



Press Release

Source: Atlantic Pacific Bank

For Immediate Release

**Atlantic Pacific Bank Reports 30% Increase in Loans and 41% Increase in Deposits
During the Quarter – and Third Quarter 2007 Financial Results**

October 29, 2007

SANTA ROSA, Calif.--(BUSINESS WIRE) – Atlantic Pacific Bank (OTCBB: [APFB](#) - [News](#)) (“Bank”) today announced unaudited financial results for the third quarter ended September 30, 2007. Total loans, net of reserves, grew to \$30,752,000 at September 30, 2007 which represents an increase of 30% over the second quarter ending June 30, 2007. At September 30, 2007, the Bank’s assets totaled \$38,243,000 and deposits totaled \$12,298,000 representing increases totaling 10% and 41% for the quarter, respectively. For the third quarter of 2007, the Bank reported a net loss of \$225,000, and year to date loss of \$948,000.

"We continue to be successful in attracting business relationships," said Charles O. Hall, President and Chief Executive Officer of Atlantic Pacific Bank. "With the increases in loans and deposits, we continue to see improvement in our bottom line." The Bank did experience a reduction in the quarterly loss which improved from a loss of \$378,000 during the second quarter of 2007 to a loss of \$225,000 during the third quarter of 2007. Mr. Hall continued stating, “the Bank has generated positive cash flow each month during the third quarter which is a key milestone towards our continued growth and success.”

Continuing with the implementation of the Bank’s business development efforts, Mr. Hall also acknowledged the recent hiring of Ms. Pede Lawson as Vice President – Business Development, which was effective October 9, 2007. Mr. Hall reported that “Pedy’s former banking experience combined with the experience she gained while working at the Santa Rosa Chamber of Commerce has allowed her to gain a great understanding of the business environment and financial service needs of those companies and professionals doing business here in Sonoma County.”

Atlantic Pacific Bank is the newest independent business bank headquartered in Sonoma County. The Bank is focused on meeting the specialized needs of small to medium-sized businesses and professionals. In addition to providing businesses with flexible financing solutions, the Bank provides business customers online cash management services and the ability to make deposits from the convenience of their own office using the *DeskTeller* remote deposit product. Atlantic Pacific Bank also provides a full range of deposit accounts, and will reimburse customer fees from use at any ATM worldwide.

Atlantic Pacific Bank is located at 3725 Westwind Blvd., Suite 100, Santa Rosa, California and is near the Charles M. Schultz – Sonoma County Airport. For additional information, please contact us at (707) 236-1500 or online at www.apbconnect.com.

Atlantic Pacific

B A N K

The following is a summary of key balance sheet and income statement metrics (unaudited) at the end of the second and third quarters of 2007:

<i>(Dollars in thousands)</i>	6.30.2007	9.30.2007	Net Change	% Change
Net Loans	\$ 23,667	\$ 30,752	\$ 7,085	30%
Total Deposits	8,751	12,298	3,547	41%
Total Assets	34,788	38,243	3,454	10%
Shareholder's Equity	25,441	25,296	(146)	(1%)

<i>(Dollars in thousands)</i>	Quarter Ended		Nine Month
	6.30.2007	9.30.2007	Period Ended 9.30.2007
Interest Income	\$ 521	\$ 652	\$ 1,608
Interest Expense	48	76	154
Net Interest Income	473	576	1,454
Provision for Loan Losses	179	108	383
Noninterest Income	1	1	3
Noninterest Expense	673	694	2,021
Provision for Income Taxes	--	--	1
Net Loss	(378)	(225)	(948)

<i>(Dollars in thousands)</i>	July 10, 2006 (1) to December 31, 2006 (audited)	January 1, 2007 to September 30, 2007
Interest Income	\$ 715	\$ 1,608
Interest Expense	17	154
Net Interest Income	698	1,454
Provision for Loan Losses	73	383
Noninterest Income	1	3
Noninterest Expense	1,503	2,021
Provision for Income Taxes	--	1
Net Loss	(877)	(948)

(1) Date operations commenced

This press release includes forward-looking statements that involve inherent risks and uncertainties. Atlantic Pacific Bank cautions readers that a number of important factors could cause actual results to differ materially from those in the forward-looking statements. These factors include economic conditions and competition in the geographic and business areas in which Atlantic Pacific Bank operates, inflation, fluctuations in interest rates, legislation and governmental regulation and other factors beyond Atlantic Pacific Bank's control. We make no promise to update any forward-looking statement, whether as a result of changes in underlying factors, new information, future events or otherwise.