UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K

(MARK ONE)

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

FOR THE FISCAL YEAR ENDED DECEMBER 31, 1999

OR

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

FOR THE TRANSITION PERIOD FROM N/A TO N/A .

COMMISSION FILE NUMBER 1-10394

CVB FINANCIAL CORP.
(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

CALIFORNIA STATE OR OTHER JURISDICTION OF INCORPORATION OR ORGANIZATION	95-3629339 (I.R.S. EMPLOYER IDENTIFICATION NO.)
701 N. HAVEN AVENUE, SUITE 350 ONTARIO, CALIFORNIA (ADDRESS OF PRINCIPAL EXECUTIVE OFFICES)	91764 (ZIP CODE)

REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE (909) 980-4030

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:

TITLE OF EACH CLASS	NAME OF EACH EXCHANGE ON WHICH REGISTERED
COMMON STOCK	AMERICAN STOCK EXCHANGE

SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT: NONE

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 [ ]

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [ ]

As of February 29, 2000, the aggregate market value of the common stock held by non-affiliates of the registrant was approximately $353,097,499.

Number of shares of common stock of the registrant outstanding as of February 29, 2000: 24,998,053.

The following documents are incorporated by reference herein:

Definitive Proxy Statement for the Annual Meeting of Stockholders which will be filed within 120 days of the fiscal year ended December 31, 1999	Part III of Form 10-K

INTRODUCTION

Certain matters discussed in this Annual Report may constitute forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "1933 Act") and Section 21E of the Securities Exchange Act of 1934, as amended (the "1934 Act"), and as such may involve risks and uncertainties. These forward-looking statements relate to, among other things, expectations of the business environment in which CVB Financial Corp. and its subsidiaries operate, projections of future performance, perceived opportunities in the market and statements regarding the entities mission and vision. CVB Financial Corp. and its subsidiaries' actual results, performance, or achievements may differ significantly from the results, performance, or achievements expressed or implied in such forward-looking statements. For discussion of the factors that might cause such differences, see "Item 1. Business -- Risk Factors that May Affect Future Results."

AVAILABLE INFORMATION

Reports filed with the Securities and Exchange Commission (the "Commission") including proxy statements and other information can be inspected and copied at the public reference facilities of the Commission at Room 1024, 450 Fifth Street, N.W., Washington D.C., 20549; 500 West Madison Street, Suite 1400, Chicago, Illinois 60661-2511; and 7 World Trade Center, Suite 1300, New York, New York, 10048. Copies of such materials can be obtained from the Public Reference Section of the Commission at 450 Fifth Street, N.W., Washington D.C. 20549, at prescribed rates. The Commission maintains a Web Site that contains reports, proxy and information statements and other information. The address of the site is http://www.sec.gov. In addition, reports can be inspected at the office of the American Stock Exchange, 86 Trinity Place, New York, New York, 10006.

PART I

ITEM 1. BUSINESS

CVB FINANCIAL CORP.

CVB Financial Corp. (referred to herein on an unconsolidated basis as "CVB" and on a consolidated basis as the "Company") is a bank holding company incorporated in California on April 27, 1981 and registered under the Bank Holding Company Act of 1956, as amended (the "Bank Holding Company Act"). The Company commenced business on December 30, 1981 when, pursuant to a reorganization, it acquired all of the voting stock of Chino Valley Bank. On March 29, 1996, Chino Valley Bank changed its name to Citizens Business Bank (the "Bank"). The Bank is the Company's principal asset. The Company has two other operating subsidiaries, Community Trust Deed Services ("Community") and CVB Ventures, Inc. ("Ventures"). The Company has two other dormant subsidiaries, Chino Valley Bancorp. and Orange National Bancorp.

CVB's principal business is to serve as a holding company for the Bank, Community, Ventures, and for other banking or banking related subsidiaries which the Company may establish or acquire. The Company has not engaged in any other activities to date. As a legal entity separate and distinct from its subsidiaries, CVB's principal source of funds is, and will continue to be, dividends paid by and other funds advanced from primarily the Bank. Legal limitations are imposed on the amount of dividends that may be paid and loans that may be made by the Bank to CVB. See "Item 1. Business -- Supervision and Regulation -- Dividends and Other Transfers of Funds." At December 31, 1999, the Company had $2.0 billion in total consolidated assets, $935.8 million in consolidated net loans and $1.5 billion in total consolidated deposits.

The principal executive offices of CVB and the Bank are located at 701 North Haven Avenue, Suite 350, Ontario, California.

CITIZENS BUSINESS BANK

The Bank was incorporated under the laws of the State of California on December 26, 1973, was licensed by the California Department of Financial Institutions and commenced operations as a California state chartered bank on August 9, 1974. The Bank's deposit accounts are insured under the Federal Deposit Insurance Act up to applicable limits. The Bank is not a member of the Federal Reserve System. At December 31, 1999, the Bank had $2.0 billion in assets, $938.2 million in net loans and $1.5 billion in deposits.

The Bank currently has 30 banking offices located in San Bernardino County, Riverside County, Orange County and the Eastern portion of Los Angeles County in Southern California. Of the 30 offices, the Bank opened nine as de novo branches and acquired the other twenty one in acquisition transactions. Since 1990, the Bank has added eighteen offices, two in 1990, two in 1993, two in 1994, one in 1995, four in 1996, and seven in 1999.

On October 4, 1999, Orange National Bancorp merged with and into the Company in a transaction accounted for using the pooling-of-interests method of accounting. Orange National Bancorp had six branch offices, four branches located in Orange, one branch located in Laguna Hills, and one branch located in Laguna Beach. The merger added approximately $250.4 million deposits and $152.0 million in net loans.

Through its network of banking offices, the Bank emphasizes personalized service combined with offering a full range of banking and trust services to businesses, professionals and individuals located in the service areas of its offices. Although the Bank focuses the marketing of its services to small-and medium-sized businesses, a full range of retail banking services are made available to the local consumer market.

The Bank offers a wide range of deposit instruments. These include checking, savings, money market and time certificates of deposit for both business and personal accounts. The Bank also serves as a federal tax depository for its business customers.

The Bank also provides a full complement of lending products, including commercial, agribusiness, installment and real estate loans. Commercial products include lines of credit and other working capital financing, accounts receivable lending and letters of credit. Financing products for individuals include automobile financing, lines of credit and home improvement and home equity lines of credit. Real estate loans include mortgage and construction loans.

The Bank also offers a wide range of specialized services designed for the needs of its commercial accounts. These services include cash management systems for monitoring cash flow, a credit card program for merchants, courier pick-up and delivery, payroll services, electronic funds transfers by way of domestic and international wires and automated clearing house, and on-line account access. The Bank also makes available investment products to customers, including mutual funds, a full array of fixed income vehicles and a program to diversify its customers' funds in federally insured time certificates of deposit of other institutions.

The Bank also offers a wide range of financial services and trust services through its Asset Management Department. These services include trust services, corporate trustee services, mutual funds, annuities, 401K plans and individual investment accounts.

COMMUNITY TRUST DEED SERVICES

The Company owns 100% of the voting stock of Community, which has one office. Community's services, which are provided to the Bank and non-affiliated persons, include preparing and filing notices of default, reconveyances and related documents and acting as a trustee under deeds of trust. At present, the assets, revenues and earnings of Community are not material in amount when compared to the Bank.

CVB VENTURES, INC.

The Company owns 100% of the voting stock of Ventures, which has one office. Ventures charges fees and collects commissions for acting as an intermediary for emerging growth companies in obtaining capital, loans, leases and other financing vehicles. At present, the assets, revenues, and earnings of Ventures are not material in amount when compared to the Bank.

COMPETITION

The banking and financial services industry in California generally, and in the Bank's market areas specifically, is highly competitive. The increasingly competitive environment is a result primarily of changes in regulation, changes in technology and product delivery systems, and the accelerating pace of consolidation among financial services providers. The Bank competes for loans, deposits, and customers with other commercial banks, savings and loan associations, securities and brokerage companies, mortgage companies, insurance companies, finance companies, money market funds, credit unions, and other nonbank financial service providers. Many of these competitors are much larger in total assets and capitalization, have greater access to capital markets and offer a broader range of financial services than the Bank. In addition, recent federal legislation may have the effect of further increasing the pace of consolidation within the financial services industry. See "Item 1. Business -- Supervision and Regulation -- Financial Services Modernization Legislation."

In order to compete with the other financial services providers, the Bank principally relies upon local promotional activities, personal relationships established by officers, directors, and employees with its customers, and specialized services tailored to meet needs of the communities served. In those instances where the Bank is unable to accommodate a customer's needs, the Bank may arrange for those services to be provided by its correspondents. The Bank has 30 offices located in the following counties: San Bernardino, Riverside, Orange, and Los Angeles.

EMPLOYEES

At December 31, 1999, the Company employed 545 persons 345 on a full-time and 200 on a part-time basis. The Company believes that its employee relations are satisfactory.

ECONOMIC CONDITIONS, GOVERNMENT POLICIES, LEGISLATION, AND REGULATION

The Company's profitability, like most financial institutions, is impacted by interest rate differentials. In general, the difference between the interest rates paid by the Bank on interest-bearing liabilities, such as deposits and other borrowings, and the interest rates received by the Bank on its interest-earning assets, such as loans extended to its clients and securities held in its investment portfolio, comprise the major portion of the Company's earnings. These rates are highly sensitive to many factors that are beyond the control of the Company and the Bank, such as inflation, recession and unemployment, and the impact which future changes in domestic and foreign economic conditions might have on the Company and the Bank cannot be predicted.

The business of the Company and the Bank is also influenced by the monetary and fiscal policies of the federal government and the policies of regulatory agencies, particularly the Board of Governors of the Federal Reserve System (the "Federal Reserve Board"). The Federal Reserve Board implements national monetary policies (with objectives such as curbing inflation and combating recession) through its open-market operations in U.S. Government securities by adjusting the required level of reserves for depository institutions subject to its reserve requirements, and by varying the target federal funds and discount rates applicable to borrowings by depository institutions. The actions of the Federal Reserve Board in these areas influence the growth of bank loans, investments, and deposits and also affect interest rates earned on interest-earning assets and paid on interest-bearing liabilities. The nature and impact on the Company and the Bank of any future changes in monetary and fiscal policies cannot be predicted.

From time to time, legislative acts, as well as regulations, are enacted which have the effect of increasing the cost of doing business, limiting or expanding permissible activities, or affecting the competitive balance between banks and other financial services providers. Proposals to change the laws and regulations governing the operations and taxation of banks, bank holding companies, and other financial institutions and financial services providers are frequently made in the U.S. Congress, in the state legislatures, and before various regulatory agencies. See "Item 1. Business -- Supervision and Regulation."

SUPERVISION AND REGULATION

General

Bank holding companies and banks are extensively regulated under both federal and state law. This regulation is intended primarily for the protection of depositors and the deposit insurance fund and not for the benefit of shareholders of the Company. Set forth below is a summary description of the material laws and regulations which relate to the operations of the Company and the Bank. The description is qualified in its entirety by reference to the applicable laws and regulations.

The Company

The Company, as a registered bank holding company, is subject to regulation under the Bank Holding Company Act of 1956, as amended (the "BHCA"). The Company is required to file with the Federal Reserve Board quarterly, and annual reports and such additional information as the Federal Reserve Board may require pursuant to the Bank Holding Company Act. The Federal Reserve Board may conduct examinations of the Company and its subsidiaries.

The Federal Reserve Board may require that the Company terminate an activity or terminate control of or liquidate or divest certain subsidiaries or affiliates when the Federal Reserve Board believes the activity or the control of the subsidiary or affiliate constitutes a significant risk to the financial safety, soundness or stability of any of its banking subsidiaries. The Federal Reserve Board also has the authority to regulate provisions of certain bank holding company debt, including authority to impose interest ceilings and reserve requirements on such debt. Under certain circumstances, the Company must file written notice and obtain approval from the Federal Reserve Board prior to purchasing or redeeming its equity securities.

Under the Bank Holding Company Act and regulations adopted by the Federal Reserve Board, a bank holding company and its nonbanking subsidiaries are prohibited from requiring certain tie-in arrangements in connection with any extension of credit, lease or sale of property, or furnishing of services. Further, the Company is required by the Federal Reserve Board to maintain certain levels of capital. See "Capital Standards."

The Company is required to obtain the prior approval of the Federal Reserve Board for the acquisition of more than 5% of the outstanding shares of any class of voting securities or substantially all of the assets of any bank or bank holding company. Prior approval of the Federal Reserve Board is also required for the merger or consolidation of the Company and another bank holding company.

The Company is prohibited by the Bank Holding Company Act, except in certain statutorily prescribed instances, from acquiring direct or indirect ownership or control of more than 5% of the outstanding voting shares of any company that is not a bank or bank holding company and from engaging directly or indirectly in activities other than those of banking, managing or controlling banks, or furnishing services to its subsidiaries. However, the Company, subject to the prior approval of the Federal Reserve Board, may engage in any, or acquire shares of companies engaged in, activities that are deemed by the Federal Reserve Board to be so closely related to banking or managing or controlling banks as to be a proper incident thereto.

Under Federal Reserve Board regulations, a bank holding company is required to serve as a source of financial and managerial strength to its subsidiary banks and may not conduct its operations in an unsafe or unsound manner. In addition, it is the Federal Reserve Board's policy that in serving as a source of strength to its subsidiary banks, a bank holding company should stand ready to use available resources to provide adequate capital funds to its subsidiary banks during periods of financial stress or adversity and should maintain the financial flexibility and capital-raising capacity to obtain additional resources for assisting its subsidiary banks. A bank holding company's failure to meet its obligations to serve as a source of strength to its subsidiary banks will generally be considered by the Federal Reserve Board to be an unsafe and unsound banking practice or a violation of the Federal Reserve Board's regulations or both.

The Company is also a bank holding company within the meaning of Section 3700 of the California Financial Code. As such, the Company and its subsidiaries are subject to examination by, and may be required to file reports with, the California Department of Financial Institutions.

The Company's securities are registered with the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). As such, the Company is subject to the information, proxy solicitation, insider trading, and other requirements and restrictions of the Exchange Act.

The Bank

The Bank, as a California chartered bank, is subject to primary supervision, periodic examination, and regulation by the California Commissioner of Financial Institutions ("Commissioner") and the Federal Deposit Insurance Corporation ("FDIC"). To a lesser extent, the Bank is also subject to certain regulations promulgated by the Federal Reserve Board. If, as a result of an examination of the Bank, the FDIC should determine that the financial condition, capital resources, asset quality, earnings prospects, management, liquidity, or other aspects of the Bank's operations are unsatisfactory or that the Bank or its management is violating or has violated any law or regulation, various remedies are available to the FDIC. Such remedies include the power to enjoin "unsafe or unsound" practices, to require affirmative action to correct any conditions resulting from any violation or practice, to issue an administrative order that can be judicially enforced, to direct an increase in capital, to restrict the growth of the Bank, to assess civil monetary penalties, to remove officers and directors, and ultimately to terminate the Bank's deposit insurance, which for a California chartered bank would result in a revocation of the Bank's charter. The Commissioner has many of the same remedial powers.

Various requirements and restrictions under the laws of the State of California and the United States affect the operations of the Bank. State and federal statutes and regulations relate to many aspects of the Bank's operations, including reserves against deposits, ownership of deposit accounts, interest rates payable on deposits, loans, investments, mergers and acquisitions, borrowings, dividends, locations of branch offices, and capital requirements. Further, the Bank is required to maintain certain levels of capital. See "-- Capital Standards."

Various requirements and restrictions under the laws of the United States and the State of California affect the operations of the Bank. Federal and California statutes and regulations relate to many aspects of the Bank's operations, including reserves against deposits, ownership of deposit accounts, interest rates payable on deposits, loans, investments, mergers and acquisitions, borrowings, dividends, locations of branch offices, capital requirements and disclosure obligations to depositors and borrowers.

Financial Services Modernization Legislation

On November 12, 1999, President Clinton signed into law the Gramm-Leach-Bliley Act of 1999 (the "Financial Services Modernization Act"). The Financial Services Modernization Act repeals the two affiliation provisions of the Glass-Steagall Act: Section 20, which restricted the affiliation of Federal Reserve Member Banks with firms "engaged principally" in specified securities activities; and Section 32, which restricts officer, director, or employee interlocks between a member bank and any company or person "primarily engaged" in specified securities activities. In addition, the Financial Services Modernization Act also contains provisions that expressly preempt any state law restricting the establishment of financial affiliations, primarily related to insurance. The general effect of the law is to establish a comprehensive framework to permit affiliations among commercial banks, insurance companies, securities firms, and other financial service providers by revising and expanding the Bank Holding Company Act framework to permit a holding company system to engage in a full range of financial activities through a new entity known as a Financial Holding Company. "Financial activities" is broadly defined to include not only banking, insurance, and securities activities, but also merchant banking and additional activities that the Federal Reserve Board, in consultation with the Secretary of the Treasury, determines to be financial in nature, incidental to such financial activities, or complementary activities that do not pose a substantial risk to the safety and soundness of depository institutions or the financial system generally.

Generally, the Financial Services Modernization Act:

- Repeals historical restrictions on, and eliminates many federal and state law barriers to, affiliations among banks, securities firms, insurance companies, and other financial service providers;

- Provides a uniform framework for the functional regulation of the activities of banks, savings institutions, and their holding companies;

- Broadens the activities that may be conducted by national banks, banking subsidiaries of bank holding companies, and their financial subsidiaries;

- Provides an enhanced framework for protecting the privacy of consumer information;

- Adopts a number of provisions related to the capitalization, membership, corporate governance, and other measures designed to modernize the Federal Home Loan Bank system;

- Modifies the laws governing the implementation of the Community Reinvestment Act ("CRA"); and

- Addresses a variety of other legal and regulatory issues affecting both day-to-day operations and long-term activities of financial institutions.

In order for the Company to take advantage of the ability to affiliate with other financial services providers, the Company must become a "Financial Holding Company" as permitted under an amendment to the Bank Holding Company Act. To become a Financial Holding Company, the Company would file a declaration with the Federal Reserve Board, electing to engage in activities permissible for Financial Holding Companies and certifying that it is eligible to do so because all of its insured depository institution subsidiaries are well-capitalized and well-managed. See "-- The Bank -- Capital Standards." In addition, the Federal Reserve Board must also determine that each insured depository institution subsidiary of the Company has at least a "satisfactory" CRA rating. See "-- The Bank -- Community Reinvestment Act and Fair Lending Developments." The Company currently meets the requirements to make an election to become a Financial Holding Company. Management of the Company has not determined at this time whether it will seek an election to become a Financial Holding Company. The Company is examining its strategic business plan to determine whether, based on market conditions, the relative financial conditions of the Company and its subsidiaries, regulatory capital requirements, general economic conditions, and other factors, the Company desires to utilize any of its expanded powers provided in the Financial Services Modernization Act.

The Financial Services Modernization Act also permits national banks to engage in expanded activities through the formation of financial subsidiaries. A national bank may have a subsidiary engaged in any activity authorized for national banks directly or any financial activity, except for insurance underwriting, insurance investments, real estate investment or development, or merchant banking, which may only be conducted through a subsidiary of a Financial Holding Company. Financial activities include all activities permitted under new sections of the Bank Holding Company Act or permitted by regulation.

A national bank seeking to have a financial subsidiary, and each of its depository institution affiliates, must be "well-capitalized" and "well-managed." The total assets of all financial subsidiaries may not exceed the lesser of 45% of a bank's total assets, or $50 billion. A national bank must exclude from its assets and equity all equity investments, including retained earnings, in a financial subsidiary. The assets of the subsidiary may not be consolidated with the bank's assets. The bank must also have policies and procedures to assess financial subsidiary risk and protect the bank from such risks and potential liabilities.

The Financial Services Modernization Act also includes a new section of the Federal Deposit Insurance Act governing subsidiaries of state banks that engage in "activities as principal that would only be permissible" for a national bank to conduct in a financial subsidiary. It expressly preserves the ability of a state bank to retain all existing subsidiaries. Because California permits commercial banks chartered by the state to engage in any activity permissible for national banks, the Bank will be permitted to form subsidiaries to engage in the activities authorized by the Financial Services Modernization Act, to the same extent as a national bank. In order to form a financial subsidiary, the Bank must be well-capitalized, and the Bank would be subject to the same capital deduction, risk management and affiliate transaction rules as applicable to national banks.

The Company and the Bank do not believe that the Financial Services Modernization Act will have a material adverse effect on our operations in the near-term. However, to the extent that it permits banks, securities firms, and insurance companies to affiliate, the financial services industry may experience further consolidation. The Financial Services Modernization Act is intended to grant to community banks certain powers as a matter of right that larger institutions have accumulated on an ad hoc basis. Nevertheless, this act may have the result of increasing the amount of competition that the Company and the Bank face from larger institutions and other types of companies offering financial products, many of which may have substantially more financial resources than the Company and the Bank.

Dividends and Other Transfers of Funds

Dividends from the Bank constitute the principal source of income to the Company. The Company is a legal entity separate and distinct from the Bank. The Bank is subject to various statutory and regulatory restrictions on its ability to pay dividends to the Company. Under such restrictions, the amount available for payment of dividends to the Company by the Bank totaled $48.7 million at December 31, 1999. In addition, the California Department of Financial Institutions and the FDIC have the authority to prohibit the Bank from paying dividends, depending upon the Bank's financial condition, if such payment is deemed to constitute an unsafe or unsound practice.

The FDIC and the Commissioner also have authority to prohibit the Bank from engaging in activities that, in the FDIC's and the Commissioner's opinion, constitute unsafe or unsound practices in conducting its business. It is possible, depending upon the financial condition of the bank in question and other factors, that the FDIC and the Commissioner could assert that the payment of dividends or other payments might, under some circumstances, be such an unsafe or unsound practice. Further, the FDIC and the Federal Reserve Board have established guidelines with respect to the maintenance of appropriate levels of capital by banks or bank holding companies under their jurisdiction. Compliance with the standards set forth in such guidelines and the restrictions that are or may be imposed under the prompt corrective action provisions of federal law could limit the amount of dividends which the Bank or the Company may pay. An insured depository institution is prohibited from paying management fees to any controlling persons or, with certain limited exceptions, making capital distributions if after such transaction the institution would be undercapitalized. See "-- Prompt Corrective Regulatory Action and Other Enforcement Mechanisms" and "-- Capital Standards" for a discussion of these additional restrictions on capital distributions.

The Bank is subject to certain restrictions imposed by federal law on any extensions of credit to, or the issuance of a guarantee or letter of credit on behalf of, the Company or other affiliates, the purchase of, or investments in, stock or other securities thereof, the taking of such securities as collateral for loans, and the purchase of assets of the Company or other affiliates. Such restrictions prevent the Company and such other affiliates from borrowing from the Bank unless the loans are secured by marketable obligations of designated amounts. Further, such secured loans and investments by the Bank to or in the Company or to or in any other affiliate are limited, individually, to 10.0% of the Bank's capital and surplus (as defined by federal regulations), and such secured loans and investments are limited, in the aggregate, to 20.0% of the Bank's capital and surplus (as defined by federal regulations). California law also imposes certain restrictions with respect to transactions involving the Company and other controlling persons of the Bank. Additional restrictions on transactions with affiliates may be imposed on the Bank under the prompt corrective action provisions of federal law. See "Item 1. Business -- Supervision and Regulation -- Prompt Corrective Action and Other Enforcement Mechanisms."

