July 29, 2013

FOR IMMEDIATE RELEASE

1st Capital Bank Announces:
Second Quarter and Year To Date 2013 Financial Results;
Increased Profitability;
Record Loans, Assets, Deposits, and Shareholders' Equity

Monterey, California – July 29, 2013. **1st Capital Bank** (OTCQB: FISB) (the "Bank") today announced second quarter and year to date financial results through June 30, 2013. The Bank achieved record levels of loans, assets, deposits, and shareholders' equity at June 30, 2013.

Net income during the second quarter of 2013 was $359 thousand, equivalent to $0.11 per diluted common share. This compares favorably to both: (i) net income of $209 thousand, equivalent to $0.06 per diluted common share, for the second quarter of 2012; and (ii) net income of $263 thousand, equivalent to $0.08 per diluted common share, for the first quarter of 2013 (the immediately preceding quarter).

Net income for the first six months of 2013 was $622 thousand, equivalent to $0.19 per diluted common share, compared to net income of $519 thousand, equivalent to $0.16 per diluted common share, for the first six months of 2012.

The improved earnings during the 2013 periods primarily arose from increased net interest income, which in turn was produced by higher average balances of interest earning assets. The Bank's total assets expanded by 21.7% during the twelve months ended June 30, 2013; and average interest earning assets were 19.1% higher during the second quarter of 2013 compared to the second quarter of 2012.

Commenting on the second quarter of 2013 financial performance, Mark Andino, the Bank's President and Chief Executive Officer, stated: "We are very pleased to again announce record levels of loans, assets, deposits, and shareholders' equity; complemented by improved earnings. The Bank continues to attract a broad range of local businesses and professionals who are seeking the combination of client service, technology, customization, timeliness, and experienced bankers offered by 1st Capital Bank." Mr. Andino then continued: "The increase in earnings, despite the challenging interest rate environment prevalent during the first half of 2013, was supported by a series of initiatives implemented over the past six months, including new commercial loan products and pricing, a revised fee and service charge schedule, new delivery features and channels, enhanced liquidity management, and targeted reductions in certain operating costs."

Kurt Gollnick, the Bank's Chairman of the Board added: "The initial cost savings from the Bank's voluntary deregistration of its common shares under the Securities Exchange Act of 1934 were realized during the second quarter of 2013. The Board of Directors continued its focus on enhancing shareholder value during recent months, resulting in new officer hires receiving a greater percentage of their aggregate compensation in the form of multiple-year, time-based restricted share awards. This practice should even more closely align officer interests with the generation of long term shareholder value." Mr. Gollnick then commented: "We were very pleased to announce last week the addition of Francis Giudici to the Board of Directors effective August 16, 2013. Mr. Giudici is a well-known local businessman in South Monterey County who shares our commitment to effectively representing the Bank's shareholders and who plans to contribute to the Bank's goal of gaining market share in that region."

Susan Freeland, a Bank director and Chairperson of the Board Asset / Liability Management Committee, added: "1st Capital Bank once again recently received a *5 Star, Superior* rating from Bauer Financial, Inc. This is Bauer's highest possible rating and reflects the financial soundness of the Bank, including its strong capital position."

Performance Highlights

- The Bank continued to present an excellent credit profile at June 30, 2013, with a non-performing asset ratio of 0.24% and a ratio of allowance for loan losses to nonperforming loans of 517.81%. The Bank did not record any charge-offs during the second quarter of 2013.

- Non-accrual loans totaled $0.9 million at June 30, 2013, equivalent to 0.35% of loans outstanding. No new loans were transferred to non-accrual status during the second quarter of 2013, and the inventory of non-accrual loans at March 31, 2013 continued to pay down.

- Total deposits rose 7.7% during the second quarter of 2013, while transaction accounts increased from 89.4% of total deposits at December 31, 2012 to 91.5% of total deposits at June 30, 2013.

- At June 30, 2013, the Bank maintained a regulatory total risk-based capital ratio of 14.90%, substantially in excess of the 10.00% threshold to be categorized in the highest regulatory capital classification of "well capitalized." The Bank's regulatory capital ratios at June 30, 2013 benefited from $533 thousand in new Tier One Regulatory Capital from payments received for the exercise of vested stock options during the second quarter of 2013.

- Tangible book value per share rose to $10.61 as of June 30, 2013.

