

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM 8-K**

**Current Report  
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): **May 30, 2018**

**CVB FINANCIAL CORP.**

(Exact name of registrant as specified in its charter)

**California**

(State or other jurisdiction of  
incorporation or organization)

**0-10140**

(Commission file number)

**95-3629339**

(I.R.S. employer  
identification number)

**701 North Haven Avenue, Ontario, California**

(Address of principal executive offices)

**91764**

(Zip Code)

**Registrant's telephone number, including area code: (909) 980-4030**

**Not Applicable**

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (See General Instruction A.2.):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)  
 Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)  
 Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))  
 Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter). Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

## **Item 7.01 Regulation FD Disclosure.**

The Chief Executive Officer of CVB Financial Corp. (the “Company”) will make presentations to institutional investors at various meetings during the months of May and June 2018. The May/June 2018 slide presentation, updated to reflect first quarter 2018 financial information, is included as Exhibit 99.1 of this report. The information in this report (including Exhibit 99.1) shall not be deemed to be “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liability of that section, and shall not be incorporated by reference into any registration statement or other documents filed under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by the specific reference in such filing. The presentation is also available on the Company’s website at [www.cbbank.com](http://www.cbbank.com) under the “Investors” tab.

## **Item 8.01 Other Events.**

On February 26, 2018, CVB Financial Corp. announced that it had entered into an Agreement and Plan of Reorganization and Merger, pursuant to which Community Bank (“Community”) will be merged with and into Citizens Business Bank (“Citizens”), with Citizens as the surviving bank (the “Merger”). In the presentations referred to in Item 7.01 above, CVB Financial Corp. also will provide and use portions of the joint investor presentation regarding the Merger as previously filed with the Company’s Form 8-K on February 26, 2018. This presentation is also available on the Company’s website at [www.cbbank.com](http://www.cbbank.com) under the “Investors” tab.

## **Forward-Looking Statements**

This Current Report on Form 8-K contains statements regarding the proposed transaction between the Company, Citizens and Community, and statements about the future expectations, beliefs, goals, plans or prospects of the management of each of Company, Citizens and Community. These statements are based on current expectations, estimates, forecasts and projections and management assumptions about the future performance of each of Company, Citizens, Community and the surviving bank, as well as the businesses and markets in which they do and are expected to operate. These statements constitute forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Words such as “expects,” “believes,” “estimates,” “anticipates,” “targets,” “goals,” “projects,” “intends,” “plans,” “seeks,” and variations of such words and similar expressions are intended to identify such forward-looking statements which are not statements of historical fact. These forward-looking statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to assess. Actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements. The closing of the proposed Merger is subject to regulatory approvals, the approval of the shareholders of both Company and Community, and other customary closing conditions. There is no assurance that such conditions will be met or that the proposed Merger will be consummated within the expected time frame, or at all. If the Merger is consummated, factors that may cause actual outcomes to differ from what is expressed or forecasted in these forward-looking statements include, among things: difficulties and delays in integrating Citizens and Community and achieving anticipated synergies, cost savings and other benefits from the transaction; higher than anticipated transaction costs; deposit attrition, operating costs, customer loss and business disruption following the Merger, including difficulties in maintaining relationships with employees, may be greater than expected; required governmental approvals of the Merger may not be obtained on its proposed terms and schedule, or without regulatory constraints that may limit growth; competitive pressures among depository and other financial institutions may increase significantly and have an effect on revenues; the strength of the United States economy in general, and of the local economies in which the combined company will operate, may be different than expected, which could result in, among other things, a deterioration in credit quality or a reduced demand for credit and have a negative effect on the surviving bank’s loan portfolio and allowance for loan losses; changes in the U.S. legal and regulatory framework; and adverse conditions in the stock market, the public debt market and other capital markets (including changes in interest rate conditions) which would negatively affect the surviving bank’s business and operating results.

All of the forward-looking statements are qualified in their entirety by reference to the factors discussed in the Company's reports with the Securities and Exchange Commission (the "SEC"), including the Company's Annual Report on Form 10-K (and the risk factors set forth therein) and subsequently filed Quarterly Reports on Form 10-Q. These risk factors may not be exhaustive, as the Company operates in a continually changing business environment with new risks emerging from time to time that it is unable to predict or that it currently does not expect to have a material adverse effect on its business. Except as required under the U.S. federal securities laws and the rules and regulations of the SEC, Company, Citizens and Community disclaim any intention or obligation to update any forward-looking statements after the date hereof, whether as a result of new information, future events, developments, changes in assumptions or otherwise.

### **Additional Information and Where to Find It**

This Current Report on Form 8-K does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval.

In connection with the proposed Merger, the Company filed with the SEC a registration statement on Form S-4, that became effective on May 8, 2018, that includes a joint proxy statement/prospectus of the Company and Community, as well as other relevant documents concerning the proposed Merger. **SHAREHOLDERS OF COMMUNITY AND THE COMPANY ARE ENCOURAGED TO READ THE REGISTRATION STATEMENT, THE DEFINITIVE JOINT PROXY STATEMENT/PROSPECTUS AND ANY OTHER RELEVANT DOCUMENTS FILED WITH THE SEC, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THOSE DOCUMENTS, BECAUSE THEY CONTAIN IMPORTANT INFORMATION ABOUT THE MERGER.** You may obtain a free copy of the joint proxy statement/prospectus, as well as other filings containing relevant information at the SEC's Internet site ([www.sec.gov](http://www.sec.gov)). You may obtain these documents, free of charge, from the Company and Citizens at [www.cbbank.com](http://www.cbbank.com) in the "Investors" section under the "About Us" tab, or from Community at [www.cbank.com](http://www.cbank.com) in the "Investor Relations" section under the "About" tab.

### **Participants in Solicitation**

The Company and Community and their respective directors, executive officers, management and employees may be deemed to be participants in the solicitation of proxies in respect of the Merger. Information regarding the persons who may, under the rules of the SEC, be deemed participants in the solicitation of the Company's shareholders in connection with the proposed Merger is set forth in the joint proxy statement/registration statement which became effective on May 8, 2018. You can find information about the Company's executive officers and directors in its definitive proxy statement for its 2018 Annual Meeting of Shareholders, which was filed with the SEC on April 4, 2018. You can obtain free copies of such definitive proxy statement at the SEC's Internet site ([www.sec.gov](http://www.sec.gov)).

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits

<b><u>Exhibit No.</u></b>	<b><u>Description</u></b>
99.1	Copy of the CVB Financial Corp. May/June 2018 slide presentation, updated to reflect first quarter 2018 financial information, which its President and Chief Executive Officer, Christopher D. Myers will utilize while making a presentation to institutional investors at various meetings.

## Exhibit Index

- 99.1 [Copy of the CVB Financial Corp. May/June 2018 slide presentation, updated to reflect first quarter 2018 financial information, which its President and Chief Executive Officer, Christopher D. Myers will utilize while making a presentation to institutional investors at various meetings.](#)

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**CVB FINANCIAL CORP.**  
(Registrant)

Date: May 30, 2018

By: /s/ E. Allen Nicholson  
E. Allen Nicholson  
Executive Vice President and Chief  
Financial Officer



**CVB Financial Corp.**

May/June 2018

# Forward Looking Statements



*Certain matters set forth herein (including the exhibits hereto) constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including forward-looking statements relating to the Company's current business plans and expectations and our future financial position and operating results. Words such as "will likely result", "aims", "anticipates", "believes", "could", "estimates", "expects", "hopes", "intends", "may", "plans", "projects", "seeks", "should", "will," "strategy", "possibility", and variations of these words and similar expressions help to identify these forward looking statements, which involve risks and uncertainties. These forward-looking statements are subject to risks and uncertainties that could cause actual results, performance and/or achievements to differ materially from those projected. These risks and uncertainties include, but are not limited to, local, regional, national and international economic and market conditions and political events and the impact they may have on us, our customers and our assets and liabilities; our ability to attract deposits and other sources of funding or liquidity; supply and demand for real estate and periodic deterioration in real estate prices and/or values in California or other states where we lend, including both residential and commercial real estate; a sharp or prolonged slowdown or decline in real estate construction, sales or leasing activities; changes in the financial performance and/or condition of our borrowers, depositors, or key vendors or counterparties; changes in our levels of delinquent loans, nonperforming assets, allowance for loan losses and charge-offs; the costs or effects of mergers, acquisitions or dispositions we may make, including the pending merger of Community Bank with and into Citizens Business Bank, whether we are able to obtain any required governmental approvals in connection with any such mergers, acquisitions or dispositions, and/or our ability to realize the contemplated financial or business benefits associated with any such mergers, acquisitions or dispositions; our ability to realize cost savings or synergies in connection with any acquisitions we may make; the effect of changes in laws, regulations and applicable judicial decisions (including laws, regulations and judicial decisions concerning financial reforms, taxes, bank capital levels, allowance for loan losses, consumer, commercial or secured lending, securities and securities trading and hedging, bank operations, compliance, fair lending, employment, executive compensation, insurance, cybersecurity, vendor management and information security technology) with which we and our subsidiaries must comply or believe we should comply or which may otherwise impact us; the effects of, including additional legal and regulatory requirements to which we may become subject in the event our total assets exceed \$10 billion; changes in estimates of future reserve requirements and minimum capital requirements based upon the periodic review thereof under relevant regulatory and accounting requirements, including changes in the Basel Committee framework establishing capital standards for credit, operations and market risk; the accuracy of the assumptions and estimates and the absence of technical error in implementation or calibration of models used to estimate the fair value of financial instruments or expected credit losses or delinquencies; inflation, changes in market interest rates, securities market and monetary fluctuations; changes in government-established interest rates or monetary policies; changes in the amount and availability of deposit insurance; political developments, uncertainties or instability; disruptions in the infrastructure that supports our business and the communities where we are located, which are concentrated in California, involving or related to physical site access, and/or communication facilities; cyber incidents, or theft or loss of Company or customer data or money; terrorist and political uncertainty or instability activities, disease pandemics, catastrophic events, ; acts of war or terrorism, or natural disasters, such as earthquakes, drought, or the effects of pandemic diseases extreme weather events, electrical, environmental, computer servers, and communications or other services we use, or that affect our employees or third parties with whom we conduct business; our timely development and acceptance of new banking products and services and the perceived overall value of these products and services by our customers and potential customers; the Company's relationships with and reliance upon vendors with respect to certain of the Company's key internal and external systems and applications; changes in commercial or consumer spending, borrowing and savings preferences or behaviors; technological changes and the expanding use of technology in banking and financial services (including the adoption of mobile banking, funds transfer applications and electronic marketplaces for loans and other banking products or services); our ability to retain and increase market share, retain and grow customers and control expenses; changes in the competitive environment among financial and bank holding companies, banks and other financial service and technology providers; competition and innovation with respect to financial products and services by banks, financial institutions and non-traditional providers including retail businesses and technology companies; volatility in the credit and equity markets and its effect on the general economy or local or regional business conditions or on the Company's customers; fluctuations in the price of the Company's common stock or other securities, and the resulting impact on the Company's ability to raise capital or make acquisitions; the effect of changes in accounting policies and practices, as may be adopted from time-to-time by the regulatory agencies, as well as by the Public Company Accounting Oversight Board, the Financial Accounting Standards Board and other accounting standard-setters; changes in our organization, management, compensation and benefit plans, and our ability to retain or expand our workforce, management team and/or our board of directors; the costs and effects of legal, compliance and regulatory actions, changes and developments, including the initiation and resolution of legal proceedings (including such as securities, bank operations, consumer or employee class action litigation), the possibility that any settlement of any of the putative class action lawsuits may not be approved by the relevant court or that significant numbers of putative class members may opt out of any settlement; regulatory or other governmental inquiries or investigations, and/or the results of regulatory examinations or reviews; our ongoing relations with our various federal and state regulators, including the SEC, Federal Reserve Board, FDIC and California DBO; our success at managing the risks involved in the foregoing items and all other factors set forth in the Company's public reports, including our Annual Report on Form 10-K for the year ended December 31, 2017, and particularly the discussion of risk factors within that document. The Company does not undertake, 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 except as required by law. Any statements about future operating results, such as those concerning accretion and dilution to the Company's earnings or shareholders, are for illustrative purposes only, are not forecasts, and actual results may differ.*





▪ Total Assets:	\$8.4 Billion
▪ Gross Loans:	\$4.8 Billion
▪ Total Deposits (Including Repos):	\$7.2 Billion
▪ Total Equity:	\$1.1 Billion

- Largest financial institution headquartered in the Inland Empire region of Southern California. Founded in 1974.

