



CVB Financial Corp. Reports Record Results for 2006

January 19, 2007

ONTARIO, Calif.--(BUSINESS WIRE)--

CVB Financial Corp. (NASDAQ:CVBF) and its subsidiary, Citizens Business Bank ("the Company"), announced record results for the year ended December 31, 2006. This included record loans, record assets and record earnings.

Net Income

CVB Financial Corp. reported net income of \$71.9 million for the year ended December 31, 2006. This represents an increase of \$1.3 million, or 1.83%, when compared with net earnings of \$70.6 million for the year ended December 31, 2005. Diluted earnings per share were \$0.85 for the year ended December 31, 2006. This was up \$0.02, or 2.41%, from diluted earnings per share of \$0.83 for the same period last year. These per share amounts have been adjusted to reflect a 10% stock dividend declared in December of 2006.

Net income for the year ended December 31, 2006 produced a return on beginning equity of 20.97%, a return on average equity of 19.75% and a return on average assets of 1.25%. The efficiency ratio for the year was 48.04%, and operating expenses as a percentage of average assets were 1.66%.

The Company reported net income of \$16.3 million for the fourth quarter ending December 31, 2006. This represented a decrease of \$0.9 million, or 5.11%, when compared with the \$17.2 million in net income reported for the fourth quarter of 2005. Diluted earnings per share were \$0.19 for the fourth quarter of 2006. This was down \$0.01, or 5.26%, from diluted earnings per of \$0.20 for the fourth quarter of 2005.

Net income for the fourth quarter of 2006 produced a return on beginning equity of 16.88%, a return on average equity of 16.36% and a return on average assets of 1.07%. The efficiency ratio for the fourth quarter was 52.83%, and operating costs as a percentage of average assets were 1.67%.

Net Interest Income and Net Interest Margin

Net interest income after provision for credit losses totaled \$166.2 million for the year ended December 31, 2006. This represents a decrease of \$3.3 million, or 1.96%, over the net interest income of \$169.5 million for the same period of 2005. This decrease resulted from a \$69.7 million increase in interest income, offset by a \$70.0 million increase in interest expense and a \$3.0 million increase in provision for credit losses. The increases in interest income were primarily due to the growth in average earning assets and the increase in interest rates. The increases in interest expense were due to the increases in interest bearing deposits and borrowed funds and the increase in interest rates.

Net interest income after provision for credit losses totaled \$39.6 million for the fourth quarter of 2006. This represented a decrease of \$4.8 million, or 10.76%, over the net interest income of \$44.4 million for the fourth quarter of 2005. These decreases resulted from a \$16.2 million increase in interest income, offset by a \$20.3 million increase in interest expense and \$600,000 increase in provision for credit losses.

Net interest margin (tax equivalent) declined from 3.86% for the year ended December 31, 2005 to 3.31% for the year ended December 31, 2006. Total average earning asset yields increased from 5.57% for 2005 to 6.05% for 2006. The cost of funds increased from 1.72% for 2005 to 2.76% for 2006. The decline in net interest margin is due to the cost of interest-bearing liabilities rising faster than the increase in yields on earning assets. This decline in net interest margin has been mitigated by the strong growth in the balance sheet. In addition, the Company has approximately \$1.36 billion, or 40.02%, of its deposits in interest free demand deposits.

Net interest margin (tax equivalent) for the fourth quarter of 2006 was 3.03%. This represents a decline of 79 basis points when compared to the 3.82% for the fourth quarter of 2005. Average earning asset yields for the fourth quarter of 2006 were 6.12%, compared with asset yields of 5.77% for the fourth quarter of 2005. The cost of funds for the fourth quarter of 2006 was 3.13% compared with 1.98% for the same period last year.

The credit quality of the loan portfolio continues to be strong. The allowance for credit losses increased from \$23.2 million as of December 31, 2005 to \$27.7 million as of December 31, 2006. During 2006, the Company experienced net recoveries of \$1.5 million and made a provision for credit losses of \$3.0 million. During 2005, the Company had net charge-offs of \$46,000 and \$756,000 was added to the allowance from the acquisition of Granite State Bank. The allowance for credit losses was 0.90% and 0.87% of the total loans and leases outstanding as of December 31, 2006 and 2005, respectively.

