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**Sierra Vista Bank Reports 2<sup>nd</sup> Quarter and Year to Date 2011 Financial Results**

FOLSOM, CALIFORNIA, August 9, 2011 - Sierra Vista Bank (OTCBB: SVBA) reported its 2<sup>nd</sup> quarter and year to date 2011 financial results.

Sierra Vista Bank reports it has narrowed its losses in the first half of 2011 to \$37,000 compared to a 2010 first half loss of \$838,000. The \$37,000 loss is after loan loss provision expense totaling \$255,000 compared to provision expense in the first six months of 2010 of \$1,249,000. The Bank's allowance for loan losses at June 30, 2011 was \$1.7 million or 2.64% of total loans. "While small business and real estate values have continued to experience weakness, the Bank is pleased with its efforts in addressing the resulting challenges in our local market. Even in this slowed economic environment, we look forward to continued incremental improvement and the positive impact that will have on our borrowers," stated Greg Patton, President/CEO. The Bank finished the 2<sup>nd</sup> quarter of 2011 with a loss of \$16,000 compared to a \$132,000 profit in the 2<sup>nd</sup> quarter of 2010 which can be attributed mainly to a gain on sale of assets of \$81,000.

The Bank's net interest margin remains very strong ending the 2<sup>nd</sup> quarter at 4.98% as the Bank's cost of funds continued to decline and the yield on loans and investments remained consistent. This compares to a net interest margin at the end of the 2<sup>nd</sup> quarter of 2010 of 4.73%.

Year to date 2011 revenues were \$2.4 million compared to \$3.2 million at the same point last year. The Bank's total revenues for the 2<sup>nd</sup> quarter of 2011 were \$1.2 million compared to \$1.7 million in the 2<sup>nd</sup> quarter of 2010. The decline in revenues is the result of the Bank's smaller loan portfolio.

As of June 30, 2011, the Bank reported total assets of \$84.6 million, a decrease of \$22.9 million from June 30, 2010. The Bank had total loans at June 30, 2011 of \$62.7 million compared to \$79.7 million at June 30, 2010, and total deposits of \$75.2 million at June 30, 2011 compared to \$91.4 million at June 30,

2010. Non-interest bearing deposits at June 30, 2011 totaled \$21.8 million or a strong 28.9% of total deposits. The Bank's smaller size is reflective of the current economic conditions.

The June 30, 2011 Tier 1 Leverage ratio was 9.33%; the Tier 1 Risk Based Capital ratio was 12.61%; and the Total Risk Based Capital ratio was 13.88%, all above the well capitalized ratio levels as defined in the regulations.

#### **About Sierra Vista Bank**

Sierra Vista Bank is a locally owned community bank headquartered at 1710 Prairie City Road in Folsom, California since March 2007 and has a branch located in the Sam's Town Center in Cameron Park. The Bank prides itself on serving the financial needs of small businesses and professionals in Folsom and throughout the Highway 50 Corridor while remaining committed to community philanthropy. Additional information about Sierra Vista Bank can be found at [www.sierravistabank.com](http://www.sierravistabank.com) or by calling (916) 850-1500.

#### *Forward Looking Statement:*

This release may contain forward-looking statements that are subject to risks and uncertainties. Such risks and uncertainties may include but are not necessarily limited to fluctuations in interest rates, inflation, government regulations and general economic conditions, and competition within the business areas in which the Bank will be conducting its operations, including the real estate market in California and other factors beyond the Bank's control. Such risks and uncertainties could cause results for subsequent interim periods or for the entire year to differ materially from those indicated. You should not place undue reliance on the forward-looking statements, which reflect management's view only as of the date hereof. The Bank undertakes no obligation to publicly revise these forward-looking statements to reflect subsequent events or circumstances.

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