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FOR IMMEDIATE RELEASE

Communities First Financial Corporation Earns $1.63 Million in 3Q18, or $0.56 per Diluted Share, Up 54% from 3Q17; Net Interest Margin Expands to 4.55%

Fresno, CA – October 12, 2018 – Communities First Financial Corporation (the "Company") (OTCQX: CFST), the parent company of Fresno First Bank (the "Bank"), today reported record profits for the third quarter of 2018 and for the first nine months of 2018.

Net income increased 54% to $1.63 million, or $0.56 per diluted share for the third quarter of 2018, compared to $1.06 million, or $0.37 per diluted share for the third quarter of 2017. On a linked quarter basis, net income grew 6% from $1.54 million, or $0.53 per diluted share. For the first nine months ended September 30, 2018, net income increased 65% to $4.63 million, or $1.59 per diluted share, compared to $2.81 million, or $0.98 per diluted share for the first nine months of 2017

"We continue to build our momentum delivering strong financial results for the quarter, supported by record revenue, net income, earnings per share and a solid net interest margin. Our strong reputation established by our team is driving an amazing referral pipeline and we are attracting a steady new client base, demonstrated by the growth in deposits. Noninterest-bearing deposits are up 32% on a year-over-year basis and represent over 60% of our deposit base," said Steve Miller, President and Chief Executive Officer.

"Our recent expansion into the Southern California market is a logical progressive step for us," continued Miller. "With our team of highly experienced lenders, we look forward to developing a solid customer base initially focusing on commercial lending. In addition, we will expand our payments business in Southern California to help enhance our fee-based revenue streams."

Third Quarter 2018 Highlights (as of, or for the period ended September 30, 2018, except where noted):

- Generated record earnings of $1.63 million and record diluted EPS of $0.56 per share.
- Return on average assets ("ROAA") was 1.48%; return on average equity ("ROAE") was 16.90%, and the efficiency ratio improved to 51.06%. Industry peer* ROAA was 1.00%, ROAE was 10.03%, and the efficiency ratio was 67.75%, at June 30, 2018.
- Net interest margin ("NIM") expanded 29 basis points to 4.55% for the third quarter of 2018, compared to 4.16% from the third quarter a year ago. At June 30, 2018, industry peer* NIM was 3.74%.
- Net interest income, after provision for loan losses, increased 30% year-over-year to $4.48 million and grew 4% from the preceding quarter. Before the provision for loan losses, net interest income improved by 26% to $4.78 million year-over-year and grew 10% on a linked quarter basis.
- Total deposits increased 18% to $402.93 million from $342.13 million a year earlier.
- Total loans increased 16% to $282.87 million compared to $244.89 million a year ago.

**Industry peers are the 474 banks that comprised the SNL Microcap U.S. Bank Index, as at June 30, 2018.*

- Asset quality remained solid with nonperforming assets representing 0.71% of total assets. Loans on nonaccrual totaled $3.16 million, compared to $2.93 million a year earlier. Nonaccrual loans represented 1.12% of total loans.
- The allowance for loan and lease losses ("ALLL") was 1.30% as a percentage of total loans, at September 30, 2018, compared to 1.37% a year earlier. The ALLL as a percentage of total assets was 0.83%.
- Capital ratios remain strong with a ratio of tangible shareholders' equity to total assets of 8.71% at September 30, 2018, compared to 8.97% at September 30, 2017.

Results of Operations

Net interest income, after the provision for loan losses, increased 30% to $4.48 million from $3.44 million in the third quarter a year ago, indicating strong year-over-year loan growth and higher yields on investment securities and overnight funds. A provision for loan losses of $300,000 was booked in the reporting quarter compared to a provision of $350,000 taken in the third quarter of 2017. No provision for loan losses was recorded in the preceding quarter. Year-to-date, after the provision for loan losses, net interest income was up 28% to $12.91 million, compared to $10.06 million for the first nine months of 2017.

Non-interest income was $456,000 for the third quarter of 2018, compared to $634,000 for the third quarter of 2017, and $421,000 for the second quarter of 2018. The year-over-year decline in non-interest income was primarily due to the lower gain on sale of SBA loans. Gains on SBA loan sales totaled $88,000 for the first nine months of 2018, compared to $443,000 for the like period of 2017. Adding to non-interest income was merchant services income, which was up 8% from the third quarter a year ago, and 14% for the first nine months of 2018. Debit/credit card interchange income increased 22% compared to the third quarter of 2017 and grew 27% in the first nine months of 2018.

