



**For Immediate Release**

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**United American Bank reports financial results  
for the Fourth Quarter 2007;  
Total Assets Increase 21% over Prior Year**

**San Mateo, CA – January 18, 2007.** United American Bank (OTCBB: UABK), reported total assets of \$254.9 million at December 31, 2007 as compared to \$210.9 million at December 31, 2006. The increase in total assets represents growth of \$44.0 million, or 20.9 percent over the same date a year ago. Total assets increased by \$12.9 million, or 5.3 percent for the fourth quarter of 2007.

The Bank reported total deposits of \$224.8 million as of December 31, 2007, compared to total deposits of \$181.7 million and \$212.4 million at December 31, 2006, and September 30, 2007, respectively. The increase in deposits represents growth of \$43.1 million, or 23.7 percent relative to the end of the prior year and \$12.4 million or 5.8% as compared to September 30, 2007.

“We are pleased with the growth of deposits in our office network in the midst of the current economic slowdown,” noted John Schrup, President and Chief Executive Officer of United American Bank. “We have purposely avoided the residential lending arena and the Bank has no “sub-prime” or “ALT-A” high risk mortgages in our loan portfolio. Rather, we have chosen to focus on retaining experienced bankers in opportune markets that can provide quality service to customers.” United American Bank opened its fourth office in Redwood City at the end of October 2007 to complement the two regional full service branch offices opened in Sunnyvale and Half Moon Bay in 2006.

The Bank reported total loans outstanding at December 31, 2007 of \$205.3 million, as compared to \$165.1 million reported at the end of the prior year. Loans outstanding represent an increase of \$40.2 million or 24.3 percent compared to loans outstanding as of December 31, 2006.

Net income for the fiscal year ended December 31, 2007 was \$1.3 million as compared to \$2.2 million for the prior year. The carry forward income tax benefits that resulted from the operating losses accumulated in the early years of operations were completely used during fiscal 2006, and therefore the Bank began to pay both federal and state income taxes in fiscal 2007. The Bank

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recognized income tax expense of \$822,000 for the fiscal year 2007 as compared to the tax benefit of \$143,000 that was recognized in the prior year.

<b>BALANCE SHEET</b> (dollars in thousands)	Quarter		Change		Quarter		Change	
	Ending 12/31/2007	Ending 12/31/2006	\$	%	Ending 9/30/2007	\$	%	
Total Assets	\$ 254,965	\$ 210,940	\$ 44,025	20.9%	\$ 242,147	\$ 12,818	5.3%	
Total Loans	205,276	165,123	40,153	24.3%	196,489	8,787	4.5%	
Total Deposits	224,856	181,707	43,149	23.7%	212,435	12,421	5.8%	
Allowance for Loan Losses	2,750	1,950	800	41.0%	2,525	225	8.9%	
Shareholders' Equity	23,705	21,891	1,814	8.3%	23,282	423	1.8%	
<b>Quarter Average</b>								
Total Assets	256,317	193,916	62,401	32.2%	232,325	\$ 23,992	10.3%	
Total Loans	200,931	152,188	48,743	32.0%	189,060	11,871	6.3%	
Total Deposits	226,118	165,202	60,916	36.9%	202,783	23,335	11.5%	
Shareholders' Equity	23,689	21,557	2,132	9.9%	23,328	361	1.5%	

#### OPERATIONS QUARTER TO DATE

Interest Income	\$ 5,145,542	\$ 4,184,565	\$ 960,977	23.0%	\$ 5,105,084	\$ 40,458	0.8%
Interest Expense	2,190,336	1,698,180	492,156	29.0%	2,157,045	33,291	1.5%
Net Interest Income	2,955,206	2,486,385	468,821	18.9%	2,948,039	7,167	0.2%
Provision for loan losses	225,000	175,000	50,000	28.6%	200,000	25,000	12.5%
Noninterest Income	72,085	18,882	53,203	281.8%	22,961	49,124	213.9%
Noninterest Expense	2,389,934	1,791,078	598,856	33.4%	2,210,825	179,109	8.1%
Income Tax Expense (Benefit)	158,000	(99,093)	257,093		221,000	(63,000)	
Net Income	\$ 254,357	\$ 638,282	(383,925)	-60.1%	\$ 339,175	(84,818)	-25.0%

#### RATIOS:

Net Interest Margin	4.69%	5.20%	5.20%
Efficiency Ratio	86%	78%	81%
ALLL/Gross Loans	1.34%	1.18%	1.29%
NPA/Gross Loans	-	-	-
Average Capital/Average Assets	9%	11%	11%

#### OPERATIONS YEAR TO DATE

Interest Income	\$ 19,630,676	\$ 14,023,001	\$ 5,607,675	40.0%
Interest Expense	8,344,155	5,153,001	3,191,154	61.9%
Net Interest Income	11,286,521	8,870,000	2,416,521	27.2%
Provision for loan losses	800,000	675,000	125,000	18.5%
Noninterest Income	157,441	284,271	(126,830)	-44.6%
Noninterest Expense	8,532,975	6,434,738	2,098,237	32.6%
Income Tax Expense (Benefit)	822,000	(142,600)	964,600	
Net Income	\$ 1,288,987	\$ 2,187,133	(898,146)	-41.1%

### 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 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 on the web 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.

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