



# PRESIDIO BANK

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## PRESS RELEASE

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**FOR IMMEDIATE RELEASE:**

## PRESIDIO BANK REPORTS RESULTS FOR THE FIRST QUARTER 2016

San Francisco, CA, April 20, 2016: Presidio Bank (OTCBB: PDOB), a Bay Area business bank, today reported unaudited results for the first quarter ended March 31, 2016 with Net Income of \$940 thousand, up 34% from the quarter ended December 31, 2015 and up 95% from the first quarter of 2015. Total Assets were down \$1 million from the record level recorded in the fourth quarter of 2015 but up \$105 million (19%) from the first quarter of 2015.

“We are beginning to realize the earnings benefit of the strong growth year in 2015,” said Presidio Bank President and CEO Steve Heitel. “Despite seasonally high personnel expenses, the first quarter of 2016 represents the second most profitable quarter in the Bank’s history.”

### Financial Highlights

- Total Loans outstanding decreased by \$1 million over the quarter ended December 31, 2015 and increased \$106 million or 26.0% over the first quarter 2015. The first quarter is traditionally the slowest of the year but the loan pipeline remains solid.
- Total Deposits decreased by \$2.5 million from the quarter ended December 31, 2015 and increased by \$94 million or 19.5% from the first quarter of 2015. A larger decline was expected based upon a build-up of temporary deposits in the fourth quarter that ran-off in January. The Bank was able to replace the majority of those deposits with new money that came in during the first quarter. Demand Deposits were stable at 36% of total deposits.
- Net Interest Income of \$6 million in the first quarter of 2016 was up 9% from the fourth quarter of 2015 and up 30% from the first quarter of 2015. The increase is the result of the significant loan growth that occurred in 2015. Net Interest Margin increased during the quarter to 3.86% from 3.48% in the fourth quarter of 2015 due to higher average loan balances, strong loan fees during the quarter and a small decrease in the cost of deposits. Yield on loans increased from 4.69% to 4.74% while cost of deposits declined from 0.16% to 0.14%.
- Operating Expenses increased 18% over the fourth quarter of 2015. This was primarily due to seasonally high compensation and benefits expense and a new five-year lease extension for the Bank’s San Francisco headquarters at a significantly increased rate.
- Net Income applicable to common shareholders was \$940 thousand for the first quarter of 2016, up 34% from the fourth quarter of 2015 and up 139% from the first quarter of 2015. The disproportionate increase over the first quarter of 2015 is due to elimination of dividends on the Bank’s Perpetual Preferred Stock which was fully redeemed in the third quarter of 2015.

# PRESIDIO BANK

- Credit quality remains strong with a classified loan to capital ratio of 3.8%, down from 6.3% at December 31, 2015. The Allowance for Loans Losses remained at \$6.3 million or 1.2% of total loans at March 31, 2016. The Allowance for Loan Losses covers Non-Performing Loans by over five times. One of the Bank's two Non-Performing Loans paid off in full during the quarter. The remaining loan totals \$1.1 million. It is current as to principal and interest payments but will likely be a protracted work out.
- Diluted earnings per common share were \$0.16 for the quarter compared to \$0.13 in the fourth quarter of 2015 and \$0.08 in the first quarter of 2015.
- Book value per share increased to \$10.75 per share as of March 31, 2016 from \$10.51 per share at December 31, 2015 and \$9.83 per share at March 31, 2015.

“The first ten years of Presidio Bank has been an exciting and rewarding experience for me,” said Presidio Bank Chairman and Founder, Jim Woolwine. “I am honored by the clients that have chosen to do business with Presidio Bank and am proud of what the Presidio team has accomplished.”

