



PRESS RELEASE
For Immediate Release

blueharbor bank Reports Second Quarter 2019 Net Income

MOORESVILLE, NC, July 29, 2019 – **blueharbor bank** (the “Bank”) today reported net income of \$698,480 and \$0.23 per diluted share for the second quarter of 2019, an increase of 8% or \$50,547 as compared to \$647,933 and \$0.22 per diluted share for the second quarter of 2018. For the six months ended June 30, 2019, the Bank is reporting net income of \$1,294,880 and \$0.43 per diluted share, an increase of 6% or \$68,975 as compared to \$1,225,905 and \$0.41 per diluted share for the same six months in 2018.

Jim Marshall, President and Chief Executive Officer commented, “We are pleased to report continued net income growth for the second quarter of 2019, which was driven by a 10% increase in net interest income as compared to the second quarter of 2018. Likewise, despite the intense competition for deposits, we saw a 5 basis point increase in our net interest margin from 3.86% to 3.91% 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 six months of 2019, gross loans grew \$13.3 million or 7%, while deposits grew \$22.0 million or 12% as compared to December 31, 2018. During the same six months, shareholders’ equity has grown \$1.4 million or 5% and the book value per common share increased from \$9.55 at June 30, 2018 to \$10.39 as of June 30, 2019. Additionally, there have been no charged-off loan balances in the first six months of 2019.” Mr. Marshall concluded.

blueharbor bank, with \$236.2 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) June 30, 2019	(Audited) December 31, 2018	(Unaudited) June 30, 2018	
Balance Sheet Data:				
Total Assets	\$ 236,216,052	\$ 214,081,827	\$ 206,123,036	
Total Gross Loans	192,701,298	179,426,465	167,445,323	
Allowance for Loan Losses	1,953,430	1,830,150	1,730,571	
Total Deposits	199,713,422	177,706,773	177,805,834	
Total Shareholders' Equity	30,141,191	28,692,391	26,288,200	
	(Unaudited) Three Months Ended		(Unaudited) Six Months Ended	
	June 30,		June 30,	
	2019	2018	2019	2018
Earnings and Per Share Data:				
Interest Income	\$ 2,460,104	\$ 2,091,970	\$ 4,844,722	\$ 4,118,999
Interest Expense	453,957	264,880	857,483	513,628
Net Interest Income	2,006,147	1,827,090	3,987,239	3,605,371
Provision for Loan Losses	72,367	-	120,583	9,381
Net Interest Income after Provision for Loan Losses	1,933,780	1,827,090	3,866,656	3,595,990
Noninterest Income	249,285	186,282	426,220	352,105
Noninterest Expense	1,329,573	1,184,888	2,685,897	2,381,843
Net Income before Taxes	853,492	828,484	1,606,979	1,566,252
Income Taxes	155,012	180,551	312,099	340,347
Net Income	\$ 698,480	\$ 647,933	\$ 1,294,880	\$ 1,225,905
Basic Income per Share	\$ 0.24	\$ 0.24	\$ 0.45	\$ 0.45
Diluted Income per Share	\$ 0.23	\$ 0.22	\$ 0.43	\$ 0.41
Annualized Performance Ratios:				
Return on average assets	1.21%	1.26%	1.16%	1.21%
Return on average equity	9.47%	10.08%	8.73%	9.68%
Efficiency ratio	58.9%	58.9%	60.9%	60.2%
	(Unaudited) June 30, 2019	(Unaudited) June 30, 2018		
Financial Ratios:				
Book Value	\$ 10.39	\$ 9.55		
Texas Ratio	5.86%	3.65%		
Nonperforming Assets to Total Assets Ratio	0.80%	0.50%		
Tier 1 Leverage Ratio	13.1%	12.9%		
Common Equity Tier 1 Risk-Based Capital Ratio	14.8%	15.3%		
Tier 1 Risk-Based Capital Ratio	14.8%	15.3%		
Total Risk-Based Capital Ratio	15.7%	16.3%		