



BAY COMMERCIAL BANK REPORTS FIRST QUARTER 2015 RESULTS

WALNUT CREEK, California – April 29, 2015 -- Bay Commercial Bank (OTCBB:BCML) (the “Bank”) today announced its first quarter 2015 operating results.

The Bank reported total assets as of March 31, 2015 of \$614.0 million including loans outstanding of \$405.0 million compared to March 31, 2014 total assets of \$350.3 million and total loans outstanding of \$266.6 million. At March 31, 2015, total deposits were \$530.8 million compared to total deposits of \$294.4 million at March 31, 2014. The Bank’s net income for the first quarter 2015 was \$5,389,000 or income per share of \$1.04 per share compared to net operating income for the same period in 2014 of \$524,000, or \$0.11 per share. The increase of \$4,865,000 in net operating income for the first quarter 2015 compared to the same period in 2014 was comprised primarily of the bargain purchase gain totaling \$6,190,000 partially offset by merger and integration related expenses totaling \$2,000,000. In addition, the higher provision for loan losses was substantially off set by higher net interest income and lower income tax expense. Loan loss provision expense was higher primarily to due organic loan growth.

George J. Guarini, Chief Executive Officer of the Bank, stated “We are pleased with the financial results of our merger with Valley Community Bank. It is the fourth acquisition we have closed since 2009. We now have ten branch offices serving the regions five contiguous counties of Napa, Contra Costa, Alameda, San Joaquin and Santa Clara.”

Guarini added, “In addition, we continue our efforts to implement organic growth as we continue to look for growth opportunities through mergers and external growth.”

Bay Commercial Bank offers a full-range of loans, including SBA, FSA and USDA guaranteed loans, and deposit products and services to businesses and their affiliates throughout the Greater Bay Area. Bay Commercial Bank also offers business escrow services and facilitates tax free exchanges through its Bankers Exchange Division. Bay Commercial 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. The Bank can be found on the web at www.baycommercialbank.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, 2015**

	Year Ending <u>12/31/2014</u>	Year Ending <u>12/31/2013</u>	Quarter Ending <u>3/31/2015</u>	Quarter Ending <u>3/31/2014</u>
<i><u>Balance Sheet</u></i>				
(dollars in thousands)				
Total Assets	\$ 504,391	\$ 342,304	\$ 613,955	\$ 350,255
Total Loans	325,699	254,178	404,970	266,618
Total Deposits	437,941	286,464	530,772	294,382
Shareholders' Equity	58,174	52,322	71,798	52,846

Operating Results

(dollars in thousands)				
Interest income	\$ 19,637	\$ 14,915	\$ 5,679	\$ 3,749
Interest expense	2,580	2,080	724	527
Net interest income	17,057	12,835	4,955	3,222
Provision for loan losses	1,074	348	422	224
Non-interest income	3,705	628	6,538	164
Non-interest expense	12,793	8,526	5,777	2,268
Net Income before tax	6,895	4,589	5,294	894
Income tax	1,717	1,899	(95)	370
Net Income	\$ 5,178	\$ 2,690	\$ 5,389	\$ 524

Ratios and Data

Net interest margin	3.91%	4.07%	3.79%	3.95%
Efficiency ratio	61.6%	63.3%	50.3%	67.0%
Book value per share period end	\$ 11.93	\$ 11.07	\$ 13.16	\$ 11.18
Common shares outstanding	4,875,787	4,727,457	5,455,857	4,727,457
Leverage capital ratio	11.1%	15.7%	11.9%	15.1%
Income per share - basic	\$ 1.09	\$ 0.56	\$ 1.04	\$ 0.11
Common stock - weighted average	4,740,152	4,811,512	5,172,267	4,727,457
Income per share - diluted	\$ 1.08	\$ 0.54	\$ 1.01	\$ 0.11
Common stock - diluted - weighted average	4,780,345	4,971,213	5,312,474	4,742,907

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