

## BANCORP BOARD OF DIRECTORS

### S.K. DURAIRAJ, M.D.

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

### RICKEY M. GELB

Vice Chairman of the Board, First Commerce Bank  
The Gelb Group, a Family of Companies

### 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

### SANDY GOLDMAN

The Sandy Company

### GREGORY N. LIPPE, C.P.A.

Gregory N. Lippe Accountancy Corporation

### 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

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## 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

### RICHARD HENSLEY

Senior Vice President, Commercial Loan Officer

### JAY NARAYAN

Senior Vice President, Relationship Manager

### PAUL PFLUEGER

Senior Vice President, Real Estate/Commercial 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](http://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)

## TRANSFER AGENT AND REGISTRAR

### Registrar and Transfer Company

10 Commerce Drive  
Cranford, NJ 07016-3572  
(800) 368-5948

## 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 18, 2010 at our Corporate Headquarters, located at  
16861 Ventura Boulevard, Encino, California 91436.

 **FIRST COMMERCE BANCORP™**

 **FIRST COMMERCE BANCORP™**

*Leading the way for business*



We are pleased to report a profitable first quarter.

For the three months ended March 31, 2010, First Commerce Bancorp recorded net income on a consolidated basis of \$438,000 as compared to net income of \$300,000 for the same period last year, an increase of 46%.

The following are additional financial results for the three months ended March 31, 2010:

- Assets increased to \$348,307,000, compared to \$310,102,000 for the same period last year, a 12% improvement.
- Deposits increased to \$309,840,000, compared to \$273,773,000, a 13% improvement from a year ago.
- Net loans decreased to \$231,942,000, down 5% compared to \$243,314,000 for the same period last year.

During the quarter, net income increased year over year, and deposits remained strong as our customers continue to seek a safe haven for their deposits during these unsettled times. Loan demand remains soft as the chaotic real estate market sorts itself out.

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 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

March 31, 2010 and 2009 (Unaudited)

Assets	2010	2009
Cash and Due from Banks	\$ 32,851,000	\$ 39,055,000
Federal Funds Sold	29,600,000	5,000,000
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>62,451,000</b>	<b>44,055,000</b>
Investment in First Commerce Bancorp Statutory Trust I	155,000	155,000
Securities Available for Sale	39,516,000	10,901,000
Federal Home Loan Bank Stock	1,160,000	1,160,000
Loans, net	231,942,000	243,314,000
Leasehold Improvements and Equipment, net	497,000	554,000
Accrued Interest and Other Assets	3,322,000	1,100,000
Split-dollar Life Insurance	6,304,000	6,041,000
Deferred Tax Assets	2,960,000	2,822,000
<b>TOTAL ASSETS</b>	<b>\$348,307,000</b>	<b>\$310,102,000</b>

## Liabilities and Stockholders' Equity

LIABILITIES	2010	2009
Deposits		
Noninterest-bearing Demand	\$ 91,929,000	\$ 97,630,000
Money Market and NOW	187,664,000	148,479,000
Savings	1,247,000	1,182,000
Time Deposits under \$100,000	4,557,000	5,329,000
Time Deposits \$100,000 and over	24,443,000	21,153,000
<b>TOTAL DEPOSITS</b>	<b>309,840,000</b>	<b>273,773,000</b>
Junior Subordinated Debentures	5,155,000	5,155,000
Accrued Interest and Other Liabilities	1,118,000	390,000
<b>TOTAL LIABILITIES</b>	<b>\$316,113,000</b>	<b>\$279,318,000</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 9,335,739 in 2010 and 9,145,739 in 2009	\$ 20,791,000	\$ 20,546,000
Additional Paid-in Capital	712,000	564,000
Retained Earnings	10,591,000	9,604,000
Accumulated Comprehensive Income	100,000	70,000
<b>TOTAL STOCKHOLDERS' EQUITY</b>	<b>\$ 32,194,000</b>	<b>\$ 30,784,000</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>\$348,307,000</b>	<b>\$310,102,000</b>

## CONSOLIDATED STATEMENTS OF INCOME

For Three Months Ended March 31, 2010 and 2009 (Unaudited)

	2010	2009
Interest income on:		
Loans	\$3,407,000	\$3,494,000
Securities	219,000	98,000
Federal Funds Sold	5,000	13,000
Other	23,000	51,000
<b>TOTAL INTEREST INCOME</b>	<b>\$3,654,000</b>	<b>\$3,656,000</b>
Interest expense on:		
Money Market and NOW	\$ 490,000	\$ 592,000
Savings Deposits	1,000	-
Time Deposits	125,000	113,000
Other Borrowings	41,000	62,000
<b>TOTAL INTEREST EXPENSE</b>	<b>\$ 657,000</b>	<b>\$ 767,000</b>
<b>NET INTEREST INCOME</b>	<b>\$2,997,000</b>	<b>\$2,889,000</b>
Provision for Loan Losses	103,000	468,000
<b>NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES</b>	<b>\$2,894,000</b>	<b>\$2,421,000</b>
Noninterest income:		
Service Charges and Fees	\$ 163,000	\$ 189,000
Increase in Cash Surrender Value of Split-dollar Life Insurance	67,000	65,000
Other Income	74,000	43,000
<b>TOTAL NONINTEREST INCOME</b>	<b>\$ 304,000</b>	<b>\$ 297,000</b>
Noninterest expense:		
Salaries, Wages and Employee Benefits	\$1,457,000	\$1,439,000
Occupancy and Equipment	227,000	211,000
Other	795,000	586,000
<b>TOTAL NONINTEREST EXPENSE</b>	<b>\$2,479,000</b>	<b>\$2,236,000</b>
Income before Income Tax Expense	\$ 719,000	\$ 482,000
Income Tax Expense	281,000	182,000
<b>NET INCOME</b>	<b>\$ 438,000</b>	<b>\$ 300,000</b>
Per-Share Data:		
Basic Earnings Per Share	\$ 0.05	\$ 0.03
Diluted Earnings Per Share	\$ 0.04	\$ 0.03