Capital Standards

The Federal Reserve Board and the FDIC have adopted risk-based minimum capital guidelines intended to provide a measure of capital that reflects the degree of risk associated with a banking organization's operations for both transactions reported on the balance sheet as assets and transactions, such as letters of credit and recourse arrangements, which are recorded as off balance sheet items. Under these guidelines, nominal dollar amounts of assets and credit equivalent amounts of off balance sheet items are multiplied by one of several risk adjustment percentages, which range from 0% for assets with low credit risk, such as certain U.S. Treasury securities, to 100% for assets with relatively high credit risk, such as commercial loans.

The federal banking agencies require a minimum ratio of qualifying total capital to risk-adjusted assets of 8% and a minimum ratio of Tier 1 capital to risk-adjusted assets of 4%. In addition to the risk-based guidelines, federal banking regulators require banking organizations to maintain a minimum amount of Tier 1 capital to total assets, referred to as the leverage ratio. For a banking organization rated in the highest of the five categories used by regulators to rate banking organizations, the minimum leverage ratio of Tier 1 capital to total assets must be 3%. In addition to these uniform risk-based capital guidelines and leverage ratios that apply across the industry, the regulators have the discretion to set individual minimum capital requirements for specific institutions at rates significantly above the minimum guidelines and ratios.

The following table presents the amounts of regulatory capital and the capital ratios for the Bank, compared to its minimum regulatory capital requirements as of December 31, 1999.

	AS OF DECEMBER 31, 1999					
	ACTUAL		REQUIRED		EXCESS	
	AMOUNT	RATIO	AMOUNT	RATIO	AMOUNT	RATIO
	(DOLLARS IN THOUSANDS)					
Leverage ratio	$145,313	7.6%	$76,481	4.0%	$68,832	3.6%
Tier 1 risk-based ratio	145,313	12.3%	47,256	4.0%	98,057	8.3%
Total risk-based ratio	160,160	13.6%	94,212	8.0%	65,948	5.6%

The following table presents the amounts of regulatory capital and the capital ratios for the Company, compared to its minimum regulatory capital requirements as of December 31, 1999.

	AS OF DECEMBER 31, 1999					
	ACTUAL		REQUIRED		EXCESS	
	AMOUNT	RATIO	AMOUNT	RATIO	AMOUNT	RATIO
	(DOLLARS IN THOUSANDS)					
Leverage ratio	$148,710	7.7%	$77,252	4.0%	$ 71,458	3.7%
Tier 1 risk-based ratio	148,710	12.6%	47,210	4.0%	101,500	8.6%
Total risk-based ratio	163,579	13.9%	94,146	8.0%	69,433	5.9%

Prompt Corrective Action and Other Enforcement Mechanisms

Federal banking agencies possess broad powers to take corrective and other supervisory action to resolve the problems of insured depository institutions, including but not limited to those institutions that fall below one or more prescribed minimum capital ratios. Each federal banking agency has promulgated regulations defining the following five categories in which an insured depository institution will be placed, based on its capital ratios: well capitalized, adequately capitalized, undercapitalized, significantly undercapitalized, and critically undercapitalized. At December 31, 1999, the Bank and the Company exceeded the required ratios for classification as "well/adequately capitalized."

An institution that, based upon its capital levels, is classified as well capitalized, adequately capitalized, or undercapitalized may be treated as though it were in the next lower capital category if the appropriate federal banking agency, after notice and opportunity for hearing, determines that an unsafe or unsound condition or an unsafe or unsound practice warrants such treatment. At each successive lower capital category, an insured depository institution is subject to more restrictions. The federal banking agencies, however, may not treat a significantly undercapitalized institution as critically undercapitalized unless its capital ratio actually warrants such treatment.

In addition to measures taken under the prompt corrective action provisions, commercial banking organizations may be subject to potential enforcement actions by the federal regulators for unsafe or unsound practices in conducting their businesses or for violations of any law, rule, regulation, or any condition imposed in writing by the agency or any written agreement with the agency.

Safety and Soundness Standards

The federal banking agencies have adopted guidelines designed to assist the federal banking agencies in identifying and addressing potential safety and soundness concerns before capital becomes impaired. The guidelines set forth operational and managerial standards relating to: (i) internal controls, information systems and internal audit systems, (ii) loan documentation, (iii) credit underwriting, (iv) asset growth, (v) earnings, and (vi) compensation, fees and benefits. In addition, the federal banking agencies have also adopted safety and soundness guidelines with respect to asset quality and earnings standards. These guidelines provide six standards for establishing and maintaining a system to identify problem assets and prevent those assets from deteriorating. Under these standards, an insured depository institution should: (i) conduct periodic asset quality reviews to identify problem assets, (ii) estimate the inherent losses in problem assets and establish reserves that are sufficient to absorb estimated losses, (iii) compare problem asset totals to capital, (iv) take appropriate corrective action to resolve problem assets, (v) consider the size and potential risks of material asset concentrations, and (vi) provide periodic asset quality reports with adequate information for management and the board of directors to assess the level of asset risk. These new guidelines also set forth standards for evaluating and monitoring earnings and for ensuring that earnings are sufficient for the maintenance of adequate capital and reserves.

Premiums for Deposit Insurance

The Bank's deposit accounts are insured by the Bank Insurance Fund ("BIF"), as administered by the FDIC, up to the maximum permitted by law. Insurance of deposits may be terminated by the FDIC upon a finding that the institution has engaged in unsafe or unsound practices, is in an unsafe or unsound condition to continue operations, or has violated any applicable law, regulation, rule, order, or condition imposed by the FDIC or the institution's primary regulator.

The FDIC charges an annual assessment for the insurance of deposits, which as of December 31, 1999, ranged from 0 to 27 basis points per $100 of insured deposits, based on the risk a particular institution poses to its deposit insurance fund. The risk classification is based on an institution's capital group and supervisory subgroup assignment. Pursuant to the Economic Growth and Paperwork Reduction Act of 1996 (the "Paperwork Reduction Act"), at January 1, 1997, the Bank began paying, in addition to its normal deposit insurance premium as a member of the BIF, an amount equal to approximately 1.3 basis points per $100 of insured deposits toward the retirement of the Financing Corporation bonds ("Fico Bonds") issued in the 1980s to assist in the recovery of the savings and loan industry. Members of the Savings Association Insurance Fund ("SAIF"), by contrast, pay, in addition to their normal deposit insurance premium, approximately 6.4 basis points. Under the Paperwork Reduction Act, the FDIC is not permitted to establish SAIF assessment rates that are lower than comparable BIF assessment rates. Effective January 1, 2000, the rate paid to retire the Fico Bonds will be equal for members of the BIF and the SAIF. The Paperwork Reduction Act also provided for the merging of the BIF and the SAIF by January 1, 1999 provided there were no financial institutions still chartered as savings associations at that time. However, as of January 1, 1999, there were still financial institutions chartered as savings associations.

Interstate Banking and Branching

The Bank Holding Company Act permits bank holding companies from any state to acquire banks and bank holding companies located in any other state, subject to certain conditions, including certain nationwide-and state-imposed concentration limits. The Bank has the ability, subject to certain restrictions, to acquire by acquisition or merger branches outside its home state. The establishment of new interstate branches is also possible in those states with laws that expressly permit it. Interstate branches are subject to certain laws of the states in which they are located. Competition may increase further as banks branch across state lines and enter new markets.

Community Reinvestment Act and Fair Lending Developments

The Bank is subject to certain fair lending requirements and reporting obligations involving home mortgage lending operations and Community Reinvestment Act activities. The CRA generally requires the federal banking agencies to evaluate the record of a financial institution in meeting the credit needs of its local communities, including low- and moderate-income neighborhoods. A bank may be subject to substantial penalties and corrective measures for a violation of certain fair lending laws. The federal banking agencies may take compliance with such laws and CRA obligations into account when regulating and supervising other activities.

A bank's compliance with its CRA obligations is based on a performance-based evaluation system which bases CRA ratings on an institution's lending service and investment performance. When a bank holding company applies for approval to acquire a bank or other bank holding company, the Federal Reserve Board will review the assessment of each subsidiary bank of the applicant bank holding company, and such records may be the basis for denying the application. Based on an examination conducted December 6, 1999 the Bank was rated satisfactory in complying with its CRA obligations.

RISK FACTORS THAT MAY AFFECT FUTURE RESULTS

The following discusses certain factors which may affect the Company's financial results and operations and should be considered in evaluating the Company.

Economic Conditions and Geographic Concentration. The Company's operations are located San Bernardino County, Riverside County, Orange County, and the eastern portion of Los Angeles County in Southern California. As a result of this geographic concentration, the Company's results depend largely upon economic conditions in these areas. A deterioration in economic conditions in the Company's market areas could have a material adverse impact on the quality of the Company's loan portfolio, the demand for its products and services and its financial condition and results of operations.

Interest Rates. The Company's earnings are impacted by changing interest rates. Changes in interest rates impact the level of loans, deposits and investments, the credit profile of existing loans and the rates received on loans and securities and the rates paid on deposits and borrowings. The Company anticipates that interest rates may continue to increase should the Federal Reserve Board continue to raise rates. However, significant fluctuations in interest rates may have an adverse affect on the Company's financial condition and results of operations.

Government Regulation and Monetary Policy. The banking industry is subject to extensive federal and state supervision and regulation. Significant new laws or changes in existing laws, or repeals of existing laws may cause the Company's results to differ materially. Further, federal monetary policy, particularly as implemented through the Federal Reserve System, significantly affects credit conditions for the Company and a material change in these conditions could have a material adverse impact on the Company's financial condition and results of operations.

Competition. The banking and financial services businesses in the Company's market areas are highly competitive. The increasingly competitive environment is a result of changes in regulation, changes in technology and product delivery systems, and the accelerating pace of consolidation among financial services providers. The results of the Company may differ if circumstances affecting the nature or level of competition change.

Credit Quality. A significant source of risk arises from the possibility that losses will be sustained because borrowers, guarantors and related parties may fail to perform in accordance with the terms of their loans. The Company has adopted underwriting and credit monitoring procedures and credit policies, including the establishment and review of the allowance for credit losses, that management believes are appropriate to minimize this risk by assessing the likelihood of nonperformance, tracking loan performance and diversifying the Company's credit portfolio. These policies and procedures, however, may not prevent unexpected losses that could have a material adverse effect on the Company's results.

Year 2000 Compliance. Most of the Company's operations are dependent on the efficient functioning of the Company's computer systems and software. Computer system failures or disruption could have a material adverse effect on the Company's financial condition and results of operations.

As of March 15, 2000, the Bank experienced no problems with respect to Year 2000 technology issues. This does not mean that some problems may not occur in the future.

Other Risks. From time to time, the Company details other risks with respect to its business and/or financial results in its filings with the Commission.

ITEM 2. PROPERTIES

The principal executive offices of the Company and the Bank are located at 701 North Haven Avenue, Suite 350, Ontario, California. The office of Community is located at 125 East "H" Street, Colton, California.

The Bank occupies the premises for twenty one of its offices under leases expiring at various dates from 1999 through 2027. The Bank owns the premises for ten of its offices, including its data center.

The Company's total occupancy expense, exclusive of furniture and equipment expense, for the year ended December 31, 1999, was $6.0 million. Management believes that its existing facilities are adequate for its present purposes. However, management currently intends to increase the Bank's assets over the next several years and anticipates that a substantial portion of this growth will be accomplished through acquisition or de novo opening of additional banking offices. For additional information concerning properties, see Notes 6 and 10 of the Notes to the Consolidated Financial Statements included in this report. See "Item 8. Financial Statements and Supplemental Data."

ITEM 3. LEGAL PROCEEDINGS

From time to time the Company and the Bank are parties to claims and legal proceedings arising in the ordinary course of business. After taking into consideration information furnished by counsel to the Company and the Bank, management believes that the ultimate aggregate liability represented thereby, if any, will not have a material adverse effect on the Company's consolidated financial position or results of operations.

In May 1998, the Bank received an unfavorable jury judgment as a result of the lawsuit filed against them by MRI Grand Terrace, Inc. ("MRI"). The award to MRI and its joint venture partner, Tri-National Development Corp., was approximately $4.9 million, which included approximately $2.1 million in compensatory damages, $1.6 million in punitive damages, and $1.2 million in pre-judgment interest. The lawsuit alleges that the Bank misled MRI in their purchase of a commercial real estate property from the Bank. The Bank subsequently made a motion to the trial judge to vacate the jury verdict, and on August 14, 1998 the motion was denied. The Bank filed an appeal on August 19, 1998 and is proceeding with the appellate process, which could take an extended period of time to complete. During 1998 and 1999, the Bank accrued a liability for a portion of the judgment discussed above. Management believes the ultimate outcome of this case will not have a material effect on the Company's future consolidated financial position or results of operations.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

No matters were submitted to shareholders during the fourth quarter of 1999.

ITEM 4(A). EXECUTIVE OFFICERS OF THE REGISTRANT

As of February 15, 2000, the principal executive officers of the Company and Bank are:

NAME	POSITION	AGE
George A. Borba	Chairman of the Board of the Company and the Bank	67
D. Linn Wiley	President and Chief Executive Officer of the Company and the Bank	61
Frank Basirico	Executive Vice President/Senior Loan Officer of the Bank	45
Edward J. Biebrich Jr	Chief Financial Officer of the Company and Executive Vice President and Chief Financial Officer of the Bank	56
Jay W. Coleman	Executive Vice President of the Bank	57
Ed Pomplun	Executive Vice President of the Bank	53

Other than George A. Borba, who is the brother of John A. Borba, a director of the Company and the Bank, there is no family relationship among any of the above-named officers or any of the Company's directors.

Mr. Borba has served as Chairman of the Board of the Company since its organization in April, 1981 and Chairman of the Board of the Bank since its organization in December, 1973. In addition, Mr. Borba is the owner of George Borba & Son Dairy.

Mr. Wiley has served as President and Chief Executive Officer of the Company since October, 1991. Mr. Wiley joined the Company and Bank as a director and as President and Chief Executive Officer designate on August 21, 1991. Prior to that, Mr. Wiley served as an Executive Vice President of Wells Fargo Bank from April 1, 1990 to August 20, 1991. From 1988 to April 1, 1990 Mr. Wiley served as the President and Chief Administrative Officer of Central Pacific Corporation, and from 1983 to 1990 he was the President and Chief Executive Officer of American National Bank.

Mr. Basirico has served as Executive Vice President and Senior Loan Officer of the Bank since October, 1996. From March, 1993 to October, 1996, he served as Credit Administrator of the Bank. Prior to that time he was Executive Vice President, senior loan officer at Fontana National Bank from 1991. Between 1985 and 1990 he served as Executive Vice President, senior loan officer at the Bank of Hemet.

Mr. Biebrich assumed the position of Chief Financial Officer of the Company and Executive Vice President/Chief Financial Officer of the Bank on February 2, 1998. Mr. Biebrich began his career in 1972 as an accountant with Arthur Andersen & Co. In 1976, he joined Community First Bank as Executive Vice President of the Finance and Operations Division. For the period of 1983 to 1990, he served as Chief Financial Officer for Central Pacific Corporation and Executive Vice President, Chief Financial Officer and Manager of the Finance and Operations Division for American National Bank. From 1990 to 1992, he was Vice President of Operations for Systematics Financial Services Inc. From 1992 to 1998, he served as Senior Vice President, Chief Financial Officer of ARB, Inc.

Mr. Coleman assumed the position of Executive Vice President of the Bank on December 5, 1988. Prior to that he served as President and Chief Executive Officer of Southland Bank, N.A. from March, 1983 to April, 1988.

Mr. Pomplun has served as Executive Vice President and Division Manager of the Asset Management Division since March 29, 1996. From February, 1994 to March 29, 1996 he held that position for Citizens Bank of Pasadena. From June, 1988 through February, 1994, Mr. Pomplun served as Executive Vice President and Division Manager of the Trust Division for First National Bank in San Diego. Between 1984 and 1988, he served as Vice President for Bank of America's Trust Division. Between March, 1977 and June, 1984 he served as Trust Office Manager and Trust Marketing Head for San Diego Trust and Savings Bank.

PART II

ITEM 5. MARKET FOR THE REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS.

Shares of CVB Financial Corp. common stock price increased from an average price of $16.09 per share for the first quarter of 1999 to an average per share price of $20.19 for the fourth quarter of 1999. The following table presents the high and low sales prices and dividend information for the Company's common stock during each quarter for the past two years. The share prices and cash dividend per share amounts presented for all periods have been restated to give retroactive effect, as applicable, to the ten percent stock dividend declared in 1998 and the 5-for-4 stock split declared in 1999 which became effective January 14, 2000. The Company had approximately 1,452 shareholders of record as of December 31, 1999.

TWO YEAR SUMMARY OF COMMON STOCK PRICES

QUARTER ENDED	HIGH	LOW	DIVIDENDS
03/31/1998	$20.95	$15.00	$0.09 Cash Dividend
06/30/1998	$19.37	$15.46	$0.07 Cash Dividend
09/30/1998	$17.78	$13.64	$0.07 Cash Dividend
12/31/1998	$18.91	$15.37	$0.09 Cash Dividend 10% Stock Dividend
03/31/1999	$18.10	$15.10	$0.09 Cash Dividend
06/30/1999	$20.80	$15.35	$0.09 Cash Dividend
09/30/1999	$23.70	$20.10	$0.09 Cash Dividend
12/31/1999	$21.70	$18.20	$0.12 Cash Dividend 5-for-4 Stock Split

The Company lists its common stock on the American Stock Exchange under the symbol "CVB"

ITEM 6. SELECTED FINANCIAL DATA

	1999	1998	1997	1996	1995
	(DOLLARS IN THOUSANDS EXCEPT PER SHARE AMOUNTS)				
Net Interest Income	$ 90,012	$ 80,542	$ 73,184	$ 65,803	$ 61,571
Provision for Credit Losses	2,700	2,600	2,810	3,093	2,895
Other Operating Income	18,630	17,759	17,530	16,991	11,871
Other Operating Expenses	64,737	57,181	54,666	53,456	47,240
Earnings Before Income Taxes	41,205	38,520	33,238	26,245	23,307
Income Taxes	15,245	14,403	12,670	10,711	9,326
Net Earnings	$ 25,960	$ 24,117	$ 20,568	$ 15,534	$ 13,981
Basic Earnings Per Common Share(1)	$ 1.06	$ 0.99	$ 0.85	$ 0.64	$ 0.58
Diluted Earnings Per Common Share(1)	$ 1.02	$ 0.95	$ 0.82	$ 0.62	$ 0.57
Stock Splits	5-for-4		3-for-2		
Stock Dividends(2)		10%		10%	10%/5%
Cash Dividends Declared Per Share	$ 0.39	$ 0.32	$ 0.22	$ 0.16	$ 0.13
Dividend Pay-Out Ratio	36.79%	32.41%	25.50%	24.85%	21.79%
Financial Position:					
Assets	$2,010,757	$1,841,069	$1,501,048	$1,379,266	$1,144,868
Net Loans	935,791	817,296	736,673	695,677	609,173
Deposits	1,501,073	1,475,639	1,294,487	1,188,961	992,565
Stockholders' Equity	140,770	139,430	123,671	108,043	95,522
Book Value Per Share(1)	5.70	5.71	5.09	4.46	4.00
Equity-to-Assets Ratio(3)	7.00%	7.57%	8.24%	7.83%	8.34%

	1999	1998	1997	1996	1995
	(DOLLARS IN THOUSANDS EXCEPT PER SHARE AMOUNTS)				
Financial Performance:					
Return on:					
Beginning Equity............	18.62%	19.50%	19.04%	16.26%	18.22%
Average Equity..............	17.90%	18.06%	17.81%	15.43%	16.04%
Return on Average Assets........	1.39%	1.49%	1.49%	1.26%	1.35%
Credit Quality:					
Allowance for Credit Losses.....	$ 16,761	$ 14,888	$ 13,103	$ 13,608	$ 11,139
Allowance/Total Loans...........	1.76%	1.79%	1.75%	1.92%	1.80%
Total Non Performing Loans......	$ 1,194	$ 8,925	$ 9,545	$ 26,030	$ 29,935
Non Performing Loans/Total Loans........................	0.13%	1.07%	1.27%	3.67%	4.83%
Net Charge-Offs.................	$ 827	$ 815	$ 3,315	$ 1,335	$ 2,692
Net Charge-Offs/Average Loans...	0.10%	0.11%	0.46%	0.20%	0.45%
Regulatory Capital Ratios					
Leverage Ratio..................	7.7%	7.4%	7.8%	7.4%	8.1%
Tier 1 Capital..................	12.6%	12.4%	12.2%	11.1%	11.7%
Total Capital...................	13.9%	13.6%	13.4%	12.3%	12.9%

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(1) All per share information has been retroactively adjusted to reflect the 5-for-4 stock split declared December 15, 1999, as to holders of record on January 14, 2000 and paid January 31, 2000, and the 3-for-2 stock split declared in 1997 and the 10% stock dividends declared in 1998, 1996, and 1995.

(2) In 1995, the Company and Orange National Bancorp declared a 10% and 5% stock dividend, respectively.

(3) Stockholders' equity divided by total assets.

ITEM 7.MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND THE RESULTS OF OPERATIONS.

Management's discussion and analysis is written to provide greater detail of the results of operations and the financial condition of CVB Financial Corp. and its subsidiaries. This analysis should be read in conjunction with the audited financial statements contained within this report including the notes thereto. Certain statements under this caption constitute "forward-looking statements" under Section 27A of the 1934 Act and Section 21E of the 1934 Act which involve risk 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 its operations, fluctuations in interest rates, credit quality and government regulation. For additional information concerning these factors, see "Item 1. Business -- Factors that May Affect Future Results."

CVB Financial Corp., ("CVB") is a bank holding company. Its primary subsidiary, Citizens Business Bank, ("Bank") is a state chartered bank with 30 branch offices located in San Bernardino, Riverside, Eastern Los Angeles, and Orange Counties. Community Trust Deed Services ("Community") is a nonbank subsidiary providing services to the Bank as well as nonaffiliated persons. CVB Ventures, Inc. ("Ventures") is a nonbank subsidiary providing financing and venture capital services to non affiliated persons. For purposes of this analysis, the consolidated entity is referred to as the "Company".

Virtually all of the Company's activities are conducted within its market area, which includes the San Bernardino, Riverside, Eastern Los Angeles, and Orange Counties. For the year 1999, Southern California, has again become an international role model, having rebuilt on a base of rapidly growing entrepreneurial firms. The Inland Empire Region of San Bernardino and Riverside Counties is California's fastest growing region. Employment growth is accelerating based upon a host of industries. These sectors include international trade, film production and multimedia technology in Los Angeles County, logistics and manufacturing in the Inland Empire, and information and bio-technology in Orange County. While the Southern California economies have exhibited recent positive economic and employment trends, there is no assurance that such trends will continue.

On March 29, 1996, the Bank acquired Citizens Bank of Pasadena with deposits of approximately $111.7 million, and net loans of approximately $58.9 million. As a result of the acquisition, the Bank acquired four new banking offices (La Canada Flintridge, Pasadena, Colorado-Catalina (Pasadena), and San Marino). In addition to the commercial banking operation, the Bank acquired a trust operation with approximately $800.0 million in assets under management. These trust assets are not included on the balance sheet of the Bank or Company. The acquisition contributed significantly to the growth of the Company's deposits, loans and assets.

On October 4, 1999, the Company acquired Orange National Bancorp and its subsidiary, Orange National Bank, with deposits of approximately $250.4 million and net loans of approximately $152.0 million in a transaction accounted for using the pooling-of-interests method of accounting. As a result of the transaction the Bank acquired six new banking offices: Katella, East Orange, Plaza, and Stadium, in Orange; Saddleback Valley in Laguna Hills; and Laguna Beach. The merger contributed significantly to the growth of the Company's deposits, loans, and assets.

