



FOR IMMEDIATE RELEASE

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### **Community Valley Bank Produces Record Numbers for Year End 2017**

CMUV Bancorp is pleased to announce 4<sup>th</sup> quarter and year-end results for 2017 (unaudited). Pre-tax earnings for the 4<sup>th</sup> quarter were \$823,939, producing year-end 2017 results of \$2,923,000. This number represents an 11% increase over 2016 results. Total assets reached \$163 MM, a 7.2% increase. Total deposits ended at \$143 MM, an increase of 9.1%. Gross loans surpassed \$130 MM, providing a year over year increase of 10.7%. The numbers for total assets, deposits, gross loans, and pre-tax income, represent all-time highs for the bank.

Net income for the 4<sup>th</sup> quarter was \$256,591, providing year-end total net income of \$1,522,000. Net income for the year was negatively affected by a one-time additional expense in the 4<sup>th</sup> quarter for federal taxes of \$241,968 required by the new tax reform bill. The bank expensed \$333,472 more in taxes in 2017 than was expensed in 2016. While the tax bill negatively affected the bank for 2017, we expect to receive significant benefit in 2018 with the reduction in the corporate tax rate.

In consideration of the expected benefit from the corporate tax reduction, the bank awarded each employee a \$500 bonus. The bank has also enhanced employee education and training opportunities for 2018 and expanded its community contribution budget toward local non-profit services.

Total interest income and loan fees increased by 15.3% to \$8,150,000. The bank ended 2017 with a Leverage Capital Ratio of 11.74% and a Total Capital Ratio of 16.46%. This is well above the ratios required to be considered a well-capitalized bank. Allowance for Loan and Lease Losses ended the year at \$1,632,796 or 1.25% of total loans. Past due and non-accrual loans remain very low at 0.76%. Board and Management believe the ALLL is fully funded at this time.

12/31/17 tangible book value of the common stock was \$8.57 per share (diluted). The common stock (CMUV) was trading at \$9.80 as of December 31, 2017.

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