



PRESS RELEASE
For Immediate Release

blueharbor bank Reports First Quarter 2019 Net Income

MOORESVILLE, NC, April 29, 2019 – **blueharbor bank** (the “Bank”) today reported net income of \$596,400 and \$0.20 per diluted share for the first quarter of 2019, an increase of 3% or \$18,427 as compared to \$577,973 and \$0.19 per diluted share for the first quarter of 2018.

Jim Marshall, President and Chief Executive Officer commented, “We are pleased to report continued net income growth for the first quarter of 2019, which was driven by an 11% increase in net interest income as compared to the first quarter of 2018. Likewise, despite the intense competition for deposits, we saw a 10 basis point increase in our net interest margin from 3.74% to 3.84% for the same time period comparison.”

“We remain focused on executing our growth strategy while maintaining high credit standards and a strong capital position. During the first three months of 2019, gross loans grew \$8.5 million or 5%, while deposits grew \$11.2 million or 6% as compared to December 31, 2018. We ended the quarter with no charge-offs and only \$22,000 in past due loans. Compared to a year earlier, shareholders’ equity has grown \$3.8 million or 15% and our leverage and capital ratios have increased to 13.4% and 15.9%, respectively,” Mr. Marshall continued.

Mr. Marshall concluded, “I’m extremely proud of our experienced staff and bankers as they go above and beyond for our customers every day. Stop by and experience first-hand how our first-class service works for your local banking needs.”

blueharbor bank, with \$226.2 million in assets, is headquartered in Mooresville with additional branches in Huntersville, Statesville and Downtown Mooresville. blueharbor bank’s website is 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.

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) March 31, 2019	(Audited) December 31, 2018	(Unaudited) March 31, 2018
Balance Sheet Data:			
Total Assets	\$ 226,154,044	\$ 214,081,827	\$ 206,048,092
Total Gross Loans	187,971,253	179,426,465	172,906,289
Allowance for Loan Losses	1,879,713	1,830,150	1,729,063
Total Deposits	188,954,748	177,706,773	178,459,368
Total Shareholders' Equity	29,226,850	28,692,391	25,402,826

	(Unaudited) Three Months Ended March 31,	
Earnings and Per Share Data:	2019	2018
Interest Income	\$ 2,384,618	\$ 2,027,029
Interest Expense	403,527	248,748
Net Interest Income	1,981,091	1,778,281
Provision for Loan Losses	48,215	9,382
Net Interest Income after Provision for Loan Losses	1,932,876	1,768,899
Noninterest Income	176,935	165,823
Noninterest Expense	1,356,324	1,196,954
Net Income before Taxes	753,487	737,768
Income Taxes	157,087	159,795
Net Income	\$ 596,400	\$ 577,973
Basic Income per Share	\$ 0.21	\$ 0.21
Diluted Income per Share	\$ 0.20	\$ 0.19

Annualized Performance Ratios:

Return on average assets	1.10%	1.15%
Return on average equity	8.00%	9.27%
Efficiency ratio	62.9%	61.6%

	(Unaudited) March 31, 2019	(Unaudited) March 31, 2018
Financial Ratios:		
Book Value	\$ 10.07	\$ 9.34
Texas Ratio	6.17%	3.88%
Nonperforming Assets to Total Assets Ratio	0.85%	0.51%
Tier 1 Leverage Ratio	13.4%	12.6%
Common Equity Tier 1 Risk-Based Capital Ratio	15.0%	14.4%
Tier 1 Risk-Based Capital Ratio	15.0%	14.4%
Total Risk-Based Capital Ratio	15.9%	15.4%