

Message From The President & CEO

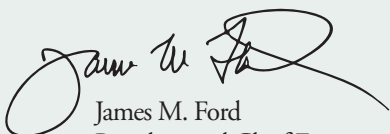
2018 was another successful year for the Company with earnings and capital ratios at record highs. Our Central Valley Community Bank team has remained focused on serving client needs, a historic practice for our nearly forty-year-old Bank that has resulted in improved financial performance rewarding our long term shareholders. To that end, the Company began execution of the board-approved stock repurchase plan late in the fourth quarter by repurchasing its own common stock.

For the quarter ended December 31, 2018, the Company reported unaudited consolidated net income of \$5,281,000 (\$0.38 per diluted share), compared to \$335,000 (\$0.02 per diluted share) for the same period in 2017. The increase in net income during the fourth quarter of 2018 compared to the same period in 2017 was primarily due to an increase in net interest income of \$406,000, a decrease in the provision for income taxes of \$2,378,000, a decrease in total non-interest expenses of \$1,699,000, and an increase in non-interest income of \$463,000.

Total average loans, which generally yield higher rates than investment securities, increased by \$22,565,000 to \$912,916,000 for the quarter ended December 31, 2018, from \$890,351,000 for the quarter ended December 31, 2017 and decreased by \$1,369,000 from \$914,285,000 for the quarter ended September 30, 2018. Total average deposits increased \$49,449,000 or 3.85% to \$1,333,754,000 for the year ended December 31, 2018, compared to \$1,284,305,000 for the year ended December 31, 2017.

On January 23, 2019, the Board of Directors of the Company declared an increase in the regular quarterly cash dividend to \$0.10 per share on the Company's common stock. The dividend was payable on February 22, 2019 to shareholders of record as of February 8, 2019.

Our strategic plan remains viable as we continue to expand our presence in the San Joaquin Valley and Greater Sacramento regions; and our management team will remain vigilant to economic market conditions that appear to be stable for the foreseeable future. We appreciate the many client, community, and shareholder referrals that have helped us expand our unique brand of personalized financial service throughout our territory.



James M. Ford
President and Chief Executive Officer



The Power of The Family Business

Family businesses are the foundation of the American economy. According to the U.S. Bureau of the Census, 90% of American businesses are family-owned and controlled. In California, over 1.4 million businesses are family-owned and employ over 7 million Californians.

The U.S. has begun a generational transfer of family-owned businesses that is historically unprecedented due to baby boomers who are contemplating and planning for retirement. Passing on a successful business to the next generation takes careful planning and the right team of advisors.

Family businesses have built their companies from the ground up and the generation in charge has a financial, intellectual, and emotional investment for its continued success. While family-business owners have faced many challenges throughout their tenure, such as recruiting and training family and non-family employees, weathering economic recessions, embracing industry competition, and shaping a strong company culture, one of the most prominent challenges faced is defining a succession strategy and next generation ownership plan.

It is essential to have a system in place for transitioning a company to the next generation of owners. According to the Family Business Alliance, only 30% of family businesses survive the transition from first to second generation ownership, 12% survive from second to third, and a mere 3% survive to fourth generation and beyond.

Succession and business ownership planning can be overwhelming as there are many options to navigate. But with the right team of bankers, CPAs, and wealth management advisors, a well-defined plan can help secure business success for generations to come.

CVCB is proud to work alongside family-owned businesses helping to build, grow, and successfully transition companies into their next chapter. Our team of experienced advisors stands ready to help clients at any stage of their business.

Contact a Branch Manager at the branch nearest you to learn more about how CVCB can help your family business plan for its future.

Now Available Online Personal Loan Applications

Stop dreaming and start living with a personal loan or line of credit from Central Valley Community Bank. Enjoy affordable borrowing power for any personal financing needs as quickly and easily as completing our simple online loan application. Whether you want to remodel your home, buy a car or simply take a vacation, let us help you with your financing needs.

Apply online at www.cvcb.com!



