FORM 10-Q
UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D. C. 20549

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2001

or

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

For Quarter Ended March 31, 2001 Commission File Number: 1-10394

CVB FINANCIAL CORP.
(Exact name of registrant as specified in its charter)

California	95-3629339
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
701 North Haven Ave, Suite 350, Ontario, California	91764
(Address of Principal Executive Offices)	(Zip Code)
(Registrant's telephone number, including area code)	(909) 980-4030

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

YES X NO

Number of shares of common stock of the registrant: 27,752,458 outstanding as of April 30, 2001.

This Form 10-Q contains 24 pages.

PART I - FINANCIAL INFORMATION

CVB FINANCIAL CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
dollar amounts in thousands

	March 31, 2001 (unaudited)	December 31, 2000
ASSETS		
Federal funds sold	$ 7,000	$ 10,000
Investment securities available-for-sale	1,063,784	1,070,074
Loans and lease finance receivables, net	1,016,280	1,032,341
Total earning assets	2,087,064	2,112,415
Cash and due from banks	98,767	130,315
Premises and equipment, net	27,100	27,206
Other real estate owned, net	358	359
Deferred taxes	414	4,148
Goodwill and intangibles	7,128	7,403
Cash value life insurance	7,470	7,434
Accrued interest receivable	14,472	14,625
Other assets	28,906	4,091
TOTAL ASSETS	$ 2,271,679	$ 2,307,996
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities:		
Deposits:		
Noninterest-bearing	$ 622,603	$ 665,290
Interest-bearing	998,149	929,740
Total Deposits	1,620,752	1,595,030
Short-term borrowings	110,559	396,234
Long-term borrowings	300,332	101,341
Accrued interest payable	5,592	6,742
Other liabilities	35,365	20,019
TOTAL LIABILITIES	$ 2,072,600	$ 2,119,366
Stockholders' Equity:		
Preferred stock (authorized, 20,000,000 shares without par; none issued or outstanding)		
Common stock -authorized, 50,000,000 shares without par; issued and outstanding 27,752,458 (2001) and 27,659,452 (2000)	145,765	145,648
Retained earnings	41,092	36,179
Accumulated other comprehensive income	12,222	6,803
Total stockholders' equity	199,079	188,630
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 2,271,679	$ 2,307,996

See accompanying notes to the consolidated financial statements.

CVB FINANCIAL CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF EARNINGS
(unaudited)
dollar amounts in thousands, except per share

	For the Three Months Ended March 31, 2001	2000
Interest Income:		
Loans, including fees	$ 23,176	$ 21,257
Investment securities:		
Taxable	12,941	11,801
Tax-advantaged	3,753	2,264
Total investment income	16,694	14,065
Federal funds sold	68	2
Total interest income	39,938	35,324
Interest Expense:		
Deposits	9,303	6,864
Borrowings	6,642	5,250
Total interest expense	15,945	12,114
Net interest income before provision for credit losses	23,993	23,210
Provision for credit losses	750	900
Net interest income after provision for credit losses	23,243	22,310
Other Operating Income:		
Service charges on deposit accounts	3,146	2,646
Loss on sale of securities	(605)	(74)
Gain on sale of other real estate owned	0	223
Trust services	1,109	1,041
Other	2,021	878
Total other operating income	5,671	4,714
Other operating expenses:		
Salaries and employee benefits	7,933	7,514
Occupancy	1,387	1,375
Equipment	1,223	1,270
Professional services	1,255	1,121
Other	3,293	3,065
Total other operating expenses	15,091	14,345
Earnings before income taxes	13,823	12,679
Income taxes	5,014	4,823
Net earnings	$ 8,809	$ 7,856
Basic earnings per common share	$ 0.32	$ 0.29
Diluted earnings per common share	$ 0.31	$ 0.28
Cash dividends per common share	$ 0.14	$ 0.12

See accompanying notes to the consolidated financial statements.

CVB FINANCIAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
(unaudited)
(Dollars and shares in thousands)

	Common Shares Outstanding	Common Stock	Retained Earnings	Accumulated Other Comprehensive Income Net of Tax	Comprehensive Income
Balance January 1, 2000	24,717 $	105,304 $	51,857 $	(16,391)	
Issuance of common stock	428	2,347			
10% stock dividend	2,514	37,997	(37,997)		
Tax benefit from exercise of stock options			26		
Cash dividends			(12,390)		
Comprehensive income:					
Net earnings			34,683		$ 34,683
Other comprehensive income:					
Unrealized gains on securities available-for-sale, net				23,194	23,194
Comprehensive income					$ 57,877
Balance December 31, 2000	27,659 $	145,648 $	36,179 $	6,803	
Issuance of common stock	93	117			
Cash dividends			(3,896)		
Comprehensive income:					
Net earnings			8,809		$ 8,809
Other comprehensive income:					
Unrealized gains on securities available-for-sale, net				5,419	5,419
Comprehensive income					$ 14,228
Balance March 31, 2001	27,752 $	145,765 $	41,092 $	12,222	

See accompanying notes to the consolidated financial statements.

CVB FINANCIAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)
dollar amounts in thousands

For the Three Months
Ended March 31,

	2001	2000
CASH FLOWS FROM OPERATING ACTIVITIES:		
Interest received	$ 35,947	$ 36,837
Service charges and other fees received	6,276	4,788
Interest paid	(17,096)	(11,743)
Cash paid to suppliers and employees	(15,038)	(15,004)
Income taxes paid	0	(2,737)
Net cash provided by operating activities	10,089	12,141
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sales of securities available-for-sale	165,848	15,621
Proceeds from maturities of securities available-for-sale	16,229	27,458
Purchases of securities available-for-sale	(174,001)	(82,440)
Net decrease in loans	16,209	6,964
Proceeds of premises and equipment	50	1
Purchase of premises and equipment	(1,046)	(1,078)
Other investing activities	(3,196)	(293)
Net cash provided by (used in) investing activities	20,093	(33,767)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net (decrease) in transaction deposits	(14,697)	(35,338)
Net increase(decrease) in time deposits	40,421	(5,249)
Net increase(decrease) in borrowings	(86,675)	43,584
Cash dividends on common stock	(3,896)	(3,039)
Proceeds from exercise of stock options	117	2,136
Net cash (used in) provided by financing activities	(64,730)	2,094
NET (DECREASE) IN CASH AND CASH EQUIVALENTS	(34,548)	(19,532)
CASH AND CASH EQUIVALENTS, beginning of period	140,315	118,360
CASH AND CASH EQUIVALENTS, end of period	$ 105,767	$ 98,828

See accompanying notes to the consolidated financial statements.

