



July 31, 2007

**FOCUS BUSINESS BANK ANNOUNCES FINANCIAL RESULTS FOR THE  
QUARTER ENDED JUNE 30, 2007**

San Jose, CA. Focus Business Bank (OTCBB: FCSB) announced unaudited financial results for the quarter ended June 30, 2007, the Bank's second quarter since commencing operations on January 16, 2007. President and Chief Executive Officer Richard L. Conniff reported, "We are pleased with the Bank's progress to date. Although it is still very early in the life of the Bank, we believe that the growth in key balance sheet categories validates our opinion that the Santa Clara County market will support a business oriented bank with local ownership and local decision making." The following is a summary of certain key balance sheet items at the end of the first and second quarters of operations:

<u>Unaudited</u> (All dollar amounts in thousands)	As of			
	<u>March 31, 2007</u>	<u>June 30, 2007</u>	<u>Net Change</u>	<u>% Change</u>
Net Loans	\$ 835	\$ 11,251	\$ 10,416	1247.2%
Deposits	22,100	25,557	3,457	15.6%
Shareholders' Equity	26,403	26,115	(288)	-1.1%
Total Assets	48,681	51,872	3,191	6.6%

The Bank reported a loss of \$364,000 (\$0.13 per basic share) for the quarter ended June 30, 2007, compared to a loss of \$1,220,000 (\$0.44 per basic share) for the quarter ended March 31, 2007. Non-interest expense for the quarter ended March 31, 2007 included approximately \$765,000 in pre-opening expenses associated with the organization of the Bank prior to the commencement of operations. Stock based compensation related to the grant of stock options was \$156,000 for the quarter ended March 31, 2007 and \$78,000 for the quarter ended June 30, 2007.

Net interest income for the quarter ended June 30, 2007 was \$443,000, an increase of \$60,000 over the quarter ended March 31, 2007. The increase in net interest income was the result of growth in interest earning assets, primarily loans. The Bank also experienced a significant increase in non-interest income in the second quarter. Total non-interest income for the quarter ended June 30, 2007 was \$93,000, primarily attributable to the sale of the guaranteed portion of loans guaranteed by the Small Business Administration (SBA). These increases in revenue in the quarter ended June 30, 2007 were partially offset by a provision for loan losses of \$120,000 associated with the growth of loans in the second quarter. Summary income statements for the quarters ended March 31, 2007 and June 30, 2007 and the six-months ended June 30, 2007 are as follows:

<u>Unaudited</u> (All dollar amounts in thousands)	Quarter Ended		Six Months Ended
	<u>March 31, 2007</u>	<u>June 30, 2007</u>	<u>June 30, 2007</u>
Interest Income	\$ 432	\$ 665	\$ 1,097
Interest Expense	49	222	271
Net Interest Income	383	443	826
Provision for Loan Losses	10	120	130
Non-interest Income	(3)	93	90
Non-interest Expense	1,518	853	2,371
Net Income	(1,220)	(364)	(1,585)

For its first six months of operations, the Bank had a net loss of \$1,585,000, including pre-opening expenses of \$765,000 incurred prior to the commencement of operations. President and CEO Conniff stated, "The loss for the first two quarters of operations is typical for de-novo banks. We are pleased with the progress from the first quarter to the second quarter, which reflects our success in growing earning assets and the generation of fees from SBA lending, which commenced in the second quarter."

The Bank had 19 employees at June 30, 2007, compared to 16 employees at March 31, 2007. During the second quarter, the Bank established an SBA lending group and added resources to the Bank's business development, cash management and commercial lending operations.

Focus Business Bank is dedicated to meeting the banking needs of closely-held businesses and entrepreneurs in Santa Clara County. The Bank has one office located in downtown San Jose, California and offers a variety of commercial banking products including loans, deposits and cash management services oriented toward closely-held businesses and their owners. The Bank specializes in commercial loans, SBA 7a and 504 loans and interim construction loans.

*This release may contain forward-looking statements that are subject to risks and uncertainties. Such risks and uncertainties may include but are not necessarily limited to fluctuations in interest rates, inflation, government regulations and general economic conditions, including the real estate market in California and other factors beyond the Bank's control. Such risks and uncertainties could cause results for subsequent interim periods or for the entire year to differ materially from those indicated. Readers should not place undue reliance on the forward-looking statements, which reflect management's view only as of the date hereof. The Bank undertakes no obligation to publicly revise these forward-looking statements to reflect subsequent events or circumstances.*

Contact:

Richard L. Conniff, President and Chief Executive Officer  
408.200.8701  
richard.conniff@focusbusinessbank.com