Source: Q1 2018 earnings release & company filings

# Experienced Leadership



<b>Name</b>	<b>Position</b>	<b>Banking Experience</b>	<b>CVBF Service</b>
Christopher D. Myers	President & CEO	33 Years	12 Years
E. Allen Nicholson	Executive Vice President Chief Financial Officer	23 Years	2 Years
Dave F. Farnsworth	Executive Vice President Chief Credit Officer	33 Years	2 Years
David C. Harvey	Executive Vice President Chief Operations Officer	26 Years	8 Years
David A. Brager	Executive Vice President Sales Division	31 Years	15 Years
R. Daniel Banis	Executive Vice President CitizensTrust	34 Years	6 Years
Yamynn DeAngelis	Executive Vice President Chief Risk Officer	37 Years	31 Years
Richard Wohl	Executive Vice President General Counsel	30 Years	6 Years



<b>Name</b>	<b>CVBF Experience</b>	<b>Age</b>
Ray O'Brien - Chairman	6 Years	61
George Borba Jr. - Vice Chairman	6 Years	50
Steve Del Guercio	6 Years	56
Kristina Leslie	3 Years	53
Hal Oswalt	4 Years	70
Anna Kan	2 Years	44
Rod Guerra	1 Year	62
Chris Myers - CEO	12 Years	56



**CVB Financial Corp.**

Who is CVB Financial Corp.?

# Largest Bank Holding Companies in CA



Rank	Institution	Total Assets (MRQ) (3/31/18)
1	Wells Fargo & Company	\$1,915,388
2	First Republic Bank <sup>(1)</sup>	\$90,224
3	SVB Financial Group	\$53,501
4	East West Bancorp	\$37,693
5	PacWest Bancorp	\$24,149
6	Cathay General Bancorp	\$15,882
7	Hope Bancorp, Inc.	\$14,507
8	Pro Forma CVBF <sup>(2)</sup>	\$12,077

Source: SNL Financial

(1) Bank only, no holding company.

(2) Pro Forma total assets for the proposed merger with Community Bank. Excludes purchase accounting and other merger-related adjustments.

*In millions*



- 164 Consecutive Quarters of Profitability
- 114 Consecutive Quarters of Cash Dividends
- Ranked #1 Forbes, 2016 Best Banks in America (January 2016)
- Ranked #2 Forbes, 2017 Best Banks in America (January 2017)
- BauerFinancial Report
  - Five Star Rating (January 2018)
    - ❖ 35 Consecutive Quarters
- Fitch Rating
  - BBB (February 2018)

