



**Commerce
National Bank**

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Press Release

COMMERCE NATIONAL BANK ANNOUNCES 2012 FIRST QUARTER RESULTS

NEWPORT BEACH, CA, April 23, 2012 – Commerce National Bank (OTCBB: CNBF.OB), a community business bank in its ninth year of operation, announced its financial results for the first quarter of 2012.

For the quarter ended March 31, 2012, the Bank reported a net profit of \$237 thousand, or \$0.09 per diluted share, compared to a net profit of \$236 thousand, or \$0.09 per diluted share, for the quarter ended March 31, 2011. President and CEO Mark E. Simmons stated, "The Bank is continuing to improve its profitability and our business customer base is much more positive in their outlook, which will translate into additional business loans and deposits as the economy continues to recover."

The Bank's total assets as of March 31, 2012 decreased \$66.2 million, or 21.9%, to \$235.7 million from \$301.9 million at March 31, 2011, primarily due to a temporary large short term deposit held over the quarter end in 2011 and the Bank repaying FHLB advances totaling \$13.0 million in April of 2011. Net loans at March 31, 2012, decreased \$9.0 million, or 5.9%, to \$143.6 million from \$152.6 million at March 31, 2011. Total deposits decreased \$54.5 million, or 21.0%, to \$205.3 million at March 31, 2012, compared to \$259.9 million at March 31, 2011 due primarily to the temporary large short term deposit held over the quarter end in 2011. Total equity increased \$772 thousand, or 2.8%, to \$28.5 million at March 31, 2012, compared to \$27.7 million at March 31, 2011. At March 31, 2012 the Bank had regulatory capital ratios of 12.08% for Tier 1 leverage and 18.29% for total risk-based capital and continued to be well capitalized.

With its headquarters office in Newport Beach near John Wayne airport and a loan production office in Anaheim, the Bank is well positioned to serve businesses, professionals and selected real estate customers throughout Orange County. The Bank is staffed by experienced business bankers who are committed to providing exemplary service to their customers in the business community.

Forward-Looking Statement

This news release contains statements that are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on current expectations, estimates and projections about Commerce National Bank's business based, in part, on assumptions made by management. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions that are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements due to numerous factors, including those described above and the following: Commerce National Bank's timely development of new products and services, technological changes, changes in consumer spending and savings habits and other risks discussed from time to time in Commerce National Bank's reports and filings with the Office of the Comptroller of the Currency. In addition, such statements could be affected by general industry and market conditions and growth rates, and general domestic and international economic conditions. Such forward-looking statements speak only as of the date on which they are made, and Commerce National Bank does not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the date of this release.

Commerce National Bank
Condensed Statements of Operations

In Thousands (Except Per Share Amounts) - Unaudited

	Three Months Ended	
	<u>3/31/2012</u>	<u>3/31/2011</u>
Interest Income	\$2,666	\$2,631
Interest Expense	<u>237</u>	<u>390</u>
Net Interest Income	2,430	2,241
Provision for Loan Losses	225	525
Net Interest Income After		
Provision for Loan Losses	<u>2,205</u>	<u>1,716</u>
Non-Interest Income	382	842
Non-Interest Expense	2,299	2,147
Gain / (Loss) on Securities Sales	<u>135</u>	<u>(7)</u>
Net Income Before Income Taxes	423	404
Income Tax Expense	<u>186</u>	<u>168</u>
Net Income	\$237	\$236
Basic Earnings Per Share	\$0.09	\$0.09
Diluted Earnings Per Share	\$0.09	\$0.09

Commerce National Bank
Condensed Statements of Financial Condition

In Thousands - Unaudited

	March 31	March 31
	<u>2012</u>	<u>2011</u>
Assets		
Cash & Due From Banks	<u>\$9,915</u>	<u>\$4,835</u>
Federal Funds Sold & Excess Balances at FRB	7,540	49,681
Investments	67,601	86,648
Loans (Net)	143,556	152,590
Other Assets	<u>7,065</u>	<u>8,108</u>
Total Assets	<u><u>\$235,677</u></u>	<u><u>\$301,862</u></u>
Liabilities & Shareholders' Equity		
Demand Deposits	\$57,194	\$73,476
Money Market, Savings and NOW Accounts	40,098	61,818
Certificates of Deposit	<u>108,035</u>	<u>124,556</u>
Total Deposits	205,327	259,850
Other Borrowings	0	13,000
Other Liabilities	1,844	1,278
Total Shareholders' Equity	<u>28,506</u>	<u>27,734</u>
Total Liabilities & Shareholders' Equity	<u><u>\$235,677</u></u>	<u><u>\$301,862</u></u>