



**PRESS RELEASE**  
*For Immediate Release*

## **blueharbor bank Reports Third Quarter 2018 Net Income**

MOORESVILLE, NC, October 12, 2018 – **blueharbor bank** (the “Bank”) today reported net income of \$661,152, or \$0.22 per diluted share, for the third quarter of 2018, an increase of 26% compared to \$523,794, or \$0.17 per diluted share, for the third quarter of 2017. For the nine-months ended September 30, 2018, the bank reported net income of \$1,887,058, or \$0.64 per diluted share, an increase of 45% compared to \$1,301,551, or \$0.43 per diluted share, for the nine-months ended September 30, 2017.

Jim Marshall, President and Chief Executive Officer, noted, “We are pleased to again report continued growth in net income for 2018. Our ROA year-to-date of 1.23% continues to show improvement up 32% over the prior year return of 0.93%. While we have seen some increase in our cost of funds this year with the federal reserve rate hikes, our quarter-to-date net interest margin of 4.00% has improved 24 bps over the prior year level of 3.76%.”

Mr. Marshall concluded, “We have just opened our new main office, so please come by to see it.”

blueharbor bank, with \$208.5 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**

	(Unaudited) September 30, 2018	(Audited) December 31, 2017	(Unaudited) September 30, 2017	
<b>Balance Sheet Data:</b>				
Total Assets	\$ 208,470,208	\$ 204,329,702	\$ 197,946,541	
Total Gross Loans	172,781,695	171,718,137	170,261,117	
Allowance for Loan Losses	1,695,547	1,717,181	1,756,745	
Total Deposits	173,711,489	174,232,285	165,999,532	
Total Shareholders' Equity	27,314,828	25,035,523	25,093,794	
	(Unaudited) Three Months Ended		(Unaudited) Nine Months Ended	
	September 30,		September 30,	
	2018	2017	2018	2017
<b>Earnings and Per Share Data:</b>				
Interest Income	\$ 2,197,122	\$ 2,006,260	\$ 6,316,121	\$ 5,575,629
Interest Expense	281,809	235,772	795,437	635,628
Net Interest Income	1,915,313	1,770,488	5,520,684	4,940,001
Provision for Loan Losses	32,000	41,032	41,382	193,341
Net Interest Income after Provision for Loan Losses	1,883,313	1,729,456	5,479,302	4,746,660
Noninterest Income	193,572	147,909	545,677	458,925
Noninterest Expense	1,231,314	1,081,733	3,613,156	3,230,590
Net Income before Taxes	845,571	795,632	2,411,823	1,974,995
Income Taxes	184,419	271,838	524,765	673,444
Net Income	\$ 661,152	\$ 523,794	\$ 1,887,058	\$ 1,301,551
Basic Income per Share	\$ 0.24	\$ 0.19	\$ 0.69	\$ 0.48
Diluted Income per Share	\$ 0.22	\$ 0.17	\$ 0.64	\$ 0.43
<b>Annualized Performance Ratios:</b>				
Return on average assets	1.28%	1.06%	1.23%	0.93%
Return on average equity	9.74%	8.34%	9.70%	7.13%
Efficiency ratio	58.4%	56.4%	59.6%	59.8%
	(Unaudited) September 30, 2018		(Unaudited) September 30, 2017	
<b>Financial Ratios:</b>				
Book Value	\$ 9.71	\$ 9.23		
Texas Ratio	6.81%	4.39%		
Nonperforming Assets to Total Assets Ratio	0.95%	0.60%		
Tier 1 Leverage Ratio	13.5%	12.8%		
Common Equity Tier 1 Risk-Based Capital Ratio	15.4%	14.2%		
Tier 1 Risk-Based Capital Ratio	15.4%	14.2%		
Total Risk-Based Capital Ratio	16.3%	15.2%		