CVB FINANCIAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)
dollar amounts in thousands

	For the Three Months Ended March 31, 2001	2000
RECONCILIATION OF NET EARNINGS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Net earnings	$ 8,809	$ 7,856
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Gain on sale of investment securities	(570)	(10)
Loss on sale of investment securities	1,175	84
Loss (gain) on sale of premises and equipment	51	0
Increase in cash value of life insurance	(36)	0
Amortization of premiums on investment securities	(3,466)	2,317
Provisions for credit losses	750	900
Depreciation and amortization	1,153	1,126
Change in accrued interest receivable	153	(803)
Change in accrued interest payable	(1,150)	371
Change in other assets and liabilities	3,220	300
Total adjustments	1,280	4,285
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ 10,089	$ 12,141

Supplemental Schedule of Noncash Investing and Financing Activities

Securities purchased and not settled	$ 12,425	$ 980
Securities sold and not settled	$ (22,845)	$ 0

CVB FINANCIAL CORP. AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended March 31, 2001 and 2000

1. Summary of Significant Accounting Policies. See Note 1 of the Notes to Consolidated Financial Statements in CVB Financial Corp.'s 2000 Annual Report on Form 10-K.

   Goodwill resulting from purchase accounting treatment of acquired banks is amortized on a straight-line basis over 15 years.

   The Bank accounts for impaired loans in accordance with Statement of Financial Accounting Standards ("SFAS") No. 114, "Accounting by Creditors for Impairment of a Loan," as amended by SFAS No. 118, "Accounting by Creditors for Impairment of a Loan -- Income Recognition and Disclosures." Impaired loans totaled $15.0 million at March 31, 2001. These loans were supported by collateral with a fair market value, net of prior liens, of $14.4 million.

2. Certain reclassifications have been made in the 2000 financial information to conform to the presentation used in 2001.

3. In the ordinary course of business, the Company enters into commitments to extend credit to its customers. These commitments are not reflected in the accompanying consolidated financial statements. As of March 31, 2001, the Company had entered into commitments with certain customers amounting to $355.7 million compared to $339.1 million at December 31, 2000. Letters of credit at March 31, 2001, and December 31, 2000, were $11.2 million and $10.9 million, respectively.

4. The interim consolidated financial statements are unaudited and reflect all adjustments and reclassifications which, in the opinion of management, are necessary for a fair statement of the results of operations and financial condition for the interim period. All adjustments and reclassifications are of a normal and recurring nature. Results for the period ending March 31, 2001 are not necessarily indicative of results which may be expected for any other interim period or for the year as a whole.

5. The actual number of shares outstanding at March 31, 2001 was 27,752,458. Basic earnings per share are calculated on the basis of the weighted average number of shares outstanding during the period. Diluted earnings per share are calculated on the basis of the weighted average number of shares outstanding during the period plus shares issuable upon the assumed exercise of outstanding common stock options. All 2000 per share information in the financial statements and in Management's Discussion and Analysis has been restated to give retroactive effect to the 10% stock dividend declared December 20, 2000, and which was paid on January 26, 2001. The table below presents the reconciliation of earnings per share for the periods indicated.

Earnings Per Share Reconciliation
(Dollars and shares in thousands, except per share amounts)
For the Three Months
Ended March 31,

	2001			2000		
	Income (Numerator)	Weighted Average Shares (Denominator)	Per Share Amount	Income (Numerator)	Weighted Average Shares (Denominator)	Per Share Amount
BASIC EPS						
Income available to common stockholders	$ 8,809	27,703	$0.32	$ 7,856	27,189	$0.29
EFFECT OF DILUTIVE SECURITIES						
Incremental shares from assumed exercise of outstanding options		504	(0.01)		615	(0.01)
DILUTED EPS						
Income available to common stockholders	$ 8,809	28,207	$0.31	$ 7,856	27,804	$0.28

CVB FINANCIAL CORP. AND SUBSIDIARIES
MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's discussion and analysis is written to provide greater insight into the results of operations and the financial condition of CVB Financial Corp. and its subsidiaries. Throughout this discussion, "Company" refers to CVB Financial Corp. and its subsidiaries as a consolidated entity. "CVB" refers to CVB Financial Corp. as the unconsolidated parent company and "Bank" refers to Citizens Business Bank. For a more complete understanding of the Company and its operations, reference should be made to the financial statements included in this report and in the Company's 2000 Annual Report on Form 10-K. Certain statements in this Report on Form 10-Q constitute "forward-looking statements" under the Private Securities Litigation Reform Act of 1995 which involve risks and uncertainties. The Company's actual results may differ significantly from the results discussed in such forward-looking statements. Factors that might cause such a difference include, but are not limited to, economic conditions, competition in the geographic and business areas in which the Company conducts operations, fluctuations in interest rates, credit quality, and government regulations. For additional information concerning these factors, see "Item 1. Business - Factors That May Affect Results" contained in the Company's Annual Report on Form 10-K for the year ended December 31, 2000.

RESULTS OF OPERATIONS

The Company reported net earnings of $8.8 million for the three months ended March 31, 2001. This represented an increase of $953,000, or 12.13%, over net earnings of $7.9 million, for the three months ended March 31, 2000. Basic earnings per share for the three-month period increased to $0.32 per share for 2001, compared to $0.29 per share for 2000. Diluted earnings per share increased to $0.31 per share for the first three months of 2001, compared to $0.28 per share for the same three-month period last year. The annualized return on average assets was 1.58% for the first three months of 2001 compared to a return on average assets of 1.60% for the three months ended March 31, 2000. The annualized return on average equity was 18.37% for the three months ended March 31, 2001, compared to a return of 21.57% for the three months ended March 31, 2000.

