

CALWEST BANCORP ANNOUNCES FINANCIAL RESULTS AS OF SEPTEMBER 30, 2017

Company Release – October 26, 2017

Q3 Net Income of \$432,000
Q3 Loans Increased 6.3%
Q3 Deposits Increased 2.3%
Q3 Total Assets Increased 2.4%

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 year-to-date period ended September 30, 2017.

Significant items for the period include:

- Total loans increased \$7 million during the quarter, reaching \$122.5 million
 - \$32.9 million or 37% increase year-over-year
 - Allowance for Loan Losses to Gross Loans at 2.07%
- Total deposits increased \$3.5 million during the quarter, reaching \$157.9 million
 - \$17.3 million or 12% increase year-over-year
 - 42% of deposits are non-interest bearing
- Net interest income was \$1.4 million for the quarter
 - 29% improvement year-over-year
- Net income was \$432,000 for the quarter, and \$1.1 million year-to-date
 - 95% improvement year-over-year

“This year’s efforts in reallocating our investment securities into loan production is generating a steady improvement in our Net Interest Income and Net Interest Margin,” noted Glenn Gray, President and CEO of CalWest Bancorp and South County Bank. “With Assets up 12% year-over-year and non-interest expenses down slightly, we are experiencing an 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 %
	9/30/2017	12/31/2016	9/30/2016	
Cash & Due from Banks	\$ 4,868,613	\$ 4,662,975	\$ 4,656,848	5%
Federal Funds Sold and Interest Bearing Balances	26,616,607	19,589,000	18,004,000	48%
Total Cash and Cash Equivalent	31,485,220	24,251,975	22,660,848	39%
Investment Securities	17,455,683	36,686,040	38,869,757	-55%
Loans held for sale	-	-	1,154,036	-100%
Real Estate Loans	94,846,061	75,720,645	73,346,823	29%
Commercial and Industrial Loans	24,048,200	15,620,223	15,597,110	54%
Consumer Loans	3,467,427	438,198	464,617	646%
Gross Loans	122,361,688	91,779,066	89,408,550	37%
Deferred Loan Fees and Discounts	106,068	104,937	49,556	114%
Loans Net of Def Fees and Discounts	122,467,756	91,884,003	89,458,106	37%
Allowance for Loan Losses	(2,536,356)	(2,653,860)	(2,653,861)	-4%
Net Loans	119,931,400	89,230,143	86,804,245	38%
Bank Premises and Equipment	167,259	158,831	168,942	-1%
Bank Owned Life Insurance	6,100,865	5,982,386	6,692,222	-9%
Other Assets	871,879	1,605,610	809,798	8%
Total Assets	\$ 176,012,306	\$ 157,914,985	\$ 157,159,848	12%

LIABILITIES AND CAPITAL	End of Period			Annual Change %
	9/30/2017	12/31/2016	9/30/2016	
Non-Interest Bearing Demand Deposits	\$ 65,742,369	\$ 51,576,857	\$ 55,173,446	19%
Int-Bearing Transaction Accounts	8,733,094	8,446,645	8,645,505	1%
Savings Deposits	28,307,343	21,021,824	20,667,363	37%
Money Market Deposits	32,162,389	22,700,574	26,774,496	20%
Certificate of Deposits	19,503,414	30,705,393	24,393,075	-20%
Wholesale Brokered Deposits	3,505,640	7,010,806	5,003,000	100%
Total Deposits	157,954,249	141,462,099	140,656,885	12%
Subordinated debentures	3,093,000	3,093,000	3,093,000	0%
Subordinated notes	-	-	-	-100%
Total Deposits and Int-Bearing liabilities	161,047,249	144,555,099	143,749,885	12%
Other Liabilities	426,867	388,477	313,892	36%
Total Capital	14,538,190	12,971,409	13,096,071	11%
Total Liabilities and Capital	\$ 176,012,306	\$ 157,914,985	\$ 157,159,848	12%

