



FOR IMMEDIATE RELEASE

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Community Valley Bank Announces 2nd Quarter 2015 Results

El Centro, CA (July 24, 2015) CVB would like to thank those shareholders that had the opportunity to attend our Annual Meeting on 07/07/15. We are pleased to announce that the Board of Directors were re-elected by the shareholders voting either in person or by proxy, with well over 97% of the vote. Additionally, CVB can announce that it has received both shareholder and regulatory approval to repay the remaining Small Business Fund preferred stock in the amount of \$1.8mm. This will eliminate all preferred stock at CVB.

In order to allow for this repayment and to ensure that CVB was able to maintain appropriate regulatory capital ratios, the bank conducted a private placement that raised \$2.5 million in additional capital. While this did provide a small dilution to the stock value, the Board of Directors believe that removing the preferred stock places our shareholders in the best mid and long term value position. We also remove a potentially significant additional cost for the bank in 2016 and beyond.

Through the first two quarters of 2015 ending on 06/30/15, CVB had total assets of \$129 million, an increase of over 14% from 06/30/14. Loans grew year over year from \$83.7 million to \$90 million, an increase of 8%. Deposits were \$93.6 million at 06/30/14 and reached \$109 million at 06/30/15, an increase of 17%. Net income year to date for CVB was just under \$700,000. This represents a very strong number for CVB in light of having to make estimated accruals for income taxes for the first time in bank history.

We ended the 2nd quarter with a Leverage Capital ratio of 11.7% and a Risk-based Capital ratio of 15.66%. This is well above the ratios required to be considered a well capitalized bank. Our Allowance for Loan and Lease Losses ended the quarter at \$1,388,553 or 1.53% of total loans. Board and Management believe the ALLL is fully funded at this time.

Tangible book value of the common stock was \$7.09 per share. The common stock (CMUV) was trading at \$5.00 as of June 30, 2015.

We are excited to announce that in our continued effort to provide both improved quality and new technology for our customers, CVB will be introducing mobile banking in the 3rd quarter of 2015. Adding mobile banking to our existing products of Remote Capture and Internet Banking allows us to provide increased ease and yet still provide that tremendous service that our customers have come to rely on.

We sincerely thank all of our shareholders for their continued support and welcome our newest shareholders to Your Community Valley Bank.

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	<u>June 30, 2015</u>	<u>December 31, 2014</u>	<u>June 30, 2014</u>
Consolidated Financial Condition Data			
Assets			
Loans receivable - net	\$ 89,299,000	\$ 90,598,000	\$ 82,551,000
Cash and cash equivalents	31,550,000	21,284,000	21,754,000
Investment Securities	1,025,000	1,240,000	1,332,000
Federal Home Loan Bank Stock	435,000	392,000	392,000
Other Assets	9,321,000	8,269,000	7,190,000
Total Assets	<u>\$ 131,630,000</u>	<u>\$ 121,783,000</u>	<u>\$ 113,219,000</u>
Liabilities			
Deposits	110,618,000	99,645,000	93,781,000
Borrowings (FHLB)	3,000,000	7,515,000	6,000,000
Mortgage Indebtedness	497,000	521,000	653,000
Other Liabilities	470,000	328,000	263,000
Total Liabilities	<u>114,585,000</u>	<u>108,009,000</u>	<u>100,697,000</u>
Preferred Stock	1,800,000	1,800,000	1,800,000
Common Stock	16,868,000	14,317,000	14,312,000
Costs/Dividends	(159,000)	(91,000)	(13,000)
Surplus	556,000	546,000	542,000
Total Undivided Profits	<u>(2,024,000)</u>	<u>(2,791,000)</u>	<u>(4,049,000)</u>
Unrealized Gain/Loss	4,000	(7,000)	(70,000)
Stockholder's Equity - net	17,045,000	13,774,000	12,522,000
Total Liabilities and Shareholder Equity	<u>\$ 131,630,000</u>	<u>\$ 121,783,000</u>	<u>\$ 113,219,000</u>
	<u>June 30, 2015</u>	<u>December 31, 2014</u>	<u>June 30, 2014</u>
Selected Consolidated Earnings Data			
Total Interest Income/Fees	\$ 2,991,000	\$ 5,529,000	\$ 2,694,000
Total Interest Expense	<u>(393,000)</u>	<u>(645,000)</u>	<u>(311,000)</u>
Net Interest Income	2,598,000	4,884,000	2,383,000
Provision For Losses on Loans	<u>0</u>	<u>(618,000)</u>	<u>0</u>
Net Interest Income Afer Provision For Losses on Loans	2,598,000	4,266,000	2,383,000
Total Other Income (Noninterest Income)	526,000	410,000	216,000
General Administrative and Other Expenses	(2,225,000)	(4,207,000)	(2,021,000)
Income Tax (Expense) Benefit	<u>(200,000)</u>	<u>1,500,000</u>	<u>200,000</u>
Net Profit/Loss Year To Date	<u>\$ 699,000</u>	<u>\$ 1,969,000</u>	<u>\$ 778,000</u>