



PRESS RELEASE

For Immediate Release
Contact Person:
Charles O. Hall
Chief Executive Officer
(707) 236-1500

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AltaPacific Bancorp Reports Earnings for Second Quarter 2018

SANTA ROSA, Calif. – (BUSINESS WIRE) – July 10, 2018 - AltaPacific Bancorp (OTCBB: ABNK), the parent company of AltaPacific Bank, today reported year-to-date net income totaling \$2,410,000, or \$0.39 per diluted share, and quarterly net income totaling \$1,361,000, or \$0.22 per diluted share, for the period ending June 30, 2018, respectively.

Assets for the Company totaled \$434,211,000 at June 30, 2018, representing an increase of \$16.3 million (3.9%) over March 31, 2018 and an increase of \$15.6 million (3.7%) over December 31, 2017. At June 30, 2018, gross loans totaled \$328,319,000 representing an increase of \$17.7 million (5.7%) over March 31, 2018 and an increase of \$32.6 million (11.0%) over December 31, 2017. Deposits totaled \$338,189,000 at June 30, 2018, representing an increase of \$2.3 million (0.7%) over March 31, 2018 and an increase of \$3.0 million (0.9%) over December 31, 2017. At June 30, 2018 the Allowance for Loan and Lease Losses totaled \$4,126,000, representing 1.4% of gross loans originated. In addition, at June 30, 2018 nonaccrual loans totaled \$49,000 and there were no other loans past due in excess of 30 days.

The Company's Share Repurchase Program, which was adopted in 2012, resulted in the repurchase of 106,000 shares of Company stock at a total cost of approximately \$1.5 million, or \$14.56 per share, during the three-month period ending June 30, 2018. During the six-month period ending June 30, 2018, the Company repurchased approximately 306,000 shares of Company stock at a total cost of approximately \$4.3 million, or \$13.95 per share. As of June 30, 2018, there were 5,936,160 shares of AltaPacific Bancorp stock issued and outstanding.

"The business development efforts of our banking professionals have resulted in solid loan growth during this past year," reported Charles O. Hall, Chief Executive Officer. Continuing, Mr. Hall stated, "While we continue to expand our market presence in targeted areas in Northern California, the majority of our growth during 2018 has occurred among our Southern California branches."

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, 2018:

<i>(Dollars in thousands)</i>	December 31, 2017	March 31, 2018	June 30, 2018
Gross Loans	\$ 295,684	\$ 310,578	\$ 328,319
Allowance for Loan Losses	3,686	3,826	4,126
Net Loans	291,998	306,752	324,193
Total Assets	418,634	417,914	434,211
Total Deposits	335,147	335,883	338,189
Shareholders' Equity	58,028	56,166	56,043

<i>(Dollars in thousands, except per share amounts)</i>	Three Month Period Ending		Six Month Period Ending	
	March 31, 2018	June 30, 2018	June 30, 2017	June 30, 2018
Interest Income	\$ 4,861	\$ 5,780	\$ 9,457	\$ 10,641
Interest Expense	429	530	841	959
Net Interest Income	4,432	5,250	8,616	9,682
Provision for Loan Losses	140	300	150	440
Noninterest Income	579	174	1,721	753
Noninterest Expense	3,405	3,200	7,090	6,605
Pretax Income	1,466	1,924	3,097	3,390
Provision for Income Taxes	417	563	592	980
Net Income	1,049	1,361	2,505	2,410
Return on Average Assets	1.04%	1.35%	1.26%	1.20%
Return on Average Equity	7.34%	9.53%	8.65%	8.43%
Efficiency Ratio	67.95%	59.00%	68.59%	63.30%
EPS Basic	\$ 0.17	\$ 0.23	\$ 0.39	\$ 0.40
EPS Diluted	\$ 0.17	\$ 0.22	\$ 0.38	\$ 0.39
Book Value Per Common Share	\$ 9.32	\$ 9.44	\$ 9.19	\$ 9.44

Forward-Looking Statements

This press release may contain forward-looking statements about AltaPacifc 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 AltaPacifc'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 AltaPacifc is engaged; (6) competitors may have greater financial resources and develop products that enable such competitors to compete more successfully than AltaPacifc; 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, AltaPacifc does not undertake to update forward-looking statements to reflect subsequent circumstances or events.