Pre-tax operating earnings, which exclude the impact of gains or losses on sale of securities and OREO, and the provisions for credit and OREO losses, totaled $15.2 million for the three months ended March 31, 2001. This represented an increase of $1.7 million, or 13.02 %, compared to operating earnings of $13.4 million for the first three months of 2000.

Net Interest Income/Net Interest Margin

The principal component of the Company's earnings is net interest income, which is the difference between the interest and fees earned on loans and investments and the interest paid on deposits and borrowed funds. When net interest income is expressed as a percentage of average earning assets, the result is the net interest margin. The net interest spread is the yield on average earning assets minus the average cost of interest-bearing deposits and borrowed funds. The Company's net interest income, interest spread, and net interest margin are sensitive to general business and economic conditions. These conditions include short-term and long-term interest rates, inflation, monetary supply, and the strength of the economy, in general, and the local economies in which the Company conducts business.

For the three months ended March 31, 2001, net interest income before the provision for credit losses was $24.0 million. This represented an increase of $783,000, or 3.37%, over net interest income of $23.2 million for the three months ended March 31, 2000. The increase in net interest income for the first three months of 2001 compared to 2000 was primarily the result of greater average balances of earning assets, which was partially off set by a decrease in interest rates. Net earning assets averaged $2.1 billion for the first three months of 2001. This represented an increase of $279.7 million, or 15.42%, compared to net average earning assets of $1.8 billion for the first three months of 2000.

The net interest margin measures net interest income as a percentage of average earning assets. The net interest margin can be affected by changes in the yield on earning assets and the cost of interest-bearing liabilities, as well as changes in the level of interest-bearing liabilities in proportion to earning assets. The net interest margin can also be affected by changes in the mix of earning assets as well as the mix of interest-bearing liabilities. The Company's tax effected (TE) net interest margin was 4.86% for the first three months ended March 31, 2001, compared to 5.31% for the same period of 2000. A lower yield on average earning assets, and a higher cost of average funding (deposits and borrowings), contributed to the decrease in the net interest margin. A change in the mix of earning assets was another contributor to the decrease in the net interest margin. Average loans as a percentage of net average earning assets for the first three months of 2001 decreased from 52.03% to 49.83% compared to the same period last year. Loans typically generate higher yields than investments. Also, a change in the mix of average interest-bearing liabilities toward higher costing funds was another element contributing to the decrease in the net interest margin. Average borrowed funds as a percent of average funding (total deposits plus borrowing) increased from 20.56% as of December 31, 2000 to 22.42% as of March 31,2001.

The net interest spread is the difference between the yield on average earning assets less the cost of average interest-bearing liabilities. The Company's net interest spread (TE) decreased to 3.39% for the first three months of 2001 ending March 31, compared to 3.96% for the same period of 2000. The decrease in the net interest spread for 2001 resulted from decreases in the yield on earning assets and an increase in the cost of average interest-bearing liabilities. The yield on earning assets decreased 8 basis points, while the cost of interest-bearing liabilities increased 48 basis points for the first three months of 2001 compared to 2000. The increase in the cost of interest-bearing liabilities reflects the increased use of borrowed funds and competitive market forces.

The decrease in the yield on average earning assets resulted from decreased yields on average loans. The yield on average loans decreased to 9.01% for the three months ended March 31, 2001, from a yield of 9.13% for the first three months of 2000. The decrease in the yields on loans for 2001 was primarily the result of a decreasing interest rate environment. The tax effective (TE) yield on average investments increased to 6.86% at March 31, 2001 compared to 6.79% at March 31, 2000 and decreased compared to 6.95% at December 31, 2000.

The cost of average interest-bearing liabilities increased to 4.52% for the three months ended March 31, 2001, compared to a cost of 4.04% for the first three months of 2000. The increase in the cost of interest-bearing liabilities was primarily the result of a change in the mix of interest-bearing liabilities and competitive market forces. As stated above, average borrowed funds as a percent of average funding (total deposits plus borrowing) increased from 20.56% to 22.42% between March 31, 2001 and December 31, 2000. Also, average time deposits as a percentage of interest-bearing deposits inceased to 44.77% from 38.84%. The cost of average interest-bearing deposits was 3.88% for the first three months of 2001 as compared to 3.27% for the first three months of 2000. The cost of borrowed funds increased to 5.89% for the three months ended March 31, 2001, compared to a cost of 5.84% for the three months ended March 31, 2000. The cost of time deposits increased to 5.61% for the three months ended March 31, 2001, compared to a cost of 4.75% for the three months ended March 31, 2000.

The Company reported total interest income of $39.9 million for the three months ended March 31, 2001. This represented an increase of $4.6 million, or 13.06%, over total interest income of $35.3 million for the three months ended March 31, 2000.

Interest expense totaled $15.9 million for the three months ended March 31, 2001. This represented an increase of $3.8 million, or 31.63%, over total interest expense of $12.1 million for the three months ended March 31, 2000.

Table 1 shows the average balances of assets, liabilities, and stockholders' equity and the related interest income, expense, and rates for the three-month periods ended March 31, 2001, and 2000. Yields for tax-advantaged investments are shown on a taxable equivalent basis using a 35% tax rate.

