Contact: Steve Miller – President & CEO
Steve Canfield – Executive Vice President & CFO
(559) 439-0200

FOR IMMEDIATE RELEASE

Communities First Financial Corporation Earns Record $2.13 Million for 1Q19; Up 45% Over 1Q18; Fueled by a Strong Net Interest Margin, Solid Loan Growth and Improved Operating Efficiencies

Fresno, CA – April 11, 2019 – Communities First Financial Corporation (the "Company") (OTCQX: CFST), the parent company of Fresno First Bank (the "Bank"), today announced record profits for the first quarter ended March 31, 2019. Net income increased 45% to $2.13 million, or $0.71 per diluted share, for the first quarter of 2019, compared to $1.46 million, or 0.50 per diluted share, for the first quarter of 2018. For the fourth quarter of 2018, net income was $1.62 million, or $0.55 per diluted share. All results are unaudited.

"First quarter 2019 results were stellar, and we are very pleased the team got off to a great start in the new year," said Steve Miller, President and Chief Executive Officer. "We again achieved top-line revenue growth with a substantially higher than average net interest margin and net interest income. Total deposits were up 14% from a year ago. Our focus on expanding our franchise into new markets is proving out. Loans generated in our newly established loan production office ("LPO") in Southern California have already contributed to our loan portfolio, which grew15% in the first quarter from a year ago. In addition, we substantially improved our efficiency ratio to 49.71%, reflecting lower operating costs. We also delivered industry-leading return on average assets ("ROAA") of 1.87% and return on average equity ("ROAE") of 20.41%.

"We will continue to focus on high quality earnings growth, while managing our operating efficiencies and expanding our brand throughout California," added Miller. "Everything we do is focused on strengthening relationships with our customers and communities and supporting our loyal employees. That should translate into long-term value for our shareholders."

First Quarter 2019 Highlights (as of, or for the quarter ended March 31, 2019, except where noted):

- Diluted earnings per share ("EPS") were $0.71, compared to $0.50 per share for the first quarter of 2018.
- Return on average assets ("ROAA") was 1.87%, compared to1.46% for the first quarter a year ago. Return on average equity ("ROAE") was 20.41%, compared to 16.80% for the first quarter of 2018.
- Net interest income increased 27% to $5.21 million, from the first quarter a year ago. No provision for loan losses was booked in the first quarter of 2019 or the first quarter of 2018.
- Net interest margin ("NIM") expanded 56 basis points to 4.82% for the first quarter of 2019, compared to 4.26% from the first quarter a year ago. The NIM improved by 37 basis points from 4.45% from the fourth quarter of 2018.

- Total deposits grew 14% in the first quarter of 2019 to $424.42 million from $372.63 million a year earlier. Noninterest bearing deposits grew 19% over that period and represent 60% of the entire deposit base.
- Total portfolio loans increased 15% to $310.33 million compared to $269.80 million a year ago.
- The efficiency ratio improved to 49.71% for the first quarter of 2019, from 56.17% for the first quarter a year earlier.
- Asset quality remained solid with nonperforming assets unchanged from the preceding quarter at 0.69% of total assets.
- The allowance for loan and lease losses ("ALLL") was 1.31% as a percentage of total loans, at March 31, 2019, compared to 1.25% a year earlier. The ALLL as a percentage of total assets was 0.86%.
- Capital ratios remain strong with a ratio of tangible shareholders' equity to total assets of 9.37% at March 31, 2019, compared to 8.71% at March 31, 2018.
- Successfully completed a core data processing conversion, including enhancement to customer services and resources.
- Communities First Financial Corporation was named to the 2019 OTCQCX Best 50. Ranked one of the top performing OTCQX companies in the country, based on total return and growth in average daily dollar volume for 2018.

"The conversion of our entire data processing system is now fully integrated," Miller continued. "Our new core bank processing platform will allow us to continue cultivating new and existing customer relationships and strengthen our platform for future partnership opportunities. At the same time, with the adoption of new digital banking solutions, we are able to deliver a best-in-class banking experience to our customers, giving them robust online and mobile access to their accounts from anywhere in the U.S."

