



Press Release

For Immediate Release

## Golden Valley Bank Reports Strong Earnings, Growth, and Dividend

CHICO, Calif. - Golden Valley Bank (OTCBB: [GVYB](#)), headquartered in Chico, California today reported second quarter 2018 net profit of \$591,012, and year to date net profit of \$1,144,734. This compares with 2017 second quarter and year to date net profit of \$469,712 and \$833,898 respectively. On a pre-tax basis, earnings were \$816,012 for the quarter ending June 30, 2018 compared to \$726,712 for the same period in 2017, a 12% increase. For the first six months of 2018 pre-tax earnings were \$1,566,734 compared to \$1,264,898 for the same period in 2017, a 24% increase. The new lower corporate tax rates signed into law in 2017 make the after-tax comparison to 2018 less meaningful. The company also announced a \$.05 per share second quarter cash dividend.

Second Quarter 2018 financial highlights included:

- Assets up \$18.9 million to \$235.6 million, or 8.7% over the second quarter of 2017
- Loans up \$23.3 million to \$155.1 million, or 17.7% over the second quarter of 2017
- Deposits up \$18.9 million to \$204.3 million, or 10.2% over the second quarter of 2017

Asset quality continues to be excellent as less than one-tenth of one percent of total assets are considered to be non-performing. By comparison, the industry average was 0.89% of total assets for the Bank's national peer group, based on data provided as of March 31, 2018 (the most recent data available). The company has set aside \$1.9 million in loan loss reserves to protect it from future economic uncertainties.

Golden Valley continues to be a well capitalized bank and far exceeds minimum regulatory requirements. More complete financial information can be viewed on the Bank's website at [www.goldenvalley.bank](http://www.goldenvalley.bank).

Further, as previously announced, the Bank's Board of Directors declared a cash dividend for the second quarter of \$0.05 per common share for stockholders of record as of July 5, 2018. The payment date for the dividend will be July 17, 2018.

"The team executed well in the first half of 2018, resulting in strong year-over-year loan and deposit growth, solid revenues, and an expanding net interest margin," said Mark Francis, President and Chief Executive Officer. "It was important for us to start 2018 by developing substantial momentum in our core business lines. We continue to expand our presence in the North Valley generating new business relationships focused on business checking accounts, merchant services and quality loans."

"As the local economy continues to strengthen, we are seeing infrastructure projects and new business formation spurred on by tax reform. We remain focused on expanding our franchise as we prepare our full service office in Redding for a fall opening and will continue to look for opportunities to grow while adding long-term value for our shareholders," added Francis.

Golden Valley Bank is a locally owned and operated commercial bank serving the needs of individuals and businesses in northern California. The Bank has a full service office in Chico, California and a Loan Production Office in Redding, California. For more information regarding the bank please call at (530) 894-1000 or visit [www.goldenvalley.bank](http://www.goldenvalley.bank).

### Forward-Looking Statements

*Statements concerning future performance, developments or events, expectations for growth and income forecasts, and any other guidance on future periods, constitute forward-looking statements that are subject to a number of risks and uncertainties. Actual results are pre-fiscal year-end audit and may differ materially from stated expectations. Specific factors include, but are not limited to, loan production, balance sheet management, expanded net interest margin, the ability to control costs and expenses, interest rate changes and financial policies of the United States government and general economic conditions. The Bank disclaims any obligation to update any such factors.*

### **Contact:**

Mark Francis

530-894-4920

[mfrancis@goldenvalley.bank](mailto:mfrancis@goldenvalley.bank)