The net interest margin improved by 39 basis points to 4.55% for the third quarter of 2018, compared to 4.16% for the third quarter of 2017, and expanded three basis point from 4.52% for the second quarter of 2018. Year-to-date, the net interest margin expanded 29 basis points to 4.45% compared to 4.16% for the first nine months of 2017. "Our strong net interest margin continued to benefit from a higher fed funds and prime interest rate advancing the yield on our earning assets to 4.70% for the third quarter of 2018, whereas our cost of funds remained low at 0.15%," said Steve Canfield, Executive Vice President and Chief Financial Officer. The net interest margin is well above the average of 3.71% generated by industry peers.

Operating expenses totaled $2.68 million for the third quarter of 2018, compared to $2.34 million for the third quarter of 2017 and $2.61 million on a linked quarter basis. "The increase in noninterest expense both from a year ago and from the second quarter this year was primarily due to compensation and operating costs associated with establishing our loan production office in Los Angeles," added Canfield.

The efficiency ratio improved to 51.06% for the third quarter of 2018, compared to 54.15% for the third quarter a year ago, and 54.91% for the second quarter of 2018. For the first nine months of 2018, the efficiency ratio was 53.90%, compared to 56.67% for the first nine months of 2017.

Balance Sheet Review

Total assets grew 18% to $443.45 million at September 30, 2018, compared to $377.04 million at September 30, 2017, and increased 7% from $413.57 million at June 30, 2018.

Total loans increased 16% to $282.87 million at September 30, 2018, from $244.89 million a year ago, and increased 1% from $279.69 million on a linked quarter basis. The commercial and industrial (C&I) portfolio represented just over 50% of total loans at September 30, 2018. Commercial real estate (CRE) loans totaled $87.4 million, or 31% of total loans. Agriculture loans grew 13% from the preceding quarter to $28.1 million and represented 10% of total loans; real estate construction and land development totaled $14.6 million, or 5% of loans, while residential home loans were $11.2 million, or 4% of loans. At September 30, 2018, $90.28 million or 31.9% of the loan portfolio was guaranteed by the SBA, USDA or other government agencies.

Total deposits increased 18% to $402.93 million at September 30, 2018, compared to $342.13 million from a year earlier and grew 7% from $375.08 million at June 30, 2018. Noninterest-bearing demand deposits increased by 32% to $243.58 million at September 30, 2018, representing 61% of total deposits, compared to $184.56 million, or 54% of total deposits a year ago. The ratio of loans to deposits was 70.20% at September 30, 2018, compared to 71.58% one year earlier and 74.57% at June 30, 2018.

Net shareholder's equity increased 14% to $38.61 million at September 30, 2018, compared to $33.80 million a year ago. Book value per common share increased 13% to $13.53 at September 30, 2018, compared to $12.00 a year ago.

Asset Quality

Nonperforming assets ("NPAs") increased 8% from the preceding quarter, primarily due to the addition of two small government guaranteed business loans placed on non-accrual during the quarter. "We continue to closely monitor the $2.9 million NPA which consists of a series of loans isolated to one borrower; they are well-secured with strong underlying collateral," added Miller. At September 30, 2018, NPAs totaled $3.16 million compared to $2.93 million a year earlier.

