



**PENINSULA BANK  
HOLDING CO.**

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**FOR IMMEDIATE RELEASE**

PRESS RELEASE

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

Palo Alto, CA - April 26, 2011 - Peninsula Bank Holding Co., parent company of Avidbank, formerly The Private Bank of the Peninsula, today announced its unaudited results for the first quarter of 2011.

“We are pleased to announce our seventh consecutive profitable quarter,” stated Chairman Mark D. Mordell. “Although our loan totals decreased modestly, our focus on consistent profitability and strengthening our balance sheet continues to show results.”

**Financial Results**  
In thousands (unaudited)

	<u>3/31/11</u>	<u>3/31/10</u>	<u>% Change</u>
Total Assets	\$313,141	\$312,518	0%
Loans	\$188,796	\$201,139	-6%
Deposits	\$280,873	\$282,132	0%
Loans to Deposits	67%	71%	-6%
Efficiency Ratio	73%	83%	-12%
ALLL to Loans	2.33%	2.14%	9%
Shareholders' Equity	\$30,977	\$28,540	9%
Common Shares	2,602	2,602	0%
Book Value per Share	\$11.90	\$10.97	9%
Book Value per Share, excluding TARP	\$9.60	\$8.66	11%
Tier 1 Leverage Ratio	9.92%	9.17%	8%
Total Risk Based Capital Ratio	13.68%	12.83%	7%
	Quarter Ending	Quarter Ending	
	<u>3/31/11</u>	<u>3/31/10</u>	<u>% Change</u>
Revenue	\$3,979	\$3,976	0%
Interest Expense	\$645	\$940	-31%
Loan Loss Provision	\$0	\$0	0%
Total Operating Expenses	\$2,430	\$2,584	-6%
Net Income	\$815	\$429	90%
Earnings Per Share	\$0.28	\$0.13	115%

“Due to the improving economy, we experienced an extraordinary amount of payoffs in the first quarter of 2011,” said Kenneth D. Brenner, the Company's Chief Executive Officer. “However, at the same time, we are investing in our infrastructure to take advantage of lending opportunities as conditions continue to improve.”

***About the Bank***

*Our goal at Avidbank is to advance our clients' success by offering innovative financial solutions and service. Our experienced people provide a unique and individualized banking experience based on mutual effort, ingenuity and trust, creating long-term banking relationships. Avidbank specializes in the following markets: commercial and industrial, corporate finance, technology and asset-based lending, real estate construction, commercial real estate lending and real estate bridge financing.*

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