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We are pleased to report the following financial highlights (unaudited):

For the six months ended June 30, 2009, First Commerce Bancorp recorded net income on a consolidated basis of \$565,000 as compared to net income of \$1,455,000 for the same period last year, a decrease of 61%.

The following are additional financial results for the six months ended June 30, 2009:

- Assets increased to \$328,854,000 compared to \$296,022,000 for the same period last year, an 11% improvement.
- Deposits increased to \$291,822,000, compared to \$256,738,000, a 14% improvement from a year ago.
- Net loans increased to \$251,655,000, up 8% compared to \$232,936,000 for the same period last year.

The decrease in income from the prior year is the result of the continuing deterioration of real estate collateral value resulting in provisions for loan losses of \$1,055,000 as compared to \$374,000 for the same period last year, an increase of 182%, the reduction in the prime lending rate from 5% to 3-1/4%, and a year-over-year reduction in construction lending in excess of \$10 million.

We join our management and staff in appreciation of our shareholders' and customers' continued support and patronage during these difficult economic times. We invite you to visit us in our Encino or Brentwood 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

June 30, 2009 and 2008 (Unaudited)

Assets	2009	2008
Cash and Due from Banks	\$ 33,774,000	\$ 21,452,000
Federal Funds Sold	14,200,000	17,300,000
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>47,974,000</b>	<b>38,752,000</b>
Investment in First Commerce Bancorp Statutory Trust I	155,000	155,000
Securities Available for Sale	17,182,000	14,086,000
Federal Home Loan Bank Stock	1,160,000	1,132,000
Loans, net	251,655,000	232,936,000
Leasehold Improvements and Equipment, net	529,000	578,000
Accrued Interest and Other Assets	988,000	1,293,000
Split-dollar Life Insurance	6,106,000	5,849,000
Deferred Tax Assets	3,106,000	1,241,000
<b>TOTAL ASSETS</b>	<b>\$328,854,000</b>	<b>\$296,022,000</b>

### Liabilities and Stockholders' Equity

LIABILITIES		
Deposits		
Noninterest-bearing Demand	\$ 98,379,000	\$ 80,962,000
Money Market and NOW	158,296,000	140,870,000
Savings	1,119,000	854,000
Time Deposits under \$100,000	5,121,000	4,742,000
Time Deposits \$100,000 and over	28,907,000	29,310,000
<b>TOTAL DEPOSITS</b>	<b>291,822,000</b>	<b>256,738,000</b>
Junior Subordinated Debentures	5,155,000	5,155,000
Accrued Interest and Other Liabilities	822,000	1,445,000
<b>TOTAL LIABILITIES</b>	<b>\$297,800,000</b>	<b>\$263,338,000</b>

### 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 9,145,739 in 2009 and 8,997,343 in 2008	\$ 20,547,000	\$ 20,244,000
Additional Paid-in Capital	590,000	468,000
Retained Earnings	9,870,000	12,001,000
Accumulated Comprehensive Loss	46,000	(29,000)
<b>TOTAL STOCKHOLDERS' EQUITY</b>	<b>\$ 31,053,000</b>	<b>\$ 32,684,000</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>\$328,854,000</b>	<b>\$296,022,000</b>

## CONSOLIDATED STATEMENTS OF INCOME

For Six Months Ended June 30, 2009 and 2008 (Unaudited)

	2009	2008
Interest income on:		
Loans	\$7,179,000	\$8,291,000
Securities	176,000	193,000
Federal Funds Sold	20,000	268,000
Other	87,000	43,000
<b>TOTAL INTEREST INCOME</b>	<b>\$7,462,000</b>	<b>\$8,795,000</b>
Interest expense on:		
Money Market and NOW	\$1,134,000	\$1,499,000
Savings Deposits	1,000	1,000
Time Deposits	276,000	689,000
Other Borrowings	118,000	207,000
<b>TOTAL INTEREST EXPENSE</b>	<b>\$1,529,000</b>	<b>\$2,396,000</b>
<b>NET INTEREST INCOME</b>	<b>\$5,933,000</b>	<b>\$6,399,000</b>
Provision for Loan Losses	1,055,000	374,000
<b>NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES</b>	<b>\$4,878,000</b>	<b>\$6,025,000</b>
Noninterest income:		
Service Charges and Fees	\$ 392,000	\$ 316,000
Gain on Sale of SBA Loans	-	4,000
Increase in Cash Surrender Value of Split-dollar Life Insurance	130,000	124,000
Other Income	99,000	170,000
<b>TOTAL NONINTEREST INCOME</b>	<b>\$ 621,000</b>	<b>\$ 614,000</b>
Noninterest expense:		
Salaries, Wages and Employee Benefits	\$2,788,000	\$2,895,000
Occupancy and Equipment	411,000	392,000
Other	1,388,000	1,100,000
<b>TOTAL NONINTEREST EXPENSE</b>	<b>\$4,587,000</b>	<b>\$4,387,000</b>
Income before Income Tax Expense	\$ 912,000	\$2,252,000
Income Tax Expense	347,000	797,000
<b>NET INCOME</b>	<b>\$ 565,000</b>	<b>\$1,455,000</b>
Per-Share Data:		
Basic Earnings Per Share	\$ 0.06	\$ 0.16
Diluted Earnings Per Share	\$ 0.06	\$ 0.16