

For Immediate Release March 5, 2012

#### CENTERPOINTE COMMUNITY BANK REPORTS 2011 PROFIT

**HOOD RIVER, OREGON:** CenterPointe Community Bank (PINKSHEETS: CENP), headquartered in Hood River, Oregon, announced 2011 fiscal year net income of \$703,000 before tax benefit; and net income of \$1,203,000 after recognizing a \$500,000 tax benefit resulting from partial reversal of the Bank's deferred tax valuation allowance.

Financial Highlights - Fiscal Year Ending December 31, 2011:

- Total Assets \$80.2 million up 12.8%
- Gross Loans \$57.4 million up 7.0%
- Total Deposits \$68.0 million up 6.6%
- Net Interest Margin 5.22% up 14 basis points
- Excellent Asset Quality no loan delinquencies; no non-accrual loans; no other real estate owned
- Bank remains comfortably "Well Capitalized" as measured by regulatory guidelines

In announcing the Bank's second annual profit, Mahlon Vigesaa, CenterPointe's President and Chief Executive Officer said, "CenterPointe Community Bank enjoyed another successful year; even though the economy continues to progress slowly we were happy with the respectable growth achieved in both loans and deposits. CenterPointe has generated profits for seven consecutive quarters allowing us to recognize an additional deferred tax benefit that relates to the initial operating losses sustained during the Bank's formative years, 2007-2009. As a result, year-over-year earnings increased from \$0.52 to \$1.03 per share."

CenterPointe's Chief Financial Officer, Jim Fortner, added, "The Bank's balance sheet has stabilized and our deposit mix improved significantly; locally sourced core deposits increased nearly \$9.0 million allowing for brokered and wholesale deposits to decrease by \$4.7 million – the net difference being the more modest overall deposit growth of 6.6%." Commenting on the Bank's asset quality, Britt Thomas, the Bank's Chief Credit Officer, indicated "There continues to be consistent performance from the loan portfolio – as credit quality remains solid our Allowance for Loan Losses at 1.26% of gross loans is reasonable and sufficient at this time."

Over the past year CenterPointe has increased its deposit market share within the Columbia River Gorge region and has implemented a "Buy Local, Bank Local" theme in its marketing strategy. Additionally, CenterPointe recently obtained regulatory approval for expanding its physical presence into the Bingen/White Salmon, Washington market located immediately across the Columbia River from Hood River, Oregon. CenterPointe intends to occupy the previous First Independent Bank branch location by initially providing ATM and night depository services beginning summer 2012.

### ABOUT CENTERPOINTE COMMUNITY BANK

CenterPointe Community Bank (PINKSHEETS: CENP) is a State of Oregon chartered and FDIC insured community bank. Initially opened September 2007, the Bank is headquartered in Hood River, Oregon, with a second full service branch office located in The Dalles, Oregon. CenterPointe Community Bank is the only local community bank headquartered in the Columbia River Gorge region. Its designated service area encompasses Wasco and Hood River counties in Oregon, and Klickitat County in Washington.

Additional information about CenterPointe Community Bank, including its products, services, banking locations and financial information is available at www.centerpointebank.com

#### **CONTACTS:**

Mahlon Vigesaa President & Chief Executive Officer 541-308-1311 mahlon.vigesaa@centerpointebank.com Jim Fortner
Chief Financial Officer
541-308-1317
jim.fortner@centerpointebank.com

# CENTERPOINTE COMMUNITY BANK FINANCIAL HIGHLIGHTS

(All amounts in 000's, except per share data) (unaudited)

