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Press Release

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FOR IMMEDIATE RELEASE:

Presidio Bank Reports Record Results for 2010

42% Increase in Revenue
19% Increase in Loans
27% Increase in Deposits

San Francisco, CA – February 1, 2011 – Presidio Bank (“the Bank”) (OTCBB: PDOB), a locally-owned business bank, reported unaudited fourth quarter net income of \$380,866, or \$0.09 per share and a record \$901,023, or \$0.22 per share, for the year increasing net income by over \$4 million and \$1.00 per share from 2009. During the quarter, the bank continued its loan and deposit growth while controlling expenses, resulting in its fourth consecutive quarter of profitability. Presidio Bank also reported record revenue, assets, and net income demonstrating its momentum.

“We are pleased with our results for both the quarter and the year as the bank continues to execute its strategy of adding high quality client relationships with only modest increases in expenses,” stated Steve Heitel, Presidio Bank President & CEO. “Our credit quality metrics remain strong, our margins expanded, and we have considerable earnings momentum going into 2011.”

The Bank improved its net interest margin to 4.22% for the year ended December 31, 2010 compared to 3.72% for 2009. Revenue increased \$3,431,650 to \$11,683,936 for 2010 while total operating expenses increased only \$429,109 to \$9,861,558 for the same period. The 42% revenue increase and 5% increase in operating expenses improved the Bank’s 2010 efficiency ratio to 84.40% from 114.30% in 2009.

Total assets increased to \$291,524,556 during the year, up 19% from \$244,181,560 at December 31, 2009. Total loans increased 19% to a record \$258,612,292 and total deposits increased 27% to a record \$247,367,118 during the same period.

“The Bank has admirably weathered this economic downturn. We attribute our success to our continued focus on the fundamentals – growing quality business by building enduring relationships with our clients,” said Presidio Bank’s Chairman, Jim Woolwine.



**PRESIDIO
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2010 Financial Results

(Unaudited)

	<u>Year Ended</u> <u>12/31/10</u>	<u>Year Ended</u> <u>12/31/09</u>	<u>Variance</u>
Total Assets	\$ 291,524,556	\$ 244,181,560	19 %
Loans	\$ 258,612,292	\$ 217,975,616	19 %
Deposits	\$ 247,367,118	\$ 194,393,305	27 %
Shareholder's Equity	\$ 39,388,378	\$ 38,219,894	3 %
Book Value Per Common Share	\$ 7.07	\$ 6.85	3 %
Revenue	\$ 11,683,936	\$ 8,252,286	42 %
Provision for Loan Loss	\$ 893,555	\$ 1,950,894	(54%)
Total Operating Expenses	\$ 9,861,558	\$ 9,432,449	5 %
Net Income	\$ 901,023	\$ (3,131,056)	
Earnings Per Common Share	\$ 0.22	\$ (0.78)	
Net Interest Margin	4.22 %	3.72 %	
Efficiency Ratio	84.40 %	114.30 %	

	<u>Quarter Ended</u> <u>12/31/10</u>	<u>Quarter Ended</u> <u>9/30/10</u>	<u>Variance</u>
Revenue	\$ 3,220,255	\$ 2,929,658	10%
Provision for Loan Loss	\$ 295,500	\$ 598,055	(51%)
Total Operating Expenses	\$ 2,526,889	\$ 2,325,699	9 %
Net Income	\$ 380,866	\$ 504	755%
Earnings Per Common Share	\$ 0.09	\$ 0.00	
Net Interest Margin	4.37 %	4.06 %	
Efficiency Ratio	78.47 %	79.38 %	

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.