Results of Operations

Net interest income increased 27% to $5.21 million for the first quarter of 2019 from $4.10 million in the first quarter a year ago, primarily as a result of higher yields on all asset classes and strong year-over-year loan growth. Reflecting solid asset quality, no provision for loan losses was recorded for the first quarter of 2019 or the first quarter of 2018. After a provision for loan losses of $650,000, net interest income was $4.38 million for the fourth quarter of 2018.

Non-interest income was $669,000 for the first quarter of 2019, compared to $406,000 for the first quarter of 2018, and $1.12 million for the fourth quarter of 2018. The year-over-year increase in non-interest income was primarily due to an increase in gain on sale of loans. The fourth quarter 2018 non-interest income included a non-recurring $680,000 gain from a bank owned life insurance policy.

"Our strategy with the Southern California LPO is to originate CRE loans for sale. In the first quarter of 2019, we completed the sale of our first package of loans which resulted in a gain on sale of loans of approximately $200,000, improving gains by 1000% year-over-year," said Steve Canfield, Executive Vice President and Chief Financial Officer.

The net interest margin expanded by 56 basis points to 4.82% for the first quarter of 2019, compared to 4.26% for the first quarter of 2018, and improved by 37 basis points from 4.45% for the preceding quarter. "The yield on earning assets increased both year-over-year and on a linked quarter basis to 5.02%, while our cost of funds remained low at 0.19%, at quarter end," said Canfield. "The recent rate environment has been positive for our margin, with non-interest-bearing deposits accounting for 60% of our total deposits."

Operating expenses totaled $2.92 million for the first quarter of 2019, compared to $2.53 million for the first quarter of 2018 and $3.45 million for the fourth quarter of 2018. "Salaries/employee benefits and occupancy expense were up during the quarter, primarily related to costs forming our new Southern California loan production office," added Canfield. "Operating expenses were substantially down on a linked-quarter basis, however, as costs related to the DP core systems conversion were booked in the fourth quarter of 2018."

The efficiency ratio improved to 49.71% for the first quarter of 2019, compared to 56.17% for the first quarter a year ago, and 56.02% for the fourth quarter of 2018.

Balance Sheet Review

Total assets grew 15% to $471.54 million at March 31, 2019, compared to $409.84 million at March 31, 2018, and increased 1% from $467.20 million at December 31, 2018.

Total loans increased 15% to $310.33 million at March 31, 2019, from $269.80 million a year ago, and grew by 2% from $303.41 million three months earlier. "In addition to the total loan balance at quarter end, we are also currently holding $6.6 million in loans for sale on our balance sheet that should be packaged and sold in the second quarter of 2019," said Canfield.

The commercial and industrial (C&I) portfolio grew to $153.80 million and represented 50% of total loans at March 31, 2019. Commercial real estate (CRE) loans totaled $98.84 million, or 32% of total loans. Agriculture loans grew 33% from a year ago to $28.98 million and represented 9% of total loans; real estate construction and land development totaled $18.61 million, or 6% of loans, while residential home loans were $10.02 million, or 3% of loans. At March 31, 2019, $97.17 million or 31% of the loan portfolio was guaranteed by the SBA, USDA or other government agencies.

Total deposits increased 14% to $424.42 million at March 31, 2019, compared to $372.63 million from a year earlier and were relatively unchanged from $424.35 at December 31, 2018. Noninterest-bearing demand deposits grew by 19% to $256.70 million at March 31, 2019, representing 60% of total deposits, compared to $216.33 million, or 58% of total deposits a year ago. "We continue to focus on acquiring our business customers primary operating deposit accounts which has led to the expansion of our noninterest bearing demand deposits over the last year," stated Miller. The loan to deposit ratio increased to 73.12% at March 31, 2019, from 72.41% a year earlier, and 71.50% at December 31, 2018.

Net shareholder's equity increased 24% to $44.19 million at March 31, 2019, compared to $35.71 million a year ago. Book value per common share grew 21% to $15.14 at March 31, 2019, compared to $12.50 at March 31, 2018.

Asset Quality

Nonperforming assets ("NPAs") totaled $3.25 million, or 0.69% of total assets at March 31, 2019, compared to $2.93 million, or 0.71% of total assets at March 31, 2018, and $3.22 million, or 0.69% of assets at December 31, 2018.

