



## **Mission Valley Bancorp Reports Record Third Quarter Earnings**

**SUN VALLEY, CA (October 25, 2017)** -- Mission Valley Bancorp (OTCQX: MVLY) President & CEO Tamara Gurney announces year to date net income of \$3,210,000 for the period ended September 30, 2017 – the strongest third quarter results 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 \$3,210,000 a 46.6% increase over the \$2,190,000 reported at September 30, 2016. Throughout 2017, we have continued to see steady performance across all business units, resulting in an increase in earnings per share to \$0.96 as of September 30, 2017, up 49% from the \$0.64 reported at September 30, 2016.”

Net Interest Income (after provision for loan losses) increased more than 16%, closing the third quarter of 2017 at \$10.03 million up from the \$8.64 million reported on September 30, 2016. Gain on sale of SBA Loans in the secondary market has remained strong throughout year, closing September at \$1.2 million, an increase of 42% over the \$839,000 reported at September 30, 2016 supporting a 23% increase in Total other income over the same period, reporting \$3.65 million, as compared to \$2.96 million as of September 30, 2016.

Net loans held steady through the close of the third quarter at \$241.7 million as of September 30, 2017, compared to \$239.4 million at year end, December 31, 2016. Total assets closed the third quarter 2017 at \$317.5 million, down slightly (2.43%) from \$325.4 million, reported December 31, 2016. Total deposits closed the third quarter of 2017 at \$267.3 million, a 3.83% decrease from \$278.0 million as of December 31, 2016. Total liabilities closed the third quarter of 2017 at \$287.1 million as compared to \$287.8 million at year end, December 31, 2016.

During the third quarter the Company redeemed its Community Development Capital Investment (CDCI) (formerly TARP/PPP) to Treasury through short term private debt. 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 11.2%, Common Equity Tier 1 Capital Ratio of 12.0%, Tier 1 Capital Ratio of 14.4%, and a Total Capital Ratio of 15.6%. Likewise, Mission Valley Bank reported a Total Leverage Ratio of 13.8%, Common Equity Tier 1 Capital Ratio of 17.7%, Tier 1 Capital Ratio of 17.7%, and a Total Capital Ratio of 18.9%. 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, will continue to support our goal of steady and controlled growth throughout the remainder 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).*