



PRESS RELEASE

For Immediate Release
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AltaPacific Bancorp Reports Earnings for Second Quarter 2015

SANTA ROSA, Calif. – (BUSINESS WIRE) – July 24, 2015 - AltaPacific Bancorp (OTCBB: ABNK), the parent company of AltaPacific Bank, today reported year-to-date net income totaling \$2,652,000, or \$0.47 per diluted share, and quarterly net income totaling \$1,301,000, or \$0.23 per diluted share, for the period ending June 30, 2015, respectively.

Assets for the Company totaled \$335,355,000 at June 30, 2015, representing an increase of \$244,000 (0.1%) over March 31, 2015 and a decrease of \$5.3 million (1.6%) over December 31, 2014. At June 30, 2015, gross loans totaled \$204,147,000 representing a decrease of \$8.7 million (4.1%) over March 31, 2015 and a decrease of \$21.1 million (9.4%) over December 31, 2014. Deposits totaled \$244,110,000 at June 30, 2015, representing an increase of \$3.4 million (1.4%) over March 31, 2015 and a decrease of \$18.4 million (7.0%) over December 31, 2014. During 2015, the Company reduced its reliance on wholesale funded certificates of deposit. Certificates of deposit decreased \$2.2 million (8.0%) and \$25.3 million (50.3%) during the three and six month periods ending June 30, 2015.

At June 30, 2015, the Allowance for Loan and Lease Losses totaled \$2,776,000, representing 1.8% of gross loans originated. The loans acquired through mergers and acquisitions are acquired at their fair market value. In accordance with generally accepted accounting principles, no allowance was provided for the acquired loans at June 30, 2015. In addition, at June 30, 2015 nonaccrual loans totaled \$1.1 million and there were no loans past due in excess of 30 days.

In April, 2015, 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, 2016. During 2015, the Company repurchased and retired 63,000 shares at an average cost of \$10.15.

“On July 10th of this year we celebrated the 9th anniversary of the opening of AltaPacific Bank. It has been amazing to look back and reflect on all that has been accomplished, particularly with regard to the merger with Stellar Business Bank in 2012 and Mission Oaks Bancorp in 2014,” reported Charles O. Hall, President and Chief Executive Officer. Continuing, Mr. Hall stated, “The Board and management are grateful to all who have dedicated so much effort and energy into building this successful franchise. The Company is certainly well positioned for future growth and expansion.”

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 offices in Santa Rosa, Rancho Cucamonga, Covina and Temecula, California. The bank is focused on meeting the specialized needs of small to medium-sized businesses and professionals throughout California. The U.S. Small Business Administration has approved the bank as a PLP lender (Preferred Lender Program). PLP status is the highest lending designation granted by the SBA and it is only granted to its most experienced lenders. 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, 2015:

<i>(Dollars in thousands)</i>	December 31, 2014	March 31, 2015	June 30, 2015
Gross Loans	\$ 225,281	\$ 212,894	\$ 204,147
Allowance for Loan Losses	2,746	2,761	2,776
Net Loans	222,534	210,133	201,371
Total Assets	340,672	335,111	335,355
Total Deposits	262,511	240,710	244,110
Shareholders' Equity	48,841	50,082	50,909

<i>(Dollars in thousands, except per share amounts)</i>	Three Month Period Ending		Six Month Period Ending	
	March 31, 2015	June 30, 2015	June 30, 2014	June 30, 2015
Interest Income	\$ 5,364	\$ 5,547	\$ 7,342	\$ 10,911
Interest Expense	331	324	518	655
Net Interest Income	5,033	5,223	6,824	10,256
Provision for Loan Losses	--	--	95	--
Noninterest Income	293	201	391	494
Noninterest Expense	3,036	3,195	4,970	6,231
Pretax Income	2,290	2,229	2,150	4,519
Provision for Income Taxes	939	928	979	1,867
Net Income	1,351	1,301	1,171	2,652
Return on Average Assets	1.60%	1.55%	0.82%	1.57%
Return on Average Equity	10.93%	10.31%	4.84%	10.62%
Efficiency Ratio	57.00%	58.90%	68.88%	57.96%
EPS Basic	\$ 0.24	\$ 0.24	\$ 0.20	\$ 0.48
EPS Diluted	\$ 0.23	\$ 0.23	\$ 0.20	\$ 0.47
Book Value Per Common Share	\$ 9.07	\$ 9.26	\$ 8.50	\$ 9.26

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.