MISSION VALLEY BANCORP

2005 ANNUAL REPORT

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CORPORATE PROFILE

Your Success Is Our Mission. This statement is much more than a "marketing slogan" to the directors, officers and front line team members of Mission Valley Bank – it is a promise. A promise to actively seek new and better ways of servicing the financial needs of every client, every day. It is a promise to deliver personal service that exceeds expectations at every turn. It is also a promise to sustain this dedication to excellence as the Bank continues to grow in size and services.

Opened in July of 2001, Mission Valley Bank was established with the vision of local ownership and an uncompromising commitment to service. As an independent community-based bank, we deeply appreciate the importance of the Bank's role within the communities we serve – to deliver extraordinary financial products and services on a personal level as a financial partner to both our clients and our communities.

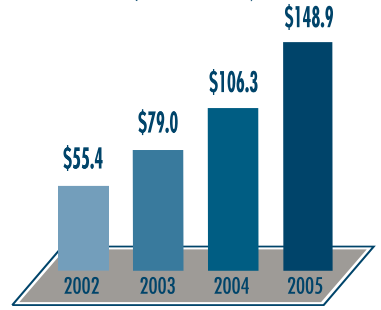
With offices in both the San Fernando and Santa Clarita Valleys, our direction is clear. Mission Valley Bank is well positioned to continue along its path of steady, controlled growth and success.

Sun Valley Office

Valencia Office

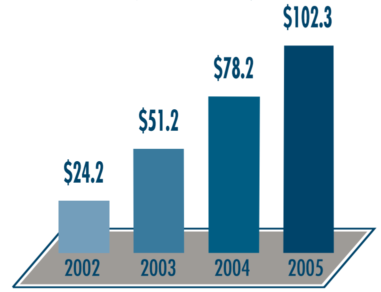
TOTAL ASSETS

(IN MILLIONS)



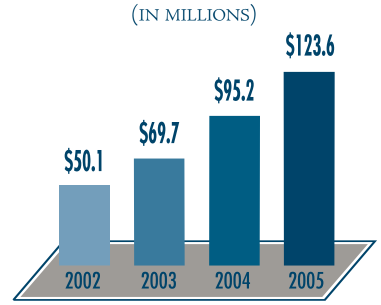
NET LOANS

(IN MILLIONS)



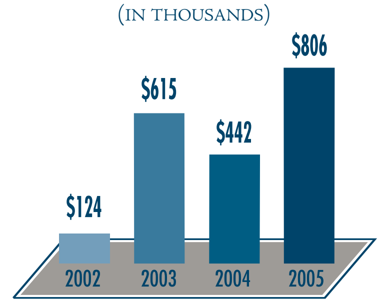
TOTAL DEPOSITS

(IN MILLIONS)



NET INCOME

(IN THOUSANDS)



To Our Shareholders, Clients and Friends,

2005 was an exciting year filled with milestones, change, and opportunities. From establishing our Holding Company to our continued growth of assets and family of employees, the organization continued to mature and flourish.

In April the Board of Directors approved a 3 for 2 stock split as part of the commitment to recognize and express sincere appreciation to our loyal and supportive shareholders. Shareholder return continues to be an important initiative in our strategic planning.

Our Santa Clarita Office opened in its permanent facility the first week of June with a warm reception from the community. This allowed for further expansion of services in the area to include safe deposit boxes, an ATM, and a full-service office.

During the year, the Bank achieved a significant milestone when it surpassed $100 million in assets. This occurred shortly before celebrating our fourth year of operations. In addition to these successes, the Bank also experienced sadness with the passing of one of our founders and directors.

In August, Mission Valley Bancorp received final regulatory approval and commenced operations. This provided the vehicle to raise capital through the issuance of trust-preferred securities, foregoing the need to sell additional stock and dilute our existing shareholders. With the formation of the Holding Company, further change occurred within the Board of Directors. Messrs. Foulkrod and Lefever continue as Directors of the Holding Company, however, due to outside commitments resigned from the Bank's Board of Directors. While this has narrowed the number of Directors serving on the Bank's Board, the commitment at both levels remains strong and focused.

Since beginning operations in 2001, Mission Valley Bank has continued its steady growth and superior performance. The Bank's total assets reached $149 million, with loans climbing to $102 million and total deposits of $124 million. The bank's net profit after taxes was $949,000. Once again, the Bank was awarded the prestigious Premier Performance designation by the Findley Reports and for the same period, Bauer Financial, Inc. assigned its five-star "Superior" rating indicating the bank is one of the safest in the United States.

Looking forward to 2006 we see many challenges and opportunities. The Bank will convert its core operating system in June to provide advanced technology and services to clients while improving internal efficiencies. The economy and interest rate environments continue to pose challenges to maintain interest margins and further result in tough competition as financial institutions and other providers continue to aggressively compete for deposits and loans. The Bank has opened a Specialized Lending Division to promote our expertise in the growth and development of small to mid sized businesses through SBA and other creative financing solutions.

We continue to look for opportunities to provide our clients with solutions tailored to meet their financial needs and achieve their dreams. To that end, we are focused on a partnership approach that results in facilitating the growth and development of their businesses. This commitment, coupled with service excellence is only possible through the cornerstone of our organization - our outstanding team of employees. We further acknowledge that our success over the past four years is due to the on-going referrals from our existing clients and their support and enthusiasm for Mission Valley Bank.

On behalf of everyone at Mission Valley Bancorp and Mission Valley Bank, please accept our sincere thanks for your continued confidence and support.

Sincerely,

James Bagge

James Bagge
Chairman of the Board
Mission Valley Bancorp
Mission Valley Bank

Tamara Gurney

Tamara Gurney
President & CEO
Mission Valley Bancorp
Mission Valley Bank

BANCORP DIRECTORS

PHOTO TOP ROW (LEFT TO RIGHT):

EARLE S. WASSERMAN
Chairman
Hallmark Group, Inc.

MARC J. FOULKROD
Chairman & CEO
Avjet Corporation

MARK LEFEVER
President
Avjet Corporation

JEROLD B. NEUMAN
Attorney at Law
Allen, Matkins, Leck,
Gamble & Mallory, LLC

PHOTO BOTTOM ROW (LEFT TO RIGHT):

DARLYNN CAMPBELL MORGAN
Attorney at Law
The Law Offices of
Darlynn C. Morgan

JAMES BAGGE
Chairman of the Board
Mission Valley Bank
President
Helicopter Accessory Service, Inc.

