

# A Safe Place to Bank.



- **Bauer Financial Inc. 5 star rating** 
- **Superior Level with IDC Financial Publishing Inc.**
- **Most Profitable LA County based Savings Bank**  
(as quoted in the Los Angeles Business Journal 2nd Quarter 2008)

September 29, 2008

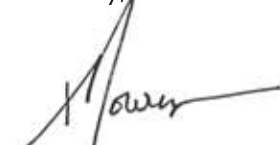
Dear Customers and Friends,

Malaga Bank has been serving the residents, businesses, professionals and real estate investors in the South Bay with personalized service for over 23 years. Malaga Financial Corporation, the parent company of Malaga Bank, recently reported a 22% increase in earnings for the quarter ended June 30, 2008, with no delinquent loans or non-performing assets. This represents our most successful quarter ever. In spite of the challenges facing the banking industry today, Malaga Bank continues to offer loans and banking services in a responsible manner.

We value your trust and patronage and recognize the benefits of building mutually rewarding relationships with the people and organizations in the communities that we serve.

We invite you to come in, enjoy a cup of gourmet coffee, meet our friendly and dedicated staff and let them customize banking solutions that meet your needs. We treat you like the neighbor you are!

Sincerely,



Randy Bowers  
President and CEO



PALOS VERDES ESTATES  
310-375-9000

ROLLING HILLS ESTATES  
310-541-3000

SAN PEDRO  
310-732-1100

TORRANCE  
310-784-2000

REAL ESTATE LOAN CENTER  
310-544-5051