

Pacific Alliance Bank Announces Revised 2008 Fourth Quarter Results

Pacific Alliance Bank (OTCBB:PFBN) announced today its revised fourth quarter 2008 results, with highlights as follows:

- Total Assets increased by \$26.8 million to \$79.5 million, or 50.9% growth from \$52.7 million at December 31, 2007.
- Loans outstanding increased by \$21.3 million to \$47 million, or 83% increased from \$25.7 million at December 31, 2007.
- Deposits grew by 70% to \$61.7 million from \$36.3 million at December 31, 2007.
- Provision for loan losses was \$769,000 for the quarter, with allowance for loan losses to total loans at 2.72%.
- As of December 31, 2008, one SBA 7a loan was on nonaccrual, with principal amount of \$437,000 (75% SBA guaranteed).
- The Bank continued to be categorized as "well-capitalized" under the regulatory guidelines, with Tier 1 leverage capital ratio of 16.59%, Tier 1 risk-based capital ratio of 22.83%, and Total risk-based capital ratio of 24.09%.

The 4th Quarter 2008 operating loss (\$1,197,000) was higher than the same period 2007 result of (\$459,000), due to a higher expense provision for loan loss of \$769,000 vs. \$76,000, respectively.

The 4th Quarter 2008 net loss was (\$1,059,000) or (64 cents) per share, including a one time securities gain of \$138,000 vs. (\$459,000) or (28 cents) per share in 2007, with \$0 securities gain.

For the year ended December 31, 2008, the net loss was (\$2,412,000), or (1.46 cents) per share, compared with the net loss of (\$2,393,000), or (144 cents) per share for December 31, 2007.

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>.

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.