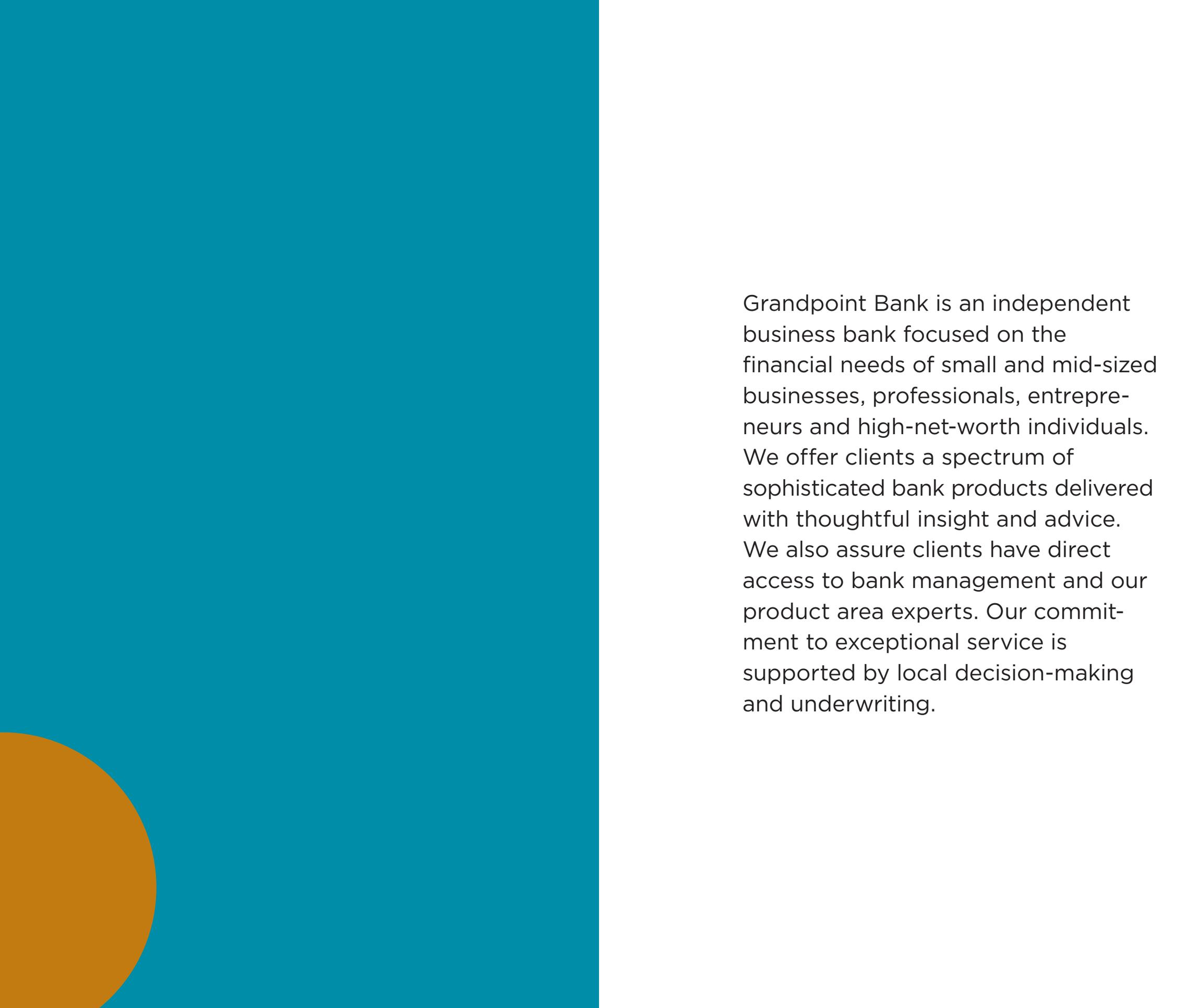


Grandpoint.



Grandpoint Bank is an independent business bank focused on the financial needs of small and mid-sized businesses, professionals, entrepreneurs and high-net-worth individuals. We offer clients a spectrum of sophisticated bank products delivered with thoughtful insight and advice. We also assure clients have direct access to bank management and our product area experts. Our commitment to exceptional service is supported by local decision-making and underwriting.