Financial Condition Analysis

Funds held at the Federal Reserve Bank of San Francisco ("FRB-SF") decreased from $21.0 million at December 31, 2012 to $12.0 million at June 30, 2013. This reduction resulted from the Bank's decision to invest excess on-balance sheet liquidity primarily into variable rate mortgage backed securities ("MBS") and floating rate tranches of collateralized mortgage obligations ("CMOs") issued by the Federal National Mortgage Association ("FNMA"), the Government National Mortgage Association ("GNMA"), or the Federal Home Loan Mortgage Corporation ("FHLMC") (collectively, "U.S. Agencies") in order to augment interest income. Funds held at the FRB-SF earned a yield of 0.25% during the second quarter of 2013, compared to a yield of 0.66% for the U.S. Agency variable rate MBS and 0.39% for the U.S. Agency floating rate CMOs.

Time deposits at other financial institutions declined from $9.3 million at December 31, 2012 to $8.8 million at June 30, 2013, as funds from maturing time deposits were reinvested into securities.

Securities categorized as available for sale increased from $41.8 million at December 31, 2012 to $79.7 million at June 30, 2013. During the first half of 2013, the Bank invested deposit inflows in excess of loan portfolio growth, maturing time deposit funds, plus some of its balances at the FRB-SF into:

- variable rate FNMA multifamily MBS;
- floating rate tranches of FNMA, GNMA, or FHLMC residential or multifamily CMOs; and
- two municipal bond purchases aggregating $0.7 million, the majority of which was associated with the Bank's proactively supporting education for low income students consistent with its Community Reinvestment Act ("CRA") goals.

The MBS and CMOs were all rated at least AA+ by a nationally recognized ratings agency and float at a margin over 1 month LIBOR, with some of these securities subject to lifetime caps. The fair value of the Bank's $79.7 million in securities at June 30, 2013 exceeded its amortized cost basis by $275 thousand.

At June 30, 2013, the Bank maintained a very strong liquidity profile, consisting of a significant volume of on-balance sheet assets (including cash & cash equivalents and securities available for sale) and over $100 million in off-balance sheet borrowing capacity. The increase in the Bank's liquidity profile during the first half of 2013 is reflected in the ratio of net loans to deposits, which decreased from 81.1% at December 31, 2012 to 74.5% at June 30, 2013. Commenting on the Bank's liquidity, Jon Ditlevsen, the Bank's Chief Lending Officer, stated: "The Bank concluded the second quarter of 2013 with ample funds for lending. We continue to extensively market to local businesses and professionals. We recognize that increasing the Bank's ratio of net loans to deposits via quality lending is a key objective for the Bank during the second half of 2013, as we aim to build a greater stream of net interest income."

Net loans increased from $238.9 million at December 31, 2012 to $248.5 million at June 30, 2013. While the Bank originated or purchased an aggregate $40.8 million in new credit commitments during the first half of 2013, loan payoffs and curtailments, principal reductions on lines of credit, and scheduled principal amortization combined to limit net portfolio growth. During the second quarter of 2013, the Bank purchased $7.6 million of seasoned, closed end, hybrid residential mortgages secured by first deeds of trust from another California community bank in order to deploy excess liquidity and diversify the Bank's credit portfolio. Commenting on this acquisition, Dale Diederick, the Bank's Chief Credit Officer, stated: "All of the purchased mortgages were individually underwritten by the Bank and met the Bank's normal credit criteria. In fact, the weighted average loan to value ratio was 51%. All of the collateral real properties are located in the Central Coast Region of California."

During April 2013, the Bank relocated its expanded government guaranteed lending department to the Monterey branch office. This provided more office and client meeting space for that team. The Bank has been allocating more of its marketing and promotion budget during 2013 to various government lending programs (including those through the U.S. Small Business Administration or "SBA" and the U.S. Department of Agriculture or "USDA") in order to be able to offer increased and / or longer term financing to newer stage businesses than would otherwise be available and in order to take advantage of the current attractive secondary market prices for the guaranteed portion of such loans.

The Bank's allowance for loan losses increased from $4.3 million, or 1.77% of total loans, at December 31, 2012 to $4.6 million, or 1.81% of total loans, at June 30, 2013. The allowance was increased by $779 thousand in loan loss provision during the first half of 2013, and decreased by the charge-off during the first quarter of 2013 of a $500 thousand impaired commercial loan. The Bank continues to pursue recovery of that loan charge-off.

