

FOR IMMEDIATE RELEASE

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Pacific Alliance Bank Announces First Quarter Results

Rosemead, Calif. (April 10, 2008) ó Pacific Alliance Bank (OTC Bulletin Board: PFBN) is pleased to report its results for the 1st quarter of 2008.

From its opening with a capital account of \$16.4 million, the Bank's assets increased from \$18.2 million as of December 31, 2006 to \$53.3 million as of March 31, 2008.

Total gross loans were \$28.4 million as of March 31, 2008, up from \$25.7 million as of December 31, 2007. All loans were current as of March 31, 2008.

Total liabilities as of March 31, 2008 were \$39.3 million, including total deposits of \$37.1 million.

Total revenue for the 1st quarter of 2008 before operating expense was \$724 thousand, comprised of \$711 thousand in interest income and \$390 thousand in net interest income. Additionally, the Bank provided \$39 thousand for loan losses reserves and benefited from \$13 thousand in other non-interest income.

Net Operating Loss for the 1st quarter of 2008 was \$374 thousand, including stock option expenses.

Pacific Alliance Bank was formed to achieve its mission of delivering business value in its market, 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>.

Pacific Alliance Bank
Balance Sheet (unaudited)
\$ in 000's

Assets	March 31, 2008	March 31, 2007
Cash and due from banks	\$ 1,154	\$ 957
Federal funds sold	7,280	18,360
Cash and Cash Equivalents	8,434	19,317
Investment (net)	15,163	5,995
Loans, net of unearned income	28,449	10,806
Less allowance for loan losses	(350)	(139)
Net Loans	28,099	10,667
Premises and equipment, net	1,127	1,226
Accrued interest receivable and other assets	534	177
Total Assets	\$ 53,357	\$ 37,382
 Liabilities and Shareholders' Equity		
Liabilities		
Deposits		
Noninterest-bearing deposits	\$ 4,273	\$ 780
Interest-bearing deposits	32,850	21,262
Total Deposits	37,123	22,042
Investor Seed Money	-	-
Other borrow money	1,900	-
Accrued interest payable and other liabilities	350	98
Total Liabilities	39,373	22,140
Commitments and Contingencies	0	0
 Shareholders' Equity		
Common stock, no par value, 5,000,000 shares authorized; 1,657,686 shares issued & outstanding	16,365	16,365
Preferred Stock, no par value, 5,000,000 shares authorized; 0 share issue & outstanding	0	0
Additional paid in capital	1,079	332
Accumulated deficit	(3,551)	(1,452)
Accumulated other comprehensive loss	91	(3)
Total Shareholders' Equity	13,984	15,242
Total Liabilities and Shareholders' Equity	\$ 53,357	\$ 37,382
 Book Value per Share	 8.44	 9.19

Pacific Alliance Bank
Statement of Income (unaudited)
\$ in 000's

	March 31, 2008	March 31, 2007
Interest Income		
Interest and fees on loans	\$ 438	\$ 84
Interest on Federal funds sold	56	195
Interest on securities	217	52
Total Interest Income	711	331
Interest Expense		
Interest expense on deposits	321	117
	321	117
Net Interest Income	390	214
Provision for loan losses	39	139
	39	139
Net Interest Income After Provision for Loan Losses	351	75
Other Income		
Service charges on deposit accounts	1	1
Other non-interest income	12	10
Total Other Income	13	11
Other Expenses		
Salaries and other employee benefits	415	348
Premises & Equipments	97	100
Other (1)	226	305
Total Operating Expenses	738	753
Income Before Provision for Income Taxes	(374)	(667)
Provision for Income Taxes	0	0
Net Loss	\$ (374)	\$ (667)
Loss Per Share – Basic	\$ (0.23)	\$ (0.40)

Statement of Cash Flow (unaudited)
\$ in 000's

	March 31, 2008	December 31, 2007
Operating Activities		\$
Net income	\$ (374)	(2,393)
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	33	125
Provision for loan loss	39	311
Net amortization of premiums/discounts on securities	0	1
Share-based compensation expense (1)	107	861
Increase in accrued interest receivable and other assets	(11)	(408)
Decrease in accrued interest payable and other liabilities	(67)	176
Net Cash Provided by Operating Activities	(273)	(1,327)
Investing Activities		
Proceeds from matured investment securities available-for-sale	5,000	16,000
Purchases of investment securities available-for-sale	(3,000)	(33,013)
Purchase of FHLB Stock	(0)	(89)
Purchases of premises and equipment	-	(279)
Net increase in loans	(2,783)	(25,666)
Net Cash Used in Investing Activities	(783)	(43,047)
Financing Activities		
Net increase in deposits	854	35,708
Net increase (decrease) in other borrowings	-	(1,735)
Net increase in FHLB borrowings	-	1,900
Net Cash Provided by Financing Activities	854	35,873
Net Increase in Cash and Cash Equivalents	(202)	(8,501)
Cash and Cash Equivalents, Beginning of Year	8,636	17,137
Cash and Cash Equivalents, End of Period	\$ 8,434	\$ 8,636

Note (1): Beginning in fiscal year 2006 all companies that utilize equity compensation will be required to recognize the cost of that compensation in their financial statements pursuant to FASB's revision to Statement No. 123, Accounting for Stock-Based Compensation (SFAS No. 123R).

Pacific Alliance Bank
Statement of Changes in Shareholders' Equity (unaudited)
For the period January 1, 2008 through March 31, 2008
\$ in 000's

	<u>Common Stock</u>		<u>Additional</u>		<u>Accumulated</u>		<u>Other</u>	<u>Total</u>
	<u>Shares</u>	<u>Common</u>	<u>Paid In</u>	<u>Comprehensive</u>	<u>Accumulated</u>	<u>Comprehensive</u>	<u>Loss</u>	<u>Shareholders'</u>
	<u>Outstanding</u>	<u>Stock</u>	<u>Capital</u>	<u>Loss</u>	<u>Deficit</u>			<u>Equity</u>
Balance, January 1, 2008	1,657,686	\$ 16,365	\$ 972		\$ (3,177)	\$	2	\$ 14,162
Share-based compensation expense (1)			107					107
Net loss (1)				(374)	(374)			(374)
Unrealized gains (losses)				89			89	89
Total Comprehensive loss				<u>\$ (285)</u>				
Balance, March 31, 2008	<u>1,657,686</u>	<u>\$ 16,365</u>	<u>\$ 1,079</u>		<u>\$ (3,551)</u>	<u>\$</u>	<u>91</u>	<u>\$ 13,984</u>

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This [letter/release] includes 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 letter the words "anticipate," "estimate," "expect," "project," "intend," "commit," "believe" and similar expressions, the Company 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.