



Financial Highlights March 31, 2017

Recognizing Mission Bank's strong earnings over the past year, the board of directors of Mission Bancorp has approved a 5 percent stock dividend, which will be applied to shareholders as of May 22, 2017.

The Bakersfield-based bank recorded its 72nd consecutive profitable quarter after unaudited net income rose to \$1.5 million in the three months ending March 31, a 25 percent jump over the first quarter of 2016.

Mission Bancorp's loan portfolio continued to show strong growth during the first quarter, which led to increases in earnings. Outstanding loans increased to \$415.4 million representing yet another record high. Loans increased \$85.5 million, a gain of 26 percent compared to March 31, 2016.

"Mission Bank's strong first quarter performance builds on its record-setting 2016 performance," said A. J. Antongiovanni, Mission Bank's president and chief executive officer. He credited the continuing success to the bank's focus on "relationship banking," which he explained "places a priority on providing a wide range of high-quality services to local businesses."

Total deposits increased to \$538.3 million at the end of first quarter 2017, up 12.3 percent over the same period last year. Total assets grew 19.7 percent over 2016's first quarter to hit \$629.9 million in 2017.


Shareholders' equity increased \$5.1 million, or 11.8 percent, to \$48.6 million at the end of first quarter 2017, compared to \$43.5 million on March 31, 2016. The increase in equity is due to strong earnings over the past year. Mission attributes earnings to growth in their loan portfolio and net interest income, while controlling non-interest expenses.

Return on Average Assets and Return on Average Equity increased to 0.98% and 12.21%, respectively, at the end of this year's first quarter. This compares to 0.92% and 10.92%, respectively, for the same period in 2016.

Book value per share increased \$3.04 to \$29.39. Earnings per share and book value per share are adjusted to reflect the 5 percent stock dividend. The payout date is June 5, 2017.

About Mission Bancorp

Mission Bancorp is the parent holding company of three wholly owned subsidiaries, Mission Bank, Mission Bank 1031 Exchange, LLC, and Mission Community Development, LLC, as well as a 50% owner of Double W, LLC, an entity that owns commercial property including the bank's Shafter Business Banking Center. Mission Bancorp is headquartered in Bakersfield, California and has seven Business Banking Centers, serving the greater areas of Bakersfield, Lancaster, Mojave, and Ridgecrest.

 MISSION BANK <i>"Let our Experience work for you"</i>	MISSION BANCORP						
	(Unaudited)						
	Three Months			Three Months			
	<u>March 31</u>			<u>March 31</u>			
FOR THE PERIOD	2017	2016	% Change		2017	2016	% Change
Net Interest Income	\$ 5,112,976	\$ 4,432,346	15.36%		\$ 5,112,976	\$ 4,432,346	15.36%
Provision for Loan Loss	\$ 301,955	\$ 124,263	143.00%		\$ 301,955	\$ 124,263	143.00%
Non Interest Income	\$ 1,078,031	\$ 1,033,867	4.27%		\$ 1,078,031	\$ 1,033,867	4.27%
Non Interest Expense	\$ 3,445,014	\$ 3,357,331	2.61%		\$ 3,445,014	\$ 3,357,331	2.61%
Pre Tax Income	\$ 2,444,038	\$ 1,984,619	23.15%		\$ 2,444,038	\$ 1,984,619	23.15%
Provision for Taxes	\$ 982,722	\$ 816,149	20.41%		\$ 982,722	\$ 816,149	20.41%
Net Income	\$ 1,461,316	\$ 1,168,470	25.06%		\$ 1,461,316	\$ 1,168,470	25.06%
Shares (End of Period)	1,655,011	1,651,341	0.22%		1,655,011	1,651,341	0.22%
Income Per Share - Basic	\$ 0.88	\$ 0.71	23.94%		\$ 0.88	\$ 0.71	23.94%
SELECTED FINANCIAL RATIOS							
(Annualized)							
Return on average assets	0.98%	0.92%			0.98%	0.92%	
Return on average equity	12.21%	10.92%			12.21%	10.92%	
AT PERIOD END							
Loans & Leases					\$ 415,358,100	\$ 329,891,160	25.91%
Allowance for Loan Loss					\$ 4,771,698	\$ 3,939,091	21.14%
Total Assets					\$ 629,877,528	\$ 526,330,557	19.67%
Deposits					\$ 538,251,029	\$ 479,328,696	12.29%
Shareholder equity					\$ 48,637,834	\$ 43,506,887	11.79%
Allowance for Loan Loss							
to Total Loans					1.15%	1.19%	-3.36%
Book value per share					\$ 29.39	\$ 26.35	11.54%