



Press Release

For Immediate Release

Golden Valley Bank Reports 2018 Year End Results, Record Assets, Deposits, Loans and Income

CHICO, Calif. - Golden Valley Bank (OTC Markets: [GVYB](#)) President and CEO Mark Francis today announced the Bank's unaudited financial results for the fourth quarter and the year ended December 31, 2018 with all-time highs in total assets, deposits, loans and net income. Fourth quarter and year end 2018 financial highlights include:

- All-time record annual and quarterly earnings marking the 43rd consecutive quarter of profitability
- Net 2018 profit of \$2.45 million is 34.3% greater than the same period in 2017
- Assets up \$63.8 million to \$288.9 million, 28.3% greater than the same period in 2017
- Loans up \$14.2 million to \$157.2 million, 10.0% greater than the same period in 2017
- Deposits up \$61.4 million to \$256 million, 31.6% greater than the same period in 2017

Net income for the year was \$2,450,875 (\$1.17 per share) compared to \$1,823,457 (\$0.88 per share) for the year ended December 31, 2017, a 34% increase. Net income for the quarter ended December 31, 2018 was \$674,653 (\$0.32 per share) compared to net income of \$421,988 (\$0.20 per share) for the quarter ended December 31, 2017. Income from last year's fourth quarter was affected by a one-time deferred tax adjustment of \$161,850 as a result of the Tax Cuts and Jobs Act federal income tax rate reduction from 34% to 21%.

Much of the extraordinary deposit growth shown above occurred during the later part of the fourth quarter in the aftermath of the Camp Fire. Insurance checks received by the fire victims and the remarkable generosity of businesses and individuals locally and from around the country contributing to the Golden Valley Bank Community Foundation in support of the relief efforts helped propel our deposit growth to unprecedented levels. We anticipate that disbursements in the coming months will reduce these deposit totals.

Asset quality continues to be excellent as only .04% of total assets are considered to be non-performing. By comparison, the average was .83% of total assets for the Bank's national peer group, based on data provided as of September 30, 2018 (the most recent data available). Golden Valley continues to be a well-capitalized bank and far exceeds minimum regulatory requirements.

Detailed Financial Statements are available on the Bank's website.

Further, the Bank's Board of Directors declared a cash dividend for the fourth quarter of \$0.05 per common share for stockholders of record as of January 9, 2019. The payment date for the dividend will be January 23, 2019.

Commenting on the Bank's 2018 results, Francis stated, "We believe we continue to be a sound, conservatively run financial institution, as evidenced by our improved profitability, excellent credit quality and capitalized position. We continue to be actively engaged in our community, providing loans and banking services to meet our neighbors' financial needs." Francis went on to say, "We are committed to a strong growth strategy to achieve optimal results and made a substantial investment in personnel and infrastructure with the opening of our Redding office last October."

Golden Valley Bank is a locally owned and operated commercial bank serving the needs of individuals and businesses in northern California. The Bank has full service offices in Chico and Redding, California. For more information regarding the bank please call at (530) 894-1000 or visit 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.

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