



FOR IMMEDIATE RELEASE

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GOLDEN STATE BANCORP ANNOUNCES SECOND QUARTER 2018 RESULTS

Glendale, CA, August 1, 2018 - Golden State Bancorp (Ticker Symbol: GSBX), the holding company of Golden State Bank, today announced financial results for the quarter ended June 30, 2018, which was again marked by strong growth in assets, loans, deposits, and income. Highlights include:

- Net Earnings of \$870,124 for the three months and \$1,688,286 for the six months ended June 30, 2018, as compared to \$518,328 and \$971,087, respectively, for the same periods in 2017.
- Total Assets increased \$42.1 million, or 20%, from December 31, 2017 to \$256.6 million.
- Loans, net of deferred fees increased \$26.7 million, or 14%, to \$214.9 million.
- Deposits increased \$40.2 million, or 24%, to \$207.9 million.

Robert Setrakian, Chairman of the Board and Chief Executive Officer of Golden State Bancorp stated "More of the same for us in the second quarter. We continue to execute on our plans."

Tom Byington, President and Chief Executive Officer of Golden State Bank stated "Another good quarter for Golden State Bank. We are excited about the second half of the year."

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>6/30/2018</u>	<u>12/31/2017</u>
Cash & due from banks	\$ 2,361,718	\$ 2,483,153
Interest-earning deposit in FRB	33,070,000	17,555,000
Total Loans, net of deferred fees	214,931,621	188,232,940
Allowance for Loan Losses	(2,457,868)	(2,091,968)
NET LOANS	212,473,753	186,140,972
Other real estate owned	5,460,267	5,460,267
Other assets	3,246,972	2,849,692
TOTAL ASSETS	<u>\$ 256,612,710</u>	<u>\$ 214,489,084</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Noninterest bearing deposits	\$ 42,733,941	\$ 41,654,845
Interest bearing deposits	165,139,481	125,998,376
TOTAL DEPOSITS	207,873,422	167,653,221
FHLB borrowings	20,000,000	20,000,000
Other liabilities	6,006,307	5,867,415
TOTAL LIABILITIES	233,879,729	193,520,636
TOTAL SHAREHOLDERS' EQUITY	22,732,981	20,968,448
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u>\$ 256,612,710</u>	<u>\$ 214,489,084</u>
Asset Quality Ratios (1)		
Nonperforming Loans to Total Loans, net of deferred fees	0.13%	0.16%
Allowance for Loan Losses to Total Loans, net of deferred fees	1.14%	1.11%
Capital Ratios (1)		
Tier 1 Leverage Ratio	11.14%	12.10%
Common Equity Tier 1 Risk Based Capital Ratio	11.57%	12.14%
Tier 1 Risk Based Capital Ratio	11.57%	12.14%
Total Risk Based Capital Ratio	12.67%	13.22%
Book value per share (2)	\$ 12.42	\$ 11.49
Total Equivalent Common Shares (2)	1,830,539	1,825,539

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

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

GOLDEN STATE BANCORP
Condensed Income Statement
(Unaudited)

	Three Months Ended:		Six Months Ended:	
	<u>6/30/2018</u>	<u>6/30/2017</u>	<u>6/30/2018</u>	<u>6/30/2017</u>
Interest income	\$ 3,378,438	\$ 2,102,822	\$ 6,361,521	\$ 3,986,204
Interest expense	712,001	332,736	1,328,930	621,230
Net interest income	2,666,437	1,770,086	5,032,591	3,364,974
Provision for loan losses	250,000	30,000	365,900	60,000
Net interest income after provision for loan losses	2,416,437	1,740,086	4,666,691	3,304,974
Noninterest income	59,236	66,452	194,279	159,718
Noninterest expense	1,583,549	1,288,210	3,150,684	2,492,085
Earnings before income taxes	892,124	518,328	1,710,286	972,607
Income tax provision	22,000	-	22,000	1,520
NET EARNINGS	\$ 870,124	\$ 518,328	\$ 1,688,286	\$ 971,087