



PRESS RELEASE  
 FOR IMMEDIATE RELEASE: October 26, 2007

**Pinnacle Bank Continues Growth**

Gilroy, CA – October 26, 2007 - Pinnacle Bank, with offices in Gilroy and Morgan Hill, today announced its unaudited results for the third quarter of 2007.

“We are excited by our third quarter progress. We remain focused on serving small businesses in Santa Clara, San Benito, Monterey counties, and surrounding regions. The support of our organizers, shareholders and customers continues to be a key factor in our success,” said David J. Funkhouser, President & CEO.

|          | September 30, 2007<br>(Unaudited) | December 31, 2006 | Change |
|----------|-----------------------------------|-------------------|--------|
| Assets   | \$68.0 million                    | \$48.0 million    | 41.7%  |
| Loans    | \$43.7 million                    | \$20.3 million    | 115.3% |
| Deposits | \$43.9 million                    | \$22.8 million    | 92.5%  |

|          | September 30, 2007<br>(Unaudited) | June 30, 2007<br>(Unaudited) | Change |
|----------|-----------------------------------|------------------------------|--------|
| Assets   | \$68.0 million                    | \$58.2 million               | 16.8%  |
| Loans    | \$43.7 million                    | \$38.8 million               | 12.6%  |
| Deposits | \$43.9 million                    | \$33.9 million               | 29.5%  |

Pinnacle Bank opened in Morgan Hill on July 17, 2006 and our Gilroy office opened on January 29, 2007. A new branch in Salinas will open in the fourth quarter of this year.

**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 and Gilroy. For more information, visit [www.pinnaclebankonline.com](http://www.pinnaclebankonline.com).

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