



CVB Financial Corp.

Statement of Condition

September 30, 2016

President's Message

CVB Financial Corp. reported net income of \$25.4 million for the third quarter of 2016 and \$74.4 million for nine months ending September 30, 2016. The third quarter represented our 158th consecutive quarter of profitability and our 108th consecutive quarter paying a cash dividend to our shareholders.

We are excited to announce we entered into a merger agreement with Valley Commerce Bancorp ("VCBP"), pursuant to which its subsidiary, Valley Business Bank will merge into Citizens Business Bank. Valley Business Bank is headquartered in Visalia, California, with four branch locations, and total assets of \$416 million.

On August 11, 2016 CVB Financial Corp. announced that its Board of Directors authorized an increase in the company's common stock repurchase program. Management is now authorized to repurchase up to 10,000,000 shares, or approximately 9%, of our outstanding shares.

Citizens Business Bank was once again recognized by Forbes in the 2016 list of "America's 50 Most Trust Worthy Financial Companies".

Financial highlights for the third quarter include an increase in total assets to \$8.04 billion at September 30, 2016. This represents an increase of \$373.8 million, or 4.87%, from total assets of \$7.67 billion at December 31, 2015.

CitizensTrust, our wealth management division that provides trust, investment, and brokerage-related services, as well as financial, estate, and business succession planning, had approximately \$2.65 billion in assets under management and administration as of September 30, 2016. This is a record high.

Shares of CVB Financial Corp. common stock are listed on the NASDAQ under the ticker symbol "CVBF." If you are new to CVB Financial Corp. and would like more information about Citizens Business Bank, our principal financial services subsidiary, please visit us on our website, www.cbbank.com. Additional information about CVB Financial Corp. is available on the website under the "Investors" tab.

On behalf of our Board of Directors and all of our associates, we thank our customers and shareholders for their continued loyalty and support.

*President & Chief Executive Officer
CVB Financial Corp., Citizens Business Bank*

Board of Directors

Raymond V. O'Brien III
Chairman, CVB Financial Corp.

Christopher D. Myers
President and Chief Executive Officer

George A. Borba
Vice Chairman, CVB Financial Corp.

Robert M. Jacoby
Director

Stephen A. Del Guercio
Director

Hal W. Oswald
Director

Kristina M. Leslie
Director

Anna Kan
Director

Executive Leadership Team

Christopher D. Myers
President and Chief Executive Officer

E. Allen Nicholson
Executive Vice President - Chief Financial Officer

David A. Brager
Executive Vice President - Sales Division

David F. Farnsworth
Executive Vice President - Chief Credit Officer

David C. Harvey
Executive Vice President - Chief Operations Officer

R. Daniel Banis
Executive Vice President - CitizensTrust

Yamynn De Angelis
Executive Vice President - Chief Risk Officer

Ted J. Dondanville
Executive Vice President - Commercial Banking & Senior Lender

Eileen L. Lyon
Executive Vice President - General Counsel

Elsa I. Zavala
Executive Vice President - Chief Information Officer

G. Larry Zivelonghi
Executive Vice President - Dairy & Livestock Industries

Senior Leadership Team

Hector G. Gutierrez
Senior Vice President - Deputy Chief Credit Officer

David M. Krebs
Senior Vice President - Human Resources

James E. Mead
Senior Vice President - Inland Empire Region

Michael B. Mulcahy
Senior Vice President - Los Angeles Region

Timothy B. Noone
Senior Vice President - San Gabriel Valley Region & Specialty Banking Group

Mark C. Richardson
Senior Vice President - Real Estate Banking Group

Michael D. Stain
Senior Vice President - Central Valley Region

David S. Stong
Senior Vice President - San Diego Region

Donald R. Toussaint
Executive Vice President - Ventura/Santa Barbara Region

Robert E. Zeltner
Senior Vice President - Orange County Region

CVB Financial Corp. ("CVBF") is the holding company for Citizens Business Bank. CVBF is the ninth largest bank holding company headquartered in California with assets of approximately \$8 billion.

Citizens Business Bank has 42 Business Financial Centers, eight Commercial Banking Centers, and three trust office locations serving the Inland Empire, Los Angeles County, Orange County, San Diego County, Ventura County, Santa Barbara County and the Central Valley area of California.

