



Central Valley Community Bancorp

Quarterly Report

Second Quarter • August 10, 2011

From The **President**

As the first half of 2011 has concluded, we celebrate another successful earnings quarter for Central Valley Community Bank – exactly what our customers and shareholders have grown to trust for over 30 years. We continue to be hopeful that the economy is shifting in a more positive direction; however, in spite of some seasonal loan growth in the current quarter over first quarter 2011, proof of a strong economic recovery in California's Central Valley has yet to be seen.

The Company reported unaudited consolidated net income of \$1,773,000 or \$0.18 per diluted share for the quarter ending June 30, 2011. This compares to \$504,000, or \$0.04 per diluted common share, for the same period in 2010.

Total average assets for the quarter ending June 30, 2011, were \$780,466,000, compared to \$741,269,000 for the same period in 2010 – an increase of 5.29%. Total average loans were \$433,216,000 for the second quarter of 2011, compared to \$453,216,000 for the same period in 2010, representing a decrease of 3.65%. Total average investments increased to \$276,839,000 for the three months ending June 30, 2011 compared to \$213,726,000 for the same period in 2010, representing an upswing of 29.53%. Total average deposits increased 6.58% to \$661,041,000 for the quarter ending June 30, 2011, compared to \$620,224,000 for the same period in 2010.

The continuation of our positive improvement in asset quality, moderate write down of loans and no OREO, has allowed us to reduce the provision for future loan loss. While reduced credit costs have helped improve earnings, and in spite of strong core deposit growth and lower cost of funds; the low interest rate for securities and investments, and a soft loan demand, continue to mute the overall income for the near term.

Additionally, 2011 continues to be a year full of positive enhancements with our Online Banking systems. Small Business customers have already experienced the benefits of our new Cash Management system and current Online Banking customers will soon enjoy a more robust, user-friendly Online Banking and Bill Pay experience, as well as the introduction of new green-friendly eStatements. Increased security features are also part of our new Online Banking system, bringing a wealth of benefits that are explained in detail at www.cvcb.com under "Customer Safety." In the future, we will continue to bring even more sophisticated ways of improving your Business and Personal Online Banking experience while vigilantly protecting your identity.

Our continued success would be impossible without the ongoing efforts of our team of outstanding banking professionals. Our people make it a priority to uphold the high standards of quality in our growing line of banking products and services, all designed to meet the financial needs of each customer. That commitment grows even stronger as we move forward with our strength and security that have become our hallmark.

Daniel J. Doyle President and Chief Executive Officer

NEW Personal Online Banking Brings Major Additions & Enhancements!

Our *NEW* Personal Online Banking service is now faster, friendlier and more convenient than ever! The next generation of our Personal Online Banking and Bill Pay service launches August 18, 2011. The new system offers new security enhancements, green-friendly eStatements and more!

Current Online Banking customers will soon enjoy all the added benefits of the updated system, while customers who have never used Online Banking are invited to experience the new and improved



system, which offers access to accounts from the convenience of any online computer, simply and securely. To experience the new system for yourself, go to www.cvcb.com and click on the Online Banking "Learn More" button on the right side of the navigation panel.

Online Convenience & Security

Online Banking with Central Valley Community Bank has always offered a wide range of capabilities and services, enabling users to: transfer funds between accounts, view account balances, search and import histories directly into personal financial software, request stop payment and more.

Now, the *NEW* Personal Online Banking and Bill Pay service offers such enhancements as: Alerts that notify you when specific account activity occurs, Secure Messaging with our Customer Service department, paper-saving eStatements, the ability to receive electronic bills from your payees and more.

Green-Friendly Banking Made Simple

"We're pleased to offer our customers this added level of security and convenience in the *NEW* Personal Online Banking system," said Lydia Shaw, Senior Vice President of Retail Banking. "We're especially excited about eStatements, the electronic version of our monthly account statements that can save our customers time and paper, with free activation. Plus, our eStatements service will store up to 18 months of history, and can be downloaded, printed or saved directly to the user's personal computer."

NEW Personal Online Banking

Brings Major Additions & Enhancements!

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Try It Today!

Personal Online Banking is provided free of charge to Central Valley Community Bank customers, and Personal Bill Pay may be added for a monthly service charge of \$5.95 (no fee for Relationship Interest Checking account holders).

To experience the new system for yourself, go to www.cvcb.com and click on the Online Banking "Learn More" button on the right side of the navigation panel to test drive interactive demonstration videos for each service. After August 18, 2011, new customers can enroll in Online Banking, Bill Pay and eStatements easily with our easy-to-follow online enrollment process by clicking on the "Online Banking Log In" button found on the homepage and following enrollment prompts.

