

**Media Contacts:** William S. Keller, President & CEO, 510-433-5404 [wkeller@BankCBB.com](mailto:wkeller@BankCBB.com)

## **Community Bank of the Bay Announces 2014 Fourth Quarter and Year-End Results**

OAKLAND, CA - Community Bank of the Bay (CBYAA.OB), a San Francisco Bay Area commercial bank with full service offices in Oakland and Danville, and two business offices in the Silicon Valley, reported unaudited earnings results for its fourth quarter and year ended December 31, 2014.

### **2014 Financial Highlights**

- 2014 pre-tax operating income totaled \$2.2 million, an increase of \$974 thousand, or 79.1 percent, from \$1.2 million reported in 2013. 2014 income taxes of \$500 thousand resulted in after tax net income of \$1.7 million, or \$0.39 earnings per common share, compared to 2013 after tax earnings of \$2 million that benefited from an \$800 thousand credit for deferred tax assets.
- Total assets at December 31, 2014 were \$224.6 million, an increase of \$49.6 million, or 28.3 percent from \$175 million at December 31, 2013. Average earning assets for 2014 reached \$184.6 million, an increase of \$32.7 million, or 21.5 percent, compared with \$151.9 million in 2013.
- Deposits totaled \$198.8 million at year end and represented an increase of \$32 million, or 19.1 percent from the third quarter and \$48.2 million, or 32 percent from the prior year.
- Loans totaled \$175.1 million at year end and represented an increase of \$22.3 million, or 14.6 percent from the third quarter and \$47.4 million, or 37.1 percent from the prior year.
- Non-performing assets, including Other Real Estate Owned decreased \$730 thousand to \$2.5 million in the Fourth Quarter compared to Third Quarter, and now represent 1.4 percent of total loans.
- Net interest margin for the fourth quarter decreased seventeen basis points to 4.41 percent, compared with 4.58 percent for the third quarter and increased twenty-seven basis points from 4.13 percent for the 2013 fourth quarter.
- Capital levels remain well above FDIC “Well Capitalized” standards. December 31, 2014 Equity of \$21.0 million increased 10.6 percent from the prior year and resulted in Tier 1 Leverage of 10.76 percent, and Tier 1 Risk-Based and Total Risk-Based Capital Ratios of 11.21 percent and 12.47 percent respectively.

"2014 saw record levels of total assets, deposits and loans that produced record pre-tax income of \$2.2 million, an increase of almost 80 percent from the prior year. Only a \$1.3 million swing in the income tax provision kept us from reporting record net income for a third consecutive year. And with over \$30 million more loans outstanding now enter 2015 versus 2014's average outstandings, we believe we are well positioned to resume net income growth in the coming year," said William S. Keller, President and Chief Executive Officer. "We are also very proud that our financial performance has recently earned the Bank a coveted Five-Star rating for safety and soundness from the independent rating agency Bauer Financial. This rating, and more importantly, our growing list of quality clients is a testament to the hard work and dedication of all the members of our Community Bank of the Bay team."

### **About Community Bank of the Bay**

Community Bank of the Bay (OTCBB: CBYAA) serves the financial needs of closely held businesses and professional service firms, as well as their owner-operators and non-profit organizations throughout the San Francisco Bay Area. Rated 5-stars by Bauer Financial, Community Bank of the Bay is a member of the FDIC, an SBA Preferred Lender, and a CDARS depository institution, headquartered in Oakland, with offices in Danville, San Mateo and Campbell, CA. It is also California's first FDIC-insured certified Community Development Financial Institution and one of only three operating in the Northern California market. The bank is recognized for establishing the Bay Area Green Fund to provide financing to sustainable businesses and projects and supports environmentally responsible values. Additional information on the bank is available online at [www.BankCBB.com](http://www.BankCBB.com).

**Forward-Looking Statements**

*This release may contain forward-looking statements, such as, among others, statements about plans, expectations and goals concerning growth and improvement. Forward-looking statements are subject to risks and uncertainties. Such risks and uncertainties may include but are not necessarily limited to fluctuations in interest rates, inflation, government regulations and general economic conditions, including the real estate market in California and other factors beyond the Bank's control. Such risks and uncertainties could cause results for subsequent interim periods or for the entire year to differ materially from those indicated. Readers should not place undue reliance on the forward-looking statements, which reflect management's view only as of the date hereof. The Bank does not undertake, and specifically disclaims, any obligation to update or revise any forward-looking statements, whether to reflect new information, future events, or otherwise, except as required by law.*

###