Non-accrual loans decreased from $1.4 million at December 31, 2012 to $0.9 million at June 30, 2013, reflective of the charge-off of the $500 thousand commercial loan described above and, to a lesser extent, payments received on non-accrual loans. All but one of the non-accrual loans were current or less than 30 days delinquent in scheduled payments as of June 30, 2013. Loans graded Substandard increased from $5.1 million at December 31, 2012 to $7.7 million at June 30, 2013 primarily due to the downgrade of one credit relationship from Special Mention. Loans graded as Special Mention increased from $4.2 million at December 31, 2012 to $6.6 million at June 30, 2013, primarily due to the downgrade of one credit relationship in response to weaker farming results over the past two years. Both of the aforementioned downgraded credit relationships were current in their scheduled payments at June 30, 2013.

The ratio of the Bank's allowance for loan losses to non-performing loans rose from 299.38% at December 31, 2012 to 517.81% at June 30, 2013. The Bank has never owned any foreclosed real estate.

Premises and equipment, net of accumulated depreciation, increased from $1.3 million at December 31, 2012 to $1.4 million at June 30, 2013. The majority of this increase was due to a minor remodeling of the Salinas branch office and the purchase of new hardware in support of the Bank's technology platform.

The $40.2 million increase in total assets by the Bank during the first half of 2013 to a record $369.5 million better leveraged its capital, with the ratio of total equity to total assets decreasing from 10.32% at December 31, 2012 to 9.49% at June 30, 2013. The Bank generally seeks to maintain this ratio at between 9.00% and 10.00% in order to present a well-capitalized profile on the one hand, but also support return on average shareholders' equity on the other hand. Commenting in this regard, Clay Larson, the Bank's Regional President, stated: "The Bank is well positioned to increase its loan portfolio without needing to further increase its total assets by shifting funds from excess cash equivalents and the security portfolio to loans. We plan to have an even greater level of visibility throughout Monterey County during the second half of 2013 as the Bank sponsors or participates in a wide range of community events."

The Bank's investment in the capital stock of the Federal Home Loan Bank ("FHLB") increased from $1.0 million at December 31, 2012 to $1.5 million at June 30, 2013 due to the standard asset-based investment requirement applicable to FHLB members.

Non-interest bearing demand deposits increased from $123.4 million at December 31, 2012 to $129.8 million at June 30, 2013. The Bank continues to enhance and market its suite of electronic banking and cash management services, with the recent addition of a new service that allows qualified businesses to make deposits to their 1st Capital Bank accounts at over 400 locations along the West Coast.

Interest bearing checking accounts increased from $17.5 million at December 31, 2012 to $18.6 million at June 30, 2013. Given the historically low interest rate environment, the Bank has attracted these consumer, sole proprietor, and non-profit organization checking accounts by its focus on a concierge level of service rather than based upon interest rate.

Money market deposits increased from $60.1 million at December 31, 2012 to $85.2 million at June 30, 2013. Money market deposits during 2013 benefited from:

- low (often, near zero) interest rates being paid on brokerage accounts and money market mutual funds, thereby encouraging clients to transfer their funds to higher yielding and FDIC insured accounts;

- the expiration of the FDIC Transaction Account Guaranty Program on December 31, 2012, whereby non-interest bearing checking accounts (as defined under the Program) received unlimited FDIC deposit insurance coverage (the expiration thereby encouraged certain clients to reallocate funds back to money market accounts insured under the FDIC's unified Standard Maximum Deposit Insurance Amount);

- the Bank's cross-selling money market accounts to new checking account clients given the easy integration and customization via the Bank's online banking service;

- the conversion of certain deposits from certificates of deposit to money market accounts given the limited yield differential between the products in the current interest rate environment; and

- the Bank's offering tiered pricing on money market accounts, whereby clients receive a higher interest rate on their entire account balance as each successively higher balance tier level is attained.

Savings deposits rose from $62.4 million at December 31, 2012 to $71.7 million at June 30, 2013. The Bank realized balance increases in both consumer and business savings products, which have been an attractive alternative for liquid funds in the current historically low interest rate environment.