Since the acquisition of Orange National Bancorp was effected by the pooling-of-interests method of accounting, all financial statements have been restated to reflect the combined institutions as though they were combined for all the periods presented.

ANALYSIS OF THE RESULTS OF OPERATIONS

The Company reported net earnings of $26.0 million for the year ended December 31, 1999. This represented an increase of $1.8 million, or 7.64%, over net earnings of $24.1 million for the year ended December 31, 1998. Net earnings for 1998 increased $3.5 million, or 17.25%, over net earnings of $20.6 million for the year ended December 31, 1997. Diluted earnings per share were $1.02 in 1999, $0.95 in 1998, and $0.82 in 1997. Basic earnings per share were $1.06 in 1999, $0.99 in 1998, and $0.85 in 1997. Diluted and basic earnings per share have been adjusted for the effects of a 5-for-4 stock split which became effective January 14, 2000, a 3-for-2 stock split declared in 1997 and 10% stock dividends declared in 1998, 1996, and 1995.

Net earnings for 1999 were affected by the pooling-of-interests method of accounting which requires that certain expenses incurred to effect the merger of the Company and Orange National Bancorp be treated as current charges against income. The Company charged to expense merger costs of approximately $3.0 million, net of taxes. The merger costs included accounting fees, investment banker fees, legal fees, severance expenses, and other expenses.

The increase in net earnings for 1999 compared to 1998 was primarily the result of an increase in net interest income and an increase in other operating income after the effect of merger costs. The increase in earnings for 1998 compared to 1997 was the result of an increase in net interest income and an increase in other operating income. Increased net interest income for 1999 and 1998 reflected higher volumes of average earning assets for each year. The increases in net revenue for 1999 and 1998 were partially offset by increases in operating expenses.

For 1999, the Company's return on average assets was 1.39%, compared to a return on average assets of 1.49% for 1998, and a return of 1.49% for 1997. The Company's return on average stockholders' equity was 17.90% for 1999, compared to a return of 18.06% for 1998, and 17.81% for 1997.

NET INTEREST INCOME

Table 1 presents the average yield on each category of earning assets, the average rate paid for each category of interest bearing liabilities, and the resulting net interest spread and net interest margin for the years indicated. Rates for tax preferenced investments are provided on a taxable equivalent basis using the federal marginal tax rate of 35.00%.

TABLE 1 -- DISTRIBUTION OF AVERAGE ASSETS, LIABILITIES, AND STOCKHOLDERS' EQUITY; INTEREST RATES AND INTEREST DIFFERENTIALS

(AMOUNTS IN THOUSANDS)

	1999			1998			1997		
	AVERAGE BALANCE	INTEREST	RATE	AVERAGE BALANCE	INTEREST	RATE	AVERAGE BALANCE	INTEREST	RATE
ASSETS									
Investment Securities									
Taxable(1)......................	$ 686,076	$ 42,885	6.25%	$ 539,408	$ 33,385	6.19%	$ 402,985	$ 25,290	6.28%
Tax preferenced(2)............	122,280	5,663	6.50%	97,734	4,370	6.27%	54,098	2,553	7.02%
Federal Funds Sold...............	32,726	1,545	4.72%	63,219	3,360	5.31%	34,129	1,848	5.41%
Loans(3)(4)......................	866,917	78,385	9.04%	772,331	74,840	9.69%	718,431	71,821	10.00%
Total Earning Assets............	1,707,999	128,478	7.66%	1,472,692	115,955	7.99%	1,209,643	101,512	8.49%
Total Non Earning Assets.........	154,107			144,208			167,045		
Total Assets.....................	$1,862,106			$1,616,900			$1,376,688		
LIABILITIES AND STOCKHOLDERS' EQUITY									
Demand Deposits..................	$ 593,789			$ 526,257			$ 464,353		
Savings Deposits(5)..............	532,272	$ 11,109	2.09%	487,968	$ 12,050	2.47%	466,588	$ 11,572	2.48%
Time Deposits....................	334,245	15,158	4.53%	309,120	15,901	5.14%	244,439	12,832	5.25%
Total Deposits...................	1,460,306	26,267	1.80%	1,323,345	27,951	2.11%	1,175,380	24,404	2.08%
Other Borrowings.................	230,532	12,199	5.29%	136,189	7,462	5.48%	69,542	3,924	5.64%
Interest Bearing Liabilities.....	1,097,049	38,466	3.51%	933,277	35,413	3.79%	780,569	28,328	3.63%
Other Liabilities................	26,239			23,795			16,298		
Stockholders' Equity.............	145,029			133,571			115,468		
Total Liabilities and Stockholders' Equity..........	$1,862,106			$1,616,900			$1,376,688		
Net interest spread..............			4.15%			4.20%			4.86%
Net interest margin..............			5.40%			5.59%			6.14%
Net interest margin excluding loan fees......................			5.18%			5.26%			5.73%

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(1) Includes short term interest bearing deposits with other institutions

(2) Yields are calculated on a taxable equivalent basis using a marginal tax rate of 35.00%

(3) Loan fees are included in total interest income as follows, (000)s omitted: 1999, $3,795; 1998, $4,864; 1997, $4,888

(4) Non performing loans are included in net loans as follows, (000)s omitted: 1999, $1,194; 1998, $8,925; 1997, $9,545

(5) Includes interest bearing demand and money market accounts

The Company's operating results depend primarily on net interest income, the difference between the interest and fees earned on loans and investments less the interest paid on deposit accounts and borrowed funds. Net interest income totaled $90.0 million for 1999. This represented an increase of $9.5 million, or 11.76%, over net interest income of $80.5 million for 1998. Net interest income for 1998 increased $7.4 million, or 10.05%, over net interest income of $73.2 million for 1997. The increases in net interest income for 1999 and 1998 were primarily the result of greater average balances of earning assets during each year.

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 net interest margin was 5.40% for 1999, compared to 5.59% for 1998, and 6.14% for 1997. A lower yield on average earning assets, coupled with a smaller decrease in the cost of average interest bearing liabilities, contributed to the decrease in the net interest margin for 1999. A lower yield on average earning assets, coupled with an increase in the cost of average interest bearing liabilities, contributed to the decrease in the net interest margin for 1998.

In 1999, the prime rate increased from 7.75% in June to 8.50% in November. However, the Bank's average prime rate for 1999 was 8.00% compared to 7.96% in 1998. In 1998, the prime rate decreased from 8.50% to 7.75%. This interest rate environment had an effect of increasing rates in the bond market, but reducing rates in the loan portfolio and deposits (primarily due to competition).

In the last quarter of 1998, the prime rate decreased. This had the effect of reducing the yield on loans. The decrease in prime rate had the effect of a decrease in the overnight federal funds rate and the discount rate by the Federal Reserve Board. This had the effect of not only reducing the prime rate, but also the rates in the bond market and, to some extent the rates on deposits.

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 decreased to 4.15% for 1999, compared to 4.20% for 1998, and 4.86% for 1997. The decrease in the net interest spread for 1999 resulted from decreases in the yield on earning assets and a smaller decrease in the cost of average interest bearing liabilities. The decrease in the net interest spread for 1998 resulted from decreases in the yield on earning assets, and an increase in the cost of average interest bearing liabilities.

The yield on earnings assets decreased to 7.66% for 1999, from 7.99% for 1998, and 8.49% for 1997. The decrease in the yield on earning assets for 1999 was the result of lower yields on loans. The decrease in the yield on earning assets for 1998 reflects lower yields on investment securities, loans, and a less profitable asset mix. The yield on average loans decreased to 9.04% for 1999, compared to 9.69% for 1998, and 10.00% for 1997. The decrease in the yields on loans for 1999 was the result increased price competition for loans compared to 1998. The decrease in the yields on loans for 1998 was the result of a lowering interest rate environment and increased price competition for loans compared to 1997. Loans typically have higher yields than investments and federal funds sold. Total average loans, measured as a percentage of average earning assets, decreased to 50.76% for 1999, compared with 52.44% in 1998, and 59.39% in 1997. Conversely, average investment securities, including federal funds sold, increased to 49.24% of average earning assets for 1999, compared with 47.56% for 1998, and 40.61% for 1997.

The cost of average interest bearing liabilities decreased to 3.51% for 1999, compared to 3.79% for 1998, and 3.63% for 1997. For the most part, the decrease in the cost of average interest bearing liabilities for 1999 reflected increased usage of other borrowed funds. The Company has been able to obtain a greater portion of its total average deposits from noninterest bearing demand deposits. As a percentage of total average deposits, average noninterest bearing demand deposits increased to 40.66% for 1999, compared to 39.77% for 1998, and 39.51% for 1997. The FDIC has approved the payment of interest on certain demand deposit accounts. This could have a negative impact on the Company's net interest margin, net interest spread, and net earnings.

Despite the decrease in the yield on average earning assets, total interest income increased in 1999, 1998 and 1997. The increases were the result of increased balances of average earning assets. Interest income totaled $128.5 million for 1999. This represented an increase of $12.5 million, or 10.80%, compared to total interest of $116.0 million for 1998. For 1998, total interest income increased $14.4 million, or 14.23%, from total interest income of $101.5 million for 1997.

Interest expense totaled $38.5 million for 1999. This represented an increase of $3.1 million, or 8.62%, over total interest expense of $35.4 million for 1998. For 1998, total interest expense increased $7.1 million, or

25.01%, over total interest expense of $28.3 million for 1997. For both 1999 and 1998, the increase in interest expense was the combined result of greater levels of average interest bearing liabilities.

Table 2 presents a comparison of interest income and interest expense resulting from changes in the volumes and rates on average earning assets and average interest bearing liabilities for the years indicated. Changes in interest income or expense attributable to volume changes are calculated by multiplying the change in volume by the initial average interest rate. The change in interest income or expense attributable to changes in interest rates are calculated by multiplying the change in interest rate by the initial volume. The changes attributable to interest rate and volume changes are calculated by multiplying the change in rate times the change in volume.

TABLE 2 -- RATE AND VOLUME ANALYSIS FOR CHANGES IN INTEREST INCOME, INTEREST EXPENSE, AND NET INTEREST INCOME

	1999 COMPARED TO 1998 INCREASE (DECREASE) DUE TO				1998 COMPARED TO 1997 INCREASE (DECREASE) DUE TO			
	VOLUME	RATE	RATE/ VOLUME	TOTAL	VOLUME	RATE	RATE/ VOLUME	TOTAL
	(AMOUNTS IN THOUSANDS)							
Interest Income:								
Taxable investment securities	$ 9,079	$ 331	$ 90	$ 9,500	$ 8,562	$ (349)	$(118)	$ 8,095
Tax preferenced securities	1,098	156	39	1,293	2,059	(134)	(108)	1,817
Federal funds	(1,621)	(375)	181	(1,815)	1,575	(34)	(29)	1,512
Loans	9,166	(5,008)	(613)	3,545	5,388	(2,204)	(165)	3,019
Total earning assets	17,722	(4,896)	(303)	12,523	17,584	(2,721)	(420)	14,443
Interest Expense:								
Savings deposits	1,093	(1,865)	(169)	(941)	530	(51)	(1)	478
Time deposits	1,293	(1,883)	(153)	(743)	3,396	(258)	(69)	3,069
Other borrowings	5,169	(255)	(177)	4,737	3,761	(114)	(109)	3,538
Total interest bearing liabilities	7,555	(4,003)	(499)	3,053	7,687	(423)	(179)	7,085
Net Interest Income	$10,167	$ (893)	$ 196	$ 9,470	$ 9,897	$(2,298)	$(241)	$ 7,358

Interest and fees on loans, the Company's primary source of revenue, totaled $78.4 million for 1999. This represented an increase of $3.5 million, or 4.74%, over interest and fees on loans of $74.8 million for 1998. For 1998, interest and fees on loans increased $3.0 million, or 4.20%, over interest and fees on loans of $71.8 million for 1997. The increase in interest and fee on loans for 1999 and 1998 reflected increases in the average balance of loans. The yield on loans decreased to 9.04% for 1999, compared to 9.69% for 1998. The yield on loans for 1997 was 10.00%. The decrease in loan yields for 1999 compared to 1998 reflected an increased price competition for loans. Deferred loan origination fees, net of costs, totaled $3.6 million at December 31, 1999. This represented an increase of $148,000, or 4.33%, from deferred loan origination fees, net of costs, of $3.4 million at December 31, 1998.

In general, the Company stops accruing interest on a nonperforming loan after its principal or interest become 90 days or more past due, charging to earnings all interest previously accrued but not collected. There was no interest income that was accrued and not reversed on nonperforming loans at December 31, 1999 and December 31, 1998. There was interest income of approximately $12,000 that was accrued and not reversed on a nonperforming loan at December 31, 1997. Had nonperforming loans for which interest was no longer accruing complied with the original terms and conditions of their notes, interest income would have been $274,000 greater for 1999, $485,000 greater for 1998, and $391,000 greater for 1997. Accordingly, yields on loans would have increased by 0.03% for 1999, 0.06% for 1998, and 0.05% for 1997.

Fees collected on loans are an integral part of the loan pricing decision. Loan fees and the direct costs associated with the origination of loans are deferred and deducted from the loan balance. Deferred net loan fees are recognized in interest income over the term of the loan in a manner that approximates the level-yield method. The Company recognized loan fee income of $3.8 million for 1999, $4.9 million for 1998 and $4.9 million for 1997.

Table 3 summarizes loan fee activity for the Bank for the years indicated.

TABLE 3 -- LOAN FEE ACTIVITY

	1999	1998	1997
	(AMOUNTS IN THOUSANDS)		
Fees Collected	$ 3,943	$ 4,808	$ 4,246
Fees and costs deferred	(2,984)	(4,019)	(4,229)
Accretion of deferred fees and costs	2,836	4,075	4,871
Total fee income reported	$ 3,795	$ 4,864	$ 4,888
Deferred net loan origination fees at end of year	$ 3,566	$ 3,418	$ 3,474

PROVISION FOR CREDIT LOSSES

The provision for credit losses totaled $2.7 million for 1999. This represented an increase of $100,000, or 3.85%, from the provision for credit losses of $2.6 million for 1998. For 1998, the provision for credit losses decreased $210,000, or 7.47%, from the provision for credit losses of $2.8 million for 1997. Net loans charged to the allowance for credit losses totaled $827,000 for 1999. This represented an increase of $12,000, or 1.47%, from net loan losses charged to the allowance of $815,000 for 1998. For 1998, net loan losses charged to the allowance for credit losses decreased $2.5 million, or 75.41%, from net loans charged to the allowance of $3.3 million for 1997. See "Risk Management -- Credit Risk".

OTHER OPERATING INCOME

Other operating income for the Company includes income derived from special services offered by the Bank, such as asset management and trust services, merchant card, investment services, international, and other business services; it also includes service charges and fees, primarily from deposit accounts; gains (net of losses) from the sale of investment securities, other real estate owned, and fixed assets; the gross revenue from Community; and other revenues not included as interest on earning assets.

Other operating income totaled $18.6 million for 1999. This represents an increase of $871,000, or 4.90%, from other operating income of $17.8 million for 1998. During 1998, other operating income increased $229,000, or 1.31%, over other operating income of $17.5 million for 1997. The increase in other operating income in 1999 is due in part to an increase in service charges on deposit accounts which totaled $10.6 million, $8.8 million, and $8.6 million for 1999, 1998, and 1997, respectively, and fee income originated by the Bank's Asset Management Division, (trust services) which generated fees totaling $3.7 million, $3.5 million, and $3.2 million for 1999, 1998 and 1997, respectively. Investment Services which provides mutual funds, certificate of deposit and other non-insured investment products, generated fees totaling $921,000, $631,000 and $406,000 for 1999, 1998 and 1997, respectively. The sale of securities generated income (loss) totaling $(80,000), $407,000 and $7,000 for 1999, 1998 and 1997, respectively, while the sale of fixed assets added income (loss) totaling $(10,000), $684,000 and $26,000 for 1999, 1998 and 1997, respectively.

Other operating income also includes revenue from Community, a subsidiary of the Company. Total revenue from Community was approximately $158,000, $222,000, and $367,000, for 1999, 1998, and 1997, respectively. Ventures had no income for the year since it started late in the fourth quarter. The expenses of approximately $4,300 were included in the respective expense categories of the consolidated financial statements.

OTHER OPERATING EXPENSES

Other operating expenses totaled $64.7 million for 1999 and $57.2 million for 1998, representing an increase of $7.6 million, or 13.21%. In 1999, due to the merger with Orange National Bancorp, other operating expense was affected by the pooling-of-interest method of accounting which requires that certain expenses incurred to effect the merger be treated as current charges. The Company charged to other operating expense merger costs of approximately $4.9 million. The merger costs included accounting fees, investment banker fees, legal fees, and severance expense. Without the merger costs, other operating expense would have totaled $59.9 million, representing an increase of $2.7 million or 4.72% over operating expense of $57.2 million for 1998. For 1998 other operating expenses increased $2.5 million, or 4.60%, over total operating expenses of $54.7 million for 1997.

For the most part, other operating expenses reflect the direct expenses and related administrative expenses associated with staffing, maintaining, promoting, and operating branch facilities. Consequently, other operating expenses have increased as the asset size of the Company and the number of branch offices have increased. 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 3.48% for 1999, compared to a ratio of 3.54% for 1998, and 3.97% for 1997. Without the merger costs, operating expense measured as a percentage of average assets would have been 3.22% for 1999. The decrease in the ratio indicates that management is controlling greater levels of assets with proportionately smaller operating expenses.

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 1999, other operating expenses as a percentage of total revenue was 59.59%, compared to a ratio of 58.17% for 1998, and a ratio of 60.26% for 1997. Without the merger costs, other operating expense as a percentage of total revenue would have been 55.12% for 1999. The decrease in the ratio indicated that a proportionately smaller amount of net revenue was being allocated to operating expenses.

Salaries and related expenses comprise the greatest portion of other operating expenses. Salaries and related expenses totaled $29.1 million for 1999. This represented an increase of $303,000, or 1.05%, over salaries and related expenses of $28.8 million for 1998. Salary and related expenses for 1998 were $925,000, or 3.31%, greater than salaries and related expenses of $27.9 million for 1997. The increases for both 1999 and 1998 primarily resulted from increased staffing levels. Salaries and related expenses as a percent of average assets decreased to 1.56% for 1999, compared to 1.78% for 1998, and 2.03% for 1997.

Occupancy and equipment expenses represent the cost of operating and maintaining branch and administrative facilities, including the purchase and maintenance of furniture, fixtures, office and equipment and data processing equipment. Occupancy expense totaled $4.8 million for 1999. This represented a decrease of $284,000, or 5.56%, over occupancy expense of $5.1 million for 1998. Occupancy expense for 1998 increased $540,000, or 11.82%, from an expense level of $4.6 million for 1997. Equipment expense totaled $4.7 million for 1999. This represented an increase of $85,000, or 1.83%, over the $4.6 million expense for 1998. For 1998, equipment expense increased $577,000, or 14.18%, from an expense of $4.1 million for 1997. Equipment expense in 1998 increased as a result of a $226,000 increase in computer maintenance and replacement costs and associated depreciation.

Stationary and supplies expense totaled $3.6 million for 1999. This represented an increase of $273,000, or 8.09%, over the expense of $3.4 million for 1998. Stationary and supplies expense for 1998 increased $131,000, or 4.04%, over the expense of $3.2 million for 1997.

Professional services totaled $3.4 million for 1999. This represented an increase of $86,000 or 2.60%, over an expense of $3.3 million for 1998. For 1998, professional services expense increased $491,000, or 17.45%, from an expense of $2.8 million for 1997.

Promotion expense totaled $2.9 million for 1999. This represented an increase of $372,000, or 14.90%, from an expense of $2.5 million for 1998. Promotion expense decreased for 1998 by $54,000, or 2.12%, over an expense of $2.6 million for 1997.

Data processing expense totaled $2.4 million for 1999. This represented an increase of $424,000, or 21.99%, from an expense of $1.9 million for 1998. Data processing expense increased for 1998 by $151,000, or 8.50%, over an expense of $1.8 million for 1997. The increase for 1999 was partially the result of costs associated with external processing and correspondent bank fees.

Other real estate owned expense represents the cost of acquiring, maintaining, and liquidating real property obtained by the Bank as a result of foreclosure. Included as an expense is a provision charged to earnings for potential decreases in the value of other real estate owned. Other real estate owned expense totaled $647,000 for 1999. This represented a decrease of $564,000, or 46.57%, from an expense level of $1.2 million for 1998. For 1998, other real estate owned expense decreased $1.6 million, or 56.49%, over an expense level of $2.8 million for 1997. The decrease in the expense for 1999 and 1998 compared to 1997 reflected the lower average balance of other real estate owned for the most recent year. As stated elsewhere in this report, in 1999 due to the merger with Orange National Bancorp, other operating expense was affected by the pooling-of-interests method of accounting which requires that certain expenses incurred to effect the merger be treated as current charges. The Company charged to acquisition costs merger expenses of approximately $4.9 million. The merger expenses included accounting fees, investment banker fees, legal fees, and severance expense.

Other expenses include the amortization of goodwill and intangibles. The amortization expense of goodwill and intangibles totaled $1.2 million for 1999, 1998, and 1997.

YEAR 2000

The financial institutions industry, as with other industries, was faced with year 2000 issues. These issues centered around computer programs that do not recognize a year which begins with "20" instead of "19", or uses only 2 digits for the year.

All Year 2000 statements are designated as Year 2000 Readiness Disclosures under the Year 2000 Information and Readiness Disclosures Act of 1998.

The Company uses third party software and systems exclusively. During 1999, all of the software was analyzed in conjunction with the Company's third party vendors. Several systems were replaced during 1999. The Company also updated its contingency plan to include Year 2000 issues. All of the software and systems were tested throughout the year. The contingency plan was also tested, using remote data processing hot sites.

The Bank surveyed, on several occasions, its large depositors and borrowing customers. This was done to ascertain their preparation for Year 2000. No major issues arose from these surveys.

Throughout the year, the Company expended $655,000 in conjunction with Year 2000 issues. Of this amount, $600,000 was spent to replace the Bank's teller terminal system. This amount was capitalized and will be depreciated over five years. The Company spent $55,000 on testing software and systems and installing other, small PC related software. In addition, the Company allocated $1 million of its allowance for loan and lease losses to potential year 2000 problems.

As of December 31, 1999, all phases of Year 2000 Plan were complete. As of March 15, 2000, the Company experienced no problems with Year 2000 issues. The Company will continue to monitor critical dates, such as the close of the first quarter, throughout the Year 2000. It is not anticipated that there will be any problems from Year 2000 issues.

INCOME TAXES

The Company's effective tax rate for 1999 was 37.0%. This compares to effective tax rates of 37.4% for 1998, and 38.1% for 1997. These rates are below the nominal combined Federal and State tax rates as a result of tax preferenced income for each period.

ANALYSIS OF FINANCIAL CONDITION

The Company reported total assets of $2.0 billion at December 31, 1999. This represented an increase of $169.7 million, or 9.22%, from total assets of $1.8 billion at December 31, 1998. For 1998, total assets increased $340.0 million, or 22.65%, from total assets of $1.5 billion at December 31, 1997.

INVESTMENT SECURITIES

The Company maintains a portfolio of investment securities to provide interest income and to serve as a source of liquidity for its ongoing operations. Note 2 of the Notes to the Consolidated Financial Statements sets forth information concerning the composition and the maturity distribution of the investment securities portfolio at December 31, 1999 and 1998. At December 31, 1999, the Company reported total investment securities of $877.3 million. This represents an increase of $90.5 million, or 11.50%, over total investment securities of $786.8 million at December 31, 1998. For 1998, investment securities increased $276.5 million, or 54.18%, greater than total investment securities of $510.3 million at December 31, 1997.