"We continue to keep a close eye on the $2.9 million NPA, which is a series of loans isolated to one borrower with well-secured underlying collateral," said Miller. "We are making progress and recent negotiations with the borrower have been productive. The increase in NPAs during the first quarter was minimal and mainly due to a small number of government guaranteed loans placed on non-accrual status."

With existing reserves consistent with our ALLL methodology, there was no provision for loan losses recorded for the current quarter or the year ago quarter, compared to a provision for loan losses of $650,000 for the preceding quarter. Recoveries were $2,000 in the first quarter of 2019 compared to $1,000 for the first quarter of 2018 and $2,500 in the fourth quarter of 2018. In the fourth quarter of 2018, net charge-offs totaled $269,000. The allowance for loan losses to total loans ratio was 1.31% at March 31, 2019, compared to 1.25% a year earlier and 1.33% at December 31, 2018.

About Communities First Financial Corporation

Communities First Financial Corporation, a bank holding company established in 2014, is the parent company of Fresno First Bank, founded in 2005 in Fresno, California. Fresno First Bank is a leading SBA Lender in California's Central Valley and has expanded into Southern California. The Bank is also a direct acquiring bank with VISA and MasterCard and processes payments for merchants across the country directly and through partners. Named to the 2019 OTCQCX Best 50, and ranked one of the top performing OTCQX companies in the country, based on total return and growth in average daily dollar volume for 2018. The Bank was named to the Inc. 5000 Fastest Growing Companies list in 2017 and to Forbes Best 25 Small Businesses in America for 2016. Additional information is available from the Company's website at www.fresnofirstbank.com or call 559-439-0200.

Forward Looking Statement Disclaimer

This earnings release may contain forward-looking statements. Forward-looking statements provide current expectations or forecasts of future events and are not guarantees of future performance, nor should they be relied upon as representing management's views as of any subsequent date. The forward-looking statements are based on managements' expectations and are subject to a number of risks and uncertainties. Although management believes that the expectations reflected in such forward-looking statements are reasonable, actual results may differ materially from those expressed or implied in such statements. Risks and uncertainties that could cause actual results to differ materially include, without limitation, the Company's ability to effectively execute its business plans; changes in general economic and financial market conditions; changes in interest rates; changes in the competitive environment; continuing consolidation in the financial services industry; new litigation or changes in existing litigation; losses, customer bankruptcy, claims and assessments; changes in banking regulations or other regulatory or legislative requirements affecting the Company's business; international developments; and changes in accounting policies or procedures as may be required by the Financial Accounting Standards Board or other regulatory agencies. The Company undertakes no obligation to release publicly the results of any revisions to the forward-looking statements included herein to reflect events or circumstances after today, or to reflect the occurrence of unanticipated events. The Company claims the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995.

