



BAY COMMERCIAL BANK REPORTS OPERATING 2012 RESULTS

WALNUT CREEK, California – January 30, 2013 -- Bay Commercial Bank (OTCBB:BCML) today reported fourth quarter and full year 2012 operating results.

The Bank reported total assets as of December 31, 2012 of \$317 million including loans outstanding of \$227 million compared to December 31, 2011 total assets of \$270 million and total loans outstanding of \$212 million. At December 31, 2012, total deposits were \$261 million compared to total deposits at December 31, 2011 of \$220 million. The Bank's net income for the fourth quarter 2012 was \$624,000 or \$0.13 per share compared to net income for the same period in 2011 of \$6,802,000 or \$1.49 per share. For the full year 2012, the Bank reported net income of \$2,155,000 compared to net income of \$7,314,000 for 2011. For 2012 net income to shareholders was \$0.45 per share compared to \$1.92 per share for 2011. Net income for 2011 included a bargain purchase gain related to the merger with Global Trust Bank totaling \$7,650,000 and merger related expenses totaling \$1,580,000. Excluding the merger related items, net income in 2012 exceed 2011 net income by \$1,416,000 or 192% primarily due to higher net interest margin partially offset by higher operating expenses.

George J. Guarini, Chief Executive Officer of Bay Commercial Bank, stated "Our operating results in 2012 are the result of our continued emphasis on maintaining adequate margins and operating efficiencies. As we look toward 2013 we remain committed to the pursuit of external strategic growth opportunities. We believe that a continued focus on earnings, efficiency and a sound credit culture are important ingredients to growing a successful franchise".

Guarini added "We are quite pleased to announce the relocation of our Walnut Creek branch to 500 Ygnacio Valley Road, which occurred on January 22, 2013 and are anxious to relocate our Executive Offices to the same location on or before July 1, 2013."

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.OB 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 anticipated in any forward-looking statements as a result of certain factors, including those set forth in "Risk Factors" and elsewhere in its Offering Circular and are incorporated herein by reference. 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

December 31, 2012

	Quarter Ending <u>12/31/2012</u>	Quarter Ending <u>12/31/2011</u>	Year Ending <u>12/31/2012</u>	Year Ending <u>12/31/2011</u>
<u>Balance Sheet</u> (dollars in thousands)				
Total Assets	\$ 316,583	\$ 269,611	\$ 316,583	\$ 269,611
Total Loans	227,492	212,387	227,492	212,387
Total Deposits	261,204	219,815	261,204	219,815
Shareholders' Equity	50,672	48,517	50,672	48,517

Operating Results

(dollars in thousands)

Interest income	\$ 3,677	\$ 3,328	\$ 14,727	\$ 10,323
Interest expense	590	605	2,354	1,775
Net interest income	<u>3,087</u>	<u>2,723</u>	<u>12,373</u>	<u>8,548</u>
Provision for loan losses	363	330	1,483	1,687
Non-interest income	189	7,799	738	8,237
Non-interest expense	<u>1,961</u>	<u>3,719</u>	<u>7,782</u>	<u>7,765</u>
Net Income before tax	952	6,473	3,846	7,333
Income tax expense(benefit)	328	(329)	1,691	19
Net Income	<u>\$ 624</u>	<u>\$ 6,802</u>	<u>\$ 2,155</u>	<u>\$ 7,314</u>

Ratios and Data

Net interest margin	3.92%	4.71%	4.34%	4.62%
Efficiency ratio	59.9%	35.3%	59.4%	46.3%
Leverage capital ratio	15.5%	20.6%	15.5%	20.6%
Income per share - basic	\$ 0.13	\$ 1.49	\$ 0.45	\$ 1.92
Common stock - weighted average	4,830,457	4,579,761	4,830,457	3,809,402
Income per share - diluted	\$ 0.13	\$ 1.49	\$ 0.45	\$ 1.92
Common stock - diluted weighted average	4,839,157	4,579,761	4,839,157	3,809,402

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