

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

**MISSION VALLEY BANCORP
REPORTS SECOND QUARTER 2018 EARNINGS**

July 24, 2018, -- Sun Valley, California...Mission Valley Bancorp (OTCQX: MVLY) President & CEO Tamara Gurney announces year to date net income of \$2.17 million for the period ended June 30, 2018.

Gurney stated, "Mission Valley Bancorp closed the second quarter of 2018 with Net Earnings of \$2,171,000. While strong, these earnings reflect a slight decrease of 1.9% from the record earnings of \$2,213,000 posted for June 30, 2017."

Gurney explained that, "During the third quarter of 2017, the Company redeemed its \$10.3 million Community Development Capital Investment (CDCI) (Formerly TARP/PPP) to the Treasury in anticipation of the scheduled CDCI rate increase to 9% in 2018. With interest rates steadily rising, the Company deemed it prudent to replace the CDCI investment with short term private debt at then lower interest rates. As expected, Other Interest Expense rose by more than 293%, closing the six months ending June 30, 2018 at \$378,000, up \$282,000 from the \$96,000 reported at June 30, 2017.

Conversely, the steady rise in interest rates positively impacted Total Interest Income, up \$523,000 or 7.5% from the same period last year. At the same time, Interest Expense on Deposits declined slightly to \$167,000, down 8% or \$15,000 from the same period in 2017. In spite of the significant increase in Total Interest Expense, Net Interest Income (after Provision for Loan Losses) increased by 4.7%, closing the first half of 2018 at \$6.97 million, up from the \$6.66 million reported on June 30, 2017. As a result of tax reform implemented in the fourth quarter of 2017, Earnings Per Share improved to \$0.68 as of June 30, 2018, up from the \$0.67 reported at June 30, 2017."

Gain on sale of SBA Loans in the secondary market dipped slightly during the first half of the year, closing June at \$664,000, as compared to \$781,000 for the same period in 2017 as the organization chose to retain some of the loans available for sale through quarter end. Other Operating Income declined by \$159,000 as a result of fluctuations in net Servicing, Merchant and Interchange fees. Thus, total other income closed the second quarter at \$2.14 million, down 10.9% compared to the \$2.40 million reported as of June 30, 2017. On the Balance Sheet, Net loans closed the second quarter at \$230.7 million, compared to \$242.4 million at year end, December 31, 2017. Total assets closed the second quarter of 2018 at \$319.5 million, as compared to \$330.4 million reported December 31, 2017. Total deposits closed the second quarter of 2018 at \$267 million, as compared to \$280.2 million as of December 31, 2017. These results were driven by various factors, including an uptick in unscheduled loan payoffs and large tax payments due from several client relationships.

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 11.7%, Common Equity Tier 1 Capital Ratio of 12.5%, Tier 1 Capital Ratio of 14.7%, and a Total Capital Ratio of 16.0%. Likewise, Mission Valley Bank reported a Total Leverage Ratio of 14.0%, 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 dedicated to maintaining our high touch, personal service culture while providing state-of-the-art technologies to our clients including robust Online and Mobile Banking platforms. We have an extraordinary team, committed 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 continue to steer our course of steady and controlled growth throughout the remainder 2018 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