#### EARNINGS AND PER SHARE DATA

For the Three Months Ended	December 31,		December 31,				
	2011		2010		Change		% Change
Interest income	\$	1,070	\$	1,036	\$	34	3.3%
Interest expense		68		148		(80)	-54.1%
Net interest income		1,002		888		114	12.8%
Provision for loan losses		-		-		-	nm
Non-interest income (1)		41		31		10	32.3%
Non-interest expense		822		768		54	7.0%
Pre-tax income		221		151		70	46.4%
Income Tax Expense (Benefit)		(500)		(300)		(200)	66.7%
Net income (loss)	\$	721	\$	451	\$	270	59.9%
Basic and diluted earnings per share	\$	0.63	\$	0.40	\$	0.23	57.5%
Average shares outstanding - basic	1,149,242		1,137,036		12,206		1.1%
Average shares outstanding - diluted	1,151,313		1,137,036			14,277	1.3%
For the Twelve Months Ended	December 31,		December 31,				
	2011		2010		Change		% Change
Interest income	\$	4,250	\$	3,825	\$	425	11.1%
Interest expense		326		590		(264)	-44.7%
Net interest income		3,924		3,235		689	21.3%
Provision for loan losses		140		163		(23)	-14.1%
Non-interest income (1)		111		166		(55)	-33.1%
Non-interest expense		3,192		2,947		245	8.3%
Pre-tax income		703		291		412	141.6%
Income Tax Expense (Benefit)		(500)		(300)		(200)	66.7%
Net income (loss)	\$	1,203	\$	591	\$	612	103.6%
Basic and diluted earnings per share	\$	1.05	\$	0.52	\$	0.53	101.9%
Average shares outstanding - basic	1,145,720		1,126,507			19,213	1.7%
Average shares outstanding - diluted	1,149,704		1,126,507		23,197		2.1%

<sup>(1)</sup> Includes net gain on sale of securities during 2010 of \$10 for the three months ending 12/31/2010 and \$83 for the twelve months ending 12/31/2010. There were no security sales during the twelve months ending 12/31/2011.

## SELECTED FINANCIAL RATIOS

(annualized)

	December 31,	December 31,	
For the Three Months Ended	2011	2010	Change
Net interest margin	4.89%	5.07%	(0.18)
Return on average equity	38.63%	28.45%	10.18
Return on average assets	3.32%	2.46%	0.86
Efficiency ratio (1)	78.81%	83.57%	(4.76)
For the Twelve Months Ended	December 31, 2011	December 31, 2010	Change
	2011	2010	
Net interest margin	<b>2011</b> 5.22%	5.08%	0.14
	2011	2010	
Net interest margin	<b>2011</b> 5.22%	5.08%	0.14

#### Notes:

(1) Non-interest expense divided by net interest income plus non-interest income

# CENTERPOINTE COMMUNITY BANK FINANCIAL HIGHLIGHTS

(All amounts in 000's, except per share data) (unaudited)

BALANCE SHEET	Dece	mber 31, 2011	December 31, 2010		Change		% Change
Cash and due from banks	\$	2,063	\$	2,643	\$	(580)	-21.9%
Fed funds sold		410		5,530		(5,120)	-92.6%
Time deposits		2,477		2,494		(17)	nm
Investment securites available-for-sale		15,255		5,488		9,767	178.0%
Gross loans		57,466		53,704		3,762	7.0%
Allowance for loan losses		(728)		(636)		(92)	14.5%
Loans, net of allowance for loan losses		56,738		53,068		3,670	6.9%
Other assets		3,236		1,857		1,379	74.3%
Total assets	\$	80,179	\$	71,080	\$	9,099	12.8%
Non-interest-bearing deposits	\$	26,756	\$	16,714	\$	10,042	60.1%
Interest-bearing deposits		41,283		47,094		(5,811)	-12.3%
Total deposits		68,039		63,808		4,231	6.6%
Borrowings		4,000		-		4,000	nm
Other liabilities		134		618		(484)	-78.3%
Stockholders' equity		8,006		6,654		1,352	20.3%
Total liabilities and stockholders' equity	\$	80,179	\$	71,080	\$	9,099	12.8%
Period end shares outstanding		1,153,600		1,139,464		14,136	1.2%
Book and tangible book value per share	\$	6.94	\$	5.84	\$	1.10	18.8%