

Valley Community Bank Stock Symbol is VCBC

**VALLEY COMMUNITY BANK**  
**BALANCE SHEETS**

Dollar amounts in thousands, except per share data	Unaudited 3/31/2009	Unaudited 3/31/2008
<b>ASSETS</b>		
Cash & due from banks	5,070	7,094
Fed funds sold	0	2,340
Total Cash and Cash equivalents	5,070	9,434
Time deposits with other financial institutions	4,298	3,093
Securities available-for-sale	6,187	3,610
Securities held-to-maturity	1,625	2,826
Federal Home Loan Bank stock	966	746
Loans	185,669	140,835
Less allowance for loan losses	-3,203	-1,821
Net Loans	182,466	139,014
Bank premises and equipment, net	503	652
Cash surrender value of life insurance policies	2,561	2,460
Accrued interest receivable and other assets	4,857	2,379
<b>TOTAL ASSETS</b>	<b>208,533</b>	<b>164,214</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Deposits		
Non-interest bearing	30,282	29,045
Interest bearing	138,014	108,351
Total Deposits	168,296	137,396
Short Term Borrowings	15,000	6,000
Accrued interest payable and other liabilities	1,360	677
<b>TOTAL LIABILITIES</b>	<b>184,656</b>	<b>144,073</b>
Shareholders' equity		
Preferred Stock series A	5,500	0
Preferred Stock series B	53	0
Common Stock - no par value	16,500	16,150
Additional paid in Common Capital	370	279
Accumulated other comprehensive loss, net of tax	22	3
Retained Earnings	1,432	3,709
Total shareholders' equity	23,877	20,141
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>208,533</b>	<b>164,214</b>
Shares outstanding for each period:	1,860,654	1,802,062
Book value per share	9.85	11.18

# VALLEY COMMUNITY BANK

## INCOME STATEMENTS

Dollar amounts in thousands, except per share data	Unaudited 3 Mos. Ending 3/31/2009	Unaudited 3 Mos. Ending 3/31/2008	%	Audited 12 Mos. Ending 12/31/2008	Audited 12 Mos. Ending 12/31/2007	%
			change			change
<b>Interest Income:</b>						
Interest and fees on loans	2,893	2,680	8%	11,123	12,315	-10%
Interest on federal funds sold	3	71	-96%	104	582	-82%
Interest on investment securities	58	71	-18%	249	490	-49%
Interest on deposit in banks	33	46	-28%	183	77	138%
Total Interest Income	2,987	2,868	4%	11,659	13,464	-13%
<b>Interest Expense:</b>						
Interest on deposits	696	854	-19%	2,960	4,310	-31%
Interest on short-term borrowings	138	62	123%	451	334	35%
Total Interest Expense	834	916	-9%	3,411	4,644	-27%
Net Interest Income Before Provision for Loan Loss	2,153	1,952	10%	8,248	8,820	-6%
Provision for Loan Loss	270	35	671%	5,785	135	4185%
Net Interest Income After Provision for Loan Losses	1,883	1,917	-2%	2,463	8,685	-72%
<b>Non-interest income:</b>						
Service charges	81	68	19%	345	203	70%
Gain on sale of government guaranteed loans	0	197	-100%	708	628	13%
Loan servicing income	59	51	16%	259	114	127%
Other income	57	50	14%	300	239	26%
Total non-interest income	197	366	-46%	1,612	1,184	36%
<b>Other expenses</b>						
Salaries and employee benefits	1,172	1,186	-1%	4,636	4,345	7%
Occupancy and equipment	225	251	-10%	994	837	19%
Other	437	363	20%	1,843	1,184	56%
Total other expenses	1,834	1,800	2%	7,473	6,366	17%
Income before provision for income taxes	246	483	-49%	(3,398)	3,503	-197%
Provision for income taxes	110	201	-45%	(1,384)	1,455	-195%
Net income	136	282	-52%	(2,014)	2,048	-198%
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Earnings Per Basic Share	\$0.07	\$0.16		(\$1.11)	\$1.15	
Earnings Per Diluted Share	\$0.07	\$0.15		(\$1.11)	\$1.05	

### Market Makers

**Wedbush Morgan Securities**  
Lafayette, CA 94549  
Contact: Lisa Gallo (866) 491-7828

**Seidler Companies, Inc.**  
515 South Figueroa Street  
Suite 1100  
Los Angeles, CA 90071  
Contact: Troy Norlander  
800-288-2811

**Howe Barnes Hoefler & Arnett**  
555 Market Street  
18th Floor  
San Francisco, CA 94105  
Contact: John Cavender  
415-362-7111

**Keefe, Bruyette & Woods, Inc.**  
101 California Street, Suite 3700  
San Francisco, CA 94111  
Contact: Dave Bonaccorso (415) 591-5063