



Wayne D. Gale, President and CEO
Phone (760) 352-1889, mediarelations@yourcvb.com

**Community Valley Bank Announces New President and
12th Consecutive Profitable Quarter for Third Quarter 2013**

El Centro, CA (October 28, 2013) Community Valley Bank (CVB) is pleased to announce that Wayne Gale has joined CVB as its new President and CEO. Wayne has strong industry experience, most recently at The Foothills Bank in Yuma, AZ. During six years at the helm, The Foothills Bank ranked four times as the number one bank in Arizona.

CVB's 3rd quarter profit of \$252,000 marked its 12th consecutive quarter of profitability. Year to date net profit for 2013 was \$700,000. This exceeds the bank's net profit for the entire year of 2012 by 9%.

As of September 30, 2013 total assets grew by \$8 million in the third quarter ending at \$112 million. Loans grew by \$3 million and ended the quarter at \$74 million. Deposits grew to \$93 million, an increase of \$7 million during the 3rd quarter. Total Equity Capital was \$11.7 million resulting in a Tier 1 capital ratio of 10.96%. This is well above the regulatory ratio requirements to be considered a well capitalized bank. On October 16, 2013 Community Valley Bank stock (CMVU), traded at \$4.70 per share, up from \$4.51 as of June 30th.

The Allowance for Loan and Lease Losses (ALLL) as of September 30th was \$1.69 million or 2.29% of total loans. Based on the 3rd quarter ALLL analysis, Board and Management believe it is fully funded. The bank's ALLL ratio exceeds our peer bank average and provides a strong reserve against potential future losses.

CVB is completing its sixth year serving the financial needs of the Imperial and Coachella Valleys. Management is pleased with the progress made in that time and excited about the bank's potential future. In addition there is optimism that recent improvement in the economy will continue to enhance CVB's ability to grow and increase profitability. Recent news that interest rates will rise in the next year to 18 months will require CVB to closely monitor the local economies and to examine alternative strategies going forward.

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 three locations, all in California: 1443 Main Street in El Centro, 310 Main Street in Brawley, and 77564 Building A Country Club Drive, Suite 103 in Palm Desert. Community Valley Bank is a publicly traded company under the symbol CMUV. All investor related inquiries should be directed to Community Valley Bank's Chief Financial Officer, Toni Umphreyville at (760) 352-1889.

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	September 30, 2013	December 31, 2012	September 30, 2012
Consolidated Financial Condition Data			
Assets			
Loans receivable - net	\$ 72,326,000	\$ 79,195,000	\$ 74,194,000
Cash and cash equivalents	31,163,000	21,628,000	12,445,000
Investment Securities	1,771,000	1,003,000	1,215,000
Federal Home Loan Bank Stock	450,000	283,000	343,000
Other Assets	6,588,000	6,565,000	7,030,000
Total Assets	<u>\$ 112,298,000</u>	<u>\$ 108,674,000</u>	<u>\$ 95,227,000</u>
Liabilities			
Deposits	93,378,000	90,340,000	83,291,000
Borrowings (FHLB)	6,000,000	6,000,000	0
Mortgage Indebtedness	699,000	744,000	759,000
Other Liabilities	490,000	446,000	326,000
Total Liabilities	<u>100,567,000</u>	<u>97,530,000</u>	<u>84,376,000</u>
Preferred Stock	2,400,000	2,400,000	2,400,000
Common Stock	14,287,000	14,271,000	14,271,000
Costs/Dividends	(94,000)	(38,000)	0
Surplus	516,000	498,000	497,000
Total Undivided Profits	<u>\$ (5,266,000)</u>	<u>\$ (6,004,000)</u>	<u>\$ (6,331,000)</u>
Unrealized Gain/Loss	(112,000)	17,000	14,000
Stockholder's Equity - net	11,731,000	11,144,000	10,851,000
Total Liabilities and Shareholder Equity	<u>\$ 112,298,000</u>	<u>\$ 108,674,000</u>	<u>\$ 95,227,000</u>
Selected Consolidated Earnings Data			
Total interest income and fees	\$ 3,977,000	\$ 4,665,000	\$ 3,328,000
Total interest expense	<u>(534,000)</u>	<u>(681,000)</u>	<u>(505,000)</u>
Net interest income	3,443,000	3,984,000	2,823,000
Provision of losses on loans	<u>(615,000)</u>	<u>(540,000)</u>	<u>(170,000)</u>
Net interest income after provision for losses on loans	2,828,000	3,444,000	2,653,000
Total other income (Noninterest income)	938,000	961,000	480,000
General administrative and other expenses	(3,066,000)	(3,784,000)	(2,806,000)
Income tax expense (benefit)	<u>0</u>	<u>(5,000)</u>	<u>0</u>
Net Profit/Loss	<u>\$ 700,000</u>	<u>\$ 621,000</u>	<u>\$ 327,000</u>