



Press Release

For Immediate Release

Golden Valley Bank Reports Third Quarter Results, Dividend Payment

CHICO, Calif. - Golden Valley Bank (OTCBB: [GVYB](#)), headquartered in Chico, California today reported third quarter 2018 net profit of \$631,493 and year to date net profit of \$1,776,227. This compares with 2017 third quarter and year to date net profit of \$567,571 and \$1,401,469 respectively. 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 third quarter cash dividend.

Third Quarter 2018 financial highlights include:

- All time record quarterly earnings marking the 42nd consecutive quarter of profitability
- Net year to date profit of \$1.8 million is 26.7% greater than the same period in 2017
- Assets up \$20.9 million to \$246.3 million, or 9.3% over the third quarter of 2017
- Loans up \$13.4 million to \$151.5 million, or 9.7% over the third quarter of 2017
- Deposits up \$21 million to \$214.6 million, or 10.8% over the third quarter of 2017

Asset quality continues to be excellent even as the loan portfolio continues to grow, as less than one-tenth of one percent of total assets are considered to be non-performing. By comparison, the industry average was .85% of total assets for the Bank's national peer group, based on data provided as of June 30, 2018 (the most recent data available). The company has set aside \$2.0 million in loan loss reserves to protect it from future economic uncertainties.

Further, the Bank's Board of Directors declared a cash dividend for the third quarter of \$0.05 per common share for stockholders of record as of October 9, 2018. The payment date for the dividend will be October 23, 2018.

Mark Francis, President and CEO commented that although tax reform has had a positive impact on the Bank's earnings, loan and deposit growth played a large role as well. "We continue to execute on our strategic initiative with the opening of our Redding office to grow our Bank while adding to our shareholders' investment value."

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.

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 offices in Chico and Redding, California. For more information regarding the bank please call at (530) 894-1000 or visit our website.

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.

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