

July 17, 2013

River Valley Community Bank Posts Solid Second Quarter Results; 24th Consecutive Quarterly Profit

Yuba City CA. River Valley Community Bank (OTC Markets: RVVY) headquartered in Yuba City, California, earned, after tax, \$366,378 or \$0.21 basic earnings per share for the quarter ending June 30, 2013. This compares to \$395,648 or \$0.23 earned in the corresponding quarter a year ago. This marks the 24th consecutive quarterly profit for the Bank which recently completed its seventh year of operations.

As of June 30th, total Assets and Deposits were \$147,069,838 and \$127,273,729 respectively; Assets increased 4% while Deposits rose 5% from a year earlier. Gross Loans grew 12% from June 30, 2012 to \$59,287,912. There were no past due or nonaccrual loans at quarter's end. The Allowance for Loan and Lease losses (ALLL) now stands at \$1,566,254 or 2.64% of Gross Loans.

Shareholder Equity increased to \$19,384,460 from \$19,119,937 at June 30, 2013. The increase is noteworthy considering the Special Dividend that was paid last December and the more recent decline in bond prices that has affected shareholder equity. During the same period book value has increased from \$11.14 to \$11.26 per share. Return on average shareholder equity and return on average assets were at 7.42% and .96% respectively at quarter's end.

John I. Jelavich, President and Chief Executive Officer commented, "Again, we had a very solid quarter. It was particularly pleasing to note that we continue to prudently grow the loan portfolio and expand our loan to deposit ratio. While margin compression continues to be a concern, we have seen some evidence of stabilization as the economy shows signs of improvement. As a result of the recent longer term rate increases, the unrealized gains in our investment portfolio have dropped significantly which was not unexpected. The average life of the portfolio is projected to be less than five years and we will likely hold most of the securities until maturity unless loan demand picks up considerably."

"As we begin the third quarter, we are on track to open our Grass Valley branch office on July 29th. We have assembled a quality team of local bankers who know the market and believe in our proven community bank culture. While we expect start up expenses to be a short term drag on earnings, we believe that longer term, entering that market will prove to be a wise investment. The makeup of the community coupled with our brand of banking and financial strength should prove attractive to the prospects we are targeting", Jelavich concluded.

River Valley Community Bank is located at 1629 Colusa Avenue, Yuba City, California. For more information please contact John Jelavich at 530-821-2460 or visit our website at: www.rivervalleycommunitybank.com.

Forward Looking Statements: This document may contain comments and information that constitute forward-looking statements. Forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in or implied by such statements. Forward-looking statements speak only as to the date they are made. The Bank does not undertake to update forward-looking statements to reflect circumstances or events that occur after the date the forward-looking statements are made.