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**RepublicBankAz Announces Unaudited Financial Results
For the Quarter Ending June 30, 2017**

Second quarter brings favorable deposit growth

PHOENIX, ARIZONA, August 8th, 2017 – RepublicBankAz, N.A. (OTCBB:RBAZ) (“RBAz”) announced a net income of \$89,000, or \$0.05 per share, for the quarter ended June 30, 2017 as compared to a net income of \$56,000 or \$0.03 per share for the same period in 2016.

President and CEO Ralph Tapscott stated, “While we are not pleased with our income in the second quarter of 2017, earning our shareholders \$.05 per share and the resulting return on average assets of 0.39%, we are, however, pleased with the team we have built thus far that are growing customer deposits at a rate exceeding our expectations. I’m confident that this team will bring enhanced earnings results in coming quarters.”

Mr Tapscott continued, “At our annual shareholders meeting in May, we elected class III directors and presented a plan to convert from a national charter to an Arizona State chartered bank. We chose to do this because as a community bank domiciled in Phoenix, we felt that the Arizona State charter is more representative of what we are all about, doing our best to make a difference in our community for our clients and our shareholders. The initiative was widely accepted by the shareholders and won approval at the meeting. Soon thereafter we began the process of conversion and expect that it will be completed in stages through end of the year with a completion celebration scheduled in January. As part of this process, we will also be changing the name of RepublicBankAz,N.A. to Republic Bank of Arizona while maintaining the same ownership group, Board of Directors, management team, dedicated staff, and commitment to our community, shareholders and clients. Additionally, we will be moving the bank’s offices a few blocks west to 645 East Missouri Suite 108 in the spring of 2018. We continue to march toward 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 RBAz as we move forward.”

Second Quarter Highlights Include:

- Deposit growth for the first half of 2017 has been exceptional at \$10,309,000 or 14.5% with more than half of that growth coming in non-interest bearing deposits which saw 85.5% growth. Deposit growth in the second quarter was 7.5%.
- Changes in deposit composition, coupled with the payoff of FHLB term advances, have allowed the bank’s cost of funds to decrease by 15 bps as of the quarter ended June 30, 2017 as compared to the same period ended June 30, 2016.

- Net loans have fallen \$3,881,000 in the first half of 2017 despite new loan originations through the same period exceeding \$14,339,000, which is inclusive of our first few SBA originations since 2013.
- Nonperforming assets decreased from \$2,674,000 to \$980,000, a 63.4% reduction since June 30, 2016.
- Non-interest expense was reduced by 6.0% in the second quarter of 2017 relative to the second quarter of 2016, despite our staffing additions.

The Bank remains “well capitalized” as follows:

	<u>June 30, 2017 (%)</u>	<u>Ratio to be Well Capitalized (%)</u>
Leverage Ratio	15.22	5.00
Common Equity Tier 1	24.98	6.50
Tier 1 Capital to Risk Weighted Assets.....	24.98	8.00
Total Capital to Risk Weighted Assets.....	26.27	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.

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 June 30,		For the Six months ended June 30,		Year-End
	2017	2016	2017	2016	2016
	<i>(dollars in thousands, except per share data)</i>				
Summary Income Data					
Interest income	\$ 1,095	\$ 1,068	\$ 2,139	\$ 2,325	\$ 4,556
Interest expense	161	188	324	367	733
Net interest income	934	880	1,815	1,958	3,823
Provision for (reduction in) loan losses	-	-	-	-	(400)
Non-interest income	31	40	67	86	190
Non-interest expense	819	871	1,661	1,742	3,346
Realized gains (losses) on sales of securities.....	-	22	-	22	22
Income (loss) before income taxes	146	71	221	324	1,089
Provision for income tax	57	15	81	118	413
Net income	<u>\$ 89</u>	<u>\$ 56</u>	<u>\$ 140</u>	<u>\$ 206</u>	<u>\$ 676</u>
Per Share Data:					
Shares outstanding end-of-period	1,702	1,702	1,702	1,702	1,702
Earnings per common share	\$ 0.05	\$ 0.03	\$ 0.08	\$ 0.12	\$ 0.40
Cash dividend declared	-	-	-	-	-
Total shareholders' equity	\$ 13,735	\$ 13,415	\$ 13,735	\$ 13,415	\$ 13,150
Book value per share	8.07	7.88	8.07	7.88	8.73
Selected Balance Sheet Data:					
Total assets	\$ 95,738	\$ 91,749	\$ 95,738	\$ 91,749	\$ 86,667
Securities available-for-sale	17,048	20,815	17,048	20,815	21,658
Securities held-to-maturity	6,426	-	6,426	-	-
Loans	58,200	61,379	58,200	61,379	62,081
Allowance for loan losses	2,061	2,115	2,061	2,115	1,751
Deposits	81,652	76,117	81,652	76,117	71,337
Other borrowings	-	1,950	-	1,950	1,950
Shareholders' equity	13,735	13,415	13,735	13,415	13,150
Performance Ratios:					
Return on average shareholders' equity (annualized)	2.62	1.69	2.09	3.13	5.07
Net interest margin (%)	4.05	3.84	4.00	4.47	4.33
Average assets	90,648	92,206	89,935	89,609	89,757
Return on average assets (annualized) (%)	0.39	0.24	0.31	0.46	0.75
Shareholders' equity to assets (%)	14.35	14.62	14.35	14.62	15.17
Efficiency ratio (%)	84.01	94.67	87.44	85.23	83.03
Asset Quality Data:					
Nonaccrual loans	364	1,895	364	1,895	735
Troubled debt restructurings	616	476	616	476	817
Other real estate	-	303	-	303	-
Nonperforming assets	980	2,674	980	2,674	1,552
Nonperforming assets to total assets (%)	1.02	2.91	1.02	2.91	1.79
Nonperforming loans to total loans (%)	1.68	3.86	1.68	3.86	2.50
Reserve for loan losses to total loans (%)	3.54	3.45	3.54	3.45	2.82
Reserve for loan losses to nonperforming loans (%)	210.31	89.20	210.31	89.20	112.82
Reserve for loan losses to nonperforming assets (%)	210.31	79.09	210.31	79.09	112.82
Net charge-offs for period	124	-	144	162	162
Average loans	60,994	62,285	61,931	61,822	62,108
Ratio of charge-offs to average loans (%)	0.20	-	0.23	0.26	0.26
Regulatory Capital Ratios:					
Tier 1 leverage capital ratio (%)	15.22	14.25	15.22	14.25	15.19
Common Equity Tier 1 (%)	24.98	22.10	24.98	22.10	22.50
Tier 1 risk-based capital ratio (%)	24.98	22.10	24.98	22.10	22.50
Total risk-based capital ratio (%)	26.27	23.38	26.27	23.38	23.77