



# PRESIDIO BANK

One Montgomery St., Suite 2300  
San Francisco, CA 94104

## PRESS RELEASE

Steve Heitel, President & CEO  
415.229.8428

Ed Murphy, EVP/CFO  
415.229.8403

**MEDIA:** Annette Gelinas  
SVP/Marketing Director  
415.229.8415 (o) / 925.787.2956 (c)  
[agelinas@presidiobank.com](mailto:agelinas@presidiobank.com)

**FOR IMMEDIATE RELEASE:**

## PRESIDIO BANK REPORTS STRONG GROWTH FOR THE SECOND QUARTER 2013

### Record levels of Loans, Deposits and Pre-tax Income

San Francisco, CA, July 18, 2013: Presidio Bank (OTCBB: PDOB), a Bay Area business bank, today reported unaudited results for the quarter ended June 30, 2013 with pre-tax profit of \$900 thousand, up 21% from the quarter ended March 31, 2013 and up 14% from the quarter ended June 30, 2012. This represents the highest quarterly pre-tax profit achieved by the Bank. Deposits and loans grew to record levels during the quarter as well.

“We are pleased to see our growth momentum continue in the second quarter,” said Presidio Bank President and CEO, Steve Heitel. “Our pipeline of business remains solid and we look forward to more growth in the second half of the year.”

Some key financial highlights for the quarter included:

- **Assets:** Totals assets are \$433 million at June 30, 2013, up \$40 million (10%) from June 30, 2012 and up \$50 million (13%) from March 31, 2013.
- **Deposits:** Deposits totaled \$384 million at June 30, 2013, up \$38 million from June 30, 2012 and up \$50 million from March 31, 2013. At June 30, 2013, a number of key clients were holding unusually high levels of deposits and as such we expect some contraction of those balances in the third quarter.
- **Loans:** Loans increased by \$15 million for the quarter (4.7%) and by \$70 million (26%) from June 30, 2012.
- **Loan Loss Provision Expense:** Loan loss provision expense was zero for the quarter.
- **Operating Expenses:** Operating expenses for the quarter ending June 30, 2013 were up 3.2% from the quarter ending March 31, 2013, due to some non-recurring professional fees incurred during the quarter. We expect to operate in the second half of the year much closer to our target run rate of \$3 million per quarter in operating expenses.

“In addition to the growth in the second quarter, the Bank achieved an improvement in its already strong credit quality with the pay off of its largest non-performing loan,” said Presidio Bank Chairman and Founder, Jim Woolwine.

-more-

## 2nd Quarter 2013 Financial Results

(Unaudited)

### Condensed Balance Sheet

	6/30/2013	3/31/2013	Change Fav./ (Unfav.)	6/30/2012	Change Fav./ (Unfav.)	12/31/2012	Change Fav./ (Unfav.)
Total Assets	\$433,186	\$ 383,241	13.0%	\$ 393,437	10.1%	\$ 405,471	6.8%
Loans	333,724	318,766	4.7%	264,060	26.4%	313,992	6.3%
Deposits	384,442	334,891	14.8%	346,459	11.0%	357,373	7.6%
Total Shareholder's Equity	46,638	46,297	0.7%	45,474	2.6%	45,889	1.6%
Common Equity	35,604	35,279	0.9%	34,504	3.2%	34,887	2.1%
Book Value Per Common Share	\$ 8.54	\$ 8.50	0.5%	\$ 8.37	2.0%	\$ 8.46	1.0%

### Condensed Statement of Income

	For the three months ended					For the six months ended		
	6/30/2013	3/31/2013	Change Fav./ (Unfav.)	6/30/2012	Change Fav./ (Unfav.)	6/30/2013	6/30/2012	Change Fav./ (Unfav.)
Net Interest Income	\$ 3,945	\$ 3,705	6.5%	\$ 3,496	12.9%	\$ 7,651	\$ 6,993	9.4%
Provision for Loan Loss	-	-	NM	-	NM	-	-	NM
Other income	145	129	12.7%	137	5.7%	274	248	10.5%
Total Operating Expenses	3,190	3,090	(3.2%)	2,844	(12.2%)	6,281	5,828	(7.8%)
Net Income Before Taxes	900	744	21.0%	789	14.1%	1,644	1,413	16.3%
Income taxes	369	305	(21.0%)	323	(14.1%)	674	579	(16.3%)
Net Income	531	439	21.0%	465	14.1%	970	834	16.3%
Preferred Dividends	142	142	0.0%	142	0.0%	285	285	0.0%
Net Income to Common	389	297	31.1%	323	20.3%	685	549	24.8%
Earnings Per Common Share	\$ 0.09	\$ 0.07	30.5%	\$ 0.08	17.7%	\$ 0.16	\$ 0.14	21.8%
Net Interest Margin	3.9%	3.9%		3.7%		3.9%	3.8%	
Efficiency Ratio	78.0%	80.6%		78.3%		79.3%	80.5%	
Return on Average Assets	0.5%	0.5%		0.5%		0.5%	0.5%	
Return on Average Common Equity	4.4%	3.4%		3.8%		3.9%	3.2%	

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](http://www.presidiobank.com). Presidio Bank is a member of FDIC and an Equal Housing Lender.

###

*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.*