

FOR IMMEDIATE RELEASE
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MISSION VALLEY BANCORP ANNOUNCES
RECORD EARNINGS FOR FIRST QUARTER 2016

April 28, 2016 – Sun Valley, California- President and CEO Tamara Gurney of Mission Valley Bancorp (OTCQX: MVLY), parent company of Mission Valley Bank announced unaudited financial results for the first quarter ended March 31, 2016.

Gurney stated, “As we enter into our 15th year of operation, I am very pleased to report that Mission Valley Bancorp is off to a strong start for 2016 having achieved a record first quarter with net earnings of \$626,000. This represents a 17.4% increase above the \$533,000 reported for the same period in 2015. This follows December 31, 2015 year end results of \$3.1 million as compared to \$1.7 million for the same period in 2014. This outstanding performance has also earned Mission Valley the sought-after recognition as one of 2015’s ‘Super Premier Performing Banks’ by the highly regarded Findley Reports.”

Total Assets increased \$25.5 million or 9.3% to an all-time high of \$301.2 million for the quarter ended March 31, 2016 as compared to \$275.7 million for the same period last year. This growth in assets was driven by a \$17.4 million or 9.2% year over year increase in Net Loans. Net Loans grew to \$206.7 million as of March 31, 2016 as compared to \$189.3 million for the same period the prior year. Total Deposits reached \$257.5 million as of March 31, 2016 (primarily due to an increase of \$30.7 million in Non-Interest Bearing Deposits) as compared to \$234.9 million reported for the same period in 2015. Net Interest Income for the quarter ended March 31, 2016 was \$2.78 million, a decline of \$184,000 or 6.2% as compared to \$2.96 million for the same period last year. Total Other Income for the quarter ended March 31, 2016 was \$832,000, an increase of \$130,000 or 18.5% as compared to \$702,000 for the same period in 2015. Total Operating Expense for the quarter ended March 31, 2016 was \$2.6 million, a decline of \$216,000 or 7.7% as compared to \$2.8 million for the same period last year.

Both Mission Valley Bancorp and Mission Valley Bank capital ratios continue to exceed regulatory requirements with Mission Valley Bancorp reporting a Total Leverage Ratio of 13.8%, Common Equity Tier 1 Capital Ratio of 10.7%, Tier 1 Capital Ratio of 17.7%, and a Total Capital Ratio of 19.0%. Likewise, Mission Valley Bank reported a Total Leverage Ratio of 13.5%, Common Equity Tier 1 Capital Ratio of 17.3%, Tier 1 Capital Ratio of 17.3%, and a Total Capital Ratio of 18.5%. Regulatory requirements for a “well-capitalized bank” are 5%, 6.5%, 8% and 10%, respectively.

Gurney continued, “We are proud that our ongoing efforts related to streamlining operations, enhancing service and revenue streams are paying dividends in record productivity and profitability. We have a sound, diversified balance sheet, a solid capital base to carry us forward and a tremendous team dedicated to our success as well as the success of our clients and shareholders. Mission Valley is well positioned to maintain our course of steady and controlled growth throughout 2016 and beyond.”

About Mission Valley Bank

Mission Valley Bank is a full-service, independent, commercial bank specializing in the banking needs of small to medium businesses in the San Fernando & Santa Clarita Valleys. The Bank was chartered in July 2001, with a vision of local ownership and a commitment to providing financial solutions to meet the needs of its clients.

Forward-looking statements:

Certain matters discussed in this news release constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based upon current management expectations and, therefore, are subject to certain risks and uncertainties that could cause actual results, performance, or achievements to differ materially from those expressed, suggested, or implied by the forward-looking statements. Forward-looking statements are effective only as of the date that they are made and Mission Valley Bank assumes no obligation to update this information.