



Seacoast Commerce Bank Announces 1st Quarter Results and Record Loan Growth

CHULA VISTA, Calif. – April 23, 2009 – Seacoast Commerce Bank (OTCBB: SCCB) today announced the results of its operations for the first quarter of 2009. The Bank reported a net loss of \$434 thousand for the first quarter ended March 31, 2009, compared to a net loss of \$83 thousand for the same period in 2008. The larger loss was mainly attributable to adding \$295 thousand to loan loss reserves, increased FDIC assessments, increased legal fees related to problem loans, and lower non-interest income related to less gain on sale of loans, partially offset by lower non-interest expenses.

Assets climbed 12.7% to \$80.6 million, compared to assets of \$71.5 million as of March 31, 2008. Loans grew 4.4% to a record \$65.6 million, compared to loans of \$62.8 million as of March 31, 2008. Deposits were up 10.0% to \$58.1 million, compared to deposits of \$52.8 million as of March 31, 2008. The Bank's Total Risked-Based Capital ratio at March 31, 2009 was in excess of 20%, more than double the FDIC's highest rating, with Tier 1 ratios more than triple the FDIC's highest ratings.

The Bank also reported improvements in credit quality with classified loans decreasing 39.1%, delinquent loans decreasing 20.2%, and non-performing loans decreasing 11.9%, versus the end of the last quarter. Current Allowance for Loan and Lease Losses ("ALLL") stands at \$1.3 million or 2.0% of gross loans outstanding.

Richard M. Sanborn, President & Chief Executive Officer commented, "Much focus has been put on, and we continue to have improvement in, our loan and deposit mix. We have reduced our problem loans significantly and consistently over the last three quarters." Sanborn concluded, "We are showing good results on our growth numbers and continue to reduce our operating expenses."

The Bank's average cost of deposits for the first quarter of 2009 decreased 26 basis points from the fourth quarter average, and is down 147 basis points from the first quarter of 2008. In addition, the Bank's total Non-Interest Expense in the first quarter of 2009 was 7.0% less than the first quarter of 2008.

Allan W. Arendsee, Chairman of the Board stated, "In this unstable banking environment it's nice to see some stabilization and improvement in our operations with nice loan growth, reduced problem loans and lower expenses. Our team has worked tirelessly to correct our problems and establish a platform from which we can build a first-class banking operation". Arendsee added, "Our strong capital position and focus on increasing shareholder value remains our cornerstone."

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.

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>3/31/2009</u>	<u>12/31/2008</u>	Change <u>3/31 - 12/31</u>	<u>3/31/2008</u>	Change <u>3/31 - 3/31</u>
Balance Sheet Items					
Gross Loans	65,547,000	61,059,000	7.4%	62,799,000	4.4%
Total Deposits	58,077,000	58,301,000	(0.4%)	52,809,000	10.0%
Total Assets	80,555,000	81,176,000	(0.8%)	71,461,000	12.7%
Shareholders' Equity	12,850,000	13,255,000	(3.1%)	9,127,000	40.8%
Income Statement Items					
Total Interest Income	1,023,000	1,169,000	(12.5%)	1,245,000	(17.8%)
Total Interest Expense	377,000	397,000	(5.0%)	553,000	(31.2%)
Net Interest Income	646,000	772,000	(16.3%)	692,000	(6.6%)
Non-Interest Income	148,000	239,000	(38.1%)	228,000	(35.1%)
Non-Interest Expense	933,000	953,000	(2.1%)	1,003,000	(7.0%)
Net Income (Loss)	<u>(434,000)</u>	<u>58,000</u>	<u>(848%)</u>	<u>(83,000)</u>	<u>(423%)</u>