



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

Community Valley Bank Reports 14th Consecutive Profitable Quarter

With First Quarter 2014 Core Earnings

El Centro, CA (April 29, 2014) Community Valley Bank is pleased to report core earnings for the first quarter of 2014 were \$290,000. This results in CVB's 14th consecutive quarter of profitability including a \$100,000 valuation allowance credit to taxes. Net profit reported at quarter end was \$390,000.

For the quarter ending March 31, 2014 total assets were \$107.6 million. Loans grew by \$1.2 million over the same period last year ending the quarter at \$77.3 million. Deposits remain unchanged from last year at \$87.9 million. Total Equity Capital was \$12.7 million and CVB's Tier 1 capital ratio was 11.38%. This is well above the regulatory ratio required to be considered a well-capitalized bank.

As an SBA Preferred Lender, CVB with its array of business banking services, will continue to provide products designed to meet the banking needs of the communities, CVB serves. The Allowance for Loan and Lease Losses (ALLL) ended the quarter at \$1.21 million or 1.54% of loans. Board and Management believe the ALLL is fully funded based on the quarterly analysis. The bank's ratio is similar to CVB's peer bank average providing a strong reserve against potential future losses.

CVB is in its seventh year of serving the financial needs of the Imperial and Coachella Valleys. The Bank's management team is pleased with the progress made during that time and are excited about the bank's future potential.

Management believes the recent improvement in the economy will continue to enhance CVB's ability to grow and maintain profitability. Recent conflicting news that interest rates may remain flat, or rise, in the next year to 18 months will require CVB to continue closely monitoring the local economies and examining alternative strategies moving forward.

The Annual Shareholder Meeting will be held on May 15th at 10:00am at CVB's Brawley branch when 2013 results and the bank's exciting future will be discussed. CVB's stock (CMVU) recently traded at \$5.52 per share, up over 22% from the \$4.51 per share price as of June 30, 2013. CVB continues to focus on serving the local business communities for both existing and new customers.

	<u>March 31, 2013</u>	<u>December 31, 2013</u>	<u>March 31, 2014</u>
Consolidated Financial Condition Data			
Assets			
Loans receivable - net	\$ 72,033,000	\$ 73,703,000	\$ 76,146,000
Cash and cash equivalents	28,582,000	35,037,000	22,352,000
Investment Securities	891,000	1,466,000	1,478,000
Federal Home Loan Bank Stock	283,000	447,000	447,000
Other Assets	5,526,000	6,950,000	7,173,000
Total Assets	\$ <u>107,315,000</u>	\$ <u>117,603,000</u>	\$ <u>107,596,000</u>
Liabilities			
Deposits	88,938,000	98,164,000	87,890,000
Borrowings (FHLB)	6,000,000	6,000,000	6,000,000
Mortgage Indebtedness	729,000	684,000	669,000
Other Liabilities	292,000	464,000	285,000
Total Liabilities	<u>95,959,000</u>	<u>105,312,000</u>	<u>94,844,000</u>
Preferred Stock	2,400,000	2,400,000	2,400,000
Common Stock	14,287,000	14,298,000	14,310,000
Costs/Dividends	(51,000)	(100,000)	(75,000)
Surplus	499,000	537,000	540,000
Total Undivided Profits	<u>(6,048,000)</u>	<u>(4,727,000)</u>	<u>(4,367,000)</u>
Unrealized Gain/Loss	14,000	(117,000)	(56,000)
Stockholder's Equity - net	11,356,000	12,291,000	12,752,000
Total Liabilities and Shareholder Equity	\$ <u>107,315,000</u>	\$ <u>117,603,000</u>	\$ <u>107,596,000</u>
	<u>March 31, 2013</u>	<u>December 31, 2013</u>	<u>March 31, 2014</u>
Selected Consolidated Earnings Data			
Total Interest Income/Fees	\$ 1,341,000	\$ 5,420,000	\$ 1,308,000
Total Interest Expense	<u>(171,000)</u>	<u>(712,000)</u>	<u>(156,000)</u>
Net Interest Income	1,170,000	4,708,000	1,152,000
Provision For Losses on Loans	<u>(200,000)</u>	<u>(615,000)</u>	<u>0</u>
Net Interest Income After Provision For Losses on Loans	970,000	4,093,000	1,152,000
Total Other Income (Noninterest Income)	340,000	910,000	194,000
General Administrative and Other Expenses	(1,106,000)	(4,163,000)	(1,056,000)
Income Tax (Expense) Benefit	<u>0</u>	<u>400,000</u>	<u>100,000</u>
Net Profit/Loss Year To Date	\$ <u>204,000</u>	\$ <u>1,240,000</u>	\$ <u>390,000</u>