



Seacoast Commerce Bank Announces Record 2nd Quarter Results

CHULA VISTA, Calif. – July 16, 2009 – Seacoast Commerce Bank (OTCBB: SCCB) today announced the unaudited results of its operations for the second quarter of 2009. The Bank reported a net loss of \$251 thousand for the second quarter ended June 30, 2009, compared to a net loss of \$1.8 million for the same period in 2008, and a net loss of \$434 thousand in the first quarter of 2009. The second quarter loss included a provision for loan losses of \$130 thousand and a \$48 thousand expense related to the “special assessment” the FDIC has assessed against all banks.

Assets climbed 17.8% to a record \$89.5 million compared to assets of \$75.9 million as of June 30, 2008. Loans grew 5.8% to a record \$68.5 million compared to loans of \$64.7 million as of June 30, 2008. Deposits grew 13.9% to a record \$67.3 million compared to deposits of \$59.0 million as of June 30, 2008. The Bank was also extremely well-capitalized as of June 30, 2009, with a Total Risked-Based Capital ratio of 18.3%, well in excess of the FDIC’s “Well-Capitalized” threshold of 10%. The Bank’s liquidity ratio was also excellent at 23.5%.

The Bank also reported continued improvements in credit quality. There were no delinquent loans at quarter-end other than those on non-accrual. Loans that were on non-accrual, considered “non-performing”, were reduced to \$3.1 million as of June 30, 2009, a decrease of 47.6% from June 30, 2008, and down 8.4% from March 31, 2009. Current Allowance for Loan and Lease Losses (“ALLL”) stands at \$1.3 million or 1.9% of gross loans outstanding.

Richard M. Sanborn, President & Chief Executive Officer commented, “All of our employees have been working hard on continuing to improve our results, quarter after quarter, in this difficult financial and economic environment.” Sanborn concluded, “Although we have consistently shown continued improvement in the financial condition of the Bank over the last four quarters we still have work to do, but I’m confident in our team, and we have the capital and liquidity to get through this economic period.”

Allan W. Arendsee, Chairman of the Board stated, “It’s been a difficult environment for all banks but the Board is extremely pleased with the progress we are making, and we look forward to the opportunities that are ahead of us.”

Seacoast Commerce Bank is a business bank operating in Southern California. For more information on the bank please visit our website at www.sccombank.com or contact Richard M. Sanborn, President and Chief Executive Officer at 619-409-5762.

Certain statements in this press release, including statements regarding the anticipated development and expansion of the Bank's business, and the intent, belief or current expectations of the Bank, its directors or its officers, are "forward-looking" statements (as such term is defined in the Private Securities Litigation Reform Act of 1995). Because such statements are subject to risks and uncertainties, actual results may differ materially from those expressed or implied by such "forward-looking" statements. These risks and uncertainties include, but are not limited to, risks related to the local and national economy, the Bank's performance and regulatory matters.

Seacoast Commerce Bank
Selected Financial Data - Unaudited

For the Quarters Ended	<u>6/30/2009</u>	<u>3/31/2009</u>	Change <u>6/30 - 3/31</u>	<u>6/30/2008</u>	Change <u>6/30 - 6/30</u>
Balance Sheet Items					
Gross Loans	68,517,000	65,547,000	4.5%	64,735,000	5.8%
Total Deposits	<u>67,253,000</u>	<u>58,077,000</u>	15.8%	<u>59,020,000</u>	13.9%
Total Assets	<u>89,451,000</u>	<u>80,555,000</u>	11.0%	<u>75,918,000</u>	17.8%
Shareholders' Equity	<u>12,578,000</u>	<u>12,850,000</u>	-2.1%	<u>9,385,000</u>	34.0%
Income Statement Items					
Total Interest Income	1,168,000	1,023,000	14.2%	1,245,000	-6.2%
Total Interest Expense	<u>389,000</u>	<u>377,000</u>	3.2%	<u>553,000</u>	-29.7%
Net Interest Income	<u>779,000</u>	<u>646,000</u>	20.6%	<u>692,000</u>	12.6%
Provision for Loan Losses	130,000	295,000	-55.9%	1,775,000	
Non-Interest Income	246,000	148,000	66.2%	228,000	7.9%
Non-Interest Expense	<u>1,146,000</u>	<u>933,000</u>	22.8%	<u>1,003,000</u>	14.3%
Net Income (Loss)	<u><u>-251,000</u></u>	<u><u>-434,000</u></u>	-42.2%	<u><u>-1,858,000</u></u>	-86.5%