



Open Bank Announces Record Profit in the Second Quarter 2011 and Second Consecutive Quarterly Profit

LOS ANGELES, August 1, 2011—Open Bank (OTCBB:OPBK) today announced a net income of \$773 thousand for the second quarter of 2011 and \$1.1 million for the first six months of 2011. This quarter marks the second consecutive quarters to record profit in the history of Open Bank. Open Bank also announces significant progress in reducing nonperforming loans from the bank's loan portfolio.

Min Kim, President and Chief Executive Officer said, "We believe that we have turned an important corner and are very pleased with our second quarter results; our second consecutive quarterly profit. The strategies we put in place last year have positioned us to record solid net earnings through the second quarter of 2011 with significant improvements in our net interest margin, as well as significant increases in our core deposits.

The Bank's demand deposits were 25% of total deposits at June 30, 2011, compared to 12% of total deposits at June 30, 2010. Asset quality has also improved significantly, with Total Non-Performing Loans at June 30, 2011 down to \$502 thousand from \$3.65 Million at June 30, 2010. "

Second Quarter 2011 Highlights

- Net income of \$773 thousand for the three months ended June 30, 2011.
- Net income of \$1.1 million for the six months ended June 30, 2011.
- Non-interest income increased to \$1.7 million for second quarter of 2011, compared to \$165 thousand for second quarter of 2010.
- Net interest margin improved significantly to 4.42% for the second quarter of 2011, compared from 3.17% for second quarter of 2010.
- Total deposits increased 10.2% to \$114.2 million, with 50% growth in demand deposits to \$28.6 million from December 31, 2010.
- Allowance for Loan Losses to Gross Loans was 4.37% at June 30, 2011.
- Non-Performing Loans to Total Loans was 0.53% of gross loans at June 30, 2011, compared to 3.77% at June 30, 2010.
- The Total risk-based capital ratio, tier 1 capital ratio and tier 1 leverage ratio were 19.41%, 18.13% and 14.54%, respectively at June 30, 2011.
- Efficiency ratio improved to 66.37% for the second quarter of 2011, compared to 108.57% for second quarter of 2010.

About Open Bank

Open Bank (the "Bank") is engaged in the general commercial banking business in Los Angeles County and is focused on serving the banking needs of small- and medium-sized businesses, professionals, and residents with a particular emphasis on the Korean and other ethnic minority communities. The Bank commenced its operations on June 10, 2005 as First Standard Bank and changed its name to Open Bank on September 20, 2010. Its headquarters are located at 1000 Wilshire Blvd., Suite 100 Los Angeles, California 90017. Phone 213.892.9999; www.myopenbank.com *Member FDIC, Equal Housing Lender*

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Safe Harbor

This press release contains certain forward-looking information about Open Bank that is intended to be covered by the safe harbor for "forward-looking statements" provided by the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical fact are forward-looking statements. These forward-looking statements may include, but are not limited to, such words as "believes," "expects," "anticipates," "intends," "plans," "estimates," "may," "will," "should," "could," "predicts," "potential," "continue," or the negative of such terms and other comparable terminology or similar expressions. Forward-looking statements are not guarantees. Such statements involve inherent risks and uncertainties, many of which are difficult to predict and are generally beyond the control of Open Bank. Open Bank cautions readers that a number of important factors could cause actual results to differ materially from those expressed in, or implied or projected by, such forward-looking statements. If any of these risks or uncertainties materializes or if any of the assumptions underlying such forward-looking statements proves to be incorrect, Open Bank's results could differ materially from those expressed in, or implied or projected by such forward-looking statements. Open Bank assumes no obligation to update such forward-looking statements, except as required by law.