Letter from the Chairman



2011 was a significant year of achievement for Grandpoint Bank as we grew from \$492 million to \$855 million in total assets. To achieve that growth, we continued to identify merger partners with strong leadership and business philosophies similar to our own. At the same time, we recruited the best talent in the business to drive internal growth and develop expanded product offerings. As a result, during 2011, Grandpoint matured into a serious business bank competitor in southern California. We are occupying the market niche between community banks and larger regional and national financial institutions by offering clients a combination of high-touch customer service, product sophistication, and access to capital.

Achieving long-term growth and financial stability requires staying in front of the issues that are impacting our economy and the regulations that are putting increased pressure on our industry. While we have seen some recent improvement in the business climate, interest

rates remain at historic lows, resulting in compressed net interest margins, and the slow economic recovery reduces potential loan growth. The depth of experience of our management team has enabled us to overcome these challenges and take advantage of the opportunities we see in the local banking market. Our strong capital ratios, solid core deposits, loan growth, and clean balance sheet illustrate our success in addressing the nuances of the market in 2011.

Building the franchise

Through our acquisitions of First Commerce Bank, completed at the end of 2010, and Orange Community Bank in August 2011, we established a solid foothold in key markets in Los Angeles and Orange counties. Both acquisitions were exceptional opportunities to acquire well managed banks. We successfully integrated these acquisitions by combining operating systems, managing risk, assimilating employees, and transitioning clients into new Grandpoint products. We will consider similar acquisition opportunities in the future if they strengthen our Southern California banking franchise.

We also grew our business organically. Our South Bay office, which opened in the fall of 2010 with a team of experienced bankers well established in that region, grew both deposits and loans more than \$70 million during 2011. We also advanced

our plans to open a de novo office in the Newport/Irvine region this summer in the heart of Irvine's commercial/industrial center adjacent to John Wayne Airport. These strategic locations open up new business opportunities for us. As we contemplate future de novo offices, we will focus on similar locations with large concentrations of small and mid-sized businesses, professionals and entrepreneurs.

Strong growth, financial stability

While many banks continued to contract their lending activities in 2011, we grew our loan portfolio. At December 31, 2011, total loans increased 71 percent to \$578.4 million, up from \$337.4 million at December 31, 2010. Approximately \$108 million, or nearly 45 percent, of the increase was generated by internal growth.

Total deposits also posted a significant increase, growing to \$726.6 million at December 31, 2011, from \$407.6 million at the end of the prior year. Of that increase, \$102 million, or 32 percent, is attributable to non-acquisition-related growth. As we head into 2012, non-interest-bearing deposits account for approximately 34 percent of total deposits.

Asset quality remains excellent, as evidenced by our Texas ratio at year-end 2011 of 9 percent. The Texas ratio is calculated by taking the amount of a bank's non-performing assets and loans and divides this number

During 2011, Grandpoint matured into a serious business bank competitor in southern California, offering clients a combination of high-touch customer service, product sophistication and access to capital.

by the bank's tangible capital equity plus its loan loss reserves. We continued to have very strong capital ratios, with a Tier 1 Leverage Capital Ratio of 10.43 percent, well above the five percent considered "well capitalized" by bank regulators.

A single source for banking services

During 2011, we focused on building relationships with our clients and delivering a full complement of the financial services and advice they need to succeed. To that end, we continued to expand our specialty products and capabilities. Our residential real estate loan products gained significant momentum during 2011 as our clients became aware of our expertise in jumbo and super jumbo mortgages. We launched our new SBA lending division in 2011 and now offer business clients SBA 504 and 7(a) loans. We also built specialty practices, combining our industry specific knowledge with custom product packages to serve industry groups like commercial property management companies and homeowners' associations. During 2011, we also added new product enhancements to our comprehensive suite of Treasury Management services, and we began developing longer-term fixed rate loan products.

Our Institutional Banking division, which sells correspondent products and services to financial institutions, helped other banks participate and sell loans, place deposits, and reduce operating expenses by outsourcing back office operations.