CREDIT QUALITY DATA (UNAUDITED)	End of Period			Annual Change %
	9/30/2017	12/31/2016	9/30/2016	
Non-Accruing Loans	\$ 118,548	\$ 194,224	\$ 41,561	185%
Foreclosed Assets	\$ -	\$ -	\$ -	0%
Total Nonperforming Assets	\$ 118,548	\$ 194,224	\$ 41,561	
Nonperforming Loans to Gross Loans	0.10%	0.21%	0.05%	
Nonperforming assets to Loans	0.10%	0.21%	0.05%	
Allowance for Loan Losses to Gross Loans	2.07%	2.89%	2.97%	

CAPITAL RATIOS (SOUTH COUNTY BANK)	End of Period		
	9/30/2017	12/31/2016	9/30/2016
Tier 1 Leverage Ratio	9.93%	10.27%	10.07%
Tier 1 Risk Based Capital Ratio	12.90%	15.00%	14.70%
Total Risk Based Capital Ratio	14.16%	16.27%	15.96%

CalWest Bancorp - Financial Results

CONSOLIDATED INCOME STATEMENT (IN \$000, UNAUDITED)

	3-Month Period Ended			9-Month Period Ended		
	9/30/2017	9/30/2016	% Change	9/30/2017	9/30/2016	% Change
Interest Income	\$ 1,675	\$ 1,267	32%	\$ 4,700	\$ 3,585	31%
Interest Expense	233	158	47%	663	461	44%
Net Interest Income	1,442	1,109	30%	4,037	3,124	29%
Provisions for Loan & Lease Losses	(146)	(155)	-6%	(323)	(342)	-6%
Net Interest after Loan Loss Provisions	1,588	1,264	26%	4,360	3,466	26%
Service Charges	146	124	18%	437	384	14%
Bank-Owned Life Insurance Income	39	48	-19%	127	144	-12%
Gain (Loss) on Investments	(81)	123	100%	(160)	124	-229%
Other Non-Interest Income	28	33	-15%	89	224	-60%
Total Non-Interest Income	132	328	-60%	493	876	-44%
Salaries & Benefits	838	726	15%	2,411	2,139	13%
Occupancy Expense	99	100	-1%	300	293	2%
Other Non-Interest Expenses	341	396	-14%	1,017	1,336	-24%
Total Non-Interest Expense	1,278	1,222	5%	3,728	3,768	-1%
Income Before Taxes	442	370	19%	1,125	574	96%
Provision for Income Taxes	10	-	0%	12	2	0%
Net Income	\$ 432	\$ 370	17%	\$ 1,113	\$ 572	95%

PER SHARE DATA (UNAUDITED)

	3-Month Period Ended			9-Month Period Ended		
	9/30/2017	9/30/2016	% Change	9/30/2017	9/30/2016	% Change
Basic Earnings per Share	\$ 0.01	\$ 0.01	15%	\$ 0.02	\$ 0.01	91%
Diluted Earnings per Share	\$ 0.01	\$ 0.01	15%	\$ 0.02	\$ 0.01	91%
Common Dividends	\$ -	\$ -	0%	\$ -	\$ -	0%
Weighted Average Shares Outstanding	74,036,505	73,036,215	1%	74,036,505	72,694,316	2%
Weighted Average Diluted Shares	74,036,505	73,036,215	1%	74,036,505	72,694,316	2%
Book Value per Basic Share (EOP)	\$ 0.20	\$ 0.18		\$ 0.20	\$ 0.18	
Common Shares Outstanding (EOP)	74,036,505	74,019,021	0%	74,036,505	74,019,021	0%

KEY FINANCIAL RATIOS (UNAUDITED)

	3-Month Period Ended		9-Month Period Ended	
	9/30/2017	9/30/2016	9/30/2017	9/30/2016
Return on Average Equity (annualized)	12.03%	11.60%	10.78%	6.23%
Return on Average Assets (annualized)	0.99%	0.96%	0.88%	0.53%
Net Interest Margin (Tax-Equivalent)	3.49%	3.08%	3.37%	3.09%
Efficiency Ratio	81.19%	85.04%	82.30%	94.20%
Net Charge-offs to Gross Loans	-0.05%	-0.17%	-0.17%	-0.38%