

CALWEST BANCORP ANNOUNCES FINANCIAL RESULTS AS OF SEPTEMBER 30, 2014

Company Release – October 27, 2014

Third Quarter Net Profit of \$108,000; YTD Net Income of \$321,000

Non-Performing Loans decrease 53% quarter-over-quarter and 91% year-over-year

Non-Performing Assets as a percentage of Total Assets down to 0.31%

One OREO Asset at \$79,000

Tier 1 Leverage Capital and Total Risk Based Capital Ratios at 5.65% and 12.94%

IRVINE, California – CalWest Bancorp (OTCBB: CALW), the holding company for South County Bank N.A., today announced the consolidated financial results as of September 30, 2014.

Significant items for the period ending include:

- Quarterly net income was \$108,000, compared to a year ago net loss of (\$149,000)
- Non-performing loans continued their steady decline to 0.31% of Total Assets, resulting in a Texas Ratio of 4.1%
- 100% of the non-performing loans are paying-as-agreed
- Loans have increased 2.4% year-to-date despite a high level of CRE refinancing activity
- The ALLL ratio remains strong at 4.25%
- Total deposits remained steady at \$133 million, with 35% non-interest bearing, keeping the Bank's cost-of-deposits low at 0.38%
- Net interest income, year-to-date, was \$2.98 million, a 10% increase compared to the same period last year

“With asset quality under control and a surplus in our ALLL, good quality loan growth at an acceptable net interest margin is our primary focus”, noted Glenn Gray, President and CEO of CalWest Bancorp and South County Bank. “Our low cost of funds and ample liquidity provide us the ability to grow our loan portfolio, and we must now capitalize on those competitive advantages.”

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.

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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 Summary					
	UNAUDITED			UNAUDITED	
	At or For the Three Months			At or For the Nine Months	
	Ended September 30,			Ended September 30	
	2014	2013	% Change	2014	2013
Summary of Operations: (In thousands \$)					
Interest income	\$ 1,130	\$ 1,082	4.4%	\$ 3,495	\$ 3,239
Interest expense	161	171	-5.8%	512	530
Net interest income	969	911	6.4%	2,983	2,709
Provision for loan losses	(333)	-	0.0%	(333)	-
Net interest income (loss) after provision for loan losses	1,302	911	42.9%	3,316	2,709
Non-interest income	216	209	3.3%	1,220	996
Non-interest expense	1,410	1,269	11.1%	4,213	3,911
Income before income taxes	108	(149)	172.5%	323	(206)
Income taxes	-	-	0.0%	2	2
Net Income (Loss)	\$ 108	\$ (149)	172.5%	\$ 321	\$ (208)
Per Share Data: (Not in thousands \$)					
Income (Loss) per share - basic	\$ 0.04	\$ (0.06)		\$ 0.13	\$ (0.08)
Shares outstanding - basic	2,521,488	2,521,488		2,521,488	2,521,488
Balance Sheet Summary: (In thousands \$)					
Cash and Due From	\$ 4,242	\$ 6,412	-33.8%		
Interest Bearing Deposits in other banks	14,680	3,630	304.4%		
Investment securities	44,464	57,687	-22.9%		
Fed Funds Sold	9,440	12,030	-21.5%		
Loans, net of deferred fees	63,331	62,058	2.1%		
Allowance for loan losses ("ALL")	(2,689)	(3,440)	-21.8%		
Net Loans	60,642	58,618	3.5%		
Other Real Estate Owned	79	990	-92.0%		
Company Owned Life Insurance	6,312	6,132	2.9%		
Federal Reserve Bank and Federal Home Loan Bank Stock	1,067	1,128	-5.4%		
Other Assets	528	331	59.5%		
Total assets	\$ 141,454	\$ 146,958	-3.7%		
Non-Interest Bearing Deposits	\$ 46,041	\$ 48,927	-5.9%		
Interest Bearing Deposits	86,858	90,460	-4.0%		
Total deposits	132,899	139,387	-4.7%		
Subordinated Debentures and Notes	3,698	3,698	0.0%		
Accrued Interest and other Liabilities	1,096	894	22.6%		
Total shareholders' equity	3,761	2,979	26.3%		
Total Liabilities and Shareholders Equity	\$ 141,454	\$ 146,958	-3.7%		
Selected Data (In thousands \$) and Ratios:					
Non-performing Loans	\$ 354	\$ 3,682	-90.4%		
30 - 120 Days Delinquent Loans	\$ 8	\$ 199	-96.0%		
Texas Ratio	4.10%	45.13%	-90.9%		
Return on average assets	0.29%	-0.19%	-246.8%		
Return on average shareholders equity	11.38%	-9.31%	-222.2%		
Net interest margin	3.17%	2.77%	14.4%		
Cost of Deposits	0.38%	0.40%	-5.0%		
ALL to loans ratios	4.25%	5.54%	-23.4%		
Net loans to deposits ratio	45.63%	42.05%	8.5%		
Bank leverage capital ratio	5.65%	5.29%	6.8%		
Bank total risk based capital ratio	12.94%	12.00%	7.8%		
Employees (full time equivalent) (Not in thousands)	37	38	-2.6%		

