



## **BAY COMMERCIAL BANK REPORTS THIRD QUARTER 2011 RESULTS**

WALNUT CREEK, California – October 17, 2011 -- Bay Commercial Bank (OTCBB:BCML) (the “Bank”) today announced its third quarter 2011 operating results.

The Bank reported total assets as of September 30, 2011 of \$188.0 million including loans outstanding of \$157.5 million compared to September 30, 2010 total assets of \$164.0 million and total loans outstanding of 127.6 million. At September 30, 2011, total deposits were \$153.4.0 million compared to total deposits of \$130.2 million at September 30, 2010. The Bank’s net operating income for the third quarter 2011 was \$316,000 or \$0.09 per share compared to net income for the same period in 2010 of \$91,000, or \$0.03 per share. The increase of \$225,000 in net operating income for the third quarter 2011 compared to the same period in 2010 was comprised primarily of higher net interest margin and other non-interest revenue, and lower provision for loan losses partially offset by higher operating expenses.

For the first nine months of 2011, the Bank reported net income of \$512,000 compared to net income of \$585,000 for the first nine months of 2010. For the most recent nine month period, the net income to shareholders was \$0.14 per share, compared to \$0.27 per share for the first nine months of 2010. The decrease in operating income for the nine month period ended September 30, 2011 compared to the same periods in 2010 was primarily the result of higher loan loss provisions in 2011.

George J. Guarini, Chief Executive Officer of the Bank, stated “Our planned merger with Global Trust Bank (Mountain View) represents a meaningful step in the area of external growth and an increase in our menu of services. In addition, we look forward to announcing specific information in the near future regarding our efforts in Napa, which will enhance our organic growth initiative.”

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. 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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**Selected Financial Data**

**September 30, 2011**

	Quarter Ending <u>9/30/2010</u>	Quarter Ending <u>9/30/2011</u>	Year to Date <u>9/30/2010</u>	Year to Date <u>9/30/2011</u>	Year Ending <u>12/31/2010</u>
<b><u>Balance Sheet</u></b>					
(dollars in thousands)					
Total Assets	\$ 164,028	\$ 188,036	\$ 164,028	\$ 188,036	\$ 173,977
Total Loans	127,597	157,447	127,597	157,447	136,195
Total Deposits	130,168	153,372	130,168	153,372	139,457
Shareholders' Equity	33,458	34,013	33,458	34,013	33,496

**Operating Results**

(dollars in thousands)

Interest income	\$ 2,031	\$ 2,544	\$ 6,044	6,995	\$ 8,127
Interest expense	434	399	1,347	1,170	1,782
Net interest income	1,597	2,145	4,697	5,825	6,345
Provision for loan losses	502	249	756	1,357	1,431
Non-interest income	86	156	258	438	365
Non-interest expense	1,024	1,534	3,196	4,046	4,278
Net Income before tax	157	518	1,003	860	1,001
Income tax	66	202	418	348	380
Net Income	\$ 91	\$ 316	\$ 585	\$ 512	\$ 621

**Ratios and Data**

Net interest margin	4.09%	5.05%	4.42%	4.76%	4.33%
Efficiency ratio	60.8%	66.7%	64.5%	64.6%	63.8%
Leverage capital ratio	21.6%	19.5%	21.6%	19.5%	20.2%
Income per share - basic	\$ 0.03	\$ 0.09	\$ 0.27	\$ 0.14	\$ 0.26
Common stock	2,701,968	3,549,794	2,132,212	3,549,794	2,344,315
Income per share - diluted	\$ 0.03	\$ 0.09	\$ 0.28	\$ 0.14	\$ 0.26
Common stock - diluted	2,691,900	3,549,794	2,122,144	3,549,794	2,344,315

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