TABLE 1 - Distribution of Average Assets, Liabilities, and Stockholders' Equity; Interest Rates and Interest Differentials
(dollars in thousands)

	Three-month periods ended March 31, 2001			2000		
ASSETS	Average Balance	Interest	Rate	Average Balance	Interest	Rate
Investment Securities:						
Taxable	$ 785,707	$ 12,941	6.68%	$ 717,974	$ 11,801	6.67%
Tax-advantaged (TE) (1)	279,397	3,753	7.35%	169,307	2,264	7.32%
Federal Funds Sold Interest-bearing deposits with other financial institutions	4,994	68	5.52%	154	2	5.27%
Loans (2) (3)	1,043,452	23,176	9.01%	944,067	21,257	9.13%
Total Earning Assets	2,113,550	$ 39,938	7.92%	1,831,502	$ 35,324	8.00%
Total Non-earning Assets	146,113			157,860		
Total Assets	$ 2,259,663			$ 1,989,362		
LIABILITIES AND STOCKHOLDERS' EQUITY						
Deposits:						
Non-interest bearing deposits	$ 609,723			$ 596,582		
Savings Deposits (4)	537,347	$ 3,282	2.48%	520,640	$ 2,994	2.33%
Time Deposits	435,531	6,021	5.61%	330,648	3,870	4.75%
Total Deposits	1,582,601	9,303	2.38%	1,447,870	6,864	1.92%
Borrowings	457,488	6,642	5.89%	364,281	5,250	5.84%
Total Interest-Bearing Liabilities	1,430,366	$ 15,945	4.52%	1,215,569	$ 12,114	4.04%
Other Liabilities	25,120			29,483		
Stockholders' Equity	194,454			147,728		
Total Liabilities and Stockholders' Equity	$ 2,259,663			$ 1,989,362		
Net interest spread			3.39%			3.96%
Net interest margin			4.86%			5.31%

(1) Includes tax-exempt municipal securities, pereferred stock, and qualified zone academy bonds.
(2) Loan fees are included in total interest income as follows: 2001, $898; 2000, $917.
(3) Nonperforming loans are included in loans as follows: 2001, $971; 2000, $687.
(4) Includes interest-bearing demand and money market accounts.

Table 2 summarizes the changes in interest income and interest expense based on changes in average asset and liability balances (volume) and changes in average rates (rate). For each category of interest- earning assets and interest-bearing liabilities, information is provided with respect to changes attributable to (1) changes in volume (change in volume multiplied by initial rate), (2) changes in rate (change in rate multiplied by initial volume) and (3) changes in rate/volume (change in rate multiplied by change in volume).

TABLE 2 - Rate and Volume Analysis for Changes in Interest Income, Interest Expense and Net Interest Income
(amounts in thousands)

Comparison of three-month period ended March 31, 2001 and 2000
Increase (decrease) in interest income or expense due to changes in:

	Volume	Rate	Rate/ Volume	Total
Interest Income:				
Taxable investment securities	$ 1,395	$ (227)	$ (27)	$ 1,141
Tax-advantaged securities	1,243	159	87	1,489
Fed funds sold interest-bearing deposits with other institutions	72	0	(7)	65
Loans	2,238	(288)	(31)	1,919
Total earning assets	4,948	(356)	22	4,614
Interest Expense:				
Savings deposits	96	191	6	293
Time deposits	1,231	695	221	2,147
Other borrowings	1,343	39	10	1,392
Total interest-bearing liabilities	2,670	925	237	3,832
Net Interest Income	$ 2,278	$ (1,281)	$ (215)	$ 782

During periods of changing interest rates, the ability to reprice interest-earning assets and interest-bearing liabilities can influence net interest income, net interest margin, and, consequently, the Company's earnings. Interest rate risk is managed by attempting to control the spread between rates earned on interest-earning assets and the rates paid on interest-bearing liabilities within the constraints imposed by market competition in the Bank's service area. Short-term repricing risk is minimized by controlling the level of floating rate loans and maintaining bond payments and maturities which are scheduled in approximately equal increments over time. Basis risk is managed by the timing and magnitude of changes to interest-bearing deposits rates. Yield curve risk is reduced by keeping the duration of the loan and bond portfolios relatively short. Options risk in the bond portfolio is monitored monthly and actions are recommended when appropriate.

Both the net interest spread and the net interest margin are largely affected by interest rate changes in the market place and the Company's ability to reprice assets and liabilities as these interest rates change. The Company's management utilizes the results of a dynamic simulation model to quantify the estimated exposure of net interest income to sustained changes in interest rates. The sensitivity of the Company's net interest income is measured over a rolling two year horizon. The simulation model estimates the impact of changing interest rates on the net interest income from all interest-earning assets and interest expense paid on all interest-bearing liabilities reflected on the Company's balance sheet. The sensitivity analysis is compared to policy limits which specify a maximum tolerance level for net interest income exposure over a one year time horizon assuming no balance sheet growth, given both a 200 basis point upward and downward shift in interest rates. A parallel and pro rata shift in interest rates over a 12-month period is assumed. The following reflects the Company's net interest income sensitivity over a one year horizon as of March 31, 2001.

Simulated Rate Changes	Estimated Net Interest Income Sensitivity
+200 basis points	0.18%
-200 basis points	(0.82%)

The table indicates that net interest income would increase by approximately 0.18% over a 12-month period if there were a sustained, parallel and pro rata 200 basis point upward shift in interest rates. Net interest income would decrease approximately 0.82% over a 12-month period if there were a sustained, parallel and pro rata 200 basis point downward shift in interest rates.

Credit Loss Experience

The allowance for credit losses is based upon estimates of probable losses inherent in the loan and lease portfolio. The nature of the process by which the Company determines the appropriate allowance for credit losses requires the exercise of considerable judgment. The amount actually observed in respect of these losses can vary significantly from the estimated amounts. The Company's methodology includes two major elements, which are intended to reduce the differences between estimated and actual losses.

The Company's methodology for assessing the appropriateness of the allowance consists of two key elements. The first element is the allocated portion of the allowance, which includes specific allowances for identified problem loans, and a loan portfolio formula allowance. The second element is the unallocated allowance, which supplements the allocated portion. The unallocated allowance includes management's judgmental determination of the amounts necessary for concentrations, economic uncertainties and other subjective factors; correspondingly, the relationship of the unallocated allowance to the total allowance may fluctuate from period to period.

In the case of the portfolio formula allowance, homogeneous portfolios, such as small business lending, consumer loans, and real estate loans, are aggregated or pooled in determining the appropriate allowance. The risk assessment process in this case emphasizes trends in the different portfolios for delinquency, loss, and other behavioral characteristics of the subject portfolios.

