



PRESS RELEASE

**Bridge Bank Reports Financial Results
For Fourth Quarter and Year 2002**

Posts First Quarterly Profit

Santa Clara, CA – February 6, 2003 – Bridge Bank, N.A. (NASDAQ: **BBNK**), Santa Clara County’s newest full-service business bank, today announced financial results for the fourth quarter and year ended December 31, 2002.

The Bank reported net income of \$23,000 for the three months ended December 31, 2002. The fourth quarter result was the Bank’s first profitable quarter and represented improvement of \$1.0 million, or 102%, compared to a net loss of \$977,000 in the same period one year ago and a net loss of \$485,000 for the three months ended September 30, 2002.

“We are proud to have achieved profitability in our sixth full quarter of operation, especially when the average *de novo* bank in California these days can take as long as eight to ten quarters to reach profitability,” said Daniel P. Myers, President and Chief Executive Officer of Bridge Bank. “This performance compares favorably in any economic environment and we are particularly pleased given the difficult economic conditions of the past eighteen months.”

The net profit in the fourth quarter of 2002 completed a year in which the Bank posted an annual net loss of \$2.7 million. In the period from the beginning of operations on May 14, 2001 through December 31, 2001 the Bank posted an operating loss of \$2.4 million.

Bridge Bank reported total assets at December 31, 2002 of \$181.2 million, compared to \$96.2 million on the same date one year ago. The increase in total assets represented growth of \$85.0 million, or 88%, compared to December 31, 2001.

The Bank’s total deposits were \$153.4 million as of December 31, 2002, compared to total deposits of \$80.1 million as of December 31, 2001. The increase in deposits represented growth of \$73.3 million, or 92%, compared to December 31, 2001.

The Bank reported total loans outstanding at December 31, 2002 of \$128.7 million, which represented an increase of \$92.4 million, or 254%, over \$36.3 million for the same date last year.

“The Board is pleased with the progress of the Bank,” said Allan C. Kramer, M.D., Chairman of Bridge Bank. “Through our conservative management approach and attracting some of the area’s most experienced and successful community bankers, we have established a strong foundation for continued success of the Bank.”

To support the pace of growth, on June 13, 2002, the Bank announced the successful completion of a second capital offering which raised \$14.4 million. The new capital was obtained through the sale of approximately 2.2 million shares of common stock at \$6.50 per share. At December 31, 2002, the Bank’s leverage ratio, tier one capital divided by average total assets, was 15.8%, substantially above the regulatory standard of 5.0% for “well-capitalized” institutions.

On January 27, 2003, the Bank’s common stock commenced trading on The NASDAQ Stock Market under the trading symbol **BBNK**.

Net interest income of \$2.0 million for the quarter ended December 31, 2002 represented an increase of approximately \$1.4 million, or 240%, over approximately \$0.6 million reported for the same quarter one year earlier. Growth in net interest income was attributed to strong growth in assets together with significant improvement in balance sheet leverage. The Bank’s loan-to-deposit ratio, a measure of leverage, averaged 87% during the quarter ended December 31, 2002, which represented improvement over the 42% average for the same quarter of 2001. As a result of the growth in the balance sheet and improved leverage, the Bank’s net interest margin for the fourth quarter of 2002 improved to 4.97% from 3.07% in the quarter ended December 31, 2001. For the year ended December 31, 2002, net interest income of \$5.8 million represented an increase of \$4.7 million, or 404%, over \$1.1 million recognized in the period from the Bank’s opening on May 14, 2001 through December 31, 2001.

The Bank’s non-interest income for the fourth quarter of 2002 was \$509,000, compared to \$15,000 for the three months ended December 31, 2001 representing an increase of \$494,000 or over 3000%. Non-interest income was \$1.5 million for the year ended December 31, 2002 and compared to \$18,000 in the period from May 14, 2001 through December 31, 2001. The increases in non-interest income were attributed to premium income realized on sales of SBA loans in the quarter and year ended December 31, 2002. The Bank launched its SBA lending operation in March of 2002.

The Bank provided \$377,000 to the allowance for loan losses for the three months ended December 31, 2002 compared to \$232,000 provided in the quarter ended December 31, 2001. In the year ended December 31, 2002, the Bank provided \$1.4 million to the allowance for loan losses compared to \$511,000 provided in the period from May 14, 2001 through December 31, 2001. At December 31, 2002, the allowance represented 1.37% of gross loans and compared to 1.41% on the same date one year earlier. The Bank reported no non-performing assets at December 31, 2002.

Operating expenses of \$2.1 million for the quarter ended December 31, 2002 represented an increase of \$750,000, or 55%, compared to \$1.3 million in the same quarter of 2001. For the year ended December 31, 2002, operating expenses of \$8.5 million compared to \$3.1 million for the period from May 14, 2001 through December 31, 2001. The increase in operating expenses reflects the impact of expansion of the business in 2002. During the year ended December 31, 2002, the Bank opened a full-service regional office in downtown Palo Alto, established a U.S. Small Business Administration Lending Group that includes a regional loan production office in Sacramento, and launched Bridge Capital Finance Group, a factoring and asset-based lending division with a loan production office in Santa Clara.

“The past year has been a period of significant investment as we launched three major initiatives,” said Thomas A. Sa, Executive Vice President and Chief Financial Officer of Bridge Bank. “The fourth quarter profit is evidence of progress toward capitalizing on our investments and underscores our commitment to creating value for our shareholders.”