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## 1<sup>st</sup> Quarter 2016 Financial Results

(Dollars in thousands, except per share amounts, unaudited)

### Condensed Balance Sheet

|                                      | 3/31/2016 | 12/31/2015 | Change | 3/31/2015 | Change  |
|--------------------------------------|-----------|------------|--------|-----------|---------|
| Cash and due from banks              | 12,723    | 6,175      | 106.0% | 7,094     | 79.3%   |
| Interest bearing due from banks      | 96,867    | 103,211    | -6.1%  | 102,700   | -5.7%   |
| Total cash and equivalents           | 109,590   | 109,386    | 0.2%   | 109,794   | -0.2%   |
| Investment securities                | 14,548    | 15,034     | -3.2%  | 14,235    | 2.2%    |
| Loans, net of fees                   | 522,942   | 523,815    | -0.2%  | 416,492   | 25.6%   |
| Allowance for loan losses            | (6,301)   | (6,301)    | 0.0%   | (5,172)   | 21.8%   |
| Net loans                            | 516,641   | 517,514    | -0.2%  | 411,320   | 25.6%   |
| Premises and equipment, net          | 1,155     | 1,231      | -6.2%  | 1,433     | -19.4%  |
| Other assets and interest receivable | 11,274    | 11,102     | 1.5%   | 11,339    | -0.6%   |
| Total assets                         | 653,208   | 654,267    | -0.2%  | 548,121   | 19.2%   |
| Non-interest-bearing demand          | 210,872   | 210,997    | -0.1%  | 162,424   | 29.8%   |
| Interest bearing transaction         | 104,147   | 78,359     | 32.9%  | 80,246    | 29.8%   |
| Money market and savings accounts    | 220,936   | 249,876    | -11.6% | 188,849   | 17.0%   |
| Time deposits                        | 40,827    | 40,118     | 1.8%   | 51,029    | -20.0%  |
| Total deposits                       | 576,782   | 579,350    | -0.4%  | 482,548   | 19.5%   |
| Borrowings                           | 9,773     | 9,891      | -1.2%  | 9,911     | NM      |
| Other liabilities                    | 6,629     | 7,472      | -11.3% | 7,190     | -7.8%   |
| Total liabilities                    | 593,184   | 596,713    | -0.6%  | 500,064   | 18.6%   |
| Preferred stock                      | -         | -          | NM     | 6,869     | -100.0% |
| Common stock                         | 60,248    | 58,796     | 2.5%   | 44,466    | 35.5%   |
| Retained earnings                    | (160)     | (1,100)    | 85.5%  | (2,806)   | 94.3%   |
| Other comprehensive income           | (64)      | (142)      | 54.9%  | (57)      | -12.3%  |
| Total shareholder's equity           | 60,024    | 57,554     | 4.3%   | 48,472    | 23.8%   |
| Total liabilities and equity         | 653,208   | 654,267    | -0.2%  | 548,121   | 19.2%   |

### Book value per share

|                              |          |          |         |
|------------------------------|----------|----------|---------|
| Book value per share         | \$ 10.75 | \$ 10.51 | \$ 9.83 |
| Total shares outstanding EOP | 5,581    | 5,477    | 4,231   |

### Capital Ratios

|                                  |       |       |       |
|----------------------------------|-------|-------|-------|
| Tier 1 leverage ratio            | 9.5%  | 9.0%  | 9.3%  |
| Tier 1 risk-based capital ratio  | 9.8%  | 9.4%  | 10.0% |
| Total risk-based capital ratio   | 12.5% | 12.2% | 13.2% |
| Tangible common risk-based ratio | 9.8%  | 9.4%  | 8.6%  |

**Condensed Statement of Income**
**For the three months ended**

|                                     | 3/31/2016 | 12/31/2015 | Change<br>Fav./<br>(Unfav.) | 3/31/2015 | Change<br>Fav./<br>(Unfav.) |
|-------------------------------------|-----------|------------|-----------------------------|-----------|-----------------------------|
| Interest income                     | 6,372     | 5,860      | 8.7%                        | 4,995     | 27.6%                       |
| Interest expense                    | 413       | 409        | (1.0%)                      | 404       | (2.2%)                      |
| Net interest income                 | 5,959     | 5,451      | 9.3%                        | 4,591     | 29.8%                       |
| Provision for loan loss             | -         | 707        | NM                          | -         | NM                          |
| Net interest income after provision | 5,959     | 4,744      | 25.6%                       | 4,591     | 29.8%                       |
| Other income                        | 171       | 158        | 8.2%                        | 169       | 1.2%                        |
| Compensation and benefit expenses   | 3,044     | 2,441      | (24.7%)                     | 2,595     | (17.3%)                     |
| Occupancy and equipment expenses    | 516       | 441        | (17.0%)                     | 446       | (15.7%)                     |
| Data processing                     | 323       | 299        | (8.0%)                      | 287       | (12.5%)                     |
| Professional and legal              | 136       | 114        | (19.3%)                     | 110       | (23.6%)                     |
| Other operating expenses            | 553       | 575        | 3.9%                        | 511       | (8.2%)                      |
| Total operating expenses            | 4,572     | 3,870      | (18.1%)                     | 3,949     | (15.8%)                     |
| Net income before taxes             | 1,558     | 1,032      | 51.0%                       | 811       | 92.1%                       |
| Income taxes                        | 618       | 329        | (87.8%)                     | 328       | (88.4%)                     |
| Net income                          | 940       | 703        | 33.7%                       | 483       | 94.6%                       |
| Preferred dividends                 | -         | -          | NM                          | 89        | NM                          |
| Net income to common                | 940       | 703        | 33.7%                       | 394       | 138.6%                      |