Personal Loans



Auto Loans



**Home Equity
Line of Credit**

Important Notice: This is not a commitment to lend or extend credit. Restrictions may apply. Information and/or data is subject to change without notice. All loans are subject to credit approval. Please note: We are only able to offer financing to borrowers within our service area of the San Joaquin Valley and Greater Sacramento region. Applications submitted outside of the service area will not be accepted.

The Right Loan To Help Your Business Grow



At Central Valley Community Bank, we specialize in agribusiness lending and understand the unique needs of the industry. Whether you are a farmer or an industry service business that supports the most productive agricultural region in our nation, we offer customized solutions designed to fit your specific needs including:

- **Crop Production Financing**
- **Agribusiness Real Estate Line of Credit**
- **Crop Development Loans**
- **Agribusiness Real Estate**
- **Equipment Loans**

**Speak with one of our expert Agribusiness Lenders
today at (559) 323-3493!**

**CASH
MANAGEMENT
SERVICES**

Manage your business needs

Managing your business online has never been easier! With Central Valley Community Bank's Cash Management services, you can manage your business banking and cash flow online with a greater convenience, anywhere, anytime!

Customize your Business Online Banking by adding these Premium Cash Management services:*

- Manage payroll & direct deposit
- Create ACH originations
- EFTPS federal tax payments
- Domestic & International wire requests
- Move funds from multiple sites into a single account
- Deposit your customers' checks with Remote Deposit
- Positive Pay services
- Lockbox services

**Contact a Cash Management Specialist in your region and
schedule a consultation today!**

Cathy Chatoian | SVP, Cash Management Team Leader | (559) 323-3358

Michael Behlen | Fresno & Madera County | (559) 323-3429

Roger Boehm | Fresno County | (559) 323-3366

Mandi Smith | Tulare County | (559) 738-5428

Evey Amado | Merced & Stanislaus County | (209) 725-2820 ext.8

Chris Miller | San Joaquin County | (209) 333-5012

Michelle Danti | Greater Sacramento Region | (916) 235-4582

*Qualifications and restrictions may apply.



**2019 Shredding
Events Coming
This Tax Season!**

Your security is our top priority.

Shred your old documents safely and securely at one of our annual onsite FREE shredding events beginning April 9 (up to 4 boxes per person or business*, up to truck capacity).

**To find the dates and times as well as the Shredding
Event Guidelines, visit www.cvcb.com.**

*Boxes above the 4-box limit may be taken to Pacific Shredding for a fee.

Consolidated Balance Sheets and Consolidated Statements of Income

Condensed Consolidated Balance Sheets December 31, 2018 and December 31, 2017

	(In thousands)	
(Unaudited)	2018	2017
<i>Assets:</i>		
Cash and cash equivalents	\$ 31,727	\$ 100,383
Investment securities	471,159	542,704
Loans, net	909,591	891,901
Premises and equipment, net	8,484	9,398
Goodwill	53,777	53,777
Accrued interest receivable, intangibles & other assets	<u>63,098</u>	<u>63,492</u>
Total assets	<u>\$ 1,537,836</u>	<u>\$ 1,661,655</u>
<i>Liabilities and Shareholders' Equity:</i>		
Deposits:		
Non-interest bearing	\$ 550,657	\$ 585,039
Interest bearing	<u>731,641</u>	<u>840,648</u>
Total deposits	1,282,298	1,425,687
Borrowings	15,155	5,155
Accrued interest payable & other liabilities	<u>20,645</u>	<u>21,254</u>
Total liabilities	<u>1,318,098</u>	<u>1,452,096</u>
Total shareholders' equity	<u>219,738</u>	<u>209,559</u>
Total liabilities and equity	<u>\$ 1,537,836</u>	<u>\$ 1,661,655</u>

Condensed Consolidated Statements of Income For twelve months ended December 31, 2018 and 2017

	(In thousands, except per share amounts)	
(Unaudited)	2018	2017
Net interest income	\$ 62,703	\$ 56,239
Provision for (reversal of) credit losses	<u>50</u>	<u>(1,150)</u>
Net interest income after provision for credit losses	62,653	57,389
Total non-interest income	10,324	10,836
Total non-interest expense	45,068	44,406
Provision for income taxes	<u>6,620</u>	<u>9,793</u>
Net income	<u>\$ 21,289</u>	<u>\$ 14,026</u>
Basic earnings per common share	<u>\$ 1.55</u>	<u>\$ 1.12</u>
Diluted earnings per common share	<u>\$ 1.54</u>	<u>\$ 1.10</u>
Cash dividends paid per share	<u>\$ 0.31</u>	<u>\$ 0.24</u>

