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**Republic Bank of Arizona Announces Unaudited Financial Results
For the Quarter Ending March 31, 2018**
First quarter shows positive trends

PHOENIX, ARIZONA, May 11, 2018 – Republic Bank of Arizona, (OTCBB:RBAZ) (“RBAZ”) (“Bank”) announced a net income of \$130,000, or \$0.08 per share, for the quarter ended March 31, 2018 as compared to a net income of \$51,000, or \$0.03 per share, for the quarter ended March 31, 2017.

President and CEO Ralph Tapscott stated “Not only have we started the year stronger than last year, but we expect to hit our full year projection based on our team, our pipeline, and our local economies. It is our team of dedicated bankers that I commend for growing our core deposits and allowing us to shed higher-cost and less relationship oriented deposits. Loan production started the year slowly, but production has been significant in the past 45 days, and this will be evident in our next quarterly release.”

Mr. Tapscott continued “Our capital is strong and will support continued growth, our asset quality is exceptional, and our team is committed to growing relationships that will manifest in loan and core deposit growth, with a corresponding growth in core earnings. Reflecting on the past year, we converted our charter, changed our bank name and rebranded, and we moved our banking location on March 19, 2018. Our team’s work continues to be reflected in our Bauer Five-Star bank rating.”

March 31, 2018 Highlights Include:

- Total interest income of \$1,204,000 for the quarter ended March 31, 2018 outpaced total interest income of \$1,044,000 for the same period of the prior year, and equates to an increase of 15.33%.
- Total deposits of \$99,036,000 were down \$9,453,000 from December 31, 2017, but total deposits are up 30% from March 31, 2017 to March 31, 2018. In the most recent quarter we allowed some higher priced and more price sensitive deposits to roll out.
- Changes in deposit composition, coupled with the payoff of FHLB term advances, have allowed RBAZ’s cost of funds to decrease by 37.8% during the quarter ended March 31, 2018 as compared to the same period of the prior year.
- Quarterly non-interest expense for March 31, 2018 increased 13.5% and 7.8% over quarters ended December 31, 2017 and March 31, 2017, respectively. Approximately half of that increase is associated with double occupancy costs that will normalize after May 31, 2018.

The Bank remains “well capitalized” as follows:

	March 31, 2018	Ratio to be Well
	(%)	Capitalized (%)
Leverage Ratio	12.49	5.00
Common Equity Tier 1	25.53	6.50
Tier 1 Capital to Risk Weighted Assets.....	25.53	8.00
Total Capital to Risk Weighted Assets.....	26.80	10.00

About the Company

Republic Bank of Arizona 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 645 E. Missouri Avenue, Suite 108. 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 March 31,		For the twelve months ended December 31,	
	2018	2017	2017	2016
Summary Income Data				
Interest income.....	\$ 1,204	\$ 1,044	\$ 4,374	\$ 4,556
Interest expense.....	140	163	628	733
Net interest income.....	1,064	881	3,746	3,823
Provision for (reduction in) loan losses.....	-	-	(416)	(400)
Non-interest income.....	48	36	425	191
Non-interest expense.....	908	842	3,221	3,347
Realized gains on sales of securities.....	-	-	1	22
Income before income taxes.....	204	75	1,367	1,089
Provision for income tax.....	74	24	743	413
Net income.....	<u>\$ 130</u>	<u>\$ 51</u>	<u>\$ 624</u>	<u>\$ 676</u>
Per Share Data:				
Shares outstanding end-of-period.....	1,702	1,702	1,702	1,702
Earnings per common share.....	\$ 0.08	\$ 0.03	\$ 0.37	\$ 0.40
Cash dividend declared.....	-	-	-	-
Total shareholders' equity.....	\$ 13,872	\$ 13,393	\$ 14,015	\$ 13,150
Book value per share.....	8.15	7.87	8.23	7.73
Selected Balance Sheet Data:				
Total assets.....	\$ 113,302	\$ 89,598	\$ 122,923	\$ 86,667
Securities available-for-sale.....	22,750	20,733	20,570	21,658
Securities held-to-maturity.....	6,298	-	6,320	-
Loans.....	58,686	62,235	59,887	62,081
Allowance for loan losses.....	1,669	2,181	1,665	1,751
Deposits.....	99,036	75,939	108,489	71,337
Other borrowings.....	-	-	-	1,950
Shareholders' equity.....	13,872	13,393	14,015	13,150
Performance Ratios:				
Return on average shareholders' equity (annualized).....	3.73	1.54	4.56	5.07
Net interest margin (%).....	3.69	3.94	3.96	4.33
Average assets.....	115,680	89,221	94,451	89,757
Return on average assets (annualized) (%).....	0.45	0.23	0.66	0.75
Shareholders' equity to assets (%).....	12.24	14.95	11.40	15.17
Efficiency ratio (%).....	81.19	91.05	76.45	82.67
Asset Quality Data:				
Nonaccrual loans.....	-	245	-	735
Troubled debt restructurings.....	586	1,105	592	817
Other real estate.....	-	-	-	-
Nonperforming loans.....	-	245	-	735
Nonperforming assets to total assets (%).....	-	0.27	-	0.84
Nonperforming loans to total loans (%).....	-	0.39	-	1.18
Reserve for loan losses to total loans (%).....	2.84	3.50	2.78	2.82
Reserve for loan losses to nonperforming loans (%).....	*	890.20	*	238.23
Net charge-offs for period.....	-	20	144	162
Average loans.....	57,917	62,867	61,409	62,108
Ratio of charge-offs to average loans (%).....	-	0.03	0.23	0.26
Regulatory Capital Ratios:				
Tier 1 leverage capital ratio (%).....	12.49	15.35	13.08	15.19
Common Equity Tier 1 (%).....	25.53	23.28	24.93	22.50
Tier 1 risk-based capital ratio (%).....	25.53	23.28	24.93	22.50
Total risk-based capital ratio (%).....	26.80	24.56	26.20	23.77

* Denominator is zero