

BANCORP BOARD OF DIRECTORS

S.K. DURAIRAJ, M.D.

Chairman of the Board, First Commerce Bank
President & CEO, Serra Community Medical Clinic

ARMAND ARABIAN

Associate Justice, Supreme Court of California (retired)

MUGURDICH BALABANIAN, M.D.

Kidney Consultants Medical Group

JOHN J. FELDMAN

President and Chief Executive Officer, First Commerce Bank

RICKEY M. GELB

Gelb Enterprises

SANDY GOLDMAN

BFI-Browning Ferris Industries

GREGORY N. LIPPE, C.P.A.

Lippe, Hellie, Hoffer & Allison LLP

VENKA G. REDDY, Ph.D.

Oriental Foods, Inc.

NARESH C. SAXENA, M.D.

Naresh C. Saxena, M.D., Inc.

RAMACHANDRAN SRINIVASAN, M.D.

Ramachandran Srinivasan, M.D., Inc.

BURTON N. STERMAN, C.P.A.

Brown and Sterman, Inc. CPAs

SENIOR OFFICERS

JOHN J. FELDMAN

President and Chief Executive Officer

WENDY R. MOSKAL

Executive Vice President,
Chief Operating and Financial Officer

GARY L. NUDELL

Executive Vice President, Chief Credit Officer

JOCELYN PASTORE

Executive Vice President, Branch Administrator

ALBA SILBERMAN

Senior Vice President, Senior Commercial Loan Officer

JAY NARAYAN

Senior Vice President, Relationship Manager

PAUL PFLUEGER

Senior Vice President, Real Estate and Commercial Banking

STEVE SOELBERG

Senior Vice President, Manager, Real Estate Loans

TRACY SPICER

Senior Vice President, Chief Risk Officer

JAN MARANTZ

Vice President, Corporate Secretary

FIRST COMMERCE BANK

Please visit us at

www.fcb.la

INTOUCH

24-Hour Automated
Customer Service Center
(800) 730-2265

OFFICES

**Encino Main Office and
Corporate Headquarters**

16861 Ventura Boulevard
Encino, California 91436
(818) 501-2265
(818) 461-0176 (FAX)

Brentwood Regional Office

11661 San Vicente Boulevard
Los Angeles, California 90049
(310) 207-1517
(310) 207-8997 (FAX)

Glendale Regional Office

100 W. Broadway, Suite 510
Glendale, California 91210
(818) 637-2265
(818) 637-2260 (FAX)

TRANSFER AGENT AND REGISTRAR

U.S. Stock Transfer Corporation

1745 Gardena Avenue
Glendale, California 91204
(818) 502-1404

CORPORATE SECRETARY

Jan Marantz

(818) 501-2265
(818) 461-0176 (FAX)

ANNUAL MEETING OF SHAREHOLDERS

The Annual Meeting of Shareholders
will be held at 5:00 p.m. on May 15, 2007
at our Corporate Headquarters, located at
16861 Ventura Boulevard, Encino, California
91436.

 **FIRST COMMERCE BANCORP™**



1st
Quarter
Report

We are pleased to report another profitable first quarter. For the three months ended March 31, 2007, First Commerce Bancorp recorded net income on a consolidated basis of \$815,000 as compared to net income of \$693,000 for the same period last year, an increase of 18%.

The following are additional financial results for the three months ended March 31, 2007:

- Assets increased to \$274,418,000, compared to \$243,970,000 for the same period last year, a 12% improvement.
- Deposits increased to \$240,228,000, compared to \$219,153,000, a 10% improvement from a year ago.
- Net loans increased to \$218,977,000, up 29% compared to \$170,315,000 for the same period last year.
- The efficiency ratio improved to 55% as compared to 59% a year ago.

During the quarter, new deposits were difficult to attract due to strong competition and rising interest rates. On the other hand, loan demand was much greater than anticipated which should have a positive impact on our future earnings.

We join our management and staff in appreciation of our shareholders' and customers' continued support and patronage. We invite you to visit us in our Encino, Brentwood or Glendale facilities at any time.



