

## CalWest Bancorp Completes a Private Offering for \$14 Million

IRVINE, Calif.--(BUSINESS WIRE)-- CalWest Bancorp (OTCBB: CALW), the parent holding company for South County Bank N.A., today announced the successful completion of its \$14.0 million private offering with accredited investors consisting of 43.5 million shares of common stock at a price per share of \$0.20 and 53,000 mandatorily convertible preferred shares at a price of \$100 per share and convertible into 26.5 million shares of common stock. CALW will use proceeds from the offering to invest \$6.7 million in South County Bank for growth capital and to meet regulatory requirements, with the balance to retire its \$4.9 million in TARP (Troubled Asset Relief Program) funds received in January 2009, pay the deferred interest associated with its outstanding trust preferred securities, and retain excess capital at the holding company after paying transaction-related expenses.

"This successful recapitalization will allow the Bank and the holding company to increase their respective capital and capital-related ratios to levels well in excess of regulatory requirements," noted Glenn Gray, President and CEO of CalWest Bancorp and South County Bank. "Furthermore, this capital raise is expected to satisfy the remaining requirement of the Bank's Consent Order. This additional capital, combined with our low cost-of-funds, reduced operating expenses, and performing loan portfolio will restore the Bank's competitive position in one of the most robust business communities in the country."

CalWest Bancorp was advised by FIG Partners, LLC as sole placement agent, and Stuart | Moore served as legal counsel in the private offering.

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

***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.***

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