The Company has adopted SFAS No. 115, "Accounting for Certain Investments in Debt and Equity Securities". Under this standard, securities held as "available for sale" are reported at current market value for financial reporting purposes. The market value, less the amortized cost of investment securities, net of income taxes, is adjusted directly to stockholders' equity. At December 31, 1999, securities held as available for sale had a fair market value of $877.3 million, representing 100.00% of total investment securities with an amortized cost of $905.8 million. At December 31, 1999, the net unrealized holding loss on securities available for sale was $28.4 million, and the unrealized loss on investments available for sale, net of deferred taxes was $16.4 million.

In connection with the merger with Orange National Bancorp and the Company's adoption of SFAS No. 133 "Accounting for derivative instruments and hedging activities", the Company reclassified investment securities from held to maturity to available for sale. The amortized cost at the date of transfer was $71.6 million and the fair value was $72.3 million. The unrealized gain was recorded in stockholders' equity, net of taxes.

LOANS

At December 31, 1999, the Company reported total loans, net of deferred loan fees, of $952.6 million. This represents an increase of $120.4 million, or 14.46%, over total loans of $832.2 million at December 31, 1998. For 1998, total loans increased $82.4 million, or 10.99%, over total loans, net of deferred loan fees of $749.8 million at December 31, 1997.

Table 4 presents the distribution of the Company's loan portfolio at the dates indicated.

TABLE 4 -- DISTRIBUTION OF LOAN PORTFOLIO BY TYPE

	DECEMBER 31				
	1999	1998	1997	1996	1995
	(AMOUNTS IN THOUSANDS)				
Commercial and Industrial	$392,094	$287,518	$303,410	$285,547	$277,603
Real Estate					
Construction	48,078	34,489	19,937	38,337	24,048
Mortgage	375,387	385,393	308,460	284,374	210,603
Consumer, net of unearned discount	24,731	28,996	28,031	29,832	26,219
Municipal Lease Finance Receivables	21,268	22,923	24,008	19,825	21,529
Agribusiness(1)	94,560	76,283	69,404	55,486	63,580
Gross Loans	956,118	835,602	753,250	713,401	623,582
Less:					
Allowance for Credit Losses	16,761	14,888	13,103	13,608	11,139
Deferred Loan Fees	3,566	3,418	3,474	4,116	3,270
Total Net Loans	$935,791	$817,296	$736,673	$695,677	$609,173

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(1) Included as Commercial and Industrial and Real Estate Mortgage loans above are loans totaling $42.9 million for 1999, $34.6 million for 1998, $27.9 million for 1997, $22.7 million for 1996, $8.8 million for 1995, that represent loans to agricultural concerns for commercial or real estate purposes.

Commercial and industrial loans are loans to commercial entities to finance capital purchases or improvements, or to provide cash flow for operations. Real estate loans are loans secured by conforming first trust deeds on real property, including property under construction, commercial property and single family and multifamily residences. Consumer loans include installment loans to consumers as well as home equity loans and other loans secured by junior liens on real property. Municipal lease finance receivables are leases to municipalities. Agribusiness loans are loans to finance the operating needs of wholesale dairy farm operations, cattle feeders, livestock raisers, and farmers.

Table 5 provides the maturity distribution for commercial and industrial loans, real estate construction loans and agribusiness loans as of December 31, 1999. The loan amounts are based on contractual maturities although the borrowers have the ability to prepay the loans. Amounts are also classified according to repricing opportunities or rate sensitivity.

TABLE 5 -- LOAN MATURITIES AND INTEREST RATE CATEGORY AT DECEMBER 31, 1999

	WITHIN ONE YEAR	AFTER ONE BUT WITHIN FIVE YEARS	AFTER FIVE YEARS	TOTAL
		(AMOUNTS IN THOUSANDS)		
Types of Loans:				
Commercial and industrial(1)	$140,787	$197,032	$403,246	$741,065
Construction	43,067	1,524	3,487	48,078
Agribusiness	84,645	7,514	2,401	94,560
	$268,499	$206,070	$409,134	$883,703
Amount of Loans based upon:				
Fixed Rates	$ 57,021	$151,575	$310,129	$518,725
Floating or adjustable Rates	211,478	54,495	99,005	364,978
	$268,499	$206,070	$409,134	$883,703

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(1) Includes approximately $349.0 million in fixed rate commercial real estate loans. These loans are classified as real estate mortgage loans for the financial statements, but are accounted for as commercial and industrial loans on the Company's books.

As a normal practice in extending credit for commercial and industrial purposes, the Bank may accept trust deeds on real property as collateral. In some cases, when the primary source of repayment for the loan is anticipated to come from the cash flow from normal operations of the borrower, the requirement of real property as collateral is not the primary source of repayment but an abundance of caution. In these cases, the real property is considered a secondary source of repayment for the loan. Since the Bank lends primarily in Southern California, its real estate loan collateral is concentrated in this region. At December 31, 1999, substantially all of the Bank's loans secured by real estate were collateralized by properties located in Southern California. This concentration is considered when determining the adequacy of the Company's allowance for credit losses.

NONPERFORMING ASSETS

At December 31, 1999, nonperforming assets, which included nonperforming loans (see CREDIT RISK) and other real estate owned, totaled $1.9 million. This represented a decrease of $9.1 million, or 82.80%, compared to nonperforming assets of $11.0 million at December 31, 1998. For 1998, total nonperforming assets decreased $3.0 million, or 21.61%, from total nonperforming assets of $14.1 million at December 31, 1997. The decrease in nonperforming assets for 1999 compared to 1998 resulted as balances of other real estate owned and nonaccrual loans decreased during the year. The decrease in nonperforming assets for 1998, reflected the decrease in restructured loans and other real estate owned, which was partially offset by an increase in nonaccrual loans.

Although management believes that nonperforming loans are generally well secured and that potential losses are provided for in the Company's allowance for credit losses, there can be no assurance that future deterioration in economic conditions or collateral values will not result in future credit losses. Table 6 provides information on nonperforming loans and other real estate owned at the dates indicated.

TABLE 6 -- NON-PERFORMING ASSETS

	DECEMBER 31				
	1999	1998	1997	1996	1995
	(AMOUNTS IN THOUSANDS)				
Nonaccrual loans	$1,191	$ 8,849	$ 6,402	$20,028	$16,344
Loans past due 90 days or more	3	76	1,051	628	33
Restructured loans	0	0	2,092	5,374	13,558
Other real estate owned (OREO)	703	2,102	4,521	8,642	12,037
Total nonperforming assets	$1,897	$11,027	$14,066	$34,672	$41,972
Percentage of nonperforming assets to total loans outstanding & OREO	0.20%	1.32%	1.86%	4.83%	6.64%
Percentage of nonperforming assets to total assets	0.09%	0.60%	0.94%	2.51%	3.67%

At December 31, 1999, the Company had loans on which interest was no longer accruing totaling $1.2 million. This represented a decrease of $7.7 million, or 86.54%, from total nonaccrual loans of $8.8 million at December 31, 1998. For 1998, total nonaccrual loans increased $2.4 million, or 38.22%, over total nonaccrual loans of $6.4 million at December 31, 1997. Approximately 45.45% of the number of nonaccrual loans at December 31, 1999, and 51.63% of the dollar volume of these nonaccrual loans were secured by real property which had a current appraisal that was less than one year old. The estimated ratio of the outstanding loan balances to the fair values of the related collateral for nonaccrual loans at December 31, 1999, ranged between approximately 1.60% to 110.76%. The Bank has allocated specific reserves included in the allowance for credit losses for potential losses on these loans.

A restructured loan is a loan on which the Bank has reduced the rate of interest to a lower rate, forgiven all or a part of the interest income, or forgiven part of the principal balance of the loan due to the borrower's financial condition. At December 31, 1999, and 1998 the Company had no loans that were classified as restructured. This represented a decrease of $2.1 million, or 100.00%, from restructured loans of $2.1 million at December 31, 1997.

Except for nonperforming loans as set forth in Table 6 and loans disclosed as impaired, the Bank's management is not aware of any loans as of December 31, 1999 for which known credit problems of the borrower would cause serious doubts as to the ability of such borrowers to comply with their present loan repayment terms, or any known events that would result in the loan being designated as nonperforming at some future date. The Bank's management cannot, however, predict the extent to which the deterioration in general economic conditions, real estate values, increase in general rates of interest, change in the financial conditions or business of a borrower may adversely affect a borrower's ability to pay.

At December 31, 1999, the net book value of the properties held as other real estate owned totaled $703,000. This represented a decrease of $1.4 million, or 66.56%, from other real estate owned of $2.1 million at December 31, 1998. Although the Bank is actively marketing these properties, the Bank's management cannot predict when these properties will be sold or what the terms of sale will be when they are sold. Although there are recent appraisals on each property that support the carrying costs of these properties at December 31, 1999, no assurances can be given that further charges to earnings may not occur if real estate values decrease or the Bank cannot promptly dispose of the properties held.

DEPOSITS

The Company reported total deposits of $1.50 billion at December 31, 1999. This represented an increase of $25.4 million, or 1.72%, over total deposits of $1.48 billion at December 31, 1998. During 1998, total deposits increased $181.2 million, or 13.99%, over total deposits of $1.3 billion at December 31, 1997.

Noninterest bearing demand deposits totaled $649.8 million at December 31, 1999. This represented an increase of $11.1 million, or 1.74%, over total noninterest bearing demand deposits of $638.7 million at December 31, 1998. For 1998, total noninterest bearing demand deposits increased $75.7 million, or 13.44%, over noninterest bearing demand deposits of $563.0 million at December 31, 1997. Noninterest bearing deposits represented 43.29% of total deposits as of December 31, 1999 and 43.28% of total deposits as of December 31, 1998.

Table 7 provides the remaining maturities of large denomination ($100,000 or more) time deposits, including public funds, at December 31, 1999.

TABLE 7 -- MATURITY DISTRIBUTION OF LARGE DENOMINATION TIME DEPOSITS

	(AMOUNTS IN THOUSANDS)
3 months or less	$123,892
Over 3 months through 6 months	73,680
Over 6 months through 12 months	33,852
Over 12 months	2,183
Total	$233,607

OTHER BORROWED FUNDS

As opportunities exist, the Bank borrows short term funds and invests the proceeds at a positive spread. By purposely mismatching the maturities of the borrowed funds and the resulting investments, management can offset a portion of the Bank's interest rate risk. In addition, the positive spread contributes to the Bank's and Company's earnings. As the interest rate paid on borrowed funds is normally greater than the interest rate paid for deposits, the increase in other borrowed funds contributed to the decrease in the Company's net interest margin and net interest spread.

At December 31, 1999, borrowed funds totaled $323,000. This represented an increase of $123,000, or 61.50%, from total borrowed funds of $200.0 million at December 31, 1998. For 1998, total borrowed funds increased $151.0 million, or 308.16%, from a balance of $49.0 million at December 31, 1997. The maximum outstanding at any month-end was $323.0 million during 1999, $200.0 million during 1998, and $123.0 million during 1997.

CAPITAL RESOURCES

Historically, the primary source of capital for the Company has been the retention of operating earnings. In order to ensure adequate levels of capital, the Company conducts an ongoing assessment of projected sources and uses of capital in conjunction with projected increases in assets and the level of risk.

Total stockholders' equity was $140.8 million at December 31, 1999. This represented an increase of $1.3 million, or 0.96%, over total stockholders' equity of $139.4 million at December 31, 1998. For 1998, total stockholders' equity increased $15.8 million, or 12.74%, over total stockholders' equity of $123.7 million at December 31, 1997.

Tier 1 capital, stockholders' equity less intangible assets, was $148.7 million at December 31, 1999. This represented an increase of $20.3 million, or 15.78%, over total Tier 1 capital of $128.4 million at December 31, 1998. For 1998, Tier 1 capital increased $16.3 million, or 14.54%, over Tier 1 capital of $112.1 million at December 31, 1997. Total adjusted capital, Tier 1 capital plus the lesser of the allowance for credit losses or 1.25% of risk weighted assets, was $163.6 million at December 31, 1999. This represented an increase of

$22.7 million, or 16.15%, over adjusted capital of $140.8 million at December 31, 1998. For 1998, adjusted capital increased $17.6 million, or 14.29%, over total adjusted capital of $123.2 million at December 31, 1997.

Bank regulators have established minimum capital adequacy guidelines requiring that qualifying capital be at least 8.0% of risk-based assets, of which at least 4.0% must be Tier 1 capital (primarily stockholders' equity). These ratios represent minimum capital standards. Under Prompt Corrective Action rules, certain levels of capital adequacy have been established for financial institutions. Depending on an institution's capital ratios, the established levels can result in restrictions or limits on permissible activities. In addition to the aforementioned requirements, the Company and Bank must also meet minimum leverage ratio standards. The leverage ratio is calculated as Tier 1 capital divided by the most recent quarter's average total assets.

The highest level for capital adequacy under Prompt Corrective Action is "Well Capitalized". To qualify for this level of capital adequacy an institution must maintain a total risk-based capital ratio of at least 10.00% and a Tier 1 risk-based capital ratio of at least 6.00%.

At December 31, 1999, and 1998, the Company exceeded all of the minimum capital ratios required to be considered well capitalized. At December 31, 1999, the Company's total risk-based capital ratio was 13.9%, compared to a ratio of 13.6% at December 31, 1998. The ratio of Tier 1 capital to risk weighted assets was 12.6% at December 31, 1999, compared to a ratio of 12.4% at December 31, 1998. At December 31, 1999, the Company's leverage ratio was 7.7%, compared to a ratio of 7.4% at December 31, 1998. See NOTE 15 of the Notes to the Consolidated Financial Statements.

For purposes of calculating capital ratios, bank regulators have excluded adjustments to stockholders' equity that result from mark to market adjustments of available for sale investment securities. At December 31, 1999, the Company had an unrealized loss on investment securities net of taxes of $16.4 million, compared to a gain net of taxes of $1.3 million at December 31, 1998.

During 1998 and 1997, the Company announced its intention to re-purchase some of its outstanding common stock. The Company re-purchased 91,700 in 1998 and 95,182 in 1997 of its outstanding shares at average price of $20.805 per share in 1998 and $20.332 per share in 1997 for an aggregate cost of $1.9 million in 1998 and $1.9 million in 1997.

During 1999, the Board of Directors of the Company declared quarterly cash dividends that totaled $0.39 per share for the full year after retroactive adjustment of a 5-for-4 stock split declared on December 15, 1999. Management does not believe that the continued payment of cash dividends will impact the ability of the Company to continue to exceed the current minimum capital standards.

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.

CREDIT RISK

Credit risk is defined as the risk to earnings or capital arising from an obligor's failure to meet the terms of any contract or otherwise fail to perform as agreed. Credit risk is found in all activities where success depends on counterparty, issuer, or borrower performance.

Central to the Company's credit risk management is its loan risk rating system. Limitations on industry concentration, aggregate customer borrowings and geographic boundaries also are designed to reduce loan credit risk. Credit risk in the investment portfolio and correspondent bank accounts is addressed through defined limits in the Bank's policy statements. In addition, certain securities carry insurance to enhance credit quality of the bond. Senior Management, Directors' Committees, and the Board of Directors are provided with information to appropriately identify, measure, control and monitor the credit risk of the Bank.

The allowance for credit losses is based upon estimates of probable losses inherent in the loan and lease portfolio. The amount actually observed in respect of these losses can vary significantly from the estimated amounts. The Company's methodology includes several features which are intended to reduce the differences between estimated and actual losses.

Implicit in lending activities is the risk that losses will occur and that the amount of such losses will vary over time. Consequently, the Company maintains an allowance for credit losses by charging a provision for credit losses to earnings. Loans determined to be losses are charged against the allowance for credit losses. The Company's allowance for credit losses is maintained at a level considered by the Bank's management to be adequate to provide for estimated losses inherent in the existing portfolio, including commitments under commercial and standby letters of credit.

The Company does not have any cross-border outstandings. However, the Company's International Department does issue international letters of credit in support of its customer's cross-border business. The Company is positioned on the Pacific Rim and many of its customers are impacted by trade in the Pacific Rim and in Latin America, especially Mexico. The Company's exposure in all affected countries continues to be short-term in nature and related to the finance of trade and the impact of the general Southern California economy.

While the Bank has no direct exposure to these areas, the associative effects of the downturn in Asia and Latin America could affect the Company's market place in Southern California.

The Company's methodology for assessing the appropriateness of the allowance consists of several key elements, which include the formula allowance, specific allowances for identified problem loans and portfolio segments and the unallocated allowance. In addition, the allowance incorporates the results of measuring impaired loans as provided in Statement of Financial Accounting Standards ("SFAS") No. 114, "Accounting by Creditors for Impairment of a Loan" and SFAS No. 118, "Accounting by Creditors for impairment of a Loan -- Income Recognition and Disclosures." These accounting standards prescribe the measurement methods, income recognition and disclosures related to impaired loans.

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 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 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 nonperforming 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 probable loss related to such condition is reflected in the unallocated allowance.

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. See Note 5 of the Notes to the Consolidated Financial Statements for additional information concerning impaired loans.

At December 31, 1999, the Company reported an allowance for credit losses of $16.8 million. This represented a increase of $1.9 million or 12.58%, from the allowance for credit losses of $14.9 million at December 31, 1998. For 1998, the allowance for credit losses increased $1.8 million or 13.62%, from a balance of $13.1 million at December 31, 1997.

Of the total $16.8 million reserve for credit losses at December 31, 1999, $10.4 million, or 61.99%, represented reserves for specific problem loans, including impaired loans, and $6.4 million, or 38.01%, represented that portion allocated to provide for general risks inherent in the loan portfolio. As of December 31, 1998 these amounts were $9.0 in allocated and $5.9 in unallocated.

Nonperforming loans totaled $1.2 million at December 31, 1999. This represented a decrease of $7.7 million or 86.62%, from nonperforming loans of $8.9 million at December 31, 1998. For 1998, nonperforming loans decreased $620,000, or 6.50%, from nonperforming loans of $9.5 million at December 31, 1997. Nonperforming loans, measured as a percent of gross loans, equaled 0.13%, 1.07%, and 1.27%, at December 31, 1999, 1998, and 1997, respectively.

Nonperforming loans included loans for which interest is no longer accruing. In addition, nonperforming loans include loans that have been renegotiated from their original contractual terms, even if the loan is paying as agreed under the renegotiated terms. The decrease in nonperforming loans for 1999 was the result of a decrease in nonaccrual loans. Nonaccrual loans decreased $7.7 million, or 86.54%, to $1.2 million at December 31, 1999, from $8.8 million at December 31, 1998. The decrease in nonperforming loans between December 31, 1998 and 1997 was the result of a $2.1 million, or 100.00%, reduction in restructured loans and a decrease in past due loans of $975,000 or 92.77% which was partially offset by an increase in nonaccrual loans of $2.4 million or 38.22%.

For 1999, the Company charged $827,000 of loans net of recoveries to the allowance for credit losses. This represented an increase of $12,000, or 1.47%. For 1998, the Company charged $815,000 of loans net of recoveries to the allowance for credit losses. This represented a decrease of $2.5 million, or 75.41%, from net charges to the allowance for credit losses of $3.3 million for 1997. Contributing to the decrease in nonperforming loans at December 31, 1998 was an increase in the balance of loans charged to the allowance for credit losses for 1998 compared to 1997.

Table 8 presents a comparison of net credit losses, the provision for credit losses (including adjustments incidental to mergers), and the resulting allowance for credit losses for each of the years indicated.

TABLE 8 -- SUMMARY OF CREDIT LOSS EXPERIENCE

	1999	1998	1997	1996	1995
	(AMOUNTS IN THOUSANDS)				
Amount of Total Loans at End of Period(1)	$952,552	$832,184	$749,776	$709,285	$620,312
Average Total Loans Outstanding(1)	$866,917	$772,331	$718,431	$662,195	$601,324
Allowance for Credit Losses at Beginning of Period	$ 14,888	$ 13,103	$ 13,608	$ 11,139	$ 10,936
Loans Charged-Off:					
Real Estate	483	707	3,158	1,559	2,237
Commercial, Financial and Industrial	522	373	371	452	592
Agribusiness	0	0	0	0	0
Municipal Lease Finance Receivables	0	0	0	0	0
Consumer Loans	18	61	143	125	178
Total Loans Charged-Off	1,023	1,141	3,672	2,136	3,007
Recoveries:					
Real Estate Loans	6	161	44	572	63
Commercial, Financial and Industrial	184	150	295	210	208
Agribusiness	0	0	0	0	0
Municipal Lease Finance Receivables	0	0	0	0	0
Consumer Loans	6	15	18	19	44
Total Loans Recovered	196	326	357	801	315
Net Loans Charged-Off	827	815	3,315	1,335	2,692
Provision Charged to Operating Expense	2,700	2,600	2,810	3,093	2,895
Adjustments Incident to Mergers	0	0	0	711	0
Allowance for Credit Losses at End of period	$ 16,761	$ 14,888	$ 13,103	$ 13,608	$ 11,139
Net Loans Charged-Off to Average Total Loans	0.10%	0.11%	0.46%	0.20%	0.45%
Net Loans Charged-Off to Total Loans at End of Period	0.09%	0.10%	0.44%	0.19%	0.43%
Allowance for Credit Losses to Average Total Loans	1.93%	1.93%	1.82%	2.05%	1.85%
Allowance for Credit Losses to Total Loans at End of Period	1.76%	1.79%	1.75%	1.92%	1.80%
Net Loans Charged-Off to Allowance for Credit Losses	4.93%	5.47%	25.30%	9.81%	24.17%
Net Loans Charged-Off to Provision for Credit Losses	30.63%	31.35%	117.97%	43.16%	92.99%

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(1) Net of deferred loan origination fees.

The Company's management believes that the allowance for credit losses at December 31, 1999 was adequate to provide for both recognized potential losses and estimated inherent losses in the portfolio. No assurances can be given that future events may not result in increases in delinquencies, nonperforming loans or net loan charge offs that would increase the provision for credit losses and thereby adversely affect the results of operations. There is no precise method of predicting specific losses that ultimately may be charged against the allowance for credit losses.

Table 9 provides a summary of the allocation of the allowance for credit losses for specific loan categories at the dates indicated. The allocations presented should not be interpreted as an indication that loans charged to the allowance for credit losses will occur in these amounts or proportions, or that the portion of the allowance allocated to each loan category represents the total amount available for future losses that may occur within these categories. There is a large unallocated portion of the allowance for credit losses and the total allowance is applicable to the entire loan portfolio.

