



US Metro Bancorp Announces Second Quarter 2021 Financial Results
212% INCREASE IN EARNINGS YTD 2021 OVER YTD 2020
ROAA 1.57% for Six Months Annualized
ROAE 19.55% for Six Months Annualized

Garden Grove, California: July 20, 2021: [US Metro Bancorp](#) (OTC Pink: USMT): Mr. Dong Il Kim, President and CEO, announced US Metro Bancorp and US Metro Bank's financial results for the second quarter 2021. As of January 2, 2020, US Metro Bancorp ("Bancorp"), a small bank holding company (BHC), was formed making US Metro Bank its lone subsidiary. On a consolidated basis the Bancorp earned \$4,252,210 in the second quarter of 2021 compared to \$2,287,620 in the first quarter of 2021. For the six months ending June 30, 2021 the consolidated Bancorp earned \$6,539,830 compared to \$2,099,341 for the six months ending June 30, 2020. On a year-to-date basis the Bancorp recorded an annualized return on average assets ("ROAA") of 1.57% and an annualized return on average equity ("ROAE") of 19.55%. With 16,230,000 shares outstanding, earnings per share ("EPS") for the second quarter 2021 was \$0.26 compared to \$0.14 in the first quarter 2021. For the six months ended June 30, 2021 EPS was \$0.40 compared to \$0.13 for the six months ending June 30, 2020. At June 30, 2021 the Bancorp's Book Value was \$4.26 compared to \$3.71 per share a year earlier.

US Metro Bank recorded year over year loan growth of \$105.8 million or 20%. Included in the annual loan growth is a decrease of \$6.0 million in Payroll Protection Program (PPP) loans. Core loan (non PPP loans), year over year growth was \$111.8 million or 21%. Deposits grew \$191.3 million or 33% over June 30, 2020. Four of a total of six branches have deposits of over \$100 million each with the newest Torrance branch at \$85 million. Net Interest Income increased \$3.4 million or 36% for the six months ending June 30, 2021 compared to the same period a year earlier with interest income increasing \$1.7 million while interest expense decreased \$1.7 million. SBA premium income for the six months ending June 30, 2021 was \$6.5 million compared to \$0.7 million for the same period in 2020. Net income of \$7,111,000 for the six months ending June 30, 2021 compares to \$2,165,000 reported for the same six months in 2020, a year over year increase of \$4.9 million or 229%. During the second quarter of 2021 the Bank started an investment portfolio and invested \$50 million in mortgage backed securities and municipal securities creating a portfolio yielding 1.53% on a tax equivalent basis.

The Bank reported total assets of \$871.2 million as of June 30, 2021, representing a 31% increase compared to the reporting period ending June 30, 2020. In 2017 the Bank opened a branch office on April 3, 2017 on Wilshire Boulevard in Koreatown, Los Angeles and a new branch in downtown Los Angeles' Fashion District on November 1, 2017. On December 5, 2018, a fifth branch was opened in Buena Park (Fullerton Branch), California. On December 20, 2019, a sixth branch was opened in Torrance, California. As of June 30, 2021, the Wilshire branch recorded a total deposit base of \$108.8 million including \$34.9 million in non-interest bearing deposits. The Fashion District Branch had \$135.8 million in total deposits at June 30, 2021 including \$71.6 million in non-interest bearing deposits. The Fullerton Branch recorded a deposit base of \$167.7 million with \$37.9 million in non-interest bearing deposits at June 30, 2021 and the newest Torrance Branch had \$85.6 million in deposits at June 30, 2021 including \$24.7 million in non-interest bearing deposits. The Bank's Headquarters Branch in Garden Grove had \$186.2 million in deposits including \$60.6 million in non-interest bearing deposits at June 30, 2021. The Anaheim Branch, the only branch not in a Korean American community, focusing on loan originations, carries a loan to deposit ratio of 172% with total deposits of \$61.7 million including \$31.0 million in non-interest bearing deposits. Total Bank deposits ended the second quarter of 2021 at \$770.3 million, a 33% increase from \$579.0 million at June 30, 2020. Non-interest bearing deposits grew to \$263.8 million at June 30, 2021 from \$185.0 million at June 30, 2020 an increase of 43%.

SBA loan originations for the six months ending June 30, 2021 were \$83.9 million compared to \$11.7 million for the same six month period in 2020. Due to the Covid19 Pandemic and the uncertainty of current economic climate, the Bank closed three of its four SBA Loan Production Offices on April 15, 2020. The Dallas LPO remained open in 2020 and in November, 2020 the Bank reopened the Seattle LPO.

