

FOR IMMEDIATE RELEASE
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MISSION VALLEY BANCORP REPORTS RECORD SECOND QUARTER EARNINGS

July 28, 2017 -- Sun Valley, California...Mission Valley Bancorp (OTCQX: MVLY) President & CEO Tamara Gurney announces year to date net income of \$2.2 million for the period ended June 30, 2017 – the strongest mid-year results in the history of the company.

Gurney stated, “I am pleased to share that Mission Valley Bancorp has once again achieved a record high for the first half of the year, reaching net income of \$2,213,000, a 38.05% increase over the \$1,603,000 reported at June 30, 2016. Our continued steady earnings reflect our ongoing dedication to maintaining our course of controlled growth and profitability. Through the first half of 2017, we continue to see solid performances across all business units, resulting in an increase in earnings per share to \$0.67 as of June 30, 2017, up 40.0% from the \$0.48 reported at June 30, 2016.”

Net Interest Income (after provision for loan losses) increased more than 17.1%, closing the first half of 2017 at \$6.66 million up from the \$5.69 million reported on June 30, 2016. Gain on sale of SBA Loans in the secondary market remained strong for the first half of the year, closing June with \$781,000. Total other income grew more than 12.9% as of June 30, 2017, reaching \$2.40 million, from \$2.13 million reported as of June 30, 2016.

Net loans held steady through the close of the second quarter at \$241.8 million as of June 30, 2017, compared to \$239.4 million at year end, December 31, 2016. Total assets closed the second quarter 2017 at \$313.9 million, down slightly (3.53%) from \$325.4 million, reported December 31, 2016. Total deposits closed the second quarter of 2017 at \$263.3 million, a 5.27% decrease from \$278.0 million as of December 31, 2016. Total liabilities closed the second quarter of 2017 at \$274.1 million as compared to \$287.8 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 14.4%, Common Equity Tier 1 Capital Ratio of 11.4%, Tier 1 Capital Ratio of 17.7%, and a Total Capital Ratio of 18.9%. Likewise, Mission Valley Bank reported a Total Leverage Ratio of 14.1%, Common Equity Tier 1 Capital Ratio of 17.3%, Tier 1 Capital Ratio of 17.3%, and a Total Capital Ratio of 18.5%. 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, steer 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