TABLE 9 -- ALLOCATION OF ALLOWANCE FOR CREDIT LOSSES

	DECEMBER 31,					
	1999		1998		1997	
	(AMOUNTS IN THOUSANDS)					
	ALLOWANCE FOR CREDIT LOSSES	% OF CATEGORY TO TOTAL LOANS	ALLOWANCE FOR CREDIT LOSSES	% OF CATEGORY TO TOTAL LOANS	ALLOWANCE FOR CREDIT LOSSES	% OF CATEGORY TO TOTAL LOANS
Real Estate..........	466	44.5%	$ 1,942	50.5%	$ 1,563	43.8%
Commercial and Industrial.........	9,794	51.1%	6,867	43.7%	6,405	49.7%
Consumer.............	130	2.6%	155	3.5%	139	3.7%
Unallocated..........	6,371	N/A	5,924	N/A	4,996	N/A
Total........	16,761		$14,888		$13,103	

	DECEMBER 31,			
	1996		1995	
	(AMOUNTS IN THOUSANDS)			
	ALLOWANCE FOR CREDIT LOSSES	% OF CATEGORY TO TOTAL LOANS	ALLOWANCE FOR CREDIT LOSSES	% OF CATEGORY TO TOTAL LOANS
Real Estate..........	$ 1,363	49.0%	$ 752	37.8%
Commercial and Industrial.........	8,137	44.6%	6,365	54.8%
Consumer.............	184	4.2%	104	4.2%
Unallocated..........	3,924	N/A	3,918	N/A
Total........	$13,608		$11,139	

INTEREST RATE RISK

During periods of changing interest rates, the ability to reprice interest earning assets and interest bearing liabilities can influence net interest income, the 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 a downward sloping ladder of bond payments and maturities. Basis risk is managed by the timing and magnitude of changes to interest-bearing deposit 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.

The Bank's management monitors the interest rate "sensitivity" risk to earnings from potential changes in interest rates using various methods, including a maturity/repricing gap analysis. This analysis measures, at specific time intervals, the differences between earning assets and interest bearing liabilities for which repricing opportunities will occur. A positive difference, or gap, indicates that earning assets will reprice faster than interest bearing liabilities. This will generally produce a greater net interest margin during periods of rising interest rates, and a lower net interest margin during periods of declining interest rates. Conversely, a negative gap will generally produce a lower net interest margin during periods of rising interest rates and a greater net interest margin during periods of decreasing interest rates.

Table 10 provides the Bank's maturity/repricing gap analysis at December 31, 1999, and 1998. The Bank had a negative cumulative 180 day gap of $554.7 million at December 31, 1999. This represented an increase of $167.6 million, or 43.31%, over the 180 day cumulative negative gap of $387.1 million at December 31, 1998. In theory, this would indicate that at December 31, 1999, $554.7 million more in liabilities than assets would re-price if there was a change in interest rates over the next 180 days. If interest rates increase, the negative gap would tend to result in a lower net interest margin. If interest rates decrease, the negative gap would tend to result in an increase in the net interest margin.

TABLE 10 -- ASSET AND LIABILITY MATURITY/REPRICING GAP

	90 DAYS OR LESS	OVER 90 DAYS TO 180 DAYS	OVER 180 DAYS TO 365 DAYS	OVER 365 DAYS
		(AMOUNTS IN THOUSANDS)		
1999				
Earning Assets:				
Investment Securities at carrying value	$ 82,058	$ 18,464	$ 41,037	$ 735,773
Total Loans	354,718	21,511	39,983	539,906
Total	$ 436,776	$ 39,975	$ 81,020	$1,275,679
Interest Bearing Liabilities				
Savings Deposits	$ 520,963	$ 0	$ 0	$ 0
Time Deposits	172,250	100,260	49,973	7,806
Other Borrowings	163,000	75,000	40,000	45,000
Total	856,213	175,260	89,973	52,806
Period GAP	$(419,437)	$(135,285)	$ (8,953)	$1,222,873
Cumulative GAP	$(419,437)	$(554,722)	$(563,675)	$ 659,198
1998				
Earning Assets:				
Fed Funds	$ 57,390	$ 0	$ 0	$ 0
Investment Securities at carrying value	78,334	32,761	71,354	604,373
Total Loans	351,642	23,937	33,703	426,320
Total	$ 487,366	$ 56,698	$ 105,057	$1,030,693
Interest Bearing Liabilities				
Savings Deposits	$ 513,451	$ 0	$ 0	$ 0
Time Deposits	189,260	88,438	38,746	7,061
Other Borrowings	85,000	55,000	10,000	50,000
Total	787,711	143,438	48,746	57,061
Period GAP	$(300,345)	$ (86,740)	$ 56,311	$ 973,632
Cumulative GAP	$(300,345)	$(387,085)	$(330,774)	$ 642,858

The interest rates paid on deposit accounts do not always move in unison with the rates charged on loans. In addition, the magnitude of changes in the rates charged on loans is not always proportionate to the magnitude of changes in the rate paid for deposits. Consequently, changes in interest rates do not necessarily result in an increase or decrease in the net interest margin solely as a result of the differences between repricing opportunities of earning assets or interest bearing liabilities. The fact that the Bank reported a negative gap at December 31, 1999 does not necessarily indicate that, if interest rates decreased, net interest income would increase, or if interest rates increased, net interest income would decrease.

Approximately $642.2 million, or 73.20% of the total investment portfolio at December 31, 1999 consisted of securities backed by mortgages. The final maturity of these securities can be affected by the speed at which the underlying mortgages repay. Mortgages tend to repay faster as interest rates fall, and slower as interest rates rise. As a result, the Bank may be subject to a "prepayment risk" resulting from greater funds available for reinvestment at a time when available yields are lower. Conversely, the Bank may be subject to "extension risk" resulting as lesser amounts would be available for reinvestment at a time when available yields are higher. Prepayment risk includes the risk associated with the payment of an investment's principal faster than originally intended. Extension risk is the risk associated with the payment of an investment's principal over a longer time period than originally anticipated. In addition, there can be greater risk of price volatility for mortgage backed securities as a result of anticipated prepayment or extension risk.

The Company's management also utilizes the results of a dynamic simulation model to quantify the estimated exposure of net interest income to sustained interest rate changes. 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 interest income from all interest earning assets and the interest expense paid on all interest bearing liabilities reflected on the Company's balance sheet. This sensitivity analysis is compared to policy limits which specify a maximum tolerance level for net interest income exposure over a one year 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 rates over a 12 month period is assumed.

The following reflects the Company's net interest income sensitivity analysis as of December 31, 1999:

SIMULATED RATE CHANGES	ESTIMATED NET INTEREST INCOME SENSITIVITY
+200 basis points	(2.02%)
- -200 basis points	2.57%

The estimated sensitivity does not necessarily represent a Company forecast and the results may not be indicative of actual changes to the Company's net interest income. These estimates are based upon a number of assumptions including: the nature and timing of interest rate levels including yield curve shape, prepayments on loans and securities, pricing strategies on loans and deposits, and replacement of asset and liability cashflows. While the assumptions used are based on current economic and local market conditions, there is no assurance as to the predictive nature of these conditions including how customer preferences or competitor influences might change. See NOTE 18 -- of the Notes to the Consolidated Financial Statements.

The table below provides the actual balances as of December 31, 1999 of interest earning assets and interest-bearing liabilities, including the average rate earned or paid for 1999, the projected contractual maturities over the next five years, and the estimated fair value of each category determined using available market information and appropriate valuation methodologies.

	BALANCE DECEMBER 31,	RATE	MATURING ONE YEAR	TWO YEARS	THREE YEARS	FOUR YEARS	FIVE YEARS AND BEYOND	ESTIMATED FAIR VALUE
			(AMOUNTS IN THOUSANDS)					
1999								
Interest-Earning Assets								
Investment securities available for sale	$ 877,332	6.63%	$ 141,559	$100,002	$ 95,116	$ 75,149	$465,506	$ 877,332
Loans and lease finance receivables, net	935,791	9.21%	416,212	49,156	78,973	101,649	289,801	934,465
Total interest earning assets	$1,813,123		$ 557,771	$149,158	$174,089	$176,798	$755,307	$1,811,797
Interest-Bearing Liabilities								
Interest-bearing deposits	$ 851,252	3.03%	$ 843,446	$ 5,566	$ 1,125	$ 550	$ 565	$ 851,229
Demand note to U.S. Treasury	16,951	4.63%	16,951					16,951
Short-term borrowings	323,000	5.31%	278,000	20,000	25,000			323,000
Total interest-bearing liabilities	$1,191,203		$1,138,397	$ 25,566	$ 26,125	$ 550	$ 565	$1,191,180

LIQUIDITY RISK

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 decreases or 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, other 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 $40.8 million for 1999, $32.4 million for 1998, and $29.1 million for 1997. The increase for 1999 compared to 1998 and 1997 was primarily the result of the increase in net income during each year.

Cash used for investing activities totaled $255.6 million for 1999, compared to $361.4 million for 1998, and $116.5 million for 1997. The funds used for investing activities primarily represented increases in investments and loans for each year reported. Funds obtained from investing activities for each year were obtained primarily from the sale and maturity of investment securities and from the sale of other real estate owned.

Funds provided from financing activities totaled $158.2 million for 1999, compared to $315.2 million for 1998, and $87.3 million for 1997. For 1999, cash flows from financing activities resulted from increased short term borrowing and to a lesser extent from noninterest-bearing deposits, money market, savings deposits and time deposits. For 1998, cash flows from financing activities resulted from increased noninterest bearing demand deposits and short term borrowings.

At December 31, 1999, cash and cash equivalents totaled $118.4 million. This represented a decrease of $56.6 million, or 32.35%, from a total of $175.0 million at December 31, 1998.

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 1999, the Bank's loan to deposit ratio averaged 59.45%, compared to an average ratio of 58.51% for 1998, and a ratio of 61.29% for 1997.

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. The remaining cashflow is from rents paid by third parties on office space in the Company's corporate headquarters. There are statutory and regulatory provisions that could limit the ability of the Bank to pay dividends to CVB. At December 31, 1999, approximately $48.7 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 December 31, 1999, neither the Bank nor CVB had any material commitments for capital expenditures.

Accounting Changes

In June 1998, the FASB issued SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities." SFAS No. 133 requires companies to record derivatives on the balance sheet as assets or liabilities, measured at fair value. Gains or losses resulting from changes in the values of those derivatives would be accounted for depending on the use of the derivative and whether it qualifies for hedge accounting. The key criterion for hedge accounting is that the hedging relationship must be highly effective in achieving offsetting changes in fair value or cash flows. SFAS No. 133 was to be effective for fiscal years beginning after June 15, 1999. However, in June 1999, the FASB issued SFAS No. 137 "Accounting for Derivative Instruments and Hedging Activities -- Deferral of the Effective Date of FASB Statement No. 133" which deferred the effective date of SFAS No. 133 until fiscal years beginning after June 15, 2000. The Company has adopted SFAS No. 133 and it did not have a material impact on the Company's results of operations or financial position.

In October 1998, the FASB issued SFAS No. 134, "Accounting for Mortgage-Backed Securities Retained after the Securitization of Mortgage Loans Held for Sale by a Mortgage Banking Enterprise." SFAS No. 134 amends SFAS No. 65, "Accounting for Certain Mortgage Banking Activities," which establishes accounting and reporting standards for certain activities of mortgage banking enterprises and other enterprises that conduct operations that are substantially similar. SFAS No. 134 requires that after the securitization of mortgage loans held for sale, the resulting mortgage-backed securities and other retained interests should be classified in accordance with SFAS No. 115, "Accounting for Certain Investments in Debt and Equity Securities," based on the company's ability and intent to sell or hold those investments. SFAS No. 134 is effective for the first fiscal quarter beginning after December 15, 1998. The adoption of SFAS No. 134 did not have a material impact on the Company's results of operations or financial position when adopted.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market risk is the risk of loss from adverse changes in the market prices and interest rates. The Company's market risk arises primarily from interest rate risk inherent in its lending and deposit taking activities. The Company currently does not enter into futures, forwards, or option contracts. For greater discussion on the risk management of the Company, see Item 7. Management's Discussion and Analysis of Financial Condition and the Results of Operations -- Risk Management.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

CVB FINANCIAL CORP.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS
AND FINANCIAL STATEMENT SCHEDULES

All schedules are omitted because they are not applicable, not material or because the information is included in the financial statements or the notes thereto.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

Except as hereinafter noted, the information concerning directors and executive officers of the Company is incorporated by reference from the section entitled "Discussion of Proposals recommended by the Board -- Proposal 1: Election of Directors" and "Beneficial Ownership Reporting Compliance Requirement in 1999" of the Company's definitive Proxy Statement to be filed pursuant to Regulation 14A within 120 days after the end of the last fiscal year. For information concerning executive officers of the Company, see "Item 4(A). Executive Officers of the Registrant" above.

ITEM 11. EXECUTIVE COMPENSATION

Information concerning management remuneration and transactions is incorporated by reference from the section entitled "Executive Compensation" of the Company's definitive Proxy Statement to be filed pursuant to Regulation 14A within 120 days after the end of the last fiscal year.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

Information concerning security ownership of certain beneficial owners and management is incorporated by reference from the sections entitled "Stock Ownership" of the Company's definitive Proxy Statement to be filed pursuant to Regulation 14A within 120 days after the end of the last fiscal year.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Information concerning certain relationships and related transactions with management and others is incorporated by reference from the section entitled "Executive Compensation -- Certain Relationships and Related Transactions" of the Company's definitive Proxy Statement to be filed pursuant to Regulation 14A within 120 days after the end of the last fiscal year.

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES, AND REPORTS ON FORM 8-K

FINANCIAL STATEMENTS

Reference is made to the Index to Financial Statements at page 34 for a list of financial statements filed as part of this Report.

EXHIBITS

See Index to Exhibits at Page 64 of this Form 10-K.

EXECUTIVE COMPENSATION PLANS AND ARRANGEMENTS

The following compensation plans and arrangements were filed as exhibits to this Form 10-K: Agreement by and among D. Linn Wiley, CVB Financial Corp. and Chino Valley Bank dated August 8, 1991, Exhibit 10.2; Chino Valley Bank Profit Sharing Plan, Exhibit 10.3; 1991 Stock Option Plan, Exhibit 10.17; Severance Compensation Agreement dated September 30, 1996 with Edwin J. Pomplun, Exhibit 10.29; Severance Compensation Agreement dated September 20, 1996 with Frank Basirico, Exhibit 10.30; Severance Compensation Agreement dated September 27, 1996 with Jay Coleman, Exhibit 10.31; Severance Compensation Agreement dated September 27, 1996 with Tony Ellis, Exhibit 10.33; Severance Compensation Agreement dated May 30, 1997 with Nancy Sinclair, Exhibit 10.34, and Severance Compensation Agreement dated February 1, 1998 with Edward Biebrich, Exhibit 10.35.

REPORTS ON FORM 8-K

On October 19, 1999 the Company filed a report on Form 8-K reporting under Item 2 and Item 7 concerning the acquisition of Orange National Bancorp. The Company filed certain historical financial statements of Orange National Bancorp and pro-forma financial statements.

On November 9, 1999 the Company filed a report on Form 8-K reporting under Item 5 regarding the results of operations for the first 30 days of post merger operations for the Company following the acquisition of Orange National Bancorp.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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, on the 15th day of March, 2000.

CVB FINANCIAL CORP.

By: /s/ D. LINN WILEY

D. Linn Wiley
President and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant in the capacities and on the dates indicated.

SIGNATURE	TITLE	DATE
/s/ GEORGE A. BORBA George A. Borba	Chairman of the Board	March 15, 2000
/s/ JOHN A. BORBA John A. Borba	Director	March 15, 2000
/s/ RONALD O. KRUSE Ronald O. Kruse	Director	March 15, 2000
/s/ JOHN J. LOPORTO John J. LoPorto	Director	March 15, 2000
/s/ JAMES C. SELEY James C. Seley	Director	March 15, 2000
/s/ SAN E. VACCARO San E. Vaccaro	Director	March 15, 2000
/s/ EDWARD J. BIEBRICH, JR. Edward J. Biebrich, Jr.	Chief Financial Officer (Principal Financial and Accounting Officer)	March 15, 2000
/s/ D. LINN WILEY D. Linn Wiley	Director, President and Chief Executive Officer (Principal Executive Officer)	March 15, 2000

CVB FINANCIAL CORP. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 1999 AND 1998
(DOLLARS IN THOUSANDS)

ASSETS

	1999	1998
Federal funds sold	$ --	$ 57,390
Investment securities held to maturity (Note 2)	--	70,011
Investment securities available for sale (Note 2)	877,332	716,811
Loans and lease finance receivables, net (Notes 3, 4, and 5)	935,791	817,296
Total earning assets	1,813,123	1,661,508
Cash and due from banks	118,360	117,574
Premises and equipment, net (Note 6)	27,726	27,771
Other real estate owned, net (Note 5)	703	2,102
Deferred taxes (Note 7)	20,941	4,666
Goodwill	8,452	9,635
Cash value of life insurance	6,793	6,509
Accrued interest receivable	11,454	9,358
Other assets	3,205	1,946
Total	$2,010,757	$1,841,069

LIABILITIES AND STOCKHOLDERS' EQUITY

	1999	1998
Liabilities:		
Deposits (Note 8):		
Noninterest-bearing	$ 649,821	$ 638,683
Interest-bearing	851,252	836,956
Total deposits	1,501,073	1,475,639
Demand note to U.S. Treasury	16,951	95
Short-term borrowings (Note 9)	323,000	200,000
Securities purchased not settled	--	5,000
Accrued interest payable	5,341	4,674
Other liabilities (Notes 7, 11, and 19)	23,622	16,231
Total liabilities	1,869,987	1,701,639
Commitments and Contingencies (Note 10)		
Stockholders' Equity (Notes 14 and 15)		
Preferred stock -- authorized, 20,000,000 shares without par value; no shares issued or outstanding		
Common stock -- authorized, 50,000,000 shares without par value; issued and outstanding, 24,716,832 (1999) and 19,527,646 (1998)	105,304	102,565
Retained earnings	51,857	35,517
Accumulated other comprehensive (loss) income, net of tax (Note 2)	(16,391)	1,348
Total stockholders' equity	140,770	139,430
Total	$2,010,757	$1,841,069

See accompanying notes to consolidated financial statements.

CVB FINANCIAL CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF EARNINGS
THREE YEARS ENDED DECEMBER 31, 1999
(DOLLARS IN THOUSANDS, EXCEPT PER SHARE DATA)

	1999	1998	1997
Interest Income:			
Loans, including fees	$ 78,385	$ 74,840	$ 71,821
Investment securities:			
Taxable	42,885	33,385	25,290
Tax-advantaged	5,663	4,370	2,553
	48,548	37,755	27,843
Federal funds sold	1,545	3,360	1,848
Total interest income	128,478	115,955	101,512
Interest Expense:			
Deposits (Note 8)	26,267	27,951	24,404
Other borrowings	12,199	7,462	3,924
Total interest expense	38,466	35,413	28,328
Net Interest Income Before Provision for Credit Losses	90,012	80,542	73,184
Provision for Credit Losses (Note 5)	2,700	2,600	2,810
Net Interest Income After Provision for Credit Losses	87,312	77,942	70,374
Other Operating Income:			
Service charges on deposit accounts	10,558	8,810	8,612
Trust services	3,748	3,472	3,161
Other	4,324	5,477	5,757
Total other operating income	18,630	17,759	17,530
Other Operating Expenses:			
Salaries, wages, and employee benefits (Notes 11, 12, and 14)	29,141	28,838	27,913
Occupancy (Note 10)	4,825	5,109	4,569
Equipment	4,730	4,645	4,068
Stationery and supplies	3,647	3,374	3,243
Professional services	3,391	3,305	2,814
Promotion	2,869	2,497	2,551
Data processing	2,352	1,928	1,777
Deposit insurance premiums	210	220	201
Other real estate owned expense (Note 5)	647	1,211	2,783
Acquisition costs (Note 19)	4,856	--	--
Other	8,069	6,054	4,747
Total other operating expenses	64,737	57,181	54,666
Earnings Before Income Taxes	41,205	38,520	33,238
Income Taxes (Note 7)	15,245	14,403	12,670
Net Earnings	$ 25,960	$ 24,117	$ 20,568
Basic Earnings Per Common Share (Note 13)	$ 1.06	$ 0.99	$ 0.85
Diluted Earnings Per Common Share (Note 13)	$ 1.02	$ 0.95	$ 0.82

See accompanying notes to consolidated financial statements

CVB FINANCIAL CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
THREE YEARS ENDED DECEMBER 31, 1999
(DOLLARS AND SHARES IN THOUSANDS)

	COMMON SHARES OUTSTANDING	COMMON STOCK	RETAINED EARNINGS	ACCUMULATED OTHER COMPREHENSIVE INCOME, NET OF TAX	COMPREHENSIVE INCOME
BALANCE, JANUARY 1, 1997	12,902	$ 69,617	$ 38,744	$ (318)	
Repurchase of common stock	(95)	(591)	(1,344)		
Issuance of common stock	122	1,093			
3-for-2 stock split	5,001				
Tax benefit from exercise of stock options			194		
Cash dividends			(5,327)		
Comprehensive income:					
Net earnings			20,568		$ 20,568
Other comprehensive income -- Unrealized gains on securities available for sale, net				1,035	1,035
Comprehensive income					$ 21,603
BALANCE, DECEMBER 31, 1997	17,930	70,119	52,835	717	
Repurchase of common stock	(92)	(380)	(1,527)		
Issuance of common stock	187	639			
10% stock dividend	1,503	32,187	(32,187)		
Tax benefit from exercise of stock options			171		
Cash dividends			(7,892)		
Comprehensive income:					
Net earnings			24,117		$ 24,117
Other comprehensive income -- Unrealized gains on securities available for sale, net				631	631
Comprehensive income					$ 24,748
BALANCE, DECEMBER 31, 1998	19,528	102,565	35,517	1,348	
Issuance of common stock	246	2,739			
5-for-4 stock split	4,943				
Tax benefit from exercise of stock options			221		
Cash dividends			(9,841)		
Comprehensive income:					
Net earnings			25,960		$ 25,960
Other comprehensive income -- Unrealized losses on securities available for sale, net				(17,739)	(17,739)
Comprehensive income					$ 8,221
BALANCE, DECEMBER 31, 1999	24,717	$105,304	$ 51,857	$(16,391)	

See accompanying notes to consolidated financial statements.

CVB FINANCIAL CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (CONTINUED)
THREE YEARS ENDED DECEMBER 31, 1999
(DOLLARS IN THOUSANDS)

	1999	1998	1997
DISCLOSURE OF RECLASSIFICATION AMOUNT:			
Unrealized holding (losses) gains on securities arising during the period	$(30,848)	$1,468	$1,762
Tax benefit (expense)	13,058	(600)	(746)
Less:			
Reclassification adjustment for losses (gains) on securities included in net income	80	(407)	(7)
Reclassification adjustment for losses included in net earnings for securities transferred		35	40
Add --			
Tax (benefit) expense	(29)	135	(14)
Net unrealized (loss) gain on securities	$(17,739)	$ 631	$1,035

See accompanying notes to consolidated financial statements.