**Earnings Per Share**

|                            |         |         |         |
|----------------------------|---------|---------|---------|
| Basic earnings per share   | \$ 0.17 | \$ 0.13 | \$ 0.09 |
| Diluted earnings per share | \$ 0.16 | \$ 0.13 | \$ 0.09 |
| Average shares outstanding | 5,517   | 5,328   | 4,221   |
| Average diluted shares     | 5,756   | 5,598   | 4,462   |

**Performance Ratios**

|                                 |       |       |       |
|---------------------------------|-------|-------|-------|
| Return on average assets        | 0.59% | 0.41% | 0.38% |
| Return on average common equity | 6.38% | 4.62% | 3.52% |
| Net interest margin             | 3.86% | 3.48% | 3.65% |
| Cost of funds                   | 0.29% | 0.29% | 0.35% |
| Efficiency ratio                | 74.6% | 70.0% | 83.0% |

**Average Balances**

|                |         |         |         |
|----------------|---------|---------|---------|
| Total assets   | 636,043 | 638,463 | 519,565 |
| Earning assets | 621,240 | 624,057 | 509,764 |
| Total loans    | 522,422 | 484,924 | 413,932 |
| Total deposits | 558,000 | 564,379 | 458,016 |
| Common equity  | 59,117  | 56,197  | 41,603  |

*NM = Not Meaningful*

**Condensed Balance Sheet (5 Quarter Data)**

|                                      | 3/31/2016 | 12/31/2015 | 9/30/2015 | 6/30/2015 | 3/31/2015 |
|--------------------------------------|-----------|------------|-----------|-----------|-----------|
| Cash and due from banks              | 12,723    | 6,175      | 8,984     | 501       | 7,094     |
| Interest bearing due from banks      | 96,867    | 103,211    | 108,898   | 126,275   | 102,700   |
| Total cash and equivalents           | 109,590   | 109,386    | 117,882   | 126,776   | 109,794   |
| Investment securities                | 14,548    | 15,034     | 14,203    | 14,191    | 14,235    |
| Loans, net of fees                   | 522,942   | 523,815    | 475,466   | 446,068   | 416,492   |
| Allowance for loan losses            | (6,301)   | (6,301)    | (5,594)   | (5,172)   | (5,172)   |
| Net loans                            | 516,641   | 517,514    | 469,872   | 440,896   | 411,320   |
| Premises and equipment, net          | 1,155     | 1,231      | 1,313     | 1,381     | 1,433     |
| Other assets and interest receivable | 11,274    | 11,102     | 10,829    | 10,660    | 11,339    |
| Total assets                         | 653,208   | 654,267    | 614,099   | 593,904   | 548,121   |
| Non-interest-bearing demand          | 210,872   | 210,997    | 204,348   | 190,129   | 162,424   |
| Interest bearing transaction         | 104,147   | 78,359     | 69,142    | 67,403    | 80,246    |
| Money market and savings accounts    | 220,936   | 249,876    | 216,602   | 207,446   | 188,849   |
| Time deposits                        | 40,827    | 40,118     | 44,388    | 51,046    | 51,029    |
| Total deposits                       | 576,782   | 579,350    | 534,480   | 516,024   | 482,548   |
| Borrowings                           | 9,773     | 9,891      | 9,767     | 9,880     | 9,911     |
| Other liabilities                    | 6,629     | 7,472      | 15,020    | 7,079     | 7,190     |
| Total liabilities                    | 593,184   | 596,713    | 559,267   | 532,983   | 499,649   |
| Preferred stock                      | -         | -          | -         | 6,869     | 6,869     |
| Common stock                         | 60,248    | 58,796     | 56,789    | 56,375    | 44,466    |
| Retained earnings                    | (160)     | (1,100)    | (1,824)   | (2,264)   | (2,806)   |
| Other comprehensive income           | (64)      | (142)      | (133)     | (59)      | (57)      |
| Total shareholder's equity           | 60,024    | 57,554     | 54,832    | 60,921    | 48,472    |
| Total liabilities and equity         | 653,208   | 654,267    | 614,099   | 593,904   | 548,121   |
| <b>Book value per share</b>          |           |            |           |           |           |
| Book value per share                 | \$ 10.75  | \$ 10.51   | \$ 10.37  | \$ 10.27  | \$ 9.83   |
| Total shares outstanding EOP         | 5,581     | 5,477      | 5,288     | 5,261     | 4,231     |
| <b>Capital Ratios</b>                |           |            |           |           |           |
| Tier 1 leverage ratio                | 9.5%      | 9.0%       | 9.1%      | 10.6%     | 9.3%      |
| Tier 1 risk-based capital ratio      | 9.8%      | 9.4%       | 9.7%      | 11.6%     | 10.0%     |
| Total risk-based capital ratio       | 12.5%     | 12.2%      | 12.6%     | 14.6%     | 13.2%     |
| Tangible common risk-based ratio     | 9.8%      | 9.4%       | 9.7%      | 10.3%     | 8.6%      |