Time deposits decreased from $31.3 million at December 31, 2012 to $28.3 million at June 30, 2013. Factors contributing to this decline included transfers from certain maturing time deposits into transaction accounts and the Bank's moderating its time deposit pricing in response to its favorable liquidity position and the availability of alternative low cost funding. $6.0 million of the $28.3 million in time deposits at June 30, 2013 were comprised of low cost state term funds.

Commenting on the Bank's deposit performance, Marilyn Goode, the Bank's Chief Administrative Officer, stated: "We are very pleased to report record total deposits of $333.7 million at June 30, 2013. This deposit growth was achieved without pursuing institutional or wholesale deposits in light of the Bank's strong liquidity position." Ms. Goode then continued: "The Bank's weighted average cost of deposits during the second quarter of 2013 was just 0.19%, representing a reduction from 0.22% during the first quarter of 2013. We welcomed a notable number of new cash management clients during the first half of 2013, many of whom selected multiple services from our product set of ACH origination, online wire request, sweep, online banking, electronic bill payment, lockbox, positive payment, person to person payment, and remote deposit capture."

Shareholders' equity rose from $34.0 million at December 31, 2012 to $35.1 million at June 30, 2013. The first half net income, $164 thousand in equity compensation expense, and $533 thousand from the exercise of vested stock options more than offset a $241 thousand reduction in the accumulated other comprehensive income associated with securities classified as available for sale.

During the second quarter of 2013, the Board of Directors approved the following administrative changes to the Bank's 2007 Equity Incentive Plan:

- Voting and dividend rights will not be available until restricted share awards vest and the associated shares are issued.

- Restricted share awards will not pro-rata vest in the event of recipient death or disability.

- The Board of Directors will have greater discretion regarding the form of payment in conjunction with the exercise of stock options.

- Various revisions that facilitate the efficient administration of the Plan, such as electronic share delivery.

The Bank views all of the above changes to the 2007 Equity Incentive Plan as being favorable to shareholders. All directors and executive officers with outstanding restricted share awards or stock options executed documents consenting to the applicability of the above changes to their existing unvested restricted share awards and outstanding stock options. In addition, these revisions impacted the disclosure treatment for unvested restricted share awards. Unvested restricted share awards are not included in the count of outstanding common shares effective with June 30, 2013 financial reporting.

Commenting on the revisions to the 2007 Equity Incentive Plan, Daniel Hightower, the Vice Chairman of the Board, stated: "Upon comparison of the Bank's Equity Incentive Plan to similar programs maintained by other publicly traded financial institutions, the directors identified the opportunity to amend the Plan to have an even stronger shareholder value orientation. We view these Plan changes as one component of the Board's ongoing commitments to generating shareholder value and maintaining a high caliber of corporate governance."

Commencing on January 1, 2013, director compensation was shifted to consist solely of time-based restricted share awards. Similarly, the compensation packages for recently hired Bank officers have included a restricted share award component that vests over time, rather than being exclusively composed of cash compensation. The stock option exercises and the equity based compensation, in addition to retained earnings, are supporting the Bank's regulatory capital ratios and capacity for growth. The more extensive use of restricted share awards as a form of compensation emphasizes the directors' and officers' commitment to enhancing shareholder value.

Nominal and tangible book values were a record $10.61 per share at June 30, 2013, versus $10.27 per share at December 31, 2012.

Operating Results Analysis

Net interest income before provision for loan losses of $3.1 million during the three months ended June 30, 2013 increased from both: (i) $2.9 million during the three months ended June 30, 2012; and (ii) $3.0 million during the three months ended March 31, 2013 (the immediately preceding quarter). These increases in net interest income were primarily generated by a rise in interest earning assets, as the Bank's net interest margin declined from 4.04% during the second quarter of 2012 to 3.82% during the first quarter of 2013 to 3.64% during the second quarter of 2013.

Net interest income before provision for loan losses rose from $5.6 million during the six months ended June 30, 2012 to $6.1 million during the six months ended June 30, 2013. The Bank's net interest margin declined from 4.04% during the first six months of 2012 to 3.73% during the first six months of 2013.

This margin compression is a general trend facing the banking industry, as funding costs have already been reduced to historically low levels while asset yields continue to fall in conjunction with:

- the Federal Reserve's continuing to implement aggressive monetary policies (including quantitative easing) in an effort to reduce the national unemployment rate;

- strong price competition among financial institutions for high quality loans; and

- older, higher yielding loans and securities maturing and amortizing and being replaced by new, lower yielding loans and securities reflective of current market interest rates.

