



PRIVATE BANCORP OF AMERICA, INC. GROWS TO OVER \$700 MILLION IN ASSETS

La Jolla, Calif. –July 18, 2018 (GLOBE NEWSWIRE) - Private Bancorp of America, Inc. (OTCQX:PBAM)

Private Bancorp of America, Inc. (“PBAM”) announced quarterly earnings today including the financial results of its subsidiary, CalPrivate Bank (“Bank”) for the second quarter and first half of 2018. PBAM continues to follow its strategy of organic growth and disciplined expansion in the coastal Southern California markets it serves. Below are some highlights of the quarter and the year to date performance for the period ending June 30, 2018.

- Total Assets were a record \$710,636,000; up 10% over the prior quarter and up 26% year over year.
- Net Loans were a record \$527,403,000; up 12% over the prior quarter and up 17% year over year.
- Total Deposits were 528,481,000; up 5% over the prior quarter and up 35% year over year.
- Record Net Interest Income of \$13,017,000 for the first half of 2018; up 22% year over year.
- Record Quarterly Net Interest Income of \$6,735,000 up 7% from the prior quarter and 23% for the same quarter a year ago.
- Non-interest Income was a record \$691,000 for the quarter and \$837,000 year to date, primarily as a result of gain on sale of SBA loans.
- Planned increases in Noninterest Expense resulted in costs of \$5,841,000 for the quarter and \$10,687,000 year to date. The largest increase was in Salaries and Employee Benefits, up 53% for the six months ended June 30, 2018 compared to the same period of the prior year.
- Net Income for the quarter was \$863,000; down 24% from the prior quarter and 16% year over year, reflecting our previously announced planned hiring and expense increases in Orange County, Los Angeles and SBA.

Thomas V. Wornham, President and CEO of PBAM commented “We are very proud of the work our team members have done and the support our customers and shareholders have provided us to grow through \$700 million in total assets. We are fortunate to have a Board of Directors with a long-term vision, committed to investing today for tomorrow’s profits. CalPrivate Bank is already seeing the return on the additional hires in Beverly Hills and Orange County, as well as the expansion of our SBA Group and our Specialty Lending Area. While the increase in operating expenses reflects the new hires and associated expenses and it generally takes time for them to produce, we could not be more pleased with the additions we have made. We have already seen lift in Loan and Deposit growth, Net Interest income and finally Non Interest Income.”

Rick L. Sowers, President of CalPrivate Bank noted “We have added 35 professionals to our team this year. This reflects our commitment to growth and hiring the right people for the right roles. Our SBA team is already showing returns on our investment. Our client, credit and relationship management teams are all working well together to ensure that growth does not come at the expense of service. We have veteran bankers now managing all of our markets and we continue to look to add related businesses to our franchise as we see opportunities that make sense.”

Selwyn Isakow, Chairman of PBAM commented “We are delighted with the Bank’s growth and excited by our prospects. We are committed to taking advantage of this unique window as extensive M&A activity has caused employee dislocations, allowing us to hire talented and proven bankers to fuel our organic growth strategy. We recognize that this investment may negatively impact our bottom line for a few quarters, but expect significant returns in future years. We are focused on increasing shareholder value. Our succession bench has never been

stronger and we have an experienced dedicated team of professionals committed to providing the best solutions for our clients.”

About Private Bancorp of America, Inc.

Private Bancorp of America, Inc. (OTCQX: PBAM), is the holding company for CalPrivate Bank. CalPrivate Bank provides a Distinctly Different banking experience through unparalleled service and creative funding solutions to high net worth individuals, professionals, locally owned businesses and real estate entrepreneurs. Customers are serviced through offices in Coronado, San Diego, La Jolla, Newport Beach and Beverly Hills as well as efficient electronic banking offerings. The Bank also offers various portfolio and government guaranteed lending programs, including SBA and cross-border Export-Import Bank programs. CalPrivate Bank is a SBA Preferred Lender and a Bauer 5-Star Rated Bank and is rated as one of the Top 200 Safest Banks in America by Deposits.com.

