



For Immediate Release

October 24, 2011

Company Press Release

NorCal Community Bancorp Announces Third Quarter Profit and Termination of Consent Order for Bank of Alameda

ALAMEDA, Calif. – (BUSINESS WIRE) – October 24, 2011. NorCal Community Bancorp (the “Company”) (OTC Bulletin Board: NCLC), parent company for Bank of Alameda, today reported a 2011 third quarter profit of \$98,000, or \$0.01 per diluted share, compared to a net loss of \$1.2 million, or (\$0.37) per diluted share, for the same period a year ago. For the nine months ended September 30, 2011 the Company reported a net loss of \$192,000, or (\$0.02) per diluted share, compared to a net loss of \$4.0 million, or (\$1.26) per diluted share for the same period in 2010.

“We are very pleased to report this first quarterly profit after nine consecutive quarterly losses,” stated Stephen G. Andrews, President and Chief Executive Officer. “We have made extraordinary progress this year in cleaning up the balance sheet, which has contributed to a significant decrease in loan loss provisioning and charge-off activity in 2011.” For the three and nine month period ended September 30, 2011, the Company provided \$150,000 and \$750,000, respectively, to its allowance for loan and lease losses compared to \$850,000 and \$4.4 million, for the same periods in 2010. Non-performing assets were \$8.2 million compared to \$22 million at September 30, 2010.

As of September 30, 2011, total assets were \$254.7 million, up from \$250.4 million at September 30, 2010. Total loans and leases have decreased \$10.7 million, or 6.2% to \$161.4 million at September 30, 2011 compared to \$172.0 million at September 30, 2010. Total deposits decreased \$1.7 million to \$224.0 million at September 30, 2011, compared to \$225.7 million at September 30, 2010.

The Company is also reporting that effective September 20, 2011, the Federal Deposit Insurance Corporation (the “FDIC”) and the California Department of Financial Institutions (the “CDFI”), issued a joint order terminating the formal agreement (the “Consent Order”) entered into on September 17, 2010, between Bank of Alameda, the FDIC and the CDFI. Mr. Andrews stated, “We are extremely pleased that our efforts to comply with the terms of the Consent Order have been recognized by both the FDIC and CDFI. The removal of the order is a testament to the Bank’s improved overall financial condition and confirms our strong capital position.” Bank of Alameda will remain informally committed to the FDIC and CDFI to continue to maintain its capital levels, reduce problem assets and improve earnings.

Andrews closed with stating, “Our focusing on the key components of core operations - service, community involvement and local decision making – will serve to further improve the value of our franchise and our return to profitability.”

A copy of the Company's information and disclosure statement pursuant to Securities and Exchange Commission Rule 15c2-11 can be found on the home page of the Company's website at www.bankofalameda.com under the Investor Relations section.

Cautionary Statement: This release may contain certain forward-looking statements that are subject to risks and uncertainties that could cause actual results and events to differ materially from those stated herein. Words such as "anticipate," "believe," "estimate," "expect," "should," "intend," "project," and words or phrases of similar meaning are intended to identify forward-looking statements. Management's assumptions and projections are based on their anticipation of future events and actual performance may differ materially from that projected.

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NorCal Community Bancorp
FINANCIAL HIGHLIGHTS

(Dollar amounts in thousands, except share and per share data)

(Unaudited)

FOR THE PERIOD	Three Months Ended		Nine Months Ended	
	Sept. 30, 2011	Sept. 30, 2010	Sept. 30, 2011	Sept. 30, 2010
Total interest income	\$ 2,652	\$ 2,743	\$ 7,817	\$ 8,551
Total interest expense	212	317	702	984
Net interest income	2,440	2,426	7,115	7,567
Provision for loan and lease losses	150	850	750	4,385
Noninterest income	361	214	773	660
Noninterest expense	2,537	2,975	7,240	7,829
Income (Loss) before provision for income taxes	114	(1,185)	(102)	(3,987)
Provision for income tax expense	16	-	90	2
Net Income (Loss)	<u>\$ 98</u>	<u>\$ (1,185)</u>	<u>\$ (192)</u>	<u>\$ (3,989)</u>
Basic income (loss) per share	\$ 0.01	\$ (0.37)	\$ (0.02)	\$ (1.26)
Diluted income (loss) per share	\$ 0.01	\$ (0.37)	\$ (0.02)	\$ (1.26)
Average shares outstanding	10,613,244	3,166,755	10,613,244	3,166,755
Diluted average shares for the period	10,613,244	3,166,755	10,613,244	3,166,755
SELECTED FINANCIAL RATIOS				
(Annualized)				
Return on average assets	0.15%	-1.88%	-0.10%	-2.12%
Return on average equity	1.87%	-28.73%	-1.25%	-30.30%
Yield on earning assets	4.26%	4.51%	4.23%	4.69%
Cost of funds	0.54%	0.71%	0.59%	0.74%
Net interest margin	3.92%	3.99%	3.85%	4.15%
Efficiency ratio	90.59%	112.83%	91.79%	94.93%
Net charge-offs as a percentage of average loans and leases	0.31%	1.05%	1.52%	2.57%
Loan loss provision as a percentage of average loans and leases	0.37%	1.91%	0.62%	3.14%

Financial Highlights - Continued

	As of		
	<u>Sept. 30,</u> <u>2011</u>	<u>Sept. 30,</u> <u>2010</u>	<u>%</u> <u>Change</u>
CONSOLIDATED BALANCE SHEET			
ASSETS			
Cash and due from banks			
Non-interest bearing	\$ 2,380	\$ 1,643	45%
Interest bearing	33,336	44,153	-24%
Investment securities	56,694	28,664	98%
Loans and leases	161,386	172,039	-6%
Allowance for loan and lease losses	(4,736)	(6,199)	-24%
Net loans and leases	156,650	165,840	-6%
Other assets	5,679	10,066	-44%
TOTAL ASSETS	<u>\$ 254,739</u>	<u>\$ 250,366</u>	2%
LIABILITIES			
Deposits			
Non-interest bearing	\$ 65,617	\$ 54,009	21%
Interest bearing	158,367	171,677	-8%
Total deposits	223,984	225,686	-1%
Other liabilities	9,946	9,113	9%
TOTAL LIABILITIES	<u>233,930</u>	<u>234,799</u>	0%
SHAREHOLDERS' EQUITY	20,809	15,567	34%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u>\$ 254,739</u>	<u>\$ 250,366</u>	2%
Book value per share	\$ 1.96	\$ 4.92	
REGULATORY CAPITAL RATIOS			
Leverage ratio	10.87%	8.26%	
Tier 1 risk-based capital ratio	15.63%	11.75%	
Total risk-based capital ratio	17.51%	14.62%	
ASSET QUALITY METRICS			
ALLL as a percentage of total loans and leases	2.93%	3.60%	
Non-performing assets as a percentage of total loans and leases + OREO	5.00%	12.43%	
Non-performing assets as a percentage of total equity + ALLL (Texas ratio)	31.97%	100.93%	