

San Diego Private Bank Reports Record Second Quarter Earnings

Coronado, Calif. – MarketWire – July 23, 2015 – San Diego Private Bank (OTCQB:SDPB), today announced the bank’s condition and results of operations for the second quarter 2015. Based on unaudited financial results for the quarter ended June 30, 2015, San Diego Private Bank reported net income of \$1,104,000 for the quarter, up from quarter ended June 30, 2014 of \$594,000. This is the best second quarter results in the Bank’s history despite being impacted by certain non-recurring expenses.

As of June 30, 2015, total assets grew to \$440.9 million, an increase of 29.9% over the prior year. Net loans ended the quarter at \$332.5 million, 30.3 % above the prior year. Total deposits were \$331.5 million, up 19% over the prior year. Shareholder equity was \$54.6 million, up 9.6% from prior year. The bank maintained very strong capital ratios, finishing the quarter with a Tier 1 Leverage Capital Ratio of 11.27% and a Total Risk Weighted Capital Ratio of 16.11%. Net interest margin for the quarter was 4.33%. In addition, year to date net interest income increased 39% from the same period last year.

Thomas V. Wornham, President and Chief Executive Officer of San Diego Private Bank, stated, “We maintained our momentum and experienced solid earnings for the quarter during which we completed the restructuring and repositioning of our Orange County operations. John C. Kelterer, Jr., a fifty year banking, investment banking and financial services veteran, was appointed Market President of the Newport Private Bank division. Bank credit quality remained excellent and capital ratios remained well above all regulatory well-capitalized measures. We maintained a 5-Star rating for the 26th consecutive quarter by BauerFinancial.”

“During the quarter Marjory Kaplan, CEO of the Jewish Community Foundation of San Diego, and Keith B. Jones, Managing Partner of Ace Parking, were elected to our Board of Directors”, Mr. Wornham continued. “Both bring great talent, energy and diversity to the Board.”

San Diego Private Bank (OTCQB:SDPB) provides a *Distinctly Different* banking experience through unparalleled service and creative funding solutions to high net worth individuals, professionals, small businesses and real estate entrepreneurs through Coronado, San Diego, La Jolla and Newport Beach offices as well as efficient electronic banking offerings. The Bank also offers various portfolio and government guaranteed lending programs, including SBA and cross-border Export-Import Bank programs. San Diego Private Bank is a SBA Preferred Lender.

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

	June 30, 2015	June 30, 2014
<u>Assets</u>		
Cash and Cash Equivalents	\$71,837	\$44,216

Investments	24,339	20,884
Loans, Net	332,477	262,398
Premises, Equipment and Other Assets	<u>12,268</u>	<u>12,006</u>
Total Assets	<u>440,921</u>	<u>339,504</u>
<u>Liabilities and Shareholders' Equity</u>		
Demand Deposits	108,127	93,613
Interest Bearing Deposits	<u>223,778</u>	<u>184,767</u>
Total Deposits	331,905	278,380
FHLB Advances / Borrowings	52,500	8,764
Other Liabilities	1,930	2,513
Shareholders' Equity	<u>54,586</u>	<u>49,847</u>
Total Liabilities and Shareholders' Equity	<u>\$440,921</u>	<u>\$339,504</u>

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

	Three months ended June 30, 2015	Three months ended June 30, 2014	Six months ended June 30, 2015	Six months ended June 30, 2014
<u>Interest Income</u>				
Interest Income	\$5,066	\$3,711	\$9,908	\$7,174
Interest Expense	<u>382</u>	<u>327</u>	<u>752</u>	<u>618</u>
Net Interest Income	4,684	3,384	9,156	6,556
Provision for Loan Losses	<u>39</u>	<u>211</u>	<u>74</u>	<u>416</u>
Net Interest Income after Provision for Loan Losses	4,645	3,173	9,082	6,140
Other Income	240	303	762	686
Operating Expenses	<u>3,002</u>	<u>2,459</u>	<u>5,735</u>	<u>4,999</u>
Operating Income	1,883	1,017	4,109	1,827
Income Taxes	<u>779</u>	<u>423</u>	<u>1,702</u>	<u>760</u>
Net Earnings	<u>\$1,104</u>	<u>\$594</u>	<u>\$2,407</u>	<u>\$1,067</u>
<u>Selected Ratios:</u>				
Earnings Per Share	\$0.27	\$0.14	\$0.59	\$0.26
Diluted Earnings Per Share	\$0.26	\$0.14	\$0.57	\$0.26
Weighted Average Shares	4,129,918	4,087,906	4,110,036	4,039,576
Diluted Weighted Average Shares	4,244,705	4,212,576	4,224,823	4,164,246
Tier 1 Leverage Ratio			11.27%	13.32%
Total Risk Based Capital Ratio			16.11%	17.06%

Asset Quality

(Non-Performing Assets + 90 Days Past Due Accruing) divided by (Equity + Allowance for Loan Losses)

2.37%

1.94%

Investor Relations Contact

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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.