

HERITAGE COMMERCE CORP

	CPP Disbursement Date 11/21/2008	RSSD (Holding Company) 2634874	Number of Insured Depository Institutions 1	
Selected balance and off-balance sheet items				
	2008 \$ millions	2009 \$ millions	%chg from prev	
Assets	\$1,498	\$1,361	-9.1%	
Loans	\$1,249	\$1,081	-13.4%	
Construction & development	\$272	\$189	-30.7%	
Closed-end 1-4 family residential	\$27	\$20	-24.1%	
Home equity	\$59	\$58	-1.3%	
Credit card	\$0	\$0		
Other consumer	\$4	\$1	-75.4%	
Commercial & Industrial	\$379	\$349	-7.9%	
Commercial real estate	\$449	\$437	-2.7%	
Unused commitments	\$409	\$312	-23.8%	
Securitization outstanding principal	\$0	\$0		
Mortgage-backed securities (GSE and private issue)	\$76	\$108	42.9%	
Asset-backed securities	\$0	\$0		
Other securities	\$29	\$2	-93.2%	
Cash & balances due	\$30	\$45	51.6%	
Residential mortgage originations				
Closed-end mortgage originated for sale (quarter)	\$0	\$0		
Open-end HELOC originated for sale (quarter)	\$0	\$0		
Closed-end mortgage originations sold (quarter)	\$0	\$0		
Open-end HELOC originations sold (quarter)	\$0	\$0		
Liabilities	\$1,301	\$1,172	-9.9%	
Deposits	\$1,180	\$1,095	-7.2%	
Total other borrowings	\$90	\$45	-50.0%	
FHLB advances	\$55	\$20	-63.6%	
Equity				
Equity capital at quarter end	\$197	\$189	-3.9%	
Stock sales and transactions with parent holding company (cumulative through calendar year)	\$16	\$6	NA	
Performance Ratios				
Tier 1 leverage ratio	10.3%	9.9%	--	
Tier 1 risk based capital ratio	11.1%	11.4%	--	
Total risk based capital ratio	12.3%	12.7%	--	
Return on equity ¹	0.3%	0.0%	--	
Return on assets ¹	0.0%	0.0%	--	
Net interest margin ¹	4.0%	4.0%	--	
Coverage ratio ((ALL+Alloc transfer risk)/Noncurrent loans)	61.8%	46.1%	--	
Loss provision to net charge-offs (qtr)	247.8%	96.5%	--	
Net charge-offs to average loans and leases ¹	0.6%	2.2%	--	
¹ Quarterly, annualized.				
	Noncurrent Loans		Gross Charge-Offs	
Asset Quality (% of Total Loan Type)	2008	2009	2008	2009
Construction & development	8.0%	19.0%	0.0%	0.6%
Closed-end 1-4 family residential	0.0%	0.8%	0.0%	0.0%
Home equity	0.0%	0.5%	0.0%	0.0%
Credit card	0.0%	0.0%	0.0%	0.0%
Other consumer	1.2%	9.6%	0.0%	0.0%
Commercial & Industrial	4.9%	4.4%	0.4%	1.5%
Commercial real estate	0.0%	2.2%	0.0%	0.0%
Total loans	3.2%	5.8%	0.1%	0.6%