



FOR IMMEDIATE RELEASE

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GOLDEN STATE BANCORP ANNOUNCES FIRST QUARTER 2018 RESULTS

Glendale, CA, May 8, 2018 - Golden State Bancorp (Ticker Symbol: GSBX), the holding company of Golden State Bank, today announced financial results for the quarter ended March 31, 2018, which was again marked by strong growth in assets, loans, deposits, and income. Highlights include:

- Net Earnings of \$818,162 for the first quarter in 2018, as compared to \$452,759, for the same period in 2017.
- Total Assets increased \$23.6 million, or 11%, from December 31, 2017 to \$238.1 million.
- Loans, net of deferred fees increased \$4.2 million, or 2%, to \$192.5 million.
- Deposits increased \$22.7 million, or 14%, to \$190.3 million.

Robert Setrakian, Chairman of the Board and Chief Executive Officer of Golden State Bancorp stated “2018 is off to a good start. We expect this positive momentum to continue throughout the year.”

Tom Byington, President and Chief Executive Officer of Golden State Bank stated “We continue to focus on quality loan growth with the gathering of core deposits as the main funding source to support this growth. We are optimistic that we have the opportunity to capitalize on the successes of the first quarter.”

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 and 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.

Golden State Bancorp Selected Financials

GOLDEN STATE BANCORP Condensed Balance Sheet and Certain Financial Ratios (Unaudited)
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ASSETS	<u>3/31/2018</u>	<u>12/31/2017</u>
Cash & due from banks	\$ 4,112,285	\$ 2,483,153
Interest-earning deposit in FRB	35,450,000	17,555,000
Total Loans, net of deferred fees	192,478,600	188,232,940
Allowance for Loan Losses	(2,207,868)	(2,091,968)
NET LOANS	190,270,732	186,140,972
Other real estate owned	5,460,267	5,460,267
Other assets	2,840,712	2,849,692
TOTAL ASSETS	<u>\$ 238,133,996</u>	<u>\$ 214,489,084</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Noninterest bearing deposits	\$ 47,523,935	\$ 41,654,845
Interest bearing deposits	142,798,528	125,998,376
TOTAL DEPOSITS	190,322,463	167,653,221
FHLB borrowings	20,000,000	20,000,000
Other liabilities	5,981,750	5,867,415
TOTAL LIABILITIES	216,304,213	193,520,636
TOTAL SHAREHOLDERS' EQUITY	21,829,783	20,968,448
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u>\$ 238,133,996</u>	<u>\$ 214,489,084</u>

Asset Quality Ratios (1)

Nonperforming Loans to Total Loans, net of deferred fees	0.15%	0.16%
Allowance for Loan Losses to Total Loans, net of deferred fees	1.15%	1.11%

Capital Ratios (1)

Tier 1 Leverage Ratio	11.53%	12.10%
Common Equity Tier 1 Risk Based Capital Ratio	12.20%	12.14%
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Total Risk Based Capital Ratio	13.29%	13.22%
Book Value per share (2)	\$ 11.94	\$ 11.49
Total Equivalent Common Shares (2)	1,828,539	1,825,539

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

(2) Calculated at 3.6922 conversion ratio that was set on February 28, 2018 on the Series A Preferred Stock outstanding.

GOLDEN STATE BANCORP Condensed Income Statement (Unaudited)
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Three Months Ended:

	<u>3/31/2018</u>	<u>3/31/2017</u>
Interest income	\$ 2,983,083	\$ 1,883,382
Interest expense	616,929	288,494
Net interest income	<u>2,366,154</u>	<u>1,594,888</u>
Provision for loan losses	<u>115,900</u>	<u>30,000</u>
Net interest income after provision for loan losses	2,250,254	1,564,888
Noninterest income	135,043	93,266
Noninterest expense	<u>1,567,135</u>	<u>1,203,875</u>
Earnings before income taxes	818,162	454,279
Income tax provision	<u>-</u>	<u>1,520</u>
NET EARNINGS	<u>\$ 818,162</u>	<u>\$ 452,759</u>