

**CHINO COMMERCIAL BANCORP REPORTS  
24% INCREASE IN NET EARNINGS**

Chino, California, April 20, 2018 – The Board of Directors of Chino Commercial Bancorp (OTC: CCBC), the parent company of Chino Commercial Bank, N.A., announced the results of operations for the Bank and the consolidated holding company, for the first quarter ended March 31, 2018, with net earnings of \$509 thousand, or an increase of 23.5%, compared with net income of \$412 thousand for the same quarter last year. Net income per basic and diluted share was \$0.33 for both the first quarter of 2018 and 2017, respectively.

Dann H. Bowman, President and Chief Executive Officer stated, “In addition to the excellent first quarter earnings results, the Bank was recently recognized by the Findley Reports on Financial Institutions by receiving their highest rating of “Super Premier Performing.” We are also very pleased that the Bank was included in the American Banker’s Association list of the “Top 200 Community Banks in America” ranking number 65 on the list.

The Bank recently received approval from the Office of the Comptroller of the Currency to establish a fourth branch office in Upland. We are excited about expanding into this community, which we believe will significantly contribute to the Company’s growth and profitability.”

**Financial Condition**

At March 31, 2018, total assets were \$198.1 million, an increase of \$5.3 million or 2.8% over \$192.8 million at December 31, 2017. Total deposits increased by 6.6% or \$9.8 million during the first quarter to \$158.9 million, compared to \$149.1 million as of December 31, 2017. At March 31, 2018, the Company’s core deposits represent 92.4% of the total deposits.

Gross loans increased by 3.4% or \$4.2 million as of March 31, 2018 to \$126.8 million, as compared with \$122.6 million as of December 31, 2017. The Bank did not have any nonperforming loans for the quarter ended March 31, 2017, and as of December 31, 2017, respectively. OREO properties remained at zero as of March 31, 2018 and December 31, 2017, respectively.

**Earnings**

The Company posted net interest income of \$1.7 million and \$1.5 million for the three months ended March 31, 2018 and 2017, respectively, or an increase of \$198 thousand or 12.9%. Average interest-earning assets were \$173.5 million with average interest-bearing liabilities of \$91.0 million, yielding a net interest margin of 4.03% for the first quarter of 2018, as compared to the average interest-earning assets of \$164.8 million with average interest-bearing liabilities of \$97.1 million, yielding a net interest margin of 3.76% for the first quarter of 2017.

Non-interest income totaled \$387 thousand for the first quarter of 2018, or a increase of 1.8% as compared with \$380 thousand earned during the same quarter last year. Service charges on deposit accounts increased by \$15.3 thousand or 5.3% to \$307 thousand, primarily due to an increase in income from returned items, overdraft charges, and analysis fees. Dividend income from restricted stock decreased to \$35.8 thousand for the first quarter of 2018, compared to \$45 thousand for the same quarter in 2017, due to the Federal Home Loan Bank change in

dividend payout percentage policy. Income from Bank-owned life insurance remained consistent at about \$25 thousand in the first quarter of 2018 and 2017, respectively.

General and administrative expenses were \$1.4 million for the three months ended March 31, 2017, and 1.2 million for the same period last year. The largest component of general and administrative expenses was salary and benefits expense of \$869 thousand for the first quarter of 2018, as compared to \$745 thousand for the same quarter last year. Advertising and marketing expenses increased by \$7 thousand or 30.9% to \$29 thousand in the first quarter of 2018 from \$22 thousand for the same period last year.

Income tax expense was \$203 thousand which represents a decrease of \$65 thousand or 24% for the three months ended March 31, 2018 as compared to \$267 thousand for the three months ended March 31, 2017. The effective income tax rate for the first quarter of 2017 and 2016 is approximately 28.5% and 39.3%, respectively. The decrease in the income tax expense as well as the effective tax rate is entirely attributed to the the new Tax Reform Act signed into law in December 2017.

### **Forward-Looking Statements**

The statements contained in this press release that are not historical facts are forward-looking statements based on management's current expectations and beliefs concerning future developments and their potential effects on the Company. Readers are cautioned not to unduly rely on forward-looking statements. Actual results may differ from those projected. These forward-looking statements involve risks and uncertainties, including but not limited to, the health of the national and California economies, the Company's ability to attract and retain skilled employees, customers' service expectations, the Company's ability to successfully deploy new technology and gain efficiencies therefrom, and changes in interest rates, loan portfolio performance, and other factors.

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**CHINO COMMERCIAL BANCORP**  
**CONSOLIDATED BALANCE SHEET**  
March 31, 2018 and December 31, 2017