"Primarily due to the growth in our loan portfolio, we prudently added to our reserves," commented Canfield. A provision for loan losses of $300,000 was booked in the current quarter compared to $350,000 in the third quarter a year ago. No provision was taken in the second quarter of 2018. The allowance for loan losses to total loans ratio was 1.30% at September 30, 2018, compared to 1.37% a year earlier and 1.20% at June 30, 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. 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: Sept. 30, 2018	June 30, 2018	Sept. 30, 2017	Percentage Change From: June 30, 2018	Sept. 30, 2017	Year to Date as of: Sept. 30, 2018	Sept. 30, 2017	Percent Change
BALANCE SHEET DATA - PERIOD END BALANCES:								
Total assets	$ 443,449	$ 413,565	$ 377,042	7%	18%			
Total Loans	282,867	279,688	244,890	1%	16%			
Investment securities	82,153	78,443	62,323	5%	32%			
Total deposits	402,933	375,083	342,126	7%	18%			
Shareholders equity, net	38,610	37,111	33,804	4%	14%			
SELECT INCOME STATEMENT DATA:								
Gross revenue	$ 5,237	$ 4,750	$ 4,426	10%	18%	$ 14,492	$ 12,402	17%
Operating expense	2,678	2,608	2,337	3%	15%	7,817	6,961	12%
Pre-tax, pre-provision income	2,559	2,142	2,089	19%	22%	6,675	5,441	23%
Net income after tax	$ 1,625	$ 1,540	$ 1,055	6%	54%	$ 4,630	$ 2,806	65%
SHARE DATA:								
Basic earnings per share	$ 0.57	$ 0.54	$ 0.37	6%	54%	$ 1.62	$ 1.00	62%
Fully diluted earnings per share	$ 0.56	$ 0.53	$ 0.37	6%	51%	$ 1.59	$ 0.98	62%
Book value per common share	$ 13.53	$ 12.99	$ 12.00	4%	13%			
Common shares outstanding	2,853,672	2,855,895	2,818,066	0%	1%			
Fully diluted shares	2,923,728	2,921,040	2,882,400	0%	1%			
CFST - Stock price	$ 25.10	$ 23.05	$ 17.60	9%	43%			
RATIOS:								
Return on average assets	1.48%	1.54%	1.12%	-4%	32%	1.49%	1.05%	42%
Return on average equity	16.90%	16.95%	12.62%	0%	34%	16.91%	11.66%	45%
Efficiency ratio	51.06%	54.91%	54.15%	-7%	-6%	53.90%	56.67%	-5%
Yield on earning assets	4.70%	4.66%	4.29%	1%	10%	4.59%	4.29%	7%
Cost to fund earning assets	0.15%	0.14%	0.13%	7%	15%	0.14%	0.13%	8%
Net Interest Margin	4.55%	4.52%	4.16%	1%	9%	4.45%	4.16%	7%
Equity to assets	8.71%	8.97%	8.97%	-3%	-3%			
Loan to deposits ratio	70.20%	74.57%	71.58%	-6%	-2%			
Full time equivalent employees	42	42	41	0%	2%			
BALANCE SHEET DATA - AVERAGES:								
Total assets	$ 434,466	$ 401,254	$ 372,648	8%	17%	$ 414,576	$ 357,929	16%
Total loans	280,510	270,235	249,047	4%	13%	271,869	245,704	11%
Investment securities	78,439	78,994	67,137	-1%	17%	77,195	67,582	14%
Deposits	394,646	363,044	338,002	9%	17%	376,333	324,662	16%
Shareholders equity, net	$ 38,159	$ 36,436	$ 33,532	5%	14%	$ 36,615	$ 32,194	14%
ASSET QUALITY:								
Total delinquent accruing loans	$ 158	$ 0	$ 0	0%	0%			
Nonperforming assets	$ 3,155	$ 2,927	$ 2,930	8%	8%			
Non Accrual / Total Loans	1.12%	1.05%	1.20%	7%	-7%			
Nonperforming assets to total assets	.71%	.71%	.78%	1%	-8%			
LLR / Total loans	1.30%	1.20%	1.37%	8%	-5%			

STATEMENT OF INCOME ($ in thousands) (unaudited)	For the Quarter Ended: Sept. 30, 2018	June 30, 2018	Sept. 30, 2017	Percentage Change From: June 30, 2018	Sept. 30, 2017	For the Year Ended Sept. 30, 2018	Sept. 30, 2017	Percent Change
Interest Income								
Loan interest income	$ 4,149	$ 3,817	$ 3,381	9%	23%	$ 11,552	$ 9,760	18%
Investment income	481	468	367	3%	31%	1,373	1,059	30%
Int. on fed funds & CDs in other banks	272	153	142	78%	92%	625	317	97%
Dividends from non-marketable equity	32	28	21	14%	52%	87	91	-4%
Interest income	4,934	4,466	3,911	10%	26%	13,637	11,227	21%
Total interest expense	153	137	119	12%	29%	428	342	25%
Net interest income	4,781	4,329	3,792	10%	26%	13,209	10,885	21%
Provision for loan losses	300	0	350	0%	-14%	300	825	-64%
Net interest income after provision	4,481	4,329	3,442	4%	30%	12,909	10,060	28%
Non-Interest Income:								
Total deposit fee income	96	84	79	14%	22%	260	244	7%
Debit / credit card interchange inc.	44	42	36	5%	22%	122	96	27%
Merchant services income	153	152	142	1%	8%	437	382	14%
Gain on sale of loans	44	22	161	100%	-73%	88	443	-80%
Other operating income	119	121	216	-2%	-45%	376	352	7%
Non-interest income	456	421	634	8%	-28%	1,283	1,517	-15%
Non-Interest Expense:								
Salaries & employee benefits	1,612	1,524	1,397	6%	15%	4,735	4,125	15%
Occupancy expense	256	167	185	53%	38%	584	501	17%
Other operating expense	810	917	755	-12%	7%	2,498	2,335	7%
Non-interest expense	2,678	2,608	2,337	3%	15%	7,817	6,961	12%
Net income before tax	2,259	2,142	1,739	5%	30%	6,375	4,616	38%
Tax provision	634	602	684	5%	-7%	1,745	1,810	-4%
Net income after tax	$ 1,625	$ 1,540	$ 1,055	6%	54%	$ 4,630	$ 2,806	65%

