



BAY COMMERCIAL BANK REPORTS FIRST QUARTER 2013 RESULTS

WALNUT CREEK, California – April 19, 2013 -- Bay Commercial Bank (OTCBB:BCML) (the “Bank”) today announced its first quarter 2013 operating results.

The Bank reported total assets as of March 31, 2013 of \$310.9 million including loans outstanding of \$229.8 million compared to March 31, 2012 total assets of \$285.4 million and total loans outstanding of \$215.5 million. At March 31, 2013, total deposits were \$256.7 million compared to total deposits of \$235.5 million at March 31, 2012. The Bank’s net income for the first quarter 2013 was \$631,000 or income per share of \$0.13 per share compared to net operating income for the same period in 2012 of \$308,000, or \$0.08 per share. The increase of \$251,000 in net operating income for the first quarter 2013 compared to the same period in 2012 was comprised primarily of the lower loan loss provision and higher net interest margin partially offset by higher operating costs related to the full quarterly operating cost for the Napa branch which opened late in the first quarter 2012.

George J. Guarini, Chief Executive Officer of the Bank, stated “We continue to implement organic growth initiatives while demonstrating patience on external growth opportunities. Net Interest Margin compression continues to exert pressure on earnings and while all banks will be impacted, we feel we are positioned well.”

Guarini added, “As we look forward the relocation of our Headquarters to 500 Ygnacio Valley Road, Walnut Creek, scheduled for June 24th, we are encouraged by the strength of our pipeline for new business while continuing to exercise caution given an economic environment fraught with uncertainty”.

The Bank offers a full range of loan and deposit products and services to businesses and their affiliates throughout the Bay Area. Its full services branches in California are located at 500 Ygnacio Valley Road, Walnut Creek, 155 Grand Avenue, Oakland, and 3895 E. Castro Valley Blvd, Castro Valley; 700 E. El Camino Mountain View; and 960 School Street, Napa. The Bank is a member of FDIC and is an Equal housing lender. It is traded on the Over the Counter Bulletin Board under the symbol BCML and the Bank can be found on the web at www.baycommercialbank.com. The Bankers Exchange Services Division can be found at www.BES1031.com.

The Bank has made forward-looking statements in this Press Release that are subject to risks and uncertainties. Forward-looking statements include information concerning the Bank’s possible or assumed future results of operations. Also, when the Bank uses such words as “believe,” “expect,” “anticipate,” “plan,” “could,” “intend,” or similar expressions, it is making forward-looking statements. Readers should not place undue reliance on the forward-looking statements, which reflect management’s view only as of the date hereof. The Bank’s actual results could differ materially from those expressed in any forward-looking statements as a result of certain factors, including (1) changes in interest rates, (2) significant changes in banking laws or regulations, (3) increased competition in the markets served by the entities, (4) other-than-expected credit losses due to adverse changes in the economy, (5) earthquake or other natural disasters impacting the condition of real estate collateral, (6) unexpected difficulties in the post-merger integration, and (7) legal, tax and accounting changes. The Bank undertakes no obligation to publicly revise these forward-looking statements to reflect subsequent events or circumstances.

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Selected Financial Data					
March 31, 2013					
		Quarter	Quarter	Year	Year
		Ending	Ending	Ending	Ending
		<u>3/31/2013</u>	<u>3/31/2012</u>	<u>12/31/2012</u>	<u>12/31/2011</u>
<i>Balance Sheet</i>					
(dollars in thousands)					
Total Assets	\$	310,855	\$ 285,411	\$ 316,583	\$ 269,611
Total Loans		229,837	215,462	227,492	212,387
Total Deposits		256,681	235,523	261,204	219,815
Shareholders' Equity		51,303	48,897	50,672	48,517
<i>Operating Results</i>					
(dollars in thousands)					
Interest income	\$	3,464	\$ 3,411	\$ 14,727	\$ 10,323
Interest expense		532	626	2,354	1,775
Net interest income		2,932	2,785	12,373	8,548
Provision for loan losses		11	224	1,483	1,687
Non-interest income		166	144	738	8,237
Non-interest expense		2,012	1,924	7,782	7,765
Net Income before tax		1,075	781	3,846	7,333
Income tax		444	401	1,691	19
Net Income	\$	631	\$ 380	\$ 2,155	\$ 7,314
<i>Ratios and Data</i>					
Net interest margin		3.83%	4.07%	4.34%	4.62%
Efficiency ratio		64.9%	65.7%	59.4%	46.3%
Leverage capital ratio		16.0%	17.2%	15.5%	20.6%
Income per share - basic	\$	0.13	\$ 0.08	\$ 0.45	\$ 1.92
Common stock		4,830,457	4,830,294	4,830,457	3,809,402
Income per share - diluted	\$	0.13	\$ 0.08	\$ 0.45	\$ 1.92
Common stock - diluted		4,845,907	4,830,294	4,839,157	3,809,402

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