

CHINO COMMERCIAL BANK REPORTS 52.3% INCREASE IN EARNINGS.

Chino, California... The Board of Directors of Chino Commercial Bank, N.A. announced the results of operations for the year ended December 31, 2005 with net income of \$885,173, a 52.3% increase over net income of \$581,381 for December 31, 2004. Net income per share for the year ended December 31, 2005 was \$1.08 per share as compared to \$0.71 per share for the year ended December 31, 2004. Net income per fully diluted share was \$1.00 and \$0.66 for the years ended December 31, 2005 and 2004, respectively.

Net income for the fourth quarter ended December 31, 2005 was \$268,666 or \$0.30 per diluted share, a 57.9% increase compared to \$170,185 or \$0.19 per diluted share for the fourth quarter of 2004.

Dann H. Bowman, President and Chief Executive Officer stated, "We are very pleased with the continued growth and profitability of the Bank as we complete our fifth full year end. Net earnings represent a return on beginning equity of 15.0% and a return of average assets of 1.05%. Deposit and Loan balances increased this year by 18.8% and 21.5%, respectively, allowing the Bank to show improved stability of earnings and efficiency. Along with this growth, at fiscal year end the Bank reported no loan delinquencies and no loan losses for the entire year."

Financial Condition

At December 31, 2005, total assets were \$91.3 million, an increase of \$14.2 million or 18.5% from December 31, 2004.

Total loans increased to \$41.8 million at December 31, 2005 from \$34.4 million at December 31, 2004 or an increase of 21.5%. The growth was primarily in real estate secured lending.

Total deposits increased by 18.8% to \$84.0 million at December 31, 2005 from \$70.7 million at December 31, 2004. Non-interest bearing deposits increased by \$6.5 million or 11.6% since December 31, 2004, and at year end represented 74.5% of total deposits.

Chino Commercial Bank's risk-based capital ratios were 12.14% for Tier 1 capital, 13.20% for Risk-based capital and 7.54% for Leverage capital on December 31, 2005.

Earnings

The Bank posted net interest income of \$4,001,071 for the year ended December 31, 2005 as compared to \$2,914,252 for the year ended December 31, 2004. Average interest-earning assets were \$78.0 million with average interest-bearing liabilities of \$18.2 million yielding a net interest margin of 5.13% for the year ended December 31, 2005 as compared to average interest-bearing assets of \$65.0 million with average interest-bearing liabilities of \$13.7 million yielding a net interest margin of 4.48% for the year ended December 31, 2004. The 65 basis points increase in the net interest margin was the result of the higher average balances as the Bank continues to grow and the effect of upward repricing of the benchmark for Federal funds.

The Bank posted net interest income of \$1,103,311 for the three months ended December 31, 2005 as compared to \$816,772 for the three months ended December 31, 2004. Average interest-

earning assets were \$82.9 million with average interest-bearing liabilities of \$21.6 million yielding a net interest margin of 5.32% for the fourth quarter of 2005 as compared to average interest-bearing assets of \$70.1 million with average interest-bearing liabilities of \$14.7 million yielding a net interest margin of 4.66% for the three months ended December 31, 2004.

Non-interest income totaled \$553,272 or a decrease of 0.8% from \$557,509 earned during the year ended December 31, 2004. Service charges on deposit accounts increased 7.5% to \$461,678 due to higher volume of deposit accounts. Income from Mortgage Banking decreased by 73.3% to \$17,697 due to reduced activity in the refinance market. Income from bank owned life insurance increased by 7.9% to \$64,421 as the Bank purchased policies totaling \$1.3 million at the end of January 2004.

Non-interest income totaled \$134,745 or an 8.3% decline from the fourth quarter of 2004. Service charges on deposit accounts decreased 4.6% to \$115,002 due to the lower volume of overdraft and return item charges. There was no income from Mortgage Banking during the fourth quarter of 2005 as compared to \$12,273 in the fourth quarter of 2004.

General and administrative expenses were \$753,250 for the three months ended December 31, 2005 as compared to \$642,636 for the three months ended December 31, 2004. General and administrative expenses were \$2,965,458 for the year ended December 31, 2005 as compared to \$2,476,404 for the year ended December 31, 2004. The largest component of general and administrative expenses was salary and benefits expense of \$385,900 for the three months ended December 31, 2005 as compared to \$326,003 for the three months ended December 31, 2004. Salary and benefits expense were \$1,451,897 for the year ended December 31, 2005 as compared to \$1,234,509 for the year ended December 31, 2004. The increase in Salary and benefits expenses are reflective of the staff and salary increases, incentive compensation and the increase in retirement plan accruals. Other components of general and administrative expenses that affected the increase were Advertising and Marketing expenses which increased by \$20,049 for the comparable three month period and increased by \$50,305 for the comparable twelve month period due primarily to various marketing campaigns. Other expenses increased by \$17,938 for the comparable three month period and increased by \$175,525 for the comparable twelve month period due primarily to courier costs and - client service charges that were affected by an increase in escrow deposits.