Team Announcements

Executive Leadership Team Expands

Central Valley Community Bank expanded its leadership team to include James Kim, Executive Vice President, Chief Operating Officer (COO) and Teresa Gilio, Executive Vice President and Chief Administrative Officer.

James joined the Bank in 2018 as Executive Vice President and Chief Administrative Officer after spending over 15 years in financial and bank leadership in the Greater Sacramento Region. In his new position, Kim oversees the Commercial and Community Banking divisions focusing on expanding both deposit and lending production as well as developing the next generation branch model for the Bank.



Teresa succeeds James as the new Executive Vice President and Chief Administrative Officer. She joined the Bank in 2009 and has over 37 years of financial operations and management expertise. In her new role, she manages the Central Operations, Core Management, Loan Processing and Facilities teams, which also includes Call Center, Application Security, and Fraud units.



New Prather Branch Manager

CVCB welcomed Jamie Simpson as the new Vice President, Branch Manager for the Prather Office after former Branch Manager, Sonia Parso retired in 2018. Simpson has extensive management experience and a strong background in branch operations. Her proven leadership and effective customer service background will greatly benefit our Bank in the foothill region.



News Briefs

Attention Shareholders—Your Vote Is Important!

New this year, Proxy materials for the annual shareholders' meeting to be held May 15, 2019 will be available online. Watch for your Shareholder Meeting Notice in the mail which will include instructions and login information for you to view materials and cast your vote. Should you prefer to receive printed materials, your mailed notice will provide a phone number, website, and an email address to request this option.

CVCB Voted Best Business Bank

CVCB was honored by The Business Journal as the Best Business Bank in the Central Valley for the fifth year in a row as part of the 2018 Best of Central Valley Business Awards. The Bank was also first runner up in the "Best Company To Work For" category. Thank you to our valued clients and team members who voted for us!

Stock Prices

The Company's common stock closing price was \$20.05 as of March 19, 2019. Inquiries on Central Valley Community Bancorp stock can be made by calling any licensed stockbroker.

Locations

BUSINESS LENDING

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

CAMERON PARK

3311 Coach Lane
Cameron Park, CA 95682
(530) 676-3400

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

EXETER

300 E. Pine Street
Exeter, CA 93221
(559) 594-9919

FAIR OAKS

10123 Fair Oaks Boulevard
Fair Oaks, CA 95628
(916) 293-4910

FOLSOM

905 Sutter Street, Suite 100
Folsom, CA 95630
(916) 985-8700

FRESNO

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

Fig Garden Village

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

Fresno Downtown

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

River Park

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

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, Suite B
Merced, CA 95340
(209) 725-2820

MODESTO

2020 Standiford Avenue, Suite H
Modesto, CA 95350
(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

RANCHO CORDOVA

2865 Sunrise Boulevard
Rancho Cordova, CA 95742
(916) 235-4588

ROSEVILLE

2999 Douglas Boulevard, Suite 160
Roseville, CA 95661
(916) 859-2550

STOCKTON

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

VISALIA

Floral
120 N. Floral Street
Visalia, CA 93291
(559) 625-8733

Mission Oaks Plaza

5412 Avenida de los Robles
Visalia, CA 93291
(559) 730-2851

Board of Directors

Central Valley Community Bancorp and Central Valley Community Bank:

James M. Ford
President & CEO

Daniel J. Doyle
Chairman of the Board

Daniel N. Cunningham
Lead Independent Director

Edwin S. Darden, Jr.

F.T. "Tommy" Elliott, IV

Robert J. Flaunt

Gary D. Gall

Steven D. McDonald

Louis C. McMurray

Karen A. Musson

William S. Smittcamp

Sidney B. Cox

Founding Director Emeritus



www.cvcb.com

