



**PRESS RELEASE
FOR IMMEDIATE RELEASE**

The Private Bank of the Peninsula Reports Financial Results For Three and Twelve Months Ending December 31, 2004

Palo Alto, CA – January 26, 2005 – The Private Bank of the Peninsula (Symbol PBPC), the newest full-service commercial bank on the mid-Peninsula, today announced its unaudited financial results for the three and twelve month periods ending December 31, 2004.

Total assets as of December 31, 2004 were \$53.9 million, and total deposits were \$39.0 million. The Bank reported total loans outstanding of \$29.3 million. For the three and twelve months, the Bank reported a net loss of \$427,000 and \$2,056,000, respectively. At December 31, 2003, the Bank reported a three-month loss of \$724,000 for its initial quarter of operation, having opened on October 1, 2003.

“We made good progress in 2004, adding both loan and deposit relationships with clients who appreciate quality banking service,” said James C. Wall, Chairman and Chief Executive Officer. “We are especially pleased that our clients come to us not only from the immediate Palo Alto area, but also from nearby communities, ranging from San Jose to San Francisco. Clients recognize truly special service when they experience it with us.”

“We like to tell people, ‘This is your bank; we built it with local individuals and businesses in mind’,” said William W. Phillips, Vice Chairman. “We want everyone who deals with us to experience personal service in a professional and confidential setting.”

Separately, the Bank announced that CFO Stephen R. Jones will be leaving effective February 28, 2005 to pursue other interests. Mr. Wall said, “Steve has been very helpful during the initial stages of the Bank’s development, and we wish him well in his future endeavors.”

The Bank opened following its successful initial public offering of \$18.4 million, with funds raised exclusively from individuals, primarily within the Bank’s target marketing area. The stock is listed on the Over the Counter Bulletin Board under the symbol PBPC.

About The Private Bank of the Peninsula: The Private Bank of the Peninsula is dedicated to meeting the complex financial needs of individuals, professionals, and local businesses. The Private Bank of the Peninsula provides a full complement of banking services delivered by experienced, professional bankers and some of the most current technology. Please visit The Private Bank of the Peninsula on the web at www.the-private-bank.com.

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Forward Looking Statement: Certain matters discussed in this press release constitute forward looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, and are subject to the safe harbors created by that Act. These forward looking statements relate to the Company’s current expectations regarding future operating results and growth in loans, deposits, and assets. These forward looking statements are subject to certain risks and uncertainties that could cause the actual results, performance or achievements to differ materially from those expressed, suggested or implied by the forward looking statements. These risks and uncertainties include, but are not limited to: (1) the impact of changes in interest rates, a decline in economic conditions and increased competition among financial service providers on the Company’s results of operations, (2) the Company’s ability to continue its internal growth rate, (3) the Company’s ability to build net interest spread, (4) the quality of the Company’s earning assets, and (5) government regulations.

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