TAMARA G. GURNEY
President & CEO
Mission Valley Bank

IN MEMORIAM

In 2005 Mission Valley Bank's directors and staff mourned the passing of our dear friend and founder, Patrick Visciglia. His dedication and commitment to Mission Valley Bank, our employees and clients is a tremendous loss. As a Director, he brought foresight and vision to our team, always focused on finding win-win solutions to balance the needs of the bank with those of our clients. Pat Visciglia was the epitome of integrity, strength of character and selflessness, constantly providing guidance to the Bank and positive coaching to the staff.

In his honor, Mission Valley Bank established the Patrick Visciglia Spirit Award. This award will be presented annually to the individual within our organization that most closely emulates Pat's dedication, passion and commitment to the Bank, fellow staff members and our clients. The 2005 recipient is Carol Dignard, Senior Vice President and Manager of our Sun Valley Office.

PATRICK VISCIGLIA

MISSION VALLEY BANCORP

ANNUAL REPORT

financial statements

CONSOLIDATED BALANCE SHEETS

DECEMBER 31,	2005	2004
ASSETS		
Cash and due from banks	$ 9,860,161	$ 4,321,871
Federal funds sold	4,685,000	-
Cash and cash equivalents	14,545,161	4,321,871
Interest-bearing deposits with banks	7,088,629	6,877,906
Securities available-for-sale	18,564,021	11,458,679
Common stock, substantially restricted	796,700	750,100
Loans, net	102,269,309	78,222,602
Premises and equipment, net	1,530,667	1,406,293
Deferred tax asset	271,411	142,454
Cash surrender value life insurance	2,659,240	2,554,962
Accrued interest receivable and other assets	1,181,866	554,954
TOTAL ASSETS	$ 148,907,004	$ 106,289,821
LIABILITIES		
Deposits		
Noninterest-bearing demand	47,276,096	27,391,881
Interest-bearing demand	24,161,168	19,657,352
Savings	6,490,180	7,134,974
Time, under $100,000	5,414,668	4,330,574
Time, $100,000 and over	40,282,706	36,715,259
Total deposits	123,624,818	95,230,040
Borrowings	8,000,000	1,220,000
Junior subordinated deferrable interest debentures	6,186,000	-
Income taxes payable	445,521	69,428
Accrued interest payable and other liabilities	430,455	187,029
Total liabilities	138,686,794	96,706,497
STOCKHOLDERS' EQUITY		
Common stock - no par value; 10,000,000 shares authorized; 1,633,912 and 1,087,418 shares outstanding at 2005 and 2004, respectively	9,364,519	9,349,520
Retained earnings	1,082,109	276,177
Accumulated other comprehensive loss	(226,418)	(42,373)
Total stockholders' equity	10,220,210	9,583,324
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 148,907,004	$ 106,289,821

The accompanying notes are an integral part of these financial statements.

CONSOLIDATED STATEMENTS OF INCOME

FOR THE YEARS ENDED DECEMBER 31,	2005	2004
INTEREST INCOME		
Interest and fees on loans	$ 6,160,804	$ 4,083,309
Interest on federal funds sold	224,127	52,942
Interest on securities	810,704	794,837
Total interest income	7,195,635	4,931,088
INTEREST EXPENSE		
Deposits	1,559,403	1,111,261
Fed funds purchased	187,465	105
Other borrowed funds	107,489	-
Total interest expense	1,854,357	1,111,366
NET INTEREST INCOME	5,341,278	3,819,722
PROVISION FOR LOAN LOSSES	349,000	407,000
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	4,992,278	3,412,722
NONINTEREST INCOME		
Service charges and other income	1,296,626	842,970
Gain on sale of securities	-	40,176
Interest earned on life insurance	118,351	101,450
Merchant discount income	284,181	251,950
Other income	26,566	16,322
Total noninterest income	1,725,724	1,252,868
NONINTEREST EXPENSE		
Salaries and employee benefits	2,679,126	1,965,806
Occupancy	294,009	222,837
Furniture and equipment	523,116	422,676
Data processing	339,129	289,676
Advertising	254,892	180,972
Legal, professional, and consulting	378,086	204,522
Office supplies	68,371	54,336
Merchant discount expense	232,315	210,745
Bank security expense	84,390	57,537
Other operating	511,736	349,788
Total noninterest expense	5,365,170	3,958,895
INCOME FROM OPERATIONS	1,352,832	706,695
INCOME TAX PROVISION	546,900	264,777
NET INCOME	$ 805,932	$ 441,918

The accompanying notes are an integral part of these financial statements.

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

FOR THE YEARS ENDED DECEMBER 31, 2005 AND 2004

	Common Stock no par value; 10,000,000 shares authorized				
	Shares Outstanding	Amount	Retained Earnings/ Accumulated Deficit	Accumulated Other Comprehensive Loss	Total Stockholders' Equity
BALANCE, January 1, 2004	1,085,543	$ 9,334,520	$ (165,741)	$ (47,979)	$ 9,120,800
Proceeds from the exercise of stock options	1,875	15,000	-	-	15,000
Net income	-	-	441,918	-	441,918
Unrealized losses on investment securities, net of taxes	-	-	-	29,270	29,270
Reclassification adjustment for realized gains on investments securities, net of $16,512 of taxes	-	-	-	(23,664)	(23,664)
Total comprehensive income					447,524
BALANCE, December 31, 2004	1,087,418	9,349,520	276,177	(42,373)	9,583,324
Shares issued as a result of a 3:2 stock split	543,681	-	-	-	-
Proceeds from the exercise of stock options	2,813	14,999	-	-	14,999
Net income	-	-	805,932	-	805,932
Unrealized losses on investment securities, net of taxes of $158,262	-	-	-	(184,045)	(184,045)
Total comprehensive income					621,887
BALANCE, December 31, 2005	1,633,912	$ 9,364,519	$ 1,082,109	$ (226,418)	$10,220,210