The Bank's recent net interest margin was particularly impacted by the decline in the ratio of average loans to average deposits to 77.6% during the second quarter of 2013 from 79.7% during the immediately preceding quarter.

The Bank plans to support its net interest income during 2013 via the following strategies:

- continuing to focus upon the growth the Bank's balance sheet, particularly the loan portfolio;

- seeking to allocate a greater percentage of excess on-balance sheet liquidity to securities versus cash equivalents in order to obtain incremental yield; and

- pursuing a further migration in deposit mix away from certificates of deposit and toward non-interest bearing checking accounts.

The provision for loan losses was $319 thousand during the second quarter of 2013, compared to $424 thousand during the second quarter of 2012 and $460 thousand during the first quarter of 2013 (the immediately preceding quarter). Factors contributing to the provision for loan losses during the second quarter of 2013 included:

- additional specific loan loss reserves of $110 thousand for two impaired loans associated with one credit relationship based upon an updated valuation of the collateral securing the debt and additional information regarding the borrower's recent financial profile;

- increased formula general reserves associated with the credit relationship described above that was downgraded to Special Mention during the second quarter of 2013; and

- growth in the size of the loan portfolio.

The provision for loan losses increased from $464 thousand during the first six months of 2012 to $779 thousand during the first six months of 2013. Factors contributing to the provision for loan losses during the first quarter of 2013 (i.e. in addition to those specified above) included:

- additional loan loss reserves of $277 thousand associated with the $500 thousand impaired commercial loan that was charged off during the first quarter of 2013;

- an increase in hospitality industry related loans (a primary industry in the Bank's market area), which are reserved at a higher ratio than most other types of investor real estate; and

- a rise in the amount of loan loss reserves designated for the Bank's qualitative adjustment factors, which in turn primarily resulted from the Bank's recognition that new (but highly experienced) officers were recently installed into the Chief Executive Officer, Chief Credit Officer, and Chief Lending Officer positions.

Non-interest income of $76 thousand during the three months ended June 30, 2013 represented an increase from both: (i) $36 thousand during the three months ended June 30, 2013; and (ii) $64 thousand during the three months ended March 31, 2013 (the immediately preceding quarter). Non-interest income of $140 thousand during the first six months of 2013 almost doubled the $73 thousand recognized during the first six months of 2012. The Bank implemented a revised fee and service charge schedule effective May 1, 2013 that included some new fees as well as increases to certain existing fees for various services the Bank provides. In addition, during the third quarter of 2012, the Bank made its initial investment into Bank Owned Life Insurance ("BOLI"). This investment generates monthly dividend income that increases its cash surrender value and is accounted for as a component of non-interest income.

Non-interest expense increased from $2.2 million during both the second quarter of 2012 and the first quarter of 2013 (the immediately preceding quarter) to $2.3 million during the second quarter of 2013. Non-interest expense rose from $4.3 million during the first six months of 2012 to $4.4 million during the first six months of 2013.

Salaries and benefits costs increased from $1.24 million during the second quarter of 2012 to $1.36 million during the second quarter of 2013. Salary and benefits costs during the first quarter of 2013 (the immediately preceding quarter) were $1.32 million. Salaries and benefits costs rose from $2.55 million during the first six months of 2012 to $2.68 million during the first six months of 2013. The year over year increases primarily resulted from expenses for new positions created in support of the Bank's growth, including Information Technology Manager, Relationship Manager, Credit Administrator, and Business Development Officer. The increase from the immediately preceding quarter was primarily caused by a lower level of capitalized loan origination costs (recorded as a reduction in salaries and benefits expenses). The Bank redesigned its health and welfare benefits effective January 1, 2013 to both provide good relative value to its employees and control related expenses. As a result, health and welfare expenses were slightly lower during the first six months of 2013 versus the same period the prior year despite the Bank's increased staffing and the general upward trend for such costs.

Occupancy expenses increased slightly from $180 thousand during the second quarter of 2012 to $186 thousand during the second quarter of 2013. Occupancy expenses during the first quarter of 2013 (the immediately preceding quarter) were $193 thousand. Occupancy expenses rose from $357 thousand during the first six months of 2012 to $379 thousand during the first six months of 2013 primarily due to the incremental costs associated with the new location for the Monterey branch office, which opened in March 2012. In addition, in response to an expanding client base, the Bank enlarged its King City branch office in March 2013, resulting in a monthly rent increase of $2 thousand. As of June 30, 2013, the King City branch office housed over $63 million in deposits.

