest Income	1,852	1,846
Provision for Loan Losses	32	-
Net Interest Income after Provision for Loan Losses	1,820	1,846
Noninterest Income	179	147
Noninterest Expense	1,438	1,564
Net Earnings Before Income Taxes	561	429
Income Tax Expense	214	181
Net Earnings	\$ 347	\$ 248