



FOR IMMEDIATE RELEASE

The Private Bank of California Reports Positive Third Quarter 2009 Results

LOS ANGELES, California (BUSINESS WIRE) – November 10, 2009. The Private Bank of California (the “Bank”) (OTCBB: PBCA.OB) announced its unaudited financial results for the quarter ended September 30, 2009. Chairman and Interim CEO Steven D. Broidy and President Richard A. Smith commented, “We are very pleased with our results for this quarter. We achieved strong growth in core deposits and total assets, growth in loans and maintained our well capitalized, liquid balance sheet. Our operating results for this quarter generated a profit while we maintained our allowance for credit losses at 2.02% of outstanding loans which we believe was prudent in these challenging economic times.”

Highlights of the Bank’s September 30, 2009 financial performance include:

- The Bank’s net income was \$67,000 for the quarter ended September 30, 2009, compared to the net income of \$82,000 for the same period in 2008 and the net loss of \$196,000 for the prior quarter ended June, 2009:

	QIII		QII
	2009	2008	2009
Income before provisions for credit losses and income taxes	\$ 364,000	512,000	312,000
Provision for credit losses	297,000	430,000	508,000
Provision for income taxes	---	---	---
Net income (loss)	\$ 67,000	82,000	(196,000)

The Bank is reporting a \$58,000 or (\$.02) per basic share net loss available to common shareholders for the quarter ended September 30, 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 loss available to common shareholders for the nine months ended September 30, 2009 is \$353,000 or (\$.10) per basic share compared to the \$26,000 or (\$.01) per basic share net loss available to common shareholders for the nine months ended September 30, 2008.

- 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 September 30, 2009:

	Actual 09/30/09	"Well- Capitalized" Minimum
Tier 1 leverage ratio	13.50%	5.00%
Tier 1 risk-based capital ratio	19.99%	6.00%
Total risk-based capital ratio	21.25%	10.00%

- Total assets were \$294 million at September 30, 2009, an increase of \$52 million or 21% from \$242 million at September 30, 2008 and an increase of \$33 million or 13% from \$261 million at June 30, 2009.
- Total deposits were \$251 million at September 30, 2009, an increase of \$44 million or 22% from \$207 million at September 30, 2008 and \$32 million or 15% from \$219 million at June 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 \$64 million at September 30, 2009, an increase of \$22 million or 52% from \$42 million at September 30, 2008 and \$8 million or 14% from \$56 million at June 30, 2009. Positively, demand deposits represented 26% of the Bank's total deposits at September 30, 2009, an improvement from 20% at September 30, 2008 and 25% at June 30, 2009.

The Bank is participating 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 \$182 million at September 30, 2009, an increase of \$18 million or 11% from \$164 million at September 30, 2008 and \$5 million or 3% from \$177 million at June 30, 2009.

Nonaccrual loans totaled \$864,000 or 0.5% of total loans outstanding at September 30, 2009. The Bank had no nonaccrual loans as of September 30, 2008 and June 30, 2009.

The Bank had no loans past due 90 days or more at September 30, 2009 and September 30, 2008. The Bank's loans past due 90 days or more totaled \$2.5 million at June 30, 2009.

The Bank had loans past due 30 days or more totaling \$4.5 million or 2.5% of total loans outstanding at September 30, 2009 compared to \$2.8 million or 1.6% of total loans outstanding at June 30, 2009; loans past due 30 days or more at September 30, 2008 were de minimis.

- The Bank's allowance for credit losses was \$3.7 million or 2.02% of total loans outstanding at September 30, 2009, representing an increase of \$1.1 million from \$2.6 million or 1.56% of total loans outstanding at September 30, 2008 and an increase of \$.5 million from \$3.2 million or 1.79% of total loans outstanding at June 30, 2009.

For the quarter ended September 30, 2009, gross and net loan recoveries totaled \$225,000. For the nine months ended September 30, 2009 and 2008, net loan charge-offs totaled \$244,000 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.tpbc.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.

Contact: Steven D. Broidy, Chairman and Interim CEO
310.728.1951 (direct)
sdbroidy@tpboc.com

Joyce N. Kaneda, EVP & Chief Financial Officer
310.728.1948 (direct)
jnkaneda@tpboc.com

	<u>September 30,</u>		<u>June 30,</u>
	<u>2009</u>	<u>2008</u>	<u>2009</u>
<u>AT END OF THE PERIOD:</u>			
Total assets	\$ 293,899,000	\$ 242,349,000	\$ 261,280,000
Securities available-for-sale, at fair value	\$ 65,495,000	\$ 64,363,000	\$ 60,817,000
Total loans	\$ 182,386,000	\$ 164,324,000	\$ 177,275,000
Less allowance for credit losses	(3,689,000)	(2,570,000)	(3,167,000)
Net loans	<u>\$ 178,697,000</u>	<u>\$ 161,754,000</u>	<u>\$ 174,108,000</u>
Transactional deposit accounts	\$ 82,333,000	\$ 56,246,000	\$ 76,842,000
Money market deposit accounts	124,953,000	120,337,000	103,517,000
Other nontransactional deposit accounts	44,065,000	30,249,000	38,707,000
Total deposits	<u>\$ 251,351,000</u>	<u>\$ 206,832,000</u>	<u>\$ 219,066,000</u>
Total shareholders' equity	\$ 41,128,000	\$ 34,400,000	\$ 40,692,000
Allowance for credit losses to total loans ratio	2.02 %	1.56 %	1.79
Tier 1 leverage ratio	13.50 %	13.78 %	14.61
Tier 1 risk-based capital ratio	19.99 %	18.80 %	20.99
Total risk-based capital ratio	21.25 %	20.05 %	22.24
<u>FOR THE QUARTER ENDED:</u>			
Net interest income	\$ 2,405,000	\$ 2,368,000	\$ 2,453,000
Provision for credit losses	297,000	430,000	508,000
Noninterest income	41,000	61,000	19,000
Noninterest expense	<u>2,082,000</u>	<u>1,917,000</u>	<u>2,160,000</u>
Income (loss) before income taxes	67,000	82,000	(196,000)
Provision for income taxes	--	--	--
Net income (loss)	<u>\$ 67,000</u>	<u>\$ 82,000</u>	<u>\$ (196,000)</u>
Net income (loss)	\$ 67,000	\$ 82,000	\$ (196,000)
Less preferred stock dividends and adjustments	(125,000)	--	(88,000)
Net income (loss) available to common shareholders	<u>\$ (58,000)</u>	<u>\$ 82,000</u>	<u>\$ (284,000)</u>
Net income (loss) per common share outstanding-basic	\$ (0.02)	\$ 0.02	\$ (0.08)
Average common shares outstanding	3,685,425	3,685,425	3,685,425
<u>YEAR-TO-DATE:</u>			
Net interest income	\$ 7,195,000	\$ 6,257,000	
Provision for credit losses	1,108,000	791,000	
Noninterest income	86,000	159,000	
Noninterest expense	<u>6,272,000</u>	<u>5,650,000</u>	
Income (loss) before income taxes	(99,000)	(25,000)	
Provision for income taxes	1,000	1,000	
Net income (loss)	<u>\$ (100,000)</u>	<u>\$ (26,000)</u>	
Net income (loss)	\$ (100,000)	\$ (26,000)	
Less preferred stock dividends and adjustments	(253,000)	--	
Net income (loss) available to common shareholders	<u>\$ (353,000)</u>	<u>\$ (26,000)</u>	
Net income (loss) per common share outstanding-basic	\$ (0.10)	\$ (0.01)	
Average common shares outstanding	3,685,425	3,685,425	