**Condensed Statement of Income (5 Quarter Data)**

|                                     | For the three months ended |            |           |           |           |
|-------------------------------------|----------------------------|------------|-----------|-----------|-----------|
|                                     | 3/31/2016                  | 12/31/2015 | 9/30/2015 | 6/30/2015 | 3/31/2015 |
| Interest income                     | 6,372                      | 5,860      | 5,557     | 5,171     | 4,995     |
| Interest expense                    | 413                        | 409        | 421       | 428       | 404       |
| Net interest income                 | 5,959                      | 5,451      | 5,136     | 4,743     | 4,591     |
| Provision for loan loss             | -                          | 707        | 422       | -         | -         |
| Net interest income after provision | 5,959                      | 4,744      | 4,714     | 4,743     | 4,591     |
| Other income                        | 171                        | 158        | 191       | 183       | 169       |
| Compensation and benefit expenses   | 3,044                      | 2,441      | 2,331     | 2,301     | 2,595     |
| Occupancy and equipment expenses    | 516                        | 441        | 445       | 432       | 446       |
| Data processing                     | 323                        | 299        | 289       | 277       | 287       |
| Professional and legal              | 136                        | 114        | 116       | 191       | 110       |
| Other operating expenses            | 553                        | 575        | 584       | 542       | 511       |
| Total operating expenses            | 4,572                      | 3,870      | 3,765     | 3,743     | 3,949     |
| Net income before taxes             | 1,558                      | 1,032      | 1,140     | 1,183     | 811       |
| Income taxes                        | 618                        | 329        | 480       | 487       | 328       |
| Net income                          | 940                        | 703        | 660       | 696       | 483       |
| Preferred dividends                 | -                          | -          | 231       | 155       | 89        |
| Net income to common                | 940                        | 703        | 429       | 541       | 394       |

**Earnings Per Share**

|                            |         |         |         |         |         |
|----------------------------|---------|---------|---------|---------|---------|
| Basic earnings per share   | \$ 0.17 | \$ 0.13 | \$ 0.04 | \$ 0.13 | \$ 0.09 |
| Diluted earnings per share | \$ 0.16 | \$ 0.13 | \$ 0.08 | \$ 0.12 | \$ 0.09 |
| Average shares outstanding | 5,517   | 5,328   | 5,263   | 4,296   | 4,221   |
| Average diluted shares     | 5,756   | 5,598   | 5,515   | 4,526   | 4,462   |

