



# BANK OF SOUTHERN CALIFORNIA (BCAL)

Nathan Rogge  
President | CEO, Bank of Southern California

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# CAUTIONARY STATEMENT

Readers should be aware that this presentation may contain certain “forward-looking statements”, as this term is used under the federal securities laws, concerning our plans and objectives, future events or performance and other information or statements that are other than statements of historical fact. For example, we may describe our expansion plans and opportunities that we see in our market for future growth. These types of forward-looking statements reflect many different assumptions and involve various risks and uncertainties that may affect our future performance or results of operations in ways that we do not anticipate.







## **Forward-Looking Statements:**

Except for the historical information in this presentation, the matters described herein contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and are subject to risks and uncertainties that could cause actual results to differ materially. Such risks and uncertainties include: the credit risks of lending activities, including changes in the level and trend of loan delinquencies and charge-offs, results of examinations by our banking regulators, our ability to maintain adequate levels of capital and liquidity, our ability to manage loan delinquency rates, our ability to price deposits to retain existing customers and achieve low-cost deposit growth, manage expenses and lower the efficiency ratio, expand or maintain the net interest margin, mitigate interest rate risk for changes in the interest rate environment, competitive pressures in the banking industry, access to available sources of credit to manage liquidity, the local and national economic environment, and other risks and uncertainties. Accordingly, undue reliance should not be placed on forward-looking statements. These forward-looking statements speak only as of the date of this release. Bank of Southern California undertakes no obligation to update publicly any forward-looking statements to reflect new information, events or circumstances after the date of this release or to reflect the occurrence of unanticipated events. Investors are encouraged to read the Bank of Southern California annual reports which are available on our website.



# BCAL'S EXECUTIVE MANAGEMENT TEAM

- Average of 35 years of community banking experience
- Average BCAL tenure of seven years
- Track record of successful M&A strategy with six acquisitions over the past eight years
- Committed long-term vision of building a premier community bank for Southern California

	NAME & TITLE	BIOGRAPHY
	<b>Nathan Rogge</b> <i>President, Chief Executive Officer</i>	Starting in 2008, Nathan Rogge serves as the President and CEO of Bank of Southern California. Previously, Mr. Rogge served as the COO at Bank of Southern California from 2006 - 2008. From 2002 - 2006, Mr. Rogge served as the Senior Vice President of Business Banking at First Republic Bank.
	<b>Jim Burgess</b> <i>EVP, Chief Financial Officer</i>	Starting in 2011, Jim Burgess serves as the Executive Vice President and CFO at Bank of Southern California. Mr. Burgess had previously served as the EVP, CFO at 1st Pacific Bank of California from 1999 - 2010. During his time at 1st Pacific, Jim oversaw the Bank as it listed on the NASDAQ stock exchange under the ticker: "FPBN".
	<b>Tony DiVita</b> <i>EVP, Chief Operating Officer</i>	Starting in 2011, Tony DiVita serves as the EVP, Chief Operating Officer at Bank of Southern California. From 2007 - 2011, Mr. DiVita served as the SVP, Regional Branch Manager and Director of Marketing at CNB / 1st Pacific Bank. Before that, Mr. DiVita served as the SVP, Chief Banking Officer at Landmark National Bank from 2003 - 2007.
	<b>Pamela Isaacson</b> <i>EVP, Chief Administration Officer</i>	Starting in 2008, Pamela Isaacson serves as the EVP, Chief Administration Officer at Bank of Southern California. Previously, Mrs. Isaacson served as the SVP of Operations at Bank of Southern California from 2008 - 2009. From 1998 - 2008, Mrs. Isaacson served as the Cash Management Department Director at San Diego National Bank.
	<b>Bob Marshall</b> <i>EVP, Chief Credit Officer</i>	Starting in 2012, Bob Marshall serves as the EVP, Chief Credit Officer at Bank of Southern California. Previously, Mr. Marshall served as the President and CCO at California Community Bank from 2003 - 2012.
	<b>Gaylin Anderson</b> <i>EVP, Chief Banking Officer</i>	Starting in May, 2018 Gaylin Anderson currently serves EVP, Chief Banking Officer at Bank of Southern California. Previously, Mr. Anderson served as EVP, Managing Director Community Banking at Banc of California from 2011 - 2018. From 2003 - 2011, He served as SVP, Sales and Branches at U.S. Bank.



