



BAY COMMERCIAL BANK REPORTS OPERATING 2010 RESULTS

WALNUT CREEK, California – February 2, 2011 -- Bay Commercial Bank (OTCBB:BCML) today reported fourth quarter and full year 2010 operating results.

The Bank reported total assets as of December 31, 2010 of \$174.0 million including loans outstanding of \$136.2 million compared to December 31, 2009 total assets of \$143.4 million and total loans outstanding of \$131.8 million. At December 31, 2010, total deposits were \$139.5 million compared to total deposits at December 31, 2009 of \$126.6 million. The Bank's net income for the fourth quarter 2010 was \$36,000 or \$0.01 per share compared to net income for the same period in 2009 of \$227,000 or \$0.15 per share. For the full year 2010, the Bank reported net income of \$621,000 compared to net income of \$359,000 for 2009. For 2010 net income to shareholders was \$0.25 per share compared to \$0.23 per share for 2009. The increase in operating income for 2010 compared to 2009 was comprised primarily of higher net interest income partially offset by higher loan loss provisions, operating expenses and income tax expenses.

George J. Guarini, Chief Executive Officer of Bay Commercial Bank, stated "We continue to move forward on implementing our growth plans through acquisitions while maintaining prudent lending standards and developing the Bank's core businesses."

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. Bay Commercial Bank is a member of FDIC and is an Equal Housing Lender. Bay Commercial Bank is traded on the bulletin board under the symbol BCML.OB and the Bank can be found at www.baycommercialbank.com. The Bankers Exchange Services Division can be found at www.BES1031.com. The Bank also offers business Escrow Services.

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, 2010

	Quarter Ending <u>12/31/2010</u>	Quarter Ending <u>12/31/2009</u>	Year Ending <u>12/31/2010</u>	Year Ending <u>12/31/2009</u>
<i>Balance Sheet</i>				
(dollars in thousands)				
Total Assets	\$ 173,977	\$ 143,408	\$ 173,977	\$ 143,408
Total Loans	136,195	131,820	136,195	131,820
Total Deposits	139,457	126,550	139,457	126,550
Shareholders' Equity	33,496	16,035	33,496	16,035

Operating Results

(dollars in thousands)

Interest income	\$ 2,083	\$ 2,070	\$ 8,127	\$ 7,225
Interest expense	435	634	1,782	2,509
Net interest income	1,648	1,436	6,345	4,716
Provision for loan losses	675	130	1,431	430
Non-interest income	107	92	365	299
Non-interest expense	1,082	1,022	4,278	3,955
Net Income before tax	(2)	376	1,001	630
Income tax expense	(38)	149	380	271
Net Income	\$ 36	\$ 227	\$ 621	\$ 359

Ratios and Data

Net interest margin	4.09%	3.81%	4.33%	3.55%
Efficiency ratio	61.7%	66.9%	63.8%	78.9%
Leverage capital ratio	20.2%	10.4%	20.2%	10.4%
Income per share - basic	\$ 0.01	\$ 0.15	\$ 0.25	\$ 0.23
Common stock	3,549,794	1,549,794	2,514,178	1,549,794
Income per share - diluted	\$ 0.01	\$ 0.15	\$ 0.25	\$ 0.23
Common stock - diluted	3,549,794	1,562,057	2,514,178	1,562,057

END