



## **BAY COMMERCIAL BANK REPORTS FIRST QUARTER 2012 RESULTS**

WALNUT CREEK, California – April 24, 2012 -- Bay Commercial Bank (OTCBB:BCML) (the “Bank”) today announced its first quarter 2012 operating results.

The Bank reported total assets as of March 31, 2012 of \$285.4 million including loans outstanding of \$215.5 million compared to March 31, 2011 total assets of \$162.9 million and total loans outstanding of 137.4 million. At March 31, 2012, total deposits were \$235.5 million compared to total deposits of \$128.7 million at March 31, 2011. The Bank’s net income for the first quarter 2012 was \$380,000 or income per share of \$0.08 per share compared to net operating loss for the same period in 2011 of \$106,000, or \$0.03 per share. The increase of \$406,000 in net operating income for the first quarter 2012 compared to the same period in 2011 was comprised primarily of the lower loan loss provision partially offset by higher operating costs related to professional fees and costs related to defaulted loans and certain costs related to the opening of the Napa branch 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. Our earnings, capital, asset quality and an extensive menu of products allow us to exert our influence in the marketplace. In addition, our increasing size allows us to effectively put in place, safeguards necessary in the evolving bank regulatory environment”.

“As we move toward the Grand Opening of our Napa Office, scheduled for May 16<sup>th</sup>, 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 1280 Civic Drive, 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.OB and the Bank can be found on the web at [www.baycommercialbank.com](http://www.baycommercialbank.com). The Bankers Exchange Services Division can be found at [www.BES1031.com](http://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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<b>Selected Financial Data</b>						
<b>March 31, 2012</b>						
		Quarter	Quarter	Year	Year	
		Ending	Ending	Ending	Ending	
		<u>3/31/2012</u>	<u>3/31/2011</u>	<u>12/31/2011</u>	<u>12/31/2010</u>	
<b><i>Balance Sheet</i></b>						
(dollars in thousands)						
Total Assets		\$ 285,411	\$ 162,889	\$ 269,611	\$ 173,977	
Total Loans		215,462	137,360	212,387	136,195	
Total Deposits		235,523	128,748	219,815	139,457	
Shareholders' Equity		48,897	33,392	48,517	33,496	
<b><i>Operating Results</i></b>						
(dollars in thousands)						
Interest income		\$ 3,411	\$ 2,194	\$ 10,323	\$ 8,127	
Interest expense		626	385	1,775	1,782	
Net interest income		2,785	1,809	8,548	6,345	
Provision for loan losses		224	933	1,687	1,431	
Non-interest income		144	156	8,237	365	
Non-interest expense		1,924	1,209	7,765	4,278	
Net Income before tax		781	(177)	7,333	1,001	
Income tax		401	(71)	19	380	
Net Income		\$ 380	\$ (106)	\$ 7,314	\$ 621	
<b><i>Ratios and Data</i></b>						
Net interest margin		4.07%	4.59%	4.62%	4.33%	
Efficiency ratio		65.7%	61.5%	46.3%	63.8%	
Leverage capital ratio		17.2%	20.2%	20.6%	20.2%	
Income per share - basic		\$ 0.08	\$ (0.03)	\$ 1.92	\$ 0.26	
Common stock		4,830,294	3,549,794	3,809,402	2,344,315	
Income per share - diluted		\$ 0.08	\$ (0.03)	\$ 1.92	\$ 0.26	
Common stock - diluted		4,830,294	3,549,794	3,809,402	2,344,315	

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