

United Commerce Bancorp

Company Press Release Dated April 29, 2010

United Commerce Bancorp Releases First Quarter 2010 Earnings

Total assets were \$193 million as of March 31, 2010, up \$3.2 million from one year ago. Net income for the first quarter was \$141,000, or \$0.15 per share. Total equity capital was up \$858,000 or 6.3% from the previous year. The per share book value of United Commerce Bancorp stock was \$14.99 as of March 31, 2010, compared to \$14.10 one year ago.

Thomas G. Risen, Chairman, commented: “Even in the face of very difficult times for the banking industry, 2009 was one of the most profitable years in our ten year history and we have continued to be profitable through the first three months of 2010. After opening in January 2000, our first profitable month was September 2001, and March 2010 marks our 103rd consecutive month of profitability. Our net-interest margin remained strong, up 13.8% over one year ago. However, net income was down \$175,000 from the same period in 2009, primarily due to provision for loan losses of \$525,000 in the first quarter 2010 compared to \$150,000 in 2009. Due to the negative impact of the recessionary economy, net loan loss for the first quarter was \$1.4 million, which represents our first significant loan loss in our ten year history. On March 31, 2010 our loan loss reserve was \$2.2 million, or 1.31% of total loans, which we believe to be adequate at this time. On the deposit side we are pleased with a \$4.6 million increase over last year. We provide outstanding online banking products and we have seen double digit percentage increases in both home banking transactions and cash management. In addition, our debit card and ATM transactions were up 14% over the first quarter last year. This is due, in part, to our affiliation with Alliance One, a national surcharge free ATM network which offers 38 local ATM’s, over 800 in Indiana and almost 4,700 nationwide.”

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)

	Mar. 31, 2010	Mar. 31, 2009
Cash and cash equivalents	\$ 11,319	\$ 8,486
Investment securities	13,236	14,674
Loans, net of allowance for losses	163,753	163,137
Premises and equipment	1,887	1,881
Other assets	<u>3,098</u>	<u>1,890</u>
Total Assets	\$ 193,293	\$ 190,068
Total deposits	167,070	162,483
Other liabilities	11,752	13,972
Total stockholders' equity	<u>14,471</u>	<u>13,613</u>
Total Liabilities and Stockholders' Equity	\$ 193,293	\$ 190,068

Condensed Statements of Operations
(in thousands)

	1 st Qtr 2010	1st Qtr 2009
Interest income	\$ 2,342	\$ 2,362
Interest expense	<u>651</u>	<u>876</u>
Net interest income	1,691	1,486
Provision for loan losses	525	150
Noninterest income	198	233
Noninterest expense	<u>1,147</u>	<u>1,089</u>
Pre-tax Net Income	\$ 217	\$ 480
Taxes	<u>76</u>	<u>164</u>
Net Income	\$ 141	\$ 316