



## PRESS RELEASE

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**Chairman of the Board of Directors and**  
**Chief Executive Officer**  
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*For Immediate Release*

### **Bank of Santa Clarita Announces Record Earnings**

SANTA CLARITA, CALIFORNIA – November 6, 2013. Bank of Santa Clarita (OTC BB: BSCA.OB) today announced its results of operations for the nine-months ended September 30, 2013, which earnings exceeded the amount ever reported by the Bank during this three-quarter period. The Bank, which is the only commercial bank headquartered in the Santa Clarita Valley, reported net earnings for the first three quarters of 2013 totaling \$853,000, which was more than double the \$305,000 reported for the first three quarters of 2012. The Bank also reported net earnings for the third quarter of 2013 totaling \$316,000, an increase of 56% over the \$203,000 reported for the third quarter of 2012. These results reflect the improvement in the Bank's operating efficiency, as noninterest expenses for the first three quarters of 2013 totaled \$4,303,000, an improvement of \$673,000 or 14% over those costs reflected in the first three quarters of 2012.

The Bank reported that its loan portfolio grew from \$146.5 million as of September 30, 2012 to \$153.1 million as of September 30, 2013, representing an increase of 5%, and also reported that total deposits at September 30, 2013 were \$176.9 million, which represented an increase of \$14.9 million or 9% over the amount reported a year earlier.

The Bank continues to experience very good credit quality in its loan portfolio, as nonaccrual loans totaled approximately \$820,000 or 0.54% of total loans as of September 30, 2013.

"We are pleased to report another quarter of improving results of operations, as we continue to focus on enhancing our core earnings and shareholder value," stated Frank Di Tomaso, Chairman and Chief Executive Officer. He continued, "We also believe that this continued improvement in our performance demonstrates the Bank's commitment to achieving both effective and meaningful growth."

At September 30, 2013, shareholders' equity totaled \$21.6 million and the Bank's total risk-based regulatory capital ratio was 14.03%, exceeding the "well-capitalized" level of 10% which is prescribed in the applicable capital regulations. The Bank also continues to maintain substantial liquidity positions, retaining significant balances of liquidity on its balance sheet as well as readily available collateralized borrowings and other potential sources of liquidity.

Bank of Santa Clarita, founded in 2004, is the only independent, full service commercial bank headquartered in the Santa Clarita Valley and generally serves the needs of retail consumers, small to mid-sized businesses, professionals, entrepreneurs, and high-net worth individuals. The Bank provides local, experienced decision-making and the personalized service that growing businesses need on a daily basis. Bank clients have direct access to executive management and professional staff members to address their SBA and other credit requirements, and also technology-based services that include online bill-paying, remote capture depositing, check imaging and initiating online wire transfers, among other cash management facilities, which services enable its clients to effectively and efficiently manage their cash and credit needs.

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#### **FORWARD LOOKING STATEMENTS**

Certain matters discussed in this release constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements relate to the Bank's current expectations regarding deposit and loan growth, operating results and the strength of the local economy. These forward-looking statements are subject to certain risks and uncertainties that could cause the actual results, performance or achievements to differ materially from those expressed, suggested or implied by the forward-looking statements. These risks and uncertainties include, but are not limited to: the impact of changes in interest rates, a decline in economic conditions and increased competition among financial service providers as these factors may impact the Bank's operating results, its ability to attract deposit and loan customers, the quality of the Bank's earning assets and government regulation. The Bank does not undertake, and specifically disclaims, any obligation to update any forward-looking statements to reflect occurrences or unanticipated events or circumstances after the date of such statements.

# BANK OF SANTA CLARITA

## BALANCE SHEETS

*Unaudited*

	September 30, 2013	December 31, 2012	September 30, 2012
	<i>(In thousands)</i>		
<b>ASSETS</b>			
Cash and Due From Banks	\$ 4,580	\$ 3,635	\$ 2,735
Interest Bearing Deposits at Other Financial Institutions	32,128	25,852	26,630
Federal Funds Sold	900	2,000	1,200
Investment Securities	33,692	32,195	30,909
Loans, Net	153,127	155,925	146,528
Other Assets	15,987	13,710	12,237
<b>Total Assets</b>	<b>\$ 240,414</b>	<b>\$ 233,317</b>	<b>\$ 220,239</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>			
Noninterest Bearing Demand Deposits	\$ 51,968	\$ 49,232	\$ 51,707
Interest Bearing Demand Deposits	11,386	7,861	6,572
Money Market and Savings Deposits	53,207	50,349	43,263
Time Deposits	60,330	60,422	60,462
Total Deposits	176,891	167,864	162,004
Borrowings	40,500	42,000	34,500
Other Liabilities	1,379	2,047	2,099
Total Liabilities	218,770	211,911	198,603
Stockholders' Equity	21,644	21,406	21,636
<b>Total Liabilities &amp; Stockholders' Equity</b>	<b>\$ 240,414</b>	<b>\$ 233,317</b>	<b>\$ 220,239</b>

## STATEMENTS OF EARNINGS

*Unaudited*

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2013	2012	2013	2012
	<i>(In thousands except per share amounts)</i>			
<b>Interest Income</b>				
Loans	\$ 1,960	\$ 1,912	\$ 5,683	\$ 5,834
Interest Bearing Deposits at Other Financial Institutions	30	19	78	54
Investment Securities	207	178	558	628
Federal Funds Sold	-	1	1	1
<b>Total Interest Income</b>	<b>2,197</b>	<b>2,110</b>	<b>6,320</b>	<b>6,517</b>
<b>Interest Expense</b>				
Interest Bearing Demand Deposits	7	6	23	19
Money Market and Savings Deposits	58	55	161	153
Time Deposits	209	234	637	721
Borrowings	80	162	297	487
<b>Total Interest Expense</b>	<b>354</b>	<b>457</b>	<b>1,118</b>	<b>1,380</b>
<b>Net Interest Income</b>	<b>1,843</b>	<b>1,653</b>	<b>5,202</b>	<b>5,137</b>
Provision for Loan Losses	15	12	(5)	120
<b>Net Interest Income after Provision for Loan Losses</b>	<b>1,828</b>	<b>1,641</b>	<b>5,207</b>	<b>5,017</b>
Noninterest Income	112	101	448	421
Noninterest Expense	1,461	1,431	4,303	4,976
<b>Net Earnings Before Income Taxes</b>	<b>479</b>	<b>311</b>	<b>1,352</b>	<b>462</b>
Income Tax Expense	163	108	499	157
<b>Net Earnings</b>	<b>\$ 316</b>	<b>\$ 203</b>	<b>\$ 853</b>	<b>\$ 305</b>
<b>Basic Earnings Per Share</b>	<b>\$ 0.14</b>	<b>\$ 0.09</b>	<b>\$ 0.38</b>	<b>\$ 0.14</b>
<b>Diluted Earnings Per Share</b>	<b>\$ 0.14</b>	<b>\$ 0.09</b>	<b>\$ 0.38</b>	<b>\$ 0.14</b>