



Bank of Commerce Reports First Quarter Profit Despite Market Weakness

CHARLOTTE, April 13, 2010 -- Bank of Commerce (BONC.OB) announces net income available to common shareholders for the first quarter ended March 31, 2010 of \$230,000, compared to breaking even for the same period last year.

“We are pleased to start 2010 with a strong quarterly earnings report, particularly given the ongoing challenges we face within our local economy and the banking industry.” said Wes Sturges, President and Chief Executive Officer. “While there have been some isolated signs of economic growth nationally, we have not seen much of this improvement within the Charlotte small business community. We will, therefore, continue to position the Bank for reasonable growth for the foreseeable future while aggressively focusing on controlling expenses and maintaining credit quality.”

The Bank’s total assets were \$170.3 million as of March 31, 2010. Gross loans were \$119.2 million and deposits were \$127.0 million as of March 31, 2010.

Bank of Commerce serves the needs of independently owned businesses in the Charlotte, N.C. area. From a midtown Charlotte office at 100 Queens Road, we offer guidance to clients from experienced loan officers, in addition to start-up financing and other banking products, services and information. Online banking, courier service and extended deposit hours are additional hallmarks of Bank of Commerce. The Bank's common stock is quoted in the over-the-counter market through the OTC Bulletin Board under the symbol “BONC.OB.” The FDIC has extended its coverage from \$100,000 to \$250,000 until December 31, 2013. Additionally, the Bank participates in the Transactional Account Guarantee Program that fully guarantees all balances in non-interest bearing transaction accounts until June 30, 2010. For additional information, contact Bank of Commerce Headquarters, 100 Queens Road, Charlotte, N.C. (telephone 704-971-7000) or visit www.BankofCommerceNC.com.

This release contains certain forward-looking statements with respect to the financial condition, results of operations and business of Bank of Commerce. These forward-looking statements involve risks and uncertainties and are based on the beliefs and assumptions of management of the Bank and on the information available to management at the time that these disclosures were prepared. These statements can be identified by the use of words like “expect,” “anticipate,” “estimate” and “believe,” variations of these words and other similar expressions. Readers should not place undue reliance on forward-looking statements as a number of important factors could cause actual results to differ materially from those in the forward-looking statements. The Bank does not undertake an obligation to update any forward-looking statements.

Bank of Commerce
2010 First Quarter Report

In Thousands

	March 31, 2010	December 31, 2009
	<i>(unaudited)</i>	<i>(audited)</i>
Assets		
Cash	\$ 5,275	\$ 4,061
Federal funds sold	-	859
Investment securities	37,004	41,403
Loans, gross	119,190	122,365
Allowance for loan losses	(1,814)	(1,836)
Other assets	10,693	6,511
Total assets	<u>\$ 170,348</u>	<u>\$ 173,363</u>
Liabilities and Shareholders' Equity		
Deposits	\$ 127,040	\$ 118,738
Borrowed funds	27,111	39,074
Other liabilities	761	571
Shareholders' equity	15,436	14,980
Total liabilities and shareholders' equity	<u>\$ 170,348</u>	<u>\$ 173,363</u>

Statements of Operations (Unaudited)

In Thousands

	For the Quarter Ended March 31, 2010	For the Quarter Ended March 31, 2009
Total interest income	\$ 1,991	\$ 1,780
Total interest expense	695	787
Net interest income	1,296	993
Provision for loan losses	40	173
Net interest income after provision for loan losses	1,256	820
Total other income	65	111
Total other expense	1,043	889
Income (loss) before taxes	278	42
Provision for income taxes	-	-
Net income	278	42
Preferred stock dividend	48	42
Net income applicable to common shareholders	<u>\$ 230</u>	<u>\$ -</u>