Balance Sheet

(Dollars in thousand, except per share data)

	June 30, 2011 (Unaudited)	December 31, 2010 (Audited)	June 30, 2010 (Unaudited)
Assets			
Cash and due from banks	\$ 23,358	\$ 7,099	\$ 19,803
Federal fund sold/overnight investment	4,300	3,500	2,000
Interest-bearing deposits in other banks	-	245	1,715
Investment securities	4,994	7,868	10,103
Loans held for sale	8,139	16,906	2,565
Loans receivable	95,076	91,578	90,246
Allowance for loan losses	4,158	4,121	3,940
Net loans	90,918	87,456	86,305
Bank premises and equipment, net	334	313	321
Accrued interest receivable	386	241	275
Other real estate owned	-	400	197
FHLB and Pacific Coast Bankers Bank Stock, at cost	737	785	835
Servicing assets	985	295	175
Other assets	972	386	421
Total Assets	<u>\$ 135,124</u>	<u>\$ 125,494</u>	<u>\$ 124,715</u>
Liabilities and Shareholders' Equity			
Noninterest bearing demand	\$ 28,616	\$ 19,120	\$ 13,114
Savings	2,377	2,471	2,184
Money market and others	28,101	8,558	9,083
Time deposits of \$100,000 or more	24,440	28,513	52,125
Other time deposits	30,664	44,936	36,357
Total deposits	114,198	103,598	112,863
Secured borrowings	-	7,852	-
Other liabilities	2,035	671	555
Total liabilities	116,233	112,120	113,419
Total shareholders' equity	18,892	13,374	11,297
Total Liabilities and Shareholders' Equity	<u>\$ 135,124</u>	<u>\$ 125,494</u>	<u>\$ 124,715</u>

Statement of Operations

(Dollars in thousand, except per share data)

	Three months ended		Six months ended	
	June 30, 2011	June 30, 2010	June 30, 2011	June 30, 2010
Interest income	\$ 1,668	\$ 1,427	\$ 3,319	\$ 3,031
Interest expense	311	463	636	975
Net interest income	1,357	963	2,683	2,056
Provision for loan losses	198	2,024	780	2,226
Non interest income	1,730	165	3,043	324
Non interest expense	2,049	1,220	3,709	2,368
Income before income taxes	840	(2,116)	1,237	(2,214)
Provision for income taxes	67	1	108	1
Net income (loss)	<u>\$ 773</u>	<u>\$ (2,117)</u>	<u>\$ 1,130</u>	<u>\$ (2,215)</u>
Book Value	\$ 2.64	\$ 2.53	\$ 2.64	\$ 2.53
Basic EPS	\$ 0.11	\$ (0.65)	\$ 0.17	\$ (0.68)
Diluted EPS	\$ 0.09	\$ (0.65)	\$ 0.14	\$ (0.68)

Key Ratios

Return on average assets *	2.39%	-6.70%	1.80%	-3.56%
Return on average equity *	17.03%	-89.10%	13.68%	-41.52%
Net interest margin *	4.42%	3.17%	4.48%	3.43%
Efficiency ratio	66.37%	108.11%	64.77%	99.51%
Tier I leverage	14.54%	8.86%	14.54%	8.86%
Tier I risk-based capital	18.13%	11.49%	18.13%	11.49%
Total risk-based capital	19.41%	12.78%	19.41%	12.78%

Asset Quality

	6/30/2011	3/31/2011	12/31/2010	6/30/2010
Loans 90 days or more past due, accruing	-	-	-	-
Nonaccrual Loans	502	995	2,159	3,652
Total Non-Performing Loans	502	995	2,159	3,652
Other Real Estate Loans (OREO)	-	-	400	197
Accruing Restructured Loans	2,238	2,266	2,634	2,791
Total Non-Performing Assets	2,740	3,261	5,193	6,640
Non-Performing Loans/Total Loans	0.53%	0.97%	2.47%	3.87%
Non-Performing Assets/Total Assets	2.03%	2.49%	4.14%	5.32%
Allowance for Loan Losses/Gross Loans	4.37%	4.42%	4.71%	4.18%
Allowance for Loan Losses/Non-Performing Loans	828%	456%	191%	108%
YTD Net Charge-offs	\$ 743	\$ 620	\$ 4,390	\$ 3,490
YTD Net Charge-offs to Average Loans *	1.49%	2.55%	4.56%	7.75%

* Annualized