



SAN DIEGO TRUST BANK ANNOUNCES RECORD QUARTERLY RESULTS

- **Quarterly and Year-to-Date Earnings Increase 61% on Solid Growth in Assets**
- **Bank Reports Record 31st Consecutive Quarterly Profit**
- **Asset Quality Remains Exceptional with Zero Past Due or Non-Accrual Loans**
- **Bank Designated as “One of the Best Places to Work” in San Diego County**

SAN DIEGO’s **San Diego Trust Bank** (OTC: SDBK) one of the most consistently profitable banks in the State, reported its 31st consecutive quarterly profit with year-to-date earnings up 61% from the comparable period of a year ago. Net earnings after-tax for the six months ending 6/30/12 totaled \$916 thousand compared to \$569 thousand for the same period last year. Net Income for the second quarter of 2012 totaled \$432 thousand compared to \$267 thousand for the same period last year. The Bank’s ability to report such strong earnings resulted from an increase in earning assets coupled with a decrease in operating expenses compared to the previous year.

Total Assets reached \$216.6 million as of 6/30/12 compared to \$201.9 million as of 6/30/11, representing a 7.3% increase from the prior year’s figures, as more and more San Diegan’s sought to align themselves with one of the most well-capitalized and consistently profitable banks in all of California. Total Deposits increased 5% from a year ago and stood at \$180.5 million as of 6/30/12, compared to \$171.4 million as of 6/30/11. Core deposits (non-interest bearing DDA and MM accounts) represented 97% of all deposits as of 6/30/12. The Bank has never held any öbrokeredö deposits.

“We are delighted to once again report such strong results to our loyal shareholders, despite the great amount of uncertainty that continues to loom over the economy,” commented Michael Perry, Chairman, President and CEO. “The tremendous efforts of our entire team combined with our proven ability to adapt to ever-changing market conditions, has enabled our organization to continue to prosper in spite of the lackluster economic environment,” added Perry. “Our consistent profitability, exceptionally strong capital position, and substantial liquidity allows us to meet the needs of our clients while also increasing valuable market share as other community banks continue to merge out of existence,” concluded Perry.

The Bank’s consistently strong performance has not gone unnoticed. Earlier in the year, *The Findley Reports*, one of the most respected and well known bank research and rating firms, designated San Diego Trust Bank a “Premier Performing Bank” based on its analysis of 2011 financial results. This rating places San Diego Trust amongst the very best in its industry relative to “safety, strength, and performance” according to Findley. This past month, San Diego Trust Bank was recognized as one of the “Best Small Company’s” to work for in San Diego County by the *San Diego Business Journal*. This is the second year in a row that the Bank has been recognized by the Business Journal. **And for the 24th consecutive quarter, San Diego Trust Bank was designated as a “Five-Star” institution by Bauer Financial - a feat unmatched by any other Bank in San Diego County.**



Asset quality at the Bank remains exceptional with zero past due or non-accrual loans reported as of June 30, 2012. Liquidity, defined as cash, due from banks, and investment securities, was a record \$173.9 million as of 6/30/12.

As of June 30, 2012 the Bank's Total Risk Based Capital ratio of 27.22% was among the highest in the nation for banks of similar size, and more than twice the amount needed to be considered well-capitalized by regulatory definition. San Diego Trust Bank has never applied for any tax-payer funded government assistance.

The Bank's actual capital ratios as of June 30, 2012 are summarized as follows:

	<u>Well-Capitalized Standards</u>	<u>San Diego Trust Bank</u>
Tier 1 Leverage Ratio	5.00%	9.24%
Tier 1 Risk-Based Capital Ratio	6.00%	25.96%
Total Risk-Based Capital Ratio	10.00%	27.22%

Founded by several of San Diego's most respected banking veterans and business leaders, San Diego Trust Bank is dedicated to the timeless principles of superior local market knowledge, unparalleled service, and building exceptional shareholder value. With over four hundred years of experience in banking San Diegans, timely local decision making, and one of the most comprehensive product lines found in the market today, San Diego Trust Bank delivers *"Performance You Can Trust"*.

San Diego Trust Bank common stock is traded on the Over-the-Counter Exchange under the symbol SDBK. For information on the company's stock please contact our primary market maker, Mr. Richard Levenson, President of Western Financial Corporation at (619) 544-0260.

For more information on the Bank please visit www.sandiegotrust.com or call (619) 525-1700.

For bank rating information please refer to www.bauerfinancial.com

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FORWARD LOOKING STATEMENTS

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