Central to the Company's credit risk management is its loan risk rating system. The originating credit officer assigns borrowers an initial risk rating, which is based primarily on a thorough analysis of each borrower's financial capacity in conjunction with industry and economic trends. Approvals are made based upon the amount of inherent credit risk specific to the transaction and are reviewed for appropriateness by senior line and credit administration personnel. Credits are monitored by line and credit administration personnel for deterioration in a borrower's financial condition, which would impact the ability of the borrower to perform under the contract. Risk ratings are adjusted as necessary.

Based on the risk rating system specific allowances are established in cases where management has identified significant conditions or circumstances related to a credit that management believes indicates the probability that a loss has been incurred in excess of the amount determined by the application of the portfolio formula allowance. Management performs a detailed analysis of these loans, including, but not limited to, appraisals of the collateral, conditions of the marketplace for liquidating the collateral and assessment of the guarantors. Management then determines the inherent loss potential and allocates a portion of the allowance for losses as a specific allowance for each of these credits.

The unallocated allowance is based upon management's evaluation of various conditions, the effects of which are not directly measured in the determination of the formula and specific allowances. The evaluation of the inherent loss with respect to these conditions is subject to a higher degree of uncertainty because they are not identified with specific problem credits or portfolio segments. The conditions evaluated in connection with the unallocated allowance include the following conditions that existed as of the balance sheet date:

- then-existing general economic and business conditions affecting the key lending areas of the Company,

- then-existing economic and business conditions of areas outside the lending areas, such as other sections of the United States, Asia and Latin America,

- credit quality trends (including trends in non-performing loans expected to result from existing conditions),

- collateral values,

- loan volumes and concentrations,

- seasoning of the loan portfolio,

- specific industry conditions within portfolio segments,

- recent loss experience in particular segments of the portfolio,

- duration of the current business cycle,

- bank regulatory examination results and

- findings of the Company's internal credit examiners.

Management reviews these conditions in discussion with the Company's senior credit officers. To the extent that any of these conditions is evidenced by a specifically identifiable problem credit or portfolio segment as of the evaluation date, management's estimate of the effect of such condition may be reflected as a specific allowance applicable to such credit or portfolio segment. Where any of these conditions is not evidenced by a specifically identifiable problem credit or portfolio segment as of the evaluation date, management's evaluation of the inherent loss related to such condition is reflected in the unallocated allowance. Management may add certain adjustments to ensure that a prudent amount of conservatism is present. Although management has allocated a portion of the allowance to specific loan categories, the adequacy of the allowance must be considered in its entirety.

The Company has adopted SFAS No. 114, "Accounting by Creditors for the Impairment of a Loan.", as amended by SFAS No. 118, "Accounting by Creditors for Impairment of a Loan - Income Recognition and Disclosures." The statements prescribe that a loan is impaired when principal and interest are deemed uncollectable according to the original contractual terms of the loan. Impairment is measured as either the expected future cash flows discounted at each loan's effective interest rate, the fair value of the loan's collateral if the loan is collateral dependent, or an observable market price of the loan (if one exists). The amount of impairment is included as a part of the Company's allowance for credit losses.

The Company maintains an allowance for inherent credit losses that is increased by a provision for credit losses charged against operating results. The allowance for credit losses is also increased by recoveries on loans previously charged off and reduced by actual loan losses charged to the allowance. The provision for credit losses was $750,000 for the three months ended March 31, 2001, as compared to $900,000 for the same period of 2000, a decrease of $150,000, or 16.67%.

The allowance for credit losses at March 31, 2001 was $20.0 million. This represented an increase of $868,700 or 4.54%, from the allowance for credit losses of $19.2 million at December 31, 2000. The allowance for credit losses was 1.92% of average gross loans for the first three months of 2001 and 1.86% of average gross loans for the first three months of 2000.

Non-performing loans, which include non-accrual loans, loans past due 90 or more days and still accruing, and restructured loans were $971,000 at March 31, 2001. This represented an increase of $5,000, or 0.52%, from the level of non-performing loans at

December 31, 2000. Non-performing assets, which include non-performing loans plus other real estate owned (foreclosed property) remained constant at $1.3 million at March 31, 2001. Table 6 presents non-performing assets as of March 31, 2001, and December 31, 2000. At March 31, 2001, the Company had loans classified as impaired totaling $15.0 million. This represents an decrease of $182,000, or 1.20% compared to loans classified as impaired of $15.2 million at December 31, 2000. The Company applies the methods prescribed by Statement of Financial Accounting Standards No. 114 for determining the fair value of specific loans for which the eventual collection of all principal and interest is considered impaired.

While management believes that the allowance at March 31, 2001, was adequate to absorb losses from any known or inherent risks in the portfolio, no assurance can be given that economic conditions which adversely affect the Company's service areas or other circumstances will not be reflected in increased provisions or credit losses in the future. Table 3 shows comparative information on net credit losses, provisions for credit losses, and the allowance for credit losses for the periods indicated.

TABLE 3 - Summary of Credit Loss Experience
(amounts in thousands)

	Three-months ended March 31, 2001	2000
Amount of Total Loans at End of Period (1)	$ 1,036,301	$ 945,451
Average Total Loans Outstanding (1)	$ 1,043,452	$ 944,067
Allowance for Credit Losses at Beginning of Period	$ 19,152	$ 16,761
Loans Charged-Off:		
Real Estate Loans	0	187
Commercial and Industrial	0	0
Consumer Loans	1	1
Total Loans Charged-Off	1	188
Recoveries:		
Real Estate Loans	15	6
Commercial and Industrial	97	44
Consumer Loans	8	1
Total Loans Recovered	120	51
Net Loans Charged-Off	(119)	137
Provision Charged to Operating Expense	750	900
Allowance for Credit Losses at End of period	$ 20,021	$ 17,524

- - --------
(1) Net of deferred loan fees

Net Loans Charged-Off to Average Total Loans*	-0.05%	0.06%
Net Loans Charged-Off to Total Loans at End of Period*	-0.05%	0.06%
Allowance for Credit Losses to Average Total Loans	1.92%	1.86%
Allowance for Credit Losses to Total Loans at End of Period	1.93%	1.85%
Net Loans Charged-Off to Allowance for Credit Losses*	-2.38%	3.13%
Net Loans Charged-Off to Provision for Credit Losses	-15.87%	15.22%

* Net Loan Charge-Off amounts are annualized.