CVB FINANCIAL CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
THREE YEARS ENDED DECEMBER 31, 1999
(DOLLARS IN THOUSANDS)

	1999	1998	1997
CASH FLOWS FROM OPERATING ACTIVITIES:			
Interest received	$ 133,128	$ 110,980	$ 97,768
Service charges and other fees received	19,121	21,320	20,911
Interest paid	(37,799)	(34,228)	(27,872)
Cash paid to suppliers and employees	(56,307)	(51,230)	(49,176)
Income taxes paid	(17,301)	(14,468)	(12,510)
Net cash provided by operating activities	40,842	32,374	29,121
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds from sales of securities available for sale	30,249	96,187	53,689
Proceeds from maturities of securities available for sale	165,126	154,837	86,536
Proceeds from maturities of securities held to maturity	1,018	7,487	3,925
Purchases of securities available for sale	(320,357)	(524,817)	(206,510)
Purchases of securities held to maturity	(9,550)	(14,317)	(10,691)
Net increase in loans	(122,990)	(85,329)	(54,480)
Proceeds from sale of other real estate owned	2,262	5,401	13,000
Proceeds from sale of premises and equipment	67	2,204	55
Purchases of premises and equipment	(4,066)	(4,507)	(2,577)
Other investing activities	2,607	1,408	569
Net cash used in investing activities	(255,634)	(361,446)	(116,484)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Net increase in noninterest-bearing deposits and money market and savings accounts	18,650	144,777	33,987
Net increase in time certificates of deposit	6,784	36,375	71,540
Net increase (decrease) in short-term borrowings	139,856	143,172	(11,688)
Cash dividends on common stock	(9,841)	(7,892)	(5,327)
Repurchase of common stock		(1,907)	(1,935)
Proceeds from exercise of stock options	2,739	639	720
Net cash provided by financing activities	158,188	315,164	87,297
Net Decrease in Cash and Cash Equivalents	(56,604)	(13,908)	(66)
Cash and Cash Equivalents, Beginning of Year	174,964	188,872	188,938
Cash and Cash Equivalents, End of Year	$ 118,360	$ 174,964	$ 188,872
RECONCILIATION OF NET EARNINGS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:			
Net earnings	$ 25,960	$ 24,117	$ 20,568
Adjustments to reconcile net earnings to net cash provided by operating activities:			
Gain on sales of investment securities	(60)	(451)	(95)
Loss on sales of investment securities	140	44	88
Loss (gain) on sale of premises and equipment	10	(684)	(26)
Gain on sale of other real estate owned	(631)	(116)	(204)
Gain on sale of loans	(182)	(655)	(1,374)
Gain on cash value of life insurance	(199)	(213)	(219)
Amortization of premiums (accretion of discounts) on investment securities	7,156	(1,185)	(1,138)
Provision for credit losses	2,700	2,600	2,810
Provision for losses on other real estate owned	300	500	1,686
Proceeds from loan sales	4,830	10,553	19,264
Origination of loans held for sale	(4,648)	(9,898)	(17,890)
Depreciation and amortization	4,035	3,679	3,518
Change in accrued interest receivable	(2,096)	(1,275)	226
Change in accrued interest payable	667	1,184	457
Deferred tax benefit (provision)	(2,967)	(1,208)	153
Change in other assets and liabilities	5,827	5,382	1,297
Total adjustments	14,882	8,257	8,553
Net Cash Provided by Operating Activities	$ 40,842	$ 32,374	$ 29,121
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES:			
Real estate acquired through foreclosure	$ 1,795	$ 3,560	$ 11,553
Loans to facilitate the sale of other real estate owned	$ 1,235	$ 200	$ 4,519
Securities purchased not settled	$ --	$ 5,000	$ 10,300

See accompanying notes to consolidated financial statements.

CVB FINANCIAL CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
THREE YEARS ENDED DECEMBER 31, 1999

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of CVB Financial Corp. and subsidiaries are in accordance with generally accepted accounting principles and conform to practices within the banking industry. A summary of the significant accounting policies consistently applied in the preparation of the accompanying consolidated financial statements follows.

Principles of Consolidation -- The consolidated financial statements include the accounts of CVB Financial Corp. (the "Company") and its wholly owned subsidiaries, Citizens Business Bank (the "Bank"), Community Trust Deed Services, CVB Ventures, Inc., and Chino Valley Bancorp, after elimination of all material intercompany transactions and balances.

Nature of Operations -- The Company's primary operations are related to traditional banking activities, including the acceptance of deposits and the lending and investing of money through the operations of the Bank. The Bank also provides trust services to customers through its asset management division and branch offices. The Bank's customers consist primarily of small to mid-sized businesses and individuals located in the Inland Empire, San Gabriel Valley, and Orange County areas of Southern California. The Bank operates 30 branches with the headquarters located in the city of Ontario.

Investment Securities -- The Company classifies as held to maturity those debt securities that it has the positive intent and ability to hold to maturity. All other debt and equity securities are classified as available for sale. Securities held to maturity are accounted for at cost and adjusted for amortization of premiums and accretion of discounts. Securities available for sale are accounted for at fair value, with the net unrealized gains and losses (unless other than temporary), net of income tax effects, presented as a separate component of stockholders' equity. Realized gains and losses on sales of securities are recognized in earnings at the time of sale and are determined on a specific-identification basis. The Company's investment in Federal Home Loan Bank ("FHLB") stock is classified as available for sale but is carried at cost, which approximates fair value.

Loans and Lease Finance Receivables -- Loans and lease finance receivables are reported at the principal amount outstanding, less deferred net loan origination fees and the allowance for credit losses. Interest on loans and lease finance receivables is credited to income based on the principal amount outstanding. Interest income is not recognized on loans and lease finance receivables when collection of interest is deemed by management to be doubtful.

The Bank receives collateral to support loans, lease finance receivables, and commitments to extend credit for which collateral is deemed necessary. The most significant categories of collateral are real estate, principally commercial and industrial income-producing properties, real estate mortgages, and assets utilized in agribusiness.

Nonrefundable fees and direct costs associated with the origination or purchase of loans are deferred and netted against outstanding loan balances. The deferred net loan fees and costs are recognized in interest income over the loan term in a manner that approximates the level-yield method.

Provision and Allowance for Credit Losses -- The determination of the balance in the allowance for credit losses is based on an analysis of the loan and lease finance receivables portfolio and reflects an amount that, in management's judgment, is adequate to provide for potential credit losses after giving consideration to the character of the loan portfolio, current economic conditions, past credit loss experience, and such other factors as deserve current recognition in estimating credit losses. The provision for credit losses is charged to expense.

Premises and Equipment -- Premises and equipment are stated at cost, less accumulated depreciation, which is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives using the straight-line method. Properties under capital lease and leasehold improvements are amortized over the shorter of their economic lives or the initial terms of the leases.

Other Real Estate Owned -- Other real estate owned represents real estate acquired through foreclosure in satisfaction of commercial and real estate loans and is stated at fair value, minus estimated costs to sell (fair value at time of foreclosure). Loan balances in excess of fair value of the real estate acquired at the date of acquisition are charged against the allowance for credit losses. Any subsequent operating expenses or income, reduction in estimated values, and gains or losses on disposition of such properties are charged to current operations.

Business Combinations and Intangible Assets -- The Company has engaged in the acquisition of financial institutions and the assumption of deposits and purchase of assets from other financial institutions in its market area. The Company has paid premiums on certain transactions, and such premiums are recorded as intangible assets, in the form of goodwill. These intangible assets are being amortized over a 15-year period on the straight-line basis.

Income Taxes -- Deferred income taxes are recognized for the tax consequences in future years of differences between the tax bases of assets and liabilities and their financial reporting amounts at each year-end, based on enacted tax laws and statutory tax rates applicable to the periods in which the differences are expected to affect taxable income.

Earnings per Common Share -- Basic earnings per share are computed by dividing income available to common stockholders by the weighted-average number of common shares outstanding during each year. The computation of diluted earnings per share considers the number of shares issuable upon the assumed exercise of outstanding common stock options. Earnings per common share and stock option amounts have been retroactively restated to give effect to all stock splits and dividends. A reconciliation of the numerator and the denominator used in the computation of basic and diluted earnings per common share is included in Note 13.

Statement of Cash Flows -- Cash and cash equivalents as reported in the statements of cash flows include cash and due from banks and federal funds sold.

Trust Services -- The Company maintains funds in trust for customers. The amount of these funds and the related liability have not been recorded in the accompanying consolidated balance sheets, as they are not assets or liabilities of the Bank or Company, with the exception of any funds held on deposit with the Bank. Trust fees are recorded on an accrual basis.

Use of Estimates in the Preparation of Financial Statements -- The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Current Accounting Pronouncements -- In June 1998, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards ("SFAS") No. 133, "Accounting for Derivative Instruments and Hedging Activities," effective for financial statements for periods beginning after June 15, 1999. This statement establishes accounting and reporting standards for derivative instruments, including certain derivative instruments embedded in other contracts, (collectively referred to as derivatives) and for hedging activities. It requires that an entity recognize all derivatives as either assets or liabilities in the statement of financial position and measure those instruments at fair value. This statement was adopted during the year ended December 31, 1999, with an immaterial impact on the Company's consolidated financial statements.

Reclassifications -- Certain amounts in the prior years' financial statements and related footnote disclosures have been reclassified to conform to the current year's presentation. In addition, all prior years' amounts have been restated to account for the acquisition of Orange National Bancorp ("ONB") under the pooling-of-interests method of accounting.

2. INVESTMENT SECURITIES

The amortized cost and estimated fair value of investment securities are shown below. All securities held are publicly traded, and the estimated fair values were obtained from an independent pricing service.

	1999			
	AMORTIZED COST	GROSS UNREALIZED HOLDING GAINS	GROSS UNREALIZED HOLDING LOSSES	FAIR VALUE
	(IN THOUSANDS)			
Investment securities available for sale:				
U.S. Treasury securities	$ 999		$ (8)	$ 991
Mortgage-backed securities	231,233	$ 74	(5,800)	225,507
CMO/REMICs	434,680	2	(17,952)	416,730
Government agency	35,392		(510)	34,882
Municipal bonds	165,137	472	(4,663)	160,946
Other debt securities	9,536		(43)	9,493
CRA Investment	820			820
FHLB stock	27,963			27,963
	$905,760	$ 548	$(28,976)	$877,332

	1998			
	AMORTIZED COST	GROSS UNREALIZED HOLDING GAINS	GROSS UNREALIZED HOLDING LOSSES	FAIR VALUE
	(IN THOUSANDS)			
Investment securities held to maturity:				
Mortgage-backed securities	$ 4,409	$ 136		$ 4,545
CMO/REMICS	17,640	77	$ (25)	17,692
Municipal bonds	47,962	1,917		49,879
	$ 70,011	$2,130	$ (25)	$ 72,116
Investment securities available for sale:				
U.S. Treasury securities	$ 3,005	$ 18		$ 3,023
Mortgage-backed securities	150,588	1,157	$ (185)	151,560
CMO/REMICs	444,119	1,279	(753)	444,645
Government agency	35,670	90	(13)	35,747
Municipal bonds	58,483	941	(84)	59,340
CRA Investment	820			820
FRB stock	170			170
FHLB stock	21,506			21,506
	$714,361	$3,485	$ (1,035)	$716,811

The CMO/REMIC securities noted above represent collateralized mortgage obligations and real estate mortgage investment conduits. Approximately 95 percent of such securities are U.S. government agencies that guarantee payment of principal and interest of the underlying mortgages. The remaining collateralized mortgage obligations are backed by agency-pooled collateral or whole loan collateral. All non-agency issues held are currently rated "AAA" by either Standard & Poor's or Moody's.

At December 31, 1999 and 1998, investment securities having an amortized cost of approximately $507,695,000 and $390,308,000, respectively, were pledged to secure public deposits, short-term borrowings, and for other purposes as required or permitted by law.

As discussed in Note 1, the Company adopted SFAS No. 133 during the year ended December 31, 1999. As permitted by SFAS No. 133, the Company reclassified investment securities from held to maturity to available for sale. The amortized cost at the date of transfer was $71,609,000 and the fair value was $72,283,000. The unrealized gain was recorded in stockholders' equity, net of income taxes.

The amortized cost and fair value of debt securities at December 31, 1999, by contractual maturity, are shown below. Although mortgage-backed securities and CMO/REMICs have contractual maturities through 2030, expected maturities will differ from contractual maturities because borrowers may have the right to prepay such obligations without penalty.

	AVAILABLE FOR SALE		
	AMORTIZED COST	FAIR VALUE	WEIGHTED-AVERAGE YIELD
	(DOLLARS IN THOUSANDS)		
Due in one year or less	$ 13,464	$ 13,385	5.46%
Due after one year through five years	45,835	45,429	6.61%
Due after five years through ten years	58,472	57,051	6.82%
Due after ten years	94,113	91,267	7.76%
	211,884	207,132	7.11%
FHLB stock	27,963	27,963	
Mortgage-backed securities and CMO/REMICs	665,913	642,237	6.47%
	$905,760	$877,332	6.63%

Net realized gains on sales of investment securities available for sale are as follows:

	1999	1998	1997
	(IN THOUSANDS)		
Gross realized gains	$ 60	$451	$ 95
Gross realized losses	(140)	(44)	(88)

3. LOANS AND LEASE FINANCE RECEIVABLES

The following is a summary of the components of loan and lease finance receivables at December 31:

	1999	1998
	(IN THOUSANDS)	
Commercial, financial, and industrial	$392,094	$287,518
Real estate:		
Mortgage	375,387	385,393
Construction	48,078	34,489
Consumer	24,731	28,996
Municipal lease finance receivables	21,268	22,923
Agribusiness	94,560	76,283
	956,118	835,602
Allowance for credit losses (Note 5)	(16,761)	(14,888)
Deferred loan origination fees, net	(3,566)	(3,418)
	$935,791	$817,296

At December 31, 1999, the Bank held approximately $428,642,000 of fixed rate loans. These fixed rate loans bear interest at rates ranging from 5 to 17 percent and have contractual maturities between 1 and 25 years.

4. TRANSACTIONS INVOLVING DIRECTORS AND SHAREHOLDERS

In the ordinary course of business, the Bank has granted loans to certain directors, executive officers, and the businesses with which they are associated. All such loans and commitments to lend were made under terms that are consistent with the Bank's normal lending policies.

The following is an analysis of the activity of all such loans:

	1999	1998
	(IN THOUSANDS)	
Outstanding balance, beginning of year	$6,458	$ 6,636
Credit granted, including renewals	259	3,016
Repayments	(610)	(3,194)
Changes in officer/director loans due to merger	(611)	
Outstanding balance, end of year	$5,496	$ 6,458

5. ALLOWANCE FOR CREDIT AND OTHER REAL ESTATE OWNED LOSSES

Activity in the allowance for credit losses was as follows:

	1999	1998	1997
		(IN THOUSANDS)	
Balance, beginning of year	$14,888	$13,103	$13,608
Provision charged to operations	2,700	2,600	2,810
Loans charged off	(1,023)	(1,141)	(3,672)
Recoveries on loans previously charged off	196	326	357
Balance, end of year	$16,761	$14,888	$13,103

CVB FINANCIAL CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
THREE YEARS ENDED DECEMBER 31, 1999

The Bank measures an impaired loan by using the present value of the expected future cash flows discounted at the loan's effective interest rate or the fair value of the collateral if the loan is collateral dependent. If the calculated measurement of an impaired loan is less than the recorded investment in the loan, a portion of the Bank's general reserve is allocated as an impairment reserve.

At December 31, 1999 and 1998, the Bank had classified as impaired, loan amounts totaling $3,240,000 and $10,991,000, respectively. All of these loans require specific reserves, and accordingly, the Bank has recorded specific reserves of $405,000 and $1,208,000 on such loans, respectively. The average recorded investment in impaired loans during the years ended December 31, 1999, 1998, and 1997 was approximately $7,161,000, $8,800,000, and $13,693,000, respectively. Interest income of $459,000, $986,000, and $1,238,000 was recognized on impaired loans during the years ended December 31, 1999, 1998, and 1997, respectively.

The accrual of interest on impaired loans is discontinued when the loan becomes 90 days past due, or when the full collection of principal and interest is in doubt. When an asset is placed on nonaccrual status, previously accrued but unpaid interest is reversed against income. Subsequent collections of cash may be applied as reductions to the principal balance, or recorded as income, depending on management's assessment of the ultimate collectibility of the asset. Nonaccrual assets may be restored to accrual status when principal and interest become current and full payment of principal and interest is expected.

At December 31, 1999, loans on nonaccrual status totaled $1,191,000, all of which are included in the impaired loans discussed above, compared to $8,849,000 at December 31, 1998.

Activity in the allowance for other real estate owned losses was as follows:

	1999	1998	1997
	(IN THOUSANDS)		
Balance, beginning of year	$ 553	$ 416	$ 2,184
Provision charged to operations	300	500	1,686
Charge-offs of other real estate owned	(739)	(363)	(3,454)
Balance, end of year	$ 114	$ 553	$ 416

The Company incurred additional expenses of $347,000 (1999), $711,000 (1998), and $1,097,000 (1997) related to the holding and disposition of other real estate owned.

6. PREMISES AND EQUIPMENT

Premises and equipment consist of:

	1999	1998
	(IN THOUSANDS)	
Land	$ 5,717	$ 5,717
Bank premises	22,156	21,076
Furniture and equipment	25,608	22,936
Leased property under capital lease	649	649
	54,130	50,378
Accumulated depreciation and amortization	(26,404)	(22,607)
	$ 27,726	$ 27,771

7. INCOME TAXES

Income tax expense comprised the following:

	1999	1998	1997
	(IN THOUSANDS)		
Current provision:			
Federal	$13,175	$11,403	$ 9,090
State	5,037	4,208	3,427
	18,212	15,611	12,517
Deferred (benefit) provision:			
Federal	(2,373)	(972)	154
State	(594)	(236)	(1)
	(2,967)	(1,208)	153
	$15,245	$14,403	$12,670

Income tax (asset) liability comprised the following:

	1999	1998
	(IN THOUSANDS)	
Current:		
Federal	$ 1,659	$ 1,202
State	777	330
	2,436	1,532
Deferred:		
Federal	(17,111)	(3,596)
State	(3,830)	(1,070)
	(20,941)	(4,666)
	$(18,505)	$(3,134)

CVB FINANCIAL CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
THREE YEARS ENDED DECEMBER 31, 1999

The components of the net deferred tax asset are as follows:

	1999	1998
	(IN THOUSANDS)	
FEDERAL		
Deferred tax liabilities:		
Depreciation	$ 2,428	$ 2,608
Valuation of trust assets	499	543
Core deposit premium	145	268
Leases	82	85
Deferred income	84	
Gross deferred tax liability	3,238	3,504
Deferred tax assets:		
California franchise tax	1,162	1,106
Bad debt and credit loss deduction	5,648	4,421
Other real estate owned reserves	187	290
Deferred compensation	977	1,270
Self-insurance reserves	427	298
Unrealized loss (gain) on investment securities, net	10,040	(1,102)
Other, net	1,908	817
Gross deferred tax asset	20,349	7,100
Net deferred tax asset -- federal	$17,111	$ 3,596
STATE		
Deferred tax liabilities:		
Depreciation	$ 567	$ 588
Valuation of trust assets	154	168
Core deposit premium	45	80
Deferred income	145	
Gross deferred tax liability	911	836
Deferred tax assets:		
Bad debt and credit loss deduction	1,600	1,303
Other real estate owned reserves	58	90
Deferred compensation	303	400
Self-insurance reserves	132	92
Other accrued expense	574	
Unrealized loss (gain) on investment securities, net	1,997	(169)
Other, net	77	190
Gross deferred tax asset	4,741	1,906
Net deferred tax asset -- state	$ 3,830	$ 1,070

A reconciliation of the statutory income tax rate to the consolidated effective income tax rate follows:

	1999		1998		1997	
	AMOUNT (000S)	PERCENT	AMOUNT (000S)	PERCENT	AMOUNT (000S)	PERCENT
Federal income tax at statutory rate	$14,422	35.0%	$13,482	35.0%	$11,633	35.0%
State franchise taxes, net of federal benefit	2,903	7.1	2,714	7.1	2,342	7.1
Tax-exempt interest	(2,241)	(5.4)	(1,917)	(5.0)	(1,425)	(4.3)
Other, net	161	0.3	124	0.3	120	0.3
	$15,245	37.0%	$14,403	37.4%	$12,670	38.1%

8. DEPOSITS

Time certificates of deposit with balances of $100,000 or more amounted to approximately $233,607,000 and $222,187,000 at December 31, 1999 and 1998, respectively. Interest expense on such deposits amounted to approximately $10,728,000 (1999), $11,166,000 (1998), and $8,516,000 (1997).

At December 31, 1999, the scheduled maturities of time certificates of deposit are as follows:

2000	$322,483,000
2001	5,566,000
2002	1,125,000
2003	550,000
2004 and thereafter	565,000
	$330,289,000

9. SHORT-TERM BORROWINGS

During 1999 and 1998, the Bank entered into short-term borrowing agreements with FHLB. The Bank had outstanding balances of $280,000,000 and $195,000,000 under these agreements at December 31, 1999 and 1998, respectively, with weighted-average interest rates of 5.6 percent and 5.3 percent, respectively. In addition, on December 31, 1999 and 1998, the Bank entered into an overnight agreement with FHLB to borrow $20,000,000 and $5,000,000 at 5.5 percent and 4.8 percent annual interest, respectively. FHLB is holding certain investment securities of the Bank as collateral for these borrowings. On December 31, 1999, the Bank entered into an overnight agreement with a financial institution to borrow $23,000,000 at 5.0 percent annual interest. The Bank maintained cash deposits with the financial institution as collateral for these borrowings.

CVB FINANCIAL CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
THREE YEARS ENDED DECEMBER 31, 1999

10. COMMITMENTS AND CONTINGENCIES

The Company leases land and buildings under operating leases for varying periods extending to 2014, at which time the Company can exercise options that could extend certain leases through 2027. The future minimum annual rental payments required for leases that have initial or remaining noncancelable lease terms in excess of one year as of December 31, 1999, excluding property taxes and insurance, are approximately as follows:

2000	$ 2,235,000
2001	1,806,000
2002	1,687,000
2003	1,390,000
2004	947,000
Succeeding years	2,738,000
Total minimum payments required	$10,803,000

Total rental expense for the Company was approximately $2,497,000 (1999), $2,494,000 (1998), and $2,389,000 (1997).

At December 31, 1999, the Bank had commitments to extend credit of approximately $249,500,000 and obligations under letters of credit of $13,199,000. Commitments to extend credit are agreements to lend to customers, provided there is no violation of any condition established in the contract. Commitments generally have fixed expiration dates or other termination clauses and may require payment of a fee. Commitments are generally variable rate, and many of these commitments are expected to expire without being drawn upon. As such, the total commitment amounts do not necessarily represent future cash requirements. The Bank uses the same credit underwriting policies in granting or accepting such commitments or contingent obligations as it does for on-balance-sheet instruments, which consist of evaluating customers' creditworthiness individually.

Standby letters of credit written are conditional commitments issued by the Bank to guarantee the financial performance of a customer to a third party. Those guarantees are primarily issued to support private borrowing arrangements. The credit risk involved in issuing letters of credit is essentially the same as that involved in extending loan facilities to customers. When deemed necessary, the Bank holds appropriate collateral supporting those commitments. Management does not anticipate any material losses as a result of these transactions.

The Bank has available lines of credit totaling $140,000,000 from certain financial institutions.

In May 1998, the Bank received an unfavorable jury judgment as a result of the lawsuit filed against them by MRI Grand Terrace, Inc. ("MRI"). The award to MRI and its joint venture partner, Tri-National Development Corp. was approximately $4,900,000, which included approximately $2,100,000 in compensatory damages, $1,600,000 in punitive damages, and $1,200,000 in prejudgment interest. The lawsuit alleges that the Bank misled MRI in its purchase of a commercial real estate property from the Bank. The Bank subsequently made a motion to the trial judge to vacate the jury verdict, and on August 14, 1998, the motion was denied. The Bank filed an appeal on August 19, 1998 and is proceeding with the appellate process, which could take an extended period of time to complete.

In the ordinary course of business, the Company becomes involved in litigation. Based upon the Company's internal records and discussions with legal counsel, the Company records reserves for estimates of the probable outcome of all cases brought against them. During 1999 and 1998, the Company has accrued a liability for a portion of the judgment discussed above. Management believes the ultimate outcome of this case will not have a material effect on the Company's future consolidated financial position or results of operations.

