



Media Inquiries

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Community Valley Bank Announces First Quarter Performance Results. Bank Reports Profit with a 39.7% Increase in Total Assets and 44% Growth in Deposits

El Centro, CA (Monday, May 2, 2011) -- Robert "Bob" Hahn, President and CEO of Community Valley Bank (OTCBB: CMUV), announced the bank ended its first profitable quarter with \$66.5 million in total assets resulting in a 39.7 percent increase from the first quarter of 2010. CVB ended the first quarter, March 31, 2011 with year to date earnings of \$56,329. The bank has experienced asset growth every quarter since first chartered on October 1, 2007.

"CVB is proudly celebrating its first profitable quarter and we couldn't be happier," said Bob Hahn, President and CEO of Community Valley Bank. "The bank's historic quarter began with the opening of our first permanent branch in Brawley and ended with our new designation as an approved U.S. Small Business Administration Preferred Lender," said Hahn.

Deposits grew from \$39.4 million on March 31, 2010 to \$56.9 million at quarter end March 31, 2011. This marks a 44.4 percent increase in one year. Gross loans grew to \$52.8 million, representing a 48.4 percent increase from the previous year.

CVB retains a tier one leverage capital ratio of 11.29 percent, exceeding the Federal Deposit Insurance Corporation's (FDIC) regulatory requirements. To be considered well-capitalized, a bank must have more than 10 percent. CVB maintained a loan loss reserve of \$1.0 million as of March 31, 2011, increasing loan loss reserves to 1.9 percent.

"On behalf of the CVB Board of Directors and staff, thank you to all our shareholders and customers that believe in our concept of a true community bank," Hahn said.

The book value of CVB stock is \$4.76 per share and its stock last traded at \$5.00 per share as of March 31, 2011. There are 1,621,568 shares outstanding.

In recent news, Community Valley Bank announced it has been granted Preferred Lender Program status by the U.S. Small Business Administration (SBA). The bank can now approve up to \$5 million dollars locally.

About Community Valley Bank: Community Valley Bank (www.yourcvb.com) is the Imperial Valley's ONLY locally owned and locally headquartered bank. CVB was chartered as a state bank for Imperial Valley businesses on October 1, 2007, and now has two locations, 203 S. Imperial Avenue in El Centro and 310 Main Street in Brawley, California. Community Valley Bank is a publicly traded company under the symbol CMUV. All investor related inquiries should be directed to our Chief Financial Officer at (760) 352-1889.

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	<u>March 31, 2010</u>	<u>December 31, 2010</u>	<u>March 31, 2011</u>
Consolidated Financial Condition Data			
Assets			
Loans receivable - net	\$ 34,917,000	\$ 46,050,000	\$ 51,750,000
Cash and cash equivalents	10,561,000	12,615,000	11,022,000
Investment Securities	490,000	494,000	492,000
Federal Home Loan Bank Stock	162,000	181,000	181,000
Other Assets	1,501,000	6,828,000	3,095,000
Total Assets	\$ <u>47,631,000</u>	\$ <u>66,168,000</u>	\$ <u>66,540,000</u>
Liabilities			
Deposits	39,354,000	53,277,000	56,914,000
Other Liabilities	786,000	5,220,000	1,896,000
Total Liabilities	<u>40,140,000</u>	<u>58,497,000</u>	<u>58,810,000</u>
Common Stock	13,432,000	14,267,000	14,267,000
Surplus	465,000	482,000	487,000
Total Undivided Profits	<u>(6,406,000)</u>	<u>(7,078,000)</u>	<u>(7,024,000)</u>
Stockholder's Equity - net	7,491,000	7,671,000	7,730,000
Total Liabilities and Shareholder Equity	\$ <u>47,631,000</u>	\$ <u>66,168,000</u>	\$ <u>66,540,000</u>
	<u>March 31, 2010</u>	<u>December 31, 2010</u>	<u>March 31, 2011</u>
Selected Consolidated Earnings Data			
Total interest Income	\$ 628,000	\$ 2,980,000	\$ 853,000
Total interest expense	<u>(105,000)</u>	<u>(489,000)</u>	<u>(130,000)</u>
Net interest income	523,000	2,491,000	723,000
Provision of losses on loans	<u>(54,000)</u>	<u>(342,000)</u>	<u>(266,000)</u>
Net interest income after provision for losses on loans	469,000	2,149,000	457,000
Total other income (Noninterest income)	131,000	463,000	465,000
General administrative and other expenses	(815,000)	(3,492,000)	(866,000)
Income tax expense (benefit)	<u>0</u>	<u>0</u>	<u>0</u>
Net loss	\$ <u>(215,000)</u>	\$ <u>(880,000)</u>	\$ <u>56,000</u>

Please Note: Information is subject to change without notice.

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