

EVERY DAY MATTERS

Quarterly Report : Q2

Plaza Bank's Loan Growth Continues In Second Quarter

Plaza Bank's momentum continued to improve in the second quarter of 2007. The bank posted \$28,220,000 in net loans, which represents a 16.8% increase over the first quarter.

Total deposits also jumped in the second quarter. They totaled \$31,008,000 for a strong 20.5% hike over the previous quarter. Additionally, total assets rose dramatically from the first quarter to \$39,725,000 for a 13.7% gain.

Increasing deposits continues as Plaza Bank's chief focus as the bank is well positioned against its competitors to capture new customers seeking Plaza Bank's array of premier services, said Don Solsby, President and Chief Executive Officer.

"Our growth in new loans is healthy and we are working to make the most of a good regional economy for middle-market businesses. Moreover, our efforts to add customers in the all-important commercial and industrial loan sector – the backbone of our business – are yielding positive results," Mr. Solsby said.

Total income for the first six months showed a loss of \$1,094,000, which was equal to projections for the period. However, the income picture is expected to improve as the continuing growth in loan and deposit business is accommodated within the range of current operational costs.

"Not only are we a competitive force in banking for the business segments we are targeting, we are committed to providing pre-eminent services to our customers who appreciate our attentiveness to their needs," Mr. Solsby said.



PLAZA BANK Q2 FINANCIALS

Balance Sheet
As of June 30, 2007
Unaudited

Net Loans	\$28,220,000
Cash & Due from Banks	2,513,000
Federal Funds Sold	7,990,000
Fixed Assets, net	466,000
Prepaid Expenses & Other Assets	536,000
Total Assets	<u>\$39,725,000</u>

Demand Deposits	\$4,931,000
Money Market Deposit Accounts	14,120,000
NOW and Savings Accounts	777,000
Certificates of Deposit	11,180,000
Total Deposits	31,008,000
Other Liabilities	235,000
Total Liabilities	31,243,000
Shareholders' Equity	8,482,000
Total Liabilities & Shareholders' Equity	<u>\$39,725,000</u>

Income Statement
For the Six Months ended June 30, 2007
Unaudited

Interest Income	\$1,170,000
Interest Expense	486,000
Net Interest Income before Loan Loss Provision	684,000
Loan Loss Provision	115,000
Net Interest Income after Loan Loss Provision	569,000
Non-Interest Income	13,000
Non-Interest Expense	1,675,000
Net Loss before Taxes	(1,093,000)
Taxes	1,000
Net Loss after Taxes	<u>(\$1,094,000)</u>

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