Other non-interest expense during the second quarter of 2013 totaled $627 thousand, down from $645 thousand during the second quarter of 2012, but up from $577 thousand during the first quarter of 2013 (the immediately preceding quarter). The Bank's aggregate costs for software and technology have been trending upward in conjunction with an increased client base with more accounts and more transactions, and with the implementation of new technologies. As one example, the Bank recently implemented remote service technology whereby clients with questions regarding online banking or cash management services may permit Bank employees to view their computer desktops / screens over the Internet and thereby provide immediate and highly specific assistance.

The Bank's efficiency ratio (operating costs compared to income from operations) improved to 70.69% for the second quarter of 2013 from 73.25% for the second quarter of 2012. The Bank's efficiency ratio for the first six months of 2013 was 70.50%, compared to 76.06% during the first six months of 2012. These improvements in the Bank's efficiency ratio would have been even more pronounced if the Bank had not experienced the margin compression described above. The progress in the Bank's efficiency ratio reflects the 21.7% rise in total assets during the twelve months ended June 30, 2013 without adding additional branch locations. Technology has been utilized to perform an increasing volume of client transactions without adding new physical locations or hiring a significant volume of additional branch staff. The Bank offers both qualified businesses and consumers check deposit processing via scanner, with check deposit via smartphone planned for later in 2013.

About 1st Capital Bank

The Bank's target markets are commercial enterprises, professionals, real estate investors, family business entities, and residents in Monterey County. The Bank provides a wide range of credit products, including loans under various government programs such as those provided through the U.S. Small Business Administration ("SBA") and the U.S. Department of Agriculture ("USDA"). A full suite of deposits accounts are also furnished, complemented by robust cash management services. The Bank operates full service branch offices in Monterey, Salinas, and King City. The Bank's corporate offices are located at 5 Harris Court, Building N, Suite 3, Monterey, California 93940. The Bank's website is www.1stcapitalbank.com and the main telephone number is 831.264.4000.

Member FDIC / Equal Opportunity Lender / SBA Preferred Lender

Forward-Looking Statements:

Certain of the statements contained herein that are not historical facts are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended, and subject to the safe-harbor provisions of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements may contain words or phrases including, but not limited, to: "believe," "expect," "anticipate," "intend," "estimate," "target," "plans," "may increase," "may fluctuate," "may result in," "are projected," and variations of those words and similar expressions. All such forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those projected. Factors that might cause such a difference include, among other matters, changes in interest rates; economic conditions including inflation and real estate values in California and the Bank's market areas; governmental regulation and legislation; credit quality; competition affecting the Bank's businesses generally; the risk of natural disasters and future catastrophic events including terrorist related incidents and other factors beyond the Bank's control; and other factors. The Bank does not undertake, and specifically disclaims any obligation, to update or revise any forward-looking statements, whether to reflect new information, future events, or otherwise, except as required by law.

This news release is available at the www.1stcapitalbank.com Internet site for no charge.

For further information, please contact:

Mark R. Andino
President and Chief Executive Officer
831.264.4028 office
831.915.6498 cellular
Mark.Andino@1stcapitalbank.com

Or

Jayme C. Fields
Chief Financial Officer
831.264.4011 office
831.917.8725 cellular
Jayme.Fields@1stcapitalbank.com

--- *financial data follows* ---

1ST CAPITAL BANK
CONDENSED FINANCIAL DATA
(Unaudited)
(Dollars in thousands, except per share data)