**Performance Ratios**

|                                 |       |       |       |       |       |
|---------------------------------|-------|-------|-------|-------|-------|
| Return on average assets        | 0.59% | 0.41% | 0.45% | 0.48% | 0.38% |
| Return on average common equity | 6.38% | 4.62% | 3.84% | 5.00% | 3.52% |
| Net interest margin             | 3.86% | 3.48% | 3.45% | 3.40% | 3.65% |
| Cost of funds                   | 0.29% | 0.29% | 0.30% | 0.32% | 0.35% |
| Efficiency ratio                | 74.6% | 70.0% | 70.2% | 76.1% | 83.0% |

**Average Balances**

|                |         |         |         |         |         |
|----------------|---------|---------|---------|---------|---------|
| Total assets   | 636,043 | 638,463 | 606,634 | 576,058 | 519,565 |
| Earning assets | 621,240 | 624,057 | 592,748 | 561,247 | 509,764 |
| Total loans    | 522,422 | 484,924 | 453,483 | 424,455 | 413,932 |
| Total deposits | 558,000 | 564,379 | 527,295 | 508,336 | 458,016 |
| Common equity  | 59,117  | 56,197  | 54,963  | 43,205  | 41,603  |

**Loans (5 Quarter Data)**

|                           | 3/31/2016 | 12/31/2015 | 9/30/2015 | 6/30/2015 | 3/31/2015 |
|---------------------------|-----------|------------|-----------|-----------|-----------|
| Commercial real estate    | 226,555   | 224,220    | 207,595   | 205,796   | 191,291   |
| Land and construction     | 47,960    | 42,493     | 35,109    | 29,380    | 11,078    |
| Commercial                | 145,127   | 153,853    | 142,134   | 131,263   | 138,255   |
| Personal                  | 30,465    | 27,103     | 23,367    | 17,214    | 17,943    |
| Residential               | 25,013    | 30,212     | 26,077    | 27,589    | 23,784    |
| Multifamily               | 48,659    | 46,827     | 41,998    | 35,584    | 34,752    |
| Deferred loan fees        | (837)     | (893)      | (813)     | (758)     | (610)     |
| Loans                     | 522,942   | 523,814    | 475,466   | 446,068   | 416,492   |
| Allowance for loan losses | (6,301)   | (6,301)    | (5,594)   | (5,172)   | (5,172)   |
| Net loans                 | 516,641   | 517,514    | 469,872   | 440,896   | 411,320   |

**Non-Performing Assets (5 Quarter Data)**

|                                | 3/31/2016 | 12/31/2015 | 9/30/2015 | 6/30/2015 | 3/31/2015 |
|--------------------------------|-----------|------------|-----------|-----------|-----------|
| Non-Accrual Loans              | 1,094     | 1,213      | 1,232     | 1,252     | 1,272     |
| Non-Performing Loans (NPL)     | 1,094     | 1,213      | 1,232     | 1,252     | 1,272     |
| Other Real Estate Owned        | -         | -          | -         | -         | -         |
| Non-Performing Assets (NPA)    | 1,094     | 1,213      | 1,232     | 1,252     | 1,272     |
| 90+ Days Delinquent            | -         | -          | -         | -         | -         |
| NPAs & 90 Day Delinquent       | 1,094     | 1,213      | 1,232     | 1,252     | 1,272     |
| Quarterly Net Charge-offs      | -         | -          | -         | -         | -         |
| NPAs / Assets %                | 0.17%     | 0.19%      | 0.20%     | 0.21%     | 0.23%     |
| NPAs & 90 Day / Assets %       | 0.17%     | 0.19%      | 0.20%     | 0.21%     | 0.23%     |
| NPAs / Actual Loans and OREO % | 0.17%     | 0.19%      | 0.20%     | 0.21%     | 0.23%     |
| Loan Loss Reserves / Loans (%) | 1.20%     | 1.20%      | 1.18%     | 1.16%     | 1.24%     |

