

CALIFORNIA REPUBLIC BANK

Comparative Balance Sheets and Income Statements

Dollars in Thousands

	December 31, 2008 ①	June 30, 2009 Unaudited
Balance Sheet - At Period End		
Cash and Due From Banks	\$1,669	\$334
Due From Banks - Interest Bearing	35,706	72,382
Federal Funds Sold	46,660	0
Investment Securities - Held to Maturity	7,406	0
Loans	75,654	112,864
Allowance for Loan and Lease Losses	(950)	(1,690)
Premises and Fixed Assets	1,124	1,083
Other Assets	882	1,079
Total Assets	168,151	186,052
Non-interest-bearing deposits	24,034	36,283
Interest-bearing deposits	95,037	102,554
Other Liabilities	278	325
Shareholders' Equity	48,802	46,890
Total Liabilities & Equity	\$168,151	\$186,052
Income Statement		
Interest Income	\$3,885	\$2,580
Interest Expense	1,158	747
Net Interest Income	2,727	1,833
Provision for Loan and Lease Loss	950	740
Net Interest Income After Provision	1,777	1,093
Non-Interest Income	33	49
Non-Interest Expense	4,680	3,311
Net Loss	(\$2,870)	(\$2,169)

① Extracted from Audited Financial Statements.

CALIFORNIA REPUBLIC BANK

Statement of Cash Flows For the Year Ending December 31, 2008 and the Quarter June 30, 2009

Dollars in Thousands

	December 31, 2008 ①	June 30, 2009 Unaudited
Cash Flows from Operating Activities		
Net Earnings (Loss)	(\$2,870)	(\$2,169)
Adjustments to Reconcile Net Earnings to Net Cash Provided by Operating Activities		
Depreciation and Amortization	159	116
Provision for Loan Losses	950	740
Stock Based Compensation	553	256
Other Items	(541)	(103)
Net Cash Used by Operating Activities	(1,749)	(1,160)
Cash Flows from Investing Activities		
(Increase) Decrease in Interest-Bearing Deposits	(35,706)	(36,676)
(Purchase) Sale/Maturity of Held-to-Maturity Securities	(7,410)	7,360
Net Increase in Loans	(75,654)	(37,210)
Purchase of Equipment and Leasehold Improvements	(686)	(75)
Net Cash Used in Investing Activities	(119,456)	(66,601)
Cash Flows from Financing Activities		
Net Increase (Decrease) in:		
Demand Deposits	103,937	12,249
Time Deposits	1,115	7,517
Proceeds from Issuance of Common Stock	-	-
Costs of Initial Capitalization	-	-
Organizational Expenses, Net of Interest Earned	-	-
Net Cash Provided by Financing Activities	105,052	19,766
Cash and Cash Equivalents Beginning of Period	64,482	48,329
Cash and Cash Equivalents, End of Period	\$48,329	\$334