Financial Condition Data[1]	June 30, 2013	March 31, 2013	December 31, 2012	June 30, 2012
Assets				
Cash and due from banks	$ 10,474	$ 6,455	$ 8,551	$ 6,324
Funds held at the Federal Reserve Bank	11,960	17,623	21,042	42,060
Time deposits at other financial institutions	8,823	9,321	9,321	6,823
Available-for-sale securities, at fair value	79,673	62,903	41,762	18,245
Loans receivable held for investment:				
Construction / land (including farmland)	22,149	19,014	18,207	16,912
Residential 1 to 4 units	32,922	24,454	22,711	21,071
Home equity lines of credit	10,033	10,548	12,243	12,244
Multifamily	5,011	5,615	2,397	3,964
Owner occupied commercial real estate	49,780	48,646	47,917	47,930
Investor commercial real estate	64,272	62,945	65,733	50,782
Commercial and industrial	62,902	67,024	71,848	72,205
Other loans	6,053	5,785	2,197	2,726
Total loans	253,122	244,031	243,253	227,834
Allowance for loan losses	(4,593)	(4,274)	(4,314)	(3,784)
Net loans	248,529	239,757	238,939	224,050
Premises and equipment, net	1,386	1,402	1,282	1,314
Bank owned life insurance	3,603	3,579	3,555	--
Investment in FHLB[2] stock, at cost	1,494	1,026	1,026	1,026
Accrued interest receivable and other assets	3,586	3,238	3,871	3,678
Total assets	$ 369,528	$ 345,304	$ 329,349	$ 303,520
Liabilities and shareholders' equity				
Deposits:				
Noninterest bearing demand deposits	$ 129,840	$ 120,780	$ 123,403	$ 99,883
Interest bearing checking accounts	18,611	15,533	17,482	12,218
Money market	85,224	73,671	60,091	69,806
Savings	71,690	70,478	62,364	51,620
Time	28,307	29,391	31,314	36,649
Total deposits	333,672	309,853	294,654	270,176
Accrued interest payable and other liabilities	777	1,147	694	781
Shareholders' equity	35,079	34,304	34,001	32,563
Total liabilities and shareholders' equity	$ 369,528	$ 345,304	$ 329,349	$ 303,520
Shares outstanding[3]	3,306,861	3,310,503	3,310,503	3,245,903
Nominal and tangible book value per share	$ 10.61	$ 10.36	$ 10.27	$ 10.03
Ratio of net loans to total deposits	74.48%	77.38%	81.09%	82.93%

1 = Certain reclassifications have been made to prior period financial statements to conform them to the current period presentation. Loans held for investment are presented according to definitions applicable to the regulatory Call Report.

2 = Federal Home Loan Bank

3 = The Bank revised its 2007 Equity Incentive Plan during the second quarter of 2013. Those revisions resulted in a lower number of outstanding common shares being reported at June 30, 2013 due to the elimination of voting and other rights for unvested restricted share awards.

1ST CAPITAL BANK
CONDENSED FINANCIAL DATA
(Unaudited)
(Dollars in thousands, except per share data)

	3 Months Ended		
	June 30,	March 31,	June 30,
Operating Results Data	2013	2013	2012
Interest and dividend income			
Loans	$ 3,089	$ 2,992	$ 2,966
Investment securities	141	132	106
Federal Home Loan Bank stock	16	6	1
Other	31	36	50
Total interest and dividend income	3,277	3,166	3,123
Interest expense			
Interest bearing checking accounts	7	7	11
Money market	72	64	100
Savings	56	60	69
Time	21	28	44
Total interest expense	156	159	224
Net interest income	3,121	3,007	2,899
Provision for loan losses	319	460	424
Net interest income after provision for loan losses	2,802	2,547	2,475
Noninterest income			
Service charges on deposits	29	22	21
BOLI dividend income	24	24	--
Other	23	18	15
Total noninterest income	76	64	36
Noninterest expenses			
Salaries and benefits	1,360	1,317	1,243
Occupancy	186	193	180
Furniture and equipment	87	72	82
Other	627	577	645
Total noninterest expenses	2,260	2,159	2,150
Income before provision for income taxes	618	452	361
Provision for income taxes	259	189	152
Net income	$ 359	$ 263	$ 209
Common Share Data			
Earnings per share			
Basic	$ 0.11	$ 0.08	$ 0.06
Diluted	$ 0.11	$ 0.08	$ 0.06
Weighted average shares outstanding			
Basic	3,269,382	3,251,003	3,223,836
Diluted	3,359,011	3,332,108	3,317,799

1ST CAPITAL BANK
CONDENSED FINANCIAL DATA
(Unaudited)
(Dollars in thousands, except per share data)

