



FOR IMMEDIATE RELEASE

The Private Bank of California Reports Fourth Quarter 2009 Results

LOS ANGELES, California (BUSINESS WIRE) – February 3, 2010. The Private Bank of California (the “Bank”) (OTCBB: PBCA.OB) announced its unaudited financial results for the year and quarter ended December 31, 2009.

Highlights summary for the year:

- Income before provisions improved 50% to \$1,736,000 in 2009
- Net income increased 94% to \$208,000 in 2009
- “Well-capitalized” with shareholders’ equity of \$41 million at December 31, 2009
- Total assets grew nearly 17% during the year to \$283 million at December 31, 2009
- Total deposits increased 30% during 2009 to \$239 million at December 31, 2009, anchored by a 65% growth of demand deposits
- 2.14% allowance for credit losses with loans totaling \$183 million at December 31, 2009

“The Private Bank of California team delivered solid results in 2009 given difficult market conditions,” stated Chief Executive Officer David R. Misch. “We are well-capitalized and have strong deposit growth momentum as we begin 2010.”

President Richard A. Smith added, “We are very pleased with the continued development and growth of our client base in our target markets during 2009. Our clients are the key to our success and we remain committed to providing the best possible service to those who choose to do business with The Private Bank of California.”

Recap of results for the year and quarter ended December 31, 2009:

- The Bank’s net income for the year ended December 31, 2009 was \$208,000, a 94% improvement from the net income of \$107,000 for the same period in 2008:

	Year ended December 31,	
	2009	2008
Income before provisions for credit losses and income taxes	\$ 1,736,000	1,154,000
Provision for credit losses	1,527,000	1,046,000
Provision for income taxes	1,000	1,000
Net income (loss)	\$ 208,000	107,000

Income before the provisions for credit losses and income taxes, the foundation of the Bank's operating profitability, grew 50% from \$1,154,000 in 2008 to \$1,736,000 in 2009. In a challenging economic and credit environment, the Bank's provision for credit losses increased 46% from \$1,046,000 in 2008 to \$1,527,000 in 2009 to maintain an adequate allowance for credit losses.

The Bank is reporting a \$58,000 or \$.02 per basic share net loss available to common shareholders for the year ended December 31, 2009 due to the impact of adjustments and declared dividends related to the preferred stock issued to the U.S. Department of Treasury ("Treasury") in February 2009. The Bank received a \$5.4 million preferred stock investment from the Treasury's Capital Purchase Program which was designed to improve the flow of credit to consumers and businesses, promote recovery of the U.S. economy and restore confidence in the U.S. financial system by injecting capital into healthy financial institutions.

The Bank's net income for the quarter ended December 31, 2009 was \$308,000, compared to \$133,000 for the same period in the prior year:

	Quarter ended December 31,	
	2009	2008
Income before provisions for credit losses and income taxes	\$ 727,000	388,000
Provision for credit losses	419,000	255,000
Provision for income taxes	---	---
Net income (loss)	\$ 308,000	133,000

During the quarter ended December 31, 2009, the Bank realized a net \$228,000 gain on the sale of securities that positively impacted its income before provisions; during the same quarter in the prior year, the Bank realized a net \$23,000 loss on the sale of securities.

- The Bank's total shareholders' equity was \$41 million and its capital ratios continue to significantly exceed all regulatory guidelines for "well-capitalized" financial institutions at December 31, 2009:

	Actual 12/31/09	“Well- Capitalized” Minimum
Tier 1 leverage ratio	12.52%	5.00%
Tier 1 risk-based capital ratio	20.41%	6.00%
Total risk-based capital ratio	21.67%	10.00%

- Total assets were \$283 million at December 31, 2009, an increase of \$41 million or 17% from \$242 million at December 31, 2008 and a slight decrease of \$11 million or 4% from \$294 million at September 30, 2009.
- Total deposits were \$239 million at December 31, 2009, an increase of \$54 million or nearly 30% from \$185 million at December 31, 2008 and a decrease of \$12 million or 5% from \$251 million at September 30, 2009.

The Bank has had no deposits from brokers or other wholesale funding sources since its opening in October 2005.

- Total demand deposits were \$76 million at December 31, 2009, an impressive increase of \$30 million or 65% from \$46 million at December 31, 2008 and \$12 million or 18% from \$64 million at September 30, 2009. Demand deposits represented 32% of the Bank’s total deposits at December 31, 2009, an improvement from 25% at December 31, 2008 and 26% at September 30, 2009.

The Bank continues to participate in the Treasury’s Transaction Account Guarantee Program which provides 100% FDIC insurance on all eligible “noninterest-bearing” demand and NOW deposit accounts through June 30, 2010.

- Total loans were \$183 million at December 31, 2009, an increase of \$7 million or 4% from \$176 million at December 31, 2008 and \$1 million or nearly 1% from \$182 million at September 30, 2009.

Nonaccrual loans totaled \$4.8 million or 2.6% of total loans outstanding at December 31, 2009. The Bank had no nonaccrual loans as of December 31, 2008 and \$864,000 of nonaccrual loans as of September 30, 2009.

The Bank had no earning loans past due 90 days or more at December 31, 2009, December 31, 2008 and September 30, 2009.

