

CALWEST BANCORP ANNOUNCES FINANCIAL RESULTS AS OF MARCH 31, 2017

Company Release – May 1, 2017

Q1 Net Income of \$173,000
Q1 Loans Increased 12%
Q1 Deposits Increased 6%
Q1 Total Assets Increased 6%

IRVINE, California – CalWest Bancorp (OTCBB: CALW), the holding company for South County Bank N.A., today announced the consolidated financial results for the first quarter ended March 31, 2017.

Significant items for the period include:

- Total loans increased \$11 million during the quarter, reaching \$102.3 million
 - 54% increase year-over-year
 - Allowance for Loan Losses to Gross Loans at 2.6%
- Total deposits increased \$8.7 million during the quarter, reaching \$150 million
 - 25% increase year-over-year
 - 37% of deposits are non-interest bearing
- Net interest income was \$1.2 million for the quarter
 - 18% improvement year-over-year
- Net income was \$173,000 for the quarter, compared to \$105,000 in Q1-2016

“Q1 represented a solid start to FY 2017 with loans, deposits and total assets all improving quarter-over-quarter, and net interest income and net income improving year-over-year,” noted Glenn Gray, President and CEO of CalWest Bancorp and South County Bank.

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.

**STATEMENT OF CONDITION
(UNAUDITED)**

ASSETS	End of Period		Annual Change %
	3/31/2017	3/31/2016	
Cash & Due from Banks	\$ 4,565,282	\$ 3,187,723	43%
Federal Funds Sold and Interest Bearing Balances	28,224,000	18,499,000	53%
Total Cash and Cash Equivalent	32,789,282	21,686,723	51%
Investment Securities	26,082,610	42,414,486	-39%
Loans held for sale	1,301,527	361,385	260%
Real Estate Loans	80,803,911	51,817,053	56%
Commercial and Industrial Loans	19,390,325	13,549,071	43%
Consumer Loans	816,855	632,484	29%
Gross Loans	101,011,091	65,998,608	53%
Deferred Loan Fees and Discounts	116,636	(49,664)	-335%
Loans Net of Def Fees and Discounts	101,127,727	65,948,944	53%
Allowance for Loan Losses	(2,617,692)	(2,653,862)	-1%
Net Loans	98,510,035	63,295,082	56%
Federal Reserve Bank, Federal Home Loan Bank, and Correspondent Bank Stocks - at cost	1,282,250	1,266,500	1%
Bank Premises and Equipment	151,729	185,446	-18%
Bank Owned Life Insurance	6,023,145	6,595,523	-9%
Other Assets	821,213	829,911	-1%
Total Assets	\$ 166,961,791	\$ 136,635,056	22%

LIABILITIES AND CAPITAL	End of Period		Annual Change %
	3/31/2017	3/31/2016	
Non-Interest Bearing Demand Deposits	\$ 55,999,760	\$ 47,703,462	17%
Int-Bearing Transaction Accounts	8,632,610	7,874,783	10%
Savings Deposits	24,157,283	16,810,449	44%
Money Market Deposits	31,462,185	25,514,653	23%
Certificate of Deposits	24,923,526	22,386,831	11%
Wholesale Brokered Deposits	5,013,241	-	100%
Total Deposits	150,188,605	120,290,178	25%
Subordinated debentures	3,093,000	3,093,000	0%
Subordinated notes	-	605,000	-100%
Total Deposits and Int-Bearing liabilities	153,281,605	123,988,178	24%
Other Liabilities	335,706	606,234	-45%
Total Capital	13,344,480	12,040,644	11%
Total Liabilities and Capital	\$ 166,961,791	\$ 136,635,056	22%

CREDIT QUALITY DATA (UNAUDITED)	End of Period		Annual Change %
	3/31/2017	3/31/2016	
Non-Accruing Loans	\$ 174,250	\$ 19,172	809%
Foreclosed Assets	\$ -	\$ -	0%
Total Nonperforming Assets	\$ 174,250	\$ 19,172	
Nonperforming Loans to Gross Loans	0.17%	0.03%	
Nonperforming assets to Loans	0.17%	0.03%	
Allowance for Loan Losses to Gross Loans	2.59%	4.02%	

CAPITAL RATIOS (SOUTH COUNTY BANK)	End of Period	
	3/31/2017	3/31/2016
Tier 1 Leverage Ratio	10.00%	11.05%
Tier 1 Risk Based Capital Ratio	13.84%	18.89%
Total Risk Based Capital Ratio	15.10%	20.17%

**CONSOLIDATED INCOME STATEMENT
(IN \$000, UNAUDITED)**

	3-Month Period Ended			12-Month Period Ended		
	3/31/2017	3/31/2016	% Change	12/31/2016	12/31/2015	% Change
Interest Income	\$ 1,403	\$ 1,162	21%	\$ 5,036	\$ 4,291	17%
Interest Expense	212	151	40%	637	651	-2%
Net Interest Income	1,191	1,011	18%	4,399	3,640	21%
Provisions for Loan & Lease Losses	(88)	(106)	-17%	(432)	(562)	-23%
Net Interest after Loan Loss Provisions	1,279	1,117	15%	4,831	4,202	15%
Service Charges	124	126	-2%	507	528	-4%
Bank-Owned Life Insurance Income	49	48	2%	548	189	190%
Gain (Loss) on Investments	-	-	0%	124	116	7%
Other Non-Interest Income	82	42	95%	254	156	63%
Total Non-Interest Income	255	216	18%	1,433	989	45%
Salaries & Benefits	823	680	21%	2,914	2,756	6%
Occupancy Expense	100	95	5%	392	384	2%
Other Non-Interest Expenses	438	453	-3%	1,751	2,773	-37%
Total Non-Interest Expense	1,361	1,228	11%	5,057	5,913	-14%
Income Before Taxes	173	105	65%	1,207	(722)	267%
Provision for Income Taxes	-	-	0%	2	2	0%
Net Income	\$ 173	\$ 105	65%	\$ 1,205	\$ (724)	266%

**PER SHARE DATA
(UNAUDITED)**

	3-Month Period Ended			12-Month Period Ended		
	3/31/2017	3/31/2016	% Change	12/31/2016	12/31/2015	% Change
Basic Earnings per Share	\$ 0.00	\$ 0.00	-61%	\$ 0.02	\$ (0.17)	110%
Diluted Earnings per Share	\$ 0.00	\$ 0.00	-61%	\$ 0.02	\$ (0.17)	110%
Common Dividends	\$ -	\$ -	0%	\$ -	\$ -	0%
Weighted Average Shares Outstanding	74,036,505	72,521,488	2%	73,031,604	4,247,515	1619%
Weighted Average Diluted Shares	74,036,505	72,521,488	2%	73,031,604	4,247,515	1619%
Book Value per Basic Share (EOP)	\$ 0.18	\$ 0.17		\$ 0.18	\$ 0.17	
Common Shares Outstanding (EOP)	74,036,505	72,521,488	2%	74,036,505	72,521,488	2%

**KEY FINANCIAL RATIOS
(UNAUDITED)**

	3-Month Period Ended		12-Month Period Ended	
	3/31/2017	3/31/2016	12/31/2016	12/31/2015
Return on Average Equity (annualized)	5.25%	3.51%	8.07%	-8.51%
Return on Average Assets (annualized)	0.42%	0.31%	0.83%	-0.54%
Net Interest Margin (Tax-Equivalent)	2.91%	3.00%	2.83%	2.87%
Efficiency Ratio	94.12%	100.08%	86.71%	127.74%
Net Charge-offs to Gross Loans	-0.05%	-0.16%	-0.43%	-0.81%