



Robert "Bob" Hahn, Chief Executive Officer
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Community Valley Bank Announces Profitable 2012 Performance Results And Solid Growth

El Centro, CA (January 31, 2013) -- Robert "Bob" Hahn, President and CEO of Community Valley Bank (OTCBB: CMUV), recently announced Community Valley Bank's (CVB) year-end results for 2012. CVB showed solid growth in both earnings and assets. Deposits grew to \$90.0 million, gross loans rose to \$80.6 million while total assets reached \$108.6 million.

Community Valley Bank earned \$295,000 in the fourth quarter. The result is a 2012 profit of \$621,000. This is a 30% increase from year-end 2011. The Bank funded \$540,000 into CVB's Allowance for Loan and Lease Losses reaching \$1,434,000 or 1.78% of gross loans. CVB is continuing to aggressively review its loan risks while growing loan assets in a challenging economy.

The book value of CVB's common stock (CMUV) is \$5.40 per share with market value at year-end of \$5.00 per share. CVB tier one leverage capital ratio was 11.36%, exceeding the regulatory ratio required for designation as a "well-capitalized bank."

CVB has become the bank of businesses in Imperial County and beyond. With a large array of loan products including SBA and USDA loan programs it continues to provide area businesses with the largest selection of banking opportunities addressing all their banking needs. CVB welcomes new loans and deposit accounts.

"We expect continued growth and success moving into the New Year," notes Hahn, CVB's Chief Executive Officer. "In our continuing efforts to increase shareholder value, we will be opening a Loan Production office serving the Coachella Valley area in the first quarter of 2013. We again thank you for supporting CVB, the only locally owned and locally managed community bank in the entire Imperial County," Hahn adds.

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, 1443 Main Street 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 Community Valley Bank's Chief Financial Officer, Toni Umphreyville at (760) 352-1889.

| | <u>December 31, 2012</u> | <u>December 31, 2011</u> |
|--|--------------------------|--------------------------|
| Consolidated Financial Condition Data | | |
| Assets | | |
| Loans receivable - net | \$ 79,195,000 | \$ 53,956,000 |
| Cash and cash equivalents | 21,628,000 | 23,798,000 |
| Investment Securities | 1,003,000 | 509,000 |
| Federal Home Loan Bank Stock | 283,000 | 252,000 |
| Other Assets | 6,565,000 | 8,031,000 |
| Total Assets | \$ <u>108,674,000</u> | \$ <u>86,546,000</u> |
| Liabilities | | |
| Deposits | 90,340,000 | 74,729,000 |
| Borrowings (FHLB) | 6,000,000 | 0 |
| Mortgage Indebtedness | 744,000 | 972,000 |
| Other Liabilities | 446,000 | 294,000 |
| Total Liabilities | <u>97,530,000</u> | <u>75,995,000</u> |
| Preferred Stock | 2,400,000 | 2,400,000 |
| Common Stock | 14,271,000 | 14,255,000 |
| Costs/Dividends | (52,000) | (19,000) |
| Surplus | 498,000 | 496,000 |
| Total Undivided Profits | <u>(5,973,000)</u> | <u>(6,594,000)</u> |
| Unrealized Gain/Loss | 17,000 | 13,000 |
| Stockholder's Equity - net | 11,144,000 | 10,551,000 |
| Total Liabilities and Shareholder Equity | \$ <u>108,674,000</u> | \$ <u>86,546,000</u> |

| | <u>December 31, 2012</u> | <u>December 31, 2011</u> |
|---|--------------------------|--------------------------|
| Selected Consolidated Earnings Data | | |
| Total Interest Income/Fees | \$ 4,665,000 | \$ 3,698,000 |
| Total Interest Expense | <u>(681,000)</u> | <u>(585,000)</u> |
| Net Interest Income | 3,984,000 | 3,113,000 |
| Provision For Losses on Loans | <u>(540,000)</u> | <u>(540,000)</u> |
| Net Interest Income After Provision For Losses on Loans | 3,444,000 | 2,573,000 |
| Total Other Income (Noninterest Income) | 961,000 | 1,419,000 |
| General Administrative and Other Expenses | (3,784,000) | (3,514,000) |
| Income Tax (Expense) Benefit | <u>(5,000)</u> | <u>0</u> |
| Net Profit/Loss Year To Date | \$ <u>621,000</u> | \$ <u>478,000</u> |