

Contact: Steve Leen, Chief Financial Officer
 (650) 843-2204
www.avidbank.com



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PRESS RELEASE

Avidbank Holdings, Inc. Releases Second Quarter Results

Palo Alto, CA - July 26, 2011 – Avidbank Holdings, Inc., parent company of Avidbank, today announced its unaudited results for the second quarter of 2011.

"Our continued focus on profitability and credit quality is generating a positive outcome as these results represent the Bank's eighth consecutive profitable quarter," stated Chairman Mark D. Mordell.

Financial Results
 In thousands (unaudited)

	<u>6/30/11</u>	<u>6/30/10</u>	<u>% Change</u>	<u>12/31/10</u>	vs. 6/30/11 <u>% Change</u>
Total Assets	\$307,995	\$324,442	-5%	\$316,789	-3%
Loans	\$182,415	\$207,070	-12%	\$208,542	-13%
Deposits	\$275,053	\$292,774	-6%	\$284,688	-3%
Loans to Deposits	66%	71%	-6%	73%	-9%
Efficiency Ratio	73%	78%	-6%	74%	-2%
ALLL to Loans	2.20%	2.33%	-6%	2.12%	4%
Shareholders' Equity	\$31,915	\$29,738	7%	\$30,354	5%
Common Shares	2,602	2,602	0%	2,602	0%
Book Value per Share	\$12.26	\$11.43	7%	\$11.66	5%
Book Value per Share excluding TARP	\$9.96	\$9.12	9%	\$9.36	6%
Tier 1 Leverage Ratio	10.03%	9.17%	9%	9.18%	9%
Total Risk Based Capital Ratio	13.85%	12.83%	8%	12.88%	7%
	<u>Quarter Ending 6/30/11</u>	<u>Quarter Ending 6/30/10</u>	<u>% Change</u>	<u>Year-to-Date 6/30/11</u>	<u>Year-to-Date 6/30/10</u>
Revenue	\$3,864	\$3,594	8%	\$7,691	\$7,487
Interest Expense	\$591	\$910	-35%	\$1,236	\$1,850
Loan Loss Provision	\$50	\$200	-75%	\$50	\$200
Total Operating Expenses	\$2,283	\$2,191	4%	\$4,713	\$4,419
Net Income	\$697	\$526	33%	\$1,512	\$955
Earnings Per Share	\$0.24	\$0.17	41%	\$0.43	\$0.30

"Significant payoffs have caused a drop in our loan portfolio," said Kenneth D. Brenner, the Company's Chief Executive Officer. "Currently, we are investing in our loan generation capability to take advantage of lending opportunities as economic conditions continue to improve."

About Avidbank

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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