CVB FINANCIAL CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
THREE YEARS ENDED DECEMBER 31, 1999

11. DEFERRED COMPENSATION PLANS

As a result of the acquisition of Citizens Commercial Trust and Savings Bank of Pasadena ("CCT&SB") in 1996, the Bank assumed deferred compensation and salary continuation agreements with several former employees of CCT&SB. These agreements call for periodic payments at the retirement of such employees who have normal retirement dates through 2021. In connection with these agreements, the Bank assumed life insurance policies, which it intends to use to fund the related liability. Benefits paid to retirees amounted to approximately $50,000 (1999), $59,000 (1998), and $54,000 (1997).

The Bank also assumed a death benefit program for certain former employees of CCT&SB, under which the Bank will provide benefits to the former employees' beneficiaries: 1) in the event of death while employed by the Bank; 2) after termination of employment for total and permanent disability; 3) after retirement, if retirement occurs after age 65. Amounts are to be paid to the former employees' beneficiaries over a 10-year period in equal installments. Further, the Bank assumed life insurance policies to fund any future liability related to this program. Amounts paid for the benefit of retirees totaled approximately $221,000 for 1999, 1998, and 1997.

The Company assumed certain deferred compensation and salary continuation agreements as a result of the merger with ONB. These agreements called for periodic payments over 179 months in the event that ONB experienced a merger, acquisition, or other act wherein the employees were not retained in similar positions with the surviving company. Amounts paid under these agreements totaled approximately $162,000 in 1999.

12. 401(k) AND PROFIT-SHARING PLAN

The Bank sponsors a 401(k) and profit-sharing plan for the benefit of its employees. Employees are eligible to participate in the plan after 12 months of consecutive service, provided they have completed 1,000 service hours in the plan year. Employees may make contributions to the plan under the plan's 401(k) component, and the Bank may make contributions under the plan's profit-sharing component, subject to certain limitations. The Bank's contributions are determined by the Board of Directors and amounted to approximately $1,182,000 (1999), $1,047,000 (1998), and $1,021,000 (1997).

ONB had a salary deferral 401(k) plan for all employees who had completed one year of service. ONB contributed discretionary matching funds of $71,000 to the plan in 1999 and $102,000 in 1998 and 1997. The plan was terminated upon completion of the merger.

13. EARNINGS PER SHARE RECONCILIATION (Dollars and shares in thousands, except per share amounts)

	INCOME (NUMERATOR)	WEIGHTED-AVERAGE SHARES (DENOMINATOR)	PER SHARE AMOUNT
	DECEMBER 31, 1999		
BASIC EPS			
Income available to common stockholders........	$25,960	24,536	$ 1.06
EFFECT OF DILUTIVE SECURITIES			
Incremental shares from assumed exercise of outstanding options..........................		930	(0.04)
DILUTED EPS			
Income available to common stockholders........	$25,960	25,466	$ 1.02
	DECEMBER 31, 1998		
BASIC EPS			
Income available to common stockholders........	$24,117	24,424	$ 0.99
EFFECT OF DILUTIVE SECURITIES			
Incremental shares from assumed exercise of outstanding options..........................		919	(0.04)
DILUTED EPS			
Income available to common stockholders........	$24,117	25,343	$ 0.95
	DECEMBER 31, 1997		
BASIC EPS			
Income available to common stockholders........	$20,568	24,283	$ 0.85
EFFECT OF DILUTIVE SECURITIES			
Incremental shares from assumed exercise of outstanding options..........................		902	(0.03)
DILUTED EPS			
Income available to common stockholders........	$20,568	25,185	$ 0.82

14. STOCK OPTION PLANS

The Company has granted options to purchase shares of the Company's common stock to certain officers and Directors under a plan established in 1991. The plan authorizes the issuance of up to 2,823,425 shares. Option prices under the plan are to be determined at the fair market value of such shares on the date of grant, and options are exercisable in such installments as determined by the Board of Directors. Each option shall expire no later than 10 years from the grant date.

At December 31, 1999, options for the purchase of 1,091,060 shares of the Company's common stock were outstanding under the plan, of which options to purchase 893,112 shares were exercisable at prices ranging from $2.49 to $20.50; 984,683 shares of common stock were available for the granting of future options under the plan.

As a result of the merger with ONB, the Company assumed two compensatory incentive stock option plans in which options to purchase shares of ONB's common stock were granted to certain management and key personnel. Options to purchase shares of ONB's common stock have been converted to options to purchase the Company's common stock. At December 31, 1999, options for the purchase of 237,065 shares were outstanding and exercisable at prices ranging from $9.46 to $15.47. There are no further options available for grant under these plans.

The following table presents the status of all optioned shares and per share amounts after giving effect to the 5-for-4 stock split declared in 1999:

	SHARES	PRICE RANGE
Outstanding at January 1, 1997	1,505,828	$ 2.49 - $ 7.33
Granted	392,703	$ 2.49 - $12.53
Exercised	(205,386)	$ 2.49 - $12.27
Canceled	(25,095)	$ 2.49 - $ 6.45
Outstanding at December 31, 1997	1,668,050	$ 2.49 - $12.53
Granted	244,233	$12.86 - $18.36
Exercised	(286,891)	$ 2.49 - $11.46
Canceled	(25,335)	$ 5.61 - $17.09
Outstanding at December 31, 1998	1,600,057	$ 2.49 - $18.36
Granted	36,297	$14.46 - $21.30
Exercised	(308,229)	$ 2.49 - $17.09
Outstanding at December 31, 1999	1,328,125	$ 2.49 - $21.30

At December 31, 1999, 1,130,177 options are exercisable at an average exercise price of $6.23. The remaining weighted-average contractual life of the 1,328,125 options outstanding at December 31, 1999 is 5.1 years.

In accordance with the compensation agreement of a key executive, 16,105 shares of the Company's common stock were granted to him in 1997. This agreement does not require the granting of additional shares to this executive through the remaining term of the agreement. However, the Board of Directors may grant additional shares to this executive at its discretion.

The Company applies the intrinsic value method as described in Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees," and related interpretations in accounting for its plans. Accordingly, no compensation expense has been recognized for its stock-based compensation plans other than for those options issued in accordance with the employment agreement discussed above.

The following table presents the effects on net income and related earnings per share if compensation costs related to the stock option plans were measured using the fair value method as prescribed under SFAS No. 123, "Accounting for Stock-Based Compensation":

	1999	1998	1997
	(DOLLARS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)		
Reduction in net income	$ 239	$ 356	$ 656
Reduction in basic earnings per common share	$0.01	$0.01	$0.03
Reduction in diluted earnings per common share	$0.01	$0.01	$0.03

CVB FINANCIAL CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
THREE YEARS ENDED DECEMBER 31, 1999

The fair value of the options granted was estimated using the Black-Scholes option-pricing model with the following assumptions:

	1999	1998	1997
Dividend yield	2.2%	2.4%	1.5%
Volatility	32.4%	27.5%	23.7%
Risk-free interest rate	5.5%	5.0%	6.0%
Expected life	7.0 years	6.9 years	8.8 years

15. REGULATORY MATTERS

The Company and the Bank are subject to various regulatory capital requirements administered by the federal banking regulatory agencies. Failure to meet minimum capital requirements can initiate certain mandatory -- and possibly additional discretionary -- actions by regulators that, if undertaken, could have a direct, material effect on the Company's financial statements. Under capital adequacy guidelines and the regulatory framework for prompt corrective action, the Company and Bank must meet specific capital guidelines that involve quantitative measures of assets, liabilities, and certain off-balance-sheet items as calculated under regulatory accounting practices. The capital amounts and classification are also subject to qualitative judgment by the regulators about components, risk weightings, and other factors.

Quantitative measures established by regulation to ensure capital adequacy require the Company and the Bank to maintain minimum amounts and ratios (set forth in the table below) of total and Tier I capital (primarily common stock and retained earnings, less goodwill) to risk-weighted assets, and of Tier I capital to average assets. Management believes that, as of December 31, 1999, the Company and the Bank meet all capital adequacy requirements to which they are subject.

As of December 31, 1999, the most recent notification from the FDIC categorized the Bank as well capitalized under the regulatory framework for prompt corrective action. To be categorized as well capitalized, the minimum total risk-based, Tier I risk-based, and Tier I leverage (tangible Tier I capital divided by average total assets) ratios as set forth in the table below must be maintained. There are no conditions or events since said notification that management believes have changed the institution's category.

CVB FINANCIAL CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
THREE YEARS ENDED DECEMBER 31, 1999

The actual capital ratios of the Company and the Bank at December 31 are as follows:

	ACTUAL		FOR CAPITAL ADEQUACY PURPOSES:		TO BE WELL CAPITALIZED UNDER PROMPT CORRECTIVE ACTION PROVISIONS:	
	AMOUNT (000S)	RATIO	AMOUNT (000S)	RATIO	AMOUNT (000S)	RATIO
As of December 31, 1999:						
Total Capital (to Risk-Weighted Assets)						
Company	$163,579	13.9%	$94,146	>/=8.0%		N/A
Bank	160,160	13.6%	94,212	>/=8.0%	$117,765	>/=10.0%
Tier I Capital (to Risk-Weighted Assets)						
Company	148,710	12.6%	47,210	>4.0%		N/A
Bank	145,313	12.3%	47,256	>4.0%	70,884	> 6.0%
Tier I Capital (to Average Assets)						
Company	148,710	7.7%	77,252	>/=4.0%		N/A
Bank	145,313	7.6%	76,481	>/=4.0%	95,601	>/=5.0%
As of December 31, 1998:						
Total Capital (to Risk-Weighted Assets)						
Company	140,840	13.6%	82,847	>/=8.0%		N/A
Bank	138,017	13.3%	83,018	>/=8.0%	103,772	>/=10.0%
Tier I Capital (to Risk-Weighted Assets)						
Company	128,447	12.4%	41,435	>4.0%		N/A
Bank	125,650	12.1%	41,537	>4.0%	62,306	> 6.0%
Tier I Capital (to Average Assets)						
Company	128,447	7.4%	69,431	>/=4.0%		N/A
Bank	125,650	7.3%	68,849	>/=4.0%	86,062	>/= 5.0%

In addition, California Banking Law limits the amount of dividends a bank can pay without obtaining prior approval from bank regulators. Under this law, the Bank could, as of December 31, 1999, declare and pay additional dividends of approximately $48,672,000.

Banking regulations require that all banks maintain a percentage of their deposits as reserves at the Federal Reserve Bank. On December 31, 1999, this reserve requirement was approximately $737,000.

CVB FINANCIAL CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
THREE YEARS ENDED DECEMBER 31, 1999

16. CONDENSED FINANCIAL INFORMATION OF PARENT COMPANY

BALANCE SHEETS
(IN THOUSANDS)

	1999	1998
Assets:		
Investment in Citizens Business Bank	$137,373	$136,633
Other assets, net	11,895	7,791
Total assets	$149,268	$144,424
Liabilities	$ 8,498	$ 4,994
Stockholders' equity	140,770	139,430
Total liabilities and stockholders' equity	$149,268	$144,424

STATEMENTS OF EARNINGS
(IN THOUSANDS)

	1999	1998	1997
Equity in earnings of Citizens Business Bank	$29,179	$24,441	$20,806
Acquisition costs	(4,856)		
Other income (expense), net	1,637	(324)	(238)
Net earnings	$25,960	$24,117	$20,568

CVB FINANCIAL CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
THREE YEARS ENDED DECEMBER 31, 1999

STATEMENTS OF CASH FLOWS
(IN THOUSANDS)

	1999	1998	1997
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net earnings	$ 25,960	$ 24,117	$ 20,568
Adjustments to reconcile net earnings to cash (used in) provided by operating activities:			
Earnings of Citizens Business Bank	(29,179)	(24,441)	(20,806)
Other operating activities, net	2,273	1,365	1,273
Total adjustments	(26,906)	(23,076)	(19,533)
Net cash (used in) provided by operating activities	(946)	1,041	1,035
CASH FLOWS FROM INVESTING ACTIVITIES:			
Dividends received from Citizens Business Bank	10,700	9,329	5,724
Dividends received from Community Trust Deed Services			140
Net cash provided by investing activities	10,700	9,329	5,864
CASH FLOWS FROM FINANCING ACTIVITIES:			
Cash dividends on common stock	(9,841)	(7,892)	(5,327)
Proceeds from exercise of stock options	2,739	639	720
Stock repurchase		(1,907)	(1,935)
Net cash used in financing activities	(7,102)	(9,160)	(6,542)
Net Increase in Cash and Cash Equivalents	2,652	1,210	357
Cash and Cash Equivalents, Beginning of Year	2,945	1,735	1,378
Cash and Cash Equivalents, End of Year	$ 5,597	$ 2,945	$ 1,735

17. QUARTERLY FINANCIAL DATA (UNAUDITED)

Summarized quarterly financial data follows:

	THREE MONTHS ENDED			
	MARCH 31	JUNE 30	SEPTEMBER 30	DECEMBER 31
	(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)			
1999				
Net interest income	$21,399	$22,057	$22,502	$24,054
Provision for credit losses	670	520	810	700
Net earnings	6,265	7,025	7,203	5,467
Basic earnings per common share	0.26	0.29	0.29	0.22
Diluted earnings per common share	0.25	0.28	0.28	0.21
1998				
Net interest income	$19,110	$19,792	$20,213	$21,427
Provision for credit losses	850	470	640	640
Net earnings	5,425	5,938	6,171	6,583
Basic earnings per common share	0.22	0.24	0.26	0.27
Diluted earnings per common share	0.22	0.23	0.24	0.26

18. FAIR VALUE INFORMATION

The following disclosure of the estimated fair value of financial instruments is made in accordance with the requirements of SFAS No. 107, "Disclosures about Fair Value of Financial Instruments." The estimated fair value amounts have been determined by the Company using available market information and appropriate valuation methodologies. However, considerable judgment is required to develop the estimates of fair value. Accordingly, the estimates presented below are not necessarily indicative of the amounts the Company could have realized in a current market exchange as of December 31, 1999 and 1998. The use of different market assumptions and/or estimation methodologies may have a material effect on the estimated fair value amounts.

	1999		1998	
	CARRYING AMOUNT	ESTIMATED FAIR VALUE	CARRYING AMOUNT	ESTIMATED FAIR VALUE
	(IN THOUSANDS)		(IN THOUSANDS)	
ASSETS				
Cash and cash equivalents	$118,360	$118,360	$174,964	$174,964
Investment securities held to maturity			70,011	72,116
Investment securities available for sale	877,332	877,332	716,811	716,811
Loans and lease finance receivables, net	935,791	934,465	817,296	817,122
Accrued interest receivable	11,454	11,454	9,358	9,358
LIABILITIES				
Deposits:				
Noninterest-bearing	$649,821	$649,821	$638,683	$638,683
Interest-bearing	851,252	851,229	836,956	836,709
Demand note to U.S. Treasury	16,951	16,951	95	95
Short-term borrowings	323,000	323,000	200,000	200,000
Securities purchased not settled			5,000	5,000
Accrued interest payable	5,341	5,341	4,674	4,674

The methods and assumptions used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value are explained below:

The carrying amount of cash and cash equivalents is considered to be a reasonable estimate of fair value. For investment securities, fair values are based on quoted market prices, dealer quotes, and prices obtained from an independent pricing service.

The carrying amount of loans and lease financing receivables is their contractual amounts outstanding, reduced by deferred net loan origination fees and the allocable portion of the allowance for credit losses. Variable rate loans are composed primarily of loans whose interest rates float with changes in the prime interest rate. The carrying amount of variable rate loans, other than such loans on nonaccrual status, is considered to be their estimated fair value.

The fair value of fixed rate loans, other than such loans on nonaccrual status, was estimated by discounting the remaining contractual cash flows using the estimated current rate at which similar loans would be made to borrowers with similar credit risk characteristics and for the same remaining maturities, reduced by deferred net loan origination fees and the allocable portion of the allowance for credit losses. Accordingly, in determining the estimated current rate for discounting purposes, no adjustment has been made for any change in borrowers' credit risks since the origination of such loans. Rather, the allocable portion of the allowance for credit losses is considered to provide for such changes in estimating fair value.

The fair value of loans on nonaccrual status has not been specifically estimated because it is not practicable to reasonably assess the credit risk adjustment that would be applied in the marketplace for such loans. As such, the estimated fair value of total loans at December 31, 1999 and 1998 includes the carrying amount of nonaccrual loans at each respective date.

The fair value of commitments to extend credit and standby letters of credit were not significant at either December 31, 1999 or 1998, as these instruments predominantly have adjustable terms and are of a short-term nature.

The amounts of accrued interest receivable on loans and lease finance receivables and investments are considered to be stated at fair value.

The amounts payable to depositors for demand, savings, money market accounts, the demand note to the U.S. Treasury, short-term borrowings, securities purchased not settled, and the related accrued interest payable are considered to be stated at fair value. The fair value of fixed-maturity certificates of deposit is estimated using the rates currently offered for deposits of similar remaining maturities.

The fair value estimates presented herein are based on pertinent information available to management as of December 31, 1999 and 1998. Although management is not aware of any factors that would significantly affect the estimated fair value amounts, such amounts have not been comprehensively revalued for purposes of these financial statements since that date, and therefore, current estimates of fair value may differ significantly from the amounts presented above.

19. ACQUISITION

On October 4, 1999, ONB merged with and into the Company in a transaction accounted for using the pooling-of-interests method of accounting. In the merger, 3,003,007 shares of the Company's common stock were issued to holders of common stock of ONB based on an exchange ratio of 1.5 shares of CVB Financial Corp.'s common stock for each share issued and outstanding of ONB. All of the outstanding shares of common stock of ONB were canceled upon the merger. The financial information for all periods presented has been restated to present the combined consolidated financial condition and results of operations of the Company and ONB as if the merger had been in effect for all periods presented.

SEPARATE COMPANY INFORMATION FOR POOLING-OF-INTERESTS ACQUISITION -- The following table presents certain financial data reported separately by each company and on a combined basis for the period ended October 3, 1999 and the years ended December 31, 1998 and 1997:

	1999	1998	1997
	(DOLLARS IN THOUSANDS)		
Net interest income:			
CVB	$55,609	$65,591	$59,680
ONB	11,197	14,951	13,504
Combined	$66,806	$80,542	$73,184
Net income:			
CVB	$18,207	$20,787	$17,370
ONB	2,664	3,330	3,198
Combined	$20,871	$24,117	$20,568

MERGER RELATED COSTS -- The pooling-of-interests method of accounting requires that certain expenses incurred to effect the merger be treated as current charges against income. The Company charged to expense merger costs of approximately $3.0 million, after tax. The merger costs included accounting fees, investment banker fees, legal fees, and severance expenses.

The following table sets forth the one-time merger costs and the remaining accrual included in other liabilities at December 31, 1999 (amounts in thousands):

	MERGER-RELATED COSTS	REMAINING ACCRUAL AT DECEMBER 31, 1999
Employee costs	$2,282	$1,660
Investment banker fees	880	
Professional fees	841	235
Data processing	627	218
Other	226	125
Total merger costs	$4,856	$2,238

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Stockholders of
CVB Financial Corp.
Ontario, California:

We have audited the accompanying consolidated balance sheets of CVB Financial Corp. and subsidiaries as of December 31, 1999 and 1998, and the related consolidated statements of earnings, stockholders' equity, and cash flows for each of the three years in the period ended December 31, 1999. These consolidated financial statements are the responsibility of CVB Financial Corp.'s management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of CVB Financial Corp. and subsidiaries as of December 31, 1999 and 1998, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 1999, in conformity with accounting principles generally accepted in the United States of America.

/s/ DELOITTE & TOUCHE LLP

Deloitte & Touche LLP

Los Angeles, California
February 2, 2000

INDEX TO EXHIBITS

EXHIBIT NUMBER		PAGE
10.16	Office Space Lease between Rancon Realty Fund IV and Chino Valley Bank dated September 6, 1990, for the Tri-City Business Center Branch.(3)	*
10.17	1991 Stock Option Plan, as amended.(12)	*
10.18	Reserved	*
10.19	Reserved	*
10.20	Lease by and between Allan G. Millew and William F. Kragness and Chino Valley Bank dated March 5, 1993 for the Fontana Office.(8)	*
10.21	Office Lease by and between Mulberry Properties and Chino Valley Bank dated October 12, 1992.(8)	*
10.22	Reserved	*
10.23	Reserved	*
10.24	Reserved	*
10.25	Lease by and between Bank of America and Chino Valley Bank dated October 15, 1993, for the West Arcadia Office.(9)	*
10.26	Lease by and between RCI Loring and CVB Financial Corp. dated March 11, 1993, for the Riverside Office.(9)	*
10.27	Lease by and between 110 Wilshire Building Partners, a California Partnership and Chino Valley Bank dated October 21, 1994 for the Fullerton Office.(10)	*
10.28	Reserved	*
10.29	Severance Compensation Agreement dated September 30, 1996 with Edwin J. Pomplun.(11)	*
10.30	Severance Compensation Agreement dated September 20, 1996 with Frank Basirico.(11)	*
10.31	Severance Compensation Agreement dated September 27, 1996 with Jay Coleman.(11)	*
10.32	Reserved	*
10.33	Severance Compensation Agreement dated September 27, 1996 with Tony Ellis.(11)	*
10.34	Severance Compensation Agreement dated May 30, 1997 with Nancy Sinclair.(11)	*
10.35	Severance Compensation Agreement dated February 1, 1998 with Edward Biebrich.(11)	*
10.36	Reserved	*
10.37	CVB Financial Corp. 1999 Orange National Bancorp 1993 Continuation Stock Option Plan(13)	*
10.38	CVB Financial Corp. 1999 Orange National Bancorp 1997 Continuation Stock Option Plan(14)	*
11	Statement regarding computation of per share earnings (included in Form 10-K)	*
12	Statement regarding computation of ratios (included in Form 10-K)	*
21	Subsidiaries of Company	77
23	Consent of Independent Certified Public Accountants	78
27	Financial Data Schedule	79

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* Not applicable.

(1) Filed as Exhibit 2.1 to Registrant's Current Report on Form 8-K on May 21, 1999, Commission File No. 1-10394, which is incorporated herein by this reference.

(2) Filed as Exhibits 3.2 and 10.2 to Registrant's Annual Report on Form 10-K for the fiscal year ended December 31, 1991, Commission file number 1-10394, which are incorporated herein by this reference.

(3) Filed as Exhibits 10.3, 10.15 and 10.16 to Registrant's Annual Report on Form 10-K for the fiscal year ended December 31, 1990, Commission file number 1-10394, which are incorporated herein by this reference.

(4) Filed as Exhibits 10.4, 10.5, 10.6 and 10.7 to Registrant's Annual Report on Form 10-K for the fiscal year ended December 31, 1986, Commission file number 1-10394, which are incorporated herein by this reference.

(5) Filed as Exhibits 10.8, 10.9, 10.10, 10.11 and 10.12 to Registrant's Annual Report on Form 10-K for the fiscal year ended December 31, 1987, Commission file number 1-10394, which are incorporated herein by this reference.

(6) Filed as Exhibit 10.13 to Registrant's Annual Report on Form 10-K for the fiscal year ended December 31, 1988, Commission file number 1-10394, which is incorporated herein by this reference.

(7) Filed as Exhibits 10.1 and 10.14 to Registrant's Annual Report on Form 10-K for the fiscal year ended December 31, 1989, Commission file number 1-10394, which are incorporated herein by this reference.

(8) Filed as Exhibit 10.20, 10.21 and to Registrant's Annual Report on Form 10-K for the fiscal year ended December 31, 1992, Commission file number 1-10394, which are incorporated herein by this reference.

