



PRESIDIO BANK

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PRESS RELEASE

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FOR IMMEDIATE RELEASE:

PRESIDIO BANK REPORTS RECORD RESULTS FOR 2011

120% Increase in Pre-Tax Income

23% Increase in Assets

26% Increase in Deposits

San Francisco, CA, January 26, 2012: Presidio Bank (OTCBB: PDOB), a Bay Area business bank, today reported unaudited 2011 results with a record pre-tax profit of \$1,986,000 for the year, more than double the pre-tax profit earned in 2010.

“The fourth quarter was our strongest growth quarter of the year.” stated Steve Heitel, Presidio Bank President and CEO. “It was a great way to finish off a solid year and position the bank for success in 2012.”

Some key financial highlights for the quarter included:

- **Assets:** Totals assets increased to a record \$357 million, up almost 9% from September 30, 2011
- **Deposits:** Deposits increased by \$31 million in the quarter and by \$63 million for the year.
- **Loans:** Loans increased by \$13 million for the quarter to a record level of \$270 million.
- **Net Revenue:** Net revenue increase by 19% for the year.

“I am pleased that the Bank accelerated its growth rate in the fourth quarter.” said Presidio Bank Chairman and Founder, Jim Woolwine. “Our revenue continues to grow significantly faster than our expenses resulting in a substantial increase in profitability.”

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2011 Financial Results
(Unaudited - dollars in thousands, except per share amounts)
Condensed Balance Sheet Information

	As of			As of		
	12/31/11	12/31/10	Change	9/30/11	Change	
Total Assets	\$357,350	\$291,525	22.6%	\$328,392	8.8%	
Loans	\$270,398	\$258,612	4.6%	\$257,528	5.0%	
Deposits	\$310,760	\$247,367	25.6%	\$279,495	11.2%	
Total Shareholder's Equity	\$44,691	\$39,388	13.5%	\$44,260	1.0%	
Common Equity	\$33,754	\$28,516	18.4%	\$33,339	1.2%	
Book Value Per Common Share	\$8.25	\$7.07	16.7%	\$8.15	1.2%	

Condensed Statement of Income Information

	For the year ended			For the three months ended		
	12/31/11	12/31/10	Change	12/31/11	9/30/11	Change
Net Revenue	\$13,943	\$11,684	19.3%	\$3,558	\$3,615	-1.6%
Provision for Loan Loss	\$841	\$894	-5.9%	\$22	\$0	NM
Total Operating Expenses	\$11,116	\$9,889	12.4%	\$2,741	\$2,778	-1.3%
Net Income Before Taxes	\$1,986	\$901	120.4%	\$795	\$837	-5.0%
Income taxes	(\$4,060)	\$0	NM	\$315	\$343	-8.2%
Net Income	\$6,046	\$901	571.0%	\$480	\$494	-2.8%
Preferred Dividends	\$1,131	\$0	NM	\$142	\$142	0.0%
Net Income to Common	\$4,915	\$901	445.5%	\$338	\$352	-4.0%
Earnings Per Common Share	\$1.22	\$0.22	454.5%	\$0.08	\$0.09	-11.1%
Net Interest Margin	4.4%	4.3%	2.8%	4.0%	4.5%	-10.5%
Efficiency Ratio	79.7%	84.6%	-5.8%	77.1%	76.8%	0.3%
Return on Average Assets	2.0%	0.3%	497.0%	0.6%	0.6%	-1.6%
Return on Average Common Equity	15.7%	3.2%	391.9%	4.0%	4.2%	-3.8%

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.