# BCAL 2018 OVERVIEW

- Experienced tremendous growth
- Successfully completed the acquisition of Americas United Bank (AUNB)
- Expanded it's Business Banking and Branch Banking teams
- Opened a production office in West Los Angeles
- Consolidated the Coachella Valley locations
- Successfully raised \$26MM in capital
- Launched a CX Program

## Received numerous distinctions and awards:

- Top-rated SBA lending partner
- Five-Star Superior Performance Rating by Bauer Financial
- Super Premier Performing by The Findley Reports
- Top Lender by loan dollar volume using the State Guarantee Program
- 2018 Best Places to Work by the San Diego Business Journal
- Most Admired CEO by the San Diego Business Journal

# BCAL'S ACQUISITION OF AUNB

*Transaction closed July 31, 2018*

## Market Opportunity

- Entry into the attractive Los Angeles metropolitan market
- Materially moves BCAL towards \$1B asset threshold
- Positions BCAL to grow into a dominant Southern California bank

## Stable Platform With Scarcity Value

- Offers a stable platform for future growth; BCAL establishes a \$225MM foothold in Los Angeles (Glendale, CA)
- Clean balance sheet with low NPAs and zero OREO
- Significant cost savings through elimination of redundancies

## Attractive Deal Economics

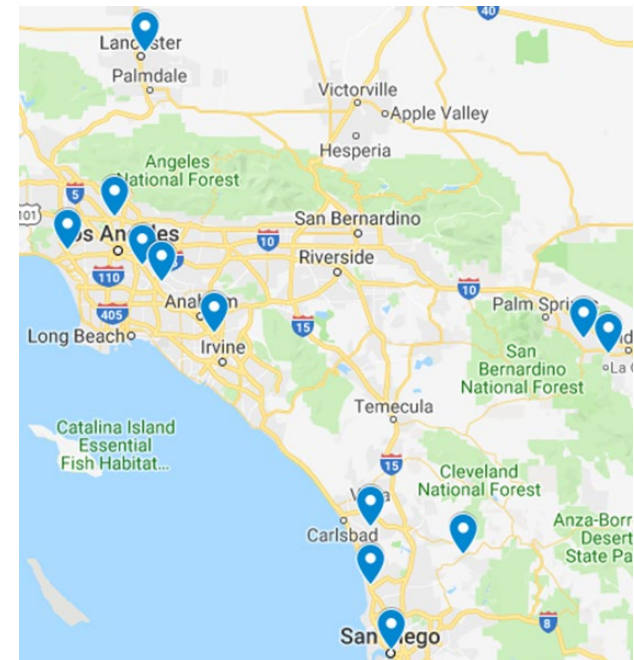
- Strong pro forma profitability metrics and EPS accretion in 2018 (excluding restructuring costs)
- Attractive ROIC and positive Net Present Value
- Proforma TBV earnback under 4 years



