



CVB Financial Corp.

STATEMENT OF CONDITION

March 31, 2020

CEO MESSAGE

As the first calendar quarter of 2020 came to a close, our entire nation, including its banking sector, found ourselves facing a national emergency in the form of the COVID-19 pandemic. This pandemic has caused severe, widespread economic distress throughout the country, including in California, where CVB Financial Corp. is based and conducts substantially all of its business activities.

For the first quarter of 2020, CVB Financial Corp. reported net earnings of \$38.0 million, compared with \$51.3 million for the fourth quarter of 2019 and \$51.6 million for the first quarter of 2019. Our earnings for the first quarter of 2020 included recording a \$12 million provision for credit losses due to the forecasted impact of COVID-19.

Other financial statement highlights for the first quarter include total assets of \$11.6 billion at March 31, 2020, total deposit and customer repurchase agreement sweep accounts of \$9.5 billion, and total loans of \$7.5 billion. We are confident that our disciplined and longstanding strategy to maintain strong capital, excellent asset quality, and abundant liquidity have positioned the Bank to successfully support the current and future credit and banking needs of our customers.

As part of our efforts to provide support to our customers, Citizens Business Bank has been an active participant in both rounds of the Paycheck Protection Program (PPP) enacted pursuant to the federal CARES Act. The PPP is designed to provide our customers with potentially forgivable loans to support their ability to pay their employees during this time. As of May 3, 2020, Citizens Business Bank has received over 4,200 applications and received over 3,800 SBA approvals for PPP loans. We are very proud of our many Bank associates who have labored around the clock, including nights and weekends, to assist our business customers in obtaining loans under the PPP.

Our Business Financial Centers continue to remain open in order to provide essential and ongoing financial services to our customers. We are observing local, state, and CDC health and safety guidelines, which seek to ensure a healthy and safe work environment for our customers and associates. In keeping with our commitment to the communities we serve, we provided \$290,000 in donations to local community benefit organizations during the first quarter of 2020, and we have announced an additional \$356,000 in donations for the second quarter.

We have proven to be a safe, sound, and secure financial services company throughout a variety of economic cycles over the last 45 years. We announced our 172nd consecutive quarter of profitability and our 122nd consecutive cash dividend paid to shareholders. We were also pleased to be ranked as the #1 Bank in America by Forbes 2020 Best Banks in America, in our case for the second time in five years.

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, 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. Please stay safe and healthy and know that we will continue to work hard on your behalf.

Chief Executive Officer
CVB Financial Corp., Citizens Business Bank

BOARD OF DIRECTORS

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122

CONSECUTIVE QUARTERS
OF CASH DIVIDENDS PAID

172

CONSECUTIVE QUARTERS
OF PROFITABILITY

\$38.0 million

NET INCOME
as of 3.31.20

#1 Best Bank
IN AMERICA
Forbes, 2020

Five-Star
SUPERIOR RATING
BauerFinancial, 2020

Super Premier
PERFORMING BANK
Findley Reports, 2019

Financials ▶

CVB Financial Corp. ("CVBF") is the holding company for Citizens Business Bank. CVBF is one of the 10 largest bank holding companies headquartered in California with over \$11 billion in total assets. Citizens Business Bank is consistently recognized as one of the top performing banks in the nation and offers a wide array of banking, lending and investing services through over 50 banking centers and 3 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)