\*As ranked among domestic banks with \$5 to \$50 billion in assets



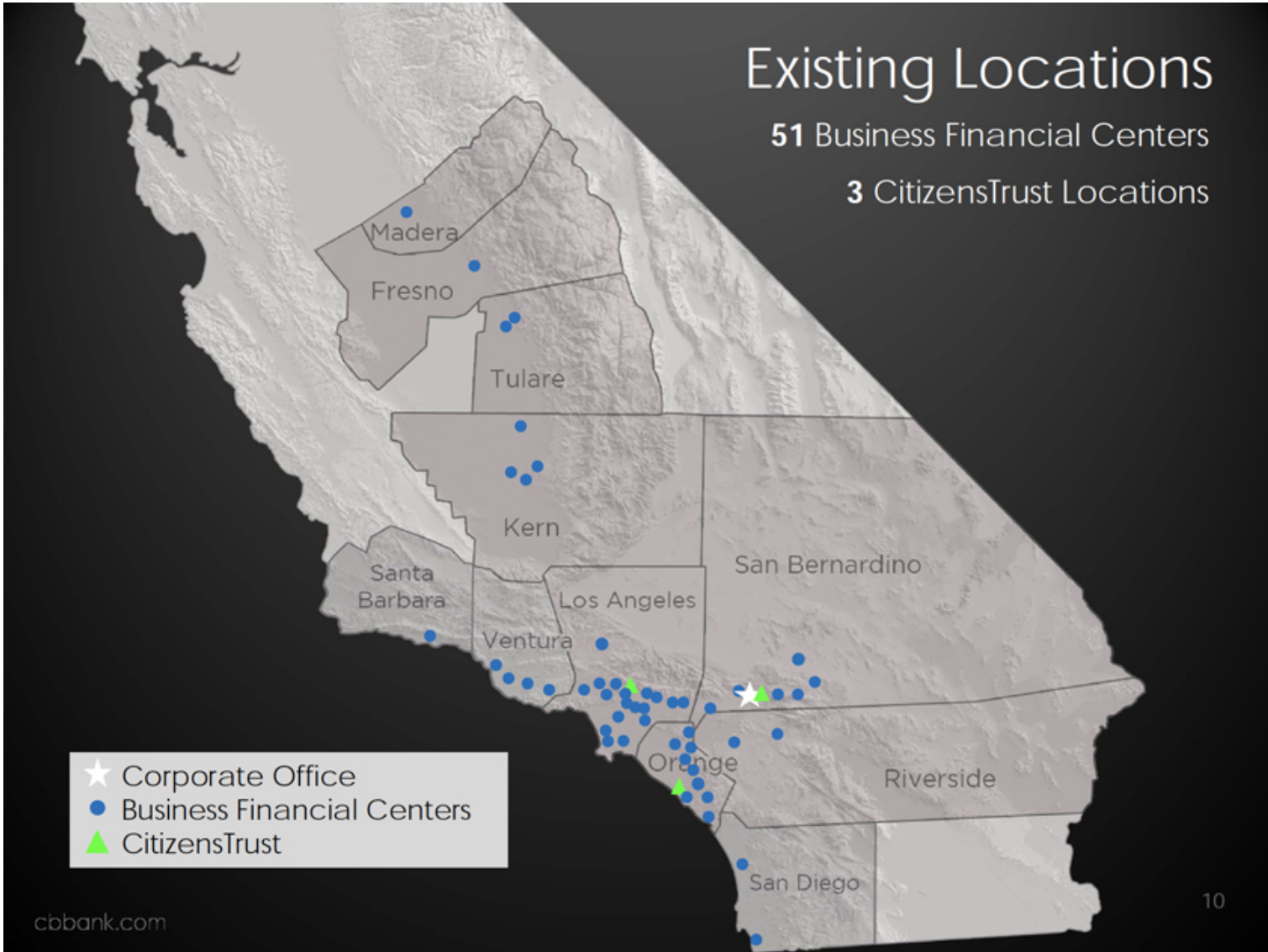
**CVB Financial Corp.**

Our Markets

# Existing Locations

51 Business Financial Centers

3 CitizensTrust Locations



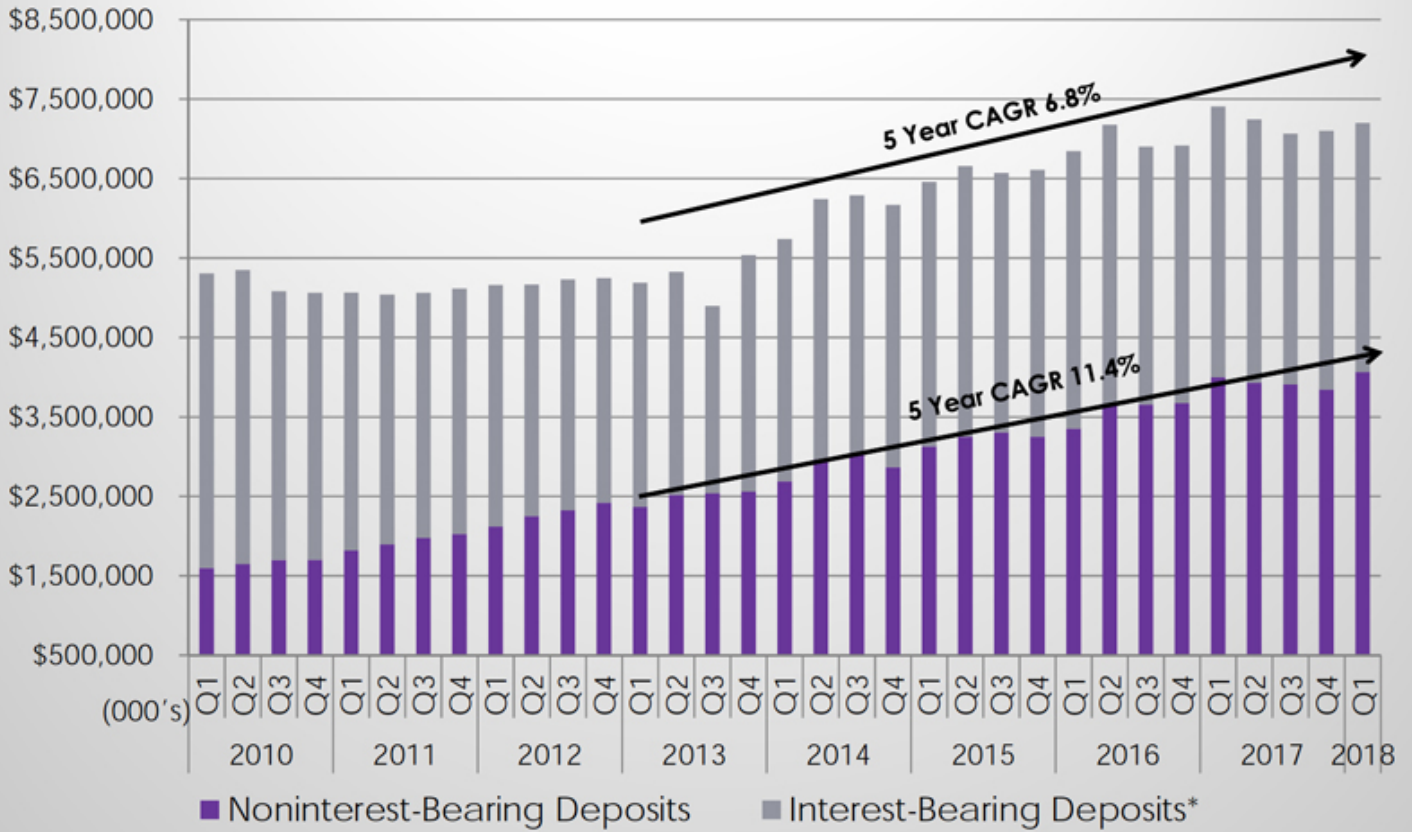




**CVB Financial Corp.**

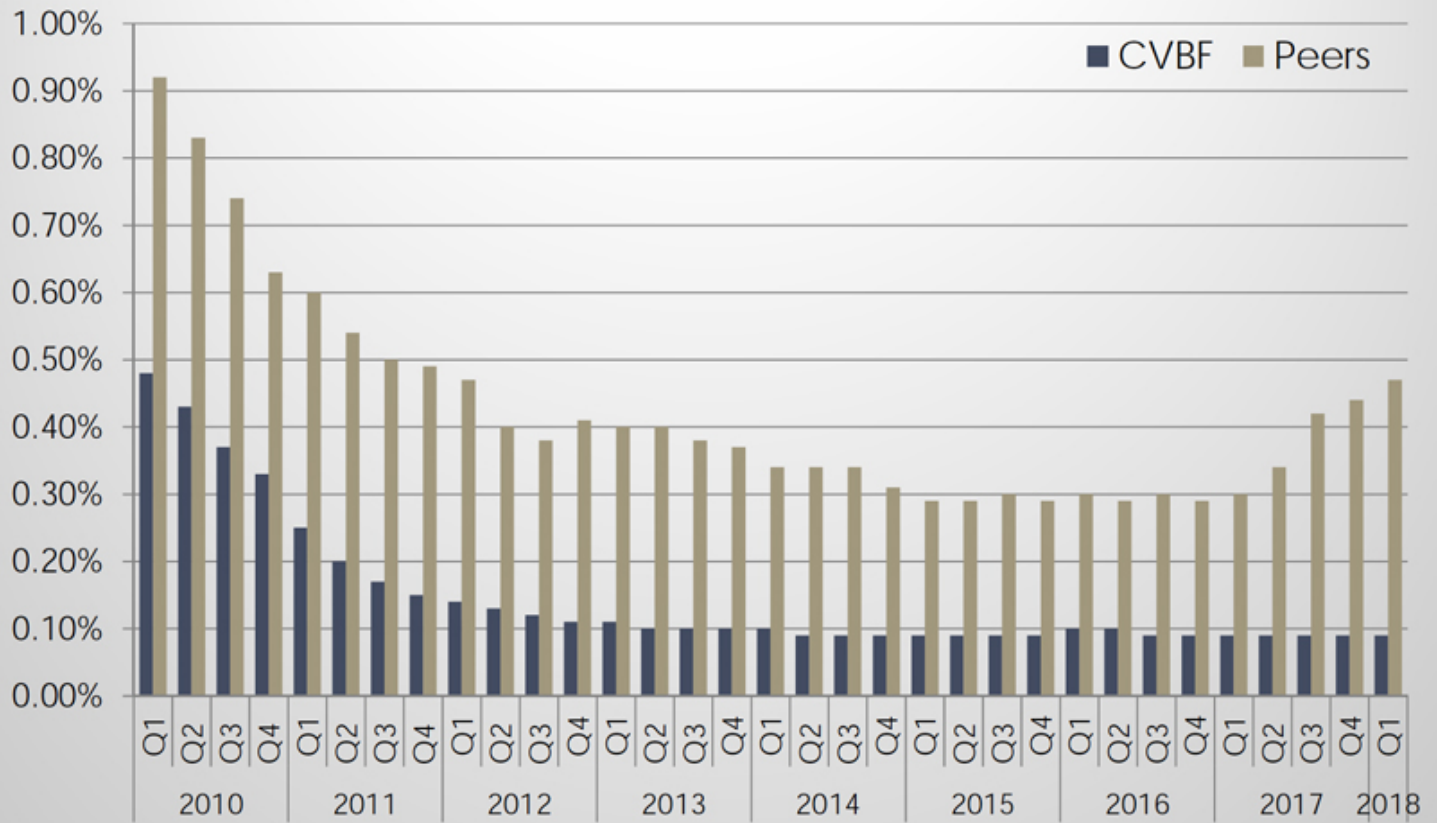
# Financial Performance

# Total Deposits\*



\*Interest-Bearing Deposits includes REPOs

# Deposit Cost Comparison



Source: Q1 2018 earnings release & other company filings, SNL Financial—peers represent public CA, AZ, HI, NV, OR & WA banks with assets \$2 - \$25 billion.

# Deposits\*

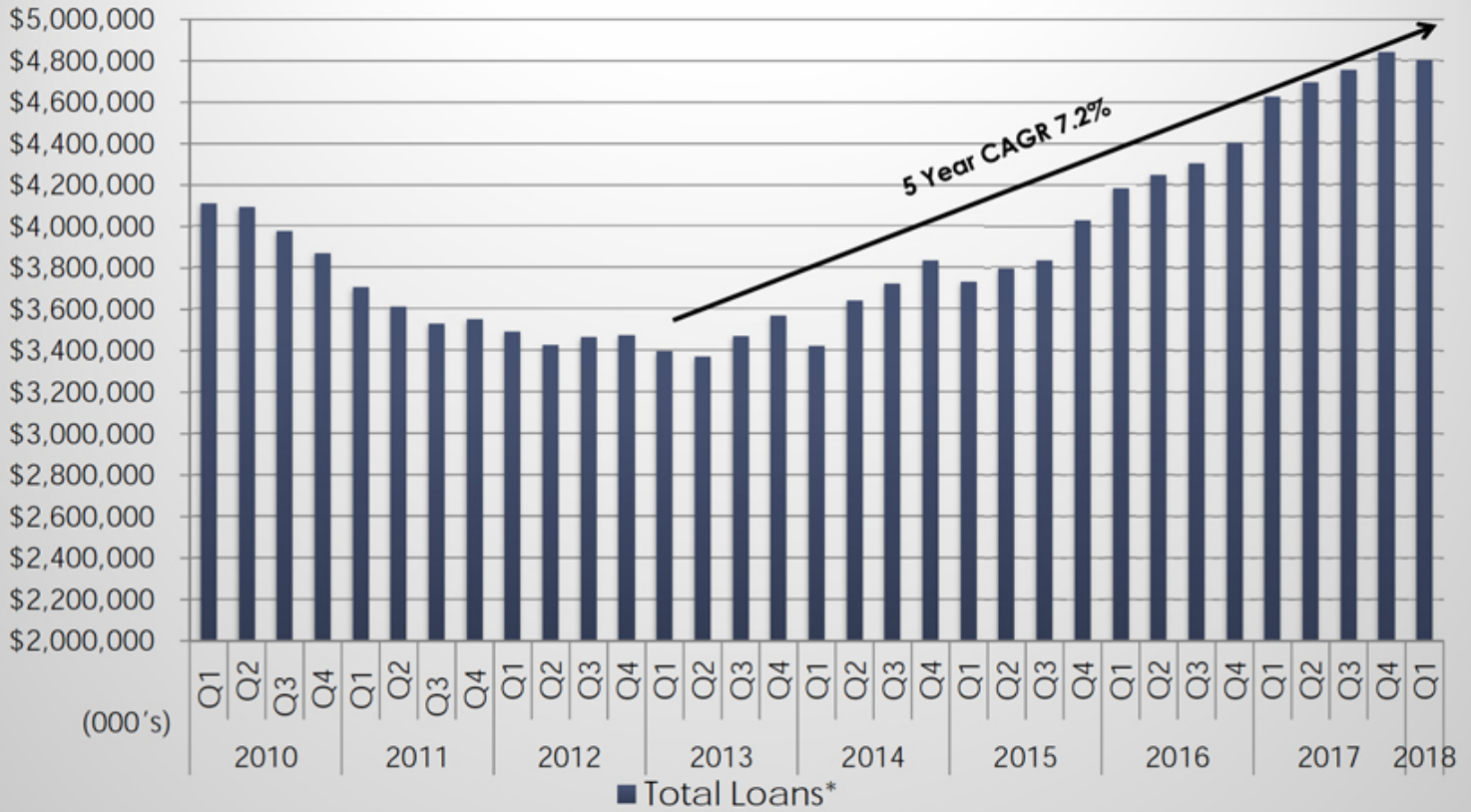


(000's)	# of Center Locations	Total Deposits (3/31/17)	Total Deposits (3/31/18)
Los Angeles County	18	\$2,740,604	\$2,442,035
Inland Empire (Riverside & San Bernardino Counties)	9	\$2,092,191	\$2,088,949
Central Valley	8	\$1,225,790	\$1,277,103
Orange County	9	\$1,042,834	\$1,059,385
Central Coast	5	\$264,917	\$276,144
San Diego	2	\$40,154	\$51,764
Other		\$710	\$1,332
<b>Total</b>	<b>51</b>	<b>\$7,407,200</b>	<b>\$7,196,712</b>

Average Cost of Deposits (Year-to-Date)	0.11%	0.11%
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\*Includes Customer Repurchase Agreements

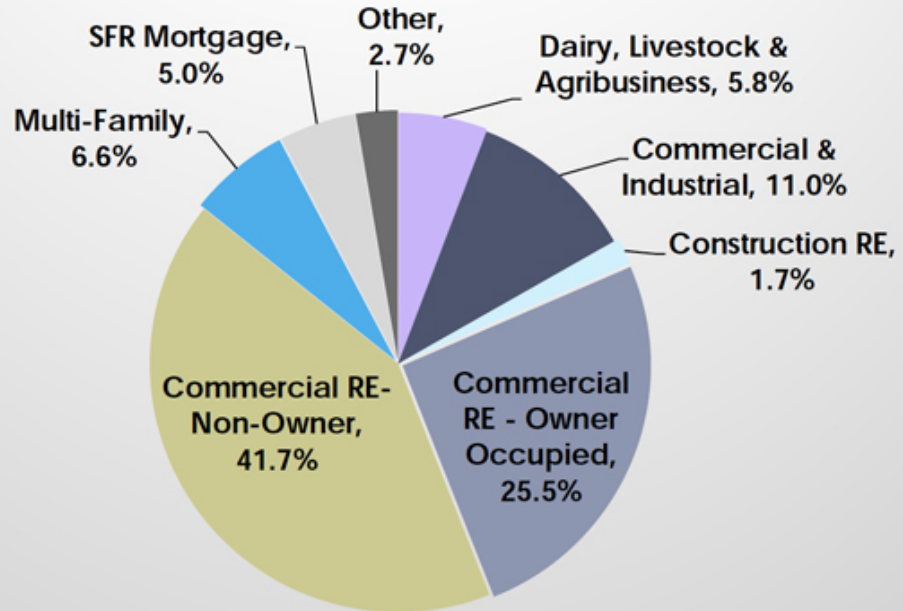
# Total Loans\*



\*Excludes deferred loan fees, discount on PCI loans, and allowance for loan losses  
 Includes covered and non-covered loans for all periods presented



## Total Loans by Type



Source: Q1 2018 earnings release & company reports

# Total Loans\*



(000's)	# of Center Locations	Average Loans per Location	Total Loans* (3/31/18)
Los Angeles County	18	\$90,406	\$1,627,308
Central Valley	8	\$125,688	\$1,005,503
Inland Empire (Riverside & San Bernardino Counties)	9	\$83,025	\$747,229
Orange County	9	\$67,603	\$608,423
Central Coast	5	\$71,158	\$355,792
San Diego	2	\$68,881	\$137,761
Other California			\$104,558
Out of State			\$215,184
<b>Total</b>	<b>51</b>		<b>\$4,801,758</b>

\*Excludes deferred loan fees, MTM discount on PCI loans, allowance for loan losses and loans held-for-sale

