



PRESS RELEASE

For Immediate Release
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AltaPacific Bancorp Reports Earnings for Second Quarter 2017

SANTA ROSA, Calif. – (BUSINESS WIRE) – July 20, 2017 - AltaPacific Bancorp (OTCBB: ABNK), the parent company of AltaPacific Bank, today reported year-to-date net income totaling \$2,505,000, or \$0.40 per diluted share, and quarterly net income totaling \$1,938,000, or \$0.31 per diluted share, for the period ending June 30, 2017, respectively.

Assets for the Company totaled \$422,968,000 at June 30, 2017, representing an increase of \$20.9 million (5.2%) over March 31, 2017 and an increase of \$71.6 million (20.4%) over December 31, 2016. At June 30, 2017, gross loans totaled \$263,349,000 representing a decrease of \$1.5 million (0.6%) over March 31, 2017 and an increase of \$30.3 million (13.0%) over December 31, 2016. Deposits totaled \$329,395,000 at June 30, 2017, representing an increase of \$19.7 million (6.4%) over March 31, 2017 and an increase of \$52.7 million (19.0%) over December 31, 2016. At June 30, 2017 the Allowance for Loan and Lease Losses totaled \$3,486,000, representing 1.5% of gross loans originated. In addition, at June 30, 2017 nonaccrual loans totaled \$904,000 and there were no other loans past due in excess of 30 days.

In May, 2017, the Company's Board of Directors authorized an extension of the share repurchase program for an additional \$2.0 million of the Company's common stock through April 30, 2018. During 2017, the Company repurchased and retired 87,500 shares at an average cost of \$10.57.

"While we are greatly disappointed Commerce Bank of Temecula Valley's shareholders did not approve the merger at their April 15, 2017 Special Meeting of Shareholders, we are excited with the success our new branches are experiencing in Riverside and San Bernardino," reported Charles O. Hall, Chief Executive Officer. Continuing, Mr. Hall stated, "All of our branches are experiencing solid growth this year. The bank has been quite successful in attracting seasoned banking professionals who have a great understanding of the business customers we want to serve as well as the high level of service our customers should be provided. It certainly is a wonderful time for all of us here at AltaPacific."

AltaPacific Bancorp is the parent company for AltaPacific Bank. The Company's stock trades over the counter under the symbol ABNK. AltaPacific Bank is an independent business bank headquartered in Santa Rosa, California and has additional banking offices in Covina, Ontario, Riverside, San Bernardino and Temecula, California. The bank is focused on meeting the specialized needs of small to medium-sized businesses and professionals throughout California. For additional information, please contact us at (707) 236-1500 or online at www.apbconnect.com.

The following is a summary of the company's financial performance (unaudited) as of June 30, 2017:

<i>(Dollars in thousands)</i>	December 31, 2016	March 31, 2017	June 30, 2017
Gross Loans	\$ 233,099	\$ 264,832	\$ 263,349
Allowance for Loan Losses	3,336	3,386	3,486
Net Loans	229,763	261,446	259,863
Total Assets	351,389	402,106	422,968
Total Deposits	276,706	309,660	329,395
Shareholders' Equity	57,165	57,794	58,819

<i>(Dollars in thousands, except per share amounts)</i>	Three Month Period Ending		Six Month Period Ending	
	March 31, 2017	June 30, 2017	June 30, 2016	June 30, 2017
Interest Income	\$ 4,540	\$ 4,917	\$ 10,550	\$ 9,457
Interest Expense	399	442	725	841
Net Interest Income	4,141	4,475	9,825	8,616
Provision for Loan Losses	50	100	100	150
Noninterest Income	231	1,490	521	1,721
Noninterest Expense	3,321	3,769	6,727	7,090
Pretax Income	1,001	2,096	3,519	3,097
Provision for Income Taxes	434	158	1,437	592
Net Income	567	1,938	2,082	2,505
Return on Average Assets	0.59%	1.89%	1.17%	1.26%
Return on Average Equity	3.94%	13.30%	7.77%	8.65%
Efficiency Ratio	75.96%	63.19%	65.02%	68.59%
EPS Basic	\$ 0.10	\$ 0.32	\$ 0.35	\$ 0.41
EPS Diluted	\$ 0.10	\$ 0.31	\$ 0.34	\$ 0.40
Book Value Per Common Share	\$ 9.34	\$ 9.65	\$ 9.10	\$ 9.65

Forward-Looking Statements

This press release may contain forward-looking statements about AltaPacific Bancorp and its subsidiaries, including descriptions of plans or objectives of its management for future operations, products or services, and forecasts of its revenues, earnings or other measures of economic performance. 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," "anticipate," "intend," "plan," "estimate," or words of similar meaning, or future or conditional verbs such as "will," "would," "should," "could," or "may." Forward-looking statements, by their nature, are subject to risks and uncertainties. A number of factors — many of which are beyond AltaPacific's control — could cause actual conditions, events or results to differ significantly from those described in the forward-looking statements. Factors that may cause actual results to differ materially from those contemplated by such forward-looking statements include, among others, the following possibilities: (1) competitive pressures among depository and other financial institutions may increase significantly; (2) revenues may be lower than expected; (3) changes in the interest rate environment may reduce interest margins; (4) general economic conditions, either nationally or regionally, may be less favorable than expected, resulting in, among other things, a deterioration in credit quality and/or a reduced demand for credit; (5) legislative or regulatory changes, including changes in accounting standards and tax laws, may adversely affect the businesses in which AltaPacific is engaged; (6) competitors may have greater financial resources and develop products that enable such competitors to compete more successfully than AltaPacific; and (7) adverse changes may occur in the securities markets or with respect to inflation. Forward-looking statements speak only as of the date they are made. Except as required by law, AltaPacific does not undertake to update forward-looking statements to reflect subsequent circumstances or events.