



**PRESS RELEASE**  
*For Immediate Release*

## **blueharbor bank Reports 63% Increase in First Quarter 2018 Net Income**

MOORESVILLE, NC, April 6, 2018 – **blueharbor bank** (the “Bank”) today reported net income of \$577,973, or \$0.19 per diluted share, for the first quarter of 2018, compared to \$353,906, or \$0.12 per diluted share, for the first quarter of 2017.

Jim Marshall, President and Chief Executive Officer, noted, “Our 63% net income growth for the first quarter of 2018 is the result of our continued focus on being good stewards of our shareholders’ equity by adding high quality earnings assets on the books while still keeping an eye on expenses. This focus on expense control has seen our efficiency ratio in the first quarter 2018 improve to 61.6% from 64.4% in the prior year. We also continue to maintain very good asset quality results as evidenced by our Texas Ratio of 3.9% at March 31, 2018, down from 5.4% in the prior year. In addition, our nonperforming assets as a percentage of total assets is running very low at 0.51% compared to 0.78% last year.”

Mr. Marshall continued, “With our improvement in net income, our return on assets in the first quarter 2018 increased to 1.15% from 0.81% in the prior year. We have also seen the same improvement in return on equity as it increased to 9.27% in the first quarter 2018 from 6.00% in the prior year.”

Mr. Marshall concluded, “We look forward to great things in 2018. Our experienced bankers are ready to provide the top-notch customer service our customers deserve. Our local economy continues to show strong growth that positions us for a great 2018. Our strong capital position will allow for future growth enabling us to help our customers achieve their financial goals.”

blueharbor bank, with \$206.0 million in assets, is headquartered in Mooresville with additional branches in Huntersville, Statesville and Downtown Mooresville. blueharbor bank’s website is [www.blueharborbank.com](http://www.blueharborbank.com) and our common stock is quoted on the OTC Bulletin Board under the symbol “BLHK.” The blueharbor wealth advisors website is [www.blueharborwealthadvisors.com](http://www.blueharborwealthadvisors.com).

Summary Selected Financial Data schedule attached.

Forward-Looking Statement:

This press release contains forward-looking statements. Words such as "anticipates," "believes," "estimates," "expects," "intends," "should," "will," variations of such words and similar expressions are intended to identify forward-looking statements. These statements reflect management's current beliefs as to the expected outcomes of future events and are not guarantees of future performance. These statements involve certain risks, uncertainties and assumptions that are difficult to predict with regard to timing, extent, likelihood and degree of occurrence. As such, actual results and outcomes may materially differ from what may be expressed or forecast in such forward-looking statements. Factors that could cause a difference include, among others: changes in the national and local economies or market conditions; changes in interest rates, deposit levels, loan demand and asset quality, including real estate and other collateral values; changes in banking regulations and accounting principles, policies or guidelines; and the impact of competition from traditional or new sources. These and other factors that may emerge could cause decisions and actual results to differ materially from current expectations. blueharbor bank takes no obligation to revise, update, or clarify forward-looking statements to reflect events or conditions after the date of this press release.

SOURCE: blueharbor bank

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**Summary Selected Financial Data**

Balance Sheet Data:	(Unaudited) March 31, 2018	(Audited) December 31, 2017	(Unaudited) March 31, 2017
Total Assets	\$ 206,048,092	\$ 204,329,702	\$ 179,034,675
Total Gross Loans	172,906,289	171,718,137	154,719,552
Allowance for Loan Losses	1,729,063	1,717,181	1,607,574
Total Deposits	178,459,368	174,232,285	149,249,328
Total Shareholders' Equity	25,402,826	25,035,523	24,065,963

Earnings and Per Share Data:	(Unaudited) Three Months Ended March 31,	
	2018	2017
Interest Income	\$ 2,027,029	\$ 1,698,429
Interest Expense	248,748	178,380
Net Interest Income	1,778,281	1,520,049
Provision for Loan Losses	9,382	53,484
Net Interest Income after Provision for Loan Losses	1,768,899	1,466,565
Noninterest Income	165,823	138,746
Noninterest Expense	1,196,954	1,067,379
Net Income before Taxes	737,768	537,932
Income Taxes	159,795	184,026
Net Income	\$ 577,973	\$ 353,906
Basic Income per Share	\$ 0.21	\$ 0.13
Diluted Income per Share	\$ 0.19	\$ 0.12

Annualized Performance Ratios:

Return on average assets	1.15%	0.81%
Return on average equity	9.27%	6.00%
Efficiency ratio	61.6%	64.3%

Financial Ratios:

Book Value	\$ 9.34	\$ 8.85
Texas Ratio	3.88%	5.43%
Nonperforming Assets to Total Assets Ratio	0.51%	0.78%
Tier 1 Leverage Ratio	12.6%	13.7%
Common Equity Tier 1 Risk-Based Capital Ratio	14.4%	15.0%
Tier 1 Risk-Based Capital Ratio	14.4%	15.0%
Total Risk-Based Capital Ratio	15.4%	16.0%