SELECT FINANCIAL INFORMATION AND RATIOS (unaudited)	For the Quarter Ended: Mar. 31, 2019	Dec. 31, 2018	Mar. 31, 2018	Percentage Change From: Dec. 31, 2018	Mar. 31, 2018
BALANCE SHEET DATA - PERIOD END BALANCES:					
Total assets	$ 471,535	$ 467,208	$ 409,837	1%	15%
Total Loans	310,333	303,410	269,802	2%	15%
Investment securities	95,695	95,949	76,403	0%	25%
Total deposits	424,415	424,346	372,628	0%	14%
Shareholders equity, net	44,188	40,714	35,706	9%	24%
SELECT INCOME STATEMENT DATA:					
Gross revenue	$ 5,878	$ 6,155	$ 4,505	-5%	30%
Operating expense	2,922	3,451	2,532	-15%	15%
Pre-tax, pre-provision income	2,956	2,704	1,973	9%	50%
Net income after tax	$ 2,130	$ 1,619	$ 1,464	32%	45%
SHARE DATA:					
Basic earnings per share	$ 0.73	$ 0.57	$ 0.51	29%	42%
Fully diluted earnings per share	$ 0.71	$ 0.55	$ 0.50	30%	42%
Book value per common share	$ 15.14	$ 14.24	$ 12.50	6%	21%
Common shares outstanding	2,917,950	2,858,172	2,857,139	2%	2%
Fully diluted shares	2,981,143	2,917,075	2,918,037	2%	2%
CFST - Stock price	$ 23.30	$ 19.80	$ 20.95	18%	11%
RATIOS:					
Return on average assets	1.87%	1.37%	1.46%	37%	28%
Return on average equity	20.41%	16.07%	16.80%	27%	21%
Efficiency ratio	49.71%	56.02%	56.17%	-11%	-11%
Yield on earning assets	5.02%	4.63%	4.40%	8%	14%
Cost to fund earning assets	0.19%	0.18%	0.14%	8%	34%
Net Interest Margin	4.82%	4.45%	4.26%	8%	13%
Equity to assets	9.37%	8.71%	8.71%	8%	8%
Loan to deposits ratio	73.12%	71.50%	72.41%	2%	1%
Full time equivalent employees	45	44	41	2%	10%
BALANCE SHEET DATA - AVERAGES:					
Total assets	$ 461,370	$ 467,238	$ 407,713	-1%	13%
Total loans	297,651	282,480	264,687	5%	12%
Investment securities	94,087	90,250	74,104	4%	27%
Deposits	417,785	424,861	371,050	-2%	13%
Shareholders equity, net	$ 42,331	$ 39,981	$ 35,218	6%	20%
ASSET QUALITY:					
Total delinquent accruing loans	$ 419	$ 397	$ 1,277	6%	-67%
Nonperforming assets	$ 3,253	$ 3,220	$ 2,930	1%	11%
Non Accrual / Total Loans	1.05%	1.06%	1.09%	-1%	-3%
Nonperforming assets to total assets	.69%	.69%	.71%	0%	-3%
LLR / Total loans	1.31%	1.33%	1.25%	-2%	5%

STATEMENT OF INCOME ($ in thousands)	For the Quarter Ended:			Percentage Change From:	
(unaudited)	Mar. 31, 2019	Dec. 31, 2018	Mar. 31, 2018	Dec. 31, 2018	Mar. 31, 2018
Interest Income					
Loan interest income	$ 4,475	$ 4,109	$ 3,587	9%	25%
Investment income	651	636	424	2%	54%
Int. on fed funds & CDs in other banks	260	421	200	-38%	30%
Dividends from non-marketable equity	32	70	27	-54%	19%
Interest income	5,418	5,236	4,238	3%	28%
Total interest expense	209	202	139	3%	50%
Net interest income	5,209	5,034	4,099	3%	27%
Provision for loan losses	-	650	-	-100%	0%
Net interest income after provision	5,209	4,384	4,099	19%	27%
Non-Interest Income:					
Total deposit fee income	91	100	80	-9%	14%
Debit / credit card interchange income	50	50	36	0%	39%
Merchant services income	155	159	132	-3%	17%
Gain on sale of loans	242	18	22	1244%	1000%
Other operating income	131	794	136	-84%	-4%
Non-interest income	669	1,121	406	-40%	65%
Non-Interest Expense:					
Salaries & employee benefits	1,864	1,656	1,599	13%	17%
Occupancy expense	195	190	161	3%	21%
Other operating expense	863	1,605	772	-46%	12%
Non-interest expense	2,922	3,451	2,532	-15%	15%
Net income before tax	2,956	2,054	1,973	44%	50%
Tax provision	826	435	509	90%	62%
Net income after tax	$ 2,130	$ 1,619	$ 1,464	32%	45%

