



For Immediate Release

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**United American Bank reports financial results
for the Second Quarter 2008;
Assets increase 22% from prior year--
Bank completes third stock offering
“No high risk mortgage loan or investments on our books”**

San Mateo, CA – July 16, 2008 – United American Bank (OTCBB: UABK), reported total assets of \$274.9 million at June 30, 2008 as compared to \$224.8 million at June 30, 2007. The increase in total assets represents growth of \$50.1 million, or 22.3 percent over the same date a year ago. Total assets increased by \$17.7 million, or 6.9 percent from the first 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 purposefully avoided high risk mortgage loans, and accordingly, we have no mortgage loans or mortgage-backed investments on our books. 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.

To support this growth, the Bank announced the successful completion of 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. The offering commenced and closed during the second quarter of 2008.

The Bank reported total deposits of \$239.9 million as of June 30, 2008, compared to total deposits of \$195.8 million and \$226.5 million at June 30, 2007, and March 31, 2008, respectively. The increase in deposits represents growth of \$44.1 million, or 22.5 percent relative to total deposits as of June 30, 2007.

The Bank reported total loans outstanding at June 30, 2008 of \$236.2 million, as compared to \$185.7 million reported at the end of the second quarter of the prior year. Loans outstanding represent an increase of \$50.6 million or 27.2 percent compared to loans outstanding as of June 30, 2007.

The Bank reported a net loss for the second quarter of \$169,000 as compared to income of \$349,000 reported for the second quarter of the prior year. As previously reported, the Bank increased its loan loss provision by \$500,000 during the second quarter in connection with two loans totaling \$2.3 million that were made to an individual who has sought bankruptcy protection. The loans are partially collateralized and the Bank is monitoring the bankruptcy proceedings and the value of the collateral to determine if further adjustments to its reserve are appropriate.

Mr. Schrup commented that “Our earnings have been impacted by the dramatic and rapid decline in the interest rate environment and the two aforementioned loans; 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.