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**RepublicBankAz Announces Unaudited Financial Results  
For the Quarter Ending March 31, 2017**

First quarter brings favorable results

**PHOENIX, ARIZONA, May 5, 2017** – RepublicBankAz, N.A. (OTCBB:RBAZ) (“RBAz”) announced a net income of \$51,000, or \$.03 per share, for the quarter ended March 31, 2017 as compared to a net income of \$150,000 or \$.09 per share for the same period in 2016.

President and CEO Ralph Tapscott stated, “While we are not pleased with our income in the first quarter of 2017, earning our shareholders \$.03 per share and the resulting return on average assets of 0.23%, management believes that our investments in human capital and in improved processes since shedding our formal agreement with the Office of the Comptroller of the Currency in late 2016 have put us in a position to provide positive earnings results into the future.”

“As we celebrate the tenth anniversary of opening RBAz and think back over that ten years, I can honestly say it has been the roughest decade in the industry in my 30 years of experience. Many Arizona community banks did not survive the decade and some never had the chance to celebrate the milestone we have achieved. Looking forward to our upcoming annual shareholders meeting on May 9, 2017, and contemplating our potential new partnership with the State of Arizona via conversion to a state chartered bank, we are proud of the relationships we have made here in Arizona during our relatively short tenure.” He continued, “We are making a difference in our community for our clients and our shareholders. With our healthy capital and liquidity positions we are poised to continue to make that difference as we march through the \$100 million in assets milestone and set our focus on our longer term goal of exceeding \$250 million. Growing this institution in a safe and sound manner, enhancing shareholder value, and attracting and retaining quality personnel are the tenets for the Bank as we move forward.”

**First Quarter Highlights Include:**

- Annual deposit growth from March 31, 2016 to March 31, 2017 was 1.97%, contained in that growth figure is a realignment of deposits consisting of a 37.51% increase in customer checking deposits and a reduction of 47.80% of non-customer Institutional CDs. Deposit growth for the first quarter was 6.46%.
- Changes in deposit composition, coupled with the payoff of FHLB term advances, have allowed the bank’s cost of funds to decrease by 8 bps over a period of a Federal Open Market Committee rate hikes.
- Despite \$25 million in gross loan production over the prior 12 months, net loan growth has been 3.06% from March 31, 2016 to March 31, 2017.
- Lending staff has been optimal since December of 2016, we have a current loan pipeline of approximately \$25 million, and the Bank recently booked its first SBA loan in over three years.

- Nonaccrual loans decreased from \$1,707,000 to \$245,000, an 85.65% reduction since March 31, 2016.
- Non-interest expense was reduced by 3.48% in the first quarter of 2017 relative to the first quarter of 2016, despite our staffing additions, with a number of operating expense savings measures successfully executed.

**The Bank remains “well capitalized” as follows:**

	<b>March 31, 2017</b>	<b>Ratio to be Well</b>
	<b>(%)</b>	<b>Capitalized (%)</b>
Leverage Ratio .....	15.35	5.00
Common Equity Tier 1 .....	23.28	6.50
Tier 1 Capital to Risk Weighted Assets.....	23.28	8.00
Total Capital to Risk Weighted Assets.....	24.56	10.00

**About the Company**

RepublicBankAz, N.A. is a locally owned community bank in Phoenix, Arizona. RBAz is a full service community bank providing deposit and loan products, and convenient on-line banking to individuals, businesses and professionals. The Bank was established in April 2007 and operates out of a single location at 909 E. Missouri Avenue. The Bank is traded over-the-counter as RBAZ. For further information, please visit our web site: [www.republicbankaz.com](http://www.republicbankaz.com).

**Forward-looking Statements**

This press release may include forward-looking statements about RBAz, for which the Bank claims the protection of safe harbor provisions contained in the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on management’s knowledge and belief as of today and include information concerning the Bank’s possible or assumed future financial condition, and its results of operations and business. Forward-looking statements are subject to risks and uncertainties. A number of important factors could cause actual results to differ materially from those in the forward-looking statements. Those factors include fluctuations in interest rates, government policies and regulations (including monetary and fiscal policies), legislation, economic conditions, borrower capacity to repay, operational factors and competition in the geographic and business areas in which the Bank conducts its operations. All forward-looking statements included in this press release are based on information available at the time of the release, and the Bank assumes no obligation to update any forward-looking statement.

