



FOR IMMEDIATE RELEASE

The Private Bank of California Reports Continued Strong Balance Sheet Growth, Capital and Credit Quality

LOS ANGELES, California – (BUSINESS WIRE) – August 11, 2008. The Private Bank of California (the “Bank”) (OTCBB: PBCA.OB) announced its unaudited financial results for the quarter ended June 30, 2008.

At June 30, 2008, the Bank’s total assets grew to \$248 million, representing a \$49 million or 25% increase from total assets of \$199 million at March 31, 2008 and an \$80 million or 48% increase from total assets of \$168 million at June 30, 2007. The growth in total assets reflects continued strong organic deposit growth. Total deposits were \$213 million at June 30, 2008, representing a \$50 million or 31% increase from March 31, 2008 and a \$79 million or 59% increase from June 30, 2007. The Bank has had no deposits from brokers or other wholesale funding sources since its opening in October 2005.

Total loans outstanding were \$143 million at June 30, 2008, an increase of \$20 million or 16% from March 31, 2008 and \$58 million or 68% from June 30, 2007. The allowance for credit losses was \$2,140,000 or 1.50% of total loans outstanding at June 30, 2008 compared to \$1,844,000 or 1.50% of total loans outstanding at March 31, 2008 and \$1,274,000 or 1.50% of total loans outstanding at June 30, 2007. The Bank had no nonaccrual loans and no subprime mortgage loans or securities backed by subprime loans at June 30, 2008.

At June 30, 2008, total shareholders’ equity was \$34 million. The Bank’s capital ratios continue to significantly exceed all regulatory guidelines for “well-capitalized” financial institutions with a Tier 1 leverage ratio of 15.53%, a Tier 1 risk-based capital ratio of 19.64% and a total risk-based capital ratio of 20.89% at June 30, 2008.

Chairman and Interim CEO Steven D. Broidy noted, “We continue to be pleased by the Bank’s continuing growth and development of its balance sheet in the current challenging economic environment. We believe that continued execution of our business plan, combined with the strength and liquidity of our balance sheet, provides us with a solid foundation on a go forward basis.”

The Bank’s net loss for the quarter ended June 30, 2008 was \$157,000 or (\$.04) per basic share, representing an improvement of \$178,000 or \$.05 per basic share from the same quarter in 2007. Its current year-to-date June 30, 2008 net loss of \$108,000 or

(\$.03) per basic share improved \$292,000 or \$.08 per basic share from its prior year-to-date June 30, 2007 net loss of \$400,000. For the quarter ended June 30, 2008, the Bank's operating results include a provision for credit losses totaling \$319,000 as well as non-cash expense of \$183,000 for stock options as required by Statement of Financial Accounting Standards No. 123R ("SFAS 123R"). For the quarter ended June 30, 2007, the Bank's operating results reflected a \$275,000 provision for credit losses and SFAS 123R expense of \$165,000. For year-to-date June 30, 2008 and 2007, respectively, the Bank's operating results include a provision for credit losses totaling \$361,000 and \$275,000 as well as SFAS 123R expense of \$349,000 and \$322,000.

President Richard A. Smith stated, "We are extremely pleased with the continued growth of our client base and business in our key target markets. We believe that our ability to grow partnered with solid credit quality and capital strength is remarkable in today's very challenging economic environment. Our commitment to unsurpassed personal service, easy access to senior management, tailored client solutions and quick decision making, plus our ability to be a reliable source of credit, is invaluable to those who choose to do business with The Private Bank of California."

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 and 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.

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FINANCIAL HIGHLIGHTS (Unaudited)

	<u>June 30,</u>		<u>March 31,</u>
	<u>2008</u>	<u>2007</u>	<u>2008</u>
<u>AT END OF THE PERIOD:</u>			
Total assets	\$ 248,314,000	\$ 167,972,000	\$ 198,880,000
Securities available-for-sale, at fair value	\$ 70,280,000	\$ 56,139,000	\$ 58,846,000
Total loans	\$ 142,517,000	\$ 84,692,000	\$ 122,891,000
Less allowance for credit losses	(2,140,000)	(1,274,000)	(1,844,000)
Net loans	<u>\$ 140,377,000</u>	<u>\$ 83,418,000</u>	<u>\$ 121,047,000</u>
Transactional deposit accounts	\$ 51,749,000	\$ 31,105,000	\$ 32,359,000
Money market deposit accounts	131,029,000	91,614,000	104,880,000
Other nontransactional deposit accounts	30,397,000	11,058,000	26,000,000
Total deposits	<u>\$ 213,175,000</u>	<u>\$ 133,777,000</u>	<u>\$ 163,239,000</u>
Total shareholders' equity	\$ 33,970,000	\$ 33,832,000	\$ 34,697,000
Allowance for credit losses to total loans ratio	1.50 %	1.50 %	1.50 %
Tier 1 leverage ratio	15.53 %	23.22 %	16.55 %
Tier 1 risk-based capital ratio	19.64 %	31.20 %	22.85 %
Total risk-based capital ratio	20.89 %	32.45 %	24.10 %

FOR THE QUARTER ENDED:

Net interest income	\$ 2,008,000	\$ 1,464,000	\$ 1,881,000
Provision for credit losses	319,000	275,000	42,000
Noninterest income	58,000	85,000	40,000
Noninterest expense	1,904,000	1,609,000	1,829,000
Income (loss) before income taxes	(157,000)	(335,000)	50,000
Provision for income taxes	---	---	1,000
Net income (loss)	<u>\$ (157,000)</u>	<u>\$ (335,000)</u>	<u>\$ 49,000</u>
Net income (loss) per common share outstanding-basic	\$ (0.04)	\$ (0.09)	\$ 0.01
Average common shares outstanding	3,685,425	3,683,571	3,685,425

YEAR-TO-DATE:

Net interest income	\$ 3,889,000	\$ 2,832,000
Provision for credit losses	361,000	275,000
Noninterest income	98,000	108,000
Noninterest expense	3,733,000	3,064,000
Income (loss) before income taxes	(107,000)	(399,000)
Provision for income taxes	1,000	1,000
Net income (loss)	<u>\$ (108,000)</u>	<u>\$ (400,000)</u>
Net income (loss) per common share outstanding-basic	\$ (0.03)	\$ (0.11)
Average common shares outstanding	3,685,425	3,682,575