(9) Filed as Exhibit 10.25 and 10.26 to Registrant's Annual Report on Form 10-K for the fiscal year ended December 31, 1993, Commission file number 1-10394, which are incorporated herein by this reference.

(10) Filed as Exhibit 10.27 to the Registrants Annual Report on Form 10-K for the fiscal year ended December 31, 1994, Commission file number 1-10394, which is incorporated herein by this reference.

(11) Filed as Exhibits 10.29, 10.30, 10.31, 10.33, 10.34 and 10.35 to the Registrant's Annual Report on Form 10-K for the fiscal year ended December 31, 1997, Commission File No. 1-10394, which are incorporated herein by reference.

(12) Filed as Exhibit 10.36 to Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 1998, Commission File No. 1-10394, which is incorporated herein by this reference.

(13) Filed as Exhibit 99.1 to Registrant's Registration Statement on Form S-8 on October 6, 1999, Registration No. 333-88519, which is incorporated herein by this reference.

(14) Filed as Exhibit 99.2 to Registrant's Registration Statement on Form S-8 on October 6, 1999, Registration No. 333-88519, which is incorporated herein by this reference.

EXHIBIT 3.1

ARTICLES OF INCORPORATION
OF
CVB FINANCIAL CORP.

The undersigned Incorporator hereby executes, acknowledges and files the following Articles of Incorporation for the purpose of forming a corporation under the General Corporation Law of the State of California:

One: The name of the Corporation shall be:

CVB FINANCIAL CORP.

Two: The purpose of the Cooperation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code.

Three: The name and address in this state of the Corporation's initial agent for service of process in accordance with subdivision (b) of Section 1502 of the General Corporation Law is:

BARNET REITNER
Manatt, Phelps, Rothenberg & Tunney
1888 Century Park East, 21st Floor
Los Angeles, California 90067

Four: The Corporation is authorized to issue only one class of shares, and the total number of shares which the Corporation is authorized to issue is 20,000,000.

In WITNESS WHEREOF, the undersigned Incorporator has executed the foregoing Articles of Incorporation on April 24, 1981.

/S/Barnet Reitner
Barnet Reitner, Incorporator

The undersigned declares that he is the person who executed the foregoing Articles of Incorporation and that such instrument is the act and deed of the undersigned.

/S/Barnet Reitner
Barnet Reitner

CERTIFICATE OF AMENDMENT OF ARTICLES OF INCORPORATION OF CVB FINANCIAL CORP.

John Cavalucci and Christina Schaefer certify:

1. That they are the President/Chief Executive Officer and Secretary, respectively, of CVB Financial Corp., a California corporation.

2. That Article Four of the Corporation's Articles of Incorporation is amended to read as follows:

> "Four: The Corporation is authorized to issue only one class of shares, and the total number of shares which the Corporation is authorized to issue is 25,000,000. Upon the amendment of this Article to read as herein set forth each four outstanding shares are split up and converted into five shares."

3. That the foregoing amendment of the Corporation's Articles of Incorporation has been duly approved by the Board of Directors.

4. That the foregoing amendment was one which the Board of Directors alone may adopt without approval of the outstanding shares pursuant to Section 902(c) of the California Corporations Code, since only one class of shares is outstanding.

/S/John Cavallucci
John Cavallucci
President and Chief Executive Officer

/S/Christina Schaefer
Christina Schaefer
Secretary

Each of the undersigned declares, under penalty of perjury that the matters set forth in the foregoing Certificate are true of their own knowledge. Executed at Chino, California on January 21, 1986.

/S/John Cavallucci
John Cavallucci

/S/Christina Schaefer
Christina Schaefer

CERTIFICATE OF AMENDMENT
OF ARTICLES OF INCORPORATION OF
CVB FINANCIAL CORP.

The undersigned, John Cavallucci and Christina Schaefer, do hereby certify:

1. That they are and have been, at all times mentioned herein, respectively, the duly acting President, the Chief Executive Officer and Secretary of CVB Financial Corp. (the "Company"), a California corporation; and

2. That the following is a true and correct copy of a resolution of the Company adopted by the holders of the majority of the outstanding shares of the Company's Common Stock entitled to vote pursuant to a Written Consent of Shareholders.

BE IT HEREBY RESOLVED, that Article Four of the Company's Articles of Incorporation, which currently provides as follows:

"Four. The Corporation is authorized to issue only one class of shares, and the total number of shares which the Corporation is authorized to issue is 25,000,000. Upon the amendment of this Article to read as herein set forth each four outstanding shares are split up and converted into five shares."

be, and it hereby is amended in full to read as follows:

"Four. This Corporation is authorized to issue two (2) classes of shares of stock: one class of shares to be called "Common Stock"; the second class of shares to be called "Serial Preferred Stock." The total number of shares of stock which the Corporation shall have authority to issue is Forty-five million (45,000,000), of which Twenty-Five Million (25,000,000) shall be Common Stock and Twenty Million (20,000,000) shall be Serial Preferred Stock. At the time the amendment to this Article to read as herein set forth becomes effective, each outstanding share of capital stock of this Corporation shall be reclassified as one share of Common Stock of the Corporation.

The designations and the powers, preferences and rights and the qualifications, limitations or restrictions thereof, of each class of stock of the Corporation shall be as follows:

(a) Serial Preferred Stock.

The Serial Preferred Stock may be issued from time to time in one or more series. The Board of Directors is hereby authorized to fix or alter the rights, preferences, privileges and restrictions granted to or imposed upon any wholly unissued series of preferred shares, and the number of shares constituting any such series and a designation thereof, or any of them; and to increase or decrease the number of shares of any series subsequent to the issue of shares of that series, but not below the number of such series then outstanding. In case the number of shares of any series shall be so decreased, the shares constituting such decrease shall resume the status which they had prior to the adoption of the resolution originally fixing the number of shares of such series.

(b) Common Stock

(1) After the requirements with respect to preferential dividends upon all classes and series of stock entitled thereto shall have been paid or declared and set

apart for payment and after the Corporation shall have complied with all requirements, if any, with respect to the setting aside of sums as a sinking fund or for a redemption account on any class of stock, then and not otherwise, the holders of Common Stock shall be entitled to receive, subject to the applicable provisions of the Corporations Code of the State of California, such dividends as may be declared from time to time by the Board of Directors.

(2) After distribution in full of the preferential amounts to be distributed to the holders of all classes and series of stock entitled thereto in the event of a voluntary or involuntary liquidation, dissolution, or winding up of the Corporation, as provided for in the Corporations Code of the State of California, the holders of the Common Stock shall be entitled to receive all the remaining assets of the Corporation.

(3) Each holder of Common Stock shall have one (1) vote in respect of each share of stock held by him, subject, however, to such special voting rights by class as are or may be granted to holders of Serial Preferred Stock.

3. That the foregoing Amendment of Articles of Incorporation has been duly approved by the required vote of shareholders in accordance with Section 902 of the California Corporations Code. The total number of outstanding shares of the Corporation is 1,216,573. The number of shares voting in favor of the Amendment equaled or exceeded the vote required. The percentage vote required was more than fifty percent (50%).

4. That the foregoing Amendment of Articles of Incorporation has been duly approved and adopted with the necessary quorum present at a duly held meeting of the Board of Directors of the Company held on June 18, 1986.

IN WITNESS WHEREOF, the undersigned have executed this Certificate on September 30, 1986.

/S/John Cavallucci
John Cavallucci, President and
Chief Executive Officer

/S/Christina Schaefer
Christina Schaefer, Secretary

Each of the undersigned declares under penalty of perjury that the matters set forth in the foregoing Certificate are true and correct.

Executed this 30th day of September, 1986, in Chino, California.

/S/John Cavallucci
John Cavallucci, President and
Chief Executive Officer

/S/Christina Schaefer
Christina Schaefer, Secretary

CERTIFICATE OF AMENDMENT
OF
ARTICLES OF INCORPORATION

John Cavalluci and Tina Schaefer certify that:

1. They are the President/Chief Executive Officer and the Secretary, respectively, of CVB Financial Corp., a California corporation.

2. The Articles of Incorporation of this corporation are amended to include an Article Five that reads as follows:

"Five: Section 1. Elimination of Directors' Liability. The liability of the directors of the corporation for monetary damages shall be eliminated to the fullest extent permissible under California law.

Section 2. Indemnification of Corporate Agents. This corporation is authorized to provide indemnification of agents (as defined in Section 317 of the California Corporations Code) through bylaw provisions, agreements with agents, vote of shareholders or disinterested directors or otherwise, in excess of the indemnification otherwise permitted by Section 317 of the California Corporations Code, subject only to the applicable limits set forth in Section 204 of the California Corporations Code with respect to actions for breach of duty to the corporation and its shareholders.

Section 3. Insurance from a Subsidiary. This corporation is authorized to purchase and maintain insurance on behalf of its agents against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such from a company, the shares of which are owned in whole or in part by this corporation, provided that any policy issued by such company is limited to the extent required by applicable law.

Section 4. Repeal or Modification. Any repeal or modification of the foregoing provisions of this Article Five by the shareholders of this corporation shall not adversely affect any right or protection of an agent of this corporation existing at the time of that repeal or modification."

3. The foregoing Amendment of Articles of Incorporation was duly approved by the Board of Directors at its meeting held on February 22, 1988, at which a quorum was present and acting throughout.

4. The foregoing Amendment of Articles of Incorporation has been duly approved by the required vote of shareholders in accordance with Section 902 of the California General Corporation Law, at a meeting held on May 18, 1988. The corporation has no shares of preferred stock outstanding. The total number of shares of Common Stock outstanding at the record date for determining shareholders entitled to vote was 2,281,068. The number of shares of Common Stock voting in favor of the amendment equaled or exceeded the vote required, which was more than 50 percent of the Common Stock.

We further declare under penalty of perjury under the laws of the State of California that the matters set forth in the foregoing Certificate are true and correct of our own knowledge.

Dated 5-20-88

/S/John Cavallucci
John Cavallucci, President
and Chief Executive Officer

/S/Tina Schaefer
Tina Schaefer,
Secretary

CERTIFICATE OF AMENDMENT
OF ARTICLES OF INCORPORATION OF
CVB FINANCIAL CORP.

John Cavallucci and Tina Schaefer certify:

1. That they are the President and Secretary, respectively, of CVB Financial Corp., a California corporation.

2. That Article FOUR of the Corporation's Articles of Incorporation is amended to read as follows:

"Four. This Corporation is authorized to issue two (2) classes of shares of stock: one class of shares to be called "Common Stock"; the second class of shares to be called "Serial Preferred Stock." The total numbers of shares of stock which the Corporation shall have authority to issue is Seventy Million (70,000,000), of which Fifty Million (50,000,000) shall be Common Stock and Twenty Million (20,000,000) shall be Serial Preferred Stock. Upon the amendment of this Article to read as herein set forth each one outstanding share of Common Stock is split up and converted into two shares of Common Stock.

The designation and powers, preferences and rights and the qualifications, limitations or restrictions thereof, of each class of stock of the Corporation shall be as follows:

(a) Serial Preferred Stock.

The Serial Preferred Stock may be issued from time to time in one or more series. The Board of Directors is hereby authorized to fix or alter the rights, preferences, privileges and restrictions granted to or imposed upon any wholly unissued series of preferred shares, and the number of shares constituting any such series and a designation thereof, or any of them; and to increase or decrease the number of shares of any series subsequent to the issue of shares of that series, but not below the number of such series then outstanding. In case the number of shares of any series shall be so decreased, the shares constituting such decrease shall resume the status which they had prior to the adoption of the resolution originally fixing the number of shares of such series.

(b) Common Stock

(1) After the requirements with respect to preferential dividends upon all classes and series of stock entitled thereto shall have been paid or declared and set apart for payment and after the Corporation shall have complied with all requirements, if any, with respect to the setting aside of sums as a sinking fund or for a redemption account on any class of stock, then and not otherwise, the holders of Common Stock shall be entitled to receive, subject to the applicable provisions of the Corporations Code of the State of California, such dividends as may be declared from time to time by the Board of Directors.

(2) After distribution in full of the preferential amounts to be distributed to the holders of all classes and series of stock entitled thereto in the event of a voluntary or involuntary liquidation, dissolution, or winding up of the Corporation, as provided for in the Corporations Code of the State of California, the holders of the Common Stock shall be entitled to receive all the remaining assets of the Corporation.

(3) Each holder of Common Stock shall have one (1) vote in respect of each share of stock held by him, subject, however, to such special voting rights by class as are or may be granted to holders of Serial Preferred Stock.

3. That the foregoing amendment of the Corporation's Articles of Incorporation has been duly approved by the Board of Directors at their regular meeting held on September 20, 1989.

4. That the foregoing amendment was one which the Board of Directors alone may adopt without approval of the outstanding shares pursuant to Section 902(c) of the California Corporations Code, since only one class of shares are outstanding.

/S/John Cavallucci
John Cavallucci, President

/S/Tina Schaefer
Tina Schaefer, Secretary

Each of the undersigned declares, under penalty of perjury that the matters set forth in the foregoing Certificate are true of their own knowledge. Executed at Ontario, California on September 20, 1989

/S/John Cavallucci
John Cavallucci

/S/Tina Schaefer
Tina Schaefer

CERTIFICATE OF AMENDMENT
OF ARTICLES OF INCORPORATION OF
CVB FINANCIAL CORP.

The undersigned, D. Linn Wiley and Donna Marchesi, do hereby certify:

1. That they are and have been at all times herein mentioned the duly elected and acting President and the Secretary, respectively, of CVB Financial Corp., a California corporation (the "Company").

2. That the Board of Directors of the Company adopted the following resolutions on December 17, 1997:

NOW, THEREFORE, BE IT RESOLVED that the first paragraph of article Four of the Company's Articles of Incorporation is amended to read as follows:

"Four. This Corporation is authorized to issue two (2) classes of shares of stock: one class of shares to be called "Common Stock"; the second class of shares to be called "Serial Preferred Stock." The total number of shares of stock which the corporation shall have authority to issue is Seventy Million (70,000,000), of which Fifty Million(50,000,000) shall be Common Stock and Twenty Million (20,000,000) shall be Serial Preferred Stock. Upon the amendment of this Article to read as herein set forth each two (2) outstanding shares of Common Stock are split up and converted into three (3) shares of Common Stock.:

3. Approval of the foregoing Amendment of the Articles of Incorporation ("Amendment") by the shareholders is not required pursuant to 902(c) of the California Corporations Code.

4. This Amendment shall become effective on January 2, 1998.

IN WITNESS WHEREOF, the undersigned have executed the Certificate on December 23, 1997.

/S/D. Linn Wiley
D. Linn Wiley, President

/S/Donna Marchesi
Donna Marchesi, Secretary

Each if the undersigned declares under penalty of perjury that the matters set forth in the foregoing Certificate are true and correct of our own knowledge.

Executed this 23rd day of December, 1997 in Ontario, California.

/S/D. Linn Wiley
D. Linn Wiley, President

/S/Donna Marchesi
Donna Marchesi, Secretary

CERTIFICATE OF AMENDMENT
OF ARTICLES OF INCORPORATION OF
CVB FINANCIAL CORP.

The undersigned, D. Linn Wiley and Donna Marchesi, do hereby certify:

1. That they are and have been at all times herein mentioned the duly elected and acting President and the Secretary, respectively, of CVB Financial Corp., a California corporation (the "Company").

2. That the Board of Directors of the Company adopted the following resolutions on December 15, 1999:

NOW, THEREFORE, BE IT RESOLVED that the first paragraph of article Four of the Company's Articles of Incorporation is amended to read as follows:

"Four. This Corporation is authorized to issue two (2) classes of shares of stock: one class of shares to be called "Common Stock"; the second class of shares to be called "Serial Preferred Stock." The total number of shares of stock which the corporation shall have authority to issue is Seventy Million (70,000,000), of which Fifty Million(50,000,000) shall be Common Stock and Twenty Million (20,000,000) shall be Serial Preferred Stock. Upon the amendment of this Article to read as herein set forth each four (4) outstanding shares of Common Stock are split up and converted into five (5) shares of Common Stock.:

3. Approval of the foregoing Amendment of the Articles of Incorporation ("Amendment") by the shareholders is not required pursuant to 902(c) of the California Corporations Code.

4. This Amendment shall become effective at 5:00 p.m. California time on January 14, 2000.

IN WITNESS WHEREOF, the undersigned have executed the Certificate on December 31, 1999.

/S/D. Linn Wiley
D. Linn Wiley, President

/S/Donna Marchesi
Donna Marchesi, Secretary

Each if the undersigned declares under penalty of perjury that the matters set forth in the foregoing Certificate are true and correct of our own knowledge.

Executed this 31st day of December, 1999 in Ontario, California.

/S/D. Linn Wiley
D. Linn Wiley, President

/S/Donna Marchesi
Donna Marchesi, Secretary

EXHIBIT 21

SUBSIDIARIES OF THE COMPANY

Citizens Business Bank, a California corporation

Community Trust Deed Services, a California corporation

Chino Valley Bancorp., a California corporation

CVB Ventures, Inc., a California corporation

Orange National Bancorp, formerly ONB Mortgage Corporation, a California corporation.

EXHIBIT 23

INDEPENDENT AUDITORS' CONSENT

We consent to the incorporation by reference in the CVB Financial Corp. 1999 Orange National Bancorp 1999 Continuation Stock Option Plan and the CVB Financial Corp. 1999 Orange National Bancorp 1993 Continuation Stock Option Plan Registration Statement No. 333-88519 on Form S-8, the 1991 Stock Option Plan Registration Statement No. 33-41318 on Form S-8, and the Key Employee Stock Grant Plan Registration Statement No. 33-50442 on Form S-8 of our report, dated February 2, 2000, on the consolidated balance sheets of CVB Financial Corp. and subsidiaries as of December 31, 1999 and 1998, and the related consolidated statements of earnings, stockholders' equity and cash flows for each of the three years in the period ended December 31, 1999, appearing in the Annual Report on Form 10-K of CVB Financial Corp. for the year ended December 31, 1999.

/S/Deloitte & Touche LLP
- ----------------------------
Deloitte & Touche LLP

March 27, 2000
Los Angeles, California

THE SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE DECEMBER 31, 1999, CONSOLIDATED BALANCE SHEET, AND THE DECEMBER 31, 1999, CONSOLIDATED STATEMENT OF EARNINGS AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

1,000

YEAR
DEC-31-1999
DEC-31-1999
118,360
0
0
0
877,332
0
0
952,552
16,761
2,010,757
1,501,073
323,000
45,541
373
0
0
105,304
35,466
2,010,757
78,385
48,548
1,545
128,478
26,267
38,466
90,012
2,700
(80)
64,737
41,205
25,960
0
0
25,960
1.06
1.02
5.40
1,191
3
0
2,049
14,888
1,023
196
16,761
10,390
0
6,371

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE DECEMBER 31, 1998, CONSOLIDATED BALANCE SHEET, AND THE DECEMBER 31, 1998, CONSOLIDATED STATEMENT OF EARNINGS AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

1,000

YEAR
DEC-31-1998
DEC-31-1998
117,574
0
57,390
0
716,811
70,011
72,116
832,184
14,888
1,841,069
1,475,639
200,000
25,598
402
0
0
102,565
36,865
1,841,069
74,840
37,755
3,360
115,955
27,951
35,413
80,542
2,600
407
57,181
38,520
24,117
0
0
24,117
0.99
0.95
5.59
8,849
76
0
2,524
13,103
1,141
326
14,888
8,964
0
5,924

THE SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE DECEMBER 31, 1997, CONSOLIDATED BALANCE SHEET, AND THE DECEMBER 31, 1997, CONSOLIDATED STATEMENT OF EARNINGS AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

1,000

YEAR
DEC-31-1997
DEC-31-1997
137,372
0
51,500
0
443,252
67,081
68,630
749,776
13,103
1,501,048
1,294,487
49,000
33,461
429
0
0
70,119
53,552
1,501,048
71,821
27,843
1,848
101,512
24,404
28,328
73,184
2,810
7
54,666
33,238
20,568
0
0
20,568
0.85
0.82
6.14
6,402
1,051
2,092
3,028
13,608
3,672
357
13,103
8,107
0
4,996

THE SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE MARCH 31, 1999, THE JUNE 30, 1999, AND THE SEPTEMBER 30, 1999, CONSOLIDATED BALANCE SHEETS, AND THE MARCH 31, 1999, THE JUNE 30, 1999, AND THE SEPTEMBER 30, 1999, CONSOLIDATED STATEMENT OF EARNINGS AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

1,000

3-MOS	6-MOS	9-MOS
DEC-31-1999	DEC-31-1999	DEC-31-1999
MAR-31-1999	JUN-30-1999	SEP-30-1999
98,188	105,068	120,036
0	0	0
66,100	49,300	25,805
0	0	0
717,626	727,352	738,727
69,404	66,596	73,342
71,217	66,883	74,093
838,110	863,358	883,639
15,535	16,025	16,336
1,836,988	1,888,222	1,900,388
1,463,156	1,465,777	1,492,662
205,000	211,000	235,000
26,812	68,443	32,497
395	388	381
0	0	0
0	0	0
102,765	102,817	103,194
38,860	39,797	36,654
1,836,988	1,888,222	1,900,388
18,488	37,641	57,283
11,725	23,126	35,126
468	990	1,551
30,681	61,757	93,960
6,248	12,556	19,328
9,282	18,302	28,002
21,399	43,455	65,958
670	1,190	2,000
0	0	(77)
15,178	30,762	45,737
10,053	21,183	32,723
6,265	13,290	20,493
0	0	0
0	0	0
6,265	13,290	20,493
0.26	0.55	0.84
0.25	0.53	0.81
5.27	5.33	5.33
8,231	5,866	1,223
39	75	191
153	154	0
2,654	2,496	2,117
14,888	14,888	14,888
117	165	689
94	112	137
15,535	16,025	16,336
12,024	14,859	14,383
0	0	0
3,511	1,166	1,953

9

THE SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE MARCH 31, 1998, THE JUNE 30, 1998, AND THE SEPTEMBER 30, 1998, CONSOLIDATED BALANCE SHEETS, AND THE MARCH 31, 1998, THE JUNE 30, 1998, AND THE SEPTEMBER 30, 1998, CONSOLIDATED STATEMENTS OF EARNINGS AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

1,000

3-MOS	6-MOS	9-MOS
DEC-31-1998	DEC-31-1998	DEC-31-1998
MAR-31-1998	JUN-30-1998	SEP-30-1998
111,109	99,205	94,472
0	0	0
60,405	75,060	49,725
0	0	0
513,698	567,747	681,684
65,373	63,607	61,950
66,814	65,085	64,200
758,571	775,460	776,070
13,985	14,377	14,946
1,558,369	1,630,399	1,706,353
1,304,393	1,329,449	1,363,535
85,000	135,000	175,000
41,802	33,956	29,665
422	416	409
0	0	0
0	0	0
70,288	70,416	70,320
56,464	61,162	67,424
1,558,369	1,630,399	1,706,353
18,418	37,141	55,806
7,938	16,728	26,608
651	1,607	2,738
27,007	55,476	85,152
6,671	13,631	21,022
7,897	16,575	26,037
19,110	38,901	59,115
850	1,320	1,960
18	25	224
14,454	28,661	42,995
8,673	18,145	27,960
5,425	11,363	17,534
0	0	0
0	0	0
5,425	11,363	17,534
0.22	0.46	0.72
0.22	0.45	0.69
5.83	5.73	5.63
7,169	6,402	6,086
7	25	0
2,720	395	621
1,926	2,882	479
13,103	13,103	13,103
150	248	420
182	202	303
13,985	14,377	14,946
10,240	10,429	10,109
0	0	0
3,745	3,948	4,837