



CEOCFO

Interviews & News!

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With higher acculturation and an ever increasing level of wealth prevalent in the Hispanic community, Americas United Bank is in the right place at the right time as the first primarily Hispanic-owned and managed business bank in California in over 30 years



**Financial
Community Banks
(AUNB-OTC: BB)**

Americas United Bank

**801 N. Brand Blvd., Suite 1150
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Phone: 818-637-7000**



**Gilbert Dalmau
President and CEO, Director**

BIO:

Gilbert has over 25 years of banking experience in the Southern California market. Most recently, he was the President of the Southern California region of First Bank. As President of the \$2 billion re-

gion, Gilbert was responsible for 36 retail branches and several commercial banking, specialized lending, small business and real estate lending centers. During his tenure at First Bank, he successfully guided the integration of acquisitions by First Bank of the Charter Pacific Bank in 2001, Bank of Yorba Linda in 2001, and most recently, International Bank of California in 2005. Gilbert has also held executive level posts at Sanwa Bank California and Security Pacific National Bank.

Company Profile:

Americas United Bank (AUB) is the first primarily Hispanic-owned business bank to open its doors in California in over thirty years. Founded by a group of respected and successful business leaders (primarily from the Hispanic community), AUB is a full service commercial bank that provides business and personal banking products and services, including business and commercial real estate loans, SBA loans, lines of credit, corporate debit and credit cards, merchant card processing, international trade solutions, and more.

**Interview conducted by:
Lynn Fosse, Senior Editor
CEOCFOinterviews.com**

Mr. Dalmau: “What is unique about this bank is that it is actually the first primarily Hispanic-owned and managed business bank in the state of California in over thirty years. With the changes in demographics in California and particularly in southern California, the Hispanic

business community is expanding, and becoming more acculturated with an ever increasing level of wealth. That is where we saw the opportunity and the timing is remarkable considering those growth trends.”

CEOCFO: What area do you serve?

Mr. Dalmau: “We are primarily focused in the greater Los Angeles area. However, we can cover all of southern California with the products that we have in place.”

CEOCFO: What are your main products and services?

Mr. Dalmau: “Usually banks, for the most part, have very similar products and we are no different. We have checking accounts, money market accounts, lines of credit and all the different loan products, including SBA. We are a full-service business bank. Cash management is obviously important. We also have the remote deposit product, which is the latest and greatest product in the banking industry where people at their business can make their deposits right out of their office without having to go to the bank. We have already begun utilizing that product and selling it to our customer base and prospects with very good feedback. If you were to focus on one product that is very hot right now in the banking industry it is remote deposit capture. Interestingly enough, depending on who you talk to, anywhere from 15 to 30% of the banks have it, but another 50% are working on getting it in place. The banks who are already offering it certainly have a head-start.”

CEO CFO: Is it easier to have all the latest technologies as recent start-up?

Mr. Dalmau: “Yes. We get to pick and choose. Since we are a recent start-up, we are virtually outsourcing all of our item processing and our cash management. The benefit of that is we get to choose whom to utilize. We went through an extensive interview process with the item processing companies and with the online cash management vendors. We picked who we thought would take us to where we need to go.”

CEO CFO: Who is your target customer?

Mr. Dalmau: “Our target customer is the small to mid-sized business. Even though we are a multi-ethnic business bank, the focus is on the Hispanic business and professional communities.”

CEO CFO: Besides language; what is unique about the Hispanic business person?

Mr. Dalmau: “What makes us special is our Board and ownership. If you look at our board of directors, it is ¾ Hispanic with very successful entrepreneurs and professionals. You look at our group of thirty founders; probably over 90% of that group is very successful Hispanic entrepreneurs and professionals. You get into our shareholder base. It is majority Hispanic also consisting of Hispanic entrepreneurs and professionals. That founding group and shareholders are what provide the initial business pipeline for the bank. Our efforts are in attracting that business and utilizing those relationships for future growth via referrals.”

CEO CFO: What gets new customers in the door?

Mr. Dalmau: “Our people do. Banking is very much a people business. Everyone sells customer service but what gets people in the door is the quality of your staff. You need to provide the right products and have good systems in place, but at the end of the day it is the quality of your staff that will determine how much business you bring in the door.”

