



**CVB Financial Corp.**

April 2024

# Forward Looking Statements



*This presentation contains forward-looking statements that are intended to be covered by the safe harbor for such statements provided by the Private Securities Litigation Reform Act of 1995. These statements are based on the current beliefs and expectations of the management of CVB Financial Corp. and Citizens Business Bank (collectively, the “Company”) and are subject to significant risks and uncertainties that could cause actual results or performance to differ materially from those projected. You should not place undue reliance on these statements. Factors that could cause the Company’s actual results to differ materially from those described in the forward-looking statements include, among others, changes in the U.S. economy or local, regional and global business, economic and political conditions; changes in laws or the regulatory environment, including trade, monetary and fiscal policies and laws; inflation or deflation, interest rate, market and monetary fluctuations; possible changes in our levels of capital or liquidity or our access to government or private lending facilities; possible credit related impairments, goodwill impairments or declines in the fair value of our loans and securities; the effect of acquisitions we have made or may make; changes in the competitive environment, including technological changes; changes in the commercial and residential real estate markets; changes in customer preferences, borrowing and savings habits; geopolitical conditions, threats of terrorism or military action, catastrophic events or natural disasters such as earthquakes, droughts, pandemics, climate change and extreme weather; fraud and cybersecurity threats; and ongoing or unanticipated legal or regulatory proceedings or outcomes. These factors also include those contained in the Company’s filings with the Securities and Exchange Commission, including the “Risk Factors” section of the Company’s Annual Report on Form 10-K for the year ended December 31, 2023. When considering these forward-looking statements, you should keep in mind these risks and uncertainties, as well as any cautionary statements that the Company or its management may make from time to time. These forward-looking statements speak solely as of the date they are made and are based only on information then actually known to the Company’s executives who are making the associated statements. The Company does not undertake to update any forward-looking statements except as required by law.*

*Non-GAAP Financial Measures—Certain financial information provided in this presentation has not been prepared in accordance with U.S. generally accepted accounting principles (“GAAP”) and is presented on a non-GAAP basis. Investors and analysts should refer to the reconciliations included in this presentation and should consider the Company’s non-GAAP measures in addition to, not as a substitute for or as superior to, measures prepared in accordance with GAAP. These measures may or may not be comparable to similarly titled measures used by other companies.*



- Total Assets: \$16.5 Billion
- Gross Loans: \$ 8.8 Billion
- Total Deposits (Including Repos): \$12.2 Billion
- Total Equity: \$ 2.1 Billion

➤ Largest financial institution headquartered in the Inland Empire region of Southern California. Founded in 1974.

# Bank Accomplishments & Ratings



- 188 Consecutive Quarters of Profitability
- 138 Consecutive Quarters of Cash Dividends
- Forbes, Best Banks in America (2016 – 2024)
- Ranked #1 Forbes, Best Banks in America (2016, 2020, 2021, 2023)
- Ranked in S&P Global Market Intelligence's Top 50 2024 Public Banks
- BauerFinancial Report
  - Five Star Superior Rating
    - ❖ 56 Consecutive Quarters
- Fitch Rating
  - BBB+ (April 2024)
- One of the 10 largest bank holding companies in CA

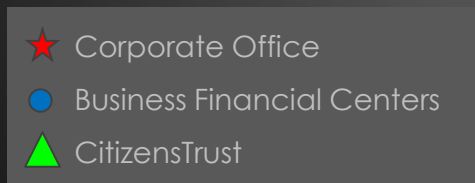
As of 4/19/2024

CVB Financial Corp. is the holding company for Citizens Business Bank

SNL Financial ranking of largest bank holding companies in CA, as of 12/31/2023

# 62 Business Financial Centers

## 3 CitizensTrust Locations





Citizens Business Bank will strive to become the premier financial services company operating throughout the state of California, servicing the comprehensive financial needs of successful small to medium sized businesses and their owners.



