

River Valley Community Bank Announces Record Quarterly Earnings; Total Assets Exceed \$253 Million (Unaudited)

Yuba City, California, July 19, 2016 – River Valley Community Bank (OTC markets: RVVY) (the "Bank") today announced financial results for the quarter ended June 30, 2016. The Bank reached new record levels for balance sheet and earnings growth.

Financial highlights:

- Net income reached a record level for the quarter ended June 30, 2016 at \$524,000 or \$0.22 per basic share, compared to \$390,000 or \$0.17 per basic share for the quarter ended June 30, 2015 and \$248,000 or \$0.11 per basic share for the quarter ended March 31, 2016.
- Total assets also reached a record level ending the quarter at \$253.6 million compared to \$226.5 million as of June 30, 2015 and \$237.5 million as of December 31, 2015.
- Net interest income of \$1,775,000 for the quarter ended June 30, 2016 increased by \$273,000 or 18.2% from \$1,502,000 for the quarter ended June 30, 2015 and \$38,000 or 2.2% from \$1,737,000 for the quarter ended March 31, 2016.
- The Bank's book value per share increased to \$10.50 per common share as of June 30, 2016 compared to \$9.95 as of December 31, 2015 and \$9.66 as of June 30, 2015.

Table 1
Selected Financial Information - Unaudited
(amounts in thousands, except per share data)

	 June 30, 2016		Mar 31, 2016		Dec 31, 2015		Sep 30, 2015		Jun 30, 2015	
Total investment securities Total loans, gross Allowance for loan losses Total assets Total deposits Total shareholders' equity	\$ 98,675 112,446 (1,821) 253,541 227,856 24,851	\$	103,467 106,635 (1,804) 246,008 221,622 24,035	\$	92,917 106,974 (1,802) 237,473 213,233 23,433	\$	87,259 106,136 (1,750) 218,262 194,421 22,700	\$	94,950 94,549 (1,689) 226,534 203,612 22,062	
Loan to deposit ratio Book value per common share Net interest income Provision for loan losses Net income	\$ 49% 10.50 1,775 15 524	\$	48% 10.18 1,737 480 248	\$	50% 9.95 1,701 50 508	\$	55% 9.91 1,603 60 491	\$	46% 9.66 1,502 50 390	
Earnings per share - basic Net interest margin Return on average assets Return on average equity	\$ 0.22 3.09% 0.86% 8.60%	\$	0.11 3.08% 0.40% 4.13%	\$	0.22 3.11% 0.85% 8.67%	\$	0.22 3.12% 0.88% 8.69%	\$	0.17 2.95% 0.70% 7.06%	

Total gross loans of \$112.4 million as of June 30, 2016 represent an increase of \$5.5 million or 5.1% from \$107.0 million as of December 31, 2015 and an increase of \$17.9 million or 18.9% from \$94.5 million as of June 30, 2015. Total deposits of \$227.9 million as of June 30, 2016 represent an increase of \$14.6 million or 6.9% from \$213.2 million as of December 31, 2015 and an increase of \$24.2 million or 11.9% from \$203.6 million as of June 30, 2015. Both total gross loans and total deposits ended the quarter at their highest levels in the Bank's history.

Net interest income of \$1.78 million for the quarter ended June 30, 2016 represents a new quarterly record for the Bank and an increase of \$273,000 or 18.2% from \$1.50 million for the quarter ended June 30, 2015. The primary contributor to this increase was growth in average loans. In addition, the Bank's growth enabled the expansion of the investment securities portfolio, which generated increased interest income compared to the quarter ended June 30, 2015. The Bank's net interest margin was 3.09% for the second quarter of 2016, up from 2.95% for the same quarter a year ago.

John M. Jelavich, President and CEO commented: "The Bank achieved the best quarter in its ten year history with new record levels reached in several key areas, including total assets and net income. Looking forward, prevailing thought now seems to be that the Federal Reserve will keep interest rates lower for longer placing continued pressure on banking industry margins and profitability. Despite this possibility, we believe our Bank is well positioned for continued earnings growth. Our credit quality remains strong, and we see opportunity to further penetrate the markets we serve, which should drive further growth in our earning assets, our top-line interest income and bottom-line profitability."

River Valley Community Bank is rated "5-Star Superior" by Bauer Financial 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.