



Ojai Community Bank
Santa Paula Community Bank

a division of Ojai Community Bank

4th QUARTER SHAREHOLDERS REPORT

December 31, 2009

Dear Investors,

Ojai Community Bank continues to show strength in these difficult economic times. The bank is strong, liquid and proactive. Our capital level continues at more than twice the regulatory minimum, our deposit growth is strong, we continue to maintain excellent short term liquidity, and unlike many other banks, we are still actively making loans to support our community

Like many of you and your families, 2009 was a challenging year for the Bank. Excluding non-recurring charges, the Bank generated core operating income of \$109,000. However, offsetting these earnings were non cash charges of (i) the establishment of reserves against potential loan losses of \$1.3 million and (ii) the writing off of all \$528,000 of the goodwill previously reported on the Bank's financial statements. For financial accounting purposes, the result is a reported book loss of \$1.7 million. Notwithstanding the reported loss, the banks capital and liquidity position remain strong.

Clearly, the key to the Bank's long term success lies in increasing core operating income without the recurrence of the offsetting charges against this income. To enhance the Bank's core operating income, the Bank has implemented a cost saving strategy that is anticipated to contribute over \$500,000 of net income in 2010. And, although the Bank cannot control the financial health of its borrowers, it does closely monitor its loans and the collateral and financial value that supports its loan. The Bank's current evaluation of its loan portfolio indicates that the loan loss reserve experience in 2009 will not likely repeat in 2010.

When all is said and done, improved financial performance will translate into better performance of our stock price. Bank stock prices in general have been under significant pressure. We feel that with our commitment to community banking, the current stable balance sheet, and core earnings momentum, we can be confident in 2010 and beyond.

Finally, our update would not be complete without news of Shari Skinner. Shari continues her association with the bank, but the recent months have been difficult for her. She continues to struggle against her illness with tremendous resolve. Fortunately, Shari can rely on the finest health care, so we pray for its effectiveness and for her daily comfort.

Ojai Community bank is ready for 2010. We are grateful for your continued support and are committed to seeing your bank through these times. We are dedicated to seeing improvement in our financial performance, community support and shareholder value. We thank you for your trust, support, and partnership as we, together, build for the future.

Dave Brubaker
President/CEO

Donald Scanlin
Chairman of the Board

This letter includes forward-looking information, which is subject to the "safe harbor" created by Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act and the Private Securities Litigation Reform Act of 1995. When the Bank uses or incorporates by reference in this letter the words "anticipate," "estimate," "expect," "project," "intend," "commit," "believe" and similar expressions, the Company intends to identify forward-looking statements. Our actual results may differ materially from those projected in any forward-looking statements, as they will depend on many factors about which we are unsure, including many factors which are beyond our control.

This statement has not been reviewed, or confirmed for accuracy or relevance by the Federal Deposit Insurance Corporation.