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CMUV Bancorp announces Community Valley Bank's Year End 2016 Results

CMUV Bancorp, the holding company for Community Valley Bank, is pleased to announce unaudited 4th quarter and year end results for 2016. Pre-tax earnings for the 4th quarter came in at \$937,000 bringing yearend 2016 results to \$2,633,000. This number represents a 59.7% increase over 2015 results. Net income for the quarter exceeded \$562,000, providing yearend total net income of \$1,565,000, a 38.9% increase over 2015. Total assets reached \$152 MM, a 12.3% increase. Total deposits came in at \$131 MM, an increase of 10.0%. Gross loans surpassed \$118 MM, providing a year over year increase of 13.8%. The numbers for total assets, deposits, gross loans, and pre-tax income, represent all time highs for the bank.

The \$1,565,000 in net income equated to \$0.69 per share (diluted). The results in 2016 allowed for a return on average assets (ROAA) of 1.08% and a return on average equity (ROAE) of 9.88%. The year to date (as of 09/30/15) average for banks in Southern California under \$250 MM was a 0.73% ROAA and a 5.83% ROAE.

Total interest income and fees surpassed the \$7 million mark in 2016, a 17% increase from 2015. The bank continued to improve its efficiency in 2016 as its ratio dropped below 65%, just about on par with banks twice its size.

The Bank ended 2016 with a Leverage Capital ratio of 11.66% and a Total Capital ratio of 17.00%. This is well above the ratios required to be considered a well capitalized bank. Allowance for Loan and Lease Losses ended the year at \$1,484,796 or 1.25% of total loans. Past due and non-accrual loans remain very low at just 0.3%. Board and Management believe the ALLL is fully funded at this time.

12/31/16 tangible book value of the common stock was \$8.01 per share. The common stock (CMUV) was trading at \$6.80 as of December 31, 2016.

As we enter our 10th year of operations, we are very grateful to all of our shareholders for their continued support. The results of 2016 were very exciting for all of us at CVB and our expectations are even greater in 2017. The opening in late spring of our newest branch in Julian is just one of the many opportunities ahead. Community Valley Bank looks forward to continuing to provide the best in banking options for our customers.

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