People make the difference

Ultimately, what enables our success is our people, at all levels of the organization. Our clients choose to bank with us because of the care and attention they receive from our accomplished bankers. Our employees also donate their time and energy to a variety of community organizations. In 2011, for instance, dozens of employees joined together to fight homelessness at United Way's annual Homewalk in Los Angeles. Others contributed their leadership as board members of organizations, including the Downtown Women's Center and the Variety Boys and Girls Club. Together, our outstanding team has defined the unique character of Grandpoint.

This has been an especially rewarding year for Grandpoint as we've seen our strategic vision come to life. As we move into 2012, we look forward to the opportunities for new growth and prosperity in the year ahead.



Don M. Griffith
Chairman &
Chief Executive Officer



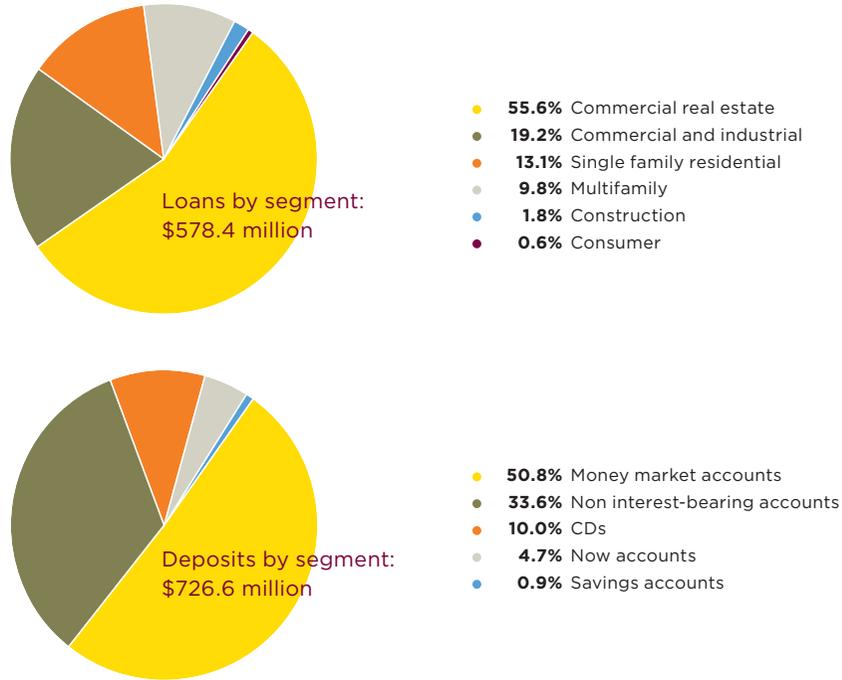
Balance sheet DOLLARS IN THOUSANDS

	DECEMBER 31, 2011	DECEMBER 31, 2010
Cash and due from banks	\$ 16,892	\$ 22,853
Interest-bearing deposits in banks	58,262	8,368
Cash and cash equivalents	75,154	31,221
Investment securities	160,570	100,435
Loans, total	578,353	337,424
Fees and discounts	(6,658)	(10,081)
Allowance for loan losses	(4,622)	(1,050)
Net loans	567,073	326,293
Goodwill	25,337	14,958
Core deposit and other intangibles	3,460	1,930
Other assets	23,256	16,864
Total assets	\$854,850	\$ 491,701
Deposits		
Demand deposits	\$ 244,296	\$ 107,557
NOW accounts	34,474	21,362
Money market accounts	368,850	222,270
Savings accounts	6,524	3,068
Time deposits	72,505	53,340
Total deposits	726,649	407,597
Other liabilities	8,581	4,892
Total shareholders' equity	119,620	79,212
Total liabilities and shareholders' equity	\$854,850	\$ 491,701

Capital ratios

	DECEMBER 31, 2011	DECEMBER 31, 2010
Total risk-based capital ratio	14.65%	16.20%
Tier 1 capital ratio	13.91%	15.91%
Leverage ratio	10.43%	41.59%

