

Pacific Alliance Bank Announces First Quarter Results

Pacific Alliance Bank (PFBN) continues its growth, reporting its fourth consecutive profitable quarter since the inception of the Bank, supported by ongoing referrals of business operating relationships from shareholders and clients.

We report our operating results for the 1st quarter ending March 31, 2011, as follows:

- The 1st Quarter net profit of \$181,000, \$327,000 higher than the same period 2010 net loss of \$146,000. The increase in net profit resulted from both an increase in net interest income and gains on SBA loan sales.
- The net profit for the 1st quarter of \$0.10 per share, compared with the net loss of \$0.08 per share for March 31, 2010.
- Total Assets increased by \$6.1 million to \$ 100.8 million, or 6.5% growth from \$94.7 million at March 31, 2010.
- Loans outstanding increased by \$19 million to \$69.9 million, or 37.2% growth from \$50.9 million at March 31, 2010.
- Deposits outstanding increased by \$5.8 million to \$83.8 million, or 7% growth from \$78.3 million at March 31, 2010.
- The Bank provided \$414,000 for loan losses for the quarter comprising provision for the loan portfolio of \$177,000 plus a \$237,000 loan charged-off. Allowance for loan losses to total gross loans was 2.48% as of March 31, 2011.
- Non-accrual loans, as of March 31, 2011, totaled \$187,000, comprising the SBA-guaranteed portion (75%) of two SBA 7A loans.
- The Bank continues to be categorized as “well-capitalized” under the regulatory guidelines, with Tier 1 leverage capital ratio of 12.48%, Tier 1 risk-based capital ratio of 19.85%, and Total risk-based capital ratio of 21.12%.

Pacific Alliance Bank continues its mission of delivering business value, serving small to mid-size businesses, owners, and key employees who seek a personal bank ready to meet their banking needs with customized services.

Pacific Alliance Bank is a full-service FDIC insured community bank, headquartered at 8400 E. Valley Blvd., Rosemead, California 91770. For more information, contact Ms. Trish Lomeli-Sproles (626) 773-8897 or tsproles@pacificalliancebank.com and visit <http://www.pacificalliancebank.com>.

This document may include forward-looking information, which is subject to the "safe harbor" created by Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act and the Private Securities Litigation Reform Act of 1995. When the Bank uses or incorporates by reference in this document the words "anticipate," "estimate," "expect," "project," "intend," "commit," "believe" and similar expressions, the Bank intends to identify forward-looking statements. Our actual results may differ materially from those projected in any forward-looking statements, as they will depend on many factors about which we are unsure, including many factors which are beyond our control.