



The Private
BANK of the PENINSULA

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FOR IMMEDIATE RELEASE

PRESS RELEASE

The Private Bank of the Peninsula Releases Third Quarter Results

Palo Alto, CA – October 22, 2009 – The Private Bank of the Peninsula, a subsidiary of Peninsula Bank Holding Co., today announced its unaudited results for the third quarter of 2009.

“We are pleased to announce record earnings for the third quarter of 2009. However, these continue to be highly challenging times and we will work to position our Bank to persevere and grow under the current economic conditions,” stated Mark D. Mordell, Chairman of the Board. “As a result, we plan to continue to grow deposits while underwriting loans very carefully and maintaining a high level of loan loss reserves.”

Financial Results
In thousands (unaudited)

	<u>9/30/09</u>	<u>9/30/08</u>	<u>Increase</u>	<u>12/31/08</u>	<u>Increase</u>
Assets	\$285,262	\$229,367	24 %	\$271,507	5 %
Loans	\$209,011	\$187,206	12 %	\$201,886	4 %
Deposits	\$256,166	\$204,913	25 %	\$247,998	3 %
Shareholders' Equity*	\$27,494	\$23,688		\$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>9/30/09</u>	<u>Quarter Ending</u> <u>9/30/08</u>	<u>Year-to-Date</u> <u>9/30/09</u>	<u>Year-to-Date</u> <u>9/30/08</u>
Net Income (Loss)	\$561	\$119	(\$1,207)	(\$582)
Earnings (Loss) Per Share	\$0.22	\$0.05	(\$0.46)	(\$0.27)

“The Bank’s core operations remain strong, allowing us to achieve profitability and further increase our loan loss reserves. Our healthy net interest margin and controlled expenses have been big contributors. We are well positioned to manage the Bank through these uncertain 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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