The accompanying notes are an integral part of these financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31,	2005	2004
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 805,932	$ 441,918
Adjustments to reconcile net income to net cash provided by operating activities:		
Provision for loan losses	349,000	407,000
Depreciation and amortization	356,630	291,208
Amortization of deferred loan fees	39,696	70,229
Net accretion of discount and amortization of premium	35,217	66,147
Gain realized on the sale of securities	-	(40,176)
Loss on disposal of premises and equipment	1,014	3,781
Increase in deferred tax asset	-	44,937
Increase in cash surrender value life insurance, net of mortality costs	(104,278)	(89,482)
Increase in accrued interest receivable and other assets	(626,912)	(105,010)
Increase in accrued interest payable and other liabilities	617,855	147,668
Net cash provided by operating activities	1,474,154	1,238,220
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of premises and equipment	(483,918)	(396,738)
Proceeds from sales of premises and equipment	1,900	3,300
Purchase of bank owned life insurance	-	(1,035,000)
Change in interest bearing deposits with banks, net	(210,723)	(1,392,618)
Proceeds from repayments and maturities of securities available-for-sale	2,089,330	10,049,993
Purchases of securities available-for-sale	(9,542,890)	(8,136,615)
Purchase of common stock, substantially restricted	(46,600)	(630,100)
Recoveries of loans previously charged off	-	6,818
Net increase in loans	(24,433,740)	(27,518,793)
Net cash used in investing activities	(32,626,641)	(29,049,753)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net increase in deposits	28,394,778	25,481,333
Increase in borrowings, net of repayments	6,780,000	1,220,000
Net proceeds from deferrable interest debentures	6,186,000	-
Proceeds from the exercise of stock options	14,999	15,000
Net cash provided by financing activities	41,375,777	26,716,333
Increase (decrease) in cash and cash equivalents	10,223,290	(1,095,200)
Cash and cash equivalents, beginning of year	4,381,253	5,476,453
Cash and cash equivalents, end of year	$ 14,604,543	$ 4,381,253
Supplemental Disclosures of Cash Flow Information		
Cash paid during the year for:		
Interest	$ 1,673,431	$ 842,554
Income taxes	$ 148,000	$ 144,000

The accompanying notes are an integral part of these financial statements.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of consolidation and basis of presentation - On May 24, 2005, the stockholders of Mission Valley Bank approved the exchange of common stock in Mission Valley Bank for common stock of a newly formed holding company, Mission Valley Bancorp ("the Company"). This transaction was consummated on August 30, 2005 and was accounted for at historical cost. The consolidated financial statements include the accounts of Mission Valley Bancorp and its wholly owned subsidiary, Mission Valley Bank. All significant intercompany balances and transactions have been eliminated in consolidation.

Nature of banking activities - Mission Valley Bancorp is a bank holding company, which provides a full range of banking services to individual and corporate customers through its principal subsidiary, Mission Valley Bank (the "Bank.") The Bank has two branches, one branch located in Sun Valley, California, and one in Valencia, California, which opened in 2004. The Company has been authorized by the Federal Reserve Bank of San Francisco to engage in lending activities separate from the Bank but to date has not done so. As a state chartered bank, the Bank is subject to regulation by the California Department of Financial Institutions ("DFI") and the Federal Deposit Insurance Corporation ("FDIC").

In 2005, the Company issued $6,186,000 of junior subordinated deferrable interest debentures through Mission Valley Statutory Trust I. Pursuant to FASB Interpretation No. 46R (FIN 46R), Consolidation of Variable Interest Entities, issued December 2003, the activities of the Mission Valley Statutory Trust I were deconsolidated at December 31, 2005. As a result, the consolidated balance sheet includes $6,186,000 of long-term borrowings, reported as junior subordinated deferrable interest debentures. Also included in other assets on the consolidated balance sheet is $186,000 investment in Mission Valley Statutory Trust I. The overall effect on the Company's financial position and operating results of the deconsolidation is not material.

Prior to the corporate reorganization, Mission Valley Bank announced a 3-for-2 stock split declared at its Board of Directors meeting held February 22, 2005. Stockholders of record of common stock on March 18, 2005, were entitled to the split. The additional shares were distributed on April 1, 2005, and fractional shares were paid out in cash.

Consolidated financial statement presentation and use of estimates - The accounting and reporting policies of the Company conform to accounting principles generally accepted in the United States of America and to prevailing practices within the banking industry. The preparation of these consolidated financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during reported periods. Actual results could differ from those estimates. Material estimates that are particularly susceptible to significant change in the near term are the allowance for loan losses and the valuation of deferred tax assets.

Certain prior year amounts have been reclassified to conform to current year presentation, with no impact on stockholders' equity and net income as previously reported.

Concentrations of Credit Risk - Assets and liabilities that subject the Company to concentrations of credit risk consist of interest-bearing deposits at other banks, investments, loans and deposits. Most of the Company's customers are located within Los Angeles County and the surrounding areas. As of December 31, 2005, there was no concentration of customer's deposits.

The types of securities the Company invests in are discussed in Note 2 and the Company's primary lending products are discussed in Note 3.

Cash and cash equivalents - For purposes of the statement of cash flows, cash and cash equivalents include cash, balances due from banks, and federal funds sold, that are purchased with an original maturity of less than ninety days.

Certificates of deposit - Interest-bearing deposits in banks are purchased with an original maturity date greater than ninety days and are carried at cost. Interest-bearing deposits with banks include certificates of deposit in major financial institutions located throughout the United States of America. At times, these deposits exceed the FDIC insured amount of $100,000.

Securities - The Bank is required to specifically identify its securities as "held-to-maturity," "available-for-sale" or "trading". The Bank did not invest in securities that were classified as trading or held-to-maturity during the years ended December 31, 2005 and 2004.

Securities available-for-sale consists of securities not classified as trading securities or as held-to-maturity. Securities available-for-sale are carried at fair value. Fair values for these investment securities are based on quoted market prices. Unrealized holdings gains and losses, net of deferred income taxes, on available-for-sale securities are reported as other comprehensive income (loss) and carried as accumulated comprehensive income (loss) within stockholders' equity until realized.

Premiums and discounts on purchased securities are recognized in interest income using the effective interest method over the term of the securities. Declines in the fair value of held-to-maturity and available-for-sale securities below cost that are deemed to be other than temporary are reflected in earnings as realized losses. Gains and losses on the sale of securities are recorded on the trade date and are determined using the specific identification method.

Federal Home Loan Bank and Pacific Coast Bankers Bank Stock - The Bank, as a member of the Federal Home Loan Bank (FHLB), is required to purchase FHLB stock in accordance with its advances, securities and deposit agreement. The stock may be redeemed at par value, however only in connection with the Bank surrendering its FHLB membership. The Bank also invests in the stock of Pacific Coast Bankers' Bank ("PCBB"), in connection with its correspondent banking arrangement with PCBB. These investments are carried at cost as of December 31, 2005 and 2004 and are included in common stock, substantially restricted on the balance sheet.

Loans - The Company, through the Bank, grants mortgage, commercial and consumer loans to customers. A substantial portion of the loan portfolio is secured by real estate throughout Los Angeles County and the surrounding areas. The ability of the Company's debtors to honor their contracts is dependent upon the real estate and general economic conditions in the area.

