

San Diego Private Bank Reports Third Quarter Earnings

Coronado, California – MarketWire – October 23, 2014 – San Diego Private Bank (OTCQB:SDPB) today announced the bank’s condition and results of operations for the third quarter 2014. Based on unaudited financial results for the quarter ended September 30, 2014, San Diego Private Bank reported net profit of \$723,000 for the quarter, up from quarter ended September 30, 2013 of \$456,000, an increase of 58.6% and an increase of 21.7% over the prior quarter.

As of September 30, 2014 total assets were \$343.4 million, an increase of 5.6% over the prior year. Net loans ended the quarter at \$277.4 million, up 5.7% for the quarter and 31.2 % above the prior year. Total deposits were \$282.4 million, up 1.4% for the quarter and 6.8% over the prior year. Shareholder Equity was \$50.6 million. The bank maintained very strong capital ratios, finishing the quarter with a Tier 1 Leverage Capital Ratio of 13.93% and a Total Risk Weighted Capital Ratio of 17.26%. Net Interest Margin was for the quarter was 4.36%, up from 4.11% for the prior quarter.

Maria P. Kunac, President and Chief Executive Officer of San Diego Private Bank, stated, “Loan volume continued to grow as we expanded our commercial real estate and construction lending businesses. Increased utilization of liquidity resulted in higher margins. Interest expense as well as operating expenses declined for the quarter. This 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 23rd consecutive quarter by Bauer Financial, the premier independent bank rating and research firm in the nation. A 5-Star rating implies that San Diego Private Bank is considered one of the strongest banking institutions in the country.

“Our relocated Downtown San Diego branch got off to a quick start with excellent deposit growth based on providing clients with *Distinctly Different* and superior personalized service. Loans generated at the branch grew by offering customized funding solutions to commercial real estate investors, high net worth individuals and professional firms,” 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 is a SBA Preferred Lender.

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

	September 30, 2014	September 30, 2013
<u>Assets</u>		
Cash and Cash Equivalents	\$33,416	\$76,982
Investments	20,403	25,969
Loans, Net	277,417	211,447
Premises, Equipment and Other Assets	<u>12,183</u>	<u>10,919</u>
Total Assets	<u>343,419</u>	<u>325,317</u>

Liabilities and Shareholders' Equity

Demand Deposits	101,300	99,285
Interest Bearing Deposits	<u>181,699</u>	<u>165,238</u>
Total Deposits	282,999	264,523
FHLB Advances / Borrowings	7,500	11,876
Other Liabilities	2,338	2,500
Shareholders' Equity	<u>50,582</u>	<u>46,418</u>
Total Liabilities and Shareholders' Equity	<u>\$343,419</u>	<u>\$325,317</u>

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

	Three months ended September 30, 2014	Nine months ended September 30, 2014	Three months ended September 30, 2013	Nine months ended September 30, 2013
<u>Interest Income</u>				
Interest Income	\$3,859	\$11,033	\$3,448	\$8,499
Interest Expense	<u>310</u>	<u>928</u>	<u>318</u>	<u>921</u>
Net Interest Income	3,549	10,105	3,130	7,578
Provision for Loan Losses	<u>151</u>	<u>566</u>	<u>374</u>	<u>614</u>
Net Interest Income after Provision for Loan Losses	3,398	9,539	2,756	6,964
Other Income	238	923	423	1,258
Operating Expenses	<u>2,421</u>	<u>7,420</u>	<u>2,386</u>	<u>6,332</u>
Operating Income	1,215	3,042	793	1,890
Income Taxes	<u>492</u>	<u>1,252</u>	<u>337</u>	<u>858</u>
Net Earnings	<u>\$723</u>	<u>\$1,790</u>	<u>\$456</u>	<u>\$1,032</u>

Selected Ratios:

Earnings Per Share	\$0.18	\$0.44	\$0.11	\$0.30
(Weighted Average Shares)				
Tangible Book Value Per Share		\$12.14		\$11.19
Tier 1 Leverage Ratio		13.93%		13.16%
Total Risk Based Capital Ratio		17.26%		19.29%

Asset Quality

(Non-Performing Assets + 90 Days Past Due Accruing) divided by (Equity + Allowance for Loan Losses)		1.96%		2.99%
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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.