Income tax expense was \$173,640 for the three months ended December 31, 2005 as compared to \$102,749 for the three months ended December 31, 2004. Income tax expenses were \$566,619 for the year ended December 31, 2005 as compared to \$336,328 for the year ended December 31, 2004. The effective income tax rate increased from approximately 37% for the year ended 2004 to 39% for the year ended 2005 as various tax credits expired during the year in 2004.

The foregoing contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are not historical facts and include expressions about the Bank's plans, objectives, management's expectations, intentions, relationships, opportunities, and technology and market condition statements. When used in these presentations, the words "expects," "anticipates," "intends," "plans," "believes," "seeks," "estimates," or words of similar meaning, or future or conditional verbs, such as "will," "would," "should," "could," or "may" are generally intended to identify forward-looking statements. These forward-looking statements are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the Bank's control. In addition, these forward-looking statements are subject to assumptions with respect to future business strategies and decisions that are subject to change. Actual results may differ materially from the results discussed in these forward-looking statements for the reasons, among others, discussed in Bank's Annual Report on Form 10-KSB for the year ended December 31, 2005, which include: changes in general business and economic conditions

may significantly affect the Bank's earnings; changes in level of market interest rates; changes in credit risks of lending activities and competitive factors; effective income tax rates, relationships with major customers, extent and timing of legislative and regulatory actions and reforms. The Bank is not obligated to update and does not undertake to update any of its forward-looking statements made herein.

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CHINO COMMERCIAL BANK
STATEMENT OF FINANCIAL CONDITION

	<u>December 31, 2005</u>	<u>December 31, 2004</u>
	(unaudited)	
ASSETS:		
Cash and due from banks	\$ 5,328,842	2,374,688
Federal Funds sold	<u>11,370,000</u>	<u>10,925,000</u>
Cash and cash equivalents	16,698,842	13,299,688
Interest-bearing deposits at banks	6,030,000	6,271,000
Investment Securities available for sale	16,311,377	15,562,826
Investment Securities held to maturity (fair value approximates \$5,764,134 at December 31, 2005 and \$4,859,395 at December 31, 2004)	5,850,687	4,801,024
Federal Reserve Bank stock, at cost	159,600	159,600
Federal Home Loan Bank stock, at cost	362,600	283,500
Pacific Coast Bankers' Bank stock, at cost	50,000	50,000
Loans		
Construction	2,790,712	3,520,772
Real estate	30,444,344	23,886,582
Commercial	8,295,573	6,534,464
Installment	633,504	635,609
Farm/Agriculture	330,920	346,261
Unearned fees, net	(144,106)	(119,328)
Allowance for loan losses	<u>(544,140)</u>	<u>(407,046)</u>
Loans, net	<u>41,806,807</u>	<u>34,397,314</u>
Fixed assets, net	1,936,168	389,965
Accrued interest receivable	314,849	258,528
Prepaid & other assets	<u>1,811,979</u>	<u>1,612,617</u>
Total Assets	<u>\$ 91,332,909</u>	<u>77,086,062</u>
LIABILITIES:		
Deposits		
Non-interest bearing	\$ 62,610,963	56,112,375
Interest bearing		
Money market & NOW	16,793,824	10,231,507
Savings	913,249	926,275
Time deposits of \$100,000 or greater, due in one year	2,216,104	1,802,181

Time deposits less than \$100,000, due in one year	1,487,803	1,668,794
Total Deposits	<u>84,021,943</u>	<u>70,741,132</u>
Accrued interest payable	28,858	20,642
Accrued expenses & other payables	588,068	422,994
Total Liabilities	<u>84,638,869</u>	<u>71,184,768</u>
STOCKHOLDERS' EQUITY		
Common Stock, authorized 10,000,000 shares with a par value of \$3.33 per share; issued and outstanding 818,453 at December 31, 2005 and December 31, 2004, respectively.	2,728,230	2,728,230
Additional paid-in capital	2,590,600	2,590,600
Accumulated earnings	1,497,818	612,645
Accumulated other comprehensive income	(122,608)	(30,181)
Total Stockholders' Equity	<u>6,694,040</u>	<u>5,901,294</u>
Total Liabilities & Equity	<u>\$ 91,332,909</u>	<u>77,086,062</u>

