



CVB Financial Corp.

STATEMENT OF CONDITION

June 30, 2021

CEO Message

CVB Financial Corp. reported net earnings of \$51.2 million for the quarter ended June 30, 2021, compared with \$63.9 million for the first quarter of 2021 and \$41.6 million for the second quarter of 2020. Our earnings in the second and first quarter of 2021 were impacted by \$2 million and \$19.5 million, respectively, in recapture of allowance for credit losses due to the improving economic forecast, while the second quarter of 2020 included a \$11.5 million provision for credit losses due to the deterioration in the economy that was forecasted during the early days of the pandemic. We reported total assets of \$15.54 billion at June 30, 2021. This represents an increase of \$698.9 million, or 4.71%, from total assets of \$14.84 billion at March 31, 2021 and was primarily due to an increase in cash resulting from growth in deposits and customer repurchase agreements of \$662.3 million from March 31, 2021. We announced our 177th consecutive quarter of profitability, our 127th consecutive cash dividend paid to shareholders, and the second largest acquisition in our Bank's history.

On July 27, 2021, we entered into an agreement to merge with Suncrest Bank, headquartered in Visalia, California. Suncrest Bank was formed in 2008 and has approximately \$1.3 billion in total assets with seven branch locations and two loan production offices throughout California's Central Valley. We expect the merger to be finalized in the fourth quarter of this year or the first quarter of 2022. The acquisition will deliver important benefits to our combined customers through our increased presence in the Central Valley and expansion into Sacramento, a sizable and important new market for us that presents significant growth opportunities going forward.

I'm proud of our associates and their dedication to the Bank and our customers over the past 15 months. Over 300 of our associates were involved in providing more than 6,000 Paycheck Protection Program loans, totaling over \$1.5 billion, to our customers in support of their businesses. As of June 30, 2021, our customers have received forgiveness on over \$860 million of these loans.

CitizensTrust, our wealth management division that provides trust, investment, and brokerage-related services, as well as financial, estate, and business succession planning, had approximately \$3.25 billion in assets under management and administration, including \$2.40 billion in assets under management, at quarter end.

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 healthy and safe.

Chief Executive Officer
CVB Financial Corp., Citizens Business Bank

Board of Directors

Raymond V. O'Brien III Chairman	George A. Borba Vice Chairman
David A. Brager Chief Executive Officer	Kristina M. Leslie Director
Stephen A. Del Guercio Director	Jane Olvera Director
Anna Kan Director	Hal W. Oswald Director
Marshall V. Laitsch Director	Rodrigo Guerra, Jr. Director

Leadership Team

David A. Brager Chief Executive Officer	Brian T. Mauntel President
David C. Harvey EVP, Chief Operations Officer	E. Allen Nicholson EVP, Chief Financial Officer
R. Daniel Banis EVP, CitizensTrust	David F. Farnsworth EVP, Chief Credit Officer
Ted J. Dondanville EVP, Banking Division	Yamynn De Angelis EVP, Chief Risk Officer
Susan M. Mlot EVP, Head of Operations	Hector G. Gutierrez, Esq. EVP, Deputy Chief Credit Officer
Timothy B. Noone EVP, Specialty Banking	Richard H. Wohl EVP, General Counsel
Elsa I. Zavala EVP, Chief Information Security Officer	G. Larry Zivelonghi EVP, Dairy & Livestock Industries
Jeffrey S. Boyer SVP, Los Angeles Region-North	Gilbert W. Estrada SVP, Inland Empire Region
Donald E. Evenson SVP, Chief Investment Officer	Richard M. Favor SVP, Central Coast Region
Deborah G. Gallagher SVP, SBA Group	Derrick I. Hong SVP, Chief Audit Executive
Joyce Y. Kwon SVP, Director of Human Resources	David R. Klatt SVP, Chief Information Officer
Michael B. Mulcahy SVP, Los Angeles Region-Metro	Daniel Limon SVP, Specialty Lending Group
LaVon M. Short SVP, Sales Support Group	Mark C. Richardson SVP, Real Estate Banking
David S. Stong SVP, San Diego Region	Michael D. Stain SVP, Central Valley Region
Robert E. Zeltner SVP, Orange County Region	

127

CONSECUTIVE QUARTERS
OF CASH DIVIDENDS PAID

177

CONSECUTIVE QUARTERS
OF PROFITABILITY

\$51.2 million

NET INCOME
as of 6.30.21

#1 Best Bank
IN AMERICA
Forbes, 2021

Five-Star
SUPERIOR RATING
BauerFinancial, 2020

Super Premier
PERFORMING BANK
Findley Reports, 2020

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 \$15 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)