## Net Interest Income

### For the Three Months Ended

|   | 3/31/2016         |                         |               | 3/31/2015         |                         |               |
|---|-------------------|-------------------------|---------------|-------------------|-------------------------|---------------|
|   | Average Balance   | Interest Income/Expense | Average Rate  | Average Balance   | Interest Income/Expense | Average Rate  |
| <b>Assets:</b>                                    |                   |                         |               |                   |                         |               |
| Interest-bearing deposits                         | \$ 83,993         | \$ 116                  | 0.56 %        | \$ 81,554         | \$ 48                   | 0.24 %        |
| Federal Reserve and Federal Home Loan Bank stock  | 3,760             | 66                      | 7.07          | 3,092             | 51                      | 6.73          |
| Investment Securities                             | 11,065            | 38                      | 1.39          | 11,186            | 36                      | 1.29          |
| <b>Loans: (2)</b>                                 |                   |                         |               |                   |                         |               |
| Commercial Real Estate                            | 150,622           | 1,845                   | 4.93          | 130,666           | 1,513                   | 4.69          |
| Land and Construction                             | 44,929            | 583                     | 5.21          | 14,613            | 210                     | 5.84          |
| Commercial Real Estate                            | 224,565           | 2,620                   | 4.69          | 193,478           | 2,319                   | 4.86          |
| Residential                                       | 27,707            | 289                     | 4.20          | 23,945            | 246                     | 4.17          |
| Multifamily                                       | 44,933            | 520                     | 4.65          | 34,546            | 398                     | 4.68          |
| Personal  | 29,667            | 295                     | 4.00          | 16,684            | 173                     | 4.21          |
| <b>Total Loans</b>                                | <b>522,422</b>    | <b>6,152</b>            | <b>4.74</b>   | <b>413,932</b>    | <b>4,860</b>            | <b>4.76</b>   |
| Total Earning Assets                              | 621,240           | 6,372                   | 4.13          | 509,764           | 4,995                   | 3.97          |
| Allowance for loan losses                         | (6,306)           |                         |               | (6,306)           |                         |               |
| Cash and cash equivalents                         | 9,328             |                         |               | 8,002             |                         |               |
| Premises and equipment                            | 1,202             |                         |               | 1,202             |                         |               |
| Other assets                                      | 10,196            |                         |               | 6,478             |                         |               |
| <b>Total Assets</b>                               | <b>\$ 635,661</b> |                         |               | <b>\$ 519,140</b> |                         |               |
| <b>Liabilities:</b>                               |                   |                         |               |                   |                         |               |
| Interest-bearing deposits:                        |                   |                         |               |                   |                         |               |
| Interest-bearing NOW deposits                     | \$ 82,817         | \$ 42                   | 0.21 %        | \$ 68,877         | \$ 38                   | 0.22 %        |
| Money market deposits                             | 218,945           | 123                     | 0.23          | 180,810           | 96                      | 0.22          |
| Savings deposits                                  | 3,149             | 1                       | 0.13          | 2,541             | 1                       | 0.13          |
| Certificates and other time deposits              | 40,231            | 34                      | 0.34          | 50,903            | 58                      | 0.47          |
| <b>Total Interest-bearing Deposits</b>            | <b>345,142</b>    | <b>200</b>              | <b>0.23</b>   | <b>303,130</b>    | <b>193</b>              | <b>0.26</b>   |
| Borrowings  | 11,018            | 212                     | 7.75          | 9,898             | 211                     | 8.65          |
| <b>Total Interest-bearing Liabilities</b>         | <b>356,161</b>    | <b>413</b>              | <b>0.47</b>   | <b>313,029</b>    | <b>404</b>              | <b>0.52</b>   |
| Noninterest-bearing deposits                      | 212,857           |                         |               | 154,886           |                         |               |
| Other liabilities                                 | 7,530             |                         |               | 2,755             |                         |               |
| <b>Total Liabilities</b>                          | <b>576,548</b>    |                         |               | <b>470,670</b>    |                         |               |
| Stockholders' Equity                              | 59,113            |                         |               | 48,470            |                         |               |
| <b>Total Liabilities and Stockholders' Equity</b> | <b>\$ 635,661</b> | <b>413</b>              | <b>0.26</b>   | <b>\$ 519,140</b> | <b>404</b>              | <b>0.32</b>   |
| <b>Net Interest Income</b>                        |                   | <b>\$ 5,959</b>         |               |                   | <b>\$ 4,591</b>         |               |
| <b>Net Interest Margin</b>                        |                   |                         | <b>3.86 %</b> |                   |                         | <b>3.65 %</b> |



**About Presidio Bank**

Presidio Bank celebrates ten years of providing 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 five banking offices in San Francisco, Walnut Creek, San Rafael, San Mateo and Palo Alto. More information is available at [www.presidiobank.com](http://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.*