

PREMIER VALLEY BANK

CONDENSED CONSOLIDATED BALANCE SHEETS

(Unaudited)

(In thousands)

	Mar 31, 2010	Dec 31, 2009	Mar 31, 2009
ASSETS			
Cash and due from banks	\$ 9,273	\$ 10,589	\$ 9,900
Federal funds sold and deposits in banks	29,132	104	3,629
Total cash and cash equivalents	38,405	10,693	13,529
Investment securities	53,365	55,811	60,065
Loans, less allowance for loan losses	359,169	366,353	362,754
Premises and equipment	3,500	3,575	3,885
Intangible assets	14,848	14,905	15,249
Other assets	23,363	23,117	19,440
	<u>\$492,650</u>	<u>\$474,454</u>	<u>\$474,922</u>
LIABILITIES AND SHAREHOLDERS' EQUITY			
Deposits			
Noninterest bearing	\$128,799	\$121,434	\$113,997
Interest bearing	295,390	281,694	295,351
Total deposits	424,189	403,128	409,348
Borrowings			
	-	5,100	-
Other liabilities			
	7,723	6,560	9,019
Total liabilities	431,912	414,788	418,367
Common stock			
	55,103	54,591	52,828
Retained earnings			
	5,510	5,094	5,378
Other comprehensive income (loss), net			
	125	(19)	(1,651)
Total shareholders' equity	60,738	59,666	56,555
	<u>\$492,650</u>	<u>\$474,454</u>	<u>\$474,922</u>

PREMIER VALLEY BANK

CONSOLIDATED FINANCIAL HIGHLIGHTS

(Unaudited)

(In thousands, except per share and ratio data)

	Three Months Ended				
	Mar 31, 2010	Dec 31, 2009	Sep 30, 2009	Jun 30, 2009	Mar 31, 2009
STATEMENT OF INCOME DATA					
Net interest income	\$ 5,230	\$ 4,854	\$ 4,792	\$ 5,017	\$ 5,042
Provision for loan losses	1,351	1,100	1,540	1,360	1,390
Noninterest income	871	117	639	649	560
Noninterest expenses	3,694	3,408	3,471	3,572	3,305
Income taxes	317	101	88	234	301
Net income	739	362	332	500	606
BALANCE SHEET DATA					
Total assets	\$492,650	\$474,454	\$486,876	\$481,896	\$474,922
Loans, net	359,169	366,353	364,183	356,820	362,754
Investment securities	53,365	55,811	53,487	58,331	60,065
Intangible assets	14,848	14,905	15,021	15,137	15,249
Deposits	424,189	403,128	420,251	415,776	409,348
Shareholders' equity	60,738	59,666	59,457	57,988	56,555
SHARE DATA					
Earnings per share:					
Basic	\$ 0.06	\$ 0.03	\$ 0.03	\$ 0.04	\$ 0.05
Diluted	\$ 0.06	\$ 0.03	\$ 0.03	\$ 0.04	\$ 0.05
Book value per share	\$ 4.83	\$ 4.78	\$ 4.81	\$ 4.71	\$ 4.58
Tangible book value per share	\$ 3.65	\$ 3.59	\$ 3.60	\$ 3.47	\$ 3.34
Average shares outstanding	12,334	12,421	12,306	12,267	12,261
Shares outstanding end of period	12,577	12,468	12,364	12,320	12,335
SELECTED RATIOS					
Net interest margin	4.85%	4.34%	4.33%	4.66%	4.68%
Return on average assets	0.62%	0.30%	0.27%	0.42%	0.51%
Return on average equity	4.93%	2.38%	2.22%	3.45%	4.34%
Return on average tangible equity	7.54%	4.16%	4.00%	5.74%	7.06%
Efficiency ratio	59%	66%	62%	61%	57%
Loans to deposits	86%	93%	88%	88%	90%
Allowance for loan losses to total loans	2.05%	1.86%	1.88%	1.94%	1.66%
Nonperforming assets to total assets	2.22%	2.27%	2.35%	2.49%	2.20%
Net loan losses to average loans	0.22%	1.02%	0.45%	0.11%	0.16%
Equity to assets	12.33%	12.58%	12.21%	12.03%	11.91%
Tier one capital to risk-adjusted assets	11.14%	10.70%	10.88%	10.53%	10.29%

PREMIER VALLEY BANK

CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(Unaudited)

(In thousands, except per share data)

	Three Months Ended				
	Mar 31, 2010	Dec 31, 2009	Sep 30, 2009	Jun 30, 2009	Mar 31, 2009
INTEREST INCOME					
Loans	\$5,263	\$4,988	\$4,957	\$5,122	\$5,178
Investment securities	687	673	694	761	813
Federal funds sold and deposits in banks	6	12	16	34	19
Total interest income	5,956	5,673	5,667	5,917	6,010
INTEREST EXPENSE					
Deposits	723	819	875	900	958
Borrowings	3	-	-	-	10
Total interest expense	726	819	875	900	968
Net interest income	5,230	4,854	4,792	5,017	5,042
Provision for loan losses					
	1,351	1,100	1,540	1,360	1,390
Net interest income after provision for loan losses	3,879	3,754	3,252	3,657	3,652
NONINTEREST INCOME					
Service charges	431	446	417	375	362
Other	440	(329)	222	274	198
Total noninterest income	871	117	639	649	560
NONINTEREST EXPENSES					
Salaries and employee benefits	1,943	1,516	1,577	1,549	1,631
Occupancy and equipment	379	436	355	347	354
Other	1,372	1,456	1,539	1,676	1,320
Total noninterest expenses	3,694	3,408	3,471	3,572	3,305
Income before income taxes	1,056	463	420	734	907
Income taxes	317	101	88	234	301
Net income	\$ 739	\$ 362	\$ 332	\$ 500	\$ 606
Basic earnings per share	\$ 0.06	\$ 0.03	\$ 0.03	\$ 0.04	\$ 0.05
Diluted earnings per share	\$ 0.06	\$ 0.03	\$ 0.03	\$ 0.04	\$ 0.05