

## FOR IMMEDIATE RELEASE

### American Riviera Bank Reports Over \$1 Million in Profit

**Santa Barbara, California (January 20, 2011)** – American Riviera Bank (OTC BB: ARBV.OB) announced today unaudited net income of \$1,024,000 for the year ended December 31, 2010.

*Jeff DeVine, President and Chief Executive Officer stated, “2010 was a significant year for the Bank. We had substantial growth in our relationship customer base; while achieving profitability despite a challenging banking environment. We are pleased to share this news with our shareholders and our community.”*

The Bank’s net interest margin was 4.75% for the year ended December 31, 2010, up from 3.97% for the same period last year, and benefitted from an increased core deposit mix. In 2010, the number of core deposit accounts increased 18% and the dollar amount of core deposits increased 11% to \$95 million; a figure which represented 87% of total deposits as of December 31, 2010. Non-interest bearing demand deposits have grown a notable 57% since December 31, 2009.

Average loan balances for the year ended December 31, 2010 increased 5% to \$103 million from the same period last year. However, due to normal loan payment amortization and targeted construction loan payoffs in conjunction with limited new loan demand from qualified borrowers; loan balances outstanding at December 31, 2010 were \$94 million. American Riviera Bank had a 3.37% and 2.43% allowance for loan losses as a percentage of total loans at December 31, 2010 and 2009, respectively. Management and the Board of Directors believes the allowance for loan losses is adequate at December 31, 2010. The Bank recorded \$648,000 in loan loss provision and \$54,000 in net loan charge-offs for the year ended December 31, 2010 compared to \$2.7 million and \$1.2 million for the year ended December 31, 2009, respectively. Continued improvements in loan quality have resulted in a 57% reduction in non-performing loans and real estate owned since December 31, 2009. As of December 31, 2010, the Bank was not carrying any real estate owned.

The Bank has \$140 million in total assets and maintains a strong capital position with Tier 1 Capital to total assets exceeding 13% as of December 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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