



For Immediate Release

For information contact:

John C Schrup, President and CEO jschrup@unitedamericanbank.com 650.579.1502

Gerald Brown, EVP & CFO gbrown@unitedamericanbank.com 650.579.1560

**United American Bank reports financial results
for the Third Quarter 2008;
Assets increase 21% from prior year--
“No high risk mortgage loan or investments on our books”**

San Mateo, CA – October, 2008 – United American Bank (OTCBB: UABK), reported total assets of \$292.2 million at September 30, 2008 as compared to \$242.1 million at September 30, 2007. The increase in total assets represents growth of \$50.0 million, or 20.7 percent over the same date a year ago. Total assets increased by \$17.2 million, or 6.3 percent from the second quarter of 2008.

“We are pleased with the growth of total assets 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 developed a good network of branches and I am happy to report that we have been doing a good job of retaining virtually all of our deposits, which evidences the strong relationships we have with our clients.” United American Bank opened its fourth office in Redwood City at the end of October 2007 to complement the two full service regional offices opened in Sunnyvale and Half Moon Bay in 2006

The Bank reported total deposits of \$252.5 million as of September 30, 2008, compared to total deposits of \$212.4 million and \$239.9 million at September, 30, 2007, and June 30, 2008, respectively. The increase in deposits represents growth of \$40.1 million, or 18.9 percent relative to total deposits as of September 30, 2007.

The Bank reported total loans outstanding at September 30, 2008 of \$258.8 million, as compared to \$196.5 million reported at the end of the third quarter of the prior year. Loans outstanding represent an increase of \$62.3 million or 31.7 percent compared to loans outstanding as of September 30, 2007.

To support this growth, the Bank recently completed a third stock offering initiative which raised \$5.3 million in additional capital. The capital resulted from the sale of 334,540 shares of common stock at an offering price of \$16.00 per share which commenced and closed during the second quarter of 2008.

The Bank reported a net profit for the third quarter of \$41,000 as compared to income of \$339,000 reported for the third quarter of the prior year. Mr. Schrup commented that “Our earnings have been impacted by the dramatic and rapid decline in the interest rate environment, and a handful of problem loans which amount to approximately 4 percent of total assets. As a consequence, we have added to our reserve for loan loss so as to be adequately reserved for any potential loan losses. However, we believe our balance sheet to be solid and that our earnings will improve once a stable economy returns” said Mr. Schrup.

About United American Bank

United American Bank is San Mateo County’s newest full-service commercial 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.