	<b>March 31, 2018</b>	<b>December 31, 2017</b>
	(unaudited)	(audited)
<b>ASSETS:</b>		
Cash and due from banks	37,488,043	\$ 34,157,668
Total cash and cash equivalents	37,488,043	34,157,668
Interest-bearing deposits in other banks	744,000	1,240,000
Investment securities available for sale	2,929,904	3,131,027
Investment securities held to maturity (fair value approximates \$20,068,000 at March 31, 2018 and \$21,104,000 at December 31, 2017)	20,726,857	21,389,552
Total investments	24,400,761	25,760,579
<b>Loans</b>		
Real estate	104,724,567	99,585,847
Commercial	21,756,742	22,679,268
Installment	308,481	337,455
Gross loans	126,789,790	122,602,570
Unearned fees and discounts	(384,347)	(365,091)
Loans net of unearned fees and discount	126,405,443	122,237,479
Allowance for loan losses	(2,145,396)	(2,094,723)
Net loans	124,260,047	120,142,756
Fixed assets, net	5,829,474	5,875,381
Accrued interest receivable	511,297	531,771
Stock investments, restricted, at cost	1,239,868	2,084,129
Bank-owned life insurance	3,411,207	3,386,754
Other assets	967,735	861,969
Total assets	\$ 198,108,432	\$ 192,801,007
<b>LIABILITIES:</b>		
Deposits		
Non-interest bearing	\$ 84,354,239	\$ 74,766,694
Interest bearing		
NOW and money market	52,263,317	47,030,167
Savings	8,510,025	7,897,948
Time deposits less than \$250,000	6,682,182	5,727,789
Time deposits of \$250,000 or greater	7,119,399	13,703,790
Total deposits	158,929,162	149,126,388
Accrued interest payable	40,532	65,160
Borrowings from Federal Home Loan Bank (FHLB)	15,000,000	20,000,000
Accrued expenses & other payables	1,054,844	1,012,535
Subordinated notes payable to subsidiary trust	3,093,000	3,093,000
Total liabilities	178,117,538	173,297,083
<b>SHAREHOLDERS' EQUITY</b>		
Common stock, authorized 10,000,000 shares with no par value, issued and outstanding 1,549,420 shares at March 31, 2018 and December 31, 2017, respectively.	10,502,558	10,502,558
Retained earnings	9,529,378	9,020,564
Accumulated other comprehensive income/(loss)	(41,042)	(19,198)
Total shareholders' equity	19,990,894	19,503,924
Total liabilities & shareholders' equity	\$ 198,108,432	\$ 192,801,007

**CHINO COMMERCIAL BANCORP**  
CONSOLIDATED STATEMENTS OF NET INCOME

	For the three months ended	
	March 31	
	2018	2017
	(unaudited)	(unaudited)
Interest income		
Interest and fee income on loans	\$ 1,659,877	\$ 1,467,711
Interest on federal funds sold and FRB deposits	97,724	60,129
Interest on time deposits in banks	3,956	7,057
Interest on investment securities	140,573	122,745
Total interest income	<u>1,902,130</u>	<u>1,657,642</u>
Interest Expense		
Interest on deposits	87,244	75,841
Other borrowings	89,636	54,132
Total interest expense	<u>176,880</u>	<u>129,973</u>
Net interest income	1,725,250	1,527,669
Provision for loan losses	<u>50,000</u>	<u>55,000</u>
Net interest income after provision for loan losses	<u>1,675,250</u>	<u>1,472,669</u>
Non-interest income		
Service charges on deposit accounts	307,037	291,643
Other miscellaneous income	19,196	18,110
Dividend income from restricted stock	35,834	45,081
Income from bank-owned life insurance	24,453	25,022
Total non-interest income	<u>386,520</u>	<u>379,856</u>
Non-interest expenses		
Salaries and employee benefits	868,915	744,775
Occupancy and equipment	114,656	105,532
Data and item processing	91,636	76,081
Advertising and marketing	28,586	21,844
Legal and professional fees	33,198	37,434
Regulatory assessments	33,128	37,610
Insurance	8,559	8,005
Directors' fees and expenses	30,759	26,548
Other expenses	140,986	115,704
Total non-interest expenses	<u>1,350,423</u>	<u>1,173,533</u>
Income before income tax expense	711,347	678,992
Income tax expense	<u>202,534</u>	<u>267,078</u>
Net income	<u>\$ 508,813</u>	<u>\$ 411,914</u>
Basic earnings per share	\$ 0.33	\$ 0.33
Diluted earnings per share	\$ 0.33	\$ 0.33
Tax rate	28.5%	39.3%

	For the three months ended	
	March 31	
	2018	2017
<b>KEY FINANCIAL RATIOS</b>		
(unaudited)		
Annualized return on average equity	10.27%	11.94%
Annualized return on average assets	1.02%	0.92%
Net interest margin	4.03%	3.76%
Core efficiency ratio	63.95%	61.52%
Net chargeoffs/(recoveries) to average loans	-0.01%	-0.01%
<b>AVERAGE BALANCES</b>		
(thousands, unaudited)		
Average assets	\$ 199,089	\$ 179,168
Average interest-earning assets	\$ 173,525	\$ 164,802
Average gross loans	\$ 122,699	\$ 110,136
Average deposits	\$ 147,053	\$ 139,925
Average equity	\$ 19,822	\$ 13,794
<b>CREDIT QUALITY</b>		
(unaudited)		
	End of period	
	March 31, 2018	December 31, 2017
Non-performing loans	\$ -	\$ -
Non-performing loans to total loans	0.00%	0.00%
Non-performing loans to total assets	0.00%	0.00%
Allowance for loan losses to total loans	1.69%	1.71%
Nonperforming assets as a percentage of total loans and OREO	0.00%	0.00%
Allowance for loan losses to non-performing loans	n/a	n/a
<b>OTHER PERIOD-END STATISTICS</b>		
(unaudited)		
Shareholders equity to total assets	10.09%	10.12%
Net loans to deposits	78.19%	80.56%
Non-interest bearing deposits to total deposits	53.08%	50.14%
Total capital to total risk-weighted assets	18.39%	18.43%
Tier 1 capital to total risk-weighted assets	19.79%	19.76%
Tier 1 leverage ratio	14.17%	13.41%
Common equity tier 1	19.79%	19.76%