	June 30, 2021	December 31, 2020
Assets		
Cash and due from banks	\$ 153,475	\$ 122,305
Interest-earning balances due from Federal Reserve	2,178,390	1,835,855
Total cash and cash equivalents	2,331,865	1,958,160
Interest-earning balances due from depository institutions	26,258	43,563
Investment securities available-for-sale, at fair value (with amortized cost of \$2,908,746 at June 30, 2021, and \$2,344,174 at December 31, 2020)	2,932,021	2,398,923
Investment securities held-to-maturity (with fair value of \$1,055,523 at June 30, 2021, and \$604,223 at December 31, 2020)	1,036,924	578,626
Total investment securities	3,968,945	2,977,549
Investment in stock of Federal Home Loan Bank (FHLB)	17,688	17,688
Loans and lease finance receivables	8,071,310	8,348,808
Allowance for credit losses	(69,342)	(93,692)
Net loans and lease finance receivables	8,001,968	8,255,116
Premises and equipment, net	49,914	51,144
Bank owned life insurance (BOLI)	250,305	226,818
Accrued interest receivable	35,124	31,306
Intangibles	29,300	33,634
Goodwill	663,707	663,707
Other real estate owned (OREO)	-	3,392
Income taxes	40,710	29,540
Other assets	123,504	127,697
Total assets	\$ 15,539,288	\$ 14,419,314
Liabilities and Stockholders' Equity		
Liabilities:		
Deposits:		
Noninterest-bearing	\$8,065,400	\$7,455,387
Interest-bearing	4,603,657	4,281,114
Total deposits	12,669,057	11,736,501
Customer repurchase agreements	578,207	439,406
Other borrowings	-	5,000
Deferred compensation	22,253	21,611
Junior subordinated debentures	-	25,774
Payable for securities purchased	110,430	60,113
Other liabilities	104,267	122,919
Total liabilities	13,484,214	12,411,324
Commitments and Contingencies		
Stockholders' Equity		
Common stock, authorized, 225,000,000 shares without par; issued and outstanding 135,927,287 at June 30, 2021, and 135,600,501 at December 31, 2020	1,214,882	1,211,780
Retained earnings	826,941	760,861
Accumulated other comprehensive income, net of tax	13,251	35,349
Total stockholders' equity	2,055,074	2,007,990
Total liabilities and stockholders' equity	\$ 15,539,288	\$ 14,419,314

Condensed Consolidated Statements of Earnings

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

	Three Months Ended June 30,	
	2021	2020
Interest income:		
Loans and leases, including fees	\$ 91,726	\$ 95,352
Investment securities:		
Investment securities available-for-sale	9,410	8,449
Investment securities held-to-maturity	5,130	3,660
Total investment income	14,540	12,109
Dividends from FHLB stock	283	214
Interest-earning deposits with other institutions	479	283
Total interest income	107,028	107,958
Interest expense:		
Deposits	1,425	2,995
Borrowings and customer repurchase agreements	132	261
Junior subordinated debentures	83	133
Total interest expense	1,640	3,389
Net interest income before (recapture of) provision for credit losses	105,388	104,569
(Recapture of) provision for credit losses	(2,000)	11,500
Net interest income after (recapture of) provision for credit losses	107,388	93,069
Noninterest income:		
Service charges on deposit accounts	4,169	3,809
Trust and investment services	3,167	2,477
Bankcard services	533	405
BOLI income	1,240	1,683
Gain on OREO, net	48	-
Other	1,679	3,778
Total noninterest income	10,836	12,152
Noninterest expense:		
Salaries and employee benefits	28,836	28,706
Occupancy and equipment	4,949	5,031
Professional services	2,248	2,368
Computer software expense	2,657	2,754
Marketing and promotion	1,799	1,255
Amortization of intangible assets	2,167	2,445
(Recapture of) provision for unfunded loan commitments	(1,000)	-
Other	4,889	3,839
Total noninterest expense	46,545	46,398
Earnings before income taxes	71,679	58,823
Income taxes	20,500	17,192
Net earnings	\$ 51,179	\$ 41,631
Basic earnings per common share	\$ 0.38	\$ 0.31
Diluted earnings per common share	\$ 0.38	\$ 0.31
Cash dividends declared per common share	\$ 0.18	\$ 0.18

