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**TOTALBANK REPORTS YEAR-END EARNINGS,
ANNOUNCES REVERSAL OF VALUATION ALLOWANCE ON DEFERRED TAX ASSETS**

MIAMI – January 30, 2013—TotalBank posted its financial results today for the fourth quarter and year-end as of December 31, 2012.

The Bank reported year-end earnings of \$52.5 million, an increase of \$48.3 million over fiscal year 2011. For the fourth quarter, the Bank reported earnings of \$43 million propelled by the reversal of the valuation allowance recorded against the Bank's deferred tax assets, resulting in a one-time tax benefit of \$41 million.

"The reversal of the valuation allowance is the direct result of our sustained period of profitability, along with consideration of other favorable factors, that was made possible by the successful development, implementation and execution of our strategic plan," said Jose Marina, TotalBank's Chief Financial Officer.

On a pre-tax basis, the Bank improved its earnings from \$7.7 million in 2011 to \$11.3 million in 2012, an improvement of \$3.6 million or 46 percent.

Jorge Rossell, Chairman and Chief Executive Officer at TotalBank stated, "Our year-end earnings are solid and this attests to our strength as we continue to expand our market share and footprint. Our ability to recognize the full amount of our deferred tax assets validates our strategic initiatives and is reflective of the improving economic conditions in South Florida."

The Bank was able to increase its loan and deposits in a balanced manner, increasing its loan portfolio by 8 percent and its deposits by 7 percent during 2012. Additionally, the Bank generated \$174 million in new residential loans and \$12 million in SBA loans during the year, two core components of the Bank's strategic plan. TotalBank was the only community bank in South Florida to be in the top ten for SBA lending.

"Human capital is our greatest asset and we are continuing to invest in the right people," said Rossell. "Our goal for 2013 is to continue to be a leading integrated retail-commercial community bank. And with the support of our parent company, Banco Popular Español (BPE), we will continue to target key locations that will help us expand our global reach," he added.

In actions continuing the expansion and implementation of its five-year business plan, the Bank has increased its staff by 25 percent since December 2009.

"This year we are investing in operations and technology to be aligned with our strategic business plan and to prepare for future growth," said Luis de la Aguilera, TotalBank's President

and Chief Marketing Officer. “We have a vibrant and dedicated team focused on positive results to help us accomplish our strategic goals.”

In 2012 the Bank opened two new full-service Banking Centers in Pinecrest and West Miami. Plans are underway to build two additional locations in Doral, increasing Miami-Dade County’s locations to 22 Banking Centers.

The Wealth Management division has more than \$70 million of assets under management and has added more than 503 new customers in less than two years since it was launched. The Division will add 20 licensed wealth managers throughout the Banking Centers this year to further service the wide-ranging needs of customers.

TotalBank maintains its rating as a 5-star bank by *BauerFinancial, Inc*, a source for unbiased and independent bank and credit union star ratings. The rating indicates that TotalBank is one of the strongest banks in the nation, and that it excels in areas of capital quality, asset quality, profitability and more.

The Bank’s strong capital position is confirmed in the table below and compares TotalBank’s capital ratios as of December 31, 2012 with its peer group average as of September 30, 2012.

	TotalBank at 12/31/12	UBPR Peer Group Average at 9/30/12
Total Risk Based Capital Ratio	17.05%	15.21%
Tier 1 Risk Based Capital Ratio	15.82%	13.98%
Tier 1 Leverage Ratio	10.32%	9.57%

About TotalBank

TotalBank is a leading integrated retail-commercial bank in South Florida with more than \$2.3 billion in assets and 19 convenient locations throughout Miami-Dade County. Headquartered in Miami, TotalBank has served the South Florida community for 38 years, offering a broad range of domestic and international financial services to corporations, small businesses and individual consumers. The bank offers superior customer service focused on meeting the financial needs of customers while earning their confidence and loyalty. A member of Grupo Banco Popular Español, with more than \$230 billion in assets and 2,700 branches, TotalBank is strengthened by its parent, one of the largest banking groups in Spain. More information can be found at www.totalbank.com.

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Editor’s note – Key Financial Data for the Quarters Ended December 31, 2012 and 2011 attached.