



## CVB Financial Corp. Reports Record Third Quarter Earnings

October 17, 2002

ONTARIO, Calif., Oct 17, 2002

CVB Financial Corp. (CVBF) and its subsidiary, Citizens Business Bank, announced record results for the third quarter of 2002.

This included record deposits, record loans, record assets and record earnings. This is the 42nd consecutive quarter of record earnings for the company.

CVB Financial Corp. reported net income of \$13.2 million for the third quarter ending Sept. 30, 2002. This represents an increase of \$2.4 million, or 22.34%, when compared with the \$10.8 million in net income reported for the third quarter of 2001. Earnings per share for the third quarter of 2002 were \$0.37 per diluted share. This is up \$0.07, or 23.33%, when compared with earnings per share of \$0.30 for the third quarter of 2001.

Earnings results for the third quarter of 2002 produced a return on beginning equity of 24.26%, a return on average equity of 21.66% and a return on average assets of 1.95%. The efficiency ratio for the third quarter was 46.19%.

During the quarter, the company restructured a portion of the investment portfolio to align it with the current interest rate environment. This involved the sale of \$87.6 million in securities. The sale of these securities resulted in a gain of \$1.8 million before taxes and a gain of \$1.2 million after taxes.

If the company had not realized this gain on the sale of securities, net income would have been \$12 million. This would represent an increase in net income of \$1.3 million, or 12.54%, over the \$10.7 million for 2001. The comparable net income per diluted share would be \$0.34. This would be an increase of \$0.04, or 11.79%, over the net income per diluted share of \$0.30 for 2001.

These earnings results would have produced a return on beginning equity of 22.02%, a return on average equity of 21.16% and a return on average assets of 1.90%. The related efficiency ratio would have been 46.60%.

Net income for the nine months ending Sept. 30, 2002, was \$37.2 million. This represents an increase of \$7.9 million, or 27.04%, when compared with net earnings of \$29.3 million for the same period in 2001. Diluted earnings per share were \$1.04. This was up \$0.22, or 26.21%, from diluted earnings per share of \$0.82 for the same period last year.

Net income for the nine months ending Sept. 30, 2002, produced a return on beginning equity of 22.76%, a return on average equity of 20.67% and a return on average assets of 1.85%. The efficiency ratio for the nine-month period was 45.91%.

The company realized aggregate gains on the sale of a portion of the investment portfolio of \$4.9 million before taxes and \$3.1 million after taxes through the first nine months of 2002. If the company had not realized these gains on the sale of securities, net income would have been \$34 million.

This would represent an increase in net income of \$4.8 million, or 16.57%, over the \$29.2 million for 2001. The comparable net income per diluted share would be \$0.96. This would be an increase of \$0.14, or 16.51%, over the net income per diluted share of \$0.82 for 2001.

These earnings results would have produced a return on beginning equity of 20.80%, a return on average equity of 18.89% and a return on average assets of 1.69%. The related efficiency ratio would have been 48.16%.

Total deposits rose to \$2.19 billion as of Sept. 30, 2002. This is up \$443.8 million, or 25.31%, from \$1.75 billion for the same period last year. Gross loans and leases grew to \$1.33 billion as of Sept. 30, 2002. This is an increase of \$256.3 million, or 23.81%, from the \$1.08 billion in gross loans and leases on Sept. 30, 2001.

Total assets were \$2.85 billion as of Sept. 30, 2002. This represents an increase of \$480.9 million, or 20.31%, over the \$2.37 billion in total assets reported on Sept. 30, 2001. In addition, trust assets were \$932.8 million on Sept. 30, 2002.

"We are pleased to report these positive operating results," said D. Linn Wiley, president and chief executive officer of CVB Financial Corp. "The growth in net earnings exceeds our objective to increase earnings by 15.00% for the year."

CVB Financial Corp. reported non-performing loans and non-performing assets of \$818,000 as of Sept. 30, 2002. This represents a ratio of non-performing assets to total assets of 0.03%. The allowance for loan and lease losses was \$22.6 million as of Sept. 30, 2002.

This represents 1.70% of gross loans and leases, and compares with 1.98% on Sept. 30, 2001. Non-performing loans and leases were 3.61% of the allowance for loan and lease losses.

CVB Financial Corp. is the holding company for Citizens Business Bank. The bank is the largest bank with headquarters in the Inland Empire region of Southern California. It serves 25 cities with 32 business financial centers in Los Angeles, Orange, Riverside, San Bernardino and Kern counties.

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 the Citizens Business Bank Web site at [www.cbbank.com](http://www.cbbank.com) and click on the CVB Investor tab.

Safe Harbor

This document may contain forward-looking statements that are subject to risks and uncertainties that could cause actual results to differ materially

from the projected. For a discussion of factors that could cause actual results to differ, 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 Dec. 31, 2001, and particularly the discussion of risk factors within that document.

Comparative financial statements to follow.

