

**For Immediate Release  
July 19, 2004**

**Company Press Release**

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

ALAMEDA, Calif. – (BUSINESS WIRE) – July 19, 2004. NorCal Community Bancorp (the “Company”) (OTC Bulletin Board: NCLC), parent company of the Bank of Alameda (the “Bank”), today announced results for the quarter ended June 30, 2004. Net income for the three months ended June 30, 2004 was \$457,000, or \$0.23 per diluted share and \$0.26 per basic share. This is an increase of \$35,000 or 8% over net income of \$422,000, or \$0.23 per diluted share and \$0.24 per basic share in the second quarter of 2003. Net income for the first six months of 2004 was \$931,000, an increase of \$137,000 or 17%, compared to net income of \$794,000 for the same period in 2003. Diluted and basic earnings per share increased to \$0.47 and \$0.54 for the first six months of 2004, respectively, compared to diluted and basic earnings per share of \$0.43 and \$0.46 for the same period in 2003.

The return on average assets for the second quarter of 2004 was 0.96% and the return on average equity was 14.81%, compared to 1.02% and 15.87%, respectively in the second quarter of 2003. The return on average assets and return on average equity for the first six months of 2004 were 0.99% and 15.36%, respectively, compared to 0.99% and 15.25% for the same period in 2003.

Net interest income was \$2.3 million and \$4.6 million in the second quarter and first six months of 2004, respectively, compared to \$2.0 million and \$4.1 million in the same periods in 2003. The increase in net interest income is primarily attributed to the growth in the Company’s loan portfolio in 2004 compared to 2003.

Non-interest income decreased \$105,000 or 29% and \$100,000 or 17% for the second quarter and first six months of 2004 compared to the same periods in 2003. Changes to the SBA government guaranteed lending program prompted lower than expected sales fee income for the Company in 2004 compared to 2003. A slow down in mortgage brokerage activity due to rising interest rates also led to lower mortgage fees in 2004 compared to 2003.

Non-interest expense increased \$159,000 or 10% and \$267,000 or 9% for the second quarter and first six months of 2004 compared to the same periods in 2003. The increase in non-interest expense in 2004 was primarily the result of increased staffing and other related costs to support the Company’s growth and expansion including the opening of the Bank’s newest full service commercial banking center in Oakland, CA.

At June 30, 2004, the Company’s total assets were \$194.5 million, an increase of \$26.0 million or 15% compared to June 30, 2003. Total loans were \$153.4 million at June 30, 2004, an increase of \$45.3 million or 42% compared to June 30, 2003. Total deposits were \$173.3 million at June 30, 2004, an increase of \$19.4 million or 13% compared to June 30, 2003.

Nonperforming assets were \$115,000 or 0.08% of total loans and repossessed property. This is a substantial decrease from nonperforming assets of \$1.1 million reported at March 31, 2004. Nonperforming assets at June 30, 2003 were \$115,000 or 0.11% of total loans and repossessed property. Included in nonperforming assets at March 31, 2004 were two loans totaling \$1.0 million which were subsequently paid off with no loss realized by the Bank.

“We are pleased with the growth and diversification we have seen in our loan portfolio this year. The Bank has been more effective in deploying its funding sources into these higher earning assets,” stated President and CEO, Stephen G. Andrews. “We look at our physical entry into the City of Oakland as a strategic move to help further our goal to become the premier community bank in the East Bay and to help enhance our future lending opportunities. While this expansion does come at a cost to earnings in the near term, we see that our branch network covering the cities of Alameda, Emeryville and Oakland will bring long term value to our franchise,” added Andrews.

Founded in March 1998, Bank of Alameda operates from three branches in the City of Alameda and two Commercial Banking Offices located in Emeryville and Oakland.

#### Forward Looking Statement Disclosure

Statements made in this release may constitute Forward Looking Statements within the meaning of the Private Securities Litigation Reform Act of 1995 and any such statements are subject to risks and uncertainties that could cause actual results to differ materially. Such risks and uncertainties include those related to the economic environment, particularly in the region where NorCal Community Bancorp operates, competitive products and pricing, general interest rate changes and the fiscal and monetary policies of the US Government, credit risk management, regulatory actions, and other risks and uncertainties.

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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>Six Months Ended</b>		
	<b>Jun 30, 2004</b>	<b>Jun 30, 2003(1)</b>	<b>% Change</b>	<b>Jun 30, 2004</b>	<b>Jun 30, 2003(1)</b>	<b>% Change</b>
Net interest income	\$ 2,304	\$ 2,029	14%	\$ 4,582	\$ 4,093	12%
Provision for loan losses	90	120	-25%	180	240	-25%
Noninterest income	254	359	-29%	502	602	-17%
Noninterest expense	1,723	1,564	10%	3,397	3,130	9%
Income before provision for income taxes	745	704	6%	1,507	1,325	14%
Provision for income taxes	288	282	2%	576	531	8%
Net income	\$ 457	\$ 422	8%	\$ 931	\$ 794	17%
Net income per basic share	\$ 0.26	\$ 0.24	6%	\$ 0.54	\$ 0.46	17%
Net income per diluted share	\$ 0.23	\$ 0.23	2%	\$ 0.47	\$ 0.43	9%
Average shares outstanding	1,724,452	1,724,452		1,724,452	1,724,385	
Diluted average shares	1,994,828	1,872,756		1,990,965	1,853,639	

**SELECTED FINANCIAL RATIOS (Annualized):**

Return on average assets	0.96%	1.02%	0.99%	0.99%
Return on average equity	14.81%	15.87%	15.36%	15.25%
Average shareholders' equity to average assets	6.46%	6.40%	6.42%	6.49%
Net interest margin	5.08%	5.16%	5.10%	5.37%

**AT PERIOD END:**

Loans	\$ 153,411	\$ 108,159
Allowance for loan losses	\$ 1,980	\$ 1,673
Assets	\$ 194,499	\$ 168,532
Shareholders' equity	\$ 12,473	\$ 10,814
Deposits	\$ 173,343	\$ 153,968
Total risk-based capital ratio	12.01%	10.15%
Allowance for loan losses to total loans	1.29%	1.55%
Shares outstanding	1,724,452	1,724,452

(1) All share and per share data have been retroactively restated to reflect a 3-for-2 stock split distributed on December 1, 2003.