

CALWEST BANCORP ANNOUNCES FINANCIAL RESULTS AS OF DECEMBER 31, 2017

Company Release – February 6, 2018

YTD Net Income of \$1.55 Million

YTD Loans Increased 45.4%

YTD Deposits Increased 6.2%

YTD Total Assets Increased 6.9%

IRVINE, California – CalWest Bancorp (OTCBB: CALW), the holding company for South County Bank N.A., today announced the consolidated financial results for the fourth quarter and year ending December 31, 2017.

Significant items for the period include:

- Total loans increased \$41.1 million during the year, reaching \$133.0 million
 - 45% increase year-over-year
 - Allowance for Loan Losses to Gross Loans at 1.90%
- Total deposits increased \$8.8 million during the year, reaching \$150.3 million
 - 6.2% increase year-over-year
 - 40% of deposits are non-interest bearing
- Net interest income was \$5.6 million for the year
 - 28% improvement year-over-year
- Net income was \$438,000 for the quarter, and \$1.55 million year-to-date
 - 29% improvement year-over-year

“The accomplishments achieved over this past year were significant across all performance metrics and position the Bank well for FY 2018,” noted Glenn Gray, President and CEO of CalWest Bancorp and South County Bank. “With a 45% increase in loans and a 50 basis points increase in our Net Interest Margin our Core Earnings is steadily improving.”

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.

ASSETS	End of Period		Annual Change %
	12/31/2017	12/31/2016	
Cash & Due from Banks	\$ 3,874,886	\$ 4,662,975	-17%
Federal Funds Sold and Interest Bearing Balances	10,071,813	19,682,000	-49%
Total Cash and Cash Equivalent	13,946,699	24,344,975	-43%
Investment Securities	15,796,291	35,401,090	-55%
Real Estate Loans	105,093,933	75,720,645	39%
Commercial and Industrial Loans	24,318,403	15,620,223	56%
Consumer Loans	3,507,148	438,198	700%
Gross Loans	132,919,484	91,779,066	45%
Deferred Loan Fees and Discounts	115,599	(279,378)	-141%
Loans Net of Def Fees and Discounts	133,035,083	91,499,688	45%
Allowance for Loan Losses	(2,536,356)	(2,653,860)	-4%
Net Loans	130,498,727	88,845,828	47%
Federal Reserve Bank, Federal Home Loan Bank, and Correspondent Bank Stocks - at cost	1,322,650	1,284,950	3%
Bank Premises and Equipment	162,977	158,831	3%
Bank Owned Life Insurance	6,140,315	5,982,386	3%
Other Assets	997,628	1,896,925	-47%
Total Assets	\$ 168,865,287	\$ 157,914,985	7%

LIABILITIES AND CAPITAL	End of Period		Annual Change %
	12/31/2017	12/31/2016	
Non-Interest Bearing Demand Deposits	\$ 59,854,482	\$ 51,082,241	17%
Int-Bearing Transaction Accounts	12,345,743	8,446,645	46%
Savings Deposits	27,099,672	21,021,824	29%
Money Market Deposits	30,661,385	23,195,190	32%
Certificate of Deposits	16,795,275	30,705,393	-45%
Wholesale Brokered Deposits	3,501,202	7,010,806	-50%
Total Deposits	150,257,759	141,462,099	6%
Subordinated debentures	3,093,000	3,093,000	0%
Total Deposits and Int-Bearing liabilities	153,350,759	144,555,099	6%
Other Liabilities	552,136	388,477	42%
Total Capital	14,962,392	12,971,409	15%
Total Liabilities and Capital	\$ 168,865,287	\$ 157,914,985	7%

CREDIT QUALITY DATA (UNAUDITED)	End of Period		Annual Change %
	12/31/2017	12/31/2016	
Non-Accruing Loans	\$ 115,552	\$ 194,224	-41%
Foreclosed Assets	\$ -	\$ -	0%
Total Nonperforming Assets	\$ 115,552	\$ 194,224	
Nonperforming Loans to Gross Loans	0.09%	0.21%	
Nonperforming assets to Loans	0.09%	0.21%	
Allowance for Loan Losses to Gross Loans	1.91%	2.90%	

CAPITAL RATIOS (SOUTH COUNTY BANK)	End of Period	
	12/31/2017	12/31/2016
Tier 1 Leverage Ratio	10.15%	10.27%
Tier 1 Risk Based Capital Ratio	12.48%	15.00%
Total Risk Based Capital Ratio	13.74%	16.27%

CONSOLIDATED INCOME STATEMENT
(IN \$000, UNAUDITED)

	3-Month Period Ended			12-Month Period Ended		
	12/31/2017	12/31/2016	% Change	12/31/2017	12/31/2016	% Change
Interest Income	\$ 1,787	\$ 1,451	23%	\$ 6,486	\$ 5,036	29%
Interest Expense	208	176	18%	871	637	37%
Net Interest Income	1,579	1,275	24%	5,615	4,399	28%
Provisions for Loan & Lease Losses	(71)	(90)	-21%	(394)	(432)	-9%
Net Interest after Loan Loss Provisions	1,650	1,365	21%	6,009	4,831	24%
Service Charges	141	123	15%	578	507	14%
Bank-Owned Life Insurance Income	39	404	-90%	166	548	-70%
Gain (Loss) on Investments	-	-	0%	53	124	-57%
Other Non-Interest Income	29	29	0%	118	254	-54%
Total Non-Interest Income	209	556	-62%	915	1,433	-36%
Salaries & Benefits	904	775	17%	3,315	2,914	14%
Occupancy Expense	101	99	2%	401	392	2%
Other Non-Interest Expenses	409	414	-1%	1,638	1,751	-6%
Total Non-Interest Expense	1,414	1,288	10%	5,354	5,057	6%
Income Before Taxes	445	633	-30%	1,570	1,207	30%
Provision for Income Taxes	7	-	100%	19	2	850%
Net Income	\$ 438	\$ 633	-31%	\$ 1,551	\$ 1,205	29%

PER SHARE DATA
(UNAUDITED)

	3-Month Period Ended			12-Month Period Ended		
	12/31/2017	12/31/2016	% Change	12/31/2017	12/31/2016	% Change
Basic Earnings per Share	\$ 0.01	\$ 0.01	31%	\$ 0.02	\$ 0.02	-27%
Diluted Earnings per Share	\$ 0.01	\$ 0.01	31%	\$ 0.02	\$ 0.02	-27%
Common Dividends	\$ -	\$ -	0%	\$ -	\$ -	0%
Weighted Average Shares Outstanding	74,036,505	74,036,125	0%	74,036,505	73,031,601	1%
Weighted Average Diluted Shares	74,036,505	74,036,125	0%	74,036,505	73,031,601	1%
Book Value per Basic Share (EOP)	\$ 0.20	\$ 0.18		\$ 0.20	\$ 0.18	
Common Shares Outstanding (EOP)	74,036,505	74,036,505	0%	74,036,505	74,036,505	0%

KEY FINANCIAL RATIOS
(UNAUDITED)

	3-Month Period Ended		12-Month Period Ended	
	12/31/2017	12/31/2016	12/31/2017	12/31/2016
Return on Average Equity (annualized)	11.84%	19.49%	11.06%	9.69%
Return on Average Assets (annualized)	1.01%	1.63%	0.91%	0.82%
Net Interest Margin (Tax-Equivalent)	3.65%	3.29%	3.53%	3.03%
Efficiency Ratio	79.08%	70.34%	81.99%	86.71%
Net Charge-offs to Gross Loans	-0.05%	-0.10%	-0.21%	-0.48%