Balance Sheet

The Company reported total assets of \$6.09 billion at December 31, 2006. This represented an increase of \$671.3 million, or 12.38%, over total assets of \$5.42 billion on December 31, 2005. Earning assets totaling \$5.70 billion were up \$621.0 million, or 12.22%, when compared with earning assets of \$5.08 billion at December 31, 2005. Total deposits were \$3.41 billion at December 31, 2006. This represents a decrease of \$17.2 million, or 0.50%, when compared with total deposits of \$3.42 billion at December 31, 2005. Gross loans and leases totaled \$3.07 billion at December 31, 2006. This represents an increase of \$406.3 million, or 15.25%, when compared with gross loans and leases of \$2.66 billion at December 31, 2005.

Investment Securities

Investment securities totaled \$2.58 billion at December 31, 2006. This represents an increase of \$213.0 million, or 8.99%, when compared with \$2.37 billion in investment securities at December 31, 2005.

Financial Advisory Services

The Financial Advisory Services Group has over \$3.1 billion in assets under administration. They provide trust, investment and brokerage related services, as well as financial, estate and business succession planning.

Loan and Lease Quality

CVB Financial Corp. reported no non-performing assets as of December 31, 2006 and 2005. The allowance for loan and lease losses was \$27.7 million as of December 31, 2006. This represents 0.90% of gross loans and leases. It compares with an allowance for loan and lease losses of \$23.2 million, or 0.87% of gross loans and leases as of December 31, 2005. The increase was primarily due to a provision for credit losses of \$3.0 million and recoveries of \$1.7 million, offset by loan charge-offs of \$200,000 during the twelve months of 2006.

Other Items in 2006

Corporate Overview

CVB Financial Corp. is the holding company for Citizens Business Bank. The Bank is the largest financial institution headquartered in the Inland Empire region of Southern California. It serves 33 cities with 39 business financial centers in the Inland Empire, Los Angeles County, Orange County and the Central Valley areas of California. Its leasing division, Golden West Financial Services, provides vehicle leasing, equipment leasing and real estate loan services, with offices in Orange and Tulare counties.

U.S. Banker Magazine named Citizens Business Bank the "Top Business Bank" in the nation in their January 2007 issue. The Bank was also recognized for having the fifteenth highest return on equity in the nation at 20.88%.

For the fourth consecutive year, CVB Financial Corp. received the KBW Honor Roll award at the Annual Community Bank Investor Conference hosted by Keefe, Bruyette & Woods, Inc. in New York on August 1-2, 2006. The Company was also recognized as a Small-Star by Sandler O'Neill, and named on the FPK Honor Roll by Fox-Pitt, Kelton. Citizens Business Bank was awarded the Dividend Achiever by Mergent, Inc. This is a result of its outstanding record of ten or more consecutive years of dividend increases. CVB Financial Corp. received this recognition for the three consecutive years.

Shares of CVB Financial Corp. common stock are listed on the NASDAQ under the ticker symbol of CVBF. For investor information on CVB Financial Corp., visit our Citizens Business Bank website at www.cbbank.com and click on the CVB Investor tab.

Safe Harbor

This document contains forward-looking statements that are subject to risks and uncertainties that could cause actual results to differ materially from the projected. In addition, these forward-looking statements relate to the Company's current expectations regarding future operating results. Such issues and uncertainties include impact of changes in interest rates, a decline in economic conditions and increased competition among financial services providers. For a discussion of other factors that could cause actual results to differ, please see the publicly available Securities and Exchange Commission filings of CVB Financial Corp., including its Annual Report on Form 10-K for the year ended December 31, 2005, and particularly the discussion on risk factors within that document. The Company does not undertake any, and specifically, disclaims any obligation to update any forward-looking statements to reflect occurrences or unanticipated events or circumstances after the date of such statements.

CVB FINANCIAL CORP.
CONSOLIDATED BALANCE SHEET
(unaudited)
dollars in thousands

	December 31,	
	2006	2005
Assets:		
Investment Securities available-for-sale	\$2,582,902	\$2,369,892
Interest-bearing balances due from depository institutions	-	1,883
Investment in stock of Federal Home Loan Bank (FHLB)	78,866	70,770
Loans and lease finance receivables	3,070,196	2,663,863
Less allowance for credit losses	(27,737)	(23,204)
Net loans and lease finance receivables	3,042,459	2,640,659
Total earning assets	5,704,227	5,083,204
Cash and due from banks	146,411	130,141
Premises and equipment, net	44,963	40,020
Intangibles	10,121	12,474
Goodwill	31,531	32,357
Cash value of life insurance	99,861	71,811
Other assets	57,148	52,964
TOTAL	\$6,094,262	\$5,422,971

