



FOR IMMEDIATE RELEASE

Seacoast Commerce Bank announces Results of Operations

CHULA VISTA, Calif. – Jan. 31 – Seacoast Commerce Bank (OTC:BB SCCB.OB) today announced results for the quarter and year ended December 31, 2007. For the quarter ended December 31, 2007 the bank reported a net loss of \$2.05 million, or \$1.37 per share, compared to a net loss of \$189 thousand, or \$0.13 per share, for the quarter ended December 31, 2006.

For the year ended December 31, 2007, the bank had a net loss of \$2.72 million, or \$1.82 per diluted share, compared to net earnings of \$112 thousand, or \$0.11 per diluted share, for the year ended 2006. The loss was due primarily to expenses for loan loss provisions of \$1.67 million, \$164 thousand associated with restructuring, \$80 thousand related to the elimination of the proposed Eastlake branch, and in excess of \$100 thousand in other non-recurring expenses.

On the positive side, for year-ending comparative periods, assets grew \$7.3 million, or 11.9%, to \$68.0 million as compared to assets of \$60.7 million at the end of 2006. During the same period loans increased \$12.6 million or 26.9% to \$59.7 million from \$47.0 million, and total deposits grew \$4.5 million or 9.4% to \$52.4 million from \$47.9 million.

Richard M. Sanborn, Chief Executive Officer, stated, "Having recently joined Seacoast Commerce Bank on October 15, 2007, my immediate goal was to redirect the bank and position the institution for sustained long-term growth in shareholder value, while operating in a safe and sound manner. To do that, I had to take many steps that were difficult." Mr. Sanborn continued, "In the fourth quarter we reviewed the loan portfolio to determine the extent of its deterioration and took the necessary reserves and charge-offs to strengthen the balance sheet. In addition, we instituted a number of initiatives aimed at improving the bank's performance going forward. Those initiatives included developing a three-year focused business plan and budget, eliminating the planned second branch in Eastlake, reducing excess staff, which was accomplished in January, strengthening operating and financial oversight, initiating tight expense controls, and focusing on improving efficiencies in every area."

Bruce Nunes, Chairman, also commented, "Although difficult to do, the steps taken in the fourth quarter were necessary to put the bank back on the right track going forward. Our goal has always been to have a superior performing bank, focused on shareholder value, and we simply had not met that goal. However, the steps our new CEO has taken were necessary and will lead to improved performance going forward."

CREDIT QUALITY

The Bank recorded \$1.67 million in credit loss provisions during 2007 compared to a provision of \$70 thousand in 2006. The 2007 provision was based on our reserve methodology, which considers the level of classified, criticized, and nonaccrual loans, as well as our loan portfolio makeup and market conditions. "This significant and aggressive provision was made after a thorough review of the bank's loan portfolio and was considered appropriate to address all current and identified potential loan problems." stated Mark A. Nugent, the bank's Chief Credit Officer.

At December 31, 2007, the ratio of our allowance for credit losses to loans, net of unearned income, was 2.17% compared to 1.24% at December 31, 2006 and 1.25% at September 30, 2007, significantly higher than our peer group.

REGULATORY CAPITAL MEASURES ARE ABOVE THE WELL-CAPITALIZED MINIMUMS

Seacoast Commerce Bank was considered "Well Capitalized" at December 31, 2007, by regulatory standards, with a risk based capital ratio of more than 20.3% compared to the regulatory minimum of 10%, and has sufficient liquidity to fund the bank's future growth.

"In light of the bank's 2007 financial performance and the financial market conditions overall, we believe we have taken the necessary steps to put the bank back on track toward profitability in 2008. In addition, the bank has never been involved in "sub-prime" lending which has devastated many banks," stated Mr. Sanborn. "The management team and board of directors are significant shareholders in the company and are extremely focused on attaining profitability and increasing shareholder value", concluded Mr. Sanborn.

ABOUT SEACOAST COMMERCE BANK

Seacoast Commerce Bank was founded in June of 2003 and operates out of its Main Office in Chula Vista. 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.

FORWARD-LOOKING STATEMENTS

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 cost-cutting, adequacy of loan loss provisions, business development initiatives, loan quality, the bank's ability to sublet the vacated Eastlake premises, retaining and acquiring effective personnel to assist in the bank's plan of business, the local and national economy, the Bank's performance and regulatory matters.