Loans that management has the intent and ability to hold for the foreseeable future, until maturity or until pay-off, are reported at their outstanding unpaid principal balances adjusted for charge-offs, allowance for loan losses, and any deferred fees or costs on originated loans. Interest income is accrued on the unpaid principal balance. Loan origination fees, net of certain direct origination costs, are deferred and recognized as an adjustment of the related loan yield using the effective interest method.

The accrual of interest on loans is discontinued at the time a loan becomes ninety-days delinquent unless the credit is well secured and in process of collection. In some cases, loans can be placed on nonaccrual or charged-off at an earlier date if collection of principal or interest is considered doubtful.

All interest accrued, but not collected, for loans that are placed on nonaccrual or charged-off is reversed against interest income. The interest on these loans is accounted for on the cash-basis or cost-recovery method, until the loans qualify for return to accrual status. Loans are returned to accrual status when all the principal and interest amounts contractually due become current and future payments are reasonably assured.

Allowance for loan losses - The allowance for loan losses is established as losses are estimated to have occurred through a provision for loan losses charged to earnings. Loan losses are charged against the allowance when management believes the collectibility of loan principal becomes unlikely. Subsequent recoveries, if any, are credited to the allowance.

The allowance for loan losses is evaluated on an on-going basis by management and is based upon management's periodic review of the collectibility of the loans in light of historical experience, the nature and volume of the loan portfolio, adverse situations that may affect the borrower's ability to repay, changes in the estimated value of any underlying collateral and prevailing economic conditions. This evaluation is inherently subjective, as it requires estimates that are susceptible to significant revision as conditions change.

A loan is considered impaired when, based on current information and events, it is probable that the Company will be unable to collect the scheduled payments of principal or interest when due according to the contractual terms of the loan agreement. Factors considered by management in determining impairment include payment status, collateral value, and the probability of collecting future scheduled principal and interest payments when due. Loans that experience insignificant payment delays and payment shortfalls generally are not classified as impaired. Management determines the significance of payment delays and payment shortfalls on a case-by-case basis, taking into consideration all of the circumstances surrounding the loan and the borrower, including the length of the delay, the reasons for the delay, the borrower's prior payment record, and the amount of the shortfall in relation to the principal and interest owed. Impairment is measured on a loan-by-loan basis for commercial, construction, and consumer term loans by either the present value of expected future cash flows discounted at the loan's effective interest rate, the obtainable market price, or the fair value of the collateral if the loan is collateral dependent.

Premises and equipment - Equipment, furniture and fixtures are carried at cost, less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, which range from three to five years. Leasehold improvements are amortized over the shorter of the term of the lease or the estimated useful lives of improvements. Maintenance and repairs are expensed as incurred while major improvements or additions are capitalized. Gains and losses on dispositions are included in current operations.

Advertising costs - Advertising costs of $254,892 and $180,972 for the years ended December 31, 2005 and 2004, respectively, were expensed as incurred.

Financial instruments - In the ordinary course of business, the Company has entered into off-balance sheet agreements consisting of commitments to extend credit, commitments under credit card arrangements, commercial letters of credit, and standby letters of credit. Such financial instruments are recorded in the financial statements when they are funded or related fees are incurred or received.

Employee compensation and benefits - The Company procures all of its labor from an independent staffing provider. The provider is responsible for the hiring, administrative maintenance, payroll processing, and compensation, including income taxes, of all Company employees. The Company pays the provider a fee for these services. During the year ended December 31, 2005, the Company made contributions to the 401(k) plan offered by the independent staffing provider of approximately $43,000.

Income taxes - The Company records its provision for income taxes under the asset and liability method. Deferred tax assets and liabilities are reflected at currently enacted income tax rates applicable to the period in which the deferred tax assets or liabilities are expected to be realized or settled. As changes in tax laws or rates are enacted, deferred tax assets and liabilities are adjusted through the provision for income taxes. Deferred taxes result from temporary differences in the recognition of certain income and expense amounts between the Company's financial statements and its tax return. The principal items giving rise to these differences include the allowance for loan losses, unused net operating losses, accruals for interest income and expense, and depreciation.

Stock option plan - The Company has a stock-based employee compensation plan, which is more fully described in Note 14. The Company accounts for this plan under the recognition and measurement principles of APB Opinion No. 25, "Accounting for Stock Issued to Employees," and related interpretations. Stock-based employee compensation cost is not reflected in net income, as all options granted under the plan had an exercise price equal to the market value of the underlying common stock on the date of grant.

The following table illustrates the effect on net income if the Company had applied the fair value recognition provisions of FASB Statement No. 123, "Accounting for Stock-Based Compensation," to stock-based employee compensation.

	2005	2004
Net income	$ 805,932	$ 441,918
Additional compensation for fair value of stock options, net of taxes	(40,308)	(38,545)
Proforma net income	$ 765,624	$ 403,373

The following assumptions were used in determining the fair value:

	2005	2004
Vesting period	5 years	5 years
Risk-free Interest Rate	4.14%	4.38%
Dividend Yield Rate	0%	0%
Price Volatility	16%	24%
Weighted average expected life of options	6 years	7 years

Comprehensive income - Accounting principles generally require that recognized revenue, expenses, gains and losses be included in net income. Certain changes in stockholders' equity from non-owner sources, such as gains and losses on available-for-sale securities, are reported with net income as comprehensive income and shown as a separate component of the equity section of the balance sheet. For the years ended December 31, 2005 and 2004, holding gains (losses) on available-for-sale securities were the only items of comprehensive income (loss) other than net income for the respective period.

2 SECURITIES AVAILABLE-FOR-SALE

The Company's securities are available-for-sale. The amortized cost of securities and their approximate fair values at December 31 were:

2005	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Mortgage and asset-backed securities	$ 12,254,258	$ 4,891	$ (205,671)	$ 12,053,478
U.S. agency securities	4,091,294	-	(103,229)	3,988,065
Corporate bonds	1,003,534	-	(31,024)	972,510
Mutual funds	1,600,000	-	(50,032)	1,549,968
Total available-for-sale	$ 18,949,086	$ 4,891	$ (389,956)	$ 18,564,021

2004	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Mortgage and asset-backed securities	$ 4,844,357	$ 20,286	$ (49,192)	$ 4,815,451
U.S. agency securities	4,081,479	-	(13,636)	4,067,843
Corporate bonds	1,004,907	-	(6,967)	997,940
Mutual funds	1,600,000	-	(22,555)	1,577,445
Total available-for-sale	$ 11,530,743	$ 20,286	$ (92,350)	$ 11,458,679

The amortized cost and estimated fair value of available-for-sale securities at December 31, 2005, by contractual or expected maturity, are shown below. Expected maturities will differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

	Amortized Cost	Fair Value
Due in one year or less	$ -	$ -
Due after one year through five years	6,795,848	6,632,693
Due after five years through ten years	3,881,330	3,794,313
Due after ten years through fifteen years	-	-
Due after fifteen years	6,671,908	6,587,047
No stated maturity	1,600,000	1,549,968
Totals	$ 18,949,086	$ 18,564,021

For the year ended December 31, 2005, there were no sales of securities available-for-sale. During the year ended December 31, 2004, proceeds from sales of securities available-for-sale amounted to $7,772,771. The realized gains related to these sales amounted $40,176.

