



Bank of Commerce Records Third Consecutive Quarter of Profitability

CHARLOTTE, July 13, 2010 -- Bank of Commerce (BONC.OB) posted net income available to common shareholders of \$20,000 for the quarter ending June 30, 2010, compared to net loss available to common shareholders of \$2,661,000 for the same period last year. Total assets have grown from \$173.4 million at December 31, 2009 to \$176.4 million as of June 30, 2010.

The Bank's net income available to common shareholders for the six months ended June 30, 2010 was \$250,000, compared to a net loss available to common shareholders of \$2,661,000 for the same period last year.

"We are pleased to report that despite the continued slow economy, we achieved another profitable quarter and further positioned the bank for the economic challenges going forward," said Wes Sturges, President & CEO. "This spring, in response to the projected changing rate environment, we restructured our investment portfolio and, in doing so, recognized gains on several of these sold investments. Also, our loan loss reserve model, when factoring in the potential impact of minimal economic growth and high unemployment rate, indicated the need to increase our reserve for any resulting potential credit problems. We absorbed this expense during second quarter as well."

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 the 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." 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 Second Quarter Report

Balance Sheets

In Thousands

	June 30, 2010	December 31, 2009
Assets	<i>(unaudited)</i>	*
Cash	\$ 3,838	\$ 4,061
Federal funds sold	9,044	859
Investment securities	37,213	41,403
Loans, gross	118,183	122,365
Allowance for loan losses	(2,217)	(1,836)
Other assets	10,336	6,511
Total assets	\$ 176,397	\$ 173,363

Liabilities and

Shareholders' Equity

Deposits	\$ 121,836	\$ 118,738
Borrowed funds	37,695	39,074
Other liabilities	1,031	571
Shareholders' equity	15,835	14,980
Total liabilities and shareholders' equity	\$ 176,397	\$ 173,363

* Derived from audited financial statements

Statements of Operations (Unaudited)

In Thousands

	For the Quarter Ending		For Six Months Ending	
	June 30, 2010	June 30, 2009	June 30, 2010	June 30, 2009
Total interest income	\$ 1,970	\$ 1,921	\$ 3,961	\$ 3,701
Total interest expense	697	839	1,392	1,626
Net interest income	1,273	1,082	2,569	2,075
Provision for loan losses	488	2,799	528	2,972
Net interest income (loss) after provision for loan losses	785	(1,717)	2,041	(897)
Total other income	292	161	357	272
Total other expense	1,009	1,056	2,052	1,945
Income (loss) before taxes	68	(2,612)	346	(2,570)
Provision for income taxes	-	-	-	-
Net income (loss)	68	(2,612)	346	(2,570)
Preferred stock dividend	48	49	96	91
Net income (loss) available to common shareholders	\$ 20	\$ (2,661)	\$ 250	\$ (2,661)