Diversity of loans and deposits DECEMBER 31, 2011



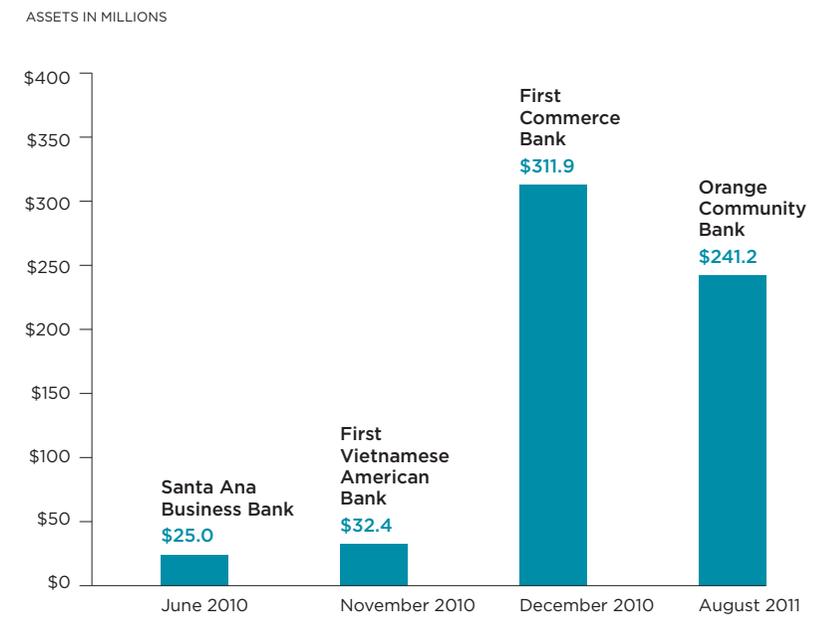
Bank locations



Balance sheet growth



Acquisition history



Directors

Don M. Griffith
Chairman &
Chief Executive Officer
Grandpoint Capital, Inc.
Grandpoint Bank

S. K. Durairaj, M.D.
Serra Community Medical
Clinic, Inc.

John Feldman
Vice Chair
Grandpoint Bank

Charles R. Fullerton
Retired

Carole La Caze
Partner
La Caze Development
Company

Roger M. Laverty
Retired

Deborah A. Marsten
Chief Operating Officer
Grandpoint Capital, Inc.
Grandpoint Bank

Venka G. Reddy, Ph.D.
Oriental Foods, Inc.

Larry A. Sallinger
Vice Chair
Grandpoint Bank

Naresh Saxena, M.D.
Retired

Bruce G. Willison
Professor of Management
University of California at
Los Angeles

Bertram R. Zweig
Of Counsel
Kaye Scholer LLP

Executive Officers

Don M. Griffith
Chairman &
Chief Executive Officer

Deborah A. Marsten
Chief Operating Officer

Jack Feldman
Vice Chair

Larry A. Sallinger
Vice Chair

Anthony Q. Evans
Executive Vice President &
Chief Administrative Officer

Jose Jimenez
Executive Vice President &
Chief Risk Officer

Jerro Otsuki
Executive Vice President &
Chief Financial Officer

David J. Ross
Executive Vice President &
Chief Credit Officer

Loraine White
Executive Vice President &
Director of Human
Resources

Division Managers

Willy Chua
Vice President &
International Trade Manager

Allen H. Court
Senior Vice President &
Regional Manager
Newport/Irvine

Brandon D. Day
Senior Vice President &
SBA Manager

Darlene M. Esquerra
Senior Vice President &
Institutional Banking Manager

Annette Isaacs
Senior Vice President &
Treasury Management Manager

John Nixon
Senior Vice President &
Regional Manager
South Bay

Lourdes Ochoa
Senior Vice President &
Residential Lending Manager

Jocelyn Pastore
Executive Vice President &
Regional Manager
Westside, San Fernando Valley

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Los Angeles, CA 90049
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El Segundo
1960 East Grand Avenue,
Suite 1200
El Segundo, CA 90245
310.321.3280

Encino
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Encino, CA 91436
818.501.2265

Newport/Irvine
Opening June 2012
2600 Michelson Avenue,
Suite 1450
Irvine, CA 92612

Orange
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Orange, CA 92867
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Pasadena
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70 South Lake Avenue,
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Pasadena, CA 91101
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