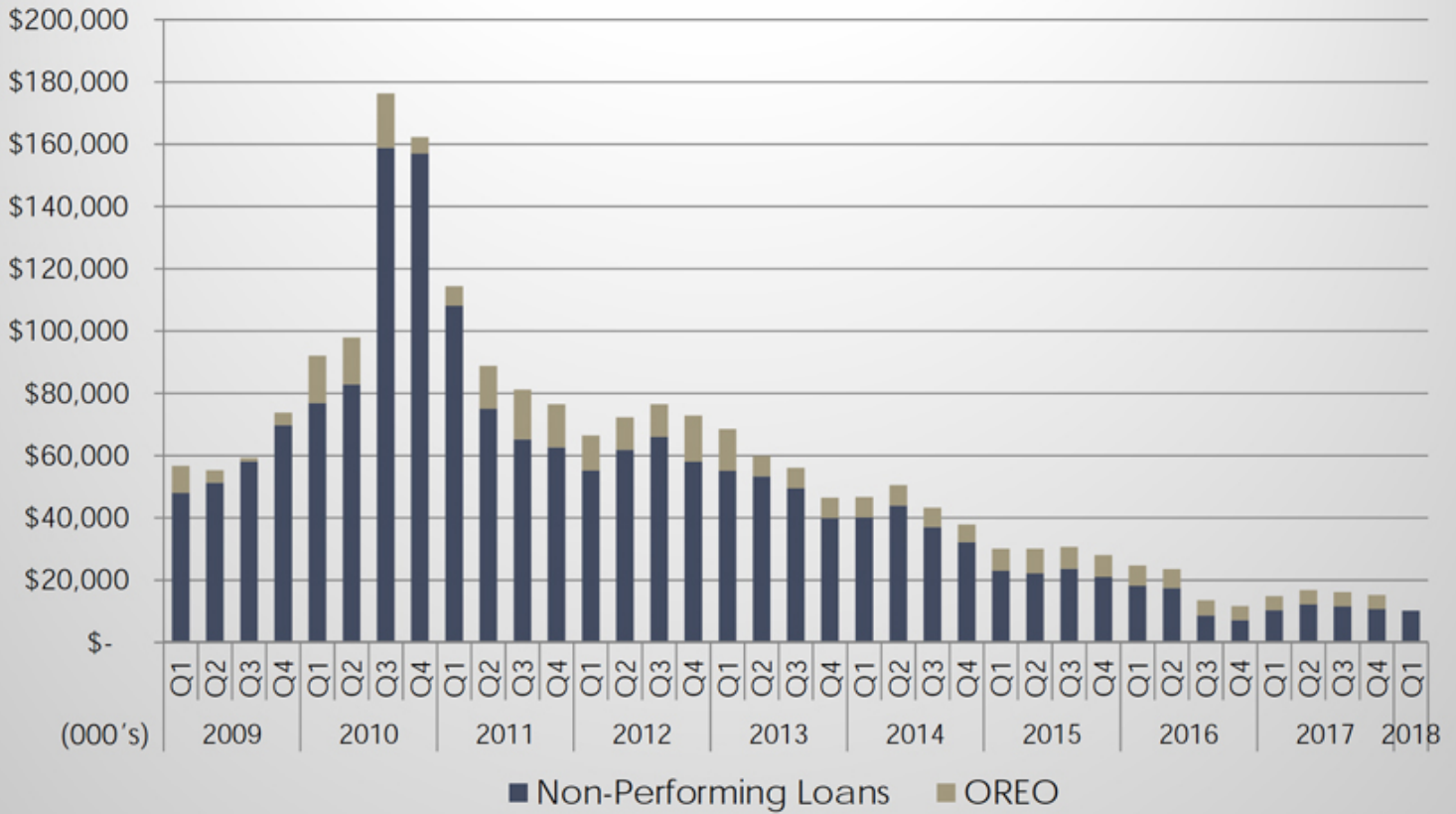


**CVB Financial Corp.**

Credit Quality

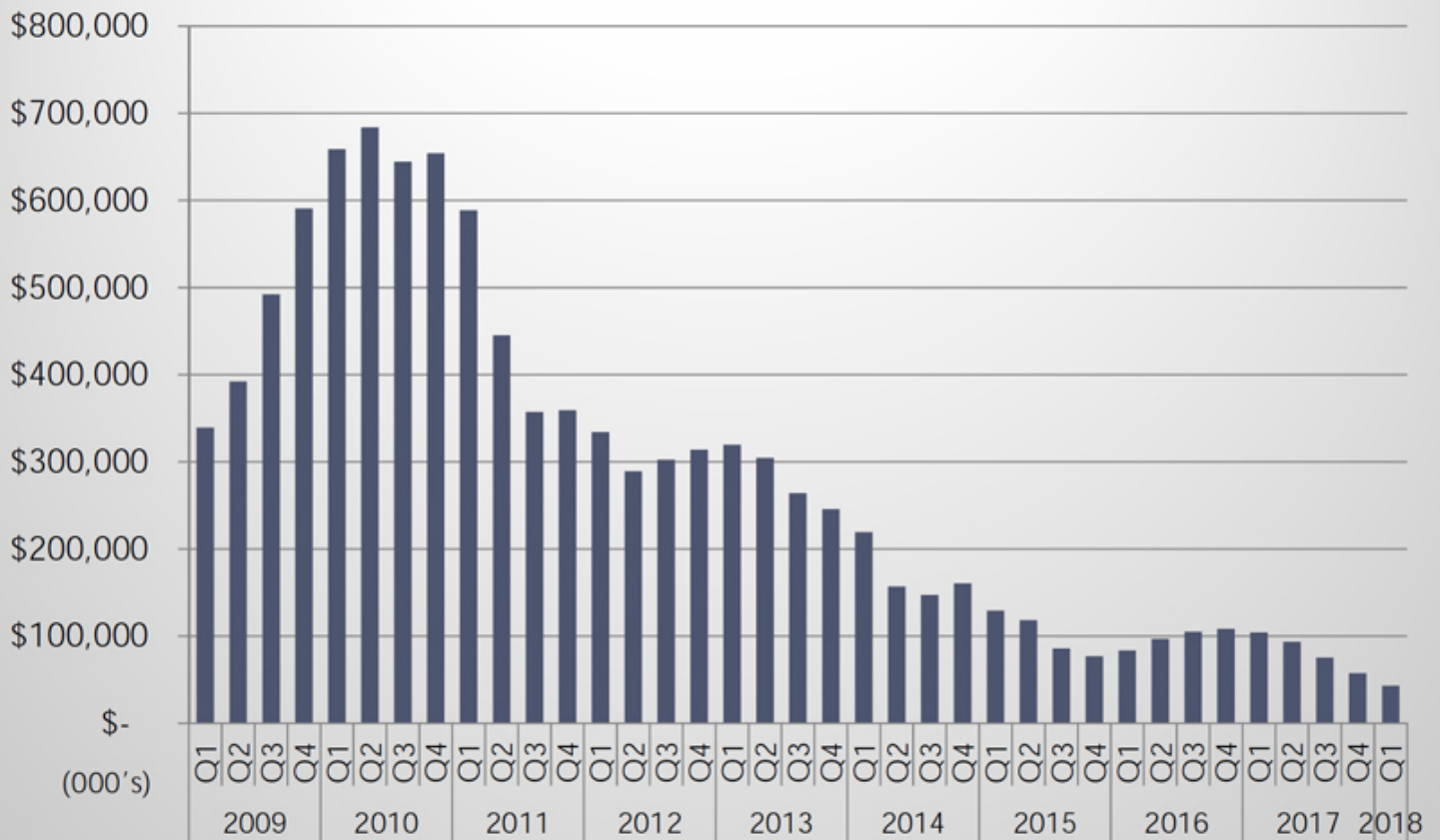


# Non-Performing Assets\*



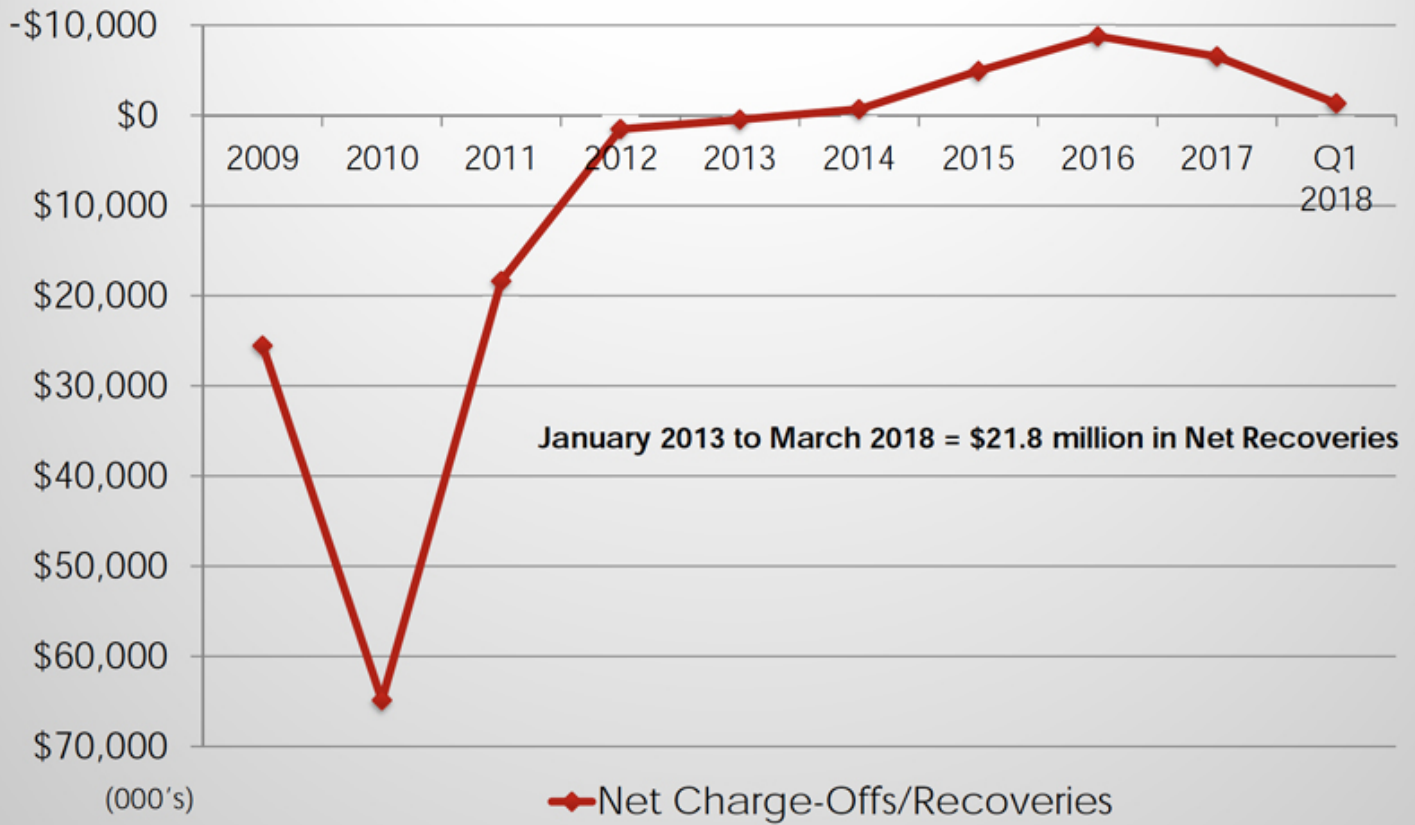
\*Non-Covered assets | Starting in the 4th quarter of 2014, covered and non-covered assets are combined

# Classified Loans\*



\*Non-Covered loans | Starting in the 4th quarter of 2014, covered and non-covered loans are combined

# Loans: Net Charge-Offs\*



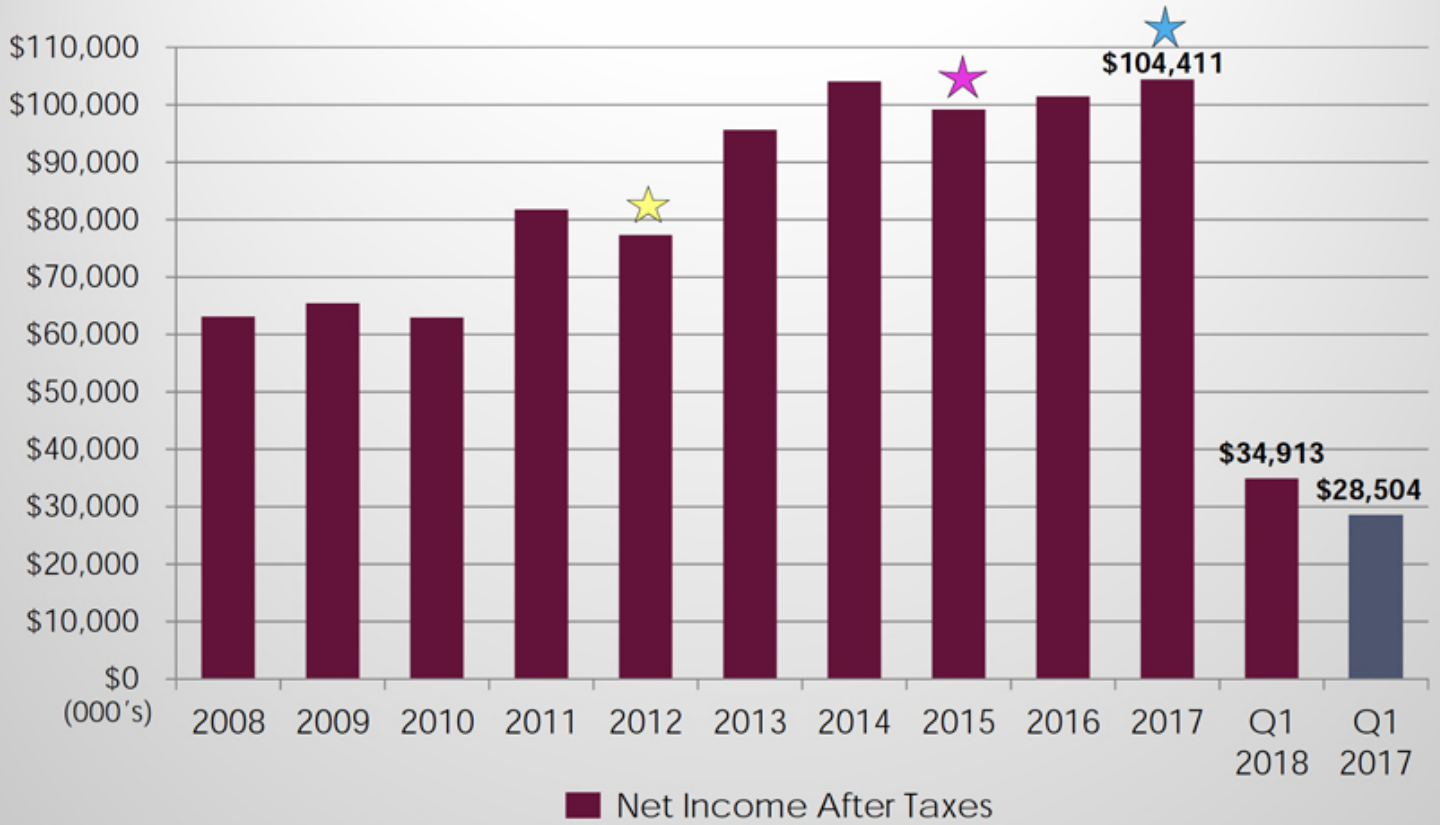
\*Non-Covered | Starting in the 4th quarter of 2014, covered and non-covered loans are combined