CEO CFO: Americas Unites has some nice revenue already!

Mr. Dalmau: “Yes, and we are still building. We were somewhat delayed by not having our online cash management product in place. That took longer than what we hoped, and also finding the right people. Staffing is a challenge here in southern California; I wouldn’t doubt if it is a challenge everywhere. We did not want to settle for mediocre performers, we wanted to bring in top quality staff, so it has taken awhile. Despite that, we were happy with the 1st Quarter numbers. Now that our staff is in place and our products are up and running, our website is up and running, we are hoping to build on that momentum.”

CEO CFO: What is the financial picture today for the company?

Mr. Dalmau: “We just did our earnings release for the quarter ending March 31st (2007). The assets were just shy of \$47

“Finally, a Hispanic financial institution in California has arrived. Americas United Bank (AUB) is here to focus on that market. We have a top quality, multi-cultural staff, great products, the right systems, and we have the relationships that are in place to help us go after that market and grow this bank with the ultimate objective of being the premier Hispanic-focused bank in the markets it serves.” - Gilbert Dalmau

million. We had approximately \$19 million in deposits. The first quarter loss was \$800 thousand in change, which included a \$200 thousand-plus, stock option expense. Losses in the start-up banks are standard. You have all this infrastructure in place and it takes a while to bring in the business.”

CEO CFO: How do you deal with the cyclical in the banking industry?

Mr. Dalmau: “It is a challenge. We could have picked a better time to open a bank. The inverted yield curve is certainly a challenge. You have a lot of customers looking for a long-term fixed rate loan, which creates a challenge. With the relationships we have, we are going to stress the service and the length of those relationships vs. pricing. We do not want to train our customers to be price sensitive, so we are going to stress the relationships, customer service, the product

quality so that you get the best rates you can on the loan side and you try to get your cost of funds down as low as you can. Core deposits are a key focus of the bank. The core deposits drive your funding so the lower you can get the funding, the more competitive you are going to be able to be. In particular, non-interest bearing checking accounts are critical. Another area that we are going to emphasize is the SBA lending area that provides a lot of non-interest income, which is very good to have when you have pressure on your net interest margin that is driven by that inverted yield curve. We just did an announcement recently that we have landed as our SBA commercial capital division manager, a gentleman named Arturo Concha. He is certainly one of the top SBA loan producers in the US. We were very fortunate to have him; he also happens to be Hispanic. Although the SBA business is typically transactional, Arturo approaches it on a relationship basis, so we not only get the SBA lending opportunities, but we also get to pick up the deposits and any conventional credit those borrowers may need. That is the two ways to approach and attack the pressure on your net interest margin; your core deposits and by coming up with product lines that are going to generate non-interest income.”

CEO CFO: Why should investors be interested?

Mr. Dalmau: “Well first you have a very experienced management team and that is where everything starts. Our management team has a combined 160 plus years of experience. We happen to have a board of directors that has a lot of finance, banking, and investment banking experience. We know the business well. This bank was formed by bankers. Manuel Remon our chairman as well as myself, are the ones who set out and put this bank together; it was built by bankers and we clearly know the business. One of the things that gives us an advantage is that Manny and I have a banker’s rolodex. That rolodex is going to have many of the Hispanic businesses that he and I have accumulated over the years. He has been in the greater LA market for forty years; I

have been here for 26 years. Over the years we have built many relationships that are going to do business with the bank and that are going to refer business to the bank. All in all, if you look at the strength of the board, the management team, the group that is behind this bank; it is a powerful statement from an inves-

tor standpoint. The Hispanic focus adds more flavor to the stock.”

CEOCFO: What should people remember most about AUB?

Mr. Dalmau: “Finally, a Hispanic financial institution in California has arrived. Americas United Bank (AUB) is here to focus on that market. We have a top qual-

ity, multi-cultural staff, great products, the right systems, and we have the relationships that are in place to help us go after that market and grow this bank with the ultimate objective of being the premier Hispanic-focused bank in the markets it serves.”



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