The Company does not have securities pledged to secure public deposits or for other purposes required or permitted by law at December 31, 2005 and 2004.

Information pertaining to securities with gross unrealized losses at December 31, 2005 aggregated by investment category and length of time that individual securities have been in a continuous loss position follows:

	Less than 12 Months		12 Months or Greater		Total	
	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
Mortgage and asset-backed securities	$ 9,274,452	$ (121,654)	$ 1,779,609	$ (84,017)	$ 11,054,061	$ (205,671)
U.S. Agency securities	-	-	3,991,019	(103,229)	3,991,019	(103,229)
Corporate bonds	-	-	973,500	(31,024)	973,500	(31,024)
Money Market Mutual Funds	-	-	1,549,968	(50,032)	1,549,968	(50,032)
Total	$ 9,274,452	$ (121,654)	$ 8,294,096	$ (268,302)	$ 17,568,548	$ (389,956)

Management evaluates securities for other-than-temporary impairment at least on a quarterly basis, and more frequently when economic or market concerns warrant such evaluation. Consideration is given to (1) the length of time and the extent to which the fair value has been less than cost, (2) the financial condition and near-term prospects of the issuer, and (3) the intent and ability of the Bank to retain its investment in the issuer for a period of time sufficient to allow for any anticipated recovery in fair value.

At December 31, 2005, the fifteen securities with unrealized losses have depreciated 2.1% from the Company's amortized cost basis. These unrealized losses relate principally to current interest rates for similar types of securities. In analyzing an issuer's financial condition, management considers whether the securities are issued by the federal government or its agencies, whether downgrades by bond rating agencies have occurred, and the results of reviews of the issuer's financial condition. As management has the ability to hold securities until maturity, or for the foreseeable future if classified as available-for-sale, no declines are deemed to be other than temporary.

The Company believes that the primary reason for the decline in value of money market mutual funds is due to the volatility of interest rates. The Bank does not believe that the decline in the net asset value of these securities has given rise to other-than-temporary-impairment and furthermore, it has the intent and ability to hold these securities for the foreseeable future, and therefore does not expect to realize a loss on the mutual fund investment. As such, the Company does not consider the impairment on this security to be other-than-temporary.

3 LOANS

The major classifications of loans at December 31 are summarized as follows:

	2005	2004
Real estate	$ 52,548,955	$ 40,517,606
Commercial	49,705,955	36,425,327
Consumer	1,553,044	1,492,205
Overdrafts	-	939,076
Gross loans	103,807,954	79,374,214
Less: deferred loan fees, net of costs	(214,966)	(175,270)
Less: allowance for loan losses	(1,323,679)	(976,342)
	$ 102,269,309	$ 78,222,602

Transactions in the allowance for loan losses during the year ended December 31, 2005 and 2004 are summarized as follows:

	2005	
	Loans	Unfunded Commitments
Balance, beginning of year	$ 976,342	$ 28,130
Provision for loan losses	349,000	-
Loans charged off	-	-
Transfers	(1,663)	1,663
Recoveries of loans previously charged off	-	-
Balance, end of year	$ 1,323,679	$ 29,793

	2004	
	Loans	Unfunded Commitments
Balance, beginning of year	$ 569,609	$ 21,045
Provision for loan losses	407,000	-
Loans charged off	-	-
Transfers	(7,085)	7,085
Recoveries of loans previously charged off	6,818	-
Balance, end of year	$ 976,342	$ 28,130

The Bank did not have loans not accruing interest or considered impaired as of December 31, 2005 and 2004.

4 PREMISES AND EQUIPMENT

Premises and equipment consist of the following as of December 31:

	2005	2004
Construction in process	$ 7,345	$ 125,459
Equipment, furniture and fixtures	1,570,281	1,237,474
Leasehold improvements	908,781	642,873
Total cost	2,486,407	2,005,806
Less accumulated depreciation and amortization	(955,740)	(599,513)
Premises and equipment, net	$ 1,530,667	$ 1,406,293

5 DEPOSITS

At December 31, 2005, the scheduled maturities of time deposits are as follows:

	Time Deposits < $100,000	Time Deposits > $100,000
2006	$ 4,350,246	$ 24,738,882
2007	737,770	1,713,979
2008	227,265	861,527
2009	23,070	6,630,019
2010	76,317	6,338,299
	$ 5,414,668	$ 40,282,706

6 FED FUND FACILITY

The Company has an unsecured revolving line of credit with Pacific Coast Bankers Bank providing for federal fund purchases up to $5,000,000. Borrowings are payable on demand and interest on outstanding borrowings accrues at rates negotiated at the time of the borrowing. As of December 31, 2005, the Bank had no outstanding borrowings against the line. As of December 31, 2004, the Bank had $1,220,000 outstanding against the line at an annual interest rate of 3.1872%.

7 BORROWINGS

The Company has a line of credit available from the Federal Home Loan Bank of San Francisco (FHLB), which is secured by pledged loans. Borrowings may include overnight advances as well as loans with terms of up to 30 years. At December 31, 2005, FHLB advances included: (i) a $4,000,000 overnight borrowing maturing January 2006 with a fixed rate of 4.27%; (ii) fixed-rate borrowings of $4,000,000 maturing January 2009 with an annual rate of 3.90%

The Company had $16,274,000 of unused borrowing capacity from FHLB at December 31, 2005 based upon loans available to be pledged.

8 JUNIOR SUBORDINATED DEFERRABLE INTEREST DEBENTURES

The Mission Valley Statutory Trust I (the "trust") was formed by the Company for the sole purpose of issuing trust preferred securities fully and unconditionally guaranteed by the Company. For financial reporting purposes, the Trust is not consolidated and the fixed rate junior subordinated deferrable interest debentures held by the Trust, issued and guaranteed by the Company, are reflected in the Company's consolidated balance sheet in accordance with the provisions of FIN 46.

