

FOR IMMEDIATE RELEASE

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Community Bank of the Bay Announces Second Quarter 2015 Results

OAKLAND, CA - Community Bank of the Bay (CBYAA), 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 quarter ending June 30, 2015.

2015 Second Quarter Financial Highlights

- Pre-tax operating income for the quarter ending June 30, 2015 totaled \$571.4 thousand, an increase of \$221.8 thousand, or 63.4 percent, from \$349.6 thousand reported in the same period a year ago. Net profit after tax totaled \$340.2 thousand, or \$0.08 earnings per common share, compared to \$278.7 thousand, or \$0.06 earnings per common share in 2014. This 22.1 percent increase in after tax profit occurred despite a \$160.3 thousand increase in tax expenses as the Bank is now estimating its all in tax rate at 40 percent.
- Total assets at June 30, 2015 were \$253.2 million, an increase of \$61.8 million, or 32.3 percent from \$191.4 million at June 30, 2014. Average earning assets for the second quarter of 2015 reached \$229.9 million, an increase of \$49.2 million, or 27.2 percent, compared with \$180.7 million for the same period in 2014.
- Deposits increased \$13.9 million, or 6.5 percent to \$226.8 million in the second quarter of 2015 compared to \$212.9 million at March 31, 2015. Deposits increased \$57.4 million or 33.8 percent from the second quarter of 2014.
- Loans increased \$2.5 million, or 1.4 percent to \$179.5 million in the second quarter of 2015 compared to \$177 million at March 31, 2015. Loans increased \$34.1 million or 23.5 percent from the second quarter of 2014.
- Non-performing assets increased \$212.4 thousand to \$2.3 million compared to the prior quarter, and decreased by \$1.1 million from \$3.4 million from the same quarter a year ago. Non-performing assets now represent 1.3 percent of total loans.
- Net interest margin for the second quarter decreased 11 basis point to 4.29 percent compared with 4.40 percent for the prior quarter and increased 24 basis points from 4.05 percent for the second quarter of 2014.
- Capital levels remain well above FDIC “Well Capitalized” standards. June 30, 2015 Equity of \$21.9 million increased 10.1 percent from the prior year and resulted in Tier 1 Leverage of 9.03 percent, and Tier 1 Capital and Total Capital ratios of 10.88 percent and 12.13 percent respectively.

"The Bank continued to report a number of positive trends in the second quarter. Pre-tax income growth of almost 64% from a year ago has allowed us to make a number of important investments in personnel and those have in turn continued to drive growth, especially in core deposits. Year to date deposit growth of 14% included over 40% growth in key non-interest bearing DDA balances. These impressive increases in deposits demonstrate the value of our relationship-oriented banking philosophy, and position the bank nicely for both additional loan growth and a potentially rising interest rate environment" said William S. Keller, President and Chief Executive Officer. "With Assets, Deposits and Loans all at record highs, the bank is looking forward to a strong second half of 2015."

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. 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.

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.



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COMMUNITY BANK OF THE BAY
UNAUDITED SUMMARY FINANCIAL STATEMENTS
(In thousands except earnings per share)

INCOME STATEMENT	Three Months Ended				
	2015	2015	Qtr over	2014	Year over
	June 30	March 31	Qtr % Change	June 30	Year % Change
Interest income	\$ 2,664	\$ 2,536	5.0%	\$ 2,006	32.8%
Interest expense	\$ 205	\$ 189	8.5%	185	10.8%
Net interest income before provision	\$ 2,459	\$ 2,347	4.8%	1,821	35.0%
Provision for Loan Loss Reserve	\$ 150	\$ 200	-25.0%	50	200.0%
Net interest income after provision	\$ 2,309	\$ 2,147	7.5%	1,771	30.4%
Non-interest income	\$ 304	\$ 555	-45.2%	348	-12.6%
Non-interest expense	\$ 2,042	\$ 1,934	5.6%	1,770	15.4%
Income before provision for income taxes	\$ 571	\$ 768	-25.7%	349	63.6%
Provision for income taxes	\$ 231	\$ 309	-25.2%	71	225.4%
Net income	\$ 340	\$ 459	-25.9%	\$ 278	22.3%
Less: preferred dividends	\$ 20	\$ 20	0.0%	20	0.0%
Net income available for common stockholders	\$ 320	\$ 439	-27.1%	\$ 258	24.0%
Basic earnings per common share	0.08	\$ 0.10	-27.1%	\$ 0.06	23.2%
Common shares outstanding EP	4,220,795	4,220,795		4,191,443	
Return on average assets	0.52%	0.76%		0.54%	
Return on average common equity	7.25%	10.19%		6.61%	

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BALANCE SHEET	Three Months Ended				
	2015 June 30	2015 March 31	Qtr over Qtr % Change	2014 June 30	Year over Year % Change
ASSETS					
Total cash and investments	\$ 69,240	\$ 57,638	20.1%	\$ 41,687	66.1%
Loans, net of unearned income	179,480	176,989	1.4%	145,338	23.5%
Loan loss reserve	(3,000)	(2,839)	5.7%	(2,539)	18.2%
Other real estate owned	-	-	0.0%	-	-
Other assets	7,522	7,363	2.2%	6,916	8.8%
Total Assets	253,242	239,151	5.9%	191,402	32.3%
LIABILITIES AND SHAREHOLDERS EQUITY					
Non-interest bearing deposits	81,314	68,903	18.0%	58,875	38.1%
Interest bearing deposits	145,472	143,981	1.0%	110,559	31.6%
Total deposits	226,786	212,884	6.5%	169,434	33.8%
Total borrowings and other liabilities	4,560	4,724	-3.5%	2,082	119.0%
Total Liabilities	\$ 231,346	\$ 217,608	6.3%	\$ 171,516	34.9%
Shareholders equity	21,896	21,543.0	1.6%	19,886	10.1%
Total Liabilities and Shareholders Equity	\$ 253,242	\$ 239,151	5.9%	\$ 191,402	32.3%
Book value per common share \$	4.23	\$ 4.14	2.0%	\$ 3.78	11.9%