The Bank’s SBA Lending Group was recently awarded Preferred Lender Participant (“PLP”) accreditation by the U.S. Small Business Administration. This was one of the fastest such PLP awards ever granted and applies to the San Francisco and Sacramento SBA Districts. According to SBA production statistics, for the U.S. Government’s first fiscal quarter ended 12-31-02, Bridge Bank ranked among the top 10% of SBA lenders within the San Francisco District, the Sacramento District, and the State of California.

Bridge Bank commenced operation on May 14, 2001, following its successful initial public offering of \$19.1 million, which currently ranks as one of the largest initial capitalizations of a pre-opening California-based *de novo* commercial bank.

BOARD OF DIRECTORS

Daniel P. Myers
President & CEO
Bridge Bank, N.A.

Allan C. Kramer, M.D.
Chairman
Investor

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The Brenner Group, Inc.

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Costella Kirsch, Inc.

David K. Chui
Pan-Cal Corporation

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Duratek, Inc.

Thomas M. Quigg
Investor

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BT Commercial

EXECUTIVE OFFICERS

Daniel P. Myers
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Robert P. Gionfriddo
Executive Vice President
President
Specialty Markets Division

Thomas A. Sa
Executive Vice President
Chief Financial Officer

Kenneth B. Silveira
Executive Vice President
Chief Technology Officer

Timothy W. Boothe
Executive Vice President
Chief Lending Officer

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About Bridge Bank, N.A.

Bridge Bank is Santa Clara County's newest full-service business bank. The Bank is dedicated to meeting the financial needs of small and middle-market businesses in Silicon Valley. Bridge Bank provides clients with a comprehensive package of business banking solutions delivered through experienced and professional bankers. Visit Bridge Bank on the Web at www.bridgebank.com.

Forward Looking Statement

Certain matters discussed in this press release constitute forward looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, and are subject to the safe harbors created by that Act. These forward looking statements relate to the Company's current expectations regarding future operating results and growth in loans, deposits, and assets. These forward looking statements are subject to certain risks and uncertainties that could cause the actual results, performance or achievements to differ materially from those expressed, suggested or implied by the forward looking statements.

These risks and uncertainties include, but are not limited to: (1) the impact of changes in interest rates, a decline in economic conditions and increased competition among financial service providers on the Company's results of operations, (2) the Company's ability to continue its internal growth rate, (3) the Company's ability to build net interest spread, (4) the quality of the Company's earning assets, and (5) government regulations.



BRIDGE BANK

FINANCIAL RESULTS**Quarter and Year Ended December 31, 2002**

(Dollars in Thousands)		12/31/2002	Increase (decrease) vs. same period 2001		9/30/2002	Increase (decrease) vs. prior period 2002						
			12/31/2001	\$		%	\$	%				
BALANCE SHEET												
End of Period												
Assets	\$	181,188	\$	96,185	\$	85,003	88.4%	\$	169,962	\$	11,226	6.6%
Deposits		153,359		80,100		73,259	91.5%		142,375		10,984	7.7%
Gross loans		128,703		36,320		92,383	254.4%		108,106		20,597	19.1%
Allowance for loan losses		1,765		511		1,254	245.4%		1,558		207	13.3%
Shareholders' equity		26,564		15,524		11,040	71.1%		26,540		24	0.1%
Average												
Assets		167,924		81,661		86,263	105.6%		139,704		28,220	20.2%
Earning assets		160,256		77,131		83,125	107.8%		133,081		27,175	20.4%
Deposits		139,973		65,158		74,815	114.8%		111,632		28,341	25.4%
Gross loans		121,380		27,344		94,036	343.9%		99,670		21,710	21.8%
Allowance for loan losses		1,643		360		1,283	356.4%		1,427		216	15.1%
Shareholders' equity		26,476		16,127		10,349	64.2%		26,718		(242)	-0.9%
OPERATIONS QUARTER TO DATE												
Interest income		2,362		799		1,563	195.6%		1,956		406	20.8%
Interest expense		377		215		162	75.3%		326		51	15.6%
Net interest income		1,985		584		1,401	239.9%		1,630		355	21.8%
Provision for loan losses		377		232		145	62.5%		228		149	65.4%
Noninterest income		509		15		494	3293.3%		366		143	39.1%
Noninterest expense		2,094		1,344		750	55.8%		2,253		(159)	-7.1%
Net income		23		(977)		1,000	102.4%		(485)		508	104.7%
RATIOS:												
Net interest margin		4.97%		3.07%					4.91%			
Efficiency		84%		224%					113%			
Shares outstanding		6,049		3,829					6,049			
Book value per share	\$	4.39	\$	4.05					4.39			
ALLL/gross loans		1.37%		1.41%					1.44%			
NPA/gross loans		-		-					-			
Leverage capital		15.82%		19.01%					19.00%			
Loan-to-Deposit		86.72%		41.97%					89.28%			
OPERATIONS YEAR TO DATE												
Interest income		7,002		1,573		5,429	345.1%					
Interest expense		1,192		419		773	184.5%					
Net interest income		5,810		1,154		4,656	403.5%					
Provision for loan losses		1,424		511		913	178.7%					
Noninterest income		1,460		18		1,442	8011.1%					
Noninterest expense		8,531		3,082		5,449	176.8%					
Net income from operations		(2,685)		(2,421)		(264)	-10.9%					
Pre-opening expenses				1,120								
Net income		(2,685)		(3,541)		856	24.2%					