BALANCE SHEET ($ in thousands) (unaudited)	End of Period: Mar. 31, 2019	Dec. 31, 2018	Mar. 31, 2018	Percentage Change From: Dec. 31, 2018	Mar. 31, 2018
ASSETS					
Cash and due from banks	$ 11,982	$ 7,507	$ 9,730	60%	23%
Fed funds sold and deposits in banks	24,774	34,874	36,497	-29%	-32%
CDs in other banks	11,151	10,906	5,942	2%	88%
Investment securities	95,695	95,949	76,403	0%	25%
Loans held for sale	6,599	4,081	-	62%	0%
Portfolio loans outstanding:					
RE constr & land development	18,606	17,794	18,481	5%	1%
Residential RE 1-4 Family	10,023	10,350	11,115	-3%	-10%
Commercial Real Estate	98,841	101,667	78,091	-3%	27%
Agriculture	28,975	28,080	21,714	3%	33%
Commercial and Industrial	153,802	145,390	140,373	6%	10%
Consumer and Other	86	129	28	-33%	207%
Total Portfolio Loans	310,333	303,410	269,802	2%	15%
Deferred fees & discounts	121	141	348	-14%	-65%
Allowance for loan losses	(4,051)	(4,049)	(3,364)	0%	20%
Loans, net	306,403	299,502	266,786	2%	15%
Non-marketable equity investments	2,441	2,440	2,244	0%	9%
Cash value of life insurance	7,832	7,780	8,128	1%	-4%
Accrued interest and other assets	4,658	4,169	4,107	12%	13%
Total assets	$ 471,535	$ 467,208	$ 409,837	1%	15%
LIABILITIES AND EQUITY					
Non-interest bearing deposits	$ 256,700	$ 263,818	$ 216,329	-3%	19%
Interest checking	13,483	11,210	12,583	20%	7%
Savings	36,052	30,805	35,390	17%	2%
Money market	84,787	82,420	70,812	3%	20%
Certificates of deposits	33,393	36,093	37,514	-7%	-11%
Total deposits	424,415	424,346	372,628	0%	14%
Borrowings	-	-	-	0%	0%
Other liabilities	2,932	2,148	1,503	36%	95%
Total liabilities	427,347	426,494	374,131	0%	14%
Common stock & paid in capital	29,318	28,453	28,136	3%	4%
Retained earnings	14,838	12,708	7,924	17%	87%
Total equity	44,156	41,161	36,060	7%	22%
Accumulated other comprehensive income	32	(447)	(354)	-107%	-109%
Shareholders equity, net	44,188	40,714	35,706	9%	24%
Total Liabilities and shareholders' equity	$ 471,535	$ 467,208	$ 409,837	1%	15%

ASSET QUALITY ($ in thousands) (unaudited)	Period Ended: Mar. 31, 2019	Dec. 31, 2018	Mar. 31, 2018
Delinquent accruing loans 30-60 days	$ 419	$ 397	$ 1,277
Delinquent accruing loans 60-90 days	$ 0	$ 0	$ 0
Delinquent accruing loans 90+ days	$ 0	$ 0	$ 0
Total delinquent accruing loans	$ 419	$ 397	$ 1,277
Loans on non accrual	$ 3,253	$ 3,220	$ 2,930
Other real estate owned	$ 0	$ 0	$ 0
Nonperforming assets	$ 3,253	$ 3,220	$ 2,930
Performing restructured loans	$ 0	$ 0	$ 0
Delq 30-60 / Total Loans	.14%	.13%	.47%
Delq 60-90 / Total Loans	.00%	.00%	.00%
Delq 90+ / Total Loans	.00%	.00%	.00%
Delinquent Loans / Total Loans	.14%	.13%	.47%
Non Accrual / Total Loans	1.05%	1.06%	1.09%
Nonperforming assets to total assets	.69%	.69%	.71%
Year-to-date charge-off activity			
Charge-offs	$ 0	$ 272	$ 0
Recoveries	$ 2	$ 7	$ 1
Net charge-offs	$ (2)	$ 265	$ (1)
Annualized net loan losses (recoveries) to average loans	-.00%	.10%	-.00%
LOAN LOSS RESERVE RATIOS:			
Reserve for loan losses	$ 4,051	$ 4,049	$ 3,364
Total loans	$ 310,334	$ 303,410	$ 269,801
Purchased govt. guaranteed loans	$ 66,048	$ 63,442	$ 61,415
Originated govt. guaranteed loans	$ 31,118	$ 30,363	$ 26,554
LLR / Total loans	1.31%	1.33%	1.25%
LLR / Loans less purchased govt. guaranteed loans	1.66%	1.69%	1.61%
LLR / Loans less all govt. guaranteed loans	1.90%	1.93%	1.85%
LLR / Total assets	.86%	.87%	.82%

Note: Transmitted on Globenewswire on April 11, 2019, at 1:15 p.m. Pacific time.