



For Immediate Release

United American Bank Reports Strong Second Quarter Results
New Community Bank Continues to Hit Business Targets

San Mateo, CA – July 22, 2004 – United American Bank (OTCBB: UABK), the newest full-service, locally owned and operated community bank in San Mateo, reported financial results for the quarter ending June 30, 2004 that met and exceeded performance expectations for business growth.

Primary among the key indicators of the Bank's continued success was the robust growth in loan business. At the end of the quarter, outstanding loans totaled \$46 million, compared with \$33.4 million for the previous quarter and \$24.3 million as of December 31, 2003, showing an average quarter-over-quarter growth rate in 2004 of 38%. Reflecting this growth in core business, net interest income of \$539,000 for the current quarter represented a 39% increase over the \$388,000 reported for the quarter ended March 31, 2004.

As of June 30, 2004, the Bank reported total deposits of \$53 million compared with \$43 million for the previous quarter and \$32 million as of December 31, 2003, reflecting an average quarter-over-quarter growth rate in 2004 of 28.5%.

Total assets for United American Bank were reported to be \$65 million on June 30, 2004, compared with \$54 million in the previous quarter and \$44.8 million in the quarter ending December 31, 2003, showing a 20% quarter-over-quarter growth rate in 2004.

The Bank reported an operating loss of \$261,000 for the quarter ending June 30, 2004, representing a 36% improvement relative to the reported loss of \$411,000 for the previous quarter. Quarterly operating losses have declined a total of 64% since the Bank opened for business in June 2003.

“The steady growth of our loan portfolio combined with the exceptionally high credit quality of those loans shows that we are doing very well in our core business,” said John Schrup, President and CEO of United American Bank. “At the same time, continued growth in deposits reflects our success in creating new banking relationships and expanding existing ones. As our reputation in the community grows for being a well-managed institution that offers outstanding customer service and a wide range of banking products, it fuels the growth that drives our quarterly numbers and keeps us well ahead of target in our business plan.”

About United American Bank

United American Bank is San Mateo County's newest full-service commercial bank. The

