



PRESS RELEASE

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For Immediate Release

Bank of Santa Clarita Reports Continuing Growth in Earnings

SANTA CLARITA, CALIFORNIA – July 23, 2019. Bank of Santa Clarita (BSCA) today announced that its earnings growth has continued, as net earnings for the second quarter of 2019 totaled \$888,000, an increase of 2.4% over its earnings for the second quarter of 2018. The Bank also noted that net earnings for the six months ended June 30, 2019 totaled \$1,646,000, 11.5% greater than it recorded for the first half of 2018.

In reviewing operating results for the first half of 2019, the Bank reported \$4,667,000 of net interest income, representing a growth of 2.7% over the first half of 2018. The Bank reported total net loans of \$232.8 million at June 30, 2019, representing a growth of \$10.2 million representing a 4.6% increase over the year-earlier total.

"We are pleased to report another quarter of record earnings, reflecting a healthy local economic environment and that, in spite of a challenging deposit growth environment, we continue to see the benefits from our efforts in building deeper relationships with our clients," noted Frank Di Tomaso, Chairman and Chief Executive Officer.

At June 30, 2019, shareholders' equity totaled \$35.0 million and the Bank's total capital ratio was 14.96%, significantly in excess of the "well capitalized" level 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 full-service commercial bank headquartered in the Santa Clarita Valley, and is focused on meeting the banking needs of the community and its businesses and non-profits. We promote face-to-face interaction with our clients, which in turn leads to deeper relationships overall. The Bank provides local, experienced decision-making and the personalized service that growing businesses and other organizations need on a daily basis. Bank clients have direct access to executive management and experienced professional staff members to address their credit requirements, from commercial lines of credit to SBA loans to commercial real estate and other commercial loans, and also technology-based banking services that include online bill-paying, remote capture depositing, check imaging and initiating online wire transfers, among other cash management facilities.

We are proud of the fact that Bank of Santa Clarita has served the Santa Clarita Valley's residents, including individuals, small businesses and non-profit organizations, for nearly 15 years, and we truly appreciate the relationships we've made with many of our neighbors, and invite any of those in the community who do not yet know us well to visit us, and together we can continue to build an even more vibrant and healthy community.

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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

	June 30, 2019	December 31, 2018	June 30, 2018
	<i>(In thousands)</i>		
ASSETS			
Cash and Due From Banks	\$ 10,361	\$ 4,574	\$ 6,674
Interest Bearing Deposits at Other Financial Institutions	34,322	36,000	42,935
Federal Funds Sold	105	104	102
Investment Securities	12,750	14,645	16,560
Loans, Net	232,812	229,456	222,647
Other Assets	22,470	22,630	21,256
Total Assets	\$ 312,820	\$ 307,409	\$ 310,174
LIABILITIES AND STOCKHOLDERS' EQUITY			
Deposits			
Interest-Bearing			
Money Market, Savings and Demand	\$ 66,744	\$ 74,132	\$ 88,499
Time	74,337	58,453	63,668
Total Interest-Bearing	141,081	132,585	152,167
Noninterest-Bearing	85,512	97,435	95,239
Total	226,593	230,020	247,406
Borrowings	49,000	42,000	29,000
Other Liabilities	2,249	2,306	2,662
Total Liabilities	277,842	274,326	279,068
Stockholders' Equity	34,978	33,083	31,106
Total Liabilities & Stockholders' Equity	\$ 312,820	\$ 307,409	\$ 310,174

STATEMENTS OF EARNINGS

Unaudited

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2019	2018	2019	2018
	<i>(In thousands)</i>			
Interest Income				
Loans	\$ 2,759	\$ 2,591	\$ 5,429	\$ 5,060
Interest Bearing Deposits at Other Financial Institutions	257	247	512	474
Investment Securities	84	48	179	141
Federal Funds Sold	1	-	1	2
Total Interest Income	3,101	2,886	6,121	5,677
Interest Expense				
Interest Bearing Demand Deposits	20	26	48	45
Money Market and Savings Deposits	98	109	200	218
Time Deposits	345	228	607	414
Borrowings	307	203	599	457
Total Interest Expense	770	566	1,454	1,134
Net Interest Income	2,331	2,320	4,667	4,543
Provision for Loan Losses	(80)	(68)	30	(70)
Net Interest Income after Provision for Loan Losses	2,411	2,388	4,637	4,613
Noninterest Income	227	154	393	312
Noninterest Expense	1,375	1,353	2,690	2,824
Net Earnings Before Income Taxes	1,263	1,189	2,340	2,101
Income Tax Expense	375	322	694	625
Net Earnings	\$ 888	\$ 867	\$ 1,646	\$ 1,476