Investor Relations Contact

Thomas V. Wornham
President/CEO
Private Bancorp of America, Inc.
(858) 875.6900

Safe Harbor Paragraph

This press release includes forward-looking statements that involve inherent risks and uncertainties. Private Bancorp of America, Inc. cautions readers that a number of important factors could cause actual results to differ materially from those in the forward-looking statements. These factors include economic conditions and competition in the geographic and business areas in which Private Bancorp of America, Inc. operates, our ability to successfully integrate and develop business through the addition of new personnel and facilities and merged banks, whether our efforts to expand loan, product and service offerings will prove profitable, the effects of the bank mergers and acquisitions in our markets, system failures and internet security, inflation, fluctuations in interest rates, legislation and governmental regulation. You should not place undue reliance on forward-looking statements and we undertake no obligation to update those statements whether as a result of changes in underlying factors, new information, future events or otherwise.

PRIVATE BANCORP OF AMERICA, INC.
SELECTED FINANCIAL DATA

SELECT FINANCIAL DATA AND PERFORMANCE RATIOS (unaudited)	For the three months ended			June 30, 2018		June 30, 2018	
	June 30, 2018	March 31, 2018	June 30, 2017	Q-o-Q change (\$)	Q-o-Q change (%)	Y-o-Y change (\$)	Y-o-Y change (%)
Common shares outstanding at period-end	5,048,658	5,012,557	4,989,211	36,101	1%	59,447	1%
Book value per common share	\$ 16.01	\$ 16.01	\$ 15.70	\$ 0.00	0%	\$ 0.31	2%
Tangible book value per common share	\$ 15.92	\$ 15.92	\$ 15.58	\$ 0.01	0%	\$ 0.34	2%
PERFORMANCE RATIOS (%):							
Return on average assets (annualized)	0.53%	0.72%	0.76%	-0.19%	-27%	-0.23%	-30%
Return on average equity (annualized)	4.30%	5.74%	5.66%	-1.44%	-25%	-1.36%	-24%
Return on average tangible common equity (annualized)	4.32%	5.77%	6.14%	-1.44%	-25%	-1.82%	-30%
Net interest margin	4.23%	3.99%	4.20%	0.24%	6%	0.03%	1%
Net interest spread	4.16%	3.94%	4.14%	0.22%	6%	0.01%	0%
Efficiency ratio	78.66%	75.39%	65.64%	3.27%	4%	13.01%	20%
Noninterest expense / average assets	3.62%	2.99%	2.74%	0.63%	21%	0.87%	32%
CAPITAL RATIOS (%):							
Tier 1 leverage ratio	12.14%	12.03%	14.89%	0.11%	1%	-2.75%	-18%
Tier 1 risk-based capital ratio	13.78%	15.21%	16.81%	-1.43%	-9%	-3.03%	-18%
Common equity Tier 1 ratio	13.78%	15.21%	16.81%	-1.43%	-9%	-3.03%	-18%
Total risk-based capital ratio	14.66%	16.11%	17.73%	-1.45%	-9%	-3.07%	-17%
Tangible equity / tangible assets	11.32%	12.36%	13.77%	-1.04%	-8%	-2.45%	-18%
CREDIT QUALITY PROFILE AND METRICS:							
	June 30, 2018	March 31, 2018	June 30, 2017	June 30, 2018 Q-o-Q change (\$)	June 30, 2018 Q-o-Q change (%)	June 30, 2018 Y-o-Y change (\$)	June 30, 2018 Y-o-Y change (%)
Total Loans (\$000s)	532,296	476,156	453,207	56,140	12%	79,089	17%
30-89 day past due loans (\$000s)	-	-	-	-	NM	-	NM
90+ day past due loans (\$000s)	-	-	-	-	NM	-	NM
nonaccrual loans (\$000s)	1,481	1,499	139	(18)	-1%	1,342	965%
NPAs / Assets (%)	0.21%	0.23%	0.02%	(0)	-10%	0	747%
NPLs / loans & REO (%)	0.28%	0.32%	0.03%	(0)	-12%	0	816%
Net chargeoffs (\$000s)	0	0	0	-	NM	-	NM
NCOs / avg loans (annualized) (%)	0%	0%	0%	-	NM	-	NM
Reserve ratio (%)	0.92%	0.95%	0.93%	-0.03%	-3%	(0)	-1%
Reserve coverage ratio (%)	330%	302%	3024%	29%	10%	(27)	-89%
LOAN PORTFOLIO COMPOSITION (\$000s)							
	June 30, 2018	March 31, 2018	June 30, 2017	June 30, 2018 Q-o-Q change (\$)	June 30, 2018 Q-o-Q change (%)	June 30, 2018 Y-o-Y change (\$)	June 30, 2018 Y-o-Y change (%)
Real estate - investor owned	202,025	190,200	183,936	11,825	6%	18,089	10%
Real estate - owner occupied	62,839	61,706	48,086	1,133	2%	14,753	31%
Real estate - multifamily	66,024	60,948	49,518	5,076	8%	16,506	33%
Real estate - single family	54,449	42,646	54,559	11,803	28%	(110)	0%
Commercial business	118,296	100,090	89,739	18,206	18%	28,557	32%
Land and construction	22,913	18,925	25,461	3,988	21%	(2,548)	-10%
Consumer	5,750	1,641	258	4,109	250%	5,492	2129%
Other	-	-	-	-	NM	-	NM
Total loans held for investment	532,296	476,156	451,557	56,140	12%	80,739	18%
Loans held for sale	-	-	1,650	-	NM	(1,650)	-100%
Total loans, including loans held for sale	532,296	476,156	453,207	56,140	12%	79,089	17%
Allowance for loan losses	(4,893)	(4,521)	(4,204)	(372)	8%	(689)	16%
Net loans	527,403	471,635	449,003	55,768	12%	78,400	17%
DEPOSIT COMPOSITION (\$000s)							
Non interest bearing DDA	165,610	165,067	120,197	543	0%	45,413	38%
Interest bearing DDA	17,437	15,566	14,616	1,871	12%	2,821	19%
Savings & MMA	295,743	277,434	193,396	18,309	7%	102,347	53%
Retail CD	7,294	7,114	5,703	180	3%	1,591	28%
Jumbo CD	42,397	39,425	57,424	2,972	8%	(15,027)	-26%
Total deposits	528,481	504,606	391,336	23,875	5%	137,145	35%