## Unaudited Summary Financial Information

*(dollars in thousands, except per share data or noted otherwise)*

	For the three months ended March 31,		For the twelve months ended December 31,	
	2017	2016	2016	2015
<b>Summary Income Data</b>				
Interest income .....	\$ 1,044	\$ 1,257	\$ 4,556	\$ 4,873
Interest expense .....	163	179	733	697
Net interest income .....	881	1,078	3,823	4,176
Provision for (reduction in) loan losses .....	-	-	(400)	24
Non-interest income .....	36	46	190	313
Non-interest expense .....	842	871	3,346	3,475
Realized gains (losses) on sales of securities .....	-	-	22	-
Income (loss) before income taxes .....	75	253	1,089	990
Provision for income tax .....	24	103	413	364
Net income .....	\$ 51	\$ 150	\$ 676	\$ 626
<b>Per Share Data:</b>				
Shares outstanding end-of-period .....	1,702	1,702	1,702	1,702
Earnings per common share .....	\$ 0.03	\$ .09	\$ 0.40	\$ 0.37
Cash dividend declared .....	-	-	-	-
Total shareholders' equity .....	13,393	13,156	13,150	12,919
Book value per share .....	7.87	7.73	7.73	7.59
<b>Selected Balance Sheet Data:</b>				
Total assets .....	\$ 89,598	\$ 89,948	\$ 86,667	\$ 85,724
Securities available-for-sale .....	20,733	17,516	21,658	14,150
Securities held-to-maturity .....	-	-	-	-
Loans .....	62,235	60,390	62,081	66,508
Allowance for loan losses .....	2,181	2,111	1,751	2,268
Deposits .....	75,939	74,470	71,337	70,616
Other borrowings .....	-	1,950	1,950	1,950
Shareholders' equity .....	13,393	13,156	13,150	12,919
<b>Performance Ratios:</b>				
Return on average shareholders' equity (annualized) .....	1.54	4.60	5.07	5.28
Net interest margin (%) .....	3.94	5.15	4.33	4.91
Average assets .....	\$ 89,221	\$ 87,011	\$ 89,757	\$ 87,075
Return on average assets (annualized) (%) .....	0.23	0.69	0.75	0.72
Shareholders' equity to assets (%) .....	14.95	14.63	15.17	15.07
Efficiency ratio (%) .....	91.05	77.49	83.03	77.61
<b>Asset Quality Data:</b>				
Nonaccrual loans .....	\$ 245	\$ 1,707	\$ 735	\$ 2,028
Troubled debt restructurings .....	1,105	487	817	498
Other real estate .....	-	303	-	303
Nonperforming assets .....	1,350	2,497	1,552	2,829
Nonperforming assets to total assets (%) .....	1.51	2.78	1.79	3.30
Nonperforming loans to total loans (%) .....	2.17	3.63	2.50	3.80
Reserve for loan losses to total loans (%) .....	3.50	3.50	2.82	3.41
Reserve for loan losses to nonperforming loans (%) .....	161.56	96.22	112.82	89.79
Reserve for loan losses to nonperforming assets (%) .....	161.56	84.54	112.82	80.17
Net charge-offs for period .....	\$ 20	\$ 162	\$ 162	\$ 78
Average loans .....	62,867	61,358	62,108	70,756
Ratio of charge-offs to average loans (%) .....	0.03	0.26	0.26	0.11
<b>Regulatory Capital Ratios:</b>				
Tier 1 leverage capital ratio (%) .....	15.35	15.02	15.19	14.53
Common Equity Tier 1 (%) .....	23.28	22.76	22.50	20.83
Tier 1 risk-based capital ratio (%) .....	23.28	22.76	22.50	20.83
Total risk-based capital ratio (%) .....	24.56	24.05	23.77	22.11