	=====	=====
Liabilities and Stockholders' Equity		
Liabilities:		
Deposits:		
Demand Deposits (noninterest-bearing)	\$1,363,411	\$1,490,613
Investment Checking	318,431	298,067
Savings/MMDA	896,988	852,189
Time Deposits	827,978	783,177
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Total Deposits	3,406,808	3,424,046
Demand Note to U.S. Treasury	7,245	6,433
Borrowings	2,139,250	1,496,000
Junior Subordinated Debentures	108,250	82,476
Other liabilities	43,370	71,139
	-----	-----
Total Liabilities	5,704,923	5,080,094
Stockholders' equity:		
Stockholders' equity	402,560	356,263
Accumulated other comprehensive income (loss), net of tax	(13,221)	(13,386)
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	389,339	342,877
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TOTAL	\$6,094,262	\$5,422,971
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CVB FINANCIAL CORP.
CONSOLIDATED AVERAGE BALANCE SHEET
(unaudited)
dollars in thousands

	Three months ended		Twelve months ended	
	December 31,		December 31,	
	2006	2005	2006	2005
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Assets:				
Investment securities available-for-sale	\$2,615,263	\$2,277,340	\$2,511,935	\$2,200,720
Interest-bearing balances due from depository institution	-	5,817	1,843	8,908
Investment in stock of Federal Home Loan Bank (FHLB)	77,439	70,272	74,368	64,144
Loans and lease finance receivables	2,966,099	2,482,190	2,811,782	2,277,304
Less allowance for credit losses	(27,041)	(24,031)	(25,202)	(23,851)
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Net loans and lease finance receivables	2,939,058	2,458,159	2,786,580	2,253,453
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Total earning assets	5,631,760	4,811,588	5,374,726	4,527,225
Cash and due from banks	126,432	130,346	127,186	124,988
Premises and equipment, net	44,657	40,127	43,196	38,155
Intangibles	10,351	12,703	11,228	11,621
Goodwill	31,531	28,735	31,601	26,508
Cash value of life insurance	99,213	71,473	80,760	70,470

Other assets	90,059	83,633	96,244	70,193
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TOTAL	\$6,034,003	\$5,178,605	\$5,764,941	\$4,869,160
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Liabilities and Stockholders' Equity				
Liabilities:				
Deposits:				
Noninterest- bearing	\$1,340,312	\$1,412,029	\$1,354,014	\$1,382,966
Interest- bearing	2,192,130	1,840,994	2,161,075	1,680,136
	-----	-----	-----	-----
Total Deposits	3,532,442	3,253,023	3,515,089	3,063,102
Other borrowings Junior Subordinated Debentures	1,947,692	1,442,294	1,720,400	1,347,156
Other liabilities	108,250	82,476	106,132	82,476
	50,391	51,586	59,292	38,067
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Total Liabilities	5,638,775	4,829,379	5,400,913	4,530,801
Stockholders' equity:				
Stockholders' equity	405,052	357,622	387,497	340,027
Accumulated other comprehensive income (loss), net of tax	(9,824)	(8,396)	(23,469)	(1,668)
	-----	-----	-----	-----
	395,228	349,226	364,028	338,359
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TOTAL	\$6,034,003	\$5,178,605	\$5,764,941	\$4,869,160
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CVB FINANCIAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EARNINGS
(unaudited)

dollar amounts in thousands, except per share

	For the Three Months Ended December 31,		For the Twelve Months Ended December 31,	
	2006	2005	2006	2005
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Interest Income:				
Loans, including fees	\$51,935	\$42,432	\$194,704	\$148,421
Investment securities:				
Taxable	24,405	19,980	91,029	76,573
Tax-advantaged	6,982	5,205	26,545	19,078
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Total investment income	31,387	25,185	117,574	95,651
Dividends from FHLB Stock	1,300	810	4,290	2,623
Federal funds sold	-	-	32	2
Interest-bearing CDs with other institutions	-	44	60	251
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Total interest income	84,622	68,471	316,660	246,948
Interest Expense:				
Deposits	18,783	10,060	67,180	28,908

