



PRESS RELEASE

For Immediate Release
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AltaPacific Bancorp Reports Earnings for Second Quarter 2019

SANTA ROSA, Calif. – (BUSINESS WIRE) – July 24, 2019 - AltaPacific Bancorp (OTCBB: ABNK), the parent company of AltaPacific Bank, today reported year-to-date net income totaling \$2,371,000, or \$0.40 per diluted share, and quarterly net income totaling \$1,255,000, or \$0.21 per diluted share, for the period ending June 30, 2019, respectively.

Assets for the Company totaled \$435,945,000 at June 30, 2019, representing an increase of \$1.2 million (0.3%) over March 31, 2019 and an increase of \$21.4 million (5.2%) over December 31, 2018. At June 30, 2019, gross loans totaled \$338,594,000 representing an increase of \$1.7 million (0.5%) over March 31, 2019 and an increase of \$10.3 million (3.1%) over December 31, 2018. Deposits totaled \$307,039,000 at June 30, 2019, representing a decrease of \$19.6 million (6.0%) over March 31, 2019 and a decrease of \$15.9 million (4.9%) over December 31, 2018. At June 30, 2019 the Allowance for Loan and Lease Losses totaled \$4,216,000, representing 1.4% of gross loans originated. In addition, at June 30, 2019 nonaccrual loans totaled \$27,000 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 152,507 shares of Company stock at a total cost of approximately \$2.3 million, or \$15.14 per share during the first quarter of 2019. Subsequent to the end of the first quarter and through the date of this release, the Company did not repurchase any shares of its common stock. As of June 30, 2019, there were 5,765,373 shares of AltaPacific Bancorp stock issued and outstanding.

“On July 10th of this year we celebrated the 13th anniversary of the opening of AltaPacific Bank. I am so proud of all that we've been able to accomplish and continue to be impressed by the excellent service our banking professionals offer our clients,” reported Charles O. Hall, President and Chief Executive Officer. Continuing, Mr. Hall stated, “The Board of Directors and executive officers are grateful to all who have dedicated so much time, energy and effort into building this successful franchise.”

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 Glendora, 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, 2019:

<i>(Dollars in thousands)</i>	December 31, 2018	March 31, 2019	June 30, 2019
Gross Loans	\$ 328,278	\$ 336,881	\$ 338,594
Allowance for Loan Losses	4,126	4,186	4,216
Net Loans	324,152	332,695	334,378
Total Assets	414,591	434,700	435,945
Total Deposits	322,922	326,653	307,039
Shareholders' Equity	54,294	53,405	54,972

<i>(Dollars in thousands, except per share amounts)</i>	Three Month Period Ending		Six Month Period Ending	
	March 31, 2019	June 30, 2019	June 30, 2018	June 30, 2019
Interest Income	\$ 5,465	\$ 5,440	\$ 10,641	\$ 10,905
Interest Expense	594	691	959	1,285
Net Interest Income	4,871	4,749	9,682	9,620
Provision for Loan Losses	60	30	440	90
Noninterest Income	107	243	753	350
Noninterest Expense	3,359	3,192	6,605	6,551
Pretax Income	1,559	1,770	3,390	3,329
Provision for Income Taxes	443	515	980	958
Net Income	1,116	1,255	2,410	2,371
Return on Average Assets	1.05%	1.16%	1.20%	1.11%
Return on Average Equity	8.29%	9.27%	8.43%	8.77%
Efficiency Ratio	67.48%	63.94%	63.30%	65.71%
EPS Basic	\$ 0.19	\$ 0.22	\$ 0.38	\$ 0.41
EPS Diluted	\$ 0.19	\$ 0.21	\$ 0.37	\$ 0.40
Book Value Per Common Share	\$ 9.26	\$ 9.53	\$ 8.99	\$ 9.53
Common Shares Outstanding	5,765,373	5,765,373	6,232,968	5,765,373
Weighted Average Shares - Basic	5,840,450	5,765,373	6,334,431	5,802,704
Weighted Average Shares - Diluted	5,983,060	5,911,803	6,451,592	5,947,163

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 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.