



# COMMUNITY BANCORP OF SANTA MARIA

April 16, 2020

To Our Valued Shareholders,

We are pleased to share with you the financial highlights for the First Quarter, 2020. We hope you share our satisfaction with the following performance results from the first quarter.

|                | <u>March 31, 2020</u> | <u>March 31, 2019</u> | <u>Percentage Increase</u> |
|----------------|-----------------------|-----------------------|----------------------------|
| Net Loans      | \$178,256,000         | \$175,034,000         | 1.84%                      |
| Total Deposits | \$231,936,000         | \$216,233,000         | 7.26%                      |
| Total Assets   | \$261,745,000         | \$246,871,000         | 6.03%                      |
| Net Income     | \$ 609,521            | \$ 592,158            | 2.93%                      |

As we write this letter, we find ourselves in unprecedented times. As is customary on these communications, we have provided our strategic goals at the bottom of this letter. However, it should be noted these goals were established before we were all impacted by a worldwide pandemic. Our Board of Directors will revisit our strategic plan in the appropriate near future. We will have updated financial goals to provide you perhaps as soon as our second quarter letter to shareholders. In the meantime, please know we recognize opportunity exists in our current environment.

These are the times that truly differentiate your Community Bank of Santa Maria from the competition. Now more than ever, our customers and potential customers see the value in dealing with a community bank, and we have seized this opportunity to successfully grow our customer base. We remain open for business, and continue to offer our deposit and loan customers superior service and responsiveness we call 'Santa Maria Style' Banking™.

We are excited to share with you that Community Bank of Santa Maria was named a 2019 'Super Premier Performing' bank by The Findley Companies, and celebrated our 35th consecutive quarter with a 'Five Star' rating from Bauer Financial. These are independent rating agencies, and these are their highest ratings. We're proud of that, and we're pleased we have that momentum to carry into 2020.

In closing, we want to thank you for your continued support. We value you as a shareholder, and ask that you please refer your family, friends and business associates to *your* bank for all their banking needs. And during this challenging time, if there is any way we may assist you or any of your friends or colleagues, please don't hesitate to give us a call. We're here to help.

Sincerely,

Janet Silveria  
President  
Chief Executive Officer

|                          | <u>ACTUAL</u><br><u>03/31/20<sup>1</sup></u> | <u>YEAR-END GOALS</u> |             |             |
|--------------------------|----------------------------------------------|-----------------------|-------------|-------------|
|                          |                                              | <u>2020</u>           | <u>2021</u> | <u>2022</u> |
| Return on Average Assets | 0.94%                                        | 1.15%                 | 1.25%       | 1.40%       |
| Return on Average Equity | 9.40%                                        | 11.5%                 | 12.0%       | 13.5%       |

<sup>1</sup> Annualized