

CALWEST BANCORP ANNOUNCES FINANCIAL RESULTS AS OF SEPTEMBER 30, 2016

Company Release – October 24, 2016

Q3 Net Income of \$370,000

Year-To-Date Net Income of \$572,000

Loans Increase 11.8% Quarterly

Deposits Increase 6.9% Quarterly

Total Assets Increase 6.1% Quarterly

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

Significant items for the period include:

- Total deposits increased to \$141 million, a 9.6% increase year-over-year
 - 39% of deposits are non-interest bearing
- Total loans increased to \$91 million, a 46% increase year-over-year
- Allowance for Loan Losses to Gross Loans at 2.97%
- Net interest income was \$1.1 million for the quarter and \$3.1 million year-to-date
 - 12% improvement year-over-year
- Net income was \$370,000 for the quarter and \$572,000 year-to-date
 - 95% improvement year-over-year
- \$605,000 Subordinated Debt fully retired

“During the third quarter we started hitting our stride with a quarterly increase of 6.9% in deposits and 11.8% in loans”, noted Glenn Gray, President and CEO of CalWest Bancorp and South County Bank. “Having crossed an important threshold in loans we are now profitable on a core earnings basis and have started to lower our efficiency ratio. Of particular note at the holding company, was the full retirement of our Subordinated Debentures, which resulted in the issuance of 1,497,533 new CALW common shares.”

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 Results

CONSOLIDATED INCOME STATEMENT (IN \$000, UNAUDITED)	3-Month Period Ended			9-Month Period Ended		
	9/30/2016	9/30/2015	% Change	9/30/2016	9/30/2015	% Change
Interest Income	\$ 1,267	\$ 1,031	23%	\$ 3,585	\$ 3,260	10%
Interest Expense	158	154	3%	461	463	0%
Net Interest Income	1,109	877	26%	3,124	2,797	12%
Provisions for Loan & Lease Losses	(155)	(51)	204%	(342)	(443)	-23%
Net Interest after Loan Loss Provisions	1,264	928	36%	3,466	3,240	7%
Service Charges	124	124	0%	384	396	-3%
Bank-Owned Life Insurance Income	48	48	0%	144	141	2%
Gain (Loss) on Investments	123	0	100%	124	116	7%
Other Non-Interest Income	33	97	-66%	224	116	93%
Total Non-Interest Income	328	269	22%	876	769	14%
Salaries & Benefits	726	653	11%	2,139	2,076	3%
Occupancy Expense	100	94	6%	293	290	1%
Other Non-Interest Expenses	396	441	-10%	1,336	1,347	-1%
Total Non-Interest Expense	1,222	1,188	3%	3,768	3,713	1%
Income Before Taxes	370	9	4011%	574	296	94%
Provision for Income Taxes	-	-	0%	2	2	0%
Net Income	\$ 370	\$ 9	4011%	\$ 572	\$ 294	95%

PER SHARE DATA (UNAUDITED)	3-Month Period Ended			9-Month Period Ended		
	9/30/2016	9/30/2015	% Change	9/30/2016	9/30/2015	% Change
Basic Earnings per Share	\$ 0.01	\$ 0.00	42%	\$ 0.01	\$ 0.12	-93%
Diluted Earnings per Share	\$ 0.01	\$ 0.00	42%	\$ 0.01	\$ 0.12	-93%
Common Dividends	\$ -	\$ -	0%	\$ -	\$ -	0%
Weighted Average Shares Outstanding	73,036,215	2,521,488	2797%	72,694,316	2,521,488	2783%
Weighted Average Diluted Shares	73,036,215	2,521,488	2797%	72,694,316	2,521,488	2783%
Book Value per Basic Share (EOP)	\$ 0.18	\$ 1.87		\$ 0.18	\$ 1.87	
Common Shares Outstanding (EOP)	74,019,021	2,521,488	2836%	74,019,021	2,521,488	2836%