Other Operating Income

Other operating income includes revenues earned from sources other than interest income. These sources include: service charges and fees on deposit accounts, fee income from trust services, other fee oriented products and services, gain or loss on sale of securities or other real estate owned and gross revenue from Community Trust Deed Services and CVB Ventures (the Company's nonbank subsidiaries).

Other operating income totaled $5.7 million for the three months ended March 31, 2001. This represented an increase of $957,000, or 20.29%, from other operating income of $4.7 million for the three months ended March 31, 2000. The increase was primarily the result of higher service charge income, other income, and rental income, which was offset by a loss of $605,000 on the sale of securities.

Service charge income totaled $3.1 million for the first three months ended March 31, 2001. This represents an increase of $500,000, or 18.89%, over service charge income of $2.6 million for the three months ended March 31, 2000.

Trust income totaled $1.1 million for the three months ended March 31, 2001. This represented an increase of $68,000, or 6.52%, over trust income of $1.0 million for the three months ended March 31, 2000.

Other fee-oriented products (which include investment services fees, business services fees, bankcard fees, international fees, and other fees) generated fees totaling $774,000 for the three months ended March 31, 2001. This represented an increase of $89,000, or 13.03%, over fees of $685,000 for the three months ended March 31, 2000.

Other Operating Expenses

Other operating expenses for the Company includes expenses for salaries and benefits, occupancy, equipment, professional services, promotion and other expenses (data processing, stationary and supplies, deposit insurance, promotional, other real estate owned, and misc. expenses). Other operating expenses totaled $15.1 million for the three months ended March 31, 2001. This represented an increase of $746,000, or 5.20%, over other operating expenses of $14.3 million for the three months ended March 31, 2000.

For the most part, other operating expenses reflect the direct expenses and related administrative expenses associated with staffing, maintaining, promoting, and operating branch facilities. Management's ability to control other operating expenses in relation to asset growth can be measured in terms of other operating expenses as a percentage of average assets. Operating expenses measured as a percentage of average assets decreased to 2.71% for the first three months of 2001, compared to a ratio of 2.92% for the same period last year. The decrease in the ratio indicates that management is controlling greater levels of assets with proportionately smaller operating expenses, an indication of operating efficiency.

Management's ability to control other operating expenses in relation to the level of net revenue (net interest income plus other operating income) can be measured in terms of other operating expenses as a percentage of net revenue. This is known as the efficiency ratio and indicates the percentage of revenue that is used to cover expenses. For the first three months of 2001, the efficiency ratio was 50.87%, compared to a ratio of 51.37% for the same period last year. The decrease in the ratio indicates that a proportionately smaller amount of net revenue was being allocated to operating expenses, an additional indication of operating efficiency.

Salaries and employee benefits totaled $7.9 million for the first three months of 2001. This represented an increase of $419,000, or 5.58%, from salaries and employee benefits of $7.5 million for the same period last year. Equipment expense totaled $1.2 million for the three months ended March 31, 2001. This represents a decrease of $47,000, or 3.70%, over equipment expense of $1.3 million for the three months ended March 31, 2000. Occupancy expense totaled $1.4 million for the three months ended March 31, 2001. This represents an increase of $13,000, or 0.91%, over occupancy expense of $1.4 million for the same period last year. Professional expense, which includes legal and accounting expenses totaled $1.3 million for the first three months, ended March 31, 2001. This represents an increase of $134,000, or 11.94%, over professional expense of $1.1 million for the three months ended March 31, 2000. Other expense, which includes data processing, supplies, promotional, and other expenses, totaled $3.3 million for the first three months ended March 31, 2001. This represents an increase of $228,000, or 7.42%, over other expense of $3.1 million for the first three months of 2000.

The Company maintains an allowance for inherent losses on other real estate owned. The allowance is increased by a provision for losses on other real estate owned, and reduced by losses on the sale of other real estate owned charged directly to the allowance. The allowance was established to provide for inherent losses. For the three months ended March 31, 2001, there was no additional provision made for other real estate owned. At March 31, 2001 the allowance for inherent losses on other real estate owned was $52,000, or 12.64%, of the $410,000 in other real estate owned.

Other expenses include the amortization of goodwill and intangibles. The amortization expense of goodwill and intangibles totaled $274,000 for the first three months of 2001 and $296,000 for the same period last year.

BALANCE SHEET ANALYSIS

The Company reported total assets of $2.27 billion at March 31, 2001. This represented a decrease of $36.3 million, or 1.57%, over total assets of $2.31 billion at December 31, 2000. Gross loans, net of deferred loan fees, totaled $1.04 billion at March 31, 2001. This represented a decrease of $15.2 million, or 1.44%, over gross loans of $1.05 billion at December 31, 2000. The decrease in loans in the first quarter represents normal cyclical activity primarily in agribusiness loans. Total deposits increased $25.7 million, or 1.61%, to $1.62 billion at March 31, 2001, from $1.60 billion at December 31, 2000. Borrowings decreased $86.7 million, or 17.42%, to $410.9 million at March 31, 2001, from $497.6 million at December 31, 2000.

Investment Securities and Debt Securities Available-for-Sale

The Company reported total investment securities of $1.06 billion at March 31, 2001. This represented a decrease of $6.3 million, or 0.59%, over total investment securities of $1.07 billion at December 31, 2000.

