



**PENINSULA BANK  
HOLDING CO.**

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FOR IMMEDIATE RELEASE

PRESS RELEASE

**Peninsula Bank Holding Co. Releases Second Quarter Results**

Palo Alto, CA - July 22, 2010 - Peninsula Bank Holding Co., the parent company of The Private Bank of the Peninsula, today announced its unaudited results for the second quarter of 2010.

“We are pleased to announce a profitable second quarter in 2010 and our fourth consecutive profitable quarter,” stated Chairman, Mark D. Mordell. “Our strategy of combining focused, quality growth with controlled expenses and a well maintained loan loss reserve is clearly producing results.”

**Financial Results**  
In thousands (unaudited)

	<u>6/30/10</u>	<u>6/30/09</u>	<u>% Change</u>	<u>12/31/09</u>	<u>% Change</u>
Total Assets	\$324,442	\$273,903	18 %	\$307,936	5 %
Loans	\$207,070	\$210,384	-2 %	\$203,604	2 %
Deposits	\$292,774	\$245,836	19 %	\$278,318	5 %
Shareholders' Equity	\$29,738	\$26,797	11 %	\$28,018	6 %
Common Shares	2,602	2,602	0 %	2,602	0 %

	Quarter Ending <u>6/30/10</u>	Quarter Ending <u>6/30/09</u>	Year-to-Date <u>6/30/10</u>	Year to Date <u>6/30/09</u>
Net Income (Loss)	\$526	(\$2,111)	\$955	(\$1,769)
Earnings (Loss) Per Share	\$0.17	(\$0.81)	\$0.30	(\$0.68)

“We continue to pursue lending opportunities in our market and have ample capacity to make loans. Our careful underwriting and increased payoffs from an improving market have caused a reduction in our loan portfolio,” said Kenneth D. Brenner, the Company’s Chief Executive Officer. “Our positive earnings trend owes much to the loan underwriting enhancements that we began in early 2008 and the operating efficiencies we have developed over the last three years.”

**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 and individuals primarily in the Greater San Francisco Bay Area. The Bank’s experienced senior management team provides personalized, relationship-based service, giving clientele access to senior level decision-makers. The Bank specializes in the following markets: commercial & industrial, asset based, real estate construction, commercial real estate, and real estate bridge financing.*

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