On September 16, 2005, the Trust issued $6,000,000 fixed rate Capital Trust Pass-Through Securities ("TRUPS") with a liquidation value of $1,000 per security for gross proceeds of $6,000,000. The entire proceeds of the issuance was invested by the Trust in $6,186,000 of junior subordinated deferrable interest debentures issued by the Company with identical maturity, repricing and payment terms as the TRUPS. These junior subordinated deferrable interest debentures represent the sole assets of the Trust. The junior subordinated deferrable interest debentures issued by the Trust mature on December 15, 2035 and bear interest at 5.972% which is each March 15, June 15, September 15 and December 15 of each year. The interest is deferrable, at the Company's option, for a period of up to twenty consecutive quarterly periods, but in any event not beyond September 16, 2035. The debentures are redeemable, in whole or in part, at the Company's option on any March 15, June 15, September 15 and December 15, on or after December 15, 2010.

9 INCOME TAXES

The provision for income taxes consisted of the following for the periods ended December 31:

	2005	2004
Current:		
Federal	$ 460,718	$ 173,458
State	86,182	46,382
	546,900	219,840
Deferred:		
Federal	(2,735)	20,732
State	2,735	24,205
	-	44,937
Provision for income taxes	$ 546,900	$ 264,777

The following summarizes the differences between the provision for income taxes for financial statement purposes and the federal statutory rate of 34% for the years ended December 31, 2005 and 2004.

	2005	2004
Tax provision at federal statutory rate	34.0 %	34.0 %
State franchise tax, net of federal income tax benefit	5.6	6.3
Nondeductible expenses	(2.1)	(2.8)
Tax provision (benefit)	37.5 %	37.5%

The tax effects of each type of significant item that gave rise to deferred taxes are:

	2005	2004
Depreciation	$ (151,937)	$ (71,516)
Accruals for income and expenses	(63,352)	(69,002)
Allowance for loan losses	457,367	316,723
Certain prepaid assets	(132,095)	(78,492)
Net operating losses and state taxes	52,654	14,429
Unrealized loss on available for sale securities	158,647	29,690
Other, net	(49,873)	622
Net deferred tax asset	$ 271,411	$ 142,454

10 REGULATORY CAPITAL

The Company and the Bank are subject to various regulatory capital requirements administered by the federal and state banking agencies. Failure to meet minimum capital requirements can initiate certain mandatory and possibly additional discretionary, actions by regulators that, if undertaken, could have a direct material effect on the Company's financial statements. Under capital adequacy guidelines and the regulatory framework for prompt corrective action, the Company must meet specific capital guidelines that involve quantitative measures of the Company's assets, liabilities, and certain off-balance-sheet items as calculated under regulatory accounting practices.

The Company's capital amounts and classification are also subject to qualitative judgments by the regulators about components, risk weightings, and other factors. Under existing regulatory capital guidelines, the Company is restricted in its ability to pay cash dividends.

Quantitative measures established by regulation to ensure capital adequacy require the Company to maintain minimum amounts and ratios (set forth in the following table) of total and Tier 1 capital to risk-weighted assets and of Tier 1 capital to average assets all of which are defined in the regulations.

To be categorized as adequately capitalized, the Company must maintain minimum total risk-based, Tier 1 risk-based and Tier 1 leverage ratios as set forth in the table below. Management believes, as of December 31, 2005 and 2004, that the Company met all the capital adequacy requirements to which it is subject.

As of December 31, 2005, the most recent notification from the FDIC categorized the Company as "well capitalized" under the regulatory framework for prompt corrective action. To be categorized as well capitalized, an institution must maintain a minimum total risk based, Tier 1 risk-based, and Tier 1 leverage rations as set forth in the following table. There are no conditions or events since that notification that management believes have changed the Company's category.

The Company's required and actual capital amounts and ratios are as follows:

	Actual Capital		Amount of Capital Required: To Be Adequately Capitalized		Amount of Capital Required: To Be Well Capitalized	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
December 31, 2005:						
Total Capital to Risk Weighted Assets						
Mission Valley Bancorp	$ 17,750,000	14.51%	$ 9,784,000	8.00%	$ 12,230,000	10.00%
Mission Valley Bank	$ 15,790,000	12.97%	$ 9,737,000	8.00%	$ 12,172,000	10.00%
Tier 1 Capital to Risk Weighted Assets						
Mission Valley Bancorp	$ 16,396,000	13.41%	$ 4,892,000	4.00%	$ 7,338,000	6.00%
Mission Valley Bank	$ 14,436,000	11.86%	$ 4,869,000	4.00%	$ 7,303,000	6.00%
Tier 1 Capital to Average Assets						
Mission Valley Bancorp	$ 16,396,000	11.67%	$ 5,620,000	4.00%	$ 7,025,000	5.00%
Mission Valley Bank	$ 14,436,000	10.44%	$ 5,532,000	4.00%	$ 6,915,000	5.00%
December 31, 2004:						
Total Capital to Weighted Assets						
Mission Valley Bank	$ 10,614,000	11.47%	$ 7,404,000	8.00%	$ 9,255,000	10.00%
Tier 1 Capital to Risk Weighted Assets						
Mission Valley Bank	$ 9,610,000	10.38%	$ 3,702,000	4.00%	$ 5,553,000	6.00%
Tier 1 Capital to Average Assets						
Mission Valley Bank	$ 9,610,000	8.94%	$ 4,301,000	4.00%	$ 5,376,000	5.00%

11 COMMITMENTS

The Company currently leases its administrative offices and the Sun Valley branch facility from a stockholder of the Company. The Company leases its facilities under non-cancelable operating leases expiring in 2008 and 2015. Rent expense for the years ended December 31, 2005 and 2004 was $189,841 and $131,130 respectively.

Minimum payments required under non-cancelable operating leases with terms in excess of one year are as follows for future years ending December 31:

2006	$ 214,668
2007	217,452
2008	149,123
2009	101,274
2010	104,220
Thereafter	507,294
	$ 1,294,031

12 RELATED PARTY TRANSACTIONS

The Company grants loans to and accepts deposits from directors, officers and employees as well as to entities with which these individuals are associated. Management believes these transactions were made in the ordinary course of business under substantially the same terms and conditions, including interest rates and collateral requirements, as comparable transactions with other customers, and did not involve more than normal credit risk or present other unfavorable features. Loan balances outstanding at December 31, 2005 and 2004 were approximately $1,581,000 and $4,134,000, respectively. During 2005 and 2004, new loans made to such related parties amounted to approximately $1,529,000 and $2,110,000, respectively, and payments amounted to approximately $2,012,000 and $1,630,000, respectively. Deposits from related parties held by the Company at December 31, 2005 and 2004 were $13,239,000 and $3,723,000, respectively.