**CVB Financial Corp.**

Profits

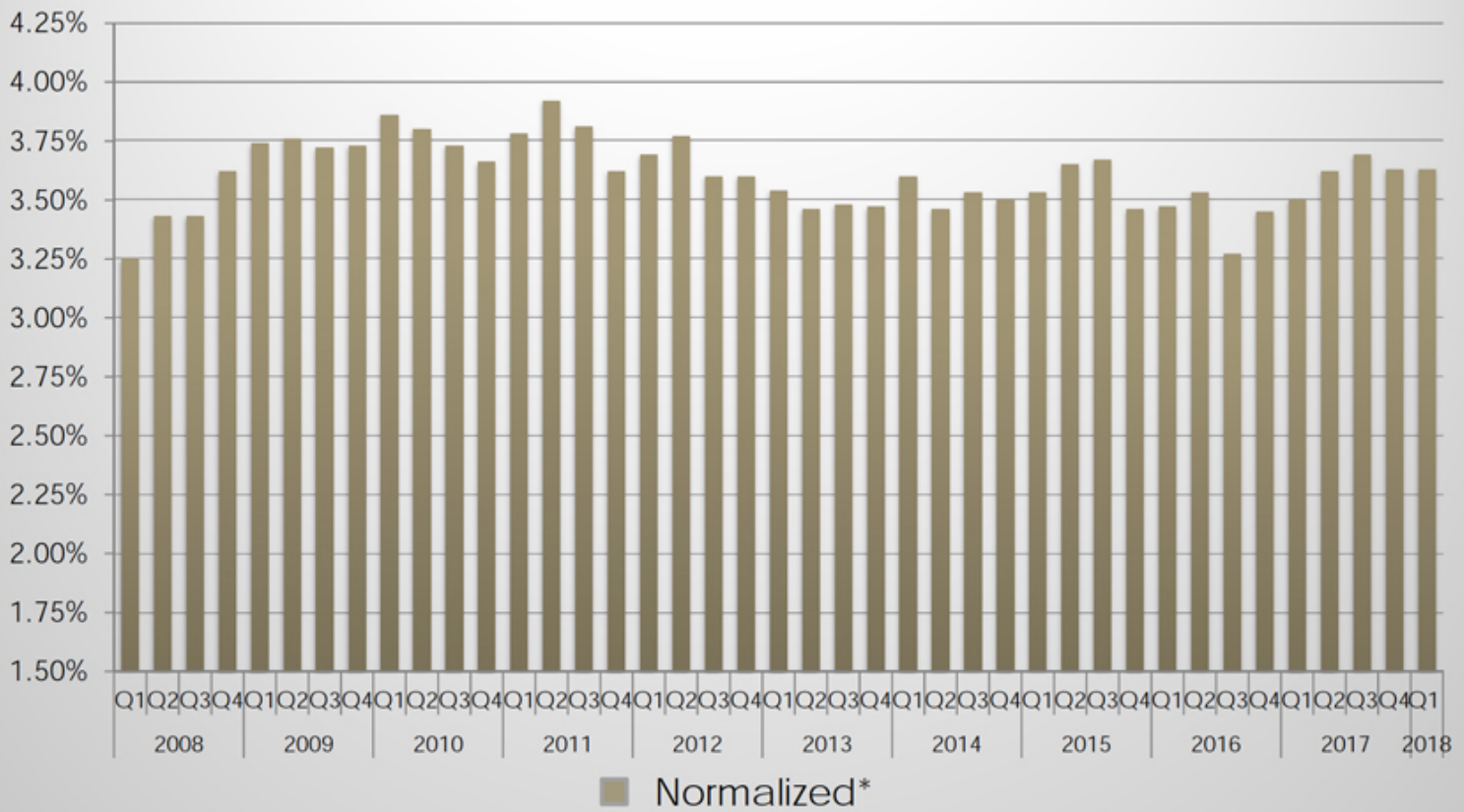
# Net Income



★ \$20.4 million FHLB prepayment charge  
★ \$13.9 million FHLB prepayment charge

★ \$13.2 million additional tax exp. due to DTA revaluation

# Net Interest Margin



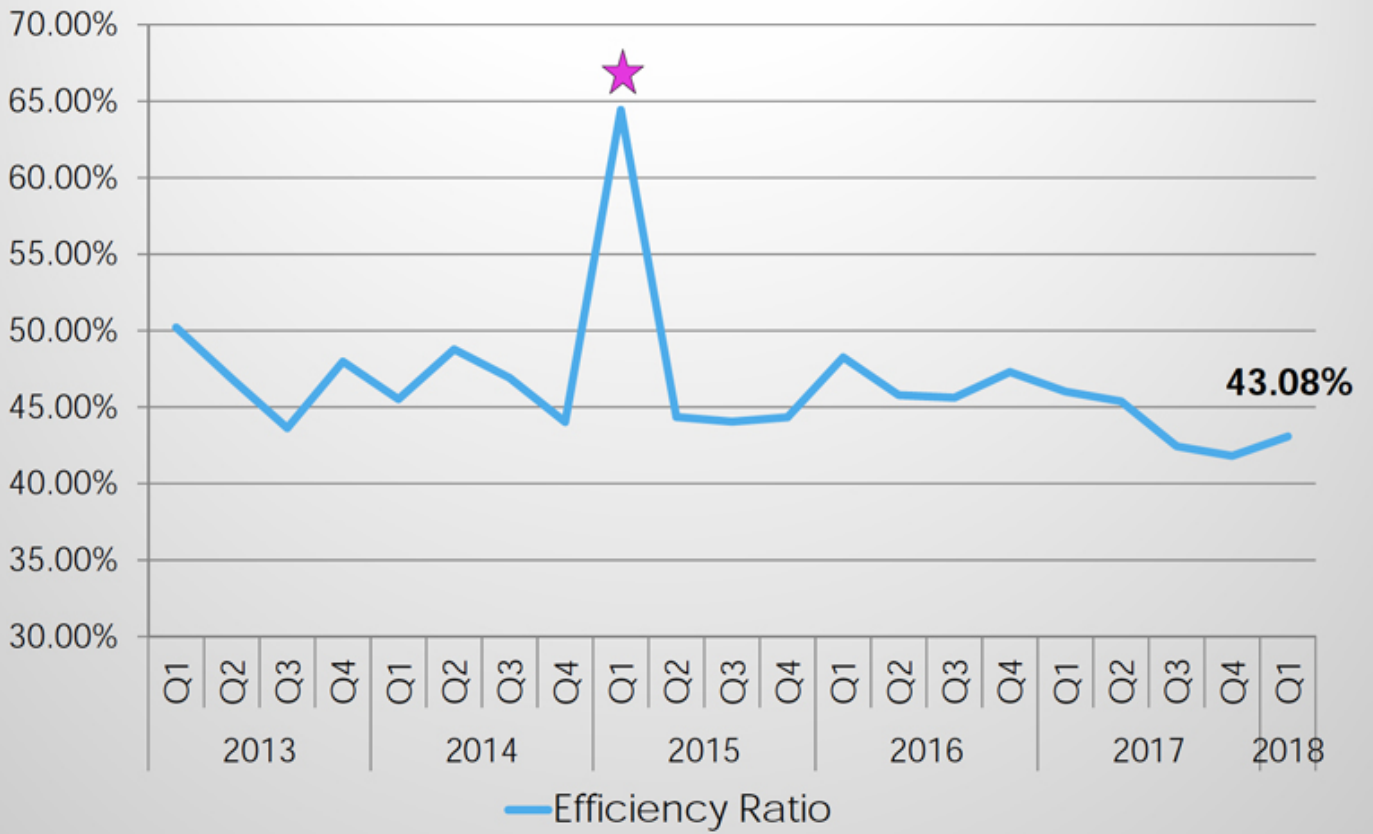
\*Normalized tax equivalent excludes accretion on covered loans (Purchase Credit Impaired)



**CVB Financial Corp.**

## Efficiency & Expenses

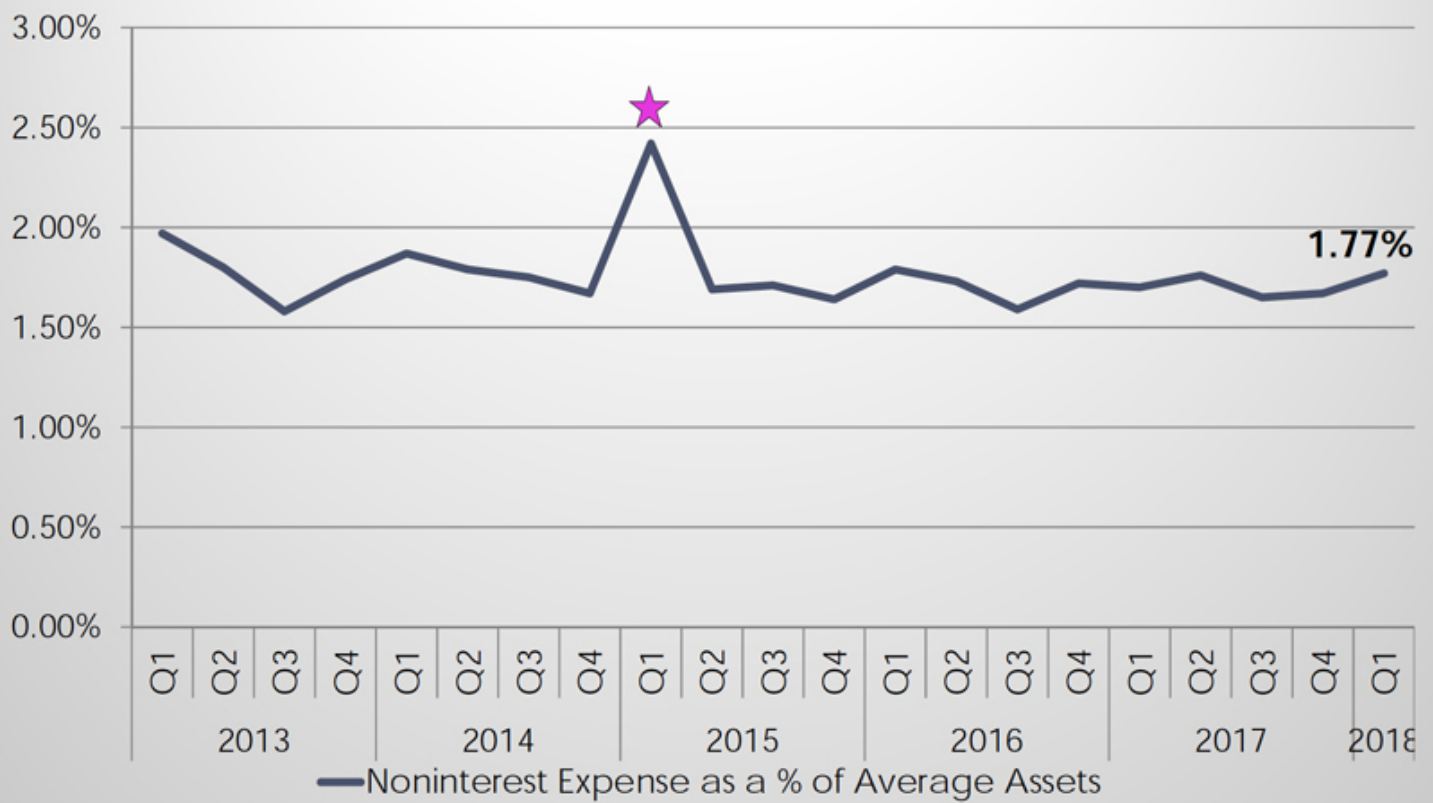
# Efficiency Ratio



★ \$13.9 million FHLB prepayment charge



# Noninterest Expense as a % of Average Assets



★ \$13.9 million FHLB prepayment charge



**CVB Financial Corp.**

Capital



	Adequately Capitalized Ratio	Well-Capitalized Ratio	March 31, 2018*
Tier 1 Risk-based Capital Ratio	6.0%	8.0%	17.3%
Total Risk-based Capital Ratio	8.0%	10.0%	18.4%
Common Equity Tier 1 Capital Ratio	4.5%	6.5%	16.9%
Tier 1 Leverage Ratio	4.0%	5.0%	12.2%

