



## 1st QUARTER SHAREHOLDERS REPORT

March 31, 2015

Dear Shareholders,

This year marks our 10-year anniversary—a milestone that highlights our success— helping our communities, businesses and families grow. Looking back, we are very grateful to our founding shareholders for their vision. We are also thankful to our current shareholders, directors, staff and customers for helping us realize that vision. People often approach me in town to thank the Bank for assisting a relative on a transaction, helping their dream home come to reality or working with a nonprofit they support. We are proud stewards of our founders' mission and vision.

As we begin 2015, we continue to see stable growth, earnings and credit quality. Total assets as of March 31, 2015 reached \$179 million, up \$31 million or 21%, over March of 2014. Our continued growth is both the result of our recent expansion efforts and consumer's interest in moving away from big banks in search of solutions that are more personal and compatible with their needs.

In the same time period, total deposits increased by over 17% to finish at \$155 million as of March 31, 2015. We continue to have a strong base of core deposits, creating significant value over the long term.

We also continue to experience strong loan demand, resulting in quality growth. This is a good sign for several reasons. It means the economy is strengthening and consumers are showing more confidence in transactions. It also means our recent investment in Santa Barbara and Ventura is yielding more volume from our efforts. Lending in Ojai continues strong with increased demand in construction lending as customers build their dream homes. Total loans have increased another \$8 million since the start of the year, to end the quarter at \$138 million. This represents a \$38 million (or 38%) increase since March 2014. This increase will provide a stable, ongoing base of income for the Bank for many years.

Net income for the first quarter was \$198 thousand compared to \$122 thousand for the same period last year. At the Bancorp level, year-to-date was slightly less at \$165 thousand compared to \$101 thousand year-to-date 2014, primarily due to interest expense on debt. Performance this year matches expectations for the start of the year and we believe our continued growth will yield higher net income and value to our shareholders.

As we maintain the core business strategies of serving our customers and clients, and as we provide an engine to help our local communities grow, we continue to live our mission. With the focus of high quality/low risk growth, continued outreach to our communities and a shared success with our growing clients, we remain a brand of quality, trust and service.

OJAI  
COMMUNITY BANK  
*Banking for You!*

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Ojai, CA 93023  
PHONE 805.646.9909

VENTURA  
COMMUNITY BANK  
*a division of Ojai Community Bank*

3130 Telegraph Rd.  
Ventura, CA 93003  
PHONE 805.642.9955

SANTA PAULA  
COMMUNITY BANK  
*a division of Ojai Community Bank*

537 W. Harvard Blvd.  
Santa Paula, CA 93060  
PHONE 805.525.2137

SANTA BARBARA  
COMMUNITY BANK  
*a division of Ojai Community Bank*

21 E. Carrillo St., Ste. 160  
Santa Barbara, CA 93101  
PHONE 805.965.8343

Maintaining and sharpening our success and focus takes tremendous discipline. We want to thank our Board of Directors for their ongoing emphasis in making this happen. Meetings are frequent and their stewardship for the past 10 years has been fantastic. We've overcome a multitude of challenges in a short period of time and look forward to experiencing even better results in the future.

Our shareholder meeting is scheduled for Thursday, May 28<sup>th</sup> at 5:30 pm. We invite you to join us in celebrating our success and for further updates of our vision at our headquarters located at 402 West Ojai Avenue in Ojai. Refreshments will be served.

Thank you for your support. As always, we are happy to discuss the report further, provide more detailed information and answer your questions. Contact Dave Brubaker, President/CEO, at the main office located at 402 W. Ojai Avenue, Ojai CA 93023, [dbrubaker@ojaicommunitybank.com](mailto:dbrubaker@ojaicommunitybank.com) or 805-646-9909.

Sincerely,

A handwritten signature in black ink, appearing to read 'D Brubaker', with a large, stylized initial 'D'.

David F. Brubaker  
President/CEO

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 that are beyond our control.

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

## Statement of Condition

In Thousands - Unaudited



## Statement of Operations

In Thousands - Unaudited

March 31,	Consolidated 2015	Consolidated 2014
<b>ASSETS</b>		
Cash and Due from Banks	\$ 5,175	\$ 4,994
Investments & Securities	31,552	39,997
Bank Premises & Equipment	423	383
Loans	138,295	100,445
Allowance for Loan Loss	(1,674)	(1,355)
Loans, net	136,621	99,090
Other Assets	5,454	3,520
<b>Total Assets</b>	<b>\$ 179,225</b>	<b>\$ 147,984</b>
<b>LIABILITIES</b>		
Deposits		
Non Interest Demand	67,588	41,906
Interest Bearing Demand	11,311	12,574
Savings & Money Market	49,459	45,922
Certificates of Deposit	26,498	31,217
<b>Total Deposits</b>	<b>154,856</b>	<b>131,619</b>
Other Liabilities	10,062	2,560
<b>Total Liabilities</b>	<b>164,918</b>	<b>134,179</b>
<b>CAPITAL</b>		
Common Stock	14,577	13,920
Preferred Stock - TARP	-	-
Retained Earnings	(434)	(216)
Current Earnings	165	101
<b>Total Capital</b>	<b>14,307</b>	<b>13,805</b>
<b>TOTAL LIABILITIES AND CAPITAL</b>	<b>\$ 179,225</b>	<b>\$ 147,984</b>

March 31,	Consolidated 2015	Consolidated 2014
<b>INTEREST INCOME</b>		
Interest & Fees on Loans	\$ 1,662	\$ 1,294
Income on Investments	40	47
<b>Total Interest Income</b>	<b>1,702</b>	<b>1,341</b>
<b>INTEREST EXPENSE</b>		
Time & Savings Deposits	34	47
Borrowed Funds	38	29
<b>Total Interest Expense</b>	<b>72</b>	<b>76</b>
Net Interest Income	1,630	1,265
Provision for Loan Losses	84	-
<b>Net Interest Income After Provision</b>	<b>1,546</b>	<b>1,265</b>
Service Charges	93	81
Mortgage Broker Fees	33	3
Other Operating Income	20	20
<b>Total Other Income</b>	<b>146</b>	<b>104</b>
<b>OPERATING EXPENSE</b>		
Personnel Expense	900	617
Occupancy & Equipment	152	137
Promotion	77	52
Supplies	55	35
Professional Services	146	136
Other	85	225
<b>Total Operating Expense</b>	<b>1,414</b>	<b>1,202</b>
<b>Income Before Provision for Income Taxes</b>	<b>277</b>	<b>167</b>
<b>Provision for Taxes</b>	<b>113</b>	<b>66</b>
<b>Net Income</b>	<b>\$ 165</b>	<b>\$ 101</b>



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The Bank holding company formation was completed on September 26, 2013.