Condensed Consolidated Balance Sheets

(Dollars in thousands, except share amounts) (unaudited)	September 30, 2016	December 31, 2015
Assets		
Cash and due from banks	\$ 119,420	\$102,772
Interest-earning balances due from Federal Reserve	139,739	3,325
Total cash and cash equivalents	259,159	106,097
Interest-earning balances due from depository institutions	83,178	32,691
Investment securities available-for-sale, at fair value (with amortized cost of \$2,165,551 at September 30, 2016, and \$2,337,715 at December 31, 2015)	2,227,551	2,368,646
Investment securities held-to-maturity (with fair value of \$893,706 at September 30, 2016, and \$853,039 at December 31, 2015)	878,953	850,989
Total investment securities	3,106,504	3,219,635
Investment in stock of Federal Home Loan Bank (FHLB)	17,688	17,588
Loans and lease finance receivables	4,295,167	4,016,937
Allowance for loan losses	(61,001)	(59,156)
Net loans and lease finance receivables	4,234,166	3,957,781
Premises and equipment, net	38,671	31,382
Bank owned life insurance	134,073	130,956
Accrued interest receivable	21,220	22,732
Intangibles	5,293	2,265
Goodwill	88,174	74,244
Income taxes	22,399	47,251
Other assets	34,468	28,578
Total assets	\$ 8,044,993	\$7,671,200
Liabilities and Stockholders' Equity		
Deposits:		
Noninterest-bearing	\$ 3,657,610	\$3,250,174
Interest-bearing	2,663,385	2,667,086
Total deposits	6,320,995	5,917,260
Customer repurchase agreements	577,990	690,704
Other borrowings	-	46,000
Deferred compensation	12,177	11,269
Junior subordinated debentures	25,774	25,774
Payable for securities purchased	43,111	1,696
Other liabilities	61,643	55,098
Total liabilities	7,041,690	6,747,801
Commitments and Contingencies		
Stockholders' Equity		
Common stock, authorized, 225,000,000 shares without par; issued and outstanding 108,097,493 at September 30, 2016, and 106,384,982 at December 31, 2015	529,281	502,571
Retained earnings	435,419	399,919
Accumulated other comprehensive income, net of tax	38,603	20,909
Total stockholders' equity	1,003,303	923,399
Total liabilities and stockholders' equity	\$ 8,044,993	\$7,671,200

Condensed Consolidated Statements of Earnings

(Dollars in thousands, except per share amounts) (unaudited)	For the Three Months ended September 30, 2016		2015
Interest income:			
Loans and leases, including fees	\$ 47,754	\$48,822	
Investment securities:			
Investment securities available-for-sale	11,425	14,734	
Investment securities held-to-maturity	4,787	3,436	
Total investment income	16,212	18,170	
Dividends from FHLB stock	403	509	
Interest-earning deposits with other institutions	802	230	
Total interest income	65,171	67,731	
Interest expense:			
Deposits	1,525	1,333	
Borrowings and customer repurchase agreements	349	371	
Junior subordinated debentures	136	110	
Total interest expense	2,010	1,814	
Net interest income before recapture of provision for loan losses	63,161	65,917	
Recapture of provision for loan losses	(2,000)	(2,500)	
Net interest income after recapture of provision for loan losses	65,161	68,417	
Noninterest income:			
Service charges on deposit accounts	3,817	3,930	
Trust and investment services	2,328	2,275	
Bankcard services	827	805	
BOLI income	706	491	
Gain on sale of loans	-	-	
Other	1,505	912	
Total noninterest income	9,183	8,413	
Noninterest expense:			
Salaries and employee benefits	20,464	20,395	
Occupancy and equipment	4,102	3,853	
Professional services	1,517	1,937	
Software licenses and maintenance	947	901	
Marketing and promotion	1,199	1,297	
Acquisition related expenses	353	75	
Other	4,424	4,284	
Total noninterest expense	33,006	32,742	
Earnings before income taxes	41,338	44,088	
Income taxes	15,890	16,202	
Net earnings	\$ 25,448	\$ 27,886	
Basic earnings per common share	\$ 0.23	\$ 0.26	
Diluted earnings per common share	\$ 0.23	\$ 0.26	
Cash dividends declared per common share	\$ 0.12	\$ 0.12	