Loan quality remains good with non-performing assets as a percent of total assets of 0.24% at June 30, 2021 compared to 0.12% as of June 30, 2020. The Bank had no Other Real Estate Owned at June 30, 2020. Allowance for loan and lease losses (ALLL) to gross loans was 1.78% as of June 30, 2021 compared to 1.31% as of June 30, 2020. Excluding PPP Loans, the ALLL was 1.98% of gross loans at June 30, 2021. With the uncertainty in the economy related to the COVID 19 Pandemic, the Bank recorded \$1.8 million in provision for loan loss expense, for the six months ending June 30, 2021 compared to \$1.6 million recorded for the six months ending June 30, 2020.

“The Board of Directors is pleased with the continued growth and profitability of the Bank during the first quarter of 2021. However, beginning with the interest rate decreases seen mid-March of last year, earnings on liquid investments have decreased substantially. Fortunately SBA loan demand has been positive. The Bank has been proactive in implementing elements of the Strategic Plan and has formed a Mortgage Finance Group which has contributed \$58.7 million in outstanding mortgage warehouse loans as of June 30, 2021. Through the COVID 19 pandemic economic stimulus programs, the Bank funded a total of \$108 million in PPP loans of which \$65 million are still outstanding as of June 30, 2021. During 2020 the Bank provided COVID 19 related loan modifications for loans totaling \$150 million for our borrowers. As of June 30, 2021 there are no loans remaining on COVID 19 modified terms. We implemented the Bank’s Pandemic Contingency Plan with staff working remotely if possible and practicing social distancing through telecommunication meetings and rotating staff through shelter at home practices. As of this writing, the Bank has recalled staff back to their offices, however, we are still practicing mask wearing and social distancing protocols and meeting virtually, whenever possible. Capital and Liquidity remain strong and USMB is well positioned to continue managing through the Pandemic,” said Mr. Kim.

US Metro Bank is a California chartered, full service commercial nonmember bank headquartered in Garden Grove, California with six branch offices in California - Garden Grove, Anaheim, Buena Park (Fullerton Branch), Koreatown/Los Angeles, Fashion District/Los Angeles, Torrance and with loan production offices in Dallas and Seattle. The Bank opened for business on September 15, 2006, and offers deposit and loan products (including commercial real estate, commercial and industrial and SBA loans), as well as related banking services to its targeted client base of executives, professionals, and small to medium-sized businesses, generally in the Southern California area.

This release contains forward-looking statements, including our expectations with respect to future events that are subject to various risks and uncertainties. Factors that could cause actual results to differ materially from management's projections, forecasts, estimates and expectations include: fluctuation in market rates of interest and loan and deposit pricing, adverse changes in the overall national economy as well as adverse economic conditions in our specific market areas, maintenance and development of well-established and valued client relationships and referral source relationships, and acquisition or loss of key production personnel. Other risks that can affect the Bank are detailed from time to time in our annual reports. We caution readers that the list of factors above is not exclusive. The forward-looking statements are made as of the date of this release, and we may not undertake steps to update the forward-looking statements to reflect the impact of any circumstances or events that arise after the date the forward-looking statements are made. In addition, our past results of operations are not necessarily indicative of future performance.

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SOURCE US Metro Bancorp

US METRO BANCORP
CONSOLIDATED FINANCIAL HIGHLIGHTS (unaudited)

(All amounts in thousands except per share information)

At or for the Three Months Ended

	6/30/2021	3/31/2021	% Change	6/30/2020	% Change
Net Income	\$ 4,252	\$ 2,288	85.84%	\$ 1,074	295.90%
Net Income Per Share (Basic)	\$ 0.26	\$ 0.14	85.84%	\$ 0.07	295.90%
ROAA (Annualized)	1.99%	1.13%	0.86%	0.68%	1.31%
ROAE (Annualized)	24.76%	14.25%	10.51%	7.19%	17.57%
Efficiency Ratio	44.25%	49.04%	-4.79%	49.06%	-4.82%
Assets	\$ 871,342	\$ 859,737	1.35%	\$ 665,303	30.97%
Gross Loans	\$ 628,853	\$ 613,572	2.49%	\$ 523,032	20.23%
Deposits	\$ 769,472	\$ 756,158	1.76%	\$ 578,038	33.12%
Non-Interest Bearing Deposits	\$ 263,895	\$ 242,398	8.87%	\$ 184,089	43.35%
Common Equity	\$ 69,141	\$ 65,080	6.24%	\$ 60,263	14.73%
Ending Common Shares O/S	16,230,000	16,230,000		16,230,000	
Book Value Per Common Shares	\$ 4.26	\$ 4.01	\$ 0.25	\$ 3.71	\$ 0.55