For more information, contact our Customer Service department at (800) 298-1775 or email us at ebsupport@cvcb.com.

We Put You In Control Of Your Overdraft Coverage

At Central Valley Community Bank we never forget that it's your money. Due to recent regulatory changes impacting consumer checking accounts and overdraft coverage you have the power to control how your overdrafts are paid. We can cover your overdrafts in several different ways:

- **Auto Transfer Plans:** Such as a link to a savings account. This may be less expensive than our other services.
- **Community Credit Line:** Available to qualified customers through the application process.
- Occasional Overdraft Service: A discretionary courtesy or service to pay overdrafts on your account.

Which option is right for you?

It depends on your financial lifestyle and personal preferences. Visit our website at www.cvcb.com or your local branch to learn more about these options.

To allow Central Valley Community Bank to pay any ATM and one-time Point of Sale (POS) transactions against non-sufficient funds, you must "opt-in", even if you already have a Community Credit Line or Personal Savings overdraft protection. You also have the power to completely "opt-out" of any overdraft protection programs. If any checks or debits are presented against non-sufficient funds, the items would be returned to the payee and additional fees may be charged.*

To opt-in to the overdraft coverage of your ATM and one-time POS simply complete the Overdraft Coverage Opt-In form available online at www.cvcb.com or at your local branch. You may also choose to opt-out of any overdraft coverage by completing the Opt-Out form online or at your local branch.

For more information on Overdraft Coverage, go to www.cvcb.com or visit your local branch.

*Overdraft Fees: A fee of \$30.00 will be charged each time an overdraft is paid or returned. The maximum amount you may be charged per day is \$180.00 for Consumer Checking accounts. Overdraft fees will not be charged to your account for overdrafts of \$10.00 or less. If you currently have a Consumer Credit Line or Personal Savings Account to cover overdrafts or non-sufficient funds a transfer fee of \$7.00 will be charged to your account.

Business Financing At Your Speed **Quick Business Credit**™



Keep Your Business Responsive & Competitive

Enjoy fast, efficient financing that lets you respond instantly to your changing needs with **Quick Business Credit**[™]. Need equipment, working capital, inventory or a new vehicle? These efficient, competitive financing options give you flexible terms, local decision making and convenient access to your funds!

▶ QuickLine[™]

Up to \$250,000 for your ongoing and temporary financial needs, with easy advances by check and phone.

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Up to 85% financing on equipment and other fixed assets, with fully amortized monthly payments and flexible terms of 2 to 5 years.



Call Our Small Business Lending Team For Fast, Efficient Financing Today at (800) 298-1775!



Consolidated Balance Sheets and Consolidated Statements of Income

Condensed Consolidated Balance Sheets June 30, 2011 and 2010

(In thousands)

	(
Unaudited)	2011	2010
Assets:		
Cash and cash equivalents	\$ 93,869	\$ 44,164
Investment securities	213,129	186,436
Loans	436,340	468,652
Less allowance for credit losses	(11,035)	(11,468)
Net loans	425,305	457,184
Premises and equipment, net	5,845	6,038
Goodwill	23,577	23,577
Accrued interest receivable, intangibles & other assets	31,204	38,590
Total assets	\$ 792,929	\$ 755,989

Liabilities and Shareholders' Equity:

Deposits:				
Non-interest bearing	\$	171,782	\$	143,556
Interest bearing		497,115	_	487,753
Total deposits		668,897		631,309
Borrowings		9,155		19,155
Accrued interest payable &				
other liabilities	_	11,035	_	10,074
Total liabilities	_	689,087	_	660,538
Total shareholders' equity		103,842		95,451
Total liabilities and equity	\$	792,929	\$	755,989

Condensed Consolidated Statements of Income For six months ended June 30, 2011 and 2010

(In thousands, except per share amounts)

(Unaudited)	2011	2010
Net interest income	\$ 15,392	\$ 15,916
Provision for credit losses	350	1,600
Net interest income after provision for credit losses	15,042	14,316
Total non-interest income	3,345	2,081
Total non-interest expense	14,220	14,346
Provision for income taxes	806	255
Net income	\$ 3,361	\$ 1,796
Basic earnings per common share	\$ 0.33	\$ 0.18
Diluted earnings per common share	\$ 0.33	\$ 0.17

Central Valley Community Bancorp

Modesto Office Relocation

Means More Helpful Services



From Left to Right Ted Thome Victoria Eshagh Not Pictured Christopher Arceo

Vice President,

Central Valley Community Bank's office in Modesto will soon be moving from its current location on Banner Court to a new, expanded site at 2020 Standiford Avenue, Suite H. The larger space will enable the Bank to provide customers with a variety services and conveniences, including a walk-up ATM and drive-up window, night depository drop box and safety deposit boxes.

