

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	2011 \$ millions	2012 \$ millions	%chg from prev	
Assets	\$1,303	\$1,690	29.7%	
Loans	\$766	\$816	6.5%	
Construction & development	\$28	\$27	-3.1%	
Closed-end 1-4 family residential	\$17	\$13	-27.1%	
Home equity	\$49	\$41	-15.3%	
Credit card	\$0	\$0		
Other consumer	\$3	\$3	-12.5%	
Commercial & Industrial	\$303	\$323	6.5%	
Commercial real estate	\$338	\$370	9.3%	
Unused commitments	\$273	\$300	9.7%	
Securitization outstanding principal	\$0	\$0		
Mortgage-backed securities (GSE and private issue)	\$350	\$308	-12.1%	
Asset-backed securities	\$0	\$0		
Other securities	\$30	\$111	270.3%	
Cash & balances due	\$73	\$374	412.6%	
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	\$1,108	\$1,525	37.6%	
Deposits	\$1,074	\$1,491	38.8%	
Total other borrowings	\$0	\$0		
FHLB advances	\$0	\$0		
Equity				
Equity capital at quarter end	\$195	\$165	-15.4%	
Stock sales and transactions with parent holding company (cumulative through calendar year)	\$0	\$0	NA	
Performance Ratios				
Tier 1 leverage ratio	13.7%	10.7%	--	
Tier 1 risk based capital ratio	18.5%	14.0%	--	
Total risk based capital ratio	19.7%	15.3%	--	
Return on equity ¹	7.3%	7.8%	--	
Return on assets ¹	1.1%	0.8%	--	
Net interest margin ¹	4.3%	3.6%	--	
Coverage ratio ((ALL+Alloc transfer risk)/Noncurrent loans)	123.0%	104.6%	--	
Loss provision to net charge-offs (qtr)	77.9%	87.3%	--	
Net charge-offs to average loans and leases ¹	0.8%	0.4%	--	
¹ Quarterly, annualized.				
	Noncurrent Loans		Gross Charge-Offs	
Asset Quality (% of Total Loan Type)	2011	2012	2011	2012
Construction & development	14.3%	8.3%	0.0%	0.0%
Closed-end 1-4 family residential	0.6%	0.8%	0.0%	0.3%
Home equity	0.1%	5.9%	0.0%	0.0%
Credit card	0.0%	0.0%	0.0%	0.0%
Other consumer	0.4%	5.4%	0.0%	0.0%
Commercial & Industrial	2.1%	2.0%	0.3%	0.2%
Commercial real estate	1.9%	1.9%	0.5%	0.0%
Total loans	2.2%	2.2%	0.3%	0.1%