

**PACIFIC ENTERPRISE BANCORP AND SUBSIDIARY**  
**CONSOLIDATED STATEMENT OF FINANCIAL CONDITION**  
**AUDITED**

	As of December 31 2016	As of December 31 2015
<b>ASSETS:</b>		
Cash and Due from Banks	\$ 3,082,291	\$ 2,032,310
Interest-bearing deposits in Banks	84,535,784	114,750,147
Federal Funds Sold	15,000	29,000
Investments	3,532,145	3,813,472
Total Loans	<u>378,292,013</u>	<u>322,702,847</u>
Deferred Loan Costs, Net	3,157,653	1,998,799
Allowance for loan losses	<u>(3,816,611)</u>	<u>(3,843,344)</u>
<b>NET LOANS</b>	<u>377,633,055</u>	<u>320,858,302</u>
Federal Reserve Bank And other Stock, at Cost	2,288,593	2,110,596
Fixed Assets, net	1,213,534	953,992
Accrued Interest and Other Assets	9,907,092	9,224,437
<b>TOTAL ASSETS</b>	<u>\$ 482,207,494</u>	<u>\$ 453,772,256</u>
<b>LIABILITIES:</b>		
Deposits		
Noninterest-bearing Demand	\$ 84,765,835	\$ 67,395,523
Savings, NOW, and Money Market Accounts	147,151,980	146,974,763
Time Deposits	186,518,725	180,518,471
<b>TOTAL DEPOSITS</b>	<u>418,436,540</u>	<u>394,888,757</u>
Subordinated Debt	13,000,000	13,000,000
Accrued Interest and Other Liabilities	4,341,531	4,454,784
<b>TOTAL LIABILITIES</b>	<u>435,778,071</u>	<u>412,343,541</u>
<b>SHAREHOLDERS EQUITY:</b>		
Common Stock	26,309,934	26,309,934
Paid-in Capital	1,568,081	539,657
Accumulated Other Comprehensive Income (Loss)	5,440	3,163
Retained Earnings	<u>18,545,968</u>	<u>14,575,961</u>
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<u>46,429,423</u>	<u>41,428,715</u>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<u>\$ 482,207,494</u>	<u>\$ 453,772,256</u>

**PACIFIC ENTERPRISE BANCORP AND SUBSIDIARY**  
**STATEMENT OF OPERATIONS**

	For the Years Ended December 31,	
	2016	2015
<b>INTEREST INCOME</b>		
Interest and Fees on Loans	\$ 26,254,904	\$ 23,174,340
Interest on Investments, Federal Funds Sold and Other	856,169	612,379
<b>TOTAL INTEREST INCOME</b>	<u>27,111,073</u>	<u>23,786,719</u>
<b>INTEREST EXPENSE</b>		
Interest on Interest Bearing Deposits	3,083,960	2,121,932
Interest Expense on FHLB Advances and Subordinated Debt	1,080,877	1,296,695
<b>TOTAL INTEREST EXPENSE</b>	<u>4,164,837</u>	<u>3,418,627</u>
<b>NET INTEREST INCOME</b>	<u>22,946,236</u>	<u>20,368,092</u>
Provision for loan losses	220,000	120,000
<b>NET INTEREST INCOME AFTER PROVISION</b>	<u>22,726,236</u>	<u>20,248,092</u>
<b>NON-INTEREST INCOME</b>		
Service Charges, Fees and Other Income	1,361,825	1,310,419
Gain on sale of Loans	1,694,844	1,700,681
<b>TOTAL NON-INTEREST INCOME</b>	<u>3,056,669</u>	<u>3,011,100</u>
<b>NON-INTEREST EXPENSE</b>		
Salaries and Employee Benefits	14,181,266	11,417,651
Occupancy and Equipment Expenses	835,063	686,303
Other Expenses	3,942,379	3,579,873
<b>TOTAL NON-INTEREST EXPENSE</b>	<u>18,958,708</u>	<u>15,683,827</u>
<b>INCOME BEFORE INCOME TAXES</b>	6,824,197	7,575,365
Income Tax	2,854,190	3,167,890
<b>NET INCOME</b>	<u>\$ 3,970,007</u>	<u>\$ 4,407,475</u>