

Pacific Alliance Bank Announces Second Quarter Results

Rosemead, Calif. (July 17, 2009) – [Pacific Alliance Bank](#) (OTC Bulletin Board: PFBN) reports operating results for the 2nd Quarter ending June 30, 2009, as follows:

- Total Assets increased by \$40.3 million to \$ 96.3 million, or 72% growth from \$56 million at June 30, 2008.
- Loans outstanding increased by \$25.6 million to \$57.3 million, or 80.7% growth from \$31.7 million at June 30, 2008.
- Deposits outstanding increased by \$42.5 million to \$79.9 million, or 113.8% growth from \$37.3 million at June 30, 2008.
- Provision for loan losses was \$263,000 for the quarter, with allowance for loan losses to total loans at 2.59%.
- The Bank charged-off \$490,000 relating to a partial write-down of one conventional loan, under FASB 114 guidelines.
- Three SBA 7a loans and one conventional loan were on nonaccrual, with total principal amount of \$686,000 (75% SBA guaranteed) and \$1,064,000, respectively.
- The Bank continues to be categorized as “well-capitalized” under the regulatory guidelines, with Tier 1 leverage capital ratio of 11.60%, Tier 1 risk-based capital ratio of 17.15%, and Total risk-based capital ratio of 18.42%.

The operating loss of \$653,000 was higher than the same period 2008 result of \$437,000, due to a higher expense provision for loan loss of \$263,000 vs. \$84,000 and higher total operating expenses of \$904,000 vs. \$809,000, respectively (this \$95,000 increase included the FDIC one-time bank assessment of \$42,000 applicable to our Bank).

The net loss was \$576,000 or 35 cents per share, (including a one time securities gain of \$77,000) vs. net loss of \$437,000 or 26 cents per share in 2008 (with \$0 securities gain).

Notwithstanding the unprecedented turmoil in the credit markets and property impairment valuations, 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.