



**For Immediate Release**  
**February 10, 2010**

**Company Press Release**

## **NorCal Community Bancorp Announces 2009 Financial Results**

ALAMEDA, Calif. – (BUSINESS WIRE) – February 10, 2010. NorCal Community Bancorp (the “Company”) (OTCBB: NCLC), parent company for Bank of Alameda, today reported financial results for 2009. As of December 31, 2009, total assets were \$248.2 million, down from \$262.3 million at December 31, 2008. Total deposits increased \$1.9 million to \$220.0 million at December 31, 2009, compared to \$218.1 million at December 31, 2008. Total loans and leases decreased \$37.2 million, or 15.5% to \$203.0 million at December 31, 2009 compared to \$240.2 million at December 31, 2008.

For the year ended December 31, 2009 the Company reported a pre-tax loss of \$4.6 million, and an after tax loss of \$5.0 million, or \$1.60 per diluted common share. This compares to a pre-tax loss of \$4.4 million and an after tax loss of \$2.4 million, or \$0.88 per diluted common share for the year ended December 31, 2008. For the three months ended December 31, 2009 the Company reported a net loss of \$4.4 million, or \$1.41 per diluted common share, compared to a net loss of \$3.4 million, or \$1.08 per diluted common share for the same period in 2008.

During the fourth quarter of 2009 the Company analyzed its deferred tax assets and determined that a valuation allowance of \$2.5 million should be set up against those assets, effectively reducing approximately \$2.1 million in calculated tax benefits for 2009. Prospective earnings or tax law changes could prompt the Company to reevaluate the assumptions used to establish the valuation allowance.

The Company and its subsidiary, Bank of Alameda, both remain “well capitalized,” as defined under regulatory capital guidelines. The total risk-based capital ratio at December 31, 2009 stood at 14.2% and 14.1%, respectively, at the Company and Bank. Those ratios are in excess of the 10% required by regulators to maintain “well capitalized” status. Reductions in the Bank’s real estate construction and land loans of over \$33.2 million, or 44% at December 31, 2009 compared to December 31, 2008 assisted the Company and Bank in maintaining strong capital ratios during 2009.

“Throughout 2009, we have consistently taken a proactive approach to recognizing our problem assets, assessing their collectability and recording those assets at their appropriate values,” stated President and CEO, Stephen G. Andrews. “We are disappointed that these steps resulted in significant loan chargeoffs and related loan loss provisioning in 2009. We are encouraged however that the risk profile of certain portions of our balance sheet have improved with meaningful reductions in real estate construction and land development loans.”

The allowance for loan and lease losses stood at 2.66% of total loans and leases at December 31, 2009 compared to 2.84% at December 31, 2008. At December 31, 2009, non-performing loans and OREO were 7.65% of total assets or \$19.0 million, compared to \$13.2 million, or 5.04% at December 31, 2008.

Chairman of Board James B. Davis commented, “Bank of Alameda has, and will continue to support the financial needs of our community and looks forward to maintaining the close ties that have been developed throughout the years with our loyal customers and shareholders.”

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](http://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)

<b>FOR THE PERIOD:</b>	<b>Three Months Ended</b>			<b>Year Ended</b>		
	<b>Dec. 31, 2009</b>	<b>Dec. 31, 2008 (1)</b>	<b>% Change</b>	<b>Dec. 31, 2009</b>	<b>Dec. 31, 2008 (1)</b>	<b>% Change</b>
Net interest income	\$ 2,801	\$ 3,107	-10%	\$ 12,131	\$ 13,600	-11%
Provision for loan and lease losses	3,300	6,400	-48%	7,350	7,822	-6%
Noninterest income	219	232	-6%	890	857	4%
Noninterest expense	3,012	2,764	9%	10,275	11,008	-7%
Loss before provision for income taxes	(3,292)	(5,825)	43%	(4,604)	(4,373)	-5%
Provision (benefit) for income taxes	1,115	(2,430)	146%	425	(1,969)	122%
Net loss	\$ (4,407)	\$ (3,395)	-30%	\$ (5,029)	\$ (2,404)	-109%
Net loss per basic share	\$ (1.41)	\$ (1.08)	-31%	\$ (1.60)	\$ (0.88)	-82%
Net loss per diluted share	\$ (1.41)	\$ (1.08)	-31%	\$ (1.60)	\$ (0.88)	-82%
Average shares outstanding	3,133,615	3,207,102		3,133,615	3,037,949	
Diluted average shares	3,133,615	3,207,102		3,133,615	3,037,949	

**SELECTED FINANCIAL RATIOS (Annualized):**

Return on average assets	-6.64%	-4.88%	-1.90%	-0.87%
Return on average equity	-83.74%	-48.98%	-23.11%	-8.79%
Average shareholders' equity to average assets	7.93%	9.97%	8.24%	9.86%
Net interest margin	4.31%	4.63%	4.64%	5.07%
Efficiency ratio	99.75%	80.16%	78.68%	76.15%

**AT PERIOD END:**

Loans and leases	\$ 203,022	\$ 240,199
Allowance for loan and lease losses	\$ 5,393	\$ 6,833
Assets	\$ 248,242	\$ 262,279
Shareholders' equity	\$ 19,314	\$ 24,090
Deposits	\$ 220,014	\$ 218,074
Total risk-based capital ratio - Consolidated	14.22%	14.46%
Total risk-based capital ratio - Bank of Alameda	14.13%	13.62%
Allowance for loan and lease losses to total loans and leases	2.66%	2.84%
Non-performing assets to total assets	7.65%	5.04%
Common shares outstanding	3,166,765	3,172,444

(1) As restated