The expanded office will provide our growing team of experienced banking professionals the extra space and resources they need to meet the needs of our current customers, and reach out to new customers with our unique brand of banking service.

To make the move as seamless as possible, while minimizing any inconvenience, Modesto customers are encouraged to keep the following dates in mind:

The Modesto office will close on Friday, August 26th at 12:00 pm, and remain closed through Sunday, August 28th.

The office will re-open in its new location on Monday, August 29th at 9:00 am.

Despite the relocation, the Modesto office phone number will remain unchanged: (209) 576-1402. Please contact the Modesto team at that number if you have any questions or concerns regarding the upcoming relocation, which will ultimately benefit all Central Valley Community Bank customers and the entire Modesto region.

News Briefs

New ATMs

From Left to Right

Daniel J. Doyle, President & CEO,

Sabine Saso

Beginning fourth quarter of 2011 through first quarter 2012, all Central Valley Community Bank branches will upgrade to new ATMs offering a variety of enhanced features and capabilities. Watch for more details coming soon!

Travel Reminder

For your protection, unusual spending (such as overseas purchases) may result in your debit card being locked. To prevent this from occurring while you are out of state or overseas, please notify us in advance of your travel plans. Just in case your debit card should be lost, stolen or locked, it's always a good idea to bring another source of funds such as cash, a credit card or TravelEx Travel Card (available for purchase at Central Valley Community Bank). Make smart preparations before you leave, and enjoy your travels worry-free!

Central Valley Community Bancorp Stock Prices

The Company's common stock closing price was \$6.90 as of July 21, 2011. Inquiries on Central Valley Community Bancorp stock can be made by calling Troy Norlander with Crowell, Weedon & Co. at (800) 288-2811, John Cavender with Raymond James at (415) 538-5725, Joey Warmenhoven with McAdams Wright Ragen, Inc. at (866) 662-0351, Troy Carlson with Keefe Bruyette & Woods at (212) 887-8901, Richard Levenson with Western Financial Corporation at (800) 488-5990, Lisa Gallo with Wedbush Morgan Securities at (866) 491-7228, or any licensed stockbroker.

Locations

BUSINESS LENDING

(559) 298-1775 (800) 298-1775

SBA Lending

(559) 323-3384

Agribusiness Lending

(559) 323-3493

Real Estate Lending

(559) 323-3365

CLOVIS

Clovis Main

600 Pollasky Avenue Clovis, CA 93612 (559) 323-3480

Herndon & Fowler

1795 Herndon Avenue, Suite 101 Clovis, CA 93611 (559) 323-2200

FRESNO

Fig Garden Village

5180 N. Palm, Suite 105 Fresno, CA 93704 (559) 221-2760

Financial Drive

7100 N. Financial Drive, Suite 101 Fresno, CA 93720 (559) 298-1775

Fresno Downtown

2404 Tulare Street Fresno, CA 93721 (559) 268-6806

River Park

8375 N. Fresno Street Fresno, CA 93720 (559) 447-3350

Sunnyside

570 S. Clovis Avenue, Suite 101 Fresno, CA 93727 (559) 323-3400

KERMAN

360 S. Madera Avenue Kerman, CA 93630 (559) 842-2265

LODI

1901 W. Kettleman Lane, Suite 100 Lodi, CA 95242 (209) 333-5000

MADERA

1919 Howard Road Madera, CA 93637 (559) 673-0395

MERCED

3337 G Street Merced, CA 95340 (209) 725-2820

MODESTO (Effective August 29th) 2020 Standiford Avenue, Suite H Modesto, CA 95356 (209) 576-1402

OAKHURST

40004 Highway 41, Suite 101 Oakhurst, CA 93644 (559) 642-2265

PRATHER

29430 Auberry Road Prather, CA 93651 (559) 855-4100

SACRAMENTO

2339 Gold Meadow Way, Suite 100 Gold River, CA 95670 (916) 859-2550

STOCKTON

2800 W. March Lane, Suite 120 Stockton, CA 95219 (209) 956-7800

TRACY

60 W. 10th Street Tracy, CA 95376 (209) 830-6995

www.cvcb.com

Board of **Directors**

Central Valley Community Bancorp and Central Valley Community Bank:

Daniel N. Cunningham Chairman of the Board

Sidney B. Cox

Edwin S. Darden, Jr.

Daniel J. Doyle President & CEO Steven D. McDonald

Louis McMurray

William Smittcamp

Joseph B. Weirick

Wanda L. Rogers Director Emeritus

