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PROMERICA BANK Third Quarter Results Reflect Strong Capitalization and Strong Management Team

Appointment of Interim CEO and new Chief Credit Officer

Los Angeles, CA.--PROMERICA BANK (OTCBB: PMRA) today reported results for its 2008 third quarter of operations that were highlighted by growth of total assets to \$72 million, growth of the loan portfolio to \$55 million and an increase in deposits to \$49 million. The Bank also announced the appointment of Scott A. Montgomery to the position of Interim President and CEO and Stephen Rolfe to the position of Chief Credit Officer. On November 7, 2008 the bank will celebrate its second full year of operation.

Highlights of the third quarter and nine months ended September 30, 2008 include:

- Capital ratios in excess of all minimums required to be "Well Capitalized" by regulatory agencies, with a Tier 1 leverage ratio of 31% and a Total Risk-Based capital ratio of 39% at September 30, 2008. Regulatory "Well Capitalized" definitions are 5% for the Tier 1 leverage ratio and 10% for the Total Risk-Based capital ratio.
- Total Assets at September 30, 2008 increased to \$72 million, an increase of \$20 million or 39% from September 30, 2007. Assets were \$72 million at September 30, 2008 and June 30, 2008.
- Total Loans at September 30, 2008 increased to \$55 million, an increase of \$21 million or 64% over third quarter 2007, and a \$4 million or 7% increase over second quarter 2008.
- Total Deposits at September 30, 2008 increased to \$49 million, an increase of \$22 million or an 84% increase over third quarter 2007. Deposits were \$49 million at September 30, 2008 and June 30, 2008.
- Nine Month Net Loss of \$2,216,000 for 2008 versus a loss of \$2,878,000 for the comparable period of 2007. For the nine month period that represents a reduction of 23% or \$662,000 from 2007 to 2008 respectively.
- Third Quarter Net Loss of \$894,000 versus \$640,000 in the third quarter 2007 and \$660,000 in the second quarter of 2008. The third quarter loss included some termination costs related to the previous CEO which are non-recurring and an increase in provision for loan losses.
- No real estate owned, and no loans in foreclosure.
- No Fannie Mae or Freddie Mac preferred stock.

"We are pleased to announce that Scott A. Montgomery has joined the Bank as Interim Chief Executive Officer and President and that Stephen Rolfe has joined the Bank as Executive Vice President and Chief Credit Officer" commented Maria Contreras-Sweet, Chairwoman of PROMERICA BANK. Mr. Montgomery is a seasoned business banker and will help lead our team through the challenges of this economy. Mr. Montgomery has a track record of providing strong leadership and enhanced business development activities. He comes to Promerica with over 40 years of banking experience and over 25 years of experience as a CEO. Mr. Rolfe comes to the

Bank with over 30 years of banking and credit administration leadership,” stated Contreras-Sweet.

“In the midst of wide ranging instability in the banking industry, PROMÉRICA BANK continues to offer its clients safety and peace of mind knowing that their Bank has capital well in excess of regulatory requirements to be 'well capitalized', while maintaining strong liquidity and FDIC insurance to the maximum allowed by law,” stated Mr. Montgomery. “We believe our strength and stability offer security for our clients in these uncertain times.” He continued, “We are well positioned to continue to provide capital to the small to medium sized company market place. We are a part of the exciting redevelopment and expansion of the downtown Los Angeles market. Outside our front window we can see approximately \$1.4 billion in new projects under construction. Certainly challenges in the economy remain and will continue into 2009, but we believe the challenges will also provide opportunities for prudent lending and expansion of our banking franchise.

Net income for the 2008 third quarter was impacted by the addition of \$226,000 to loan loss reserves during the period. The provision for the 2008 third quarter was \$58,000 higher than for the same quarter in 2007. The Allowance for Loan and Lease Losses represents 1.39% of total loans. The third quarter of 2008 was also impacted by a severance expense of \$233,000.

PROMÉRICA BANK provides a full range of financial services, including credit and deposit products, cash management, and internet banking for businesses and high net worth individuals from its headquarters office at 888 S. Figueroa Street, Los Angeles, CA 90017. Information on products and services may be obtained by calling (213) 613-5000 or visiting the Bank’s website at www.PROMERICAbank.com.

NOTE:

This news release contains forward-looking statements about the Bank for which the Bank claims the protection of the safe harbor provisions contained in the Private Securities Litigation Reform Act of 1995.

Forward-looking statements are based on management's knowledge and belief as of today and include information concerning the Bank's possible or assumed future financial condition, and its results of operations, business and earnings outlook. These forward-looking statements are subject to risks and uncertainties. A number of factors, some of which are beyond the Bank's ability to control or predict, could cause future results to differ materially from those contemplated by such forward-looking statements. These factors include (1) changes in accounting policies or procedures as may be required by the Financial Accounting Standards Board or regulatory agencies, (2) changes in interest rates, (3) significant changes in banking laws or regulations, (4) increased competition in the Bank's markets, (5) other-than-expected credit losses due to real estate cycles or other economic events, (6) earthquake or other natural disasters affecting the condition of real estate collateral or the business environment. In addition, management cannot predict at this time the extent of the recent economic downturn, and a slowing or worsening could adversely affect our performance in a number of ways, including decreased demand for our products and services and increased credit losses. Likewise, changes in deposit interest rates, among other things, could slow the rate of growth or put pressure on current deposit levels. Forward-looking statements speak only as of the date they are made, and the Bank does not undertake to update forward-looking statements to reflect circumstances or events that occur after the date the statements are made.