	March 31, 2020	December 31, 2019
Assets		
Cash and due from banks	\$ 138,615	\$ 158,310
Interest-earning balances due from Federal Reserve	567,124	27,208
Total cash and cash equivalents	705,739	185,518
Interest-earning balances due from depository institutions	23,799	2,931
Investment securities available-for-sale, at fair value (with amortized cost of \$1,621,236 at March 31, 2020, and \$1,718,357 at December 31, 2019)	1,679,755	1,740,257
Investment securities held-to-maturity (with fair value of \$657,819 at March 31, 2020, and \$678,948 at December 31, 2019)	642,255	674,452
Total investment securities	2,322,010	2,414,709
Investment in stock of Federal Home Loan Bank (FHLB)	17,688	17,688
Loans and lease finance receivables	7,466,152	7,564,577
Allowance for credit losses	(82,641)	(68,660)
Net loans and lease finance receivables	7,383,511	7,495,917
Premises and equipment, net	52,867	53,978
Bank owned life insurance (BOLI)	225,455	226,281
Accrued interest receivable	26,855	28,122
Intangibles	40,541	42,986
Goodwill	663,707	663,707
Other real estate owned (OREO)	4,889	4,889
Income taxes	10,473	35,587
Other assets	129,354	110,137
Total assets	\$ 11,606,888	\$ 11,282,450
Liabilities and Stockholders' Equity		
Liabilities:		
Deposits:		
Noninterest-bearing	\$ 5,572,649	\$ 5,245,517
Interest-bearing	3,540,955	3,459,411
Total deposits	9,113,604	8,704,928
Customer repurchase agreements	368,915	428,659
Other borrowings	-	-
Deferred compensation	22,454	22,666
Junior subordinated debentures	25,774	25,774
Other liabilities	134,755	106,325
Total liabilities	9,665,502	9,288,352
Commitments and Contingencies		
Stockholders' Equity		
Common stock, authorized, 225,000,000 shares without par; issued and outstanding 135,510,960 at March 31, 2020, and 140,102,480 at December 31, 2019	1,208,049	1,298,792
Retained earnings	694,931	682,692
Accumulated other comprehensive income, net of tax	38,406	12,614
Total stockholders' equity	1,941,386	1,994,098
Total liabilities and stockholders' equity	\$ 11,606,888	\$ 11,282,450

Condensed Consolidated Statements of Earnings

(Dollars in thousands, except per share amounts)
(Unaudited)

	For the Three Months ended March 31, 2020		2019
Interest income:			
Loans and leases, including fees	\$ 92,117	\$	99,687
Investment securities:			
Investment securities available-for-sale	10,049		10,645
Investment securities held-to-maturity	3,998		4,525
Total investment income	14,047		15,170
Dividends from FHLB stock	332		332
Interest-earning deposits with other institutions	613		94
Total interest income	107,109		115,283
Interest expense:			
Deposits	4,124		3,871
Borrowings and customer repurchase agreements	479		1,610
Junior subordinated debentures	200		266
Total interest expense	4,803		5,747
Net interest income before provision for credit losses	102,306		109,536
Provision for credit losses	12,000		1,500
Net interest income after provision for credit losses	90,306		108,036
Noninterest income:			
Service charges on deposit accounts	4,776		5,141
Trust and investment services	2,420		2,182
Bankcard services	577		950
BOLI income	2,059		1,336
Gain on OREO, net	10		105
Gain on sale of building, net	-		4,545
Other	1,798		2,044
Total noninterest income	11,640		16,303
Noninterest expense:			
Salaries and employee benefits	30,877		29,302
Occupancy and equipment	4,837		5,424
Professional services	2,256		1,925
Software licenses and maintenance	2,816		2,613
Marketing and promotion	1,555		1,394
Amortization of intangible assets	2,445		2,857
Acquisition related expenses	-		3,149
Other	3,855		4,940
Total noninterest expense	48,641		51,604
Earnings before income taxes	53,305		72,735
Income taxes	15,325		21,093
Net earnings	\$ 37,980		\$ 51,642
Other comprehensive income:			
Unrealized gain on securities arising during the period, before tax	\$36,618		\$18,227
Less: Income tax benefit related to items of other comprehensive income	(10,826)		(5,388)
Other comprehensive income, net of tax	25,792		12,839
Comprehensive income	\$ 63,772		\$ 64,481
Basic earnings per common share	\$ 0.27		\$ 0.37
Diluted earnings per common share	\$ 0.27		\$ 0.37

