



**FOR IMMEDIATE RELEASE**

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**GOLDEN STATE BANCORP ANNOUNCES THIRD QUARTER 2019 RESULTS**

Glendale, CA, November 26, 2019 - Golden State Bancorp (OTCBB: GSBX), the holding company of Golden State Bank, today announced financial results for the quarter ended September 30, 2019.

**Current Quarter Highlights:**

- Net income of \$432.8 thousand
- Total assets increased by \$44.8 million, or 14.6%, from \$307.9 million at December 31, 2018 to \$352.7 million.
- Loans, net of deferred fees increased \$42.2 million, or 19.6%, from \$215.2 million at December 31, 2018 to \$257.4 million
- Deposits increased by \$42.2 million, or 16.8%, from \$251.6 million at December 31, 2018 to \$293.8 million.

Robert Setrakian, Chairman of the Board and Chief Executive Officer of Golden State Bancorp stated “In spite of the tough interest rate environment and a flat yield curve that are having an impact on our net interest margins, we are pleased to report a decent and continued trend of both loan and deposit growth, together with solid asset quality.

Tom Byington, President and Chief Executive Officer of Golden State Bank stated “This is as challenging an interest rate environment for small banks as I have seen. We are continuing to see strong deposit and loan pipelines and opportunities but are remaining cautious this late in the recovery”.

**About Golden State Bancorp and Golden State Bank**

Golden State Bancorp is the holding company of Golden State Bank. Golden State Bank is a full service bank, serving the business, commercial and professional markets. The Bank is committed to meeting the financial needs of its business clients with loans for working capital, equipment, owner-occupied and investment commercial real estate, and a full array of cash management services and deposit products for businesses and their owners. Golden State Bank meets its client’s needs through its head office and branch in Glendale and regional office and branch in Upland. For more information, please visit [www.goldenstatebank.com](http://www.goldenstatebank.com) and [www.goldenstatebancorp.com](http://www.goldenstatebancorp.com).

**Forward Looking Statements**

Certain statements in this press release that are not historical facts are “forward-looking statements”. Such statements are not guarantees of future performance and are subject to risks and uncertainties that could cause the Bank’s actual results and financial position to differ materially from those included within the forward-looking statements. Specific factors include, but are not limited to, loan production, balance sheet management, expanded net interest margin, the ability to control costs and expenses, interest rate changes and financial policies of the United States government, and general economic conditions. The Bank disclaims any obligation to update any such factors or to publicly announce the results of any revisions to any forward-looking statements contained in this release to reflect future events or developments. Forward-looking statements involve risks and uncertainties, including those relating to the illiquidity of the Bank’s stock. Actual results may differ materially from projected results, and reported results should not be considered as an indication of future performance. More information about the Bank is available via the Federal Deposit Insurance Corporation’s website: [www.fdic.gov](http://www.fdic.gov).

**GOLDEN STATE BANCORP**  
**Condensed Consolidated Statement of Financial Condition**  
(Unaudited)

<b>ASSETS</b>	<u>September 30, 2019</u>	<u>December 31, 2018</u>
Cash & due from banks	\$ 3,665,214	\$ 4,692,746
Interest-earning deposit in FRB/FFS	80,741,400	76,546,585
Total Loans, net of deferred fees	257,399,705	215,247,987
Allowance for loan losses	<u>(3,377,813)</u>	<u>(2,862,518)</u>
<b>NET LOANS</b>	<b>254,021,892</b>	<b>212,385,469</b>
Federal Home Loan Bank stock, at cost	951,700	943,600
Premises and equipment	1,144,019	1,101,931
Other real estate owned	5,460,267	5,460,267
Deferred tax asset	5,446,367	5,446,367
Other assets	<u>1,293,188</u>	<u>1,321,932</u>
<b>TOTAL ASSETS</b>	<b>\$ 352,724,046</b>	<b>\$ 307,898,897</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Noninterest bearing deposits	\$ 46,740,714	\$ 48,734,272
Interest bearing deposits	<u>247,085,252</u>	<u>202,895,103</u>
<b>TOTAL DEPOSITS</b>	<b>293,825,966</b>	<b>251,629,375</b>
FHLB borrowings	20,000,000	20,000,000
Other borrowings	5,000,000	5,000,000
Other liabilities	<u>2,345,447</u>	<u>1,329,997</u>
<b>TOTAL LIABILITIES</b>	<b>321,171,413</b>	<b>277,959,372</b>
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>31,552,633</b>	<b>29,939,525</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>\$ 352,724,046</b>	<b>\$ 307,898,897</b>

**Selected Financial and Ratios**

<b>Asset Quality Ratios (1)</b>		
Nonperforming loans to total loans, net of deferred fees	1.35%	0.16%
Allowance for loan losses to total loans, net of deferred fees	1.31%	1.33%
<b>Capital Ratios (1)</b>		
Tier 1 leverage ratio	9.21%	10.70%
Common equity tier 1 capital ratio	10.69%	12.54%
Tier 1 risk based capital ratio	10.69%	12.54%
Total risk based capital ratio	11.92%	13.79%
Book value per share (2)	\$ 17.18	\$ 16.33
Common shares outstanding	1,836,538	1,833,539

(1) All ratios calculated are at the "Bank" level, except per share information, which is at the "Bancorp" level.

(2) The equivalent common shares were calculated at 3.6922 conversion ratio on the Series A Preferred Stock that was set on February 28, 2018.

<b>GOLDEN STATE BANCORP</b> <b>Condensed Consolidated Statement of Income</b> <b>(Unaudited)</b>
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	Three Months Ended		Nine Months Ended September 30,	
	September 30, 2019	September 30, 2018	2019	2018
Interest income	\$ 4,649,561	\$ 3,741,441	\$ 13,445,911	\$ 10,102,962
Interest expense	1,577,772	897,608	4,320,631	2,226,538
Net interest income	3,071,789	2,843,833	9,125,280	7,876,424
Provision for loan losses	178,500	197,700	453,500	563,600
Net interest income after provision for loan losses	2,893,289	2,646,133	8,671,780	7,312,824
Non-interest income	55,245	104,485	266,929	298,764
Non-interest expense	2,326,919	1,853,478	6,681,270	5,004,162
Income before taxes	621,615	897,140	2,257,439	2,607,426
Income tax	188,843	21,762	682,948	43,762
<b>NET INCOME</b>	<b>\$ 432,772</b>	<b>\$ 875,378</b>	<b>\$ 1,574,491</b>	<b>\$ 2,563,664</b>