



PRESS RELEASE

FOR IMMEDIATE RELEASE

**The Private Bank of the Peninsula Reports Financial Results
For Six Months Ending June 30, 2005**

Palo Alto, CA – July 20, 2005 – The Private Bank of the Peninsula (OTCBB: PBPC), the newest full-service commercial bank on the mid-Peninsula, today announced its unaudited financial results for the six months ended June 30, 2005. The Bank reported a net loss of \$568,000, or \$0.31 per share, for the six months ended June 30, 2005. The six month results represent improvement of \$627,000, or 52%, compared to a net loss of \$1,196,000, or \$0.65 per share, in the same period one year ago.

"We continue to hear good reports from the local individual, professional, and business clients we serve," said James C. Wall, Chairman and Chief Executive Officer of The Private Bank of the Peninsula, "We believe we have assembled a staff of banking professionals second to none in this area." The Private Bank of the Peninsula reported total assets at June 30, 2005 or \$69.5 million, compared to \$43.1 million on the same date one year ago, which represented an increase of \$26.4 million, or 61%. The Bank's total deposits increased to \$55.1 million as of June 30, compared to total deposits of \$27.5 million as of June 30, 2004. The Bank reported total loans outstanding of \$37.9 million, compared to \$14.9 million for the same date last year.

Net interest income of \$1,025,000 for the six months compared to \$277,000 the prior year. Growth in net interest income was attributed to growth in average earning assets. The bank provided \$75,000 to the allowance for loan losses for the six months, and the allowance represented 1.20% of gross loans. The Bank reported no non-performing assets at June 30, 2005. Operating expenses of \$1,589,000 for the six months represented an increase of 18% compared to \$1,347,000 in the same period of 2004. The increase in operating expenses reflects the impact of expansion of the business.

"We are delighted with the progress of the Bank," said William W. Phillips, Vice Chairman and Executive Vice President. "Our clients enjoy some of the best banking service they have ever experienced."

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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