

CALWEST BANCORP ANNOUNCES FINANCIAL RESULTS AS OF JUNE 30, 2016

Company Release – July 19, 2016

Second Quarter Net Income of \$99,000
Total Assets Increase 8.4%
Non-Performing Loans Decrease 95% Year-over-Year
Total Risk Based Capital Ratio at 17.46%

IRVINE, California – CalWest Bancorp (OTCBB: CALW), the holding company for South County Bank N.A., today announced the consolidated financial results for the six-months ended June 30, 2016.

Significant items for the period include:

- Total deposits increased to \$131 million, with 39% non-interest bearing
- Total loans increased to \$81 million, a year-over-year change of 39%
- Net interest income was \$1 million, and year-to-date is 5% better compared to last year
- Net Interest Margin improved to 3.58%
- Non-interest expenses increased to \$1.3 million with the filling of open staff positions
- Net income was \$99,000, compared to net income a year ago of \$250,000 which included non-reoccurring items

“During the second quarter we reconstituted our Board of Directors, exited our Consent Order, filled key staff positions and experienced a quarterly increase of 9% in deposits and 22% in loans”, noted Glenn Gray, President and CEO of CalWest Bancorp and South County Bank. “With the Bank’s repositioning now complete, we are able to focus all our energy on growing our balance sheet and improving the amount and quality of our earnings.”

CalWest Bancorp is the parent company of South County Bank, a community bank recognized for its exemplary service to entrepreneurs and high net worth individuals located throughout Southern California. The Bank serves the business community through its four branches located in Rancho Santa Margarita, Irvine, Huntington Beach and Redlands.

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Source: CalWest Bancorp

This release may contain certain forward-looking statements that are based on management's current expectations regarding economic, legislative, and regulatory issues that may impact Bancorp's earnings in future periods. 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," "intend," "estimate" or words of similar meaning, or future or conditional verbs such as "will," "would," "should," "could" or "may." Factors that could cause future results to vary materially from current management expectations include, but are not limited to, general economic conditions, the economic uncertainty in the United States and abroad, changes in interest rates, deposit flows, real estate values, expected future cash flows on acquired loans, and competition; changes in accounting principles, policies or guidelines; changes in legislation or regulation; and other economic, competitive, governmental, regulatory and technological factors affecting Bancorp's operations, pricing, products and services. Bancorp undertakes no obligation to release publicly the result of any revisions to these forward-looking statements that may be made to reflect events or circumstances after the date of this press release or to reflect the occurrence of unanticipated events.

CalWest Bancorp Financial Summary

	UNAUDITED			UNAUDITED		
	At or For the Three Months			At or For the Six Months		
	Ended June 30,			Ended June 30		
	2016	2015	% Change	2016	2015	% Change
Summary of Operations: (In thousands \$)						
Interest income	\$ 1,157	\$ 1,178	-1.8%	\$ 2,318	\$ 2,229	4.0%
Interest expense	152	153	-0.7%	303	308	-1.6%
Net interest income	1,005	1,025	-2.0%	2,015	1,921	4.9%
Provision for loan losses	(81)	(269)	-69.9%	(186)	(392)	-52.6%
Net interest income (loss) after provision for loan losses	1,086	1,294	-16.1%	2,201	2,313	-4.8%
Non-interest income	333	214	55.6%	548	500	9.6%
Non-interest expense	1,318	1,256	4.9%	2,545	2,526	0.8%
Income before income taxes	101	252	59.9%	204	287	28.9%
Income taxes	2	2	0.0%	2	2	0.0%
Net Income (Loss)	\$ 99	\$ 250	-60.4%	\$ 202	\$ 285	-29.1%

Per Share Data: (Not in thousands \$)

Income (Loss) per share - basic	\$ 0.00	\$ 0.10		\$ 0.00	\$ 0.11	
Income (Loss) per share - diluted	\$ 0.00	\$ 0.10		\$ 0.00	\$ 0.11	
Book value	\$ 0.17	\$ 1.77		\$ 0.17	\$ 1.77	
Shares outstanding - basic	72,521,488	2,521,488		72,521,488	2,521,488	
Weighted average shares outstanding - diluted	72,521,488	2,521,488		72,521,488	2,521,488	

UNAUDITED		
At or For the Six Months		
Ended June 30,		
2016	2015	% Change

Balance Sheet Summary: (In thousands \$)

Cash and Due From	\$ 3,714	\$ 5,626	-34.0%
Interest Bearing Deposits in other banks	12,184	16,440	-25.9%
Investment securities	38,976	44,598	-12.6%
Fed Funds Sold	6,100	10,080	-39.5%
Loans, net of deferred fees	81,038	58,200	39.2%
Allowance for loan losses ("ALL")	(2,654)	(2,644)	0.4%
Net Loans	78,384	55,556	41.1%
Other Real Estate Owned	-	-	0.0%
Company Owned Life Insurance	6,644	6,452	3.0%
Federal Reserve Bank and Federal Home Loan Bank Stock	1,251	1,083	15.5%
Other Assets	889	900	-1.2%
Total assets	\$ 148,142	\$ 140,735	5.3%
Non-Interest Bearing Deposits	\$ 50,928	\$ 50,748	0.4%
Interest Bearing Deposits	80,632	80,769	-0.2%
Total deposits	131,560	131,517	0.0%
Subordinated Debentures and Notes	3,698	3,698	0.0%
Accrued Interest and other Liabilities	727	1,049	-30.7%
Total shareholders' equity	12,157	4,471	171.9%
Total Liabilities and Shareholders Equity	\$ 148,142	\$ 140,735	5.3%

Selected Data (In thousands \$) and Ratios:

	2016	2015	% Change
Non-performing Loans	\$ 43	\$ 870	-95.1%
30 - 120 Days Delinquent Loans	\$ Zero	\$ Zero	0.0%
Texas Ratio	0.24%	7.69%	-96.9%
Return on average assets	0.28%	0.74%	-62.4%
Return on average shareholders equity	3.26%	22.37%	-85.4%
Net interest margin	3.58%	3.29%	8.8%
Cost of Deposits	0.36%	0.37%	-2.7%
Allowance for Loan Loss to loans ratio	3.28%	4.54%	-27.9%
Allowance to Loan Loss to non-performing loans ratio	6172.09%	303.91%	1930.9%
Net loans to deposits ratio	59.58%	42.24%	41.0%
Shareholder's equity to assets	8.21%	3.18%	158.3%
Bank leverage capital ratio	10.58%	6.61%	60.1%
Bank Common Tier 1 Capital ratio	16.19%	12.31%	31.5%
Bank total risk based capital ratio	17.46%	13.59%	28.5%
Employees (full time equivalent) (Not in thousands)	35	32	9.4%