PRIVATE BANCORP OF AMERICA, INC.
SELECTED FINANCIAL DATA

BALANCE SHEET (unaudited - in \$000s)	June 30, 2018	March 31, 2018	June 30, 2017	June 30, 2018 Q-o-Q		June 30, 2018 Y-o-Y	
				change (\$)	change (%)	change (\$)	change (%)
Assets							
Cash and due from banks	22,688	15,596	12,179	7,092	45%	10,509	86%
Interest-bearing deposits at Federal Reserve Bank	36,621	38,115	57,189	(1,494)	-4%	(20,568)	-36%
	59,309	53,711	69,368	5,598	10%	(10,059)	-15%
Interest-bearing time deposits with other institutions	2,749	2,998	2,997	(249)	-8%	(248)	-8%
Investment securities available for sale	101,451	105,828	31,693	(4,377)	-4%	69,758	220%
Investment securities held to maturity	-	-	-	-	-	-	-
Loans	532,296	476,156	453,207	56,140	12%	79,089	17%
Allowance for loan losses	(4,893)	(4,521)	(4,204)	(372)	8%	(689)	16%
	527,403	471,635	449,003	55,768	12%	78,400	17%
Federal Home Loan Bank stock, at cost	2,878	2,295	2,295	583	25%	583	25%
Premises and equipment, net	2,202	1,969	1,187	233	12%	1,015	86%
Goodwill	-	-	-	-	0%	-	0%
Other intangible assets	443	465	609	(22)	-5%	(166)	-27%
Deferred tax asset/liability	4,776	4,353	5,532	423	10%	(756)	-14%
Accrued interest receivable	851	2,030	1,376	(1,179)	-58%	(525)	-38%
Other assets	8,574	947	841	7,627	805%	7,733	920%
	<u>710,636</u>	<u>646,231</u>	<u>564,901</u>	<u>64,405</u>	10%	<u>145,735</u>	26%
Liabilities and Shareholders' Equity							
Liabilities							
Noninterest Bearing	165,611	165,067	120,197	544	0%	45,414	38%
Interest Bearing	362,870	339,539	271,139	23,331	7%	91,731	34%
Total Deposits	528,481	504,606	391,336	23,875	5%	137,145	35%
FHLB Borrowings	90,000	50,000	85,000	40,000	80%	5,000	6%
Other borrowings	7,902	7,899	7,889	3	0%	13	0%
Accrued interest payable and other liabilities	3,415	3,473	2,339	(58)	-2%	1,076	46%
	629,798	565,978	486,564	63,820	11%	143,234	29%
Shareholders' equity							
Common stock	58,167	57,931	57,426	236	0%	741	1%
Additional paid-in capital	2,715	2,739	2,543	(24)	-1%	172	7%
Retained earnings	21,254	20,396	18,184	858	4%	3,070	17%
Accumulated other comprehensive income	(1,298)	(813)	184	(485)	60%	(1,482)	-805%
	<u>80,838</u>	<u>80,253</u>	<u>78,337</u>	<u>585</u>	1%	<u>2,501</u>	3%
Total liabilities and shareholders' equity	<u>710,636</u>	<u>646,231</u>	<u>564,901</u>	<u>64,405</u>	10%	<u>145,735</u>	26%

