



For Immediate Release

United American Bank Reports Rising Profits in Third Quarter of 2005

Deposits Reach \$100 Million Mark

San Mateo, CA – October 25, 2005 – United American Bank (OTCBB: UABK), San Mateo County’s new standard in community banking, reported financial results for the 3rd quarter of 2005 that showed a sharp rise in net profits along with more than \$100 million in total deposits.

John Schrup, President and Chief Executive Officer of United American Bank, attributes the Bank’s healthy profit report to the increase in earning assets made possible by the growth in deposits and the ability to support the Bank’s expanding operations with working capital realized from a recent stock offering.

“United American Bank is growing,” said Schrup. “And I am pleased to see that it is happening in all our key areas of operation – assets, deposits, loans, working capital, and net profits.”

Margaret Taylor, Chairman of the Board of Directors of United American Bank, is pleased that the Bank is able to show continued and increasing profitability while pursuing a strategy of business growth.

“Our investors have been able to see that their confidence in the sound management policies practiced at United American Bank are paying off - both in terms of business growth and shareholder value,” Taylor said.

As of September 30, 2005, United American Bank reported total assets of \$120.8 million, compared with \$90.3 million at the beginning of the year and \$76.7 million on September 30, 2004, showing 33.7% growth for the first nine months of 2005 and 57.5% growth over the same date one year ago.

Total deposits were \$101.0 million on September 30, 2005, compared with \$78.5 million reported on December 31, 2004 and \$63.9 million on September 30, 2004, reflecting a 28.7% growth for the year to date in 2005 and a 58.1% growth over the previous year.

The Bank reported total loans outstanding on September 30, 2005 of \$92.6 million, an increase of \$38.1 million, or 69.9%, over the \$54.5 million reported on September 30, 2004 and an increase of 46.4% over the \$63.3 million reported at the beginning of 2005.

Net interest income of \$1,447,000 for the quarter ended September 30, 2005 represented an increase of \$762,000, or 111.4%, over the same quarter one year earlier while noninterest expenses of \$1,163,000 rose only 37.8% from the \$844,000 reported for the same quarter of the prior year.

For the quarter ended September 30, 2005, United American Bank reported an operating profit of \$152,708, compared with net profits of \$34,674 for the second quarter of 2005 and \$1,583 for the quarter ending March 31, 2005.

About United American Bank

United American Bank is San Mateo's only full-service community bank. The Bank is dedicated to providing quality banking and financial services to businesses, professionals and individuals who prefer a high level of personalized client service and management. For more information, visit United American Bank on the web at 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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United American Bank

Selected Financial Data

September 30, 2005

BALANCE SHEET	Quarter	Year		Quarter			
<i>(Dollars in Thousands)</i>	Ending	Ending	Change		Ending	Change	
End of Period	9/30/05	12/31/04	\$	%	9/30/04	\$	%
Total Assets	\$120,762	\$90,336	\$30,426	33.7%	\$76,660	\$44,102	57.5%
Total Loans	92,621	63,285	29,336	46.4%	54,522	38,099	69.9%
Total Deposits	101,002	78,502	22,500	28.7%	63,875	37,127	58.1%
Allowance for Loan Losses	1,175	800	375	46.9%	675	500	74.1%
Shareholders' Equity	19,020	11,561	7,459	64.5%	11,614	7,406	63.8%
 <u>Average</u>							
Total Assets	116,235				70,430	45,805	65.0%
Total Loans	87,622				49,709	37,913	76.3%
Total Deposits	96,661				58,497	38,164	65.2%
Shareholders' Equity	19,047				11,738	7,309	62.3%
 OPERATIONS (Quarter to Date)							
Interest Income	2,032,405				885,849	1,146,556	129.4%
Interest Expense	<u>585,292</u>				<u>201,227</u>	<u>384,065</u>	190.9%
Net Interest Income	1,447,113				684,662	762,491	111.4%
Provision for loan losses	155,000				90,000	65,000	72.2%
Noninterest Income	23,125				42,490	(19,365)	-45.6%
Noninterest Expense	<u>1,162,530</u>				<u>843,852</u>	<u>318,678</u>	37.8%
Net Gain (Loss)	<u>152,708</u>				<u>(206,740)</u>	<u>359,448</u>	173.9%
 RATIOS							
Net Interest Margin	5.14%				4.03%		
Efficiency Ratio	90%				128%		
ALLL/Gross Loans	1.27%				1.24%		
NPA/Gross Loans	0				0		
Average Capital/Average Assets	16%				17%		