



THE BANK

of Santa Barbara

For Immediate Release

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**NEW BANK LEADERSHIP LEADS TO 73% INCREASE IN NEW DEPOSITS,
AND ASSET GROWTH OF 52%**

SANTA BARBARA, CA – The Bank of Santa Barbara announced today that since local owners acquired control of The Bank in November 2009, the bank has experienced phenomenal growth. Deposits have grown by 73% and the bank shows no signs of slowing down.

Eloy U. Ortega, CEO of The Bank of Santa Barbara, commented that “the significant growth of the Bank during the past 5 months was definitely driven by the community support of the local business leaders and philanthropists that acquired control of “The Bank” last November”. Notable members of the investment group led by veteran banker Ortega, include local philanthropists Tim and Bernie Marquez, the Hutton Foundation and the Orfalea Family Foundation.

With core deposits, those from local clients, growing in excess of \$61 million Ortega says he is very pleased with the banks progress.

With total deposits at 3/31/10 in excess of \$73 million, total assets also increased solidly during the first quarter to more than \$85 million, 17.7% over 12/31/09 and 52% over 9/30/2009.

As well as bringing The Bank of Santa Barbara back to local ownership, the investor group recapitalized The Bank, increasing Tier 1 capital from to 9.6% as of 12/31/09 (a minimum of 6.0% is the regulatory standard for “well capitalized”) and just completed a secondary offering that increased Tier 1 capital to a very strong 17.3%.

“As we move forward in 2010”, noted Ortega “The Bank of Santa Barbara is well positioned with strong capital, high liquidity, and an experienced team of local bankers. We are investing in the latest technology and by mid-year, will have the most sophisticated electronic banking services available. The Bank is poised to achieve the vision of Management and Investors ... Simply, we want to be *The Bank of Santa Barbara.*”

The Bank of Santa Barbara is a locally owned and managed bank offering a full array of banking products and is committed to supporting the people and organizations that make Santa Barbara a special place to live and work. The headquarters office is located at 12 E. Figueroa Street. For more information call 805.730.7860 or visit www.bankofsantabarbara.com.