PRIVATE BANCORP OF AMERICA, INC.
SELECTED FINANCIAL DATA

INCOME STATEMENT (unaudited - in \$000s, except per share data)	for the six months ended		June 30, 2018	
	June 30, 2018	June 30, 2017	Y-o-Y change (\$)	Y-o-Y change (%)
Interest Income				
Loans	12,987	11,199	1,788	16%
Investment securities	1,255	374	881	236%
Deposits in other financial institutions	403	257	146	57%
	<u>14,645</u>	<u>11,830</u>	<u>2,815</u>	<u>24%</u>
Interest Expense				
Deposits	953	715	238	33%
Borrowings	675	432	243	56%
	<u>1,628</u>	<u>1,147</u>	<u>481</u>	<u>42%</u>
Net interest income	13,017	10,683	2,334	22%
Provision for credit losses	372	186	186	100%
Net interest income after provision for credit losses	<u>12,645</u>	<u>10,497</u>	<u>2,148</u>	<u>20%</u>
Noninterest income:				
Service charges on deposit accounts	125	138	(13)	-9%
Net gain on sale of loans & leases	511	237	274	116%
Gain (loss) on sale of investment securities	7	8	(1)	-13%
Other noninterest income	194	189	5	3%
	<u>837</u>	<u>572</u>	<u>265</u>	<u>46%</u>
Noninterest expense:				
Salary and employee benefits	6,933	4,543	2,390	53%
Occupancy and equipment	1,081	712	369	52%
Data processing	874	555	319	57%
Professional services	610	481	129	27%
Other expenses	1,189	726	463	64%
	<u>10,687</u>	<u>7,017</u>	<u>3,670</u>	<u>52%</u>
Income before provision for income tax	2,795	4,052	(1,257)	-31%
Provision for income tax	803	1,682	(879)	-52%
Net income	<u>1,992</u>	<u>2,370</u>	<u>(378)</u>	<u>-16%</u>
Net income available to common shareholders	<u>1,967</u>	<u>2,336.41</u>	<u>(369)</u>	<u>-16%</u>
Earnings per share				
Basic earnings per share	\$ 0.40	\$ 0.54	\$ (0.13)	-25%
Diluted earnings per share	\$ 0.39	\$ 0.51	\$ (0.12)	-24%
Average shares outstanding	4,952,883	4,415,902	536,981	12%
Diluted average shares outstanding	5,072,341	4,548,588	523,753	12%

