October 15, 2013

River Valley Community Bank Reports Solid 3rd Quarter Results; 25th Consecutive Quarterly Profit

Yuba City, CA. River Valley Community Bank (OTC Markets: RVVY) headquartered in Yuba City, California, reported net income of \$279,135 or \$.16 basic earnings per share for the quarter ending September 30, 2013. This represents a 22% decrease from the \$358,079 and \$.21 earned in the third quarter of 2012. This was the 25th consecutive quarterly profit posted by the Bank which opened in June of 2006.

Total Assets and Deposits were at \$148,136,856 and \$128,284,545 respectively at quarter end compared to \$144,242,567 and \$123,192,910 at September 30, 2012 representing a 3% and 4% increase respectively. Gross Loans increased to \$60,113,266 a 7% increase over the \$56,269,092 recorded a year earlier. Loan Quality remains strong with no loans on nonaccrual status while the Allowance for Loan and Lease losses stand at \$1,567,604, a healthy 2.61% of Gross Loans.

Shareholder equity of \$19,518,798 dropped slightly from the \$19,683,970 reported a year ago driven by a decrease in the unrealized gains in our investment portfolio (the impact of rising interest rates). While this was mostly offset by retained earnings over the past twelve month period, Book Value per share dropped from \$11.46 to \$11.32. Return on average shareholder equity and return on average assets were a 5.75% and 0.75% respectively at quarter's end.

John I. Jelavich, President and Chief Executive Officer commented, "It's important to note that while our 3Q results had declined from the prior year, we are pleased with our quarter given our investment in our new Grass Valley branch which we believe will be additive to earnings over time. Additionally, as I have noted in the past, our Bank has been affected by compression of our Net Interest Margin which is a function of the prolonged low interest rate environment affecting our industry as a whole. I continue to believe, however, that our margins are stabilizing and we are further mitigating this impact by executing on our goal of growing the loan portfolio and I am also pleased with our progress there. Our Bank's growth initiatives are enabled by our clean credit portfolio which allows our team to focus on business development efforts and being responsive and competitive with our clients and prospects."

"The third quarter was very active and exciting with the opening of the Grass Valley branch office. The support we have received from the community for our brand of relationship banking, and the welcoming of the local team of professionals has been extremely positive. The firm and tentative commitments we have received from our targeted prospects has certainly reinforced that entering that market was a wise decision indeed. Ultimately, we need to demonstrate our ability to execute in Grass Valley as we have done here – and I believe we are on our way in doing that," Jelavich concluded.

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