



Ronald R. Rubin, Chairman of the Board

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**Community Valley Bank Announces Historical Profitability  
For First Sixth Months Of 2013**

El Centro, CA (July 23, 2013) – Community Valley Bank (CVB) recently completed its most profitable 6 month period in its history. Second quarter results added \$244,000 in profits contributing to a ytd profit of \$448,000 for the first six months of 2013. The 2013 second quarter profit was the bank's 11th consecutive quarter of profitability.

On June 30, 2013, total assets were \$104 million, total loans \$71 million with total deposits of \$85 million. Total equity capital was \$11.6 million. The allowance for loan and lease losses approached \$1.6 million, just over 2% of gross loans. The book value of the bank's common stock (CMUV) is \$5.65 with a market value at the time of \$4.51. CVB tier one leverage capital ratio was 11.10% exceeding the regulatory ratio required to be designated as a well capitalized bank.

Community Valley Bank conveys best wishes to founding CEO and President, Robert E. Hahn on his recent retirement. CVB's Board of Directors is actively engaged in recruiting a new permanent CEO/President. They are confident their search will result in hiring a dynamic and energetic leader to continue CVB's growth and profitability.

This was an excellent start to the year, strongly positioning the bank for the remainder of 2013. Obtaining quality loan growth to meet acceptable underwriting standards is a priority. With anticipated change in the interest rate environment, appropriate strategies to further enhance bank profitability and shareholder value are under discussion. CVB remains committed to being the business bank for the Imperial and Coachella valleys.

About Community Valley Bank: Community Valley Bank ([www.yourcvb.com](http://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 three locations, all in California: 1443 Main Street in El Centro, 310 Main Street in Brawley, and 77564 Building A Country Club Drive, Suite 103, in Palm Desert. 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.

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	<u>June 30, 2013</u>	<u>December 31, 2012</u>	<u>June 30, 2012</u>
<b>Consolidated Financial Condition Data</b>			
<b>Assets</b>			
Loans receivable - net	\$ 69,688,000	\$ 79,195,000	\$ 60,917,000
Cash and cash equivalents	28,064,000	21,628,000	22,654,000
Investment Securities	787,000	1,003,000	1,908,000
Federal Home Loan Bank Stock	447,000	283,000	283,000
Other Assets	5,463,000	6,565,000	5,499,000
Total Assets	<u>\$ 104,449,000</u>	<u>\$ 108,674,000</u>	<u>\$ 91,261,000</u>
<b>Liabilities</b>			
Deposits	85,855,000	90,340,000	79,486,000
Borrowings (FHLB)	6,000,000	6,000,000	0
Mortgage Indebtedness	714,000	744,000	772,000
Other Liabilities	289,000	446,000	276,000
Total Liabilities	<u>92,858,000</u>	<u>97,530,000</u>	<u>80,534,000</u>
Preferred Stock	2,400,000	2,400,000	2,400,000
Common Stock	14,287,000	14,271,000	14,267,000
Costs/Dividends	(57,000)	(38,000)	(6,000)
Surplus	503,000	498,000	496,000
Total Undivided Profits	<u>(5,550,000)</u>	<u>(6,004,000)</u>	<u>(6,453,000)</u>
Unrealized Gain/Loss	8,000	17,000	23,000
Stockholder's Equity - net	11,591,000	11,144,000	10,727,000
Total Liabilities and Shareholder Equity	<u>\$ 104,449,000</u>	<u>\$ 108,674,000</u>	<u>\$ 91,261,000</u>
	<u>June 30, 2013</u>	<u>December 31, 2012</u>	<u>June 30, 2012</u>
<b>Selected Consolidated Earnings Data</b>			
Total interest income and fees	\$ 2,627,000	\$ 4,665,000	\$ 2,126,924
Total interest expense	<u>(346,000)</u>	<u>(681,000)</u>	<u>(328,939)</u>
Net interest income	2,281,000	3,984,000	1,797,985
Provision of losses on loans	<u>(525,000)</u>	<u>(540,000)</u>	<u>(170,000)</u>
Net interest income after provision for losses on loans	1,756,000	3,444,000	1,627,985
Total other income (Noninterest income)	741,000	961,000	434,432
General administrative and other expenses	(2,049,000)	(3,784,000)	(1,894,756)
Income tax expense (benefit)	<u>0</u>	<u>(5,000)</u>	<u>0</u>
Net Profit/Loss	<u>\$ 448,000</u>	<u>\$ 621,000</u>	<u>\$ 167,661</u>