



Pacific Coast Bankers' Bancshares Reports Financial Results for 1Q 2018 *(unaudited)*

Pacific Coast Bankers' Bancshares, parent company of PCBB ("Bank"), reported net income of \$1.3 million through the first quarter 2018 compared with \$1.4 million for the same period in 2017.

First quarter performance saw improvement over the same period in the prior year (YOY) in areas including: interest income (+17%), taxes (-45%), and net interest margin (+2%). Also over this period, total assets YOY reached \$787 million, loan balances climbed to \$330 million (+10%) from \$299 million in 1Q 2017 and deposits reached \$581 million in 1Q 2018 vs. \$567 million in 1Q 2017.

In addition to the overall loan portfolio increasing YOY, the mix changed in Q1 2018 compared to Q1 2017 in key areas including: construction (-10%), CRE (+6%), multifamily (+14%), commercial and industrial (+34%). The Bank also added lending in agriculture.

Credit quality remained strong in Q1 2018, as period end nonperforming assets of \$545 thousand were a 15% decline from the already low level of \$640 thousand in Q1 2017. The Texas Ratio remained below 1%.

Other metrics include such things as: return on common equity (ROCE) reached 11.4%, the loan to deposit (LTD) ratio was 57%, the leverage capital ratio was 8.7%, the tier 1 risk based capital ratio was 17.6% and the total risk based capital ratio was 18.8%.

PCBB CEO Steve Brown stated, "During the quarter, we not only paid our shareholders a healthy dividend in January, but continued our efforts to digitally transform and enhance the company. Multiple project teams are working to integrate cross-functional business processes, leverage innovative technologies and enhance the operating model, as we build out our capabilities and offerings for future growth. Our key objective remains innovating and supporting our community bank customers by launching, enhancing, improving and refining our product and service suite over time."

"During the quarter, PCBB accelerated efforts to transform the Company into a more agile institution designed to serve our community bank customers even better. During such a pivotal year and amid high competition, our customers rely on PCBB to deliver technologically advanced solutions in a customer centric way. As such, we continue to invest in new capabilities to provide the most frictionless customer journey and deliver the optimal customer experience to meet their needs, as they continue to change."

*- Ken Cosgrove
Chairman of PCBB*



Consolidated Financial Highlights

	1Q 2017	1Q 2018
Total Assets (mm's)	\$769	\$787
Total Loans (mm's)	\$299	\$330
Net Income (mm's)	\$1.4	\$1.3
Tangible ROACE (%)	12.0%	11.4%
EPS	\$1.20	\$1.09
Book Value per Share	\$42.53	\$40.81

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