



The Private
BANK of the PENINSULA

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FOR IMMEDIATE RELEASE

PRESS RELEASE

The Private Bank of the Peninsula Releases Second Quarter Results.

Palo Alto, CA – July 30, 2009 – The Private Bank of the Peninsula, a subsidiary of Peninsula Bank Holding Co., today announced its unaudited results for the second quarter of 2009.

“For the second quarter we generated positive trends in net interest margin, loan growth, and expense control while proactively dealing with the impact of the recession on some of our borrowers,” stated Mark D. Mordell, Chairman of the Board. “Specifically we increased our loan loss reserve to over 1.9% and recognized a write-off of \$1.9 million attributable to one relationship. The Bank continues to be liquid, well-capitalized and actively making loans in order to serve our clients,” Mordell added.

Financial Results
 In thousands (unaudited)

	<u>6/30/09</u>	<u>6/30/08</u>	<u>Increase</u>	<u>12/31/08</u>	<u>Increase</u>
Assets	\$273,903	\$228,100	20 %	\$271,507	1 %
Loans	\$210,384	\$164,793	28 %	\$201,886	4 %
Deposits	\$245,837	\$204,049	20 %	\$247,998	-1 %
Shareholders’ Equity*	\$26,796	\$23,390		\$22,634	

* The Shareholders’ Equity balance includes the \$6 million of TARP funds that were received on January 30, 2009.

	<u>Quarter Ending</u> <u>6/30/09</u>	<u>Quarter Ending</u> <u>6/30/08</u>	<u>Year-to-Date</u> <u>6/30/09</u>	<u>Year-to-Date</u> <u>6/30/08</u>
Net Income	(\$2,111)	(\$1,008)	(\$1,769)	(\$701)
Earnings Per Share	(\$0.81)	(\$0.53)	(\$0.69)	(\$0.37)

“The Bank’s core operations continue to strengthen and expand despite the impact of higher loan loss reserves. Our net interest margin is nearing all time highs while our operating expenses rose marginally over the first quarter despite significantly increased FDIC insurance costs. We are well positioned to manage the Bank through these challenging times,” said Kenneth D. Brenner, the Bank’s Chief Executive Officer.

About the Bank

The Private Bank of the Peninsula, a subsidiary of Peninsula Bank Holding Co. (OTCBB:PBKH), is headquartered in Palo Alto, California. The Private Bank focuses on the banking needs of businesses, entrepreneurs and business leaders, not-for-profit organizations and individuals in the greater San Francisco Bay Area. A true community bank with a team of veteran bankers, The Private Bank offers access to senior level decision-makers who are dedicated to helping clients with all their banking and financing needs. Personalized, responsive, exceptional service is The Private Bank of the Peninsula’s standard.

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