

# Press Release

From: Prime Pacific Financial Services, Inc.  
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## FOR IMMEDIATE RELEASE

### **Prime Pacific Financial Services, Inc. reports 2nd quarter assets, loans, deposits up over previous year Q2**

Lynnwood, WA, July 23, 2008 –Prime Pacific Financial Services, (PPFS) Inc., the holding company of Prime Pacific Bank, reported second quarter record assets of \$177.5 million, an increase of 22.8% over the same period ending June '07. Loans have increased from \$121.3 million to \$145.7 million, an increase of 20%. Deposits were \$156.9 million compared to \$130.8 million, an increase of 20%. Shareholder Equity grew from \$11.8 million to \$13.0 million, an increase of 10.2%. Net Income (after tax) was \$535 thousand compared to \$720 thousand reported in June '07, due to extra provisions for possible future loan losses, which were increased to reflect current real estate market conditions, and investment into the new Mill Creek branch. Year to date loan loss provision stands at \$436,000 including the second quarter provision of \$263,000. This compares to \$141,000 for the second quarter and \$277,000 for the year to date (6-30-07).

Prime Pacific Financial Services, Inc. is the holding company of Prime Pacific Bank **with branches in Lynnwood, Kenmore and Mill Creek.** Prime Pacific Bank is a full service Community Bank that specializes in the financial needs of the business community.

For more information contact Glenn Deutsch, President & CEO, Prime Pacific Bank, Prime Pacific Financial Services, Inc., at 425-712-9898.

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