CHINO COMMERCIAL BANK
STATEMENTS OF OPERATIONS

	For the three months ending December 31,		For the year ending December 31,	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
	(unaudited)		(unaudited)	
Interest Income				
Interest Income - Securities	\$ 277,341	\$ 233,873	\$ 985,773	\$ 777,001
Interest Income - Fed Funds	123,700	43,746	386,707	138,011
Interest and fee income on Loans	781,875	587,188	2,888,186	2,170,806
Total Interest Income	<u>1,182,916</u>	<u>864,807</u>	<u>4,260,666</u>	<u>3,085,818</u>
Interest Expense				
Interest Expense - Deposits	<u>79,605</u>	<u>48,035</u>	<u>259,595</u>	<u>171,566</u>
Total Interest Expense	<u>79,605</u>	<u>48,035</u>	<u>259,595</u>	<u>171,566</u>
Total net interest income	<u>1,103,311</u>	<u>816,772</u>	<u>4,001,071</u>	<u>2,914,252</u>
Provision for loan losses	<u>42,500</u>	<u>48,094</u>	<u>137,093</u>	<u>77,648</u>
Total net interest income after provision for loan losses	<u>1,060,811</u>	<u>768,678</u>	<u>3,863,978</u>	<u>2,836,604</u>
Non-interest income				
Service Charges on Deposit Accounts	115,002	120,601	461,678	429,622
Other miscellaneous fee income	3,309	(2,295)	9,476	1,993
Income from Mortgage Banking	-	12,273	17,697	66,207
Income from Bank owned life insurance	16,434	16,313	64,421	59,687
Total Non-interest income	<u>134,745</u>	<u>146,892</u>	<u>553,272</u>	<u>557,509</u>
General & Administrative Expenses				
Salaries & Benefits	385,900	326,003	1,451,897	1,234,509
Occupancy & Equipment	69,245	65,979	263,418	254,320
Data & Item Processing	60,881	47,536	223,603	191,533
Advertising & Marketing	34,154	14,105	127,944	77,639
Audit & Professional fees	30,895	38,558	163,546	172,185
Insurance	6,197	6,012	24,198	23,106
Directors' fees and expenses	21,187	17,590	78,249	66,034
Other expenses	<u>144,791</u>	<u>126,853</u>	<u>632,603</u>	<u>457,078</u>
Total general & administrative expenses	<u>753,250</u>	<u>642,636</u>	<u>2,965,458</u>	<u>2,476,404</u>
Income before income tax expense	442,306	272,934	1,451,792	917,709
Income tax expense	173,640	102,749	566,619	336,328

Net income	\$	<u>268,666</u>	\$	<u>170,185</u>	\$	<u>885,173</u>	\$	<u>581,381</u>
Basic Earnings per share	\$	<u>0.33</u>	\$	<u>0.21</u>	\$	<u>1.08</u>	\$	<u>0.71</u>
Diluted Earnings per share	\$	<u>0.30</u>	\$	<u>0.19</u>	\$	<u>1.00</u>	\$	<u>0.66</u>

CHINO COMMERCIAL BANK
Selected Financial Highlights

	For the three months ended December		For the year ended December	
	31, 2005	2004	31, 2005	2004
Selected Operating Data:				
Net interest income	\$ 1,103,311	816,772	4,001,071	2,914,252
Provision for loan losses	42,500	48,094	137,093	77,648
Non-interest income	134,745	146,892	553,272	557,509
Non-interest expense	753,250	642,636	2,965,458	2,476,404
Net income	\$ 268,666	170,185	885,173	581,381
Share Data:				
Basic income per share	\$ 0.33	0.19	1.08	0.71
Diluted Income per share	\$ 0.30	0.18	1.00	0.66
Weighted average common shares outstanding				
Basic	818,453	818,453	818,453	818,453
Diluted	884,444	883,672	884,212	881,338
Performance Ratios:				
Return on average assets	1.19%	0.89%	1.05%	0.82%
Return on average equity	16.27%	11.54%	14.03%	10.26%
Equity to total assets at the end of the period	7.33%	7.66%	7.33%	7.66%
Net interest spread	4.24%	3.64%	4.04%	3.49%
Net interest margin	5.32%	4.66%	5.13%	4.48%
Average interest-earning assets to average-bearing liabilities	384.62%	477.83%	428.44%	473.56%
Core efficiency ratio	60.82%	66.70%	65.11%	71.31%
Non-interest expense to average assets	3.34%	3.37%	3.51%	3.50%
Selected Balance Sheet Data:			12/31/2005	12/31/2004
Total assets			\$ 91,332,909	77,086,062
Investment securities held to maturity			5,850,687	4,801,024
Investment securities available for sale			16,311,377	15,562,826
Loan receivable, net			41,806,807	34,397,314
Deposits			84,021,943	70,741,132
Non-interest bearing deposits			62,610,963	56,112,375
Stockholders' equity			\$ 6,694,040	5,901,294
Regulatory capital ratios:				
Average equity to average assets			7.46%	8.00%
Leverage capital			7.54%	8.36%

Tier I risk based	12.14%	13.80%
Risk-based capital	13.21%	14.81%

Asset Quality Ratios:

Allowance for loan losses as a percent of gross loans receivable	1.28%	1.17%
Net charge-offs to average loans	n/a	n/a
Non-performing loans to total loans	n/a	n/a

Number of full-service customer facilities	1	1
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