

## Santa Clara Valley Bank, N. A.

### Balance Sheets

	<i>Audited</i> <b>December 31, 2009</b>	<i>Audited</i> <b>December 31, 2008</b>
Assets:		
Cash and due from banks	\$ 4,522,000	\$ 4,068,000
Investments	30,286,000	13,083,000
Loans	103,131,000	101,851,000
Allowance for loan losses	(3,312,000)	(1,672,000)
Other assets	5,070,000	3,647,000
Total Assets	<u>\$ 139,697,000</u>	<u>\$ 120,977,000</u>
Liabilities and Stockholders' Equity:		
Deposits	\$ 121,248,000	\$ 99,986,000
FHLB Advances	6,550,000	9,050,000
Other liabilities	493,000	878,000
Stockholders' equity	11,406,000	11,063,000
Total Liabilities and Stockholders' Equity	<u>\$ 139,697,000</u>	<u>\$ 120,977,000</u>

	<i>Audited</i> <b>For the Year Ended 12-31-09</b>	<i>Audited</i> <b>For the Year Ended 12-31-08</b>
<b><u>Statements of Income</u></b>		
Interest income	\$ 7,232,000	\$ 6,795,000
Interest expense	1,811,000	1,769,000
Provision for loan losses	4,313,000	944,000
Noninterest income	862,000	903,000
Noninterest expense	5,307,000	4,592,000
Income (loss) before taxes	<u>(3,337,000)</u>	<u>393,000</u>
Income tax (benefit) provision	<u>(353,000)</u>	<u>137,000</u>
Net Income (loss)	<u>(2,984,000)</u>	<u>256,000</u>
Preferred stock dividend	119,000	0
Net income (loss) applicable to common shares	<u>\$ (3,103,000)</u>	<u>\$ 256,000</u>
Earnings (loss) per common shares, basic	(\$2.88)	\$0.24
Quarterly net income (loss)	\$ (1,195,000)	\$ (165,000)
Preferred stock dividend	40,000	0
Quarterly net income (loss) applicable to common shares	<u>\$ (1,235,000)</u>	<u>\$ (165,000)</u>
Quarterly earnings (loss) per common share, basic	(\$1.15)	(\$0.15)
Book value per share	\$7.90	\$10.22
Common shares outstanding (end of period)	1,077,167	1,082,766
Return on average assets	-2.17%	0.23%
Return on beginning equity	-24.03%	2.30%
Tier 1 leverage ratio	8.15%	9.53%
Tier 1 risk-based capital ratio	11.04%	10.80%
Total risk-based capital ratio	12.31%	12.05%
Nonperforming assets	\$4,741,000	\$2,338,000