



**For Immediate Release**

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**United American Bank Reports Third Quarter Financial Results**

**Total Assets Increase 32 Percent Over Prior Year**

**San Mateo, CA – October 22, 2007** – United American Bank (OTCBB: UABK), today reported total assets of \$242.1 million at the close of the third quarter, September 30, 2007. The increase in total assets represents growth of \$58.8 million or 32.1 percent over the comparable period in 2006. The increase reflects continued aggressive moves toward growth announced John C. Schrup, President and CEO.

Pre-tax income for the third quarter decreased 15.6 percent to \$560,000. Net income declined to \$339,000 from \$679,000 for the same period of the prior year due to a decline in loan referral fees and an increase in income tax expense. The Bank began to pay both federal and state income taxes in fiscal 2007. The Bank recognized income tax expense of \$221,000 for the third quarter ended 2007 as compared to the tax benefit of \$15,000 recognized in the same quarter of 2006.

The Bank reported total deposits of \$212.4 million as of September 30, 2007, compared to \$155.2 million, an increase of 36.9 percent reported for the same period of the prior year.

Net loans grew to \$196.5 million for the third quarter, compared to \$146.9 million, representing an increase of 33.7 percent over for the same period the prior year.

“We are moving in the right direction, despite the decrease in third quarter earnings,” noted Schrup. “Expansion costs, the onset of income tax expenses in 2007, an increase in our loan

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reserve to keep pace with our loan growth, and an absence of referral fees during the quarter were primarily responsible for the decline”.

The Bank is expanding its presence on the Mid-Peninsula with the opening of its fourth office in Redwood City. During the third quarter, the bank hired Frank Bartaldo, the former President and CEO of Bay Area Bank (Mid-Peninsula Bank) and Glen Nissen, former Chief Credit Officer for Mid-Peninsula Bank. Glen Nissen will manage the new Redwood City office when it opens in late October.

#### **About United American Bank**

United American Bank is a full-service commercial bank headquartered in San Mateo, California. Rated a Five Star banking institution by Bauer Financial, Inc., and a Premier Performing Bank by The Findley Reports, the Bank is dedicated to providing superior banking and financial services for those who prefer a high level of personalized client service. For more information, visit United American Bank at [www.unitedamericanbank.com](http://www.unitedamericanbank.com) or call 650-579-1500.

#### **Safe Harbor**

Certain matters discussed in this press release constitute forward looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward looking statements relate to the Bank’s current expectations regarding future operating results and the growth in loans, deposits, and assets. These forward looking statements are subject to certain risks and uncertainties that could cause the actual results, or performance to differ materially from those expressed, suggested or implied by the forward looking statements.

These risks and uncertainties include, but are not limited to: (1) the impact on the Bank’s performance from changes in interest rates, local and national economic conditions, and the number of financial services providers, (2) the Banks ability to continue the current rate of growth, (3) the Banks ability to increase net interest income (4) the quality of the loan portfolio and (5) changes in government regulations.