At March 31, 2001, the Company's net unrealized gain on securities available-for-sale totaled $21.1 million. Accumulated other comprehensive income totaled $12.2 million (net of deferred taxes of $8.9 million). At December 31, 2000, the Company reported a net unrealized gain on investment securities available-for-sale of $11.7 million. Accumulated other comprehensive income totaled $6.8 million (net of deferred taxes of $4.9 million). Note 2 of the Notes to the Consolidated Financial Statements in the Company's 2000 Annual Report on Form 10-K discusses its current accounting policy as it pertains to recognition of market values for investment securities held as available-for-sale.

Table 4 sets forth investment securities held-to-maturity and available-for-sale, at March 31, 2001 and December 31, 2000.

Table 4 - Composition of Investment Securities
(dollars in thousands)

	March 31, 2001				December 31, 2000			
	Amortized Cost	Market Value	Net Unrealized Gain/(Loss)	Year-to-Date Yield (TE)	Amortized Cost	Market Value	Net Unrealized Gain/(Loss)	Year-to Yield
Investment Securities Available-for-Sale:								
U.S. Treasury securities	$ 999	$ 1,023	$ 24	6.02%	$ 999	$ 1,010	$ 11	5.9
Mortgage-backed securities	386,374	389,231	2,857	6.74%	336,978	337,533	555	6.8
CMO's / REMIC's	307,634	312,147	4,513	6.62%	391,634	391,045	(589)	6.7
Other Government Agency Securities	5,915	5,929	14	6.18%	18,765	18,711	(54)	6.1
Tax-advantaged Securities	295,727	308,581	12,854	7.35%	266,327	277,750	11,423	7.4
Corporate Bond	23,360	24,172	812	7.18%	21,299	21,683	384	7.2
Other securities	22,702	22,701	(1)	6.46%	22,342	22,342	0	7.1
Total Investment Securities	$ 1,042,711	$ 1,063,784	$ 21,073	6.86%	$ 1,058,344	$ 1,070,074	$ 11,730	6.9

Loan Composition and Non-performing Assets

Table 5 sets forth the distribution of the loan portfolio by type as of the dates indicated (dollar amounts in thousands):

Table 5 - Distribution of Loan Portfolio by Type

	March 31, 2001	December 31, 2000
Commercial and Industrial	$ 419,552	$ 425,130
Real Estate:		
Construction	60,854	58,373
Mortgage	403,703	401,408
Consumer	23,438	22,642
Municipal lease finance receivables	23,999	23,633
Agribusiness	108,072	123,614
Gross Loans	1,039,618	1,054,800
Less:		
Allowance for credit losses	20,021	19,152
Deferred net loan fees	3,317	3,307
Net Loans	$ 1,016,280	$ 1,032,341

As set forth in Table 6, non-performing assets, which include non-performing loans plus other real estate owned (foreclosed property) remained constant at $1.3 million at March 31, 2001. Non-performing loans, which include non-accrual loans, loans past due 90 or more days and still accruing, and restructured loans were $971,000 at March 31, 2001. This represented an increase of $5,000, or 0.52%, from the level of non-performing loans at December 31, 2000. In addition, the Company had loans classified as impaired at March 31, 2001 totaling $15.0 million. This represents an increase of $12.3 million, or 454.89% compared to loans classified as impaired of $2.7 million at March 31, 2000; and represents a decrease of $182,000, or 1.20% compared to loans classified as impaired of $15.2 million at December 31, 2000.

Although management believes that non-performing assets are generally well secured and that potential losses are reflected in the allowance for credit losses, there can be no assurance that a general deterioration of economic conditions or collateral values would not result in future credit losses.

TABLE 6 - Non-performing Assets (dollar amount in thousands)

	March 31, 2001	December 31, 2000
Non-accrual loans	$885	$966
Loans past due 90 days or more and still accruing interest	86	0
Restructured loans	0	0
Other real estate owned (OREO), net	358	359
Total non-performing assets	$1,329	$1,325
Percentage of non-performing assets to total loans outstanding and OREO	0.13%	0.13%

Percentage of non-performing

assets to total assets	0.06%	0.06%

The Bank has allocated specific reserves to provide for any inherent loss on non-performing loans. Management cannot, however, predict the extent to which the current economic environment may persist or worsen or the full impact such environment may have on the Company's loan portfolio.

Deposits and Borrowings

At March 31, 2001, total deposits were $1.62 billion. This represented an increase of $25.7 million, or 1.61%, from total deposits of $1.60 billion at December 31, 2000. Average total deposits for the first three months of 2001 were $1.58 billion. This represented an increase of $134.7 million, or 9.31%, from average total deposits of $1.45 billion for the three months ended March 31, 2000. The comparison of average balances for the first three months of 2001 is more representative of the Company's growth in deposits as it excludes the seasonal peak in deposits at year-end.

Demand deposits totaled $622.6 million at March 31, 2001, representing a decrease of $42.7 million, or 6.42%, from total demand deposits of $665.3 million at December 31, 2000. The decrease in demand deposits from the year-end total reflects normal seasonal fluctuations relating to agricultural and other depositors. Average demand deposits for the first three months of 2001 were $609.7 million. This represented a decrease of $1.1 million, or 0.18%, from average demand deposits of $610.8 million for the three months ended December 31, 2000. At March 31, 2001, demand deposits represented 38.41% of total deposits, compared to 41.71% at December 31, 2000.

Time deposits totaled $450.2 million at March 31, 2001. This represented an increase of $40.4 million, or 9.86%, over total time deposits of $409.7 million at December 31, 2000. Time deposits are not affected by the Company's seasonal fluctuation in demand deposits.

Borrowed funds include both short and long-term funds. Short-term borrowed funds include demand notes to the U.S. Treasury, federal funds purchased from other financial institutions, and borrowings from the Federal Reserve Bank and the Federal Home Loan Bank. Long-term funds include a capital lease and borrowings from the Federal Home Loan Bank. For the three months ended March 31, 2001 borrowed funds averaged $457.5 million. Short-term borrowed funds totaled $110.6 million at March 31, 2001. This represented a decrease of $285.7 million, or 72.10% over short-term borrowed funds of $396.2 million at December 31, 2000. Long-term borrowed funds totaled $300.3 million at March 31, 2001. This represented an increase of $199.0 million, or 196.36% over long-term borrowed funds of $101.3 million at December 31, 2000. Total borrowed funds at March 31, 2001 total $410.9 million. This represented a decrease of $86.7 million, or 17.42% over total borrowed funds of $497.6 million at December 31, 2000. The decrease in borrowed funds during the first three months of 2001 was primarily the result of a decrease in Federal Home Loan Bank borrowing. While total borrowing decreased, there was a shift out of short-term borrowing into long-term borrowing in order to capture a lower interest rate environment.

