



PRESS RELEASE

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Pinnacle Bank Announces Q1 2008 Results

Gilroy, CA – April 29, 2008 - Pinnacle Bank, headquartered in Gilroy, California, announced today its unaudited results for the quarter ended March 31, 2008. As of March 31, 2008 total assets increased to \$82.6 million, a 59% increase over the \$51.9 million at March 31, 2007. The March 31, 2008 total assets represent a 14% increase over the \$72.3 million in total assets at December 31, 2007.

Loans were \$67.3 million at March 31, 2008 compared to \$29.5 million one year earlier, an increase of 128%. Loans grew \$9.6 million from the December 31, 2007 balance of \$57.7 million, a 16.6% increase in the quarter.

Deposits at March 31, 2008 grew to \$59.7 million, a 119.5% increase over \$27.2 million at March 31, 2007. During the first quarter of 2008, deposits increased by \$11.0 million, or 22.6%, from \$48.7 million at December 31, 2007.

“Many challenges have already confronted the banking industry in 2008, so we are pleased by our first quarter progress. Pinnacle Bank, unlike international banks and investment banks, does not own mortgage-backed securities such as the sub-prime mortgages that have seen large declines in value nor do we make mortgage loans. We are steadfast in our commitment to building a bank that provides value to our shareholders by uniquely responding to our communities banking needs within the framework of soundness, safety and controlled growth. The on-going support of our organizers, shareholders and clients is a key factor in our success. As a community bank, we contribute to our local economy by reinvesting dollars on deposit back into our communities through loans to businesses, individuals and community organizations,” said Susan K. Black, President & CEO. Ms. Black added, “With our strong capital base, seasoned employees and full array of banking products, we are well positioned to extend our growth into the coming year and to be the community bank of choice in our market. ”

About Pinnacle Bank

Pinnacle Bank is a full-service community business bank dedicated to providing quality depository and credit services in Santa Clara, San Benito, and Monterey counties. The bank focuses on commercial banking services for small to medium-sized businesses, offering a variety of products and services that combine the best of personal touch with convenient technology-based client service. Pinnacle Bank has locations in Morgan Hill, Gilroy and Salinas. For more information, visit www.pinnaclebankonline.com.

Media Contact:

Pinnacle Bank

Susan K. Black, President & CEO

408-762-7140