

HEADQUARTERS

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Inland Empire

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AMERICAN BUSINESS BANK®

2017

2nd Quarterly Report

WWW.AMERICANBUSINESSBANK.COM



SHAREHOLDERS & CLIENTS

The second quarter of 2017 was one of continued growth of both size and profitability for American Business Bank.

Total assets grew more than 6%, including strong loan growth of more than 19% from the second quarter of 2016. At the same time, total deposits increased \$90 million or 6%, to \$1.594 billion. This growth in our balance sheet reflects the strengthening in our economy, as clients tend to both absorb their deposits into their working capital and borrow more. We consider this very positive for both the bank and our clients as well.

Earnings for the second quarter were \$3.5 million, a 7% increase over June of last year. The key drivers of this increase are revenues up almost 14% and non-interest expense down 7%. Total income for the first half of 2017 was \$7.07 million, which begins to reflect the institutional investments that American Business Bank has made over the past two years.

As always, quality is one of our cornerstone values. This includes pristine bond and loan portfolios, with strong reserves to back them up. We have total capital significantly higher than most of our peer groups. And we pay attention to our clients' needs.

Many thanks to our fine staff for continuing to keep American Business Bank one of the finest banking companies in the country.

06%
INCREASE IN
TOTAL DEPOSITS



2,865	9.01		
2,332	22.27	2.8	
3,393	15.85	3.85	
3,132	48.55	2.55	0.1
0			-1.35
1,725	8.87	1.15	1.48

Leon I. Blankstein
President, CEO, Director

Robin C. Paterson
Executive Vice President, CCO, Director

Wes E. Schaefer
*Executive Vice President,
CIO, Director*

Suzanne Dondanville
*Executive Vice President,
Chief Operations Officer*

Phil Feghali
*Executive Vice President,
Corporate Banking*

David A. Wolf
*Executive Vice President,
Corporate Banking*



VISION & VALUES

American Business Bank specializes in business banking, a specifically-defined niche that our leadership team understands very well. Our clients are typically privately owned, and have annual sales between \$5 million and \$200 million.

As a leading independent bank, American Business Bank is committed to old-fashioned banking:

- 1 We build our bank one client relationship at a time.
- 2 We select only the best companies to work with and provide them with the best service possible.
- 3 We hire and develop only the best bankers.



The result of this fundamental banking strategy is that we continue to grow, despite the ongoing challenges being experienced by the banking industry. This is one of the reasons why American Business Bank is one of the most successful banks in California today.