

**NORTHERN CALIFORNIA NATIONAL BANK
ANNOUNCES
2018 SECOND QUARTER RESULTS AND ADDITION OF LOAN
PRODUCTION OFFICE IN SACRAMENTO**

Chico, Ca – Northern California National Bank (OTC markets: NCNB) reported pretax net income of \$1,452,000 and after tax net income of \$1,065,000 for the six months ending June 30, 2018. This is a 15% increase in pretax net income from the \$1,261,000 earned in the first six months of 2017 and a 32% increase in after tax net income which was \$805,000 for the same period in 2017.

Financial Highlights for the quarter ended June 30, 2018

- Total assets were \$225.8 million at June 30, 2018, a 6% increase from the June 30, 2017 balance of \$213.7 million.
- Gross Loans totaled \$98.1 million, up 16% from \$84.6 million a year ago.
- Deposits increased 6% to a balance of \$204.7 million at June 30, 2018 versus a balance of \$193.8 million in 2017.
- Total shareholder's equity increased from \$19.1 million at June 30, 2017 to \$20.5 million in 2018.
- The book value per common share was \$14.36 at June 30, 2018 compared to \$13.74 at June 30, 2017.
- The Allowance for Loan Losses was \$1.402 million at the end of the second quarter in 2018 compared to \$1.26 million at the end of the second quarter in 2017.
- The Bank continues to have extremely good asset quality, is considered to be well capitalized and exceeds the minimum regulatory capital requirements.

“We are very pleased with our operating results in the first half of 2018. The Bank continues to be successful with increased net income, loans and deposits. The financial results continue to be a direct result of the great customers, employees, Board members and shareholders of the Bank”, said Todd Lewis President/CEO.

“We are also very excited to announce that we will be adding a Loan Production Office in the Sacramento area in the second half of 2018. We have hired Steve Budiono as the Senior Vice President/Regional Commercial Banking Manager to oversee business development in the Sacramento area. Steve is an excellent addition to our team and we look forward to expanding our relationship banking to commercial customers in the Sacramento area.”

Located at the corner of 7th Avenue and Mangrove, Northern California National Bank is a locally owned and operated bank servicing the needs of the businesses and individuals in Northern California since March 2006. The Bank has a full service branch in Chico, CA. For more information call (530) 879-5900 or visit the website at www.norcalbank.com.

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