Liquidity

Liquidity risk is the risk to earnings or capital resulting from the Bank's inability to meet its obligations when they come due without incurring unacceptable losses. It includes the ability to manage unplanned changes in funding sources and to recognize or address changes in market conditions that affect the Bank's ability to liquidate assets quickly and with minimum loss of value. Factors considered in liquidity risk management are stability of the deposit base; marketability, maturity, and pledging of investments; and the demand for credit.

In general, liquidity risk is managed daily by controlling the level of Fed funds and the use of funds provided by the cash flow from the investment portfolio. To meet unexpected demands, lines of credit are maintained with correspondent banks, the Federal Home Loan Bank and the Federal Reserve Bank. The sale of bonds maturing in the near future can also serve as a contingent source of funds. Increases in deposit rates are considered a last resort as a means of raising funds to increase liquidity.

For the Bank, sources of funds normally include principal payments on loans and investments, borrowed funds, and growth in deposits. Uses of funds include withdrawal of deposits, interest paid on deposits, increased loan balances, purchases, and other operating expenses.

Net cash provided by operating activities totaled $10.1 million for the first three months of 2001, compared to net cash provided by operating activities of $12.1 million for the same period last year. The decrease was primarily the result of an increase in interest paid, which was partially offset by a decrease in income tax paid and an increase in service charges and other fees received.

Net cash provided by investing activities totaled $20.1 million for the first three months of 2001, compared to net cash used by investing activities of $33.8 million for the same period last year. The increase in net cash provided by investing activities was primarily the result of a decrease in loans. Financing activities used net cash flows of $64.7 million for the three months ended March 31, 2001. This compares to $2.1 million in net cash provided for the three months ended March 31, 2000. The increase in net cash used by financing activities was primarily the result of a decrease in borrowings. Cash and cash equivalents totaled $105.8 million for the period ending March 31, 2001 compared to $98.8 million for the same period ending March 31, 2000.

Since the primary sources and uses of funds for the Bank are loans and deposits, the relationship between gross loans and total deposits provides a useful measure of the Bank's liquidity. Typically, the closer the ratio of loans to deposits is to 100%, the more reliant the Bank is on its loan portfolio to provide for short-term liquidity needs. Since repayment of loans tends to be less predictable than the maturity of investments and other liquid resources, the higher the loan to deposit ratio the less liquid are the Bank's assets. For the first three months of 2001, the Bank's net loan to deposit ratio averaged 65.93%, compared to an average ratio of 63.54% for the first three months of 2000.

CVB is a company separate and apart from the Bank that must provide for its own liquidity. Substantially all of CVB's revenues are obtained from dividends declared and paid by the Bank. There are statutory and regulatory provisions that could limit the ability of the Bank to pay dividends to CVB. At March 31, 2001, approximately $63.1 million of the Bank's equity was unrestricted and available to be paid as dividends to CVB. Management of CVB believes that such restrictions will not have an impact on the ability of CVB to meet its ongoing cash obligations. As of March 31, 2001, neither the Bank nor CVB had any material commitments for capital expenditures.

Capital Resources

The Company's equity capital was $199.1 million at March 31, 2001. The primary source of capital for the Company continues to be the retention of net after tax earnings. The Company's 2000 Annual Report on Form 10-K (Management's Discussion and Analysis and Note 15 of the accompanying financial statements) describes the regulatory capital requirements of the Company and the Bank.

The Bank and the Company are required to meet risk-based capital standards set by their respective regulatory authorities. The risk-based capital standards require the achievement of a minimum ratio of total capital to risk-weighted assets of 8.0% (of which at least 4.0% must be Tier 1 capital). In addition, the regulatory authorities require the highest rated institutions to maintain a minimum leverage ratio of 4.0%. At March 31, 2001, the Bank and the Company exceeded the minimum risk-based capital ratio and leverage ratio required to be considered "Well Capitalized".

Table 7 below presents the Company's and the Bank's risk-based and leverage capital ratios as of March 31, 2001, and December 31, 2000.

Table 7 - Regulatory Capital Ratios

	Required Minimum	March 31, 2001		December 31, 2000	
Capital Ratios	Ratios	Company	Bank	Company	Bank
Risk-based capital ratios					
Tier I	4.00%	13.66%	13.69%	12.60%	12.33%
Total	8.00%	14.92%	14.95%	13.86%	13.59%
Leverage ratio	4.00%	7.98%	7.99%	7.73%	7.56%

Risk Management

The Company's management has adopted a Risk Management Plan to ensure the proper control and management of all risk factors inherent in the operation of the Company and the Bank. Specifically, credit risk, interest rate risk, liquidity risk, transaction risk, compliance risk, strategic risk, reputation risk, price risk and foreign exchange risk, can all affect the market risk exposure of the Company. These specific risk factors are not mutually exclusive. It is recognized that any product or service offered by the Company may expose the Bank to one or more of these risks.

PART II - OTHER INFORMATION

Item 1 - Legal Proceedings
Not Applicable

Item 2 - Changes in Securities
Not Applicable

Item 3 - Defaults upon Senior Securities
Not Applicable

Item 4 - Submission of Matters to a Vote of Security Holders
Not Applicable

Item 5 - Other Information
Not Applicable

Item 6 - Exhibits and Reports on Form 8-K

(a) Exhibits

None

(b) Reports on Form 8-K

None

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 thereunto duly authorized.

CVB FINANCIAL CORP.
(Registrant)

Date: May 14 , 2001

/s/ Edward J. Biebrich Jr.
Edward J. Biebrich Jr.
Chief Financial Officer