John J. Feldman
President and CEO



S. K. Durairaj
Chairman of the Board

The information contained in the Report fairly represents, in all material respects, the consolidated financial condition and results of operations of the Company at the dates and for the periods indicated.



John J. Feldman
President and CEO



Wendy R. Moskal
Executive Vice President
Chief Operating and
Financial Officer

CONSOLIDATED BALANCE SHEETS

March 31, 2007 and 2006 (Unaudited)

Assets	2007	2006
Cash and Due from Banks	\$ 22,668,000	\$ 18,152,000
Federal Funds Sold	13,300,000	18,800,000
TOTAL CASH AND CASH EQUIVALENTS	35,968,000	36,952,000
Investment in First Commerce Bancorp Statutory Trust I	155,000	155,000
Securities Available for Sale	9,945,000	33,233,000
Federal Home Loan Bank Stock	1,060,000	885,000
Loans, net	218,977,000	170,315,000
Leasehold Improvements and Equipment, net	380,000	387,000
Accrued Interest and Other Assets	1,364,000	1,203,000
Split-dollar Life Insurance	5,542,000	-
Deferred Tax Assets	1,027,000	840,000
TOTAL ASSETS	\$274,418,000	\$243,970,000

Liabilities and Stockholders' Equity

LIABILITIES		
Deposits		
Noninterest-bearing Demand	\$ 82,387,000	\$ 83,261,000
Money Market and NOW	109,770,000	105,695,000
Savings	1,360,000	1,526,000
Time Deposits under \$100,000	4,053,000	3,339,000
Time Deposits \$100,000 and over	42,658,000	25,332,000
TOTAL DEPOSITS	240,228,000	219,153,000
Junior Subordinated Debentures	5,155,000	5,155,000
Accrued Interest and Other Liabilities	1,083,000	1,619,000
TOTAL LIABILITIES	\$246,466,000	\$ 225,927,000

STOCKHOLDERS' EQUITY

Serial preferred stock, 20,000,000 shares authorized; issued and outstanding, none	-	-
Common Stock, no par value, 15,000,000 shares authorized; issued and outstanding 8,881,921 in 2007 and 7,601,106 in 2006	\$ 19,965,000	\$ 13,761,000
Additional Paid-in Capital	174,000	32,000
Retained Earnings	7,843,000	4,400,000
Accumulated Comprehensive Loss	(30,000)	(150,000)
TOTAL STOCKHOLDERS' EQUITY	\$ 27,952,000	\$ 18,043,000
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$274,418,000	\$243,970,000

CONSOLIDATED STATEMENTS OF INCOME

For Three Months Ended March 31, 2007 and 2006 (Unaudited)

	2007	2006
Interest income on:		
Loans	\$4,278,000	\$3,341,000
Securities	141,000	338,000
Federal Funds Sold	251,000	84,000
Other	80,000	41,000
TOTAL INTEREST INCOME	\$4,750,000	\$3,804,000
Interest expense on:		
Money Market and NOW	\$ 975,000	\$ 800,000
Savings Deposits	8,000	6,000
Time Deposits	521,000	184,000
Other Borrowings	107,000	96,000
TOTAL INTEREST EXPENSE	\$ 1,611,000	\$1,086,000
NET INTEREST INCOME	\$3,139,000	\$2,718,000
Provision for Loan Losses	201,000	12,000
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	\$2,938,000	\$2,706,000
Noninterest income:		
Service Charges and Fees	\$ 187,000	\$ 187,000
Gain on Sale of SBA Loans	12,000	28,000
Increase in Cash Surrender Value of Split-dollar Life Insurance	59,000	-
Other Income	5,000	-
TOTAL NONINTEREST INCOME	\$ 263,000	\$ 215,000
Noninterest expense:		
Salaries, Wages, and Employee Benefits	\$1,178,000	\$1,117,000
Occupancy and Equipment	171,000	171,000
Other	506,000	438,000
TOTAL NONINTEREST EXPENSE	\$1,855,000	\$1,726,000
Income before Income Tax Expense	\$1,346,000	\$1,195,000
Income Tax Expense	531,000	502,000
NET INCOME	\$ 815,000	\$ 693,000