	6 Months Ended	
	June 30,	June 30,
Operating Results Data	2013	2012
Interest and dividend income		
Loans	$ 6,081	$ 5,745
Investment securities	273	209
Federal Home Loan Bank stock	22	2
Other	67	92
Total interest and dividend income	6,443	6,048
Interest expense		
Interest bearing checking accounts	14	22
Money market	136	180
Savings	116	134
Time	49	96
Total interest expense	315	432
Net interest income	6,128	5,616
Provision for loan losses	779	464
Net interest income after provision for loan losses	5,349	5,152
Noninterest income		
Service charges on deposits	51	43
BOLI dividend income	48	--
Other	41	30
Total noninterest income	140	73
Noninterest expenses		
Salaries and benefits	2,677	2,545
Occupancy	379	357
Furniture and equipment	159	177
Other	1,204	1,248
Total noninterest expenses	4,419	4,327
Income before provision for income taxes	1,070	898
Provision for income taxes	448	379
Net income	$ 622	$ 519
Common Share Data		
Earnings per share		
Basic	$ 0.19	$ 0.16
Diluted	$ 0.19	$ 0.16
Weighted average shares outstanding		
Basic	3,260,406	3,222,982
Diluted	3,344,682	3,313,647

1ST CAPITAL BANK
CONDENSED FINANCIAL DATA
(Unaudited)
(Dollars in thousands)

Asset Quality	June 30, 2013	March 31, 2013	December 31, 2012	June 30, 2012
Loans past due 90 days or more and accruing interest	$ --	$ --	$ --	$ --
Nonaccrual restructured loans	233	235	238	226
Other nonaccrual loans	654	678	1,203	534
Other real estate owned	--	--	--	--
	$ 887	$ 913	$ 1,441	$ 760
Allowance for loan losses to total loans	1.81%	1.75%	1.77%	1.66%
Allowance for loan losses to nonperforming loans	517.81%	468.13%	299.38%	497.89%
Nonaccrual loans to total loans	0.35%	0.37%	0.59%	0.33%
Nonperforming assets to total assets	0.24%	0.26%	0.44%	0.25%
Regulatory Capital and Ratios				
Tier 1 regulatory capital	$ 34,918	$ 33,949	$ 33,600	$ 32,192
Total regulatory capital	$ 38,141	$ 37,035	$ 36,646	$ 35,001
Tier 1 leverage ratio	9.79%	10.15%	10.67%	10.80%
Tier 1 risk based capital ratio	13.64%	13.82%	13.87%	14.40%
Total risk based capital ratio	14.90%	15.08%	15.12%	15.70%

	3 Months Ended			6 Months Ended	
Selected Financial Ratios[1]	June 30, 2013	March 31, 2013	June 30, 2012	June 30, 2013	June 30, 2012
Return on average total assets	0.40%	0.32%	0.28%	0.36%	0.36%
Return on average shareholders' equity	4.14%	3.10%	2.59%	3.63%	3.23%
Net interest margin	3.64%	3.82%	4.04%	3.73%	4.04%
Net interest income to average total assets	3.51%	3.64%	3.92%	3.57%	3.91%
Efficiency ratio	70.69%	70.30%	73.25%	70.50%	76.06%
Selected Average Balances					
Loans	$ 249,169	$ 238,456	$ 214,583	$ 243,842	$ 207,261
Investment securities	70,398	51,172	17,790	60,838	16,761
Federal Home Loan Bank stock	1,366	1,026	996	1,198	957
Other interest earning assets	22,654	28,775	55,218	25,697	54,412
Total interest earning assets	$ 343,587	$ 319,429	$ 288,587	$ 331,575	$ 279,391
Total assets	$ 356,775	$ 334,594	$ 297,159	$ 345,746	$ 288,697
Interest bearing checking accounts	$ 17,431	$ 15,594	$ 14,469	$ 16,478	$ 13,806
Money market	81,289	68,202	66,699	74,821	61,646
Savings	67,991	66,658	48,242	67,328	44,899
Time deposits	28,000	29,969	37,704	28,979	39,377
Total interest bearing deposits	$ 194,711	$ 180,423	$ 167,114	$ 187,606	$ 159,728
Noninterest bearing demand deposits	126,349	118,835	96,972	122,612	96,146
Total Deposits	$ 321,060	$ 299,258	$ 264,086	$ 310,218	$ 255,874
Shareholders' equity	$ 34,775	$ 34,354	$ 32,513	$ 34,566	$ 32,327

1 = All Selected Financial Ratios are annualized other than the Efficiency ratio.