



PENINSULA BANK
HOLDING CO.

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FOR IMMEDIATE RELEASE

PRESS RELEASE

Peninsula Bank Holding Co. Releases Third Quarter Results

Palo Alto, CA – October 21, 2010 - Peninsula Bank Holding Co., the parent company of The Private Bank of the Peninsula, today announced its unaudited results for the third quarter of 2010.

“We are pleased to announce a profit of \$663,000 for the third quarter of 2010,” stated Chairman, Mark D. Mordell. “This is our fifth consecutive profitable quarter as we continue to pursue our goal of sustained profitability. Our strategy of combining moderate growth with controlled expenses and a well maintained loan loss reserve continues to produce positive results.”

Financial Results
In thousands (unaudited)

	<u>9/30/10</u>	<u>9/30/09</u>	<u>% Change</u>	<u>12/31/09</u>	<u>% Change</u>
Total Assets	\$341,235	\$285,232	20%	\$307,936	11%
Loans	\$214,323	\$209,011	3%	\$203,604	5%
Deposits	\$308,098	\$256,166	20%	\$278,318	11%
Shareholder's Equity	\$30,676	\$27,464	12%	\$28,018	9%
Common Shares	2,602	2,602	0%	2,602	0%

	Quarter Ending <u>9/30/10</u>	Quarter Ending <u>9/30/09</u>	Year-to-Date <u>9/30/10</u>	Year-to-Date <u>9/30/09</u>
Net Income (Loss)	\$663	\$531	\$1,618	(\$1,237)
Earnings (Loss) Per Share	\$0.22	\$0.20	\$0.52	(\$0.48)

“We continue to pursue lending opportunities in our market and our loan portfolio has started to grow,” said Kenneth D. Brenner, the Company’s Chief Executive Officer. “Our positive earnings trend improves our ability to lend and attract quality personnel and clients to our Bank.”

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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