

**For Immediate Release  
July 22, 2005**

**Company Press Release**

## **NorCal Community Bancorp Announces Second Quarter Results**

ALAMEDA, Calif. – (BUSINESS WIRE) – July 22, 2005. NorCal Community Bancorp (the “Company”) (OTC Bulletin Board: NCLC), parent company for Bank of Alameda, today announced results for the quarter ended June 30, 2005. Net income for the three months ended June 30, 2005 increased \$187,000 or 41% to \$644,000, compared to net income of \$457,000 in the second quarter of 2004. Earnings per diluted share increased 39% to \$0.32 in the second quarter of 2005, compared to \$0.23 in the second quarter of 2004.

Net income for the six months ended June 30, 2005 increased \$274,000 or 29% to \$1.2 million, compared to net income of \$931,000 for the six months ended June 30, 2004. Earnings per diluted share increased 28% to \$0.60 for the six months ended June 30, 2005, compared to \$0.47 for the six months ended June 30, 2004.

The return on average assets for the second quarter of 2005 was 1.20% and the return on average equity was 17.74%, compared to 0.96% and 14.81%, respectively, in the second quarter of 2004. The return on average assets and return on average equity for the first six months of 2005 were 1.13% and 17.00%, respectively, compared to 0.99% and 15.36% for the same period in 2004.

Net interest income was \$2.8 million and \$5.5 million in the second quarter and first six months of 2005, respectively, compared to \$2.3 million and \$4.6 million for the same periods in 2004. The net interest margin for the second quarter and first six months of 2005 was 5.51% and 5.42%, respectively. This is an increase of 43 basis points and 32 basis points compared to the same periods in 2004. Increases in market rates in 2005 have helped to increase the Company’s yield on earning assets by 72 basis points in the second quarter of 2005 compared to 2004 and 60 basis points for the six months ended June 30, 2005 compared to the same period in 2004. Partially offsetting the rise in earning asset yields were increases in the Company’s cost of funds. The cost of funds rose 46 basis points to 1.37% in the second quarter of 2005 compared to 0.91% in 2004 and 33 basis points to 1.25% for the six months ended June 30, 2005 compared to 0.92% in 2004.

Non-interest income decreased \$30,000 or 12% in the second quarter of 2005, compared to the second quarter of 2004. Decreased mortgage fee income and service charge fee income on deposit accounts were the primary factors contributing to this decrease. If interest rates continue to rise, management expects continuing reduction in this fee income. For the six months ended June 30, 2005 non-interest income increased \$56,000 or 11% compared to the same period in 2004.

Non-interest expense increased \$142,000 or 8% in the second quarter of 2005, compared to the second quarter of 2004 and \$412,000 or 12% for the six months ended June 30, 2005 compared to the six months ended June 30, 2004. The increase in non-interest expense in 2005 compared to 2004 was primarily the result of increased staffing and other related costs associated with the strengthening of the Company’s internal infrastructure.

At June 30, 2005, the Company’s total assets were \$222.9 million, an increase of \$28.4 million or 15%, compared to June 30, 2004. Total loans and leases were \$182.8 million at June 30, 2005, an

increase of \$29.4 million or 19%, compared to June 30, 2004. Total deposits were \$196.0 million at June 30, 2005, an increase of \$22.7 million or 13%, compared to June 30, 2004.

President and CEO, Stephen G. Andrews stated, “We are pleased with the results of NorCal Community Bancorp and its subsidiary, Bank of Alameda at our mid-point in 2005. The markets that we serve remain economically strong. That continuing market strength helps our Company grow and prosper.”

Founded in March 1998, Bank of Alameda operates from three branches in the City of Alameda, two Commercial Banking Offices located in Emeryville and Oakland, a Loan Production Office in Walnut Creek and an administrative office in Alameda.

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.

**Contact:**

NorCal Community Bancorp  
Steve Andrews (510) 748-8930  
[www.norcalcommunitybancorp.com](http://www.norcalcommunitybancorp.com)

**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>Six Months Ended</b>		
	<b>June 30, 2005</b>	<b>June 30, 2004</b>	<b>% Change</b>	<b>June 30, 2005</b>	<b>June 30, 2004</b>	<b>% Change</b>
Net interest income	\$ 2,794	\$ 2,304	21%	\$ 5,458	\$ 4,582	19%
Provision for loan and lease losses	105	90	17%	225	180	25%
Noninterest income	224	254	-12%	558	502	11%
Noninterest expense	<u>1,865</u>	<u>1,723</u>	8%	<u>3,809</u>	<u>3,397</u>	12%
Income before provision for income taxes	1,048	745	41%	1,982	1,507	32%
Provision for income taxes	<u>404</u>	<u>288</u>	40%	<u>777</u>	<u>576</u>	35%
Net income	<u>\$ 644</u>	<u>\$ 457</u>	41%	<u>\$ 1,205</u>	<u>\$ 931</u>	29%
Net income per basic share	\$ 0.37	\$ 0.26	42%	\$ 0.70	\$ 0.54	30%
Net income per diluted share	\$ 0.32	\$ 0.23	39%	\$ 0.60	\$ 0.47	28%
Average shares outstanding	1,724,996	1,724,452		1,724,725	1,724,452	
Diluted average shares	1,988,216	1,996,066		1,992,423	1,990,965	

**SELECTED FINANCIAL RATIOS (Annualized):**

Return on average assets	1.20%	0.96%	1.13%	0.99%
Return on average equity	17.74%	14.81%	17.00%	15.36%
Average shareholders' equity to average assets	6.75%	6.46%	6.64%	6.42%
Net interest margin	5.51%	5.08%	5.42%	5.10%

**AT PERIOD END:**

Loans and leases	\$ 182,789	\$ 153,411
Allowance for loan and lease losses	\$ 2,205	\$ 1,980
Assets	\$ 222,873	\$ 194,499
Shareholders' equity	\$ 14,808	\$ 12,473
Deposits	\$ 196,016	\$ 173,343
Total risk-based capital ratio	11.07%	12.01%
Allowance for loan and lease losses to total loans and leases	1.21%	1.29%
Shares outstanding	1,725,202	1,724,452