

FOLSOM LAKE BANK



FOR IMMEDIATE RELEASE

For more information contact:

Bob Flautt (CEO) 235-4570 or
Jack Olson (CFO) 235-4560

PRESS RELEASE

April 17, 2008

Folsom Lake Bank announces 3/31/2008 Financial Results

FOLSOM, CA. April 17, 2008 - Folsom Lake Bank (OTCBB: FOLB), announced unaudited financial results for the 1st quarter ending March 31, 2008. The bank commenced operations on April 2, 2007 after raising \$15.9 million in capital and has now completed its first full year of operations. Total assets grew to \$38.1 million, an increase of \$22.9 million or 150.7% over “opening day” assets, and an increase of \$8.5 million or 28.9% over the prior quarter. Total deposits grew to \$23.8 million, increasing \$8.8 million or 58.4% for the quarter. Total loans outstanding as of March 31, 2008 were \$23.0 million, up \$6.9 million or 42.9% from the prior quarter.

The bank reported a net loss of \$366,564 for the quarter, in line with expectations and normal for a start-up banking operation. The reported loss is also a substantial reduction of \$101,692 over the prior quarter loss of \$468,256. Robert J. Flautt, President and CEO commented, “With the continued steady growth in loans and deposits, a healthy loan pipeline, a low cost of funds, and a control on expenses, the bank is continuing to trend toward our goal of a profitable operation.”

“This is a very challenging time for banks in view of the serious problems that plague the housing, financial and credit markets.” continued Flautt. “We are very proud of our conservative approach to lending and a focus on core customer deposit relationships.” The bank continues to have no delinquent or non-performing loans. The bank has no sub-prime residential mortgage loans and has never had a sub-prime lending program. For the first quarter, the bank added an additional \$75,000 to its loan loss reserve, resulting in an allowance of \$270,000 or 1.17% of loans.

The bank has been recognized as the start-up business of the year for 2007 by the Folsom Chamber of Commerce as well as the El Dorado Hills Chamber of Commerce. The rapid growth of the bank, strong involvement of the board and staff in civic and charitable affairs, and numerous customer service accolades were highlighted as some of the reasons for the awards. “We are so pleased to have such strong support from the community and our 406 local shareholders,” commented Flautt. “The bank continues to add quality banking relationships based on providing each and every customer with an extraordinary banking experience. Our entire staff of banking professionals is committed to providing the Best of Banking.”

Folsom Lake Bank takes a lot of pride in the communities it serves; our employees, officers directors and founding organizers are committed to being involved on boards of several civic charitable and service organizations. Folsom Lake Bank is a proud sponsor of the Folsom Professional Rodeo, the Folsom Historical Society, The Folsom Lake College golf tournament, Rotary International and Kiwanis, as well as numerous other local events and organizations. Folsom Lake Bank is publicly traded on the Over-the-Counter Bulletin Board. Howe Barnes Hoefler & Arnett is the primary market maker. For information on buying or selling stock please contact John Cavender at 415-538-5725.

Folsom Lake Bank is the areas newest community bank. The bank is a locally owned and locally operated, full service commercial banking organization focusing on small business owners, professionals and individuals in the communities surrounding Folsom Lake. By providing the personal attention that clients want and delivering banking services that they need, the bank intends to build strong banking relationships across the communities that it serves. For more information please call Robert Flautt at 916-235-4570.

This correspondence may contain "forward-looking statements" within the meaning of Section 27A of the Securities Act. All of the statements contained in this correspondence, other than statements of historical fact, should be considered forward-looking statements, including, but not limited to, those concerning (i) the Bank's strategies, objectives and plans for expansion of its operations, products and services, and growth of its portfolio of loans, investments and deposits, (ii) the Bank's beliefs and expectations regarding actions that may be taken by regulatory authorities having oversight of the operation, (iii) the Bank's beliefs as to the adequacy of its existing and anticipated allowances for loan and real estate losses and (iv) the Bank's beliefs and expectations concerning future operating results. Although the Bank believes the expectations reflected in those forward-looking statements are reasonable, it can give no assurance that those expectations will prove to have been correct. All subsequent written and oral forward-looking statements by or attributable to the Bank or persons acting on its behalf are expressly qualified in their entirety by this qualification. Investors are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof and are not intended to give any assurance as to future results. The Bank undertakes no obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.