

**PALOS VERDES ESTATES, Calif.--( [BUSINESS WIRE](#) )--Malaga Financial Corporation (OT CBB: MLGF)**

announced today that its Board of Directors had declared a special cash dividend in the amount of 10 cents per share payable to shareholders of record at the close of business on December 18, 2013. The dividend will be paid on or about December 26, 2013. In addition, an increase in the quarterly dividend to 17.5 cents was declared payable to shareholders of record at the close of business on December 20, 2013 to be paid on or about January 2, 2014. Randy C. Bowers, President and CEO, remarked, "We are pleased that our continued strong earnings and capital levels allow us to reward our loyal shareholders with a special year end dividend in addition to an increase in the amount of our 39<sup>th</sup>

consecutive quarterly dividend. This will result in total dividends paid in 2013 of 70 cents per share for a 3.73% annual yield based on a closing share price of \$18.75 on November 26, 2013. We recently completed our 28<sup>th</sup>

year of operations and look forward to continuing to serve and support the South Bay community."

Malaga Bank, a subsidiary of MFC, is a full-service community bank headquartered on the Palos Verdes Peninsula with six offices located in the South Bay area of Los Angeles. **It has been ranked among the top 200 Community Banks in the United States as published in the May 2013 issue of American Banker magazine. The rankings were based on average return on equity for the 3 year period ending December 31, 2012.**

**Malaga was the top ranked institution located in California and was ranked #9 among the top 200 in the nation.**

Since 1985 Malaga has been delivering competitive banking services to residents and businesses of the South Bay, including real estate loan products custom-tailored to consumers and investors. As the largest community bank in the South Bay, Malaga is proud of its continuing tradition of relationship-based banking and legendary customer service. The Bank's web site is located at [www.malagabank.com](http://www.malagabank.com)