KEY FINANCIAL RATIOS (UNAUDITED)	3-Month Period Ended		9-Month Period Ended	
	9/30/2016	9/30/2015	9/30/2016	9/30/2015
Return on Average Equity (annualized)	11.60%	0.78%	5.08%	8.67%
Return on Average Assets (annualized)	0.96%	0.03%	0.53%	0.29%
Net Interest Margin (Tax-Equivalent)	3.14%	3.00%	3.14%	2.98%
Efficiency Ratio	85.04%	103.66%	94.20%	104.12%
Net Charge-offs to Gross Loans	-0.17%	-0.09%	-0.38%	-0.67%

**STATEMENT OF CONDITION
(UNAUDITED)**

ASSETS	End of Period			Annual Change %
	9/30/2016	12/31/2015	9/30/2015	
Cash & Due from Banks	\$ 4,656,848	\$ 3,265,495	\$ 3,848,669	21%
Federal Funds Sold and Interest Bearing Balances	18,004,000	19,924,000	22,468,000	-20%
Total Cash and Cash Equivalent	22,660,848	23,189,495	26,316,669	-14%
Investment Securities	38,869,757	42,926,562	44,658,612	-13%
Loans held for sale	1,154,036	363,451	365,597	216%
Real Estate Loans	73,346,823	47,827,678	43,020,729	70%
Commercial and Industrial Loans	15,597,110	14,904,960	14,338,361	9%
Consumer Loans	464,617	570,159	4,167,578	-89%
Gross Loans	89,408,550	63,302,797	61,526,668	45%
Deferred Loan Fees and Discounts	49,556	(108,682)	(105,322)	-147%
Loans Net of Def Fees and Discounts	89,458,106	63,194,115	61,421,346	46%
Allowance for Loan Losses	(2,653,861)	(2,653,862)	(2,651,717)	0%
Net Loans	86,804,245	60,540,253	58,769,629	48%
Bank Premises and Equipment	168,942	195,755	197,320	-14%
Bank Owned Life Insurance	6,692,222	6,547,913	6,499,741	3%
Other Assets	809,798	916,252	1,420,173	-43%
Total Assets	\$ 157,159,848	\$ 134,679,681	\$ 137,862,144	14%

LIABILITIES AND CAPITAL	End of Period			Annual Change %
	9/30/2016	12/31/2015	9/30/2015	
Non-Interest Bearing Demand Deposits	\$ 55,173,446	\$ 46,604,490	\$ 52,744,051	5%
Int-Bearing Transaction Accounts	8,645,505	8,460,599	6,257,940	38%
Savings Deposits	20,667,363	15,509,732	15,652,168	32%
Money Market Deposits	26,774,496	23,150,631	28,004,500	-4%
Certificate of Deposits	24,393,075	24,650,889	25,695,301	-5%
Wholesale Brokered Deposits	5,003,000	-	-	100%
Total Deposits	140,656,885	118,376,341	128,353,960	10%
Subordinated debentures	3,093,000	3,093,000	3,093,000	0%
Subordinated notes	-	605,000	605,000	-100%
Total Deposits and Int-Bearing liabilities	143,749,885	122,074,341	132,051,960	9%
Other Liabilities	313,892	1,209,470	1,095,107	-71%
Total Capital	13,096,071	11,395,870	4,715,077	178%
Total Liabilities and Capital	\$ 157,159,848	\$ 134,679,681	\$ 137,862,144	14%

CREDIT QUALITY DATA (UNAUDITED)	End of Period			Annual Change %
	9/30/2016	12/31/2015	9/30/2015	
Non-Accruing Loans	\$ 41,561	\$ 262,086	\$ 370,136	-89%
Foreclosed Assets	\$ -	\$ -	\$ -	0%
Total Nonperforming Assets	\$ 41,561	\$ 262,086	\$ 370,136	

Nonperforming Loans to Gross Loans	0.05%	0.41%	0.60%
Nonperforming assets to Loans	0.05%	0.41%	0.60%
Allowance for Loan Losses to Gross Loans	2.97%	4.20%	4.32%

CAPITAL RATIOS (SOUTH COUNTY BANK)	End of Period		
	9/30/2016	12/31/2015	9/30/2015
Tier 1 Leverage Ratio	10.07%	10.90%	6.54%
Tier 1 Risk Based Capital Ratio	14.70%	20.08%	12.13%
Total Risk Based Capital Ratio	15.96%	21.36%	13.41%