

Santa Clara Valley Bank, N. A.

Balance Sheets

Assets:

	<i>Unaudited</i> September 30, 2009	<i>Audited</i> December 31, 2008
Cash and due from banks	\$ 3,076,000	\$ 4,068,000
Investments	29,656,000	13,083,000
Loans	106,970,000	101,851,000
Allowance for loan losses	(1,612,000)	(1,672,000)
Other assets	4,090,000	3,647,000
Total Assets	<u>\$ 142,180,000</u>	<u>\$ 120,977,000</u>

Liabilities and Stockholders' Equity:

Deposits	\$ 121,428,000	\$ 99,986,000
FHLB advances	6,550,000	9,050,000
Other liabilities	514,000	878,000
Stockholders' Equity	13,688,000	11,063,000
Total Liabilities and Stockholders' Equity	<u>\$ 142,180,000</u>	<u>\$ 120,977,000</u>

Statements of Income (unaudited)

	<i>Unaudited</i> For the Nine Months Ended 9-30-09	<i>Unaudited</i> For the Nine Months Ended 9-30-08
Interest income	\$ 5,381,000	\$ 5,014,000
Interest expense	1,392,000	1,331,000
Provision for loan losses	1,712,000	178,000
Noninterest income	635,000	740,000
Noninterest expense	3,835,000	3,554,000
Income (loss) before taxes	(923,000)	691,000
Income tax (benefit) provision	(432,000)	270,000
Net Income (loss)	(491,000)	421,000
Preferred stock dividend	(80,000)	-
Net income (loss) applicable to common shares	<u>\$ (571,000)</u>	<u>\$ 421,000</u>
Earnings (loss) per common share, basic	(\$0.53)	\$0.39
Quarterly net income (loss)	\$ (97,000)	\$ 165,000
Preferred stock dividend	(40,000)	-
Quarterly net income (loss) applicable to common shares	<u>\$ (137,000)</u>	<u>\$ 165,000</u>
Quarterly earnings per common share, basic	(\$0.13)	\$0.15
Book value per common share	\$10.05	\$10.21
Common shares outstanding (end of period)	1,074,067	1,083,839
Return on average assets	-0.48%	0.52%
Return on beginning equity	-5.92%	5.04%
Tier 1 leverage ratio	10.11%	10.49%
Tier 1 risked-based capital ratio	12.26%	11.95%
Total risk-based capital ratio	13.70%	12.91%
Nonperforming assets	\$5,078,000	\$685,000