

CALWEST BANCORP ANNOUNCES FINANCIAL RESULTS AS OF MARCH 31, 2018

Company Release – May 1, 2018

- Q1-2018 Net Income of \$434,000**
- Q1-2018 Total Assets Increased 10%**
- Q1-2018 Deposits Increased 11%**
- Q1-2018 Loans decreased 2.5%**

IRVINE, California – CalWest Bancorp (OTCBB: CALW), the holding company for CalWest Bank, (formerly known as South County Bank), today announced the consolidated financial results for the first quarter ended March 31, 2018.

Significant items for the period include:

- Net income was \$434,000 for the quarter, compared to \$173,000 in Q1-2017
- Net interest income was \$1.5 million for the quarter, a 29% improvement year-over-year
- Total deposits increased \$16.6 million during the quarter, reaching \$167 million
 - 11% increase year-over-year
 - 40% of deposits are non-interest bearing
- Total loans decreased \$3.2 million during the quarter, reaching \$129.8 million
 - 27% increase year-over-year
 - Allowance for Loan Losses to Gross Loans at 1.9%

“With an increased focus on deposits, we were very pleased to experience deposits growth of 11%,” noted Glenn Gray, President and CEO of CalWest Bancorp and CalWest Bank. “Although loans decreased at quarter-end due to several pay-offs, the higher average loan balance during the quarter contributed to our increases in Net Interest Income and Net Income. The increase in non-performing loans at quarter-end was short-lived, as there was a 95% reduction in early April.”

CalWest Bancorp is the parent company of CalWest 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

STATEMENT OF CONDITION (UNAUDITED)

ASSETS	End of Period		Annual Change %
	3/31/2018	3/31/2017	
Cash & Due from Banks	\$ 4,028,977	\$ 4,565,282	-12%
Federal Funds Sold and Interest Bearing Balances	29,868,959	28,224,000	6%
Total Cash and Cash Equivalent	33,897,936	32,789,282	3%
Investment Securities	15,719,957	26,082,610	-40%
Loans held for sale	-	1,301,527	-100%
Real Estate Loans	104,647,309	80,803,911	30%
Commercial and Industrial Loans	24,302,263	19,390,325	25%
Consumer Loans	714,137	816,855	-13%
Gross Loans	129,663,709	101,011,091	28%
Deferred Loan Fees and Discounts	114,909	116,636	-1%
Loans Net of Def Fees and Discounts	129,778,618	101,127,727	28%
Allowance for Loan Losses	(2,536,356)	(2,617,692)	-3%
Net Loans	127,242,262	98,510,035	29%
Federal Reserve Bank, Federal Home Loan Bank, and Correspondent Bank Stocks	1,355,400	1,282,250	6%
Bank Premises and Equipment	294,419	151,729	94%
Bank Owned Life Insurance	6,178,358	6,023,145	3%
Other Assets	1,144,054	821,213	39%
Total Assets	\$ 185,832,386	\$ 166,961,791	11%

LIABILITIES AND CAPITAL	End of Period		Annual Change %
	3/31/2018	3/31/2017	
Non-Interest Bearing Demand Deposits	\$ 67,058,719	\$ 55,999,760	20%
Int-Bearing Transaction Accounts	10,150,592	8,632,610	18%
Savings Deposits	28,556,618	24,157,283	18%
Money Market Deposits	39,203,798	31,462,185	25%
Certificate of Deposits	18,406,334	24,923,526	-26%
Wholesale Brokered Deposits	3,513,373	5,013,241	100%
Total Deposits	166,889,434	150,188,605	11%
Subordinated debentures	3,093,000	3,093,000	0%
Total Deposits and Int-Bearing liabilities	169,982,434	153,281,605	11%
Other Liabilities	539,009	335,706	61%
Total Capital	15,310,943	13,344,480	15%
Total Liabilities and Capital	\$ 185,832,386	\$ 166,961,791	11%

CREDIT QUALITY DATA (UNAUDITED)	End of Period		Annual Change %
	3/31/2018	3/31/2017	
Non-Accruing Loans	\$ 1,687,761	\$ 174,250	869%
Foreclosed Assets	\$ -	\$ -	0%
Total Nonperforming Assets	\$ 1,687,761	\$ 174,250	
Nonperforming Loans to Gross Loans	1.30%	0.17%	
Nonperforming assets to Loans	1.30%	0.17%	
Allowance for Loan Losses to Gross Loans	1.95%	2.59%	

CAPITAL RATIOS (CALWEST BANK)	End of Period	
	3/31/2018	3/31/2017
Tier 1 Leverage Ratio	10.33%	10.00%
Tier 1 Risk Based Capital Ratio	12.55%	13.84%
Total Risk Based Capital Ratio	13.81%	15.10%

**CONSOLIDATED INCOME STATEMENT
(IN \$000, UNAUDITED)**

	3-Month Period Ended			12-Month Period Ended		
	3/31/2018	3/31/2017	% Change	12/31/2017	12/31/2016	% Change
Interest Income	\$ 1,767	\$ 1,403	26%	\$ 6,486	\$ 5,036	29%
Interest Expense	230	212	8%	871	637	37%
Net Interest Income	1,537	1,191	29%	5,615	4,399	28%
Provisions for Loan & Lease Losses	(41)	(88)	-53%	(394)	(432)	-9%
Net Interest after Loan Loss Provisions	1,578	1,279	23%	6,009	4,831	24%
Service Charges	149	124	20%	578	507	14%
Bank-Owned Life Insurance Income	38	49	-22%	166	548	-70%
Gain (Loss) on Investments	-	-	0%	(160)	124	-229%
Other Non-Interest Income	130	82	59%	118	254	-54%
Total Non-Interest Income	317	255	24%	702	1,433	-51%
Salaries & Benefits	954	823	16%	3,316	2,914	14%
Occupancy Expense	101	100	1%	401	392	2%
Other Non-Interest Expenses	406	438	-7%	1,424	1,751	-19%
Total Non-Interest Expense	1,461	1,361	7%	5,141	5,057	2%
Income Before Taxes	434	173	151%	1,570	1,207	30%
Provision for Income Taxes	-	-	0%	19	2	850%
Net Income	\$ 434	\$ 173	151%	\$ 1,551	\$ 1,205	29%

**PER SHARE DATA
(UNAUDITED)**

	3-Month Period Ended		12-Month Period Ended	
	3/31/2018	3/31/2017	12/31/2017	12/31/2016
Basic Earnings per Share	\$ 0.01	\$ 0.00	\$ 0.02	\$ 0.02
Diluted Earnings per Share	\$ -	\$ -	\$ 0.02	\$ 0.02
Common Dividends	\$ -	\$ -	\$ -	\$ -
Weighted Average Shares Outstanding	74,036,505	74,036,505	74,036,505	74,036,505
Book Value per Basic Share (EOP)	\$ 0.21	\$ 0.18	\$ 0.21	\$ 0.18
Common Shares Outstanding (EOP)	74,036,505	74,036,505	74,036,505	74,036,505

**KEY FINANCIAL RATIOS
(UNAUDITED)**

	3-Month Period Ended		12-Month Period Ended	
	3/31/2018	3/31/2017	12/31/2017	12/31/2016
Return on Average Equity (annualized)	11.48%	5.25%	11.06%	9.69%
Return on Average Assets (annualized)	0.97%	0.42%	0.91%	0.82%
Net Interest Margin (Tax-Equivalent)	3.44%	2.91%	3.53%	3.00%
Efficiency Ratio	78.80%	94.12%	81.38%	86.71%
Net Charge-offs to Gross Loans	-0.03%	-0.05%	-0.21%	-0.47%