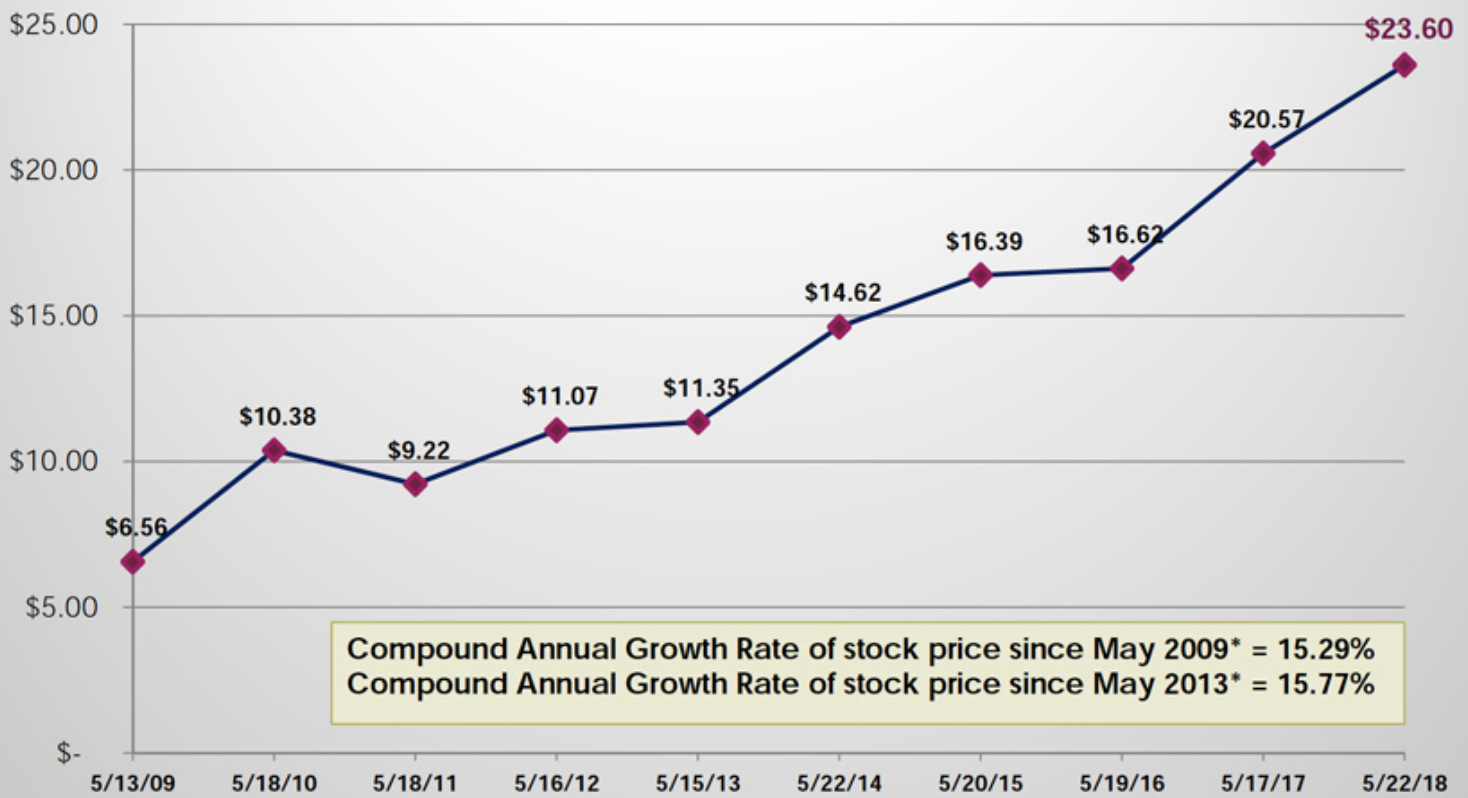
\* CVB Financial Corp. – Consolidated



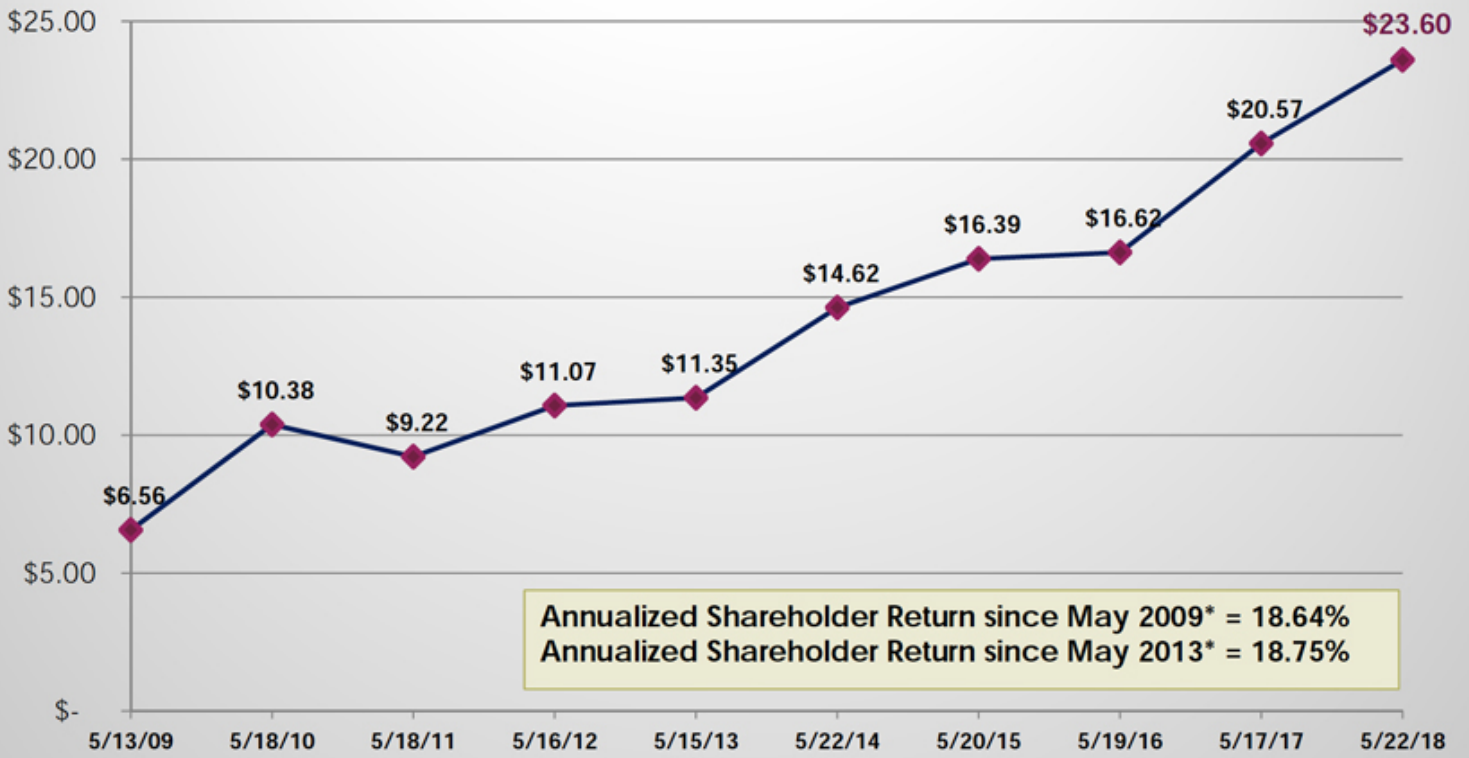
**CVB Financial Corp.**

## 'CVBF' Stock Performance

# 'CVBF' Stock Price Performance



# 'CVBF' Shareholder Return



\*Compound Annual Growth Rate (CAGR) of stock price plus average dividend yield.



**CVB Financial Corp.**

Securities & Investments

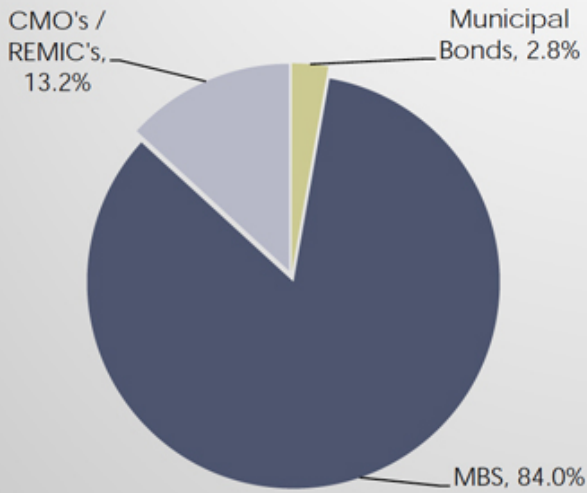
[cbbank.com](http://cbbank.com)

# Securities Portfolio\* - \$2.7 Billion

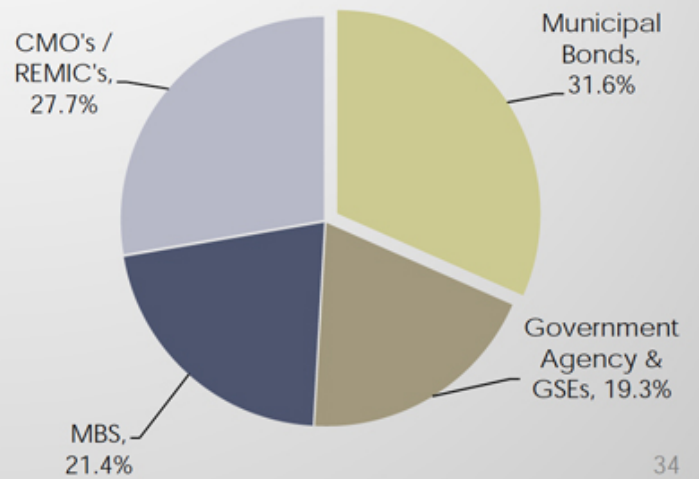


Yield on securities portfolio = 2.41% for the 1st Quarter 2018

## \$1.94 Billion \*Available For Sale



## \$798.3 Million \*Held to Maturity



Source: Q1 2018 earnings release | Yield on securities represents the fully taxable equivalent

