

PBB Bancorp/Premier Business Bank to Acquire First Mountain Bank

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LOS ANGELES & BIG BEAR LAKE, Calif.--(BUSINESS WIRE)--PBB Bancorp (OTCQX: PBCA), the holding company and 100% shareholder of Premier Business Bank, and First Mountain Bank (OTCQX: FMBP) announced today that they have entered into a definitive merger agreement whereby PBB Bancorp will acquire First Mountain Bank through the merger of that bank with and into Premier Business Bank. In the merger each share of First Mountain Bank common stock will be exchanged for a combination of \$1.05 in cash, subject to reduction should the book value per share as calculated under the merger agreement fall below \$8.15, and one share of PBB Bancorp common stock. The total value of the merger consideration is approximately \$13.4 million.

The combined bank will continue to serve its Los Angeles County and San Bernardino County customer base and all existing branches of both banks will remain open after the merger. On a pro forma basis, based on financial information at March 31, 2015, the combined bank would have total assets of approximately \$380 million and total deposits of approximately \$300 million. The merger is subject to customary closing conditions, including the receipt of all regulatory approvals and the approval of the shareholders of both PBB Bancorp and First Mountain Bank.

"This is an exceptional opportunity to combine two well-respected banks that share a deep commitment to their local communities," said John Polen, President and Chief Executive Officer of PBB Bancorp and Premier Business Bank. "The merger of Premier Business Bank and First Mountain Bank provides an exciting future for customers, shareholders, employees and the communities in which the combined bank will operate. The combined institution will continue to provide the same level of outstanding personalized banking service, to which the customers of both institutions have been accustomed."

Vince Smith, Chairman of First Mountain Bank, said, "The combination of First Mountain Bank and Premier Business Bank produces tremendous benefits for customers and shareholders. First Mountain Bank and Premier Business Bank share an equal focus on quality customer service, and our customers will benefit from enhanced capital strength and product offerings. First Mountain Bank shareholders will be exchanging their shares for shares of PBB Bancorp which have potential for greater overall returns."

Premier Business Bank's President and CEO, John Polen, will continue in this role for the combined bank following the completion of the merger. Two current directors of First Mountain Bank will join the board of PBB Bancorp and Premier Business Bank following the merger. The directors of PBB Bancorp and First Mountain Bank have unanimously approved the merger agreement and agreed to vote all shares of PBB Bancorp and First Mountain Bank owned or controlled by them for approval of the merger agreement and merger.

David Lake, who will serve as Chairman of the combined bank and continue to serve as Chairman of PBB Bancorp, stated, "I am looking forward to working with the new directors from First Mountain Bank. Their local knowledge and wisdom will be an essential ingredient in the successful integration of the First Mountain Bank organization, shareholders, customers and staff. I am convinced that this merger is a positive step forward for both First Mountain Bank and Premier Business Bank."

PBB Bancorp and Premier Business Bank were advised in this transaction by the law firm of King, Holmes, Paterno & Berliner, LLP and its financial advisor, MJ Capital Partners, LLC. First Mountain Bank was advised by the law firm Gary Steven Findley & Associates, and its financial advisor, The Findley Group. First Mountain Bank received a fairness opinion from Vining Sparks, LLC.

About Premier Business Bank

Premier Business Bank operates two banking offices in Los Angeles and Palos Verdes, California and is wholly owned by PBB Bancorp. PBB Bancorp currently trades on OTCQX under the symbol "PBCA." More information on Premier Business Bank is available at www.ibankpremier.com.

About First Mountain Bank

First Mountain Bank operates three banking offices in Big Bear Lake, Running Springs, and Lucerne Valley, California. First Mountain Bank currently trades on OTC under the symbol "FMBP." More information on First Mountain Bank is available at www.firstmountainbank.com.

Forward Looking Statements

This press release contains "forward-looking statements" as that term is defined in the Private Securities Litigation Reform Act of 1995. Words or phrases such as "expect," "believe," "intend," "plan," "estimate," "may," "should," "will likely result," "will continue," "is anticipated," "estimate," "project" and similar expressions are intended to identify forward-looking statements. Such forward-looking statements are subject to and involve known and unknown risks, uncertainties and other factors, which may cause actual results to be materially different from those indicated in the forward-looking statements. The following factors, among others, could cause actual results to differ materially from the anticipated results or other expectations expressed in forward looking statements: (1) the businesses of Premier Business Bank and First Mountain Bank may not be combined successfully or such combination may take longer to accomplish than expected; (2) the cost savings from the merger may not be fully realized or may take longer to realize than expected; (3) operating costs, customer loss and business disruption following the merger, including adverse effects on relationships with employees, may be greater than expected; (4) governmental approvals of the merger may not be obtained, or adverse regulatory conditions may be imposed in connection with the governmental approvals of the merger; (5) the shareholders of First Mountain Bank and/or PBB Bancorp may fail to approve the merger; (6) changes in general economic conditions could affect the volume of loan originations, deposit flows, real estate values and credit quality trends; (7) changes in laws, regulations or policies by government or regulatory agencies could affect the banking industry, (8) fluctuations in interest rates could affect the banking industry, (9) change in the demand for loans in the market areas that Premier Business Bank and First Mountain Bank conduct their respective business could affect profitability, and (10) competition from other financial services companies in Premier Business Bank's and First Mountain Bank's markets could increase. These statements include, but are not limited to, statements about Premier Business Bank's and First Mountain Bank's plans, objectives, expectations and intentions and other statements contained in this presentation that are not historical facts. Premier Business Bank and First Mountain Bank caution readers not to place undue reliance on any such forward-looking statements, which speak only as of the date made. Premier Business Bank and First Mountain Bank undertake no obligation to publicly release the result of any revisions that may be made to any forward-looking statements to reflect events or circumstances after the date of such statements or to reflect the occurrence of anticipated or unanticipated events.

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Company Information

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