

PRESS RELEASE
CALWEST BANCORP ANNOUNCES FINANCIAL RESULTS AS OF MARCH 31, 2012

IRVINE, California – April 16th, 2012 - CalWest Bancorp (OTCBB: CALW), the holding company for South County Bank N.A., reported consolidated financial results for the first quarter 2012. The Company's year-to-date net income was \$133,000 for the three months ended March 31, 2012, compared to a net loss of \$416,000 for the same three months ended March 31, 2011. This represents a \$549,000 quarterly improvement over the prior year results for the same period. **CalWest Bancorp** has been able to accomplish the following:

- **Total Assets** increased by \$13.4 million (9.2%) to \$159.0 million from \$145.6 million as of December 31, 2011 due to the growth in core deposits.
- **Non-interest bearing deposits** increased by \$4.2 million (8.4%) to \$54.4 million from \$50.1 million as of December 31, 2011. Overall, the deposits increased to \$148.1 million (10.8%) as of March 31, 2012 from \$133.7 million as of December 31, 2011.
- **Net Interest income** was \$1.20 million for the first quarter 2012 compared to \$1.24 million for the first quarter 2011. **Interest expense** decreased 31.1% to \$239,000 for the first quarter 2012 compared to \$347,000 as of the first quarter in 2011. **Cost of deposits** as of March 31, 2012 was 0.51% compared to 0.71% as of March 31, 2011. The increase in core deposits and less reliance on wholesale funding has lowered the cost of funding for the Bank.
- **Both non-interest income and operating expenses** showed positive trends. **Operating expenses** were reduced to \$1.49 million for the three month period ended March 31, 2012 from \$1.79 million as of the three month period ended March 31, 2011, a 17.0% reduction. **Non-interest income** increased by 28.5% to \$419,000 as of March 31, 2012 from \$326,000 as of March 31, 2011.
- **Liquidity continues at Historically High Levels.** Liquidity is represented by cash and cash equivalents, marketable securities, and the availability of alternative funding sources. The Bank's current and contingent liquidity continues to be strong.
- **Loan Loss Provision** for the first quarter 2012 was zero compared to \$189,000 for the same period in 2011.
- **Allowance for Loan and Lease (ALLL) Reserves.** ALLL reserves were \$3.6 million, or 4.8% of loans as of March 31, 2012, compared to \$4.2 million, or 4.6% of loans at the end of March 31, 2011.
- **The risk-based capital ratio** improved to 12.59% as of March 31, 2012 from 10.48% as of March 31, 2011. **Also, the leverage capital ratio** increased to 6.31% as of March 31, 2012 from 5.52% for the same period in 2011.

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Source: CalWest Bancorp

Forward Looking Comments: The statements contained in this release that are not historical facts are forward-looking statements based on management's current expectations and beliefs concerning future developments and their potential effects on the Bank. There can be no assurance that future developments affecting the Bank will be those anticipated by management. Actual results may differ from those projected in the forward-looking statements. These forward-looking statements involve risks and uncertainties.

CALWEST BANCORP AND SUBSIDIARY			
CONSOLIDATED BALANCE SHEET			
(UNAUDITED)			
	MARCH 31, 2012	DECEMBER 31, 2011	MARCH 31, 2011
CASH AND DUE FROM	\$ 5,440,000	\$ 4,403,000	\$ 4,682,000
INTEREST BEARING DEPOSIT	1,230,000	1,230,000	900,000
FEDERAL FUNDS SOLD	8,310,000	5,365,000	15,830,000
INVESTMENTS	60,358,000	49,448,000	47,585,000
LOANS AVAILABLE FOR SALE	1,821,000	1,350,000	2,680,000
LOANS NET OF DISCOUNT	75,414,000	78,512,000	90,816,000
LESS: ALLOWANCE FOR LOAN LOSSES	3,629,000	3,897,000	4,157,000
OTHER ASSETS	10,047,000	9,204,000	12,247,000
TOTAL ASSETS	\$ 158,991,000	\$ 145,615,000	\$ 170,583,000
NONINTEREST BEARING DEPOSITS	\$ 54,356,000	\$ 50,142,000	\$ 55,907,000
INTEREST BEARING DEPOSITS	93,791,000	83,604,000	101,977,000
TOTAL DEPOSITS	\$ 148,147,000	\$ 133,746,000	\$ 157,884,000
OTHER BORROWINGS	-	1,000,000	2,403,000
TRUST PREFERRED SECURITIES	3,093,000	3,093,000	3,093,000
SUBORDINATE DEBT	630,000	630,000	630,000
OTHER LIABILITIES	881,000	849,000	575,000
TOTAL LIABILITIES	\$ 152,751,000	\$ 139,318,000	\$ 164,585,000
COMMON STOCK	\$ 12,068,000	\$ 12,068,000	\$ 12,068,000
PREFERRED STOCK	4,767,000	4,755,000	4,720,000
SURPLUS	16,259,000	16,255,000	16,216,000
UNDIVIDED PROFITS	(27,108,000)	(27,230,000)	(27,171,000)
OTHER COMPREHENSIVE INCOME	254,000	449,000	165,000
TOTAL SHAREHOLDERS' EQUITY	\$ 6,240,000	\$ 6,297,000	\$ 5,998,000
TOTAL LIABILITIES AND EQUITY	\$ 158,991,000	\$ 145,615,000	\$ 170,583,000
TIER 1 LEVERAGE RATIO	6.31%	6.30%	5.52%
TIER 1 RISK BASED CAPITAL RATIO	11.30%	11.14%	9.20%
TOTAL RISK BASED CAPITAL RATIO	12.59%	12.43%	10.48%
CALWEST BANCORP			
CONDENSED STATEMENT OF EARNINGS			
(UNAUDITED)			
FOR THE THREE MONTHS ENDED			
	MARCH 31, 2012	MARCH 31, 2011	% CHANGE
INTEREST INCOME	\$ 1,440,000	\$ 1,586,000	-9.21%
INTEREST EXPENSE	239,000	347,000	-31.12%
NET INTEREST INCOME	1,201,000	1,239,000	-3.07%
PROVISION FOR LOAN LOSSES	-	189,000	-100.00%
NONINTEREST INCOME	419,000	326,000	28.53%
NONINTEREST EXPENSE	1,487,000	1,792,000	-17.02%
PRE TAX INCOME	133,000	(416,000)	131.97%
INCOME TAXES	-	-	0.00%
NET INCOME	\$ 133,000	\$ (416,000)	131.97%
EARNINGS PER SHARE BASIC	\$ 0.06	\$ (0.17)	
AVERAGE SHARES OUTSTANDING	2,415,530	2,413,730	