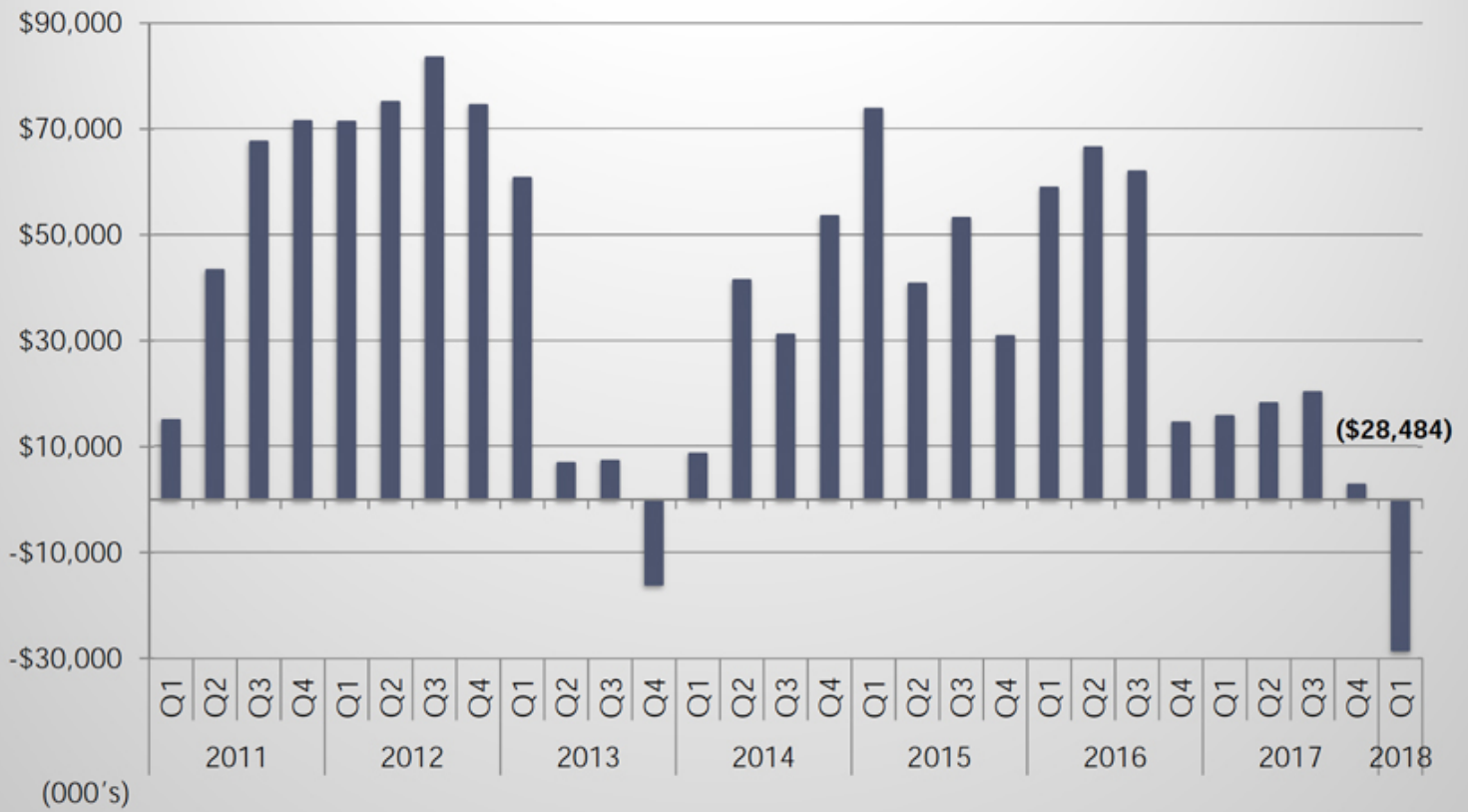


# Securities Portfolio\*

## \$1.94 Billion



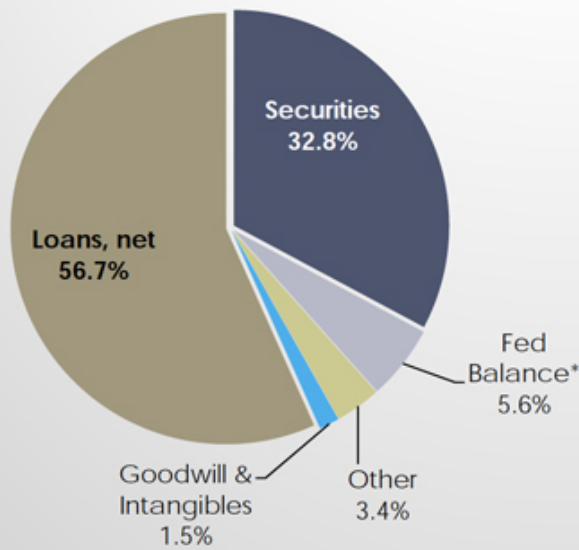
### Mark-to-Market (Pre-tax)



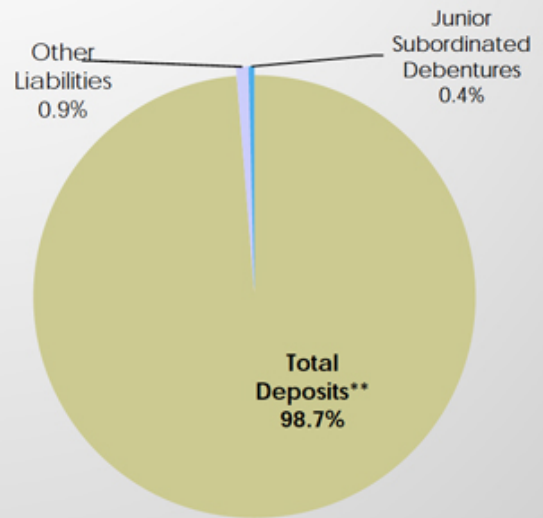
\*Available For Sale Securities Only



**3/31/18**  
**Assets - \$8.4 Billion**



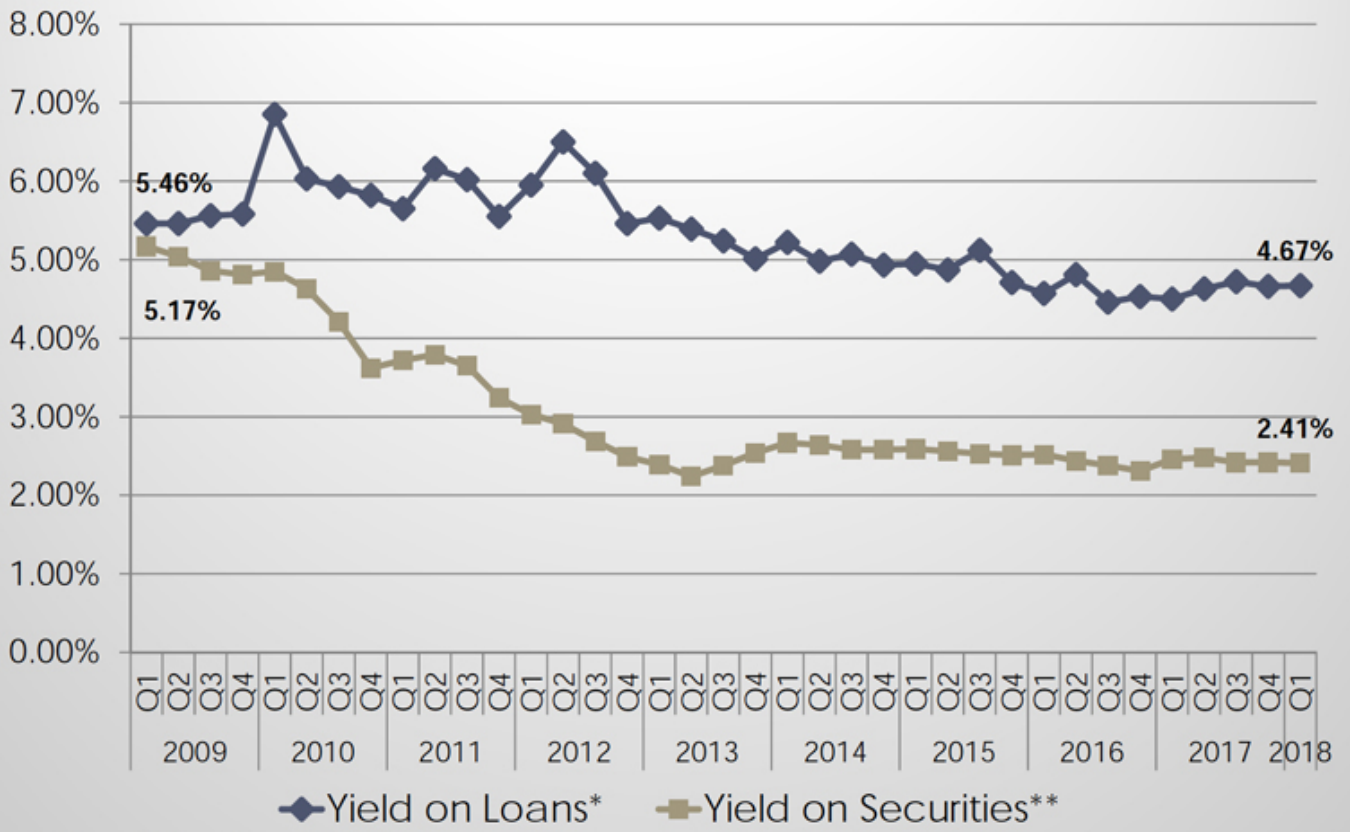
**3/31/18**  
**Liabilities - \$7.3 Billion**



\*Includes overnight funds held at the Federal Reserve, Interest earning - due from Correspondent Banks, other short-term money market accounts or certificates of deposit

\*\*Includes Customer Repurchase Agreements

# Yield on Securities vs. Yield on Loans



\* Includes Discount Accretion on PCI loans  
 \*\*Includes Available for Sale and Held to Maturity, TE



**CVB Financial Corp.**

# Our Growth Strategy





The best privately-held and/or family-owned businesses throughout California

- Annual revenues of \$1-200 million
- Top 25% in their respective industry
- Full relationship banking
- Build 20-year relationships



**De Novo**

San Diego (2014)  
Oxnard (2015)  
Santa Barbara (2015)  
San Diego (2017)  
Stockton (Pending)

**Acquisitions**

American Security Bank (2014)  
County Commerce Bank (2016)  
Valley Business Bank (2017)  
Community Bank (Pending)



## --Banks--

- Target size: \$200 million to \$4 billion in assets
- Financial & Strategic
- In-market and/or adjacent geographic market (California)

## --Banking Teams--

- In-market & 'new' markets





- Grow loans Through Relationship Banking Strategy
- Grow Core Deposits
- Execute on Community Bank Integration
- Prepare for \$10 Billion and Beyond
- Fraud Prevention



1

**Financial  
Strength**

2

**Superior  
People**

3

**Customer  
Focus**

4

**Cost-  
Effective  
Operation**

5

**Having  
Fun**



**CVB Financial Corp.**

Merger with Community Bank

[cbbank.com](http://cbbank.com)



## Company Overview

- Founded in 1945
- Headquartered in Pasadena, CA
- 16 office locations throughout the greater Los Angeles and Orange County areas
- Focused on small and medium sized businesses

## Financial Highlights<sup>(1)</sup>

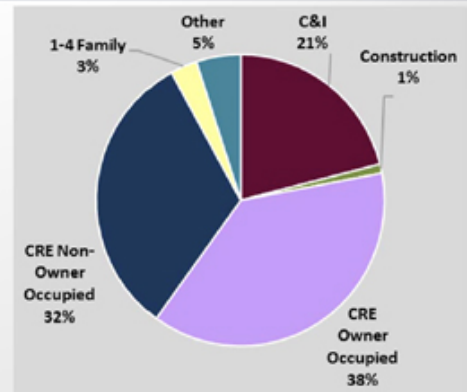
Total Assets	\$3.7 billion
Gross Loans	\$2.8 billion
Total Deposits	\$2.8 billion
<b>Loan / Deposit Ratio</b>	<b>97.9%</b>
Tang. Common Equity / Tang. Assets	9.3%
Return on Average Assets	0.87%
<b>Efficiency Ratio</b>	<b>64.1%</b>
Net Interest Margin	3.56%
Nonperforming Assets / Total Assets	0.29%
<b>Non-Owner Occupied CRE / TRBC Ratio<sup>(2)</sup></b>	<b>220%</b>

(1) Financial data as of or for the three months ended March 31, 2018.