13 FINANCIAL INSTRUMENTS WITH OFF-BALANCE-SHEET RISK

The Company is a party to financial instruments with off-balance-sheet risk in the normal course of business to meet the financing needs of its customers and to reduce its own exposure to fluctuations in interest rates. These financial instruments include commitments to extend credit, standby letters of credit and financial guarantees. Those instruments involve, to varying degrees, elements of credit and interest rate risk in excess of the amount recognized in the balance sheet. The contract or notional amounts of those instruments reflect the extent of the Company's involvement in particular classes of financial instruments.

The Company's exposure to credit loss in the event of nonperformance by the other party to the financial instruments for commitments to extend credit, standby letters of credit and financial guarantees written is represented by the contractual notional amount of those instruments. The Company uses the same credit policies in making commitments and conditional obligations as it does for on balance sheet instruments.

At December 31, 2005, the following financial instruments were outstanding whose contract amounts represent credit risk:

Unfunded commitments under lines of credit	$	13,029,000
Unfunded commitments under letters of credit	$	383,000
Unfunded commitments under merchant card transactions	$	2,135,000

Commitments to extend credit are agreements to lend to a customer as long as there is no violation of any condition established in the contract. Commitments generally have fixed expiration dates or other termination clauses and may require payment of a fee. Since many of the commitments are expected to expire without being drawn upon, the total commitment amounts do not necessarily represent future cash requirements.

Standby letters of credit are conditional commitments issued by the Company to guarantee the performance of a customer to a third party. Those letters of credit are primarily issued to support public and private borrowing arrangements. All standby letters of credit issued by the Company expire within one year of issuance. The credit risk involved in issuing letters of credit is essentially the same as that involved in extending loan facilities to customers. The Company generally holds collateral supporting those commitments, if deemed necessary.

14 STOCK OPTION PLAN

The Company has an Employee Stock Option Plan (hereinafter the "Plan"), which provides for incentive and non-qualified stock options for employees and directors of the Company for the purchase of up to a maximum of 281,250 shares of the Company's common stock. The options, when granted, shall vest ratably over five years from the grant date and expire after ten years if not exercised. Option prices are the fair market value of the underlying stock as of the grant date.

Stock options transactions were:

	2005		2004	
	Shares	Weighted Average Exercise Price	Shares	Weighted Average Exercise Price
Beginning balance	177,125	$ 8.60	141,250	$ 8.11
Additional shares issued as a result of 2005 stock split	88,563	(2.87)	-	-
Granted	3,000	16.75	39,000	10.31
Exercised	(2,813)	(5.33)	(1,875)	(8.00)
Forfeited	(6,825)	(5.57)	(1,250)	(8.00)
Ending balance	259,050	$ 5.15	177,125	$ 8.60
Options exercisable at December 31	168,825	$ 5.46	89,675	$ 8.25
Weighted average fair value of options granted during the year		$ 2.91		$ 3.08

The following table summarizes information about stock options outstanding at December 31, 2005:

	Outstanding Options			Options Exercisable	
Range of Exercise Prices	Number Outstanding	Weighted Average Remaining Contractual Life	Weighted Average Exercise Price	Number Exercisable	Weighted Average Exercise Price
\$5.00 - \$6.00	191,250	5.64 Years	$ 5.33	154,125	$ 5.33
\$6.01 - \$7.01	60,300	7.70 Years	$ 6.33	103,800	$ 6.67
\$8.01 - \$14.00	4,500	8.42 Years	$ 9.33	900	$ 9.33
\$14.01 - \$16.75	3,000	9.42 Years	$ 16.75	-	$ -
	259,050			168,825	

15 FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of financial instruments is the amount at which an asset or obligation could be exchanged in a current transaction between willing parties, other than in a forced liquidation. Fair value estimates are made at a specific point in time based on the type of financial instrument and relevant market information.

Because no quoted market price exists for a significant portion of the Company's financial instruments, the fair values of such financial instruments are derived based on the amount and timing of future cash flows, estimated discount rates, as well as management's best judgment with respect to current economic conditions. Many of these estimates involve uncertainties and matters of significant judgment and cannot be determined with precision.

The fair value information provided is indicative of the estimated fair values of those financial instruments and should not be interpreted as an estimate of the fair market value of the Company taken as a whole. The disclosures do not address the value of recognized and unrecognized non-financial assets and liabilities or the value of future anticipated business. In addition, tax implications related to the realization of the unrealized gains and losses could have a substantial impact on these fair value estimates and have not been incorporated into any of the estimates.

The following methods and assumptions were used to estimate the fair values of significant financial instruments at December 31, 2005 and 2004:

Cash and short-term investments - The carrying amounts of cash and short-term investments approximate their fair value.

Interest-bearing deposits in banks - Interest-bearing deposits in banks are reported at their fair values based on quoted market prices.

Investment securities, available-for-sale - Investment securities, available-for-sale, are reported at their fair values based on quoted market prices.

Common stock, substantially restricted - The carrying amounts of common stock, substantially restricted, which include FHLB stock and PCBB stock, are considered to reasonably estimate their fair value.

Loans - For variable-rate loans that reprice frequently and have no significant change in credit risk, fair values are based on carrying values. The fair values for other loans (e.g., real estate construction and mortgage, commercial and installment loans) are estimated using discounted cash flow analyses, using interest rates currently being offered for loans with similar terms to borrowers of similar credit quality.

Accrued interest - The carrying amounts of accrued interest approximate their fair value.

Deposits - The fair values of demand deposits, savings deposits and money market accounts were the amounts payable on demand at December 31, 2005 and 2004. The fair value of time deposits was based on the discounted value of contractual cash flows. The discount rate was estimated utilizing the rates currently offered for deposits of similar remaining maturities.

Short-term borrowings - For such short-term borrowings, the carrying amount was considered to be a reasonable estimate of fair value.

Commitments to extend credit and letters of credit - The estimated fair value of financial instruments with off-balance sheet risk was not significant at December 31, 2005 and 2004.

