



## PRESS RELEASE

For Immediate Release  
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### **AltaPacific Bancorp Announces 2015 Year End Performance Results and Declares 5% Stock Dividend**

SANTA ROSA, Calif. – (BUSINESS WIRE) – January 27, 2016 - AltaPacific Bancorp (OTCBB: ABNK), the parent company of AltaPacific Bank, today reported year-to-date net income totaling \$5,271,000, and quarterly net income totaling \$1,344,000 for the period ending December 31, 2015, respectively. The Net income reported represents a year-over-year increase of \$1,844,000 (53.8%) over 2014. The Company also reported that the Board of Directors recently approved the payment of a 5% stock dividend per common share payable on February 19, 2016 to shareholders of record as of February 5, 2016.

Assets totaled \$345,747,000 at December 31, 2015, representing an increase of \$0.8 million (0.2%) over September 30, 2015 and an increase of \$5.1 million (1.5%) over December 31, 2014. At December 31, 2015, gross loans totaled \$225,465,000 representing an increase of \$7,000 (0.0%) over September 30, 2015 and an increase of \$.2 million (0.1%) over December 31, 2014. Deposits totaled \$262,433,000 at December 31, 2015 representing an increase of \$9.9 million (3.9%) over September 30, 2015 and a decrease of \$78,000 (0.0%) over December 31, 2014. During 2015, the bank reduced reliance on wholesale funded Certificates of Deposit as those deposits decreased \$20.1 million (41.1%). The decreased reliance on wholesale funding resulted from a corresponding increase in core deposits.

At December 31, 2015, the Allowance for Loan and Lease Losses totaled \$3,235,000, representing 1.8% of Gross Loans originated and nonaccrual loans totaled \$533,000. The Total Risk-Based Capital ratio for AltaPacific Bank totaled 20.3% at December 31, 2015, which substantially exceeds the 10% minimum ratio for a well capitalized institution. The bank's Tier 1 Leverage ratio totaled 15.0% at December 31, 2015, which also substantially exceeds the 5% minimum for a well capitalized institution.

The Company's Share Repurchase Program, which was adopted in 2012, has resulted in the repurchase and retirement of 614,220 shares of company stock at an average cost of \$9.40. During 2015, the Company repurchased and retired 160,375 shares at an average cost of \$10.10.

"This past year reflects the first full year of operations following the May 2014 merger with Mission Oaks Bancorp. The earnings performance of AltaPacific Bancorp following the merger has truly been exceptional. It certainly provides confirmation of our decision to merge with Mission Oaks," reported Charles O. Hall, President and Chief Executive Officer. Continuing, Mr. Hall stated, "We recently filed an application to open a full service branch in Riverside California and are excited for the opportunity to serve the business owners and individuals in that market area."

AltaPacific Bancorp is the parent company for AltaPacific Bank. The Company's stock trades over the counter under the symbol ABNK. AltaPacific Bank is an independent business bank headquartered in Santa Rosa, California and has offices in Santa Rosa, Temecula, Rancho Cucamonga and Covina, California. The bank is focused on meeting the specialized needs of small to medium-sized businesses and professionals throughout California. For additional information, please contact us at (707) 236-1500 or online at [www.apbconnect.com](http://www.apbconnect.com).

The following is a summary of the Company's financial performance (unaudited) as of December 31, 2015:

<i>(Dollars in thousands)</i>	<b>December 31, 2014</b>	<b>September 30, 2015</b>	<b>December 31, 2015</b>
Gross Loans	\$ 225,281	\$ 225,458	\$ 225,465
Allowance for Loan Losses	2,746	2,994	3,235
Net Loans	222,534	222,464	222,230
Total Assets	340,672	344,908	345,747
Total Deposits	262,511	252,535	262,433
Shareholders' Equity	48,841	51,156	52,302

<i>(Dollars in thousands, except per share amounts)</i>	<b>Three Month Period Ending</b>		<b>Year-to-Date</b>	
	<b>September 30, 2015</b>	<b>December 31, 2015</b>	<b>December 31, 2014</b>	<b>December 31, 2015</b>
Interest Income	\$ 5,062	\$ 4,634	\$ 17,469	\$ 20,607
Interest Expense	333	342	1,265	1,330
Net Interest Income	4,729	4,292	16,204	19,277
Provision for Loan Losses	205	185	625	390
Noninterest Income	250	385	1,516	1,129
Noninterest Expense	2,606	2,381	11,308	11,218
Pretax Income	2,168	2,111	5,787	8,798
Provision for Income Taxes	893	767	2,360	3,527
Net Income	1,275	1,344	3,427	5,271
Return on Average Assets	1.50%	1.56%	1.10%	1.53%
Return on Average Equity	9.99%	10.39%	7.10%	10.38%
Efficiency Ratio	52.34%	50.91%	63.81%	54.97%
EPS Basic	\$ 0.23	\$ 0.25	\$ 0.60	\$ 0.96
EPS Diluted	\$ 0.23	\$ 0.24	\$ 0.58	\$ 0.93
Book Value Per Common Share	\$ 9.48	\$ 9.69	\$ 8.80	\$ 9.69

#### *Forward-Looking Statements*

*This press release may contain forward-looking statements about AltaPacific Bancorp and its subsidiaries, including descriptions of plans or objectives of its management for future operations, products or services, and forecasts of its revenues, earnings or other measures of economic performance. Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts. They often include the words "believe," "expect," "anticipate," "intend," "plan," "estimate," or words of similar meaning, or future or conditional verbs such as "will," "would," "should," "could," or "may." Forward-looking statements, by their nature, are subject to risks and uncertainties. A number of factors — many of which are beyond AltaPacific's control — could cause actual conditions, events or results to differ significantly from those described in the forward-looking statements. Factors that may cause actual results to differ materially from those contemplated by such forward-looking statements include, among others, the following possibilities: (1) competitive pressures among depository and other financial institutions may increase significantly; (2) revenues may be lower than expected; (3) changes in the interest rate environment may reduce interest margins; (4) general economic conditions, either nationally or regionally, may be less favorable than expected, resulting in, among other things, a deterioration in credit quality and/or a reduced demand for credit; (5) legislative or regulatory changes, including changes in accounting standards and tax laws, may adversely affect the businesses in which AltaPacific is engaged; (6) competitors may have greater financial resources and develop products that enable such competitors to compete more successfully than AltaPacific; and (7) adverse changes may occur in the securities markets or with respect to inflation. Forward-looking statements speak only as of the date they are made. Except as required by law, AltaPacific does not undertake to update forward-looking statements to reflect subsequent circumstances or events.*