The Bank had earning loans past due 30-89 days totaling \$3.2 million or 1.8% of total loans outstanding at December 31, 2009 compared to \$4.5 million or 2.5% of total loans outstanding at September 30, 2009. The Bank had no earning loans past due 30-89 days at December 31, 2008.

- The Bank’s allowance for credit losses was \$3.9 million or 2.14% of total loans outstanding at December 31, 2009, representing an increase of \$1.1 million from \$2.8 million or 1.60% of total loans outstanding at December 31, 2008 and a slight increase

of \$.2 million from \$3.7 million or 2.02% of total loans outstanding at September 30, 2009.

For the quarter ended December 31, 2009, net loan charge-offs totaled \$182,000. For the year ended December 31, 2009 and 2008, net loan charge-offs totaled \$426,000 and \$23,000, respectively.

About The Private Bank of California: The Bank is a California-chartered commercial bank providing a wide range of financial services, including credit and deposit products as well as cash management services, from its headquarters office at 10100 Santa Monica Boulevard, Suite 2500, Los Angeles, California 90067. The Bank's target clients include high net worth and high income individuals, business professionals and their professional service firms, business owners, entertainment service businesses, local businesses, and non-profit organizations. Additional information is available at www.tpboc.com or by calling 310.286.0710.

Forward-Looking Statements: Certain matters discussed in this press release constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements relate to The Private Bank of California's current expectations regarding deposit and loan growth and operating results. These forward-looking statements are subject to certain risks and uncertainties that could cause the actual results, performance or achievements to differ materially from those expressed, suggested or implied by the forward-looking statements. These risks and uncertainties include, but are not limited to: (1) the impact of changes in interest rates, (2) a decline in economic conditions, (3) an increase in competition among financial service providers impacting on the Bank's operating results and ability to attract deposit and loan customers and the quality of the Bank's earning assets and (4) an increase in government regulation. The Bank does not undertake, and specifically disclaims, any obligation to update any forward-looking statements to reflect occurrences or unanticipated events or circumstances after the date of such statements.

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	<u>December 31,</u>		<u>September 30,</u>
	<u>2009</u>	<u>2008</u>	<u>2009</u>
<u>AT END OF THE PERIOD:</u>			
Total assets	\$ 282,515,000	\$ 241,523,000	\$ 293,899,000
Securities available-for-sale, at fair value	\$ 90,584,000	\$ 57,461,000	\$ 65,495,000
Total loans	\$ 183,450,000	\$ 176,074,000	\$ 182,386,000
Less allowance for credit losses	(3,926,000)	(2,825,000)	(3,689,000)
Net loans	<u>\$ 179,524,000</u>	<u>\$ 173,249,000</u>	<u>\$ 178,697,000</u>
Transactional deposit accounts	\$ 93,907,000	\$ 60,464,000	\$ 82,333,000
Money market deposit accounts	104,684,000	90,693,000	124,953,000
Other nontransactional deposit accounts	40,900,000	33,592,000	44,065,000
Total deposits	<u>\$ 239,491,000</u>	<u>\$ 184,749,000</u>	<u>\$ 251,351,000</u>
Total shareholders' equity	\$ 40,707,000	\$ 35,608,000	\$ 41,128,000
Allowance for credit losses to total loans ratio	2.14 %	1.60 %	2.02 %
Tier 1 leverage ratio	12.52 %	14.26 %	14.61 %
Tier 1 risk-based capital ratio	20.41 %	18.14 %	20.99 %
Total risk-based capital ratio	21.67 %	19.40 %	22.24 %
<u>FOR THE QUARTER ENDED:</u>			
Net interest income	\$ 2,555,000	\$ 2,269,000	\$ 2,405,000
Provision for credit losses	419,000	255,000	297,000
Noninterest income	268,000	20,000	41,000
Noninterest expense	<u>2,096,000</u>	<u>1,901,000</u>	<u>2,082,000</u>
Income (loss) before income taxes	308,000	133,000	67,000
Provision for income taxes	--	--	--
Net income (loss)	<u>\$ 308,000</u>	<u>\$ 133,000</u>	<u>\$ 67,000</u>
Net income (loss)	\$ 308,000	\$ 133,000	\$ 67,000
Less preferred stock dividends and adjustments	(13,000)	--	(125,000)
Net income (loss) available to common shareholders	<u>\$ 295,000</u>	<u>\$ 133,000</u>	<u>\$ (58,000)</u>
Net income (loss) per common share outstanding-basic	\$ 0.08	\$ 0.04	\$ (0.02)
Average common shares outstanding	3,722,979	3,685,425	3,688,849
<u>YEAR-TO-DATE:</u>			
Net interest income	\$ 9,750,000	\$ 8,526,000	
Provision for credit losses	1,527,000	1,046,000	
Noninterest income	354,000	179,000	
Noninterest expense	<u>8,368,000</u>	<u>7,551,000</u>	
Income (loss) before income taxes	209,000	108,000	
Provision for income taxes	1,000	1,000	
Net income (loss)	<u>\$ 208,000</u>	<u>\$ 107,000</u>	
Net income (loss)	\$ 208,000	\$ 107,000	
Less preferred stock dividends and adjustments	(266,000)	--	
Net income (loss) available to common shareholders	<u>\$ (58,000)</u>	<u>\$ 107,000</u>	
Net income (loss) per common share outstanding-basic	\$ (0.02)	\$ 0.03	
Average common shares outstanding	3,695,754	3,685,425	