BALANCE SHEET ($ in thousands)	**End of Period:**			**Percentage Change From:**	
(unaudited)	**Sept. 30, 2018**	**June 30, 2018**	**Sept. 30, 2017**	**Sept. 30, 2018**	**Sept. 30, 2017**
ASSETS					
Cash and due from banks	$ 10,973	$ 8,944	$ 8,130	23%	35%
Fed funds sold and deposits in banks	48,474	28,573	45,602	70%	6%
CDs in other banks	7,699	6,682	5,199	15%	48%
Investment securities	82,153	78,443	62,323	5%	32%
Total loans outstanding:					
RE constr & land development	14,590	17,544	17,525	-17%	-17%
Residential RE 1-4 Family	11,174	10,658	12,747	5%	-12%
Commercial Real Estate	87,368	80,295	76,848	9%	14%
Agriculture	28,099	24,758	23,029	13%	22%
Commercial and Industrial	141,602	146,396	114,638	-3%	24%
Consumer and Other	34	37	103	-8%	-67%
Total Loans	282,867	279,688	244,890	1%	16%
Deferred fees & discounts	191	252	174	-24%	10%
Allowance for loan losses	(3,668)	(3,366)	(3,347)	9%	10%
Loans, net	279,390	276,574	241,717	1%	16%
Non-marketable equity investments	2,475	2,476	2,207	0%	12%
Cash value of life insurance	8,240	8,185	8,015	1%	3%
Accrued interest and other assets	4,045	3,688	3,849	10%	5%
Total assets	$ 443,449	$ 413,565	$ 377,042	7%	18%
LIABILITIES AND EQUITY					
Non-interest bearing deposits	$ 243,580	$ 224,068	$ 184,556	9%	32%
Interest checking	13,583	10,907	10,264	25%	32%
Savings	30,887	31,424	37,029	-2%	-17%
Money market	77,514	70,525	71,444	10%	8%
Certificates of deposits	37,369	38,159	38,833	-2%	-4%
Total deposits	402,933	375,083	342,126	7%	18%
Borrowings	-	-	-	0%	0%
Other liabilities	1,906	1,371	1,112	39%	71%
Total liabilities	404,839	376,454	343,238	8%	18%
Common stock & paid in capital	28,350	28,240	27,861	0%	2%
Retained earnings	11,089	9,464	5,582	17%	99%
Total equity	39,439	37,704	33,443	5%	18%
Accumulated other comprehensive income	(829)	(593)	361	40%	-330%
Shareholders equity, net	38,610	37,111	33,804	4%	14%
Total Liabilities and shareholders' equity	$ 443,449	$ 413,565	$ 377,042	7%	18%

ASSET QUALITY ($ in thousands)	**Period Ended:**		
(unaudited)	**Sept. 30, 2018**	**June 30, 2018**	**Sept. 30, 2017**
Delinquent accruing loans 30-60 days	$ 158	$ 0	$ 0
Delinquent accruing loans 60-90 days	$ 0	$ 0	$ 0
Delinquent accruing loans 90+ days	$ 0	$ 0	$ 0
Total delinquent accruing loans	$ 158	$ 0	$ 0
Loans on non accrual	$ 3,155	$ 2,927	$ 2,930
Other real estate owned	$ 0	$ 0	$ 0
Nonperforming assets	$ 3,155	$ 2,927	$ 2,930
Performing restructured loans	$ 0	$ 0	$ 0
Delq 30-60 / Total Loans	.06%	.00%	.00%
Delq 60-90 / Total Loans	.00%	.00%	.00%
Delq 90+ / Total Loans	.00%	.00%	.00%
Delinquent Lns / Total Lns	.06%	.00%	.00%
Non Accrual / Total Loans	1.12%	1.05%	1.20%
Nonperforming assets to total assets	.71%	.71%	.78%
Year-to-date charge-off activity			
Charge-offs	$ 0	$ 0	$ 358
Recoveries	$ 5	$ 3	$ 0
Net charge-offs	$ (5)	$ (3)	$ 358
Annualized net loan losses (recoveries) to average loans	-.00%	-.00%	.19%
LOAN LOSS RESERVE RATIOS:			
Reserve for loan losses	$ 3,668	$ 3,366	$ 3,347
Total loans	$ 282,866	$ 279,688	$ 244,890
Purchased govt. guaranteed loans	$ 62,741	$ 63,071	$ 48,692
Originated govt. guaranteed loans	$ 27,542	$ 27,941	$ 23,427
LLR / Total loans	1.30%	1.20%	1.37%
LLR / Loans less purchased govt. guaranteed loans	1.67%	1.55%	1.71%
LLR / Loans less all govt. guaranteed loans	1.90%	1.78%	1.94%
LLR / Total assets	.83%	.81%	.89%

Note: Transmitted on Globenewswire on October 12, 2018, at 6:00 a.m. PT