



PRESS RELEASE

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For Immediate Release

Bank of Santa Clarita Announces Growth of Loans and Deposits and Record Earnings

SANTA CLARITA, CALIFORNIA – October 22, 2015. Bank of Santa Clarita (BSCA) today announced record profitability for the first three quarters of 2015 as it earned \$914,000, which is the best nine-month performance in the Bank's history. The Bank also reported that its loans totaled \$180.9 million at September 30, 2015, a growth of \$15.8 million or 9.5% in the first three quarters of 2015. In addition, the Bank had a 6.8% increase in total deposits, from \$179.9 million to \$192.2 million for the first three quarters of 2015; also during that period the Bank reported an increase of \$18.6 million or 33.2% in noninterest-bearing deposit balances. Finally, 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.

"The continuing successful execution of our business strategies has resulted in another quarter of very strong loan growth, continuing excellent asset quality and a focused effort on gathering commercial deposits. Additionally, we continue to benefit from the solid growth seen in our local economy, and we enjoy being a great resource to both our clients and prospective clients in the community we serve" stated Frank Di Tomaso, Chairman and Chief Executive Officer. He concluded, "We remain committed to our strategy of building the business for the long-term benefit of all of the Bank's stakeholders. "

At September 30, 2015, shareholders' equity totaled \$25.3 million and the Bank's total capital ratio was 13.69%, 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>September 30,</u> <u>2015</u>	<u>December 31,</u> <u>2014</u>
	<i>(In thousands)</i>	
ASSETS		
Cash and Due From Banks	\$ 10,126	\$ 3,365
Interest Bearing Deposits at Other Financial Institutions	40,210	39,080
Federal Funds Sold	3,000	3,000
Investment Securities	26,080	29,415
Loans, Net	180,924	165,169
Other Assets	18,526	20,996
Total Assets	<u><u>\$ 278,866</u></u>	<u><u>\$ 261,025</u></u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Deposits		
Interest-Bearing		
Money Market, Savings and Demand	\$ 72,789	\$ 72,745
Time	44,731	51,086
Total Interest-Bearing	117,520	123,831
Noninterest-Bearing	74,652	56,054
Total	192,172	179,885
Borrowings	60,000	55,000
Other Liabilities	1,425	2,122
Total Liabilities	253,597	237,007
Stockholders' Equity	25,269	24,018
Total Liabilities & Stockholders' Equity	<u><u>\$ 278,866</u></u>	<u><u>\$ 261,025</u></u>

STATEMENTS OF EARNINGS

Unaudited

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2015	2014	2015	2014
	<i>(In thousands)</i>			
Interest Income				
Loans	\$ 2,015	\$ 2,165	\$ 6,000	\$ 6,130
Interest Bearing Deposits at Other Financial Institutions	48	39	141	117
Investment Securities	57	115	276	547
Federal Funds Sold	2	-	5	1
Total Interest Income	2,122	2,319	6,422	6,795
Interest Expense				
Interest Bearing Demand Deposits	10	8	30	27
Money Market and Savings Deposits	73	72	217	206
Time Deposits	153	178	487	578
Borrowings	77	125	252	364
Total Interest Expense	313	383	986	1,175
Net Interest Income	1,809	1,936	5,436	5,620
Provision for Loan Losses	86	-	166	61
Net Interest Income after Provision for Loan Losses	1,723	1,936	5,270	5,559
Noninterest Income	204	190	720	493
Noninterest Expense	1,497	1,554	4,478	4,574
Net Earnings Before Income Taxes	430	572	1,512	1,478
Income Tax Expense	174	231	598	581
Net Earnings	\$ 256	\$ 341	\$ 914	\$ 897