

CALWEST BANCORP ANNOUNCES FINANCIAL RESULTS AS OF DECEMBER 31, 2018

Company Release – February 4, 2019

YTD Net Income of \$1.62 Million

YTD Loans Increased 20%

YTD Deposits Increased 13%

YTD Total Assets Increased 16%

IRVINE, California – CalWest Bancorp (OTCBB: CALW), the holding company for CalWest Bank, today announced the consolidated financial results for the fourth quarter and year ending December 31, 2018.

Significant items for the period include:

- Net Interest Income improved 22% year-over-year
- Non-Interest Expenses increased 17% year-over-year reflecting increased staffing and locations
- Net Income improved 5% year-over-year
- The year-over-year increase in deposits was centered in DDA and MMA, helping to control our cost-of-deposits
- Allowance for Loan Losses to Gross Loans was 1.56%

“While Non-Interest Expenses increased during the second half of the year due to expanding our staff and improving our branch locations, these strategic initiatives are helping drive our growth in loans and deposits,” noted Glenn Gray, President and CEO of CalWest Bancorp and CalWest Bank.

“During FY 2018 we expanded our lending activity to include construction loans and loans to Homeowners Associations. These loans, as well as C&I loan commitments have helped increase our unfunded commitments year-over-year by \$4 million (15%) to \$29.5 million. We expect usage under those commitments to be one of the catalyst for loan growth in FY 2019.”

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, and loan production offices in Laguna Niguel and Vista.

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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 %
	12/31/2018	12/31/2017	
Cash & Due from Banks	\$ 3,875,735	\$ 3,874,886	0%
Federal Funds Sold and Interest Bearing Balances	10,042,298	10,071,813	0%
Total Cash and Cash Equivalent	13,918,033	13,946,699	0%
Investment Securities	14,769,912	15,796,291	-6%
Real Estate Loans	126,483,461	105,093,933	20%
Commercial and Industrial Loans	31,742,685	24,318,403	31%
Consumer Loans	1,100,178	3,507,148	-69%
Gross Loans	159,326,324	132,919,484	20%
Deferred Loan Fees and Discounts	22,520	115,599	-81%
Loans Net of Def Fees and Discounts	159,348,844	133,035,083	20%
Allowance for Loan Losses	(2,480,232)	(2,536,356)	-2%
Net Loans	156,868,612	130,498,727	20%
Federal Reserve Bank, Federal Home Loan Bank, and Correspondent Bank Stocks - at cost	1,537,260	1,322,650	16%
Bank Premises and Equipment	646,144	162,977	296%
Bank Owned Life Insurance	6,293,436	6,140,315	2%
Other Assets	1,219,748	997,628	22%
Total Assets	\$ 195,253,145	\$ 168,865,287	16%

LIABILITIES AND CAPITAL	End of Period		Annual Change %
	12/31/2018	12/31/2017	
Non-Interest Bearing Demand Deposits	\$ 74,172,924	\$ 59,854,482	24%
Int-Bearing Transaction Accounts	9,031,714	12,345,743	-27%
Savings Deposits	24,407,659	27,099,672	-10%
Money Market Deposits	48,389,723	30,661,385	58%
Certificate of Deposits	9,992,842	16,795,275	-41%
Wholesale Brokered Deposits	4,007,887	3,501,202	14%
Total Deposits	170,002,749	150,257,759	13%
FHLB Borrowings	5,000,000		
Subordinated debentures	3,093,000	3,093,000	0%
Total Deposits and Int-Bearing liabilities	178,095,749	153,350,759	16%
Other Liabilities	610,784	552,136	11%
Total Capital	16,546,612	14,962,392	11%
Total Liabilities and Capital	\$ 195,253,145	\$ 168,865,287	16%

CREDIT QUALITY DATA (UNAUDITED)	End of Period		Annual Change %
	12/31/2018	12/31/2017	
Non-Accruing Loans	\$ 1,921	\$ 115,552	-98%
Foreclosed Assets	\$ -	\$ -	0%
Total Nonperforming Assets	\$ 1,921	\$ 115,552	

Nonperforming Loans to Gross Loans	0.00%	0.09%
Nonperforming assets to Loans	0.00%	0.09%
Allowance for Loan Losses to Gross Loans	1.56%	1.91%

CAPITAL RATIOS (CALWEST BANK)	End of Period	
	12/31/2018	12/31/2017
Tier 1 Leverage Ratio	10.08%	10.15%
Tier 1 Risk Based Capital Ratio	11.53%	12.48%
Total Risk Based Capital Ratio	12.78%	13.74%

CalWest Bancorp - Financial Results

CONSOLIDATED INCOME STATEMENT (IN \$000, UNAUDITED)

	3-Month Period Ended			12-Month Period Ended		
	12/31/2018	12/31/2017	% Change	12/31/2018	12/31/2017	% Change
Interest Income	\$ 2,159	\$ 1,787	21%	\$ 7,854	\$ 6,486	21%
Interest Expense	299	208	44%	1,018	871	17%
Net Interest Income	1,860	1,579	18%	6,836	5,615	22%
Provisions for Loan & Lease Losses	(36)	(71)	-49%	(165)	(394)	-58%
Net Interest after Loan Loss Provisions	1,896	1,650	15%	7,001	6,009	17%
Service Charges	102	141	-28%	510	578	-12%
Bank-Owned Life Insurance Income	39	39	0%	153	166	-8%
Gain (Loss) on Investments	-	-	0%	-	53	-100%
Other Non-Interest Income	37	29	28%	245	118	108%
Total Non-Interest Income	178	209	-15%	908	915	-1%
Salaries & Benefits	1,044	904	15%	4,065	3,315	23%
Occupancy Expense	144	101	43%	510	401	27%
Other Non-Interest Expenses	496	409	21%	1,709	1,638	4%
Total Non-Interest Expense	1,684	1,414	19%	6,284	5,354	17%
Income Before Taxes	390	445	-12%	1,625	1,570	4%
Provision for Income Taxes	(18)	7	100%	2	19	-89%
Net Income	\$ 408	\$ 438	-7%	\$ 1,623	\$ 1,551	5%

PER SHARE DATA (UNAUDITED)

	3-Month Period Ended			12-Month Period Ended		
	12/31/2018	12/31/2017	% Change	12/31/2018	12/31/2017	% Change
Basic Earnings per Share	\$ 0.01	\$ 0.01	7%	\$ 0.02	\$ 0.02	-3%
Diluted Earnings per Share	\$ 0.01	\$ 0.01	7%	\$ 0.02	\$ 0.02	-3%
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)	\$ 0.22	\$ 0.20		\$ 0.22	\$ 0.20	
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	
	12/31/2018	12/31/2017	12/31/2018	12/31/2017
Return on Average Equity (annualized)	10.00%	11.84%	10.29%	11.06%
Return on Average Assets (annualized)	0.83%	1.01%	0.87%	0.91%
Net Interest Margin (Tax-Equivalent)	3.80%	3.65%	3.71%	3.53%
Efficiency Ratio	82.63%	79.08%	81.15%	81.99%
Net Charge-offs to Gross Loans	-0.01%	-0.05%	-0.07%	-0.21%