Borrowings and junior subordinated debentures	25,602	13,991	80,284	48,528
Total interest expense	44,385	24,051	147,464	77,436
Net interest income before provision for credit losses	40,237	44,420	169,196	169,512
Provision for credit losses	600	-	3,000	-
Net interest income after provision for credit losses	39,637	44,420	166,196	169,512
Other Operating Income:				
Service charges on deposit accounts	3,247	3,481	13,080	13,251
Financial Advisory Services	1,918	1,723	7,385	6,652
Gain/(Loss) on sale of investment securities	(5)	-	1,057	(46)
Other-than-temporary impairment write down	-	(2,270)	-	(2,270)
Other	3,407	2,339	11,736	9,918
Total other operating income	8,567	5,273	33,258	27,505
Other operating expenses:				
Salaries and employee benefits	13,477	13,211	50,509	51,535
Occupancy	2,259	2,279	8,572	8,327
Equipment	1,748	1,995	7,025	7,578
Professional services	1,902	1,001	5,896	4,268
Amortization of intangible assets	588	588	2,353	2,061
Other	5,491	4,852	21,469	16,284
Total other operating expenses	25,465	23,926	95,824	90,053
Earnings before income taxes	22,739	25,767	103,630	106,964
Income taxes	6,445	8,593	31,724	36,346
Net earnings	\$16,294	\$17,174	\$71,906	\$70,618
Basic earnings per common share	\$0.19	\$0.20	\$0.85	\$0.84
Diluted earnings per common share	\$0.19	\$0.20	\$0.85	\$0.83
Cash dividends per common share	\$0.085	\$0.09	\$0.355	\$0.42

All per share information has been retroactively adjusted to reflect the 10% stock dividend declared on December 20, 2006.

(unaudited)

	Three months ended December 31,		Twelve months ended December 31,	
	2006	2005	2006	2005
Interest income - (Tax Effective)(te)	\$86,964	\$70,140	\$325,410	\$253,071
Interest Expense	44,385	24,051	147,464	77,436
Net Interest income - (te)	\$42,579	\$46,089	\$177,946	\$175,635
Return on average assets	1.07%	1.32%	1.25%	1.45%
Return on average equity	16.36%	19.51%	19.75%	20.87%
Efficiency ratio	52.83%	48.15%	48.04%	45.71%
Net interest margin (te)	3.03%	3.82%	3.31%	3.90%
Weighted average shares outstanding				
Basic	84,262,599	84,052,084	84,154,212	84,139,254
Diluted	84,888,989	84,752,953	84,954,539	84,911,893
Dividends declared	\$7,164	\$6,877	\$27,823	\$27,090
Dividend payout ratio	43.97%	40.04%	38.69%	38.36%
Number of shares outstanding-EOP	84,281,722	84,073,227		
Book value per share	\$4.62	\$4.08		

December 31,
2006 2005

Non-performing Assets (dollar amount in thousands):		
Non-accrual loans	\$0	\$0
Loans past due 90 days or more and still accruing interest	-	-
Restructured loans	-	-
Other real estate owned (OREO), net	-	-
Total non-performing assets	\$0	\$0
Percentage of non- performing assets to total loans outstanding and OREO	0.00%	0.00%
Percentage of non- performing assets to total assets	0.00%	0.00%
Non-performing assets to allowance for loan losses	0.00%	0.00%

Net Charge-off (Recovered) to Average loans	-0.05%	-0.03%
Allowance for Credit Losses:		
Beginning Balance	\$23,204	\$22,494
Total Loans Charged-Off	(200)	(1,380)
Total Loans Recovered	1,733	1,334
Acquisition of Granite State Bank	0	756
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Net Loans Recovery (Charged-Off)	1,533	710
Provision Charged to Operating Expense	3,000	-
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Allowance for Credit Losses at End of period	\$27,737	\$23,204
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CVB FINANCIAL CORP. AND SUBSIDIARIES
SELECTED FINANCIAL HIGHLIGHTS
(in thousands, except per share data)
(unaudited)

Quarterly Common Stock Price

Quarter End	2006		2005		2004	
	High	Low	High	Low	High	Low
March 31,	\$15.60	\$14.71	\$15.49	\$12.80	\$12.39	\$11.00
June 30,	\$15.59	\$13.25	\$14.63	\$12.36	\$12.77	\$11.43
September 30,	\$14.24	\$12.83	\$15.93	\$13.12	\$13.60	\$11.75
December 31,	\$14.13	\$12.83	\$15.20	\$12.63	\$16.25	\$12.95