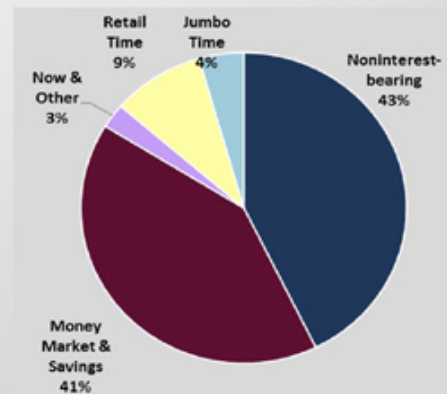
(2) Excludes unused loan commitments.

## Loan and Deposit Composition<sup>(1)</sup>

Loan Composition



Deposit Composition



# Transaction Summary



## Consideration

- 9.4595 fixed exchange ratio and \$56.00 per share in cash
- Approximately 30.0 million CVBF shares issued to CYHT and \$177.5 million in cash
- Approximately 80% stock and 20% cash
- \$885.2 million aggregate transaction value<sup>(1)</sup>

## Pro Forma Ownership

- 78.6% CVBF
- 21.4% CYHT

## Board of Directors

- One CYHT director will be appointed to CVBF's Board of Directors
- Pro forma CVBF Board of Directors will consist of 9 directors

## Required Approvals

- Customary regulatory approvals
- CVBF and CYHT shareholder approvals

## Anticipated Timing

- 3<sup>rd</sup> quarter of 2018

(1) Based on the fixed exchange ratio, fixed cash amount and CVBF's closing stock price of \$23.60 on 2/26/2018.

# Key Transaction Terms & Assumptions<sup>(1)</sup>



## Cost Savings

- Approximately \$39.8 million
- Approximately 50% of CYHT's noninterest expense with a 100% realization by mid 2019

## Revenue Adjustments

- Revenue enhancements identified but not included

## Loan Marks

- 1.40% (\$39.6 million) loan credit mark
- 0.60% (\$17.0 million) loan interest rate mark

## Core Deposit Intangible

- 1.50% (\$37.3 million) of CYHT's non-time deposits

## Transaction Expenses

- Approximately \$44 million (pre-tax)

(1) Estimated financial impact is presented solely for illustrative purposes based on consensus analyst estimates for CVBF and preliminary estimates for CYHT. Includes estimated purchase accounting and other merger-related adjustments.



- Two organizations that have stood the test of time
- Similar Cultures – Competitors become partners
- All-Star Team of Employees – Deeper Bench
- Expanded Product Offering
- Enhanced Asset Mix
- Enhanced Funding Mix
- Geographic Overlap – Anticipated Cost Synergies



- Complementary business banking models with similar core values and corporate cultures
- Long history for each institution through multiple economic cycles
- Combined company of approximately \$12 billion in total assets pro forma
- Efficiency and scale is expected to result in better operating leverage and offset the cost of crossing over the \$10 billion threshold
- Increase deposit market share and geographic reach in key operating markets
- Leverage excess capital while maintaining strong regulatory capital ratios
- Enhance CVBF's long-term shareholder value



# Multiples and Financial Impact<sup>(1)</sup>



	<u>Transaction Valuation at Announcement <sup>(2)(3)</sup></u>	<u>CVBF Valuation at Announcement <sup>(3)</sup></u>
Price / Tangible Book Value	2.47x	2.72x
Price / LTM EPS <sup>(4)</sup>	26.1x	22.0x
Price / 2018 EPS <sup>(4)</sup>	--	18.6x
Core Deposit Premium <sup>(5)</sup>	21.0%	--
	<u>80% Stock / 20% Cash</u>	<u>100% Stock Equivalent<sup>(6)</sup></u>
2019e EPS Accretion	~ 12%	~ 7%
Internal Rate of Return	> 15%	> 15%
TBVPS Dilution	~ 11%	~ 2%
TBV Earnback Period	~ 4.9 years	~ 1.6 years

(1) Estimated financial impact is presented solely for illustrative purposes based on consensus analyst estimates for CVBF and preliminary estimates for CYHT. Includes estimated purchase accounting and other merger-related adjustments.

(2) Utilizing the fixed exchange ratio and fixed cash amount.

(3) Based on CVBF's closing stock price of \$23.37 on 2/23/2018

(4) LTM EPS excludes expenses related to the revaluation of the deferred tax asset. CVBF 2018e EPS per consensus analyst estimates.

(5) Core deposits are defined as total deposits less time deposits with balances above \$100,000.

(6) For illustrative purposes only.

# Pro Forma Profitability and Capital<sup>(1)</sup>

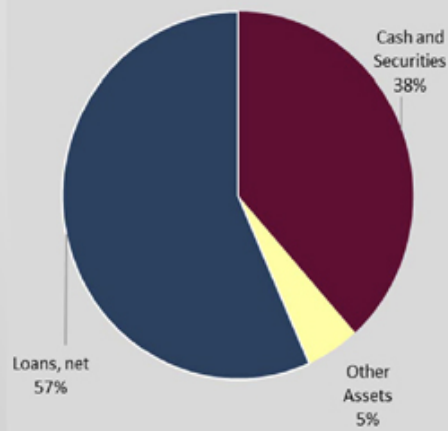


(1) Estimated financial impact is presented solely for illustrative purposes based on consensus analyst estimates for CVBF and preliminary estimates for CYHT. Includes estimated purchase accounting and other merger-related adjustments.

# Asset Composition (3/31/2018)

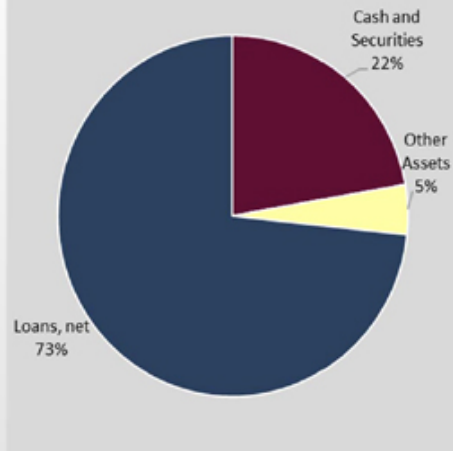


## CVB Financial Corp.



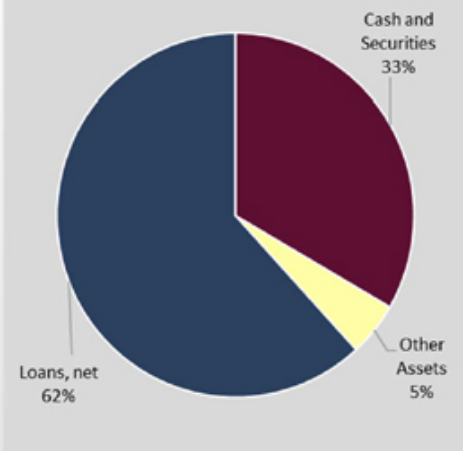
**Total Assets: \$8.4 billion**

## Community Bank



**Total Assets: \$3.7 billion**

## Pro Forma<sup>(1)</sup>



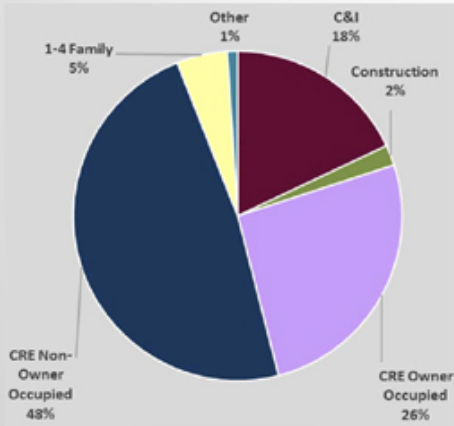
**Total Assets: \$12.1 billion**

Note: Financial data as of or for the three months ended March 31, 2018.  
(1) Excludes purchase accounting and other merger-related adjustments.

# Loan Composition (3/31/2018)

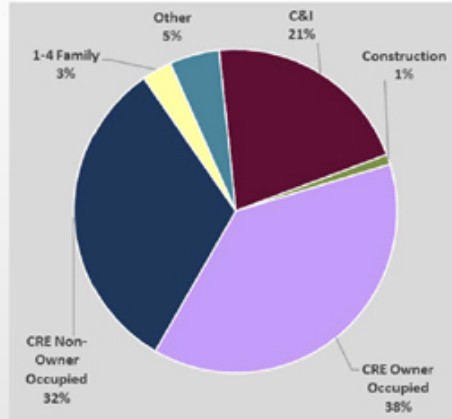


## CVB Financial Corp.



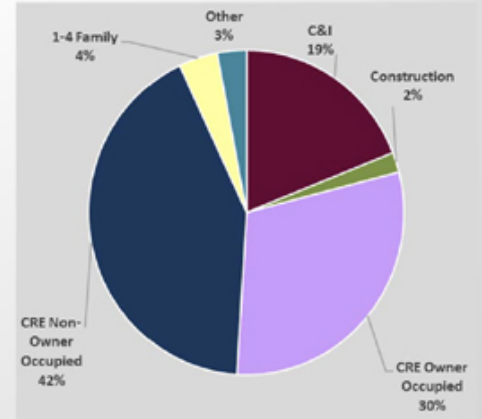
Gross Loans: \$4.8 billion  
Yield on Loans: 4.67%

## Community Bank



Gross Loans: \$2.8 billion  
Yield on Loans: 4.46%

## Pro Forma<sup>(1)</sup>



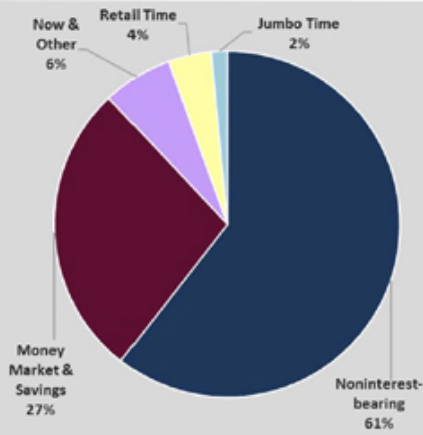
Gross Loans: \$7.6 billion

Note: Financial data as of or for the three months ended March 31, 2018.  
(1) Excludes purchase accounting and other merger-related adjustments.

# Deposit Composition (3/31/2018)

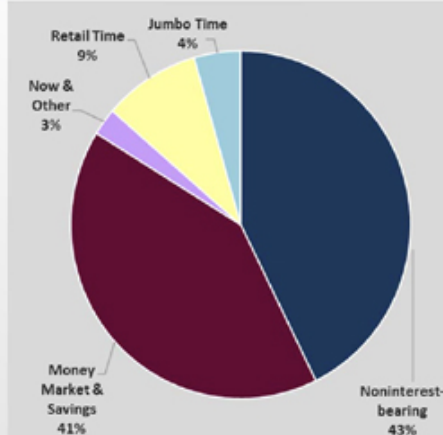


## CVB Financial Corp.



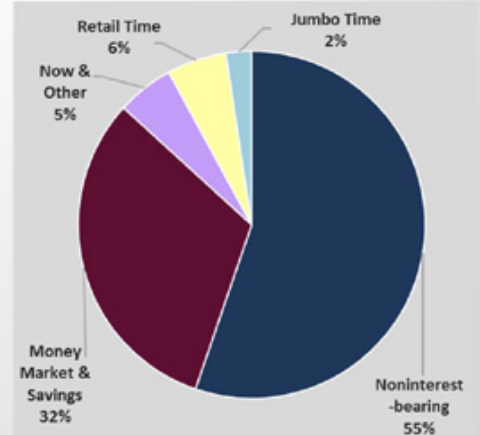
**Total Deposits: \$6.7 billion**  
**Cost of Deposits: 0.09%**

## Community Bank



**Total Deposits: \$2.8 billion**  
**Cost of Deposits: 0.39%**

## Pro Forma<sup>(1)</sup>



**Total Deposits: \$9.5 billion**

Note: Financial data as of or for the three months ended March 31, 2018.  
 (1) Excludes purchase accounting and other merger-related adjustments.



**CVB Financial Corp.**

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