

Commerce Bank of Folsom



1710 Prairie City Road, Suite 100, Folsom, CA 95630
916.850.1500 www.cobankfolsom.com

PRESS RELEASE

FOR IMMEDIATE RELEASE

CONTACT: **Barbara Saks, Administrative Assistant**
bsaks@cobankfolsom.com

Date: **January 31, 2008**

Commerce Bank of Folsom, which opened its doors March 19, 2007, has announced the unaudited financial results for the year ended December 31, 2007. Total ending assets were \$29.4 million, with total deposits of \$16.4 million and total loans of \$18.3 million. For the fourth quarter 07 growth was 114% for deposits and 72% for the loan portfolio. The total assets grew over 102% during the 9 months that the bank was open.

After raising \$14.4 million in capital from 385 local shareholders during early 2007, the bank successfully focused on serving the banking needs of the local community. "Our plan to enlist our strong, active board members to help grow the bank has certainly paid dividends," commented Greg Patton, President and CEO. "We anticipated strong growth in the fourth quarter and, despite upheavals and challenges, we met our own expectations."

The loan portfolio has no delinquent or non-performing loans. During the quarter, the bank added \$91,000 to its provision for loan loss, keeping the provision at 1.23% of total loans.

"We have concentrated our efforts on the Highway 50 corridor, reaching clients from Rancho Cordova to Placerville with a level of community banking services they had been missing," Patton stated. "Our seasoned banking professionals enjoy personal contact and relationships with the clients. With our Remote Deposit processing and other state-of-the-art banking products, our clients are able to experience the services of a big bank with the personal attention that we focus on as a community bank."

Commerce Bank of Folsom employees and board members are deeply involved in the communities they serve. The bank is a sponsor of the Folsom Rodeo, Folsom High School athletics, the Folsom Symphony, Rotary International, and numerous business and civic organizations.

Commerce Bank of Folsom (CBFM) is publicly traded on the Over-the-Counter Bulletin Board. Its primary market maker is Howe Barnes Hoefer & Arnett. For stock purchasing information contact John Cavender at (415) 538-5725.

This correspondence may contain "forward-looking statements" within the meaning of Section 27A of the Securities Act. All of the statements contained in this correspondence, other than statements of historical fact, should be considered forward-looking statements, including, but not limited to, those concerning (i) the Bank's strategies, objectives and plans for expansion of its operations, products and services, and growth of its portfolio of loans, investments and deposits, (ii) the Bank's beliefs and expectations regarding actions that may be taken by regulatory authorities having oversight of the operation, (iii) the Bank's beliefs as to the adequacy of its existing and anticipated allowances for loan and real estate losses and (iv) the Bank's beliefs and expectations concerning future operating results. Although the Bank believes the expectations reflected in those forward-looking statements are reasonable, it can give no assurance that those expectations will prove to have been correct. All subsequent written and oral forward-looking statements by or attributable to the Bank or persons acting on its behalf are expressly qualified in their entirety by the qualification. Investors are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof and are not intended to give any assurance as to future results. The Bank undertakes no obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.