PRIVATE BANCORP OF AMERICA, INC.
SELECTED FINANCIAL DATA

INCOME STATEMENT (unaudited - in \$000s, except per share data)	For the three months ended			June 30, 2018 Q-o-Q		June 30, 2018 Y-o-Y	
	June 30, 2018	March 31, 2018	June 30, 2017	change (\$)	change (%)	change (\$)	change (%)
Interest Income							
Loans	6,771	6,216	5,697	555	9%	1,074	19%
Investment securities	689	566	186	123	22%	503	270%
Deposits in other financial institutions	144	259	138	(115)	-44%	6	4%
	<u>7,604</u>	<u>7,041</u>	<u>6,021</u>	<u>563</u>	<u>8%</u>	<u>1,583</u>	<u>26%</u>
Interest Expense							
Deposits	476	477	340	(1)	0%	136	40%
Borrowings	393	282	223	111	39%	170	76%
	<u>869</u>	<u>759</u>	<u>563</u>	<u>110</u>	<u>14%</u>	<u>306</u>	<u>54%</u>
Net interest income	6,735	6,282	5,458	453	7%	1,277	23%
Provision for credit losses	372	-	186	372	NM	186	NM
Net interest income after provision for credit losses	<u>6,363</u>	<u>6,282</u>	<u>5,272</u>	<u>81</u>	<u>1%</u>	<u>1,091</u>	<u>21%</u>
Noninterest income:							
Service charges on deposit accounts	115	46	82	69	150%	33	40%
Net gain on sale of loans & leases	473	38	91	435	1145%	382	420%
Gain (loss) on sale of investment securities	7	-	8	7	NM	(1)	-13%
Other noninterest income	96	62	(4)	34	55%	100	-2500%
	<u>691</u>	<u>146</u>	<u>177</u>	<u>545</u>	<u>373%</u>	<u>514</u>	<u>290%</u>
Noninterest expense:							
Salary and employee benefits	3,870	3,063	2,318	807	26%	1,552	67%
Occupancy and equipment	558	523	393	35	7%	165	42%
Data processing	534	339	265	195	58%	269	102%
Professional services	240	370	314	(130)	-35%	(74)	-24%
Other expenses	639	551	409	88	16%	230	56%
	<u>5,841</u>	<u>4,846</u>	<u>3,699</u>	<u>995</u>	<u>21%</u>	<u>2,142</u>	<u>58%</u>
Income before provision for income tax	1,213	1,582	1,750	(369)	-23%	(537)	-31%
Provision for income tax	350	453	725	(103)	-23%	(375)	-52%
Net income	<u>863</u>	<u>1,129</u>	<u>1,025</u>	<u>(266)</u>	<u>-24%</u>	<u>(162)</u>	<u>-16%</u>
Net income available to common shareholders	<u>855</u>	<u>1,118</u>	<u>1,015</u>	<u>(263)</u>	<u>-24%</u>	<u>(160)</u>	<u>-16%</u>
Earnings per share							
Basic earnings per share	\$ 0.17	\$ 0.23	\$ 0.21	\$ (0.05)	-24%	\$ (0.04)	-20%
Diluted earnings per share	\$ 0.17	\$ 0.22	\$ 0.21	\$ (0.05)	-24%	\$ (0.04)	-20%
Average shares outstanding	5,014,918	4,962,128	4,745,163	52,790	1%	269,755	6%
Diluted average shares outstanding	5,134,376	5,069,098	4,877,849	65,278	1%	256,527	5%

PRIVATE BANCORP OF AMERICA, INC.
SELECTED FINANCIAL DATA

RATE AND YIELD TABLE (unaudited - in \$000s)	For the three months ended June 30, 2018			For the three months ended March 31, 2018			For the three months ended June 30, 2017		
	Average Balance	Interest	Average Yield/Rate	Average Balance	Interest	Average Yield/Rate	Average Balance	Interest	Average Yield/Rate
Interest-Earnings Assets:									
Deposits in other financial institutions	34,236	145	1.70%	65,798	259	1.60%	58,122	138	0.95%
Investment securities	106,295	688	2.60%	88,276	566	2.60%	31,932	186	2.34%
Loans	497,917	6,771	5.45%	484,180	6,216	5.21%	431,644	5,697	5.29%
Total interest-earning assets	638,448	7,604	4.78%	638,254	7,041	4.47%	521,698	6,021	4.63%
Noninterest-earning assets	16,475			18,734			19,251		
Total Assets	654,923			656,988			540,949		
Interest-Bearing Liabilities									
Interest-bearing transaction accounts	17,085	9	0.21%	17,002	8	0.19%	15,170	7	0.19%
Money market	267,736	355	0.53%	281,175	361	0.52%	189,070	198	0.42%
Savings deposits	5,585	4	0.29%	5,516	3	0.22%	5,673	3	0.21%
Certificates of deposit	46,544	108	0.93%	53,369	106	0.81%	63,612	132	0.83%
Total Interest-Bearing Deposits	336,950	476	0.57%	357,062	478	0.54%	273,525	340	0.50%
FHLB advances	60,769	290	1.91%	49,778	179	1.46%	50,385	120	0.96%
Other borrowings	7,901	103	5.23%	7,897	102	5.24%	7,886	103	5.24%
Total Interest-Bearing Liabilities	68,670	393	2.30%	57,675	281	1.98%	58,271	223	1.53%
Noninterest-bearing deposits	158,079			158,611			134,087		
Total Funding Sources	563,699	869	0.62%	573,348	759	0.54%	465,883	563	0.48%
Noninterest-bearing liabilities	10,678			3,753			2,385		
Shareholders' equity	80,546			79,887			72,681		
Total Liabilities and Shareholders' Equity	654,923			656,988			540,949		
Net interest spread			4.16%			3.94%			4.14%
Net interest income		6,735			6,282			5,458	
Net interest margin			4.23%			3.99%			4.20%