

United Commerce Bancorp

Company Press Release Dated October 19, 2007

United Commerce Bancorp Releases Third Quarter 2007 Earnings

Total assets at September 30, 2007 reached \$152 million, compared to \$146 million one year ago, a \$6 million increase. At September 30, 2007 total deposits were \$133 million, up 5% from last year. Total loans increased 2.5%, to \$128 million. Net income for the third quarter of 2007 was \$191,000. Net income year-to-date was \$616,000, compared to \$744,000 in 2006.

The book value of United Commerce Bancorp stock was \$12.46 as of September 30, 2007, compared to \$11.45 one year ago, an increase of 9%. There are 965,333 shares outstanding, and the stock closed September 30, 2007 at \$14.30 per share.

Thomas G. Risen, Chairman, President and CEO, commented: "I am pleased to report that we continue to be one of the leading mortgage lenders in our market. When you combine commercial and residential mortgage filings United Commerce Bank is the second leading lender in the market with more than \$55 million recorded during the first nine months of 2007. While our non-performing loans are minimal and continue to be a fraction of the local, state and peer averages, we have taken a conservative approach this year increasing our provision expense by \$159,000 in 2007 over 2006, which is a substantial portion in the net income difference year to year. We have always maintained a very conservative credit underwriting discipline, however we feel that given the challenging interest rate environment that is projected over the next twelve months it is prudent to bolster our reserve at this time. Our loan loss reserve is 1.23% of total loans, compared to 1.08% one year ago."

United Commerce Bancorp was formed May 31, 2005 and is the parent company of United Commerce Bank, which opened for business on January 31, 2000 and was the first new bank chartered in Bloomington in more than 100 years. United Commerce Bancorp trades on the OTC Bulletin Board under the symbol of UCBN.

United Commerce Bancorp, 211 South College Avenue, Bloomington, IN
www.unitedcommercebank.com

Condensed Balance Sheet
(in thousands)

| | Sept. 30, 2007 | Sept. 30, 2006 |
|---------------------------------------------------|-------------------|-------------------|
| Cash and cash equivalents | \$ 7,309 | \$ 4,981 |
| Investment securities | 13,027 | 12,270 |
| Loans, net of allowance for losses | 127,621 | 124,905 |
| Premises and equipment | 2,024 | 2,094 |
| Other assets | <u>1,684</u> | <u>1,539</u> |
| Total Assets | \$ 151,665 | \$ 145,789 |
| | | |
| Total deposits | 132,937 | 126,900 |
| Other liabilities | 6,699 | 7,835 |
| Total stockholders' equity | <u>12,029</u> | <u>11,054</u> |
| Total Liabilities and Stockholders' Equity | \$ 151,665 | \$ 145,789 |

Condensed Statements of Operations
(in thousands)

| | 3rd Qtr 2007 | 3rd Qtr 2006 |
|---------------------------|---------------|---------------|
| Interest income | \$ 2,733 | \$ 2,480 |
| Interest expense | <u>1,520</u> | <u>1,292</u> |
| Net interest income | 1,213 | 1,188 |
| Provision for loan losses | 150 | 0 |
| Noninterest income | 193 | 214 |
| Noninterest expense | <u>964</u> | <u>900</u> |
| Pre-tax Net Income | \$ 292 | \$ 502 |
| Taxes | <u>101</u> | <u>182</u> |
| Net Income | \$ 191 | \$ 320 |

| | Y-T-D 2007 | Y-T-D 2006 |
|---------------------------|---------------|-----------------|
| Interest income | \$ 8,015 | \$ 6,933 |
| Interest expense | <u>4,480</u> | <u>3,508</u> |
| Net interest income | 3,535 | 3,425 |
| Provision for loan losses | 285 | 126 |
| Noninterest income | 523 | 579 |
| Noninterest expense | <u>2,877</u> | <u>2,734</u> |
| Pre-tax Net Income | \$ 896 | \$ 1,144 |
| Taxes | <u>280</u> | <u>400</u> |
| Net Income | \$ 616 | \$ 744 |