Quarterly Consolidated Statements of Earnings

	4Q	3Q	2Q	1Q	4Q
	2006	2006	2006	2006	2005
Interest income					
Loans, including fees	\$51,935	\$50,564	\$47,913	\$44,292	\$42,432
Investment securities and federal funds sold	32,687	32,441	28,988	27,840	26,039
	-----	-----	-----	-----	-----
	84,622	83,005	76,901	72,132	68,471
Interest expense					
Deposits	18,783	18,903	16,294	13,201	10,060
Other borrowings	25,602	22,130	17,446	15,106	13,991
	-----	-----	-----	-----	-----
	44,385	41,033	33,740	28,307	24,051
Net interest income before provision for credit losses	40,237	41,972	43,161	43,825	44,420
Provision for credit losses	600	1,250	900	250	-
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Net interest income after provision for credit losses	39,637	40,722	42,261	43,575	44,420
Non-interest income	8,567	8,871	8,091	7,729	5,273
Non-interest expenses	25,465	22,630	24,259	23,470	23,926
Earnings before income taxes	22,739	26,963	26,093	27,834	25,767
Income taxes	6,445	8,508	7,176	9,594	8,593
Net earnings	\$16,294	\$18,455	\$18,917	\$18,240	\$17,174
Basic earning per common share	\$0.19	\$0.22	\$0.22	\$0.22	\$0.20
Diluted earnings per common share	\$0.19	\$0.22	\$0.22	\$0.22	\$0.20
Cash dividends per common share	\$0.085	\$0.09	\$0.09	\$0.09	\$0.09
Dividends Declared	\$7,164	\$6,891	\$6,885	\$6,883	\$6,877

CVB FINANCIAL CORP. AND SUBSIDIARIES
TOTAL LOANS AND LEASES
(unaudited)

	2006		2005	
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	(Amounts in thousands)			
Commercial and Industrial	\$1,050,189	34.1%	\$980,602	36.7%
Real Estate:				
Construction	299,112	9.7%	270,436	10.1%
Mortgage	1,141,322	37.0%	877,481	32.8%
Consumer	54,125	1.8%	59,801	2.2%
Municipal lease finance receivables	126,393	4.1%	108,832	4.1%
Auto and equipment leases	51,420	1.7%	39,442	1.5%
Dairy and Livestock	358,259	11.6%	338,035	12.6%
Gross Loans	3,080,820	100.0%	2,674,629	100.0%
Less:				
Allowance for credit losses	(27,737)		(23,204)	
Deferred net loan fees	(10,624)		(10,766)	
Net Loans	\$3,042,459		\$2,640,659	

Financial Measures That
Supplement GAAP

Our discussions sometimes contain financial information not required to be presented by generally accepted accounting principles (GAAP). We do this to better inform readers of our financial statements. The SEC requires us to present a reconciliation of GAAP presentation with non-GAAP presentation.

The following table reconciles the differences in net earnings with and without the settlement of robbery loss, other-than-temporary impairment write-down, and gain/(loss) on sale of securities in conformity with GAAP.

Net Earnings Reconciliation

(non-GAAP disclosure):	Three months ended		Twelve months ended	
	December 31, 2006	December 31, 2005	December 31, 2006	December 31, 2005
Net earnings without the settlement of robbery loss and gain/(loss) on sale of securities	\$16,299	\$18,685	\$71,173	\$70,430
Settlement of robbery loss, net of tax				\$1,717
Other-than-temporary impairment write-down, net of tax	-	(1,513)	-	(1,499)
Gain/(Loss) on Sale of Securities, net of tax	(\$5)	-	\$733	(30)
Reported net earnings	\$16,294	\$17,172	\$71,906	\$70,618
Settlement of robbery loss, net of tax				2,600
Other-than-temporary impairment write-down	-	(2,270)	-	(\$2,270)
Gain/(Loss) on Sale of Securities	(\$6)	-	\$1,057	(46)
Tax effect	1	757	(324)	(96)
Net of taxes	(\$5)	(\$1,513)	\$733	\$188

We have presented net earnings without the settlement of robbery loss, other-than-temporary impairment write-down, and gain/(loss) on sale of securities to show shareholders the earnings from operations unaffected by the impact of these items. We believe this presentation allows the reader to more easily assess the results of the Company's operations and business.

Source: CVB Financial Corp.

Contact: CVB Financial Corp. Christopher D. Myers, President and CEO, 909-980-4030