At or for the Six Months Ended

	6/30/2021	6/30/2020	Y-O-Y Change	
Net Income	\$ 6,540	\$ 2,099	\$ 4,441	211.6%
Net Income Per Share (Basic)	\$ 0.40	\$ 0.13	\$ 0.27	211.6%
ROAA (Annualized)	1.57%	0.70%	0.87%	125.0%
ROAE (Annualized)	19.55%	7.04%	12.51%	177.7%
Efficiency Ratio	46.21%	59.19%	-12.98%	-21.9%
Assets	\$ 871,342	\$ 665,303	\$ 206,039	31.0%
Gross Loans	\$ 628,853	\$ 523,032	\$ 105,821	20.2%
Deposits	\$ 769,472	\$ 578,038	\$ 191,434	33.1%
Non-Interest Bearing Deposits	\$ 263,895	\$ 184,089	\$ 79,806	43.4%
Common Equity	\$ 69,141	\$ 60,263	\$ 8,878	14.7%
Ending Common Shares O/S	16,230,000	16,230,000	-	0.0%
Book Value Per Common Shares	\$ 4.26	\$ 3.71	\$ 0.55	14.7%

US METRO BANK (only)
FINANCIAL HIGHLIGHTS (unaudited)

BALANCE SHEET

(All amounts in thousands except per share information)

Assets	6/30/2021	6/30/2020	Y-O-Y Change	
Cash and Due From Bank	\$ 11,482	\$ 12,924	\$ (1,442)	-11.2%
Investments and Fed Funds Sold	\$ 222,906	\$ 119,810	103,096	86.0%
Loans Outstanding	628,853	523,032	105,821	20.2%
Loan Loss Reserve	(11,188)	(6,868)	(4,320)	62.9%
Other Assets	19,121	16,405	2,716	16.6%
Total Assets	\$ 871,174	\$ 665,303	\$ 205,871	30.9%

Liabilities and Capital	6/30/2021	6/30/2020	Y-O-Y Change	
Deposits	\$ 770,281	\$ 578,972	\$ 191,309	33.0%
Borrowings	4,359	13,838	(9,479)	-68.5%
Other Liabilities	2,791	3,165	(374)	-11.8%
Equity	93,743	69,328	24,415	35.2%
Total Liabilities and Capital	\$ 871,174	\$ 665,303	\$ 205,871	30.9%

STATEMENT OF OPERATIONS

Three Months Ended

Income Statement	6/30/2021	6/30/2020	Q-O-Q Change	
Interest Income	\$ 7,319	\$ 5,928	\$ 1,391	23.5%
Interest Expense	618	1,247	(629)	-50.4%
Net Interest Income	6,701	4,681	2,020	43.2%
Provision for Loan Losses	900	1,200	(300)	-25.0%
Other Income	5,837	804	5,033	626.0%
Operating Expenses	5,289	2,659	2,630	98.9%
Tax	1,877	487	1,391	285.8%
Net Income	\$ 4,472	\$ 1,140	\$ 3,333	292.5%

STATEMENT OF OPERATIONS

Six Months Ended

Income Statement	6/30/2021	6/30/2020	Y-O-Y Change	
Interest Income	\$ 14,487	\$ 12,789	\$ 1,698	13.3%
Interest Expense	1,302	3,064	(1,762)	-57.5%
Net Interest Income	13,185	9,725	3,460	35.6%
Provision for Loan Losses	1,800	1,650	150	N/A
Other Income	8,137	1,792	6,345	354.1%
Operating Expenses	9,424	6,778	2,646	39.0%
Tax	2,987	925	2,063	NM
Net Income	\$ 7,111	\$ 2,165	\$ 4,947	228.5%

Ratios	6/30/2021	6/30/2020	Y-O-Y Change
Net Loan to Deposits	80.19%	89.15%	-8.96%
ALLL/Gross Loans	1.78%	1.31%	0.47%
NPAs/Total Assets	0.24%	0.12%	0.12%
Tier One Leverage Ratio	10.80%	10.83%	-0.03%
YTD ROAA (annualized)	1.71%	0.72%	0.99%
YTD ROAE (annualized)	15.65%	6.77%	8.87%
Net Interest Margin (QTD)	3.21%	3.07%	0.14%
Net Interest Margin (YTD)	3.24%	3.35%	-0.11%