



July 14, 2015

River Valley Community Bank Posts Strong Second Quarter Growth; Achieves Record Net Interest Income

Yuba City CA. River Valley Community Bank (OTC Markets: RVVY) headquartered in Yuba City, California, earned, after tax, \$390,013 or \$0.21 basic earnings per share for the quarter ending June 30, 2015. This compares to \$277,805 or \$0.16 earned in the corresponding quarter a year ago.

As of June 30th, total Assets and Deposits were \$226,533,629 and \$203,612,280 respectively; Assets increased 24.4% while Deposits rose 25.9% from a year earlier. Gross Loans grew 33.5% from June 30, 2014 to \$94,549,326. There were no past due or nonaccrual loans at quarter's end. Shareholder Equity increased to \$22,062,004 from \$19,958,627 at June 30, 2014. During the same period book value has increased to \$12.07 per share from \$11.49 at June 30, 2014.

Net Interest Income for the second quarter of \$1,502,433 increased 32.1% from \$1,137,484 in the quarter ended June 30, 2014 and reflected a new quarterly record for the Bank. This increase was a function of the Bank's growth over the past year driving increases in the earning asset base; also, changes in the earning asset mix resulted in slightly higher yields in 2Q 2015 compared to 2Q 2014. The Bank's earning asset yields are reflected in the Net Interest Margin (NIM) which increased in the quarter to 2.95% from 2.80% in 2Q 2014. Return on average shareholder equity and return on average assets were at 7.06% and .70% respectively at quarter's end and had increased from 5.55% and .63% in 2Q 2014.

During the second quarter, the Bank received a non-recurring special distribution of \$25,454 paid on an investment security which was included in interest income during the period. The Bank's earnings during the second quarter also include an expense provision of \$50,000 which was added to the Allowance for Loan & Lease Losses (ALLL). With this provision, along with the one taken in the first quarter, the Bank has added \$100,000 to its allowance for future losses through the first half of 2015. These provisions are a function of the Bank's recent loan growth and there were no comparable provisions made during the first half of 2014. The Allowance for Loan and Lease losses (ALLL) now stands at \$1,688,804 or 1.79% of Gross Loans.

John M. Jelavich, President and Chief Executive Officer commented, "The Bank has experienced strong top-line interest income growth this year which is driving increases in our bottom-line profitability. Our loan growth in particular has been a significant contributor to our strong year over year increase in earnings and our lending pipeline remains solid."

Jelavich continued, "I'm also pleased to note that during the second quarter, our Grass Valley branch achieved its first quarterly profit and I expect that unit to be additive to our overall profitability hereafter as we continue to build on the strong base we have established there."

"Our Bank continues to make great progress in both our Yuba/Sutter and Grass Valley markets. The brand of community banking we offer resonates with customers and prospects who value our strong service, high ratings for safety and soundness, and prompt local decision making. I give considerable credit to our dedicated team members who work hard to deliver service and solutions that help to set our Bank apart." Jelavich concluded.

River Valley Community Bank has been rated "5-Star Superior" by Bauer Financial for 28 consecutive quarters and has an A+ rating from DepositAccounts.com. The Bank serves its customer base through its offices located at:

- 1629 Colusa Avenue, Yuba City, CA
- 426 Sutton Way, Grass Valley, CA

The Bank offers a full suite of competitive products, services and banking technology. For more information please visit our website at: www.myrvcb.com or contact John M. Jelavich at 530-821-2469.

Forward Looking Statements: This document may contain comments and information that constitute forward-looking statements. Forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in or implied by such statements. Forward-looking statements speak only as to the date they are made. The Bank does not undertake to update forward-looking statements to reflect circumstances or events that occur after the date the forward-looking statements are made.