

FOR IMMEDIATE RELEASE  
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**MISSION VALLEY BANCORP  
REPORTS RECORD THIRD QUARTER 2016 EARNINGS**

**October 26, 2016 -- Sun Valley, California...**Mission Valley Bancorp (OTCQX: MVLY) President & CEO Tamara Gurney announces year to date net income of \$2,190,000 for the period ended September 30, 2016 – the strongest 3<sup>rd</sup> quarter in the history of the company.

Gurney stated, “I am pleased to share that Mission Valley Bancorp has once again achieved a benchmark quarter close, reaching net income of \$2,190,000 at September 30, 2016, a 25% increase over the \$1,753,000 reported at September 30, 2015. Steady growth was experienced across the board as assets, deposits, liabilities and capital all reflected an 11% increase over third quarter end 2015. Additionally, year to date 2016 earnings per share reached \$0.64.”

As of September 30, 2016 total assets grew by \$30.7 million, reaching \$310.8 million as compared to \$280.1 million at 09/30/2015; total deposits reached \$264.4 million, an increase of \$25.9 million over the \$238.5 million reported at 09/30/2015; liabilities increased to \$274.2 million from \$247.1 million reported at 09/30/2015 while capital grew more than \$3.5 million, reaching \$36.6 million at September 30, 2016 as compared to \$33.1 million at September 30, 2015.

Net loans increased more than 24%, reaching \$240.4 million as of September 30, 2016 from the \$193.4 million reported at September 30, 2015. Net interest income held steady over the 12 month period at \$8.40 million for year to date September 30, 2016 as compared to \$8.42 million September 30, 2015. Total other income year to date increased by more than 56% to \$3.45 million as of September 30, 2016, from \$2.20 million at September 30, 2015. This increase is reflective of continuing growth Mission Valley has experienced in both SBA Lending and Merchant Bankcard.

Both Mission Valley Bancorp and Mission Valley Bank capital ratios continue to exceed regulatory requirements with Mission Valley Bancorp reporting a Total Leverage Ratio of 13.8%, Common Equity Tier 1 Capital Ratio of 10.3%, Tier 1 Capital Ratio of 16.7%, and a Total Capital Ratio of 18.0%. Likewise, Mission Valley Bank reported a Total Leverage Ratio of 13.5%, Common Equity Tier 1 Capital Ratio of 16.4%, Tier 1 Capital Ratio of 16.4%, and a Total Capital Ratio of 17.6%. Regulatory requirements for a “well-capitalized bank” are 5%, 6.5%, 8% and 10%, respectively.

Gurney concluded, “Mission Valley is a relationship driven, community business bank. Since opening our doors 15 years ago, we have worked hard to develop a team and a culture that is dedicated to ensuring we do what is right for our clients, our shareholders and the communities we serve. This philosophy has enabled us to build the lasting client relationships we enjoy today that serve as the foundation for our continued success.”

*About Mission Valley Bank*

*Mission Valley Bank is a full-service, independent, commercial bank specializing in the banking needs of small to medium businesses in the San Fernando & Santa Clarita Valleys. The Bank was chartered in July 2001, with a vision of local ownership and a commitment to providing financial solutions to meet the needs of its clients.*

*Forward-looking statements:*

*Certain matters discussed in this news release constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based upon current management expectations and, therefore, are subject to certain risks and uncertainties that could cause actual results, performance, or achievements to differ materially from those expressed, suggested, or implied by the forward-looking statements. Forward-looking statements are effective only as of the date that they are made and Mission Valley Bank assumes no obligation to update this information. [www.MissionValleyBank.com](http://www.MissionValleyBank.com)*

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