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PROMÉRICA BANK BALANCE SHEETS
(Dollars in thousands)

	September 30, 2008	June 30, 2008	December 31, 2007	September 30, 2007
	Unaudited	Unaudited	Audited	Unaudited
Assets:				
Cash and Due From Banks	\$ 1,753	\$ 1,444	\$ 498	\$ 416
Federal Funds Sold	9,990	11,995	17,365	15,785
Int-Bearing Balances at Other Financial Institutions	3,698	5,675	0	0
Total Cash and Cash Equivalents	15,441	19,114	17,863	16,201
Loans Net of Deferred Loan Fees/Costs	54,998	51,336	37,282	33,592
Allowance for Loan Losses	762	603	476	359
Loans Net of Allowance for Loan Losses	54,236	50,733	36,806	33,233
Total Other Assets	2,016	2,068	2,066	2,057
Total Assets	\$ 71,693	\$ 71,915	\$ 56,735	\$ 51,491
Liabilities:				
Non-Interest-Bearing Demand Deposits	\$ 8,792	\$ 7,186	\$ 4,839	\$ 3,590
Interest-Bearing Demand Deposits (NOW Deposits)	2,960	3,555	2,569	601
Money Market Deposits	10,979	11,684	9,385	8,835
Savings Deposits	164	37	22	65
Certificates of Deposit	26,145	26,256	15,661	13,508
Total Interest-Bearing Deposits	40,248	41,532	27,637	23,009
Total Deposits	49,040	48,718	32,476	26,599
Accrued Interest Payable and Other Liabilities	791	552	512	452
Total Liabilities	49,831	49,270	32,988	27,051
Shareholders' Equity:				
Common Stock	27,245	27,245	27,245	27,245
Additional Paid in Capital	923	813	592	482
Accumulated Deficit	(6,306)	(5,413)	(4,090)	(3,287)
Total Shareholders' Equity	21,862	22,645	23,747	24,440
Total Liabilities and Shareholders' Equity	\$ 71,693	\$ 71,915	\$ 56,735	\$ 51,491

PROMÉRICA BANK STATEMENT OF OPERATIONS
for the Quarters Indicated
(Dollars in thousands except per share data)

	September 30, 2008	June 30, 2008	December 31, 2007	September 30, 2007
	Unaudited	Unaudited	Audited	Unaudited
Interest Income:				
Interest and Fees on Loans	\$ 972	\$ 912	\$ 793	\$ 514
Interest on Federal Funds Sold	56	95	168	224
Interest on Balances at Other Financial Institutions	26	19	0	0
Dividends on FHLB Stock	0	6	0	0
Total Interest Income	1,054	1,032	961	738
Interest Expense:				
Interest on Deposit Accounts	240	257	266	165
Net Interest Income	814	775	695	573
Provision for Loan Losses	226	130	117	168
Net Interest Income After Provision for Loan Losses	588	645	578	405
Non-Interest Income:				
Non-Interest Income	24	24	11	11
Non-Interest Expense:				
Salaries and Employee Benefits	896	683	701	490
Stock Based Compensation Expense	111	111	111	111
Occupancy Expense	232	216	273	201
Operating Expense	267	319	307	254
Total Non-Interest Expense	1,506	1,329	1,392	1,056
Net Loss from Bank Operations	(894)	(660)	(803)	(640)
Pre-tax Net Loss	(894)	(660)	(803)	(640)
Provision for Income Taxes	0	1	0	0
Net Loss	\$ (894)	\$ (661)	\$ (803)	\$ (640)
Loss per share - basic and diluted loss per share	\$ (0.33)	\$ (0.24)	\$ (0.29)	\$ (0.23)

PROMÉRICA BANK STATEMENT OF OPERATIONS
for the Nine-month Periods Indicated
(Dollars in thousands except per share data)

	September 30, 2008	September 30, 2007
	<u>Unaudited</u>	<u>Unaudited</u>
Interest Income:		
Interest and Fees on Loans	\$ 2,641	\$ 1,657
Interest on Federal Funds Sold	336	941
Interest on Balances at Other Financial Institutions	46	0
Dividends on FHLB Stock	6	0
Total Interest Income	<u>3,029</u>	<u>2,598</u>
Interest Expense:		
Interest on Deposit Accounts	<u>814</u>	<u>533</u>
Net Interest Income	2,215	2,065
Provision for Loan Losses	<u>402</u>	<u>445</u>
Net Interest Income After Provision for Loan Losses	1,813	1,620
Non-Interest Income:		
Non-Interest Income	69	47
Non-Interest Expense:		
Salaries and Employee Benefits	2,241	2,135
Stock Based Compensation Expense	331	440
Occupancy Expense	678	819
Operating Expense	846	1,151
Total Non-Interest Expense	<u>4,096</u>	<u>4,545</u>
Net Loss from Bank Operations	(2,214)	(2,878)
Pre-tax Net Loss	<u>(2,214)</u>	<u>(2,878)</u>
Provision for Income Taxes	2	0
Net Loss	<u>\$ (2,216)</u>	<u>\$ (2,878)</u>
Loss per share - basic and diluted loss per share	<u>\$ (0.81)</u>	<u>\$ (1.05)</u>