

CALWEST BANCORP ANNOUNCES FINANCIAL RESULTS AS OF JUNE 30, 2017

Company Release – July 19, 2017

Q2 Net Income of \$509,000
Q2 Loans Increased 12.5%
Q2 Deposits Increased 2.8%
Q2 Total Assets Increased 2.9%

IRVINE, California – CalWest Bancorp (OTCBB: CALW), the holding company for South County Bank N.A., today announced the consolidated financial results for the second quarter and year-to-date period ended June 30, 2017.

Significant items for the period include:

- Total loans increased \$13 million during the quarter, reaching \$115.2 million
 - 42% increase year-over-year
 - Allowance for Loan Losses to Gross Loans at 2.3%
- Total deposits increased \$4.2 million during the quarter, reaching \$154 million
 - 17% increase year-over-year
 - 41% of deposits are non-interest bearing
- Net interest income was \$1.4 million for the quarter
 - 29% improvement year-over-year
- Net income was \$509,000 for the quarter, and \$681,000 year-to-date
 - 235% improvement year-over-year

“Q2 built upon the momentum we experienced in Q1, with all important performance metrics improving quarter-over-quarter, and year-over-year,” noted Glenn Gray, President and CEO of CalWest Bancorp and South County Bank. “With Assets of \$171 million, including Loans of \$115 million we are enjoying a steady improvement in our Core 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.

**STATEMENT OF CONDITION
(UNAUDITED)**

ASSETS	End of Period		Annual Change %
	6/30/2017	6/30/2016	
Cash & Due from Banks	\$ 5,486,261	\$ 3,713,574	48%
Federal Funds Sold and Interest Bearing Balances	22,204,000	18,284,000	21%
Total Cash and Cash Equivalent	27,690,261	21,997,574	26%
Investment Securities	23,163,631	38,976,347	-41%
Loans held for sale	1,280,763	720,880	78%
Real Estate Loans	91,267,295	66,367,529	38%
Commercial and Industrial Loans	19,174,235	13,361,619	44%
Consumer Loans	3,375,611	597,354	465%
Gross Loans	113,817,141	80,326,502	42%
Deferred Loan Fees and Discounts	121,106	(9,143)	-1425%
Loans Net of Def Fees and Discounts	113,938,247	80,317,359	42%
Allowance for Loan Losses	(2,617,193)	(2,653,861)	-1%
Net Loans	111,321,054	77,663,498	43%
Federal Reserve Bank, Federal Home Loan Bank, and Correspondent Bank Stocks - at cost	1,290,750	1,251,000	3%
Bank Premises and Equipment	143,049	179,285	-20%
Bank Owned Life Insurance	6,061,657	6,643,774	-9%
Other Assets	886,957	709,407	25%
Total Assets	\$ 171,838,122	\$ 148,141,765	16%

LIABILITIES AND CAPITAL	End of Period		
	6/30/2017	6/30/2016	
Non-Interest Bearing Demand Deposits	\$ 62,706,085	\$ 50,927,500	23%
Int-Bearing Transaction Accounts	8,418,076	9,063,653	-7%
Savings Deposits	25,096,205	18,771,366	34%
Money Market Deposits	31,138,053	26,095,845	19%
Certificate of Deposits	22,565,545	26,701,599	-15%
Wholesale Brokered Deposits	4,523,199	-	100%
Total Deposits	154,447,163	131,559,963	17%
Subordinated debentures	3,093,000	3,093,000	0%
Subordinated notes	-	605,000	-100%
Total Deposits and Int-Bearing liabilities	157,540,163	135,257,963	16%
Other Liabilities	345,612	727,194	-52%
Total Capital	13,952,347	12,156,608	15%
Total Liabilities and Capital	\$ 171,838,122	\$ 148,141,765	16%

**CREDIT QUALITY DATA
(UNAUDITED)**

	End of Period	
	6/30/2017	6/30/2016
Non-Accruing Loans	\$ 146,436	\$ 42,544
Foreclosed Assets	\$ -	\$ -
Total Nonperforming Assets	\$ 146,436	\$ 42,544
Nonperforming Loans to Gross Loans	0.13%	0.05%
Nonperforming assets to Loans	0.13%	0.05%
Allowance for Loan Losses to Gross Loans	2.30%	3.30%

CAPITAL RATIOS (SOUTH COUNTY BANK)

	End of Period	
	6/30/2017	6/30/2016
Tier 1 Leverage Ratio	10.05%	10.58%
Tier 1 Risk Based Capital Ratio	13.28%	16.19%
Total Risk Based Capital Ratio	14.54%	17.46%

CalWest Bancorp - Financial Results

CONSOLIDATED INCOME STATEMENT (IN \$000, UNAUDITED)

	3-Month Period Ended			6-Month Period Ended		
	6/30/2017	6/30/2016	% Change	6/30/2017	6/30/2016	% Change
Interest Income	\$ 1,622	\$ 1,157	40%	\$ 3,025	\$ 2,318	31%
Interest Expense	219	152	44%	430	303	42%
Net Interest Income	1,403	1,005	40%	2,595	2,015	29%
Provisions for Loan & Lease Losses	(89)	(81)	10%	(177)	(186)	-5%
Net Interest after Loan Loss Provisions	1,492	1,086	37%	2,772	2,201	26%
Service Charges	167	135	24%	291	260	12%
Bank-Owned Life Insurance Income	39	48	-19%	87	96	-9%
Gain (Loss) on Investments	-	117	0%	(79)	120	-166%
Other Non-Interest Income	33	33	0%	62	68	-9%
Total Non-Interest Income	239	333	-28%	361	544	-34%
Salaries & Benefits	750	732	2%	1,573	1,412	11%
Occupancy Expense	102	98	4%	201	193	4%
Other Non-Interest Expenses	368	488	-25%	676	935	-28%
Total Non-Interest Expense	1,220	1,318	-7%	2,450	2,540	-4%
Income Before Taxes	511	101	406%	683	205	-233%
Provision for Income Taxes	2	2	0%	2	2	0%
Net Income	\$ 509	\$ 99	414%	\$ 681	\$ 203	-235%

PER SHARE DATA (UNAUDITED)

	3-Month Period Ended			6-Month Period Ended		
	6/30/2017	6/30/2016	% Change	6/30/2017	6/30/2016	% Change
Basic Earnings per Share	\$ 0.01	\$ 0.00	-404%	\$ 0.01	\$ 0.00	-229%
Diluted Earnings per Share	\$ 0.01	\$ 0.00	-404%	\$ 0.01	\$ 0.00	-229%
Common Dividends	\$ -	\$ -	0%	\$ -	\$ -	0%
Weighted Average Shares Outstanding	74,036,505	72,521,488	2%	74,036,505	72,521,488	2%
Weighted Average Diluted Shares	74,036,505	72,521,488	2%	74,036,505	72,521,488	2%
Book Value per Basic Share (EOP)	\$ 0.19	\$ 0.17		\$ 0.19	\$ 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		6-Month Period Ended	
	6/30/2017	6/30/2016	6/30/2017	6/30/2016
Return on Average Equity (annualized)	14.82%	3.30%	10.12%	3.39%
Return on Average Assets (annualized)	1.21%	0.28%	0.82%	0.29%
Net Interest Margin (Tax-Equivalent)	3.35%	2.80%	3.26%	2.93%
Efficiency Ratio	74.30%	98.51%	82.88%	99.26%
Net Charge-offs to Gross Loans	-0.08%	-0.08%	-0.12%	-0.23%