	2005		2004	
	Carrying Value	Fair Value	Carrying Value	Fair Value
FINANCIAL ASSETS				
Cash and other short-term investments	$ 14,545,161	$ 14,545,161	$ 4,321,871	$ 4,321,871
Interest-bearing deposits with banks	7,088,629	7,055,000	6,877,906	7,154,000
Common stock, substantially restricted	796,700	796,700	750,100	750,100
Investment securities, available-for-sale	18,949,086	18,564,021	11,530,743	11,458,679
Loans, net	102,269,309	97,685,000	78,222,602	77,808,000
Accrued interest receivable	507,494	507,494	326,568	326,568
FINANCIAL LIABILITIES				
Deposits	$ 123,624,818	$ 113,850,000	$ 95,230,040	$ 89,966,000
Borrowings	8,000,000	7,906,000	8,000,000	8,000,000
Accrued interest payable	96,661	96,661	40,584	40,584

16 PARENT COMPANY INFORMATION

The following financial information presents the condensed balance sheet of the Company on a parent-only basis as of December 31, 2005, and the related condensed statement of operations for the year then ended.

BALANCE SHEET

ASSETS	2005
Cash and due from banks	$ 88,981
Federal funds sold	1,900,000
Cash and cash equivalents	1,988,981
Investment in bank	14,259,552
Accrued interest receivable and other assets	203,672
TOTAL ASSETS	$ 16,452,205
LIABILITIES	
Junior subordinated deferrable interest debentures	6,186,000
Accrued interest payable and other liabilities	43,250
Total liabilities	6,229,250
STOCKHOLDERS' EQUITY	
Common stock	9,364,519
Retained earnings	1,042,481
Accumulated other comprehensive loss	(184,045)
Total stockholders' equity	10,222,955
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 16,452,205

STATEMENT OF OPERATIONS

	2005
INTEREST INCOME	$ 22,415
INTEREST EXPENSE	107,489
NET INTEREST INCOME	(85,074)
NONINTEREST INCOME	
Income from subsidiary	948,790
Total noninterest income	948,790
NONINTEREST EXPENSE	
Salaries and employee benefits	21,875
Occupancy	3,521
Furniture and equipment	2,250
Legal, professional, and consulting	25,974
Other operating	4,164
Total noninterest expense	57,784
NET INCOME	$ 805,932

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Mission Valley Bancorp and Subsidiary

We have audited the accompanying consolidated balance sheets of Mission Valley Bancorp and Subsidiary as of December 31, 2005 and 2004 and the related consolidated statements of income, stockholders' equity and cash flows for the years then ended. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Mission Valley Bancorp and Subsidiary as of December 31, 2005 and 2004 and the consolidated results of their operations and their cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Moss Adams LLP

Los Angeles, California
January 31, 2006

Your Success is Our Mission

Financial products, tools & services designed to meet the unique needs of each of our clients.

Complete Business & Personal Banking Services
Commercial Real Estate Acquisition
SBA Financing
Construction Loans
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Equipment Financing
Apartment Financing
Leasing
Home Equity Loans
Mortgage Financing
Letters of Credit
Cash Management
Merchant BankCard Service
Payroll Services
Online Banking
Savings Products
Retirement Products
Health Savings Accounts
Credit – Debit & ATM Cards
Overdraft Protection
Online Bill Payment
Time Deposits
Notary Services
International Services
Courier Services
Safe Deposit Services

DIRECTORS & MANAGEMENT TEAM

BOARD OF DIRECTORS:

James Bagge
Chairman of the Board – Mission Valley Bancorp
Chairman of the Board – Mission Valley Bank
President – Helicopter Accessory Service, Inc.

Tamara G. Gurney
President & CEO
Mission Valley Bancorp
Mission Valley Bank

Marc J. Foulkrod
Director – Mission Valley Bancorp
Chairman & CEO – Avjet Corporation

Mark Lefever
Director – Mission Valley Bancorp
President – Avjet Corporation

Darlynn Campbell Morgan
Director – Mission Valley Bancorp
Director – Mission Valley Bank
Attorney – The Law Offices of Darlynn C. Morgan

Jerold B. Neuman
Director – Mission Valley Bancorp
Director – Mission Valley Bank
Attorney – Allen, Matkins, Leck, Gamble & Mallory, LLC

Earle S. Wasserman
Director – Mission Valley Bancorp
Director – Mission Valley Bank
Chairman – Hallmark Group, Inc.

EXECUTIVE COMMITTEE:

Tamara G. Gurney
President & CEO
Mission Valley Bancorp
Mission Valley Bank

Marianne L. Cederlind
Senior Vice President
Mission Valley Bancorp
Mission Valley Bank

Jim Hackbarth
Senior Vice President / Chief Credit Officer
Mission Valley Bancorp
Mission Valley Bank

Linda Rousseau
Senior Vice President / Cashier
Mission Valley Bancorp
Mission Valley Bank

MISSION VALLEY BANK OFFICERS:

ADMINISTRATION:

Cindy Albers
Vice President / Compliance Officer

Traci Bunker
Vice President / Information Systems

Carrie Campbell-Davis
Vice President / Marketing Manager

Carlos Jones
Vice President / Credit Analyst

Sandra Kay
Assistant Vice President / Loan Servicing Manager

Sandy Konish
Vice President / Operations Administration

SPECIALIZED LENDING:

Vladimir Victorio
Senior Vice President / Specialized Lending

SUN VALLEY OFFICE:

Carol Dignard
Senior Vice President / Manager

Lola Forbis
Assistant Vice President / Loan Officer

Elizabeth Halif
Vice President / Operations Manager

Sylvia Bettencourt
Vice President / Commercial Lending

VALENCIA OFFICE:

Mark De Mik
Senior Vice President / Manager

Greg Wells
Vice President / Commercial Lending

Amy Gibbs
Vice President / Operations Manager

INVESTOR INFORMATION

COMMON STOCK:

Effective September 1, 2005, Mission Valley Bancorp's stock began trading on the Bulletin Board in the over-the-counter market with our new symbol "MVLY". As of December 31, 2005 there were approximately 300 shareholders of record and 1,633,912 shares of common stock issued and outstanding.

STOCK INFORMATION:

The Seidler Companies
Troy K. Norlander, Managing Director
Michael R. Natzic, Senior Vice President
(909) 584-4500
(800) 288-2811

Wedbush Morgan Securities
Joey Warmenhoven
Senior Vice President, Investments
(800) 357-3680
(503) 675-3104

Hoefer & Arnett
Dave Bonaccorso
(415) 538-5723
FAX (415) 398-4875

STOCK TRANSFER AGENT:

Shareholders with inquiries about accounts, lost stock certificates, or changes of address, may contact U.S. Stock Transfer Corporation by calling (818) 502-1404 between 9:00 a.m. and 5:00 p.m. Pacific Time. Written correspondence may be sent to:

U.S. Stock Transfer Corporation
1745 Gardena Avenue
Glendale, CA 91204

MISSION VALLEY BANCORP

MISSION VALLEY BANK

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