# BRANCH FOOTPRINT

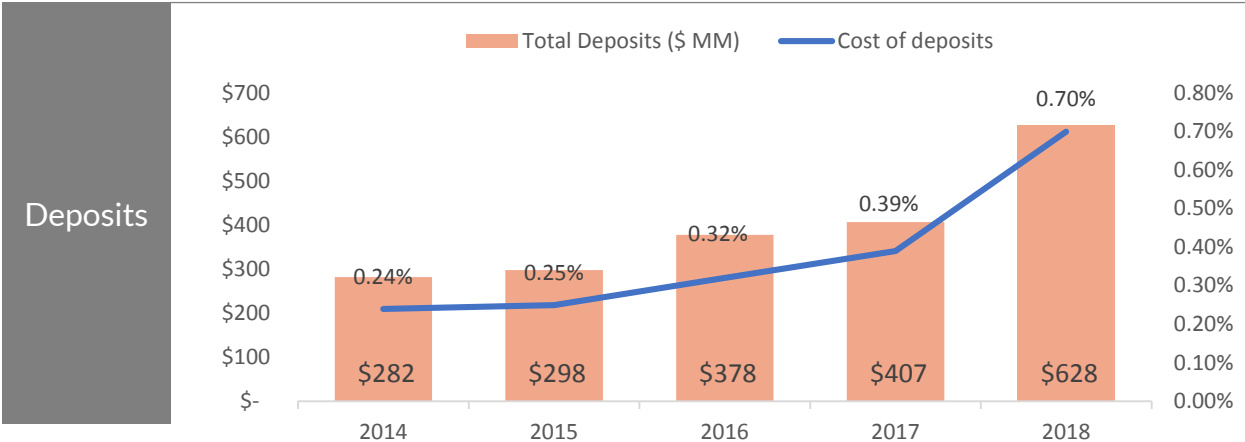
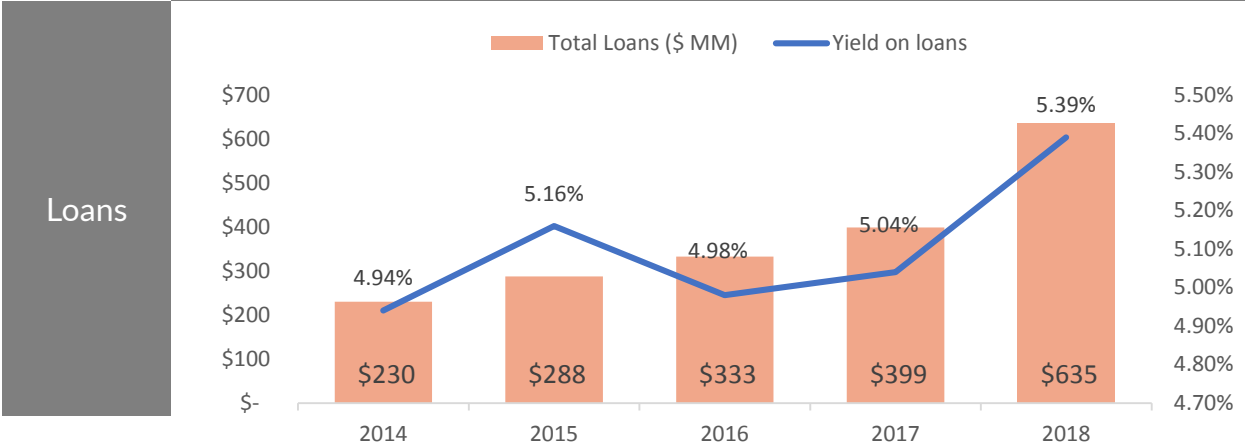
- The acquisition of AUNB provided BCAL with an immediate presence in Los Angeles County and a footprint covering all major markets in Southern California
- On December 5, 2018, BCAL announced the opening of a West Los Angeles production office
- On December 31, 2018, BCAL closed the El Paseo branch and merged it into the Rancho Mirage branch
- In the first half of 2019, BCAL plans to transition its Orange County production office into a full-service branch
- BCAL now operates in four of the five Southern California counties

