

PACIFIC ENTERPRISE BANCORP AND SUBSIDIARY
CONSOLIDATED STATEMENT OF FINANCIAL CONDITION
UNAUDITED

| | As of September 30 2017 | As of September 30 2016 |
|---|----------------------------|----------------------------|
| ASSETS: | | |
| Cash and Due from Banks | \$ 1,815,409 | \$ 2,935,027 |
| Interest-bearing deposits in Banks | 92,779,694 | 85,779,324 |
| Federal Funds Sold | 15,000 | 20,000 |
| Investments | 1,551,579 | 3,607,904 |
| Total Loans | <u>404,737,896</u> | <u>364,985,205</u> |
| Deferred Loan Costs, Net | 2,761,590 | 2,566,503 |
| Allowance for loan losses | <u>(3,544,373)</u> | <u>(3,918,194)</u> |
| NET LOANS | <u>403,955,113</u> | <u>363,633,514</u> |
| Federal Reserve Bank And other Stock, at Cost | 2,603,993 | 2,280,743 |
| Fixed Assets, net | 1,060,519 | 1,249,355 |
| Accrued Interest and Other Assets | 10,288,174 | 9,130,569 |
| TOTAL ASSETS | <u>\$ 514,069,481</u> | <u>\$ 468,636,436</u> |
| LIABILITIES: | | |
| Deposits | | |
| Noninterest-bearing Demand | \$ 69,370,596 | \$ 92,282,028 |
| Savings, NOW, and Money Market Accounts | 162,355,630 | 155,125,144 |
| Time Deposits | 218,848,415 | 159,054,987 |
| TOTAL DEPOSITS | <u>450,574,641</u> | <u>406,462,159</u> |
| Subordinated Debt | 13,000,000 | 13,000,000 |
| Accrued Interest and Other Liabilities | 4,356,376 | 3,780,449 |
| TOTAL LIABILITIES | <u>467,931,017</u> | <u>423,242,608</u> |
| SHAREHOLDERS EQUITY: | | |
| Common Stock | 24,570,804 | 26,309,934 |
| Paid-in Capital | 2,591,628 | 1,309,858 |
| Accumulated Other Comprehensive Income (Loss) | 4,460 | 12,409 |
| Retained Earnings | <u>18,971,572</u> | <u>17,761,627</u> |
| TOTAL SHAREHOLDERS' EQUITY | <u>46,138,464</u> | <u>45,393,828</u> |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | <u>\$ 514,069,481</u> | <u>\$ 468,636,436</u> |

PACIFIC ENTERPRISE BANCORP AND SUBSIDIARY
STATEMENT OF OPERATIONS
UNAUDITED

| | For the Nine Months ended September 30, | |
|---|---|---------------------|
| | 2017 | 2016 |
| INTEREST INCOME | | |
| Interest and Fees on Loans | \$ 21,826,002 | \$ 19,421,137 |
| Interest on Investments, Federal Funds Sold and Other | 823,440 | 610,339 |
| TOTAL INTEREST INCOME | <u>22,649,442</u> | <u>20,031,476</u> |
| INTEREST EXPENSE | | |
| Interest on Interest Bearing Deposits | 3,103,412 | 2,274,263 |
| Interest Expense on FHLB Advances and Subordinated Debt | 810,636 | 810,664 |
| TOTAL INTEREST EXPENSE | <u>3,914,048</u> | <u>3,084,927</u> |
| NET INTEREST INCOME | <u>18,735,394</u> | <u>16,946,549</u> |
| Provision for loan losses | 120,000 | 170,000 |
| NET INTEREST INCOME AFTER PROVISION | <u>18,615,394</u> | <u>16,776,549</u> |
| NON-INTEREST INCOME | | |
| Service Charges, Fees and Other Income | 194,411 | 200,857 |
| Gain on sale of Loans | 1,373,858 | 1,694,844 |
| Other Fee Income | 573,670 | 863,813 |
| TOTAL NON-INTEREST INCOME | <u>2,141,939</u> | <u>2,759,514</u> |
| NON-INTEREST EXPENSE | | |
| Salaries and Employee Benefits | 12,875,132 | 10,503,324 |
| Occupancy and Equipment Expenses | 702,356 | 608,071 |
| Other Expenses | 3,458,226 | 2,948,871 |
| TOTAL NON-INTEREST EXPENSE | <u>17,035,714</u> | <u>14,060,266</u> |
| INCOME BEFORE INCOME TAXES | 3,721,619 | 5,475,797 |
| Income Tax | 1,556,893 | 2,290,140 |
| NET INCOME | <u>\$ 2,164,726</u> | <u>\$ 3,185,657</u> |