



PRESIDIO BANK

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PRESS RELEASE

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FOR IMMEDIATE RELEASE:

PRESIDIO BANK REPORTS RESULTS FOR FIRST QUARTER 2012

San Francisco, CA, April 20, 2012: Presidio Bank (OTCBB: PDOB), a Bay Area business bank, today reported unaudited results for the quarter ended March 31, 2012 with pre-tax income of \$624,242, an increase of 95% over the same period in 2011. Total assets and total deposits reached record levels during the quarter and increased 26% and 30% respectively over the first quarter of 2011. Total loans declined by 2.4% during the same period.

“After strong loan growth in the fourth quarter of 2011, we experienced some anticipated loan payoffs during the first quarter of 2012 which exceeded our loan originations in the period” stated Steve Heitel, Presidio Bank President and CEO. “Our loan pipeline is expanding and we expect to resume loan growth in the second quarter. Our strong deposit growth is an indication that we are continuing to win new relationships and expanding our franchise.”

Some key financial highlights for the quarter included:

- **Assets:** Totals assets increased to a record \$371 million, up 4% from December 31, 2011.
- **Deposits:** Deposits increased by another \$14 million in the quarter and totaled \$325 million at March 31, 2012.
- **Loans:** Loans decreased by \$20 million for the quarter to \$250 million.
- **Asset Quality:** Loan loss provision expense was zero for the quarter as credit quality remained stable and strong.
- **Net Revenue:** Net revenues increased 1.4% sequentially despite lower average loan balances and significant balance sheet liquidity. Net revenues increased 8.6% over the year-ago quarter.
- **Operating Expenses:** The sequential 7.8% increase in operating expenses resulted primarily from seasonal factors including increased payroll taxes.

“Our focus on growing quality relationships continues to serve the bank well.” said Presidio Bank Chairman and Founder, Jim Woolwine. “With our four offices in key business centers in the Bay Area, Presidio Bank is well positioned to benefit as the local economy continues to improve.”

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First Quarter 2012 Financial Results

(Dollars in thousands, except per share amounts; Unaudited)

Consolidated Balance Sheet

	As of			As of	
	3/31/2012	3/31/2011	Change	12/31/2011	Change
Total Assets	\$ 371,672	\$ 294,578	26.2%	\$ 357,350	4.0%
Loans	250,255	256,392	-2.4%	270,398	-7.4%
Deposits	325,102	250,419	29.8%	310,760	4.6%
Total Shareholder's Equity	45,024	39,794	13.1%	44,691	0.7%
Common Equity	34,071	28,906	17.9%	33,754	0.9%
Book Value Per Common Share	\$ 8.29	\$ 7.06	17.4%	\$ 8.25	0.5%

Condensed Statement of Income

	For the three months ended			For the three months ended	
	3/31/2012	3/31/2011	Change	12/31/2011	Change
Net Revenue	\$ 3,608	\$ 3,323	8.6%	\$ 3,558	1.4%
Provision for Loan Loss	-	228	-100.0%	22	-100.0%
Total Operating Expenses	2,983	2,775	7.5%	2,768	7.8%
Net Income Before Taxes	624	320	95.3%	768	-18.6%
Income taxes	256	-	NM	288	-11.1%
Net Income	368	320	15.0%	480	-23.3%
Preferred Dividends	142	-	NM	142	0.0%
Net Income to Common	226	320	-29.4%	338	-33.1%
Earnings Per Common Share	\$ 0.06	\$ 0.08	-30.4%	\$ 0.08	-30.4%
Net Interest Margin	4.0%	4.5%	-12.2%	4.0%	-1.0%
Efficiency Ratio	82.7%	83.5%	-1.0%	77.8%	6.3%
Return on Average Assets	0.4%	0.4%	-7.0%	0.6%	-31.8%
Return on Average Common Equity	2.7%	4.5%	-40.3%	4.0%	-33.8%

NM = Not Meaningful

About Presidio Bank

Presidio Bank provides business banking services to small and mid-size businesses, including professional service firms, real estate developers and investors, and not-for-profit organizations, and to their owners who desire personalized, responsive service with access to local decision makers. Presidio Bank offers clients the resources of a large bank combined with the personalized services of a neighborhood bank. Presidio Bank is headquartered in San Francisco, California and currently operates four banking offices in San Francisco, Walnut Creek, San Rafael and Palo Alto. More information is available at www.presidiobank.com. Presidio Bank is a member of FDIC and an Equal Housing Lender.

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This press release contains certain forward-looking statements that involve risk and uncertainties. These statements are identifiable by use of the words "believe," "expect," "intend," "anticipate," "plan," "estimate," "project," or similar expressions. The risks and uncertainties that may affect the operations, performance, development, growth projections and results of Presidio Bank's business include, but are not limited to, the growth of the economy, interest rate movements, timely development by Presidio Bank of technology enhancements for its products and operating systems, the impact of competitive products, services and pricing, client-based requirements, Congressional legislation, changes in regulatory or generally accepted accounting principles and similar matters. Readers are cautioned not to place undue reliance on forward-looking statements which are subject to influence by the named risk factors and unanticipated future events. Actual results, accordingly, may differ materially from management expectations.