



PRESS RELEASE

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For Immediate Release

Bank of Santa Clarita Reports Second Quarter Results

SANTA CLARITA, CALIFORNIA – July 31, 2012. Bank of Santa Clarita (OTC BB: BSCA.OB) today announced its earnings for the second quarter of 2012.

Bank of Santa Clarita, the only commercial bank headquartered in the Santa Clarita Valley, reported net earnings for the three- and six-month periods ended June 30, 2012, totaling \$35,000 and \$102,000, respectively, as compared to net losses of \$56,000 and \$27,000 for those respective periods of 2011. Results for the 2012 periods reflect non-recurring costs associated with the Bank's management restructuring; however, the Bank expects to benefit from the lower management-related cost structure in future periods. Results for the 2011 periods include the non-recurring fee the bank paid in order to terminate a lease on branch and other space occupied by the Bank, pursuant to the Bank's facilities management plan.

The Bank's net loan portfolio totaling \$144.0 million as of June 30, 2012 had grown \$6.3 million or 5% from the balance as of June 30, 2011. In addition, the Bank's net interest income increased \$251,000 or 8% over the amount record in the first half of 2011. This growth in net interest income was primarily the result of an increase in the effective net interest margin to 3.62% in the first half of 2012 from 3.48% in the first half of 2011, which improvement was largely driven by a significant reduction in the cost of deposits, as the Bank has seen the overall effective cost of deposits in 2012 decline to 0.76%, as compared to 1.02% for the first half of 2011. The Bank's 2012 earnings also benefited from the 2011 facility lease termination noted above, as total facilities and other fixed asset-related costs declined from \$684,000 for the first half of 2011 to \$428,000 for the first half of 2012.

The Bank continues to experience excellent credit quality in its loan portfolio, as nonaccrual loans totaled \$11,000 at June 30, 2012, as compared to \$16,000 as of December 31, 2011 and \$22,000 as of June 30, 2011.

"In spite of the challenging economy, low interest rate environment and intensified competition, we are pleased with our growth in loans and deposits, and in our steady profitability. Our solid second quarter performance was achieved by attracting and enhancing new and existing customer relationships within our local marketplace," stated Chairman and Chief Executive Officer Frank Di Tomaso.

Mr. Di Tomaso added "Because the current economic environment presents many challenges, the Bank's Board of Directors recently streamlined the Bank's executive management structure in order to stimulate basic improvements in the Bank's ability to drive innovation, accelerate profitable growth and increase both accountability and shareholder value."

At June 30, 2012, shareholders' equity totaled \$21.1 million and the Bank's total risk-based regulatory capital ratio was 14.38%, exceeding the "well-capitalized" level of 10% which is prescribed in 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.