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PRESS RELEASE

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Folsom Lake Bank achieves first month of profitability

FOLSOM, CA. July 1, 2009 - Folsom Lake Bank (OTCBB: FOLB), announced unaudited financial results for the quarter ending June 30, 2009. The bank made a profit for June, its first profitable month after 26 months of operation. Folsom Lake Bank opened for business April 3, 2007 after raising \$15.9 million in capital from 406 local investors. For the quarter ending 6/30/09 the bank had a loss of \$81,000, significantly better than the loss of \$377,000 for the second quarter of 2008.

Robert J. Flautt, President and CEO commented, "We are very excited about our success as Folsom's newest community bank. The bank has achieved its first profitable month and continues to enjoy steady growth. We are also pleased to be opening our second branch next week at 2233 Douglas Blvd. in Roseville. Our business plan for a classic community bank continues to unfold as planned. With the economic climate over the past two years, our progress is especially noteworthy."

For the quarter ending June 30, 2009, total assets grew to \$77.5 million, an increase of \$33.3 million or 75.2% over the 2nd quarter of 2008. Total deposits grew to \$61.4 million, increasing \$30.9 million from June 30, 2008, a 101.7% increase from one year ago. Total loans outstanding as of June 30, 2009 were \$49.1 million, up \$16.5 million up 50.4% from the prior year.

For the first half of 2009 revenue was \$2,133,000, up \$980,000, an 85% increase over the first half of 2008, attributable to substantial growth in assets, strong increase in fee income and a healthy net interest margin. For the first half of 2009 the bank lost \$545,000, compared to \$744,000 for the first half of 2008, an improvement of 27%. For the second quarter, the Bank reported a small net loss of \$81,000, a strong improvement over the second quarter 2008 loss of \$377,000. Operating losses are expected during the three year start-up period for new banks – Folsom Lake Bank achieved profitability quicker than most.

The Bank's loan loss reserve is at a very healthy 1.44% to total loans. As previously mentioned, the Bank does not have any past due or non-accrual loans. Flautt stated, "We are not unaffected by the economic downturn, however our loan portfolio remains strong with no past due or non-accrual loans. We remain an active lender in the community and look forward to continued growth in our loan portfolio."

Folsom Lake Bank is the area's newest community bank. The Bank is a locally owned and locally operated full service commercial bank focused on small business owners, professionals and individuals in the communities surrounding Folsom Lake. Folsom Lake Bank is publicly traded on the Over-the-Counter Bulletin Board. For 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. 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. 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.