CVB FINANCIAL CORP.  
CONSOLIDATED BALANCE SHEET  
(Unaudited)

Dollars in Thousands  
Sept. 30,  
2002                      2001

Assets:		
Federal funds sold and reverse repos	\$ 99,202	\$ 33,000
Investment Securities available-for-sale	1,239,653	1,105,269
Loans and lease finance receivables	1,332,835	1,076,499
Less allowance for credit losses	(22,644)	(21,288)
Net loans and lease finance receivables	1,310,191	1,055,211
Total earning assets	2,649,046	2,193,480
Cash and due from banks	124,469	112,483
Premises and equipment, net	28,786	29,330
Goodwill and intangibles	12,537	6,698
Other assets	33,403	25,399
TOTAL	\$2,848,241	\$2,367,390
Liabilities and Stockholders' Equity		
Liabilities:		
Deposits:		
Demand Deposits (noninterest-bearing)	\$ 882,777	\$ 698,456
Investment Checking	171,029	114,704
Savings/MMDA	634,655	488,233
Time Deposits	508,622	451,895
Total Deposits	2,197,083	1,753,288
Other borrowings	344,700	325,000
Other liabilities	50,966	67,829
Total Liabilities	2,592,749	2,146,117
Stockholders' equity:		
Stockholders' equity	226,553	199,525
Accumulated other comprehensive income (loss), net of tax	28,939	21,748
	255,492	221,273
TOTAL	\$2,848,241	\$2,367,390

CVB FINANCIAL CORP.  
CONSOLIDATED AVERAGE BALANCE SHEET  
(Unaudited)

Dollars in Thousands

Three months ended  
Sept. 30,  
2002                      2001

Assets:		
Federal funds sold and reverse repos	\$ 32,628	\$ 17,547
Investment securities available-for-sale	1,332,299	1,088,179
Loans and lease finance receivables	1,230,454	1,067,296
Less allowance for credit losses	(22,083)	(21,128)

Net loans and lease finance receivables	1,208,371	1,046,168
Total earning assets	2,573,298	2,151,894
Cash and due from banks	100,558	98,557
Premises and equipment, net	28,883	27,836
Other real estate owned, net	0	0
Goodwill and intangibles	12,667	6,823
Other assets	35,356	30,119
TOTAL	\$2,750,762	\$2,315,229
Liabilities and Stockholders' Equity		
Liabilities:		
Deposits:		
Noninterest- bearing	\$ 809,625	\$ 666,734
Interest- bearing	1,260,634	1,037,068
Total Deposits	2,070,259	1,703,802
Other borrowings	401,207	372,173
Other liabilities	32,031	29,822
Total Liabilities	2,503,497	2,105,797
Stockholders' equity:		
Stockholders' equity	226,156	198,855
Accumulated other comprehensive income (loss), net of tax	21,109	10,577
	247,265	209,432
TOTAL	\$2,750,762	\$2,315,229
	Nine months ended	
	Sept. 30,	
	2002	2001
Assets:		
Federal funds sold and reverse repos	\$ 44,158	\$ 8,510
Investment securities available-for-sale	1,258,104	1,083,262
Loans and lease finance receivables	1,234,762	1,056,464
Less allowance for credit losses	(21,971)	(20,329)
Net loans and lease finance receivables	1,212,791	1,036,135
Total earning assets	2,515,053	2,127,907
Cash and due from banks	106,154	96,202
Premises and equipment, net	30,340	27,694
Other real estate owned, net	0	232
Goodwill and intangibles	12,787	7,046
Other assets	57,812	30,475
TOTAL	\$2,722,146	\$2,289,556
Liabilities and Stockholders' Equity		
Liabilities:		
Deposits:		
Noninterest-		

bearing	\$ 802,589	\$ 637,106
Interest-		
bearing	1,247,558	1,002,207
Total Deposits	2,050,147	1,639,313
Other borrowings	393,739	418,815
Other liabilities	35,196	28,545
Total Liabilities	2,479,082	2,086,673
Stockholders' equity:		
Stockholders' equity	227,887	192,977
Accumulated other comprehensive income (loss), net of tax	15,177	9,906
	243,064	202,883
TOTAL	\$2,722,146	\$2,289,556

CVB FINANCIAL CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF EARNINGS

(Unaudited)

Dollar Amounts in Thousands, Except Per Share

	For the	
	Three Months Ended	
	Sept. 30,	
	2002	2001
Interest Income:		
Loans, including fees	\$24,030	\$22,576
Investment securities:		
Taxable	12,073	12,000
Tax-advantaged	4,071	4,068
Total investment income	16,144	16,068
Federal funds sold	157	140
Total interest income	40,331	38,784
Interest Expense:		
Deposits	5,938	7,624
Borrowings	5,022	4,656
Total interest expense	10,960	12,280
Net interest income before provision for credit losses	29,371	26,504
Provision for credit losses	0	250
Net interest income after provision for credit losses	29,371	26,254
Other Operating Income:		
Service charges on deposit accounts	3,580	3,088
Wealth Management services	921	906
Gain (loss) on sale of securities	1,844	146
Gain on sale of other real estate owned	0	0
Other	1,495	1,097
Total other operating income	7,840	5,237
Other operating		

expenses:

Salaries and employee benefits	9,617	8,318
Occupancy	1,602	1,500
Equipment	1,538	1,331
Professional services	947	697
Goodwill Amortization	281	215
Other	3,202	2,735
Total other operating expenses	17,187	14,796
Earnings before income taxes	20,024	16,695
Income taxes	6,821	5,910
Net earnings	\$13,203	\$10,785
Basic earnings per common share	\$ 0.39	\$ 0.30
Diluted earnings per common share	\$ 0.37	\$ 0.30
Cash dividends per common share	\$ 0.14	\$ 0.15
All per-share information has been retroactively adjusted to reflect the 5-for-4 stock split declared on Dec. 19, 2001		

For the  
Nine Months Ended  
Sept. 30,

	2002	2001
Interest Income:		
Loans, including fees	\$ 66,337	\$ 68,627
Investment securities:		
Taxable	35,609	37,187
Tax-advantaged	12,127	11,886
Total investment income	47,736	49,073
Federal funds sold	478	242
Total interest income	114,551	117,942
Interest Expense:		
Deposits	16,545	25,202
Borrowings	14,552	16,585
Total interest expense	31,097	41,787
Net interest income before provision for credit losses	83,454	76,155
Provision for credit losses	0	1,750
Net interest income after provision for credit losses	83,454	74,405
Other Operating Income:		
Service charges on deposit accounts	10,335	9,404
Wealth Management services	2,891	2,911

Gain(Loss) on sale of securities	4,940	60
Gain on sale of other real estate owned	0	126
Other	4,459	4,179
Total other operating income	22,625	16,680
Other operating expenses:		
Salaries and employee benefits	26,766	24,143
Occupancy	4,731	4,281
Equipment	4,431	3,900
Professional services	3,011	3,024
Goodwill Amortization	347	705
Other	9,419	8,437
Total other operating expenses	48,705	44,490
Earnings before income taxes	57,374	46,595
Income taxes	20,214	17,351
Net earnings	\$ 37,160	\$ 29,244
Basic earnings per common share	\$ 1.07	\$ 0.84
Diluted earnings per common share	\$ 1.04	\$ 0.82
Cash dividends per common share	\$ 0.42	\$ 0.43

All per share information has been retroactively adjusted to reflect the 5-for-4 stock split declared on Dec. 19, 2001

	Three months ended Sept. 30,		Nine months ended Sept. 30,	
	2002	2001	2002	2001
Interest income				
- (Tax Effective)(te)	42,041	40,493	119,644	122,934
Interest Expense	10,960	12,280	31,097	41,787
Net Interest income - (te)	31,081	28,213	88,547	81,147
Gain (loss) on sale of securities	1,844	146	4,940	60
Gain on sale of OREO	0	0	0	126
Return on average assets	21.66%	20.88%	20.67%	19.49%
Return on average equity	24.26%	23.19%	22.76%	20.96%
Efficiency ratio	1.95%	1.89%	1.85%	1.71%
Net interest margin (te)	4.86%	5.27%	4.72%	5.11%
Weighted average shares outstanding				
Diluted	35,651,848	35,446,432	35,637,104	35,359,554
Basic	34,905,629	34,759,675	34,889,608	34,718,615

Dividend payout ratio	37.02%	38.83%	41.95%	40.91%
Number of shares outstanding-EOP	34,810,736	34,775,200		
Book value per share	7.34	6.36		
	Sept. 30,			
	2002	2001		
Non-performing Assets (dollar amount in thousands):				
Non-accrual loans	\$ 192	\$1,704		
Loans past due 90 days or more and still accruing interest	49	0		
Restructured loans	577	0		
Other real estate owned (OREO), net	0	0		
Total non-performing assets	\$ 818	\$1,704		
Percentage of non-performing assets to total loans outstanding and OREO	0.06%	0.16%		
Percentage of non-performing assets to total assets	0.03%	0.07%		
Non-performing loans to allowance for loan losses	3.61%	8.00%		
Net loan losses to average loans	0.02%	-0.05%		
Allowance for Credit Losses at Beginning of Period:				
Citizens Business Bank	\$ 20,469	\$ 19,152		
Acquisition of Western Security Bank	2,325			
Total Loans Charged-Off	1,287	105		
Total Loans Recovered	1,138	491		
Net Loans Charged-Off	149	(386)		
Provision Charged to Operating Expense	0	1,750		
Allowance for Credit Losses at end of period	22,645	21,288		

CVB Financial Corp., Ontario  
D. Linn Wiley, 909/980-40