

San Diego Private Bank Reports Second Quarter Earnings

Coronado, Calif. – MarketWire – July 24, 2014 – San Diego Private Bank (OTCQB:SDPB) today announced the bank’s condition and results of operations for the second quarter 2014. Based on unaudited financial results for the quarter ended June 30, 2014, San Diego Private Bank reported net profit of \$594,000 for the quarter, up from quarter ended June 30, 2013 of \$253,000, which included certain merger related expenses.

As of June 30, 2014 total assets were \$339.5 million, a decrease of 1.0% over the prior quarter and an increase of 8.4% over the prior year. Net loans ended the quarter at \$262.4 million, up 6.8% for the quarter and 30.3% above the prior year. Total deposits were \$278.4 million, flat for the quarter and 10.5% over the prior year. Shareholder Equity was \$49.8 million. The bank maintained very strong capital ratios, finishing the quarter with a Tier 1 Leverage Capital Ratio of 13.4% and a Total Risk Weighted Capital Ratio of 17.1%. Net Interest Margin for the quarter was 4.11%.

Maria P. Kunac, President and Chief Executive Officer of San Diego Private Bank, stated, “We experienced another solid quarter of growth which resulted in improved earnings. Credit quality remained excellent and capital ratios remained well above all regulatory well-capitalized measures. We maintained a 5-Star rating for the 22nd consecutive quarter by Bauer Financial, the premier independent bank rating and research firm in the nation and were awarded the classification of Super Premier Performance by the Findley Reports on Financial Institutions.” A 5-Star rating implies that San Diego Private Bank is considered one of the strongest banking institutions in the country. The designation of Super Premier Performance by the Findley Report is highly regarded amongst financial institutions and recognized throughout the Western United States for attaining exceptional performance.

“We relocated our Downtown San Diego branch on June 30th to provide *Distinctly Different*, customized financial solutions to high net worth individuals, professional firms and businesses of all sizes. Our experienced downtown Private Bankers focus on adding value for local law firms, sole practitioners and real estate developers. This office also houses the Bank’s real estate lending group which specializes in investor commercial properties, owner occupied buildings and construction loans,” Ms. Kunac added.

San Diego Private Bank also offers various portfolio and government guaranteed programs, including SBA and cross-border Export-Import Bank programs. San Diego Private Bank, a SBA Preferred Lender, was ranked 3rd Top SBA Lender in San Diego in 2013.

San Diego Private Bank Balance Sheets (Unaudited -in thousands)

	June 30, 2014	June 30, 2013
<u>Assets</u>		
Cash and Cash Equivalents	\$44,216	\$80,645
Investments	20,884	20,131
Loans, Net	262,398	201,360
Premises, Equipment and Other Assets	<u>12,006</u>	<u>11,204</u>
Total Assets	<u>339,504</u>	<u>313,340</u>

Liabilities and Shareholders' Equity

Demand Deposits	93,613	84,052
Interest Bearing Deposits	<u>184,767</u>	<u>167,854</u>
Total Deposits	278,380	251,906
FHLB Advances / Borrowings	8,764	13,242
Other Liabilities	2,513	2,382
Shareholders' Equity	<u>49,847</u>	<u>45,810</u>
Total Liabilities and Shareholders' Equity	<u>\$339,504</u>	<u>\$313,340</u>

San Diego Private Bank
Income Statements
(Unaudited – in thousands)

	Three months ended June 30, 2014	Six months ended June 30, 2014	Three months ended June 30, 2013	Six months ended June 30, 2013
<u>Interest Income</u>				
Interest Income	\$3,711	\$7,174	\$3,121	\$5,051
Interest Expense	<u>327</u>	<u>618</u>	<u>326</u>	<u>603</u>
Net Interest Income	3,384	6,556	2,795	4,448
Provision for Loan Losses	<u>211</u>	<u>416</u>	<u>173</u>	<u>240</u>
Net Interest Income after Provision for Loan Losses	3,173	6,140	2,622	4,208
Other Income	303	686	660	835
Operating Expenses	<u>2,459</u>	<u>4,999</u>	<u>2,824</u>	<u>3,946</u>
Operating Income	1,017	1,827	458	1,097
Income Taxes	<u>423</u>	<u>760</u>	<u>215</u>	<u>521</u>
Net Earnings	<u>\$594</u>	<u>\$1,067</u>	<u>\$243</u>	<u>\$576</u>
<u>Selected Ratios:</u>				
Earnings Per Share	\$0.14	\$0.26	\$0.06	\$0.17
(Weighted Average Shares)				
Tangible Book Value Per Share		\$11.95		\$11.15
Tier 1 Leverage Ratio		13.32%		14.08%
Total Risk Based Capital Ratio		17.06%		21.22%
<u>Asset Quality</u>				
(Non-Performing Assets + 90 Days Past Due Accruing) divided by (Equity + Allowance for Loan Losses)		1.94%		2.80%

San Diego Private Bank is publicly traded on the Over-the Counter Bulletin Board (OTCQB) under the ticker symbol “SDPB,” with total shares outstanding of 4,089,635.

Investor Relations Contact

Maria P. Kunac
President and Chief Executive Officer
San Diego Private Bank
(858) 875.6900

This press release may include forward looking statements that involve inherent risks and uncertainties. San Diego Private Bank cautions readers that a number of important factors could cause actual results to differ materially from those in the forward-looking statements. These factors include economic conditions and competition in the geographic and business areas in which San Diego Private Bank operates, our ability to successfully integrate the operations of merged banks, inflation, fluctuations in interest rates, legislation and governmental regulation. You should not place undue reliance on forward-looking statements and we undertake no obligation to update those statements whether as a result of changes in underlying factors, new information, future events or otherwise.