



BAY COMMERCIAL BANK REPORTS 2004 RESULTS

WALNUT CREEK, California – (BUSINESS WIRE) – January 31, 2005 -- Bay Commercial Bank (OTCBB:BCML) today announces its 2004 operating results.

The Bank reported total assets as of December 31, 2004 of \$25.6 million including loans of \$15.3 million, and deposits totaled \$11.6 million. The Bank's operating loss for the period July 20, 2004 through December 31, 2004 was \$732,400 or a loss per share of \$0.48.

George J. Guarini, Chief Executive Officer of Bay Commercial Bank, stated "We are pleased with the progress we are making into the local business community. Both the Oakland and Walnut Creek offices have seen increasing levels of business activity."

The Bank offers a full range of loan and deposit products and services to businesses and their affiliates throughout the Bay Area. Its offices are located at 1280 Civic Drive, Suite 100, Walnut Creek, California and at 1111 Broadway, Suite 110, Oakland, California. 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 following firms make a market in the Bank's common stock:

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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, 2004

	Year	Quarter	Quarter	Change	
	Ending	Ending	Ending	\$	%
<i>Balance Sheet</i>	<u>12/31/2004</u>	<u>12/31/2004</u>	<u>9/30/2004</u>		
(dollars in thousands)					
Total Assets	\$ 25,554	\$ 25,554	\$ 20,117	\$ 5,437	27.0%
Total Loans	15,275	15,275	7,976	7,299	91.5%
Total Deposits	11,589	11,589	5,861	5,728	97.7%
Shareholders' Equity	13,880	13,880	14,216	(336)	-2.4%

Operating Results

(dollars in thousands)

Interest Income	\$ 323	\$ 251	\$ 72	\$ 179	249%
Interest Expense	50	41	9	32	356%
Net Interest Income	273	210	63	147	233%
Provision for loan losses	175	92	83	9	11%
Non-interest Income	3	2	1	1	100%
Non-interest Expense	833	450	383	67	17%
Net Loss	\$ (732)	\$ (330)	\$ (402)	\$ 72	18%

Ratios and Data

Net Interest Margin	2.93%	3.60%	1.74%	1.86%
Efficiency ratio	302%	212%	598%	-386%



Leverage capital ratio	58.6%	58.6%	78.7%	-20.1%
Loss Per share	\$ (0.48)	\$ (0.22)	\$ (0.26)	\$ 0.04
Common Stock	1,540,000	1,540,000	1,540,000	-

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