## SOUTHERN CALIFORNIA BRANCH MAP



# LOAN AND DEPOSIT GROWTH

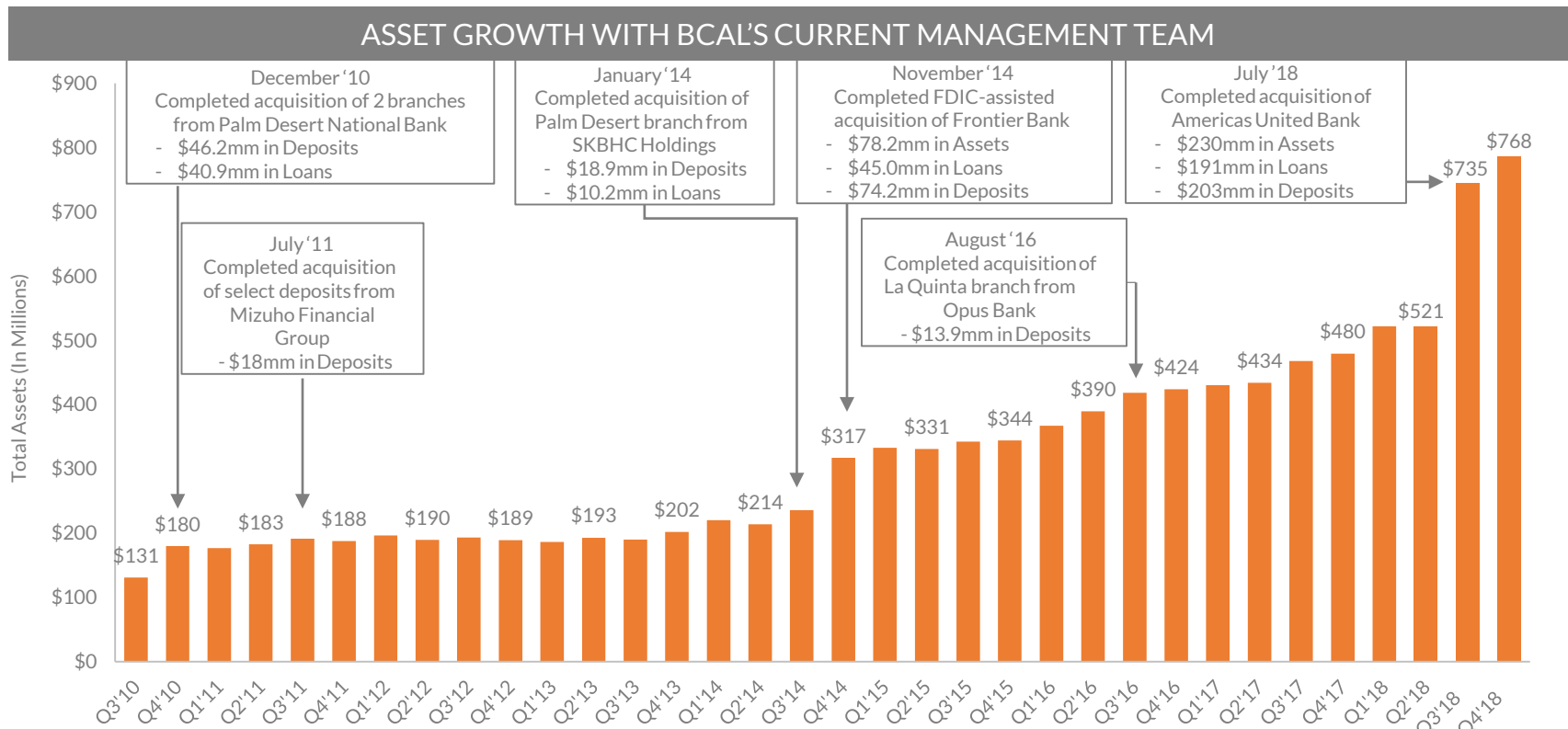
Five Years of Growth and Yield





# TRACK RECORD OF SUCCESSFUL M&A EXECUTION

- Since 2010, BCAL's management team has executed on an organic and M&A growth strategy, successfully growing the franchise over the past eight years while maintaining healthy return metrics
- The recent acquisition of Americas United Bank marks the sixth successful acquisition for BCAL, following the 4 branch acquisitions since December 2010, and the FDIC-Assisted acquisition of Frontier Bank (FSB) in November 2014
- In addition to M&A activity, BCAL has raised a combined \$43.3MM in capital since 2011





# 2019 GOALS

- Continue to grow organically, with a focus on leveraging our entry into the Los Angeles and Orange County markets
- Remain open to strategic opportunities
- Focus on relationship banking with a commitment to DDA, NOW deposits and C&I lending
- Utilize the CX Program to create 'Raving Fans'
- Increase our operating efficiency and effectiveness by right-sizing Coachella Valley, Los Angeles, and Orange County markets
- Increase employee engagement through training programs and a partnership with E3 Solutions



QUESTIONS?

THANK YOU!

