

## **FOR IMMEDIATE RELEASE**

### **American Riviera Bank Reports First Quarter Profit**

**Santa Barbara, California (April 20, 2010)** – American Riviera Bank (OTC BB: ARBV.OB) announced today that the Bank reported unaudited net income of \$228,000 for the quarter ending March 31, 2010, while reducing non-accrual loans by 45% from December 31, 2009.

Jeff DeVine, President and Chief Executive Officer stated, “With the highest capital ratio of any bank in Santa Barbara, we will be here for a long time to serve the loan and deposit needs of our community. We continue to see a flight to safety as evidenced in the growth of our deposits. Our strong net interest margin will serve to further strengthen our Bank today and into the future.”

The Bank’s deposits reached \$108 million at March 31, 2010, a 2.6% increase from December 31, 2009. Although loan balances declined to \$100 million at March 31, 2010 from \$106 million at December 31, 2009, the Bank continues to generate new loans and originated almost \$3 million in new loans during the first three months of 2010. The Bank’s net interest margin continues to increase, reaching 4.46% for the quarter ended March 31, 2010, up from 4.35% for the quarter ended December 31, 2009.

During the first quarter of 2010, the Bank made significant improvements in loan quality, reducing total non-accrual loans to \$4.7 million, a 45% reduction compared to December 31, 2009. The Bank recorded \$53,000 in loan loss provision for the quarter, net of \$187,000 in recoveries. Despite these improvements in the loan portfolio, the Bank continues to maintain a strong 2.82% loan loss allowance as a percentage of loans. Due to our heightened awareness of economic factors, 66% of the \$2.8 million reserve is general and unrelated to specific loans. All carrying values for non-accrual loans and other real estate owned are supported by recent appraisals and impairment, if any, has already been charged-off in conformity with the Bank’s accounting policies.

The Bank’s unaudited net income for the quarter ended March 31, 2010 of \$228,000 includes \$53,000 in provision for loan losses and a \$70,000 reduction in the fair value of other real estate owned. The Bank continues to maintain a strong capital position with Tier 1 capital to total assets of over 13% as of March 31, 2010, well above the regulatory guideline of 5% for well capitalized institutions.

#### Company Profile

American Riviera Bank is a full service community bank, focused on serving the lending and deposit needs of businesses and consumers in our community. The Bank was founded in 2006 by over 400 local shareholders and has one branch located at 1033 Anacapa Street in downtown Santa Barbara.

American Riviera Bank  
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