

# CURRENT INTEREST

From Napa Valley's Only Locally Owned Community Bank

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[www.thebankofnapa.com](http://www.thebankofnapa.com)

707-257-7777

## BANK OF NAPA REPORTS

### ROBUST 2016 PROFITABILITY

NAPA, CA--- Bank of Napa, N.A. (OTCQB: BNNP) announced its 2016 financial results, which included net income of \$1,742,000, a 28.8% or \$390,000 increase over results posted for 2015. Diluted earnings per share increased by 25.9%, from \$.58 per share to \$.73.

Deposit growth in 2016 was impressive, as deposit totals reached \$217.6 million - a \$31.1 million or 16.7% increase over 2015. This is the second consecutive year in which Bank of Napa deposits have increased by over 30 million dollars. As in 2015, the Bank's mix of deposits improved, as all categories grew excluding certificates of deposit. At year end, the Bank had 26.7% of its deposit portfolio centered in non-interest bearing demand accounts.

Loan totals at December 31, 2016 were \$135.2 million, an increase of \$7.8 million or 6.1% for the year. Credit quality remained sound, and the Bank's allowance for possible loan and lease losses (ALLL) was \$1.9 million or 1.41% of Gross Loan totals. Bank of Napa concluded 2016 with total assets of \$244.5 million; a substantial \$32.4 million or 15.3% increase over last year.

President and Chief Executive Officer Tom LeMasters stated, "We are proud of our financial performance for the year. We were able to produce robust balance sheet growth, grow core deposits, maintain a superior level of credit quality and significantly improve the earnings of the Bank. The trend of the Bank's performance remains positive, and we look forward to more of the same in 2017".

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At December 31, 2016, the Bank had equity capital of \$25.8 million, and all capital ratios were in excess of the regulatory definition for "well capitalized" distinction.

(000 OMITTED)	31-Dec-16	31-Dec-15	Change
Total Assets	\$244,447	\$212,059	\$32,388
Total Loans	\$135,170	\$127,398	\$7,772
Total Deposits	\$217,571	\$186,501	\$31,070
Net Income (ytd before taxes)	\$2,621	\$2,077	\$544
Net Income (ytd)	\$1,742	\$1,352	\$390
Diluted EPS (ytd)	\$0.73	\$0.58	\$0.15
Return on Avg. Assets	0.75%	0.68%	0.07%
Return on Avg. Equity	6.76%	5.64%	1.12%

Bank of Napa, N.A. offers a complete range of loan and deposit products, and services to businesses and consumers in the Napa Valley. It operates two full service offices: at the corner of Redwood Road and Solano Avenue at 2007 Redwood Road, Suite 101; and at Second and Seminary Streets at 1715 Second Street, in Napa CA. Bank of Napa is a member of the FDIC. Its common stock is traded on the OTCQB under the symbol BNNP and the Bank can be found on the web at [www.thebankofnapa.com](http://www.thebankofnapa.com). Contact Information: Tom LeMasters, President & CEO, 707-257-7777.

Information contained herein may contain certain forward-looking statements that are based on management's current expectations regarding economic, legislative, and regulatory issues that may impact the Bank's earnings in future periods. Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts. They often include the words "believe," "expect," "intend," "estimate" or words of similar meaning, or future or conditional verbs such as "will," "would," "should," "could" or "may." Factors that could cause future results to vary materially from current management expectations include, but are not limited to, general economic conditions, changes in interest rates, deposit flows, real estate values, and competition; changes in accounting principles, policies or guidelines; changes in legislation or regulation; and other economic, competitive, governmental, regulatory and technological factors affecting the Bank's operations, pricing, products and services. The Bank undertakes no obligation to release publicly the result of any revisions to these forward-looking statements that may be made to reflect events or circumstances after the date of this press release or to reflect the occurrence of unanticipated events.

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**Napa Valley's Only Locally Owned Community Bank, has two locations to serve  
you: 2007 Redwood Road, Suite 101 in the Redwood Plaza  
and 1715 2nd St. in Downtown Napa.**

**Contact Information: M. T. LeMasters, President & CEO, 707-257-7777 or go to the  
News & Investor Relations tab at [www.thebankofnapa.com](http://www.thebankofnapa.com)**