



FOR IMMEDIATE RELEASE  
April 24, 2017

FOR INFORMATION CONTACT:  
Tamara Gurney, CEO  
(818) 394-2330

**MISSION VALLEY BANCORP  
REPORTS RECORD FIRST QUARTER EARNINGS**

**April 24, 2017 -- Sun Valley, California...**Mission Valley Bancorp (OTCQX: MVLY) President & CEO Tamara Gurney announces year to date net income of \$1,293,000 for the period ended March 31, 2017 – the strongest first 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 \$1,293,000, a 107% increase over the \$626,000 reported at March 31, 2016. This significant uptick in earnings is directly related to our strong performance with regard our merchant bankcard portfolio as well as the sale of SBA loans within the secondary market. The outstanding results achieved in these business units, combined with the continued steady performance throughout the company, resulted in an increase in earnings per share to \$0.39 as of March 31, 2017, up 117% from the \$0.18 reported at March 31, 2016.”

Gurney continued, “This strong first quarter performance follows our record results for the year ended 2016 of \$3,478,000. Recently this continued steady performance has earned Mission Valley Bank the sought-after recognition as one of 2016’s Super Premier Performing Bank’s by the highly regarded *Findley Reports*, the second consecutive year the Bank has received this honor.”

Net Interest Income (after provision for loan losses) increased more than 20%, closing the first quarter of 2017 at \$3.4 million from the \$2.8 million reported on March 31, 2016. Reflective of an increase in the gain on sale of SBA Loans in the secondary market of \$528,000, total other income grew more than 82% as of March 31, 2017, reaching \$1.48 million, from \$812,000 reported on March 31, 2016. Additionally, sustained growth within our merchant acquisition program continued to play a key role in the noted increase experienced in total other income during the first quarter of 2017.

Despite the sale of \$10.7 million of SBA Loans to the secondary market during the first quarter of 2017, net loans grew during the same period to \$242 million as of March 31, 2017, up \$3 million or 1.3% from the \$239 million at year end, December 31, 2016. Total assets closed the first quarter 2017 at \$324 million, down slightly (0.58%) from \$325 million, reported December 31, 2016. Total deposits closed the first quarter of 2017 at \$274 million, a 1.28% decrease from \$278 million as of December 31, 2016. Total liabilities closed the first quarter of 2017 at \$285 million as compared to \$288 million at year end, December 31, 2016.

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 13.9%, Common Equity Tier 1 Capital Ratio of 10.9%, Tier 1 Capital Ratio of 17.2%, and a Total Capital Ratio of 18.4%. Likewise, Mission Valley Bank reported a Total Leverage Ratio of 13.6%, Common Equity Tier 1 Capital Ratio of 16.7%, Tier 1 Capital Ratio of 16.7%, and a Total Capital Ratio of 18.0%. Regulatory requirements for a “well-capitalized bank” are 5%, 6.5%, 8% and 10%, respectively.

Gurney concluded, “Mission Valley is a relationship driven, community based business bank. We have built an extraordinary team and culture, dedicated to ensuring that we do what is right for our clients, our shareholders and the communities we serve. The combination of a sound, diversified balance sheet, solid capital base, and strong team, secure our course of steady and controlled growth throughout 2017 and beyond.”

*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)*

###