



YOUR PATHWAY TO SUCCESS

Dear Friends of Pacific Alliance Bank:

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An To

Joe Teo, CFO
Corp. Sec'y

Last quarter's momentum is continuing once again, as **Pacific Alliance Bank actively pursues quality loan opportunities to maintain our earnings growth.** See our enclosed advertisement.

We just released our 4th quarter results, which you can view in our web site, at www.otcbb.com (under PFBN stock symbol).

We are also pleased to mention ongoing effort to staff our Bank with exceptional employees. Recently, we hired two relationship manager / business development officers (Rebekah Huang and David Sun), who will support the Bank's efforts to develop deposit intensive individual and business relationships within our Commercial Banking Department. At the same time we were fortunate to have an opportunity to hire an experienced Operations Manager (Helen Hua) to supervise our branch operations team and deliver customer service excellence.

Correspondingly, our Credit Department hired a seasoned SBA and conventional loan underwriter (William Kim) to support our ongoing loan activity.

Some of our investors have not yet had the opportunity to use our client services. We will continue our outreach program to increase our banking relationships. Call us and /or refer us to your friends to phone:

(626) 773-8888.

Russell Sun and Vilcar Koo are continuing to lead successfully our Commercial Banking and SBA Lending Department efforts.

Finally, our high interesting-bearing **FlexChecking** product continues to be well received by individuals, sole proprietorships, and not-for-profits, along with our very competitive CD offerings.

We wish you the best for the upcoming Lunar New Year holiday season!

Yours truly,

Robert B. Oehler "Rob"
President and CEO