



## 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 Record Levels of Earnings**

SANTA CLARITA, CALIFORNIA – October 20, 2017. Bank of Santa Clarita (BSCA) today announced that it reported record levels of earnings during the third quarter and also the first three quarters of 2017. During 2017's third quarter, the Bank reported net earnings of \$536,000, an increase of 16% over the Bank's net earnings during the third quarter of 2016, and for the first three quarters of 2017, the Bank reported net earnings of \$1,445,000, representing an improvement of 32% over the first three quarters of 2016. In reviewing year-to-date 2017 earnings, the Bank reported that it achieved a year over year growth in net interest income of 5%, as well as significant improvements in the levels of noninterest income (an increase of 5%), and also noninterest expenses (a reduction of 5%).

The Bank reported total net loans of \$214.4 million at September 30, 2017, an increase of 4% over the total as of the year-earlier date. The Bank also continues to have excellent credit quality in its loan portfolio, as it had no nonaccrual loans at September 30, 2017.

"We are very satisfied with our third quarter results," stated Frank Di Tomaso, Chairman and Chief Executive Officer. "We significantly exceeded last year's third quarter earnings, and this positions us well for the remainder of 2017. In fact, our year-to-date earnings as of September 30, 2017 are greater than the Bank's earnings for all of 2016. Our loan growth is a significant factor driving our growth in earnings, and looking forward, we believe we are in an excellent position to continue to pursue the growth opportunities in our market."

At September 30, 2017, shareholders' equity totaled \$28.8 million and the Bank's total capital ratio was 12.98%, significantly exceeding the "well capitalized" level 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 experienced 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, since 2004, 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 and healthy 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*

	September 30, 2017	December 31, 2016	September 30, 2016
	<i>(In thousands)</i>		
<b>ASSETS</b>			
Cash and Due From Banks	\$ 9,967	\$ 6,068	\$ 6,967
Interest Bearing Deposits at Other Financial Institutions	52,544	33,813	58,723
Federal Funds Sold	1,000	3,000	3,000
Investment Securities	16,882	20,837	22,207
Loans, Net	214,354	209,346	205,725
Other Assets	22,201	20,527	20,297
<b>Total Assets</b>	<b><u>\$ 316,948</u></b>	<b><u>\$ 293,591</u></b>	<b><u>\$ 316,919</u></b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>			
Deposits			
Interest-Bearing			
Money Market, Savings and Demand	\$ 102,704	\$ 97,336	\$ 88,129
Time	59,228	62,257	62,735
Total Interest-Bearing	161,932	159,593	150,864
Noninterest-Bearing	78,317	86,356	79,290
Total	240,249	245,949	230,154
Borrowings	45,000	19,000	58,600
Other Liabilities	2,929	1,545	1,210
Total Liabilities	288,178	266,494	289,964
Stockholders' Equity	28,770	27,097	26,955
<b>Total Liabilities and Stockholders' Equity</b>	<b><u>\$ 316,948</u></b>	<b><u>\$ 293,591</u></b>	<b><u>\$ 316,919</u></b>

## STATEMENTS OF EARNINGS

*Unaudited*

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2017	2016	2017	2016
<b>Interest Income</b>				
Loans	\$ 2,427	\$ 2,291	\$ 6,930	\$ 6,613
Interest Bearing Deposits at Other Financial Institutions	212	105	241	306
Investment Securities	95	88	533	327
Federal Funds Sold	8	4	21	11
<b>Total Interest Income</b>	<b>2,742</b>	<b>2,488</b>	<b>7,725</b>	<b>7,257</b>
<b>Interest Expense</b>				
Interest Bearing Demand Deposits	16	11	49	33
Money Market and Savings Deposits	139	99	356	297
Time Deposits	174	196	525	529
Borrowings	204	138	490	412
<b>Total Interest Expense</b>	<b>533</b>	<b>444</b>	<b>1,420</b>	<b>1,271</b>
<b>Net Interest Income</b>	<b>2,209</b>	<b>2,044</b>	<b>6,305</b>	<b>5,986</b>
Provision for Loan Losses	25	(129)	94	176
<b>Net Interest Income after Provision for Loan Losses</b>	<b>2,184</b>	<b>2,173</b>	<b>6,211</b>	<b>5,810</b>
Noninterest Income	179	195	576	551
Noninterest Expense	1,445	1,585	4,322	4,533
<b>Net Earnings Before Income Taxes</b>	<b>918</b>	<b>783</b>	<b>2,465</b>	<b>1,828</b>
Income Tax Expense	382	321	1,020	736
<b>Net Earnings</b>	<b>\$ 536</b>	<b>\$ 462</b>	<b>\$ 1,445</b>	<b>\$ 1,092</b>