The best privately-held and/or family-owned businesses throughout California

- Annual revenues of \$1-300 million
- Top 25% in their respective industry
- Full relationship banking
- Build long-term relationships



# Three Areas of Growth



## DeNovo

San Diego (2014)  
Oxnard (2015)  
Santa Barbara (2015)  
San Diego (2017)  
Stockton (2018)  
Modesto (2020)

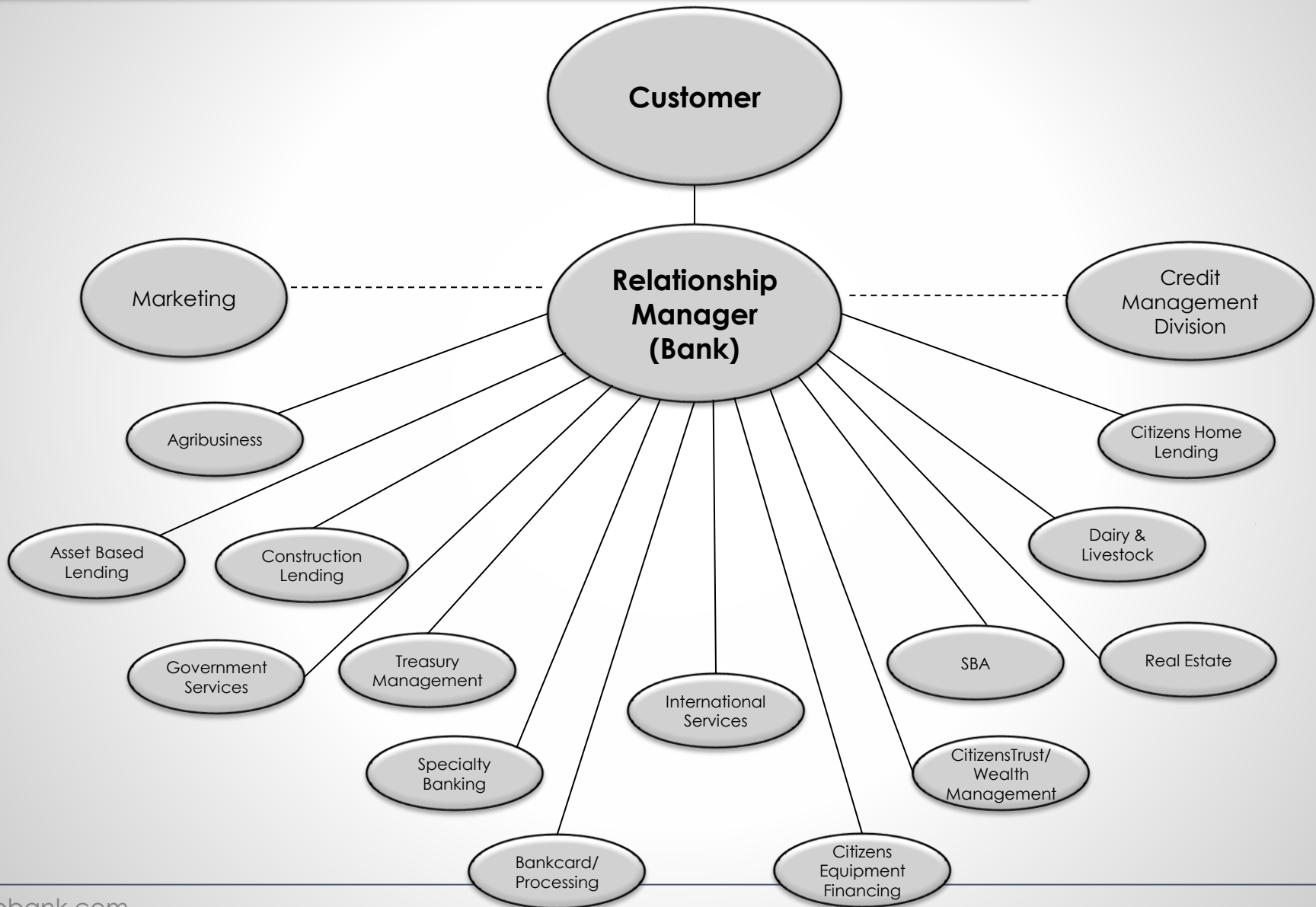


## Acquisitions

American Security Bank (2014)  
County Commerce Bank (2016)  
Valley Business Bank (2017)  
Community Bank (2018)  
Suncrest Bank (2022)



# Relationship Banking Model



## **Banks:**

- Target size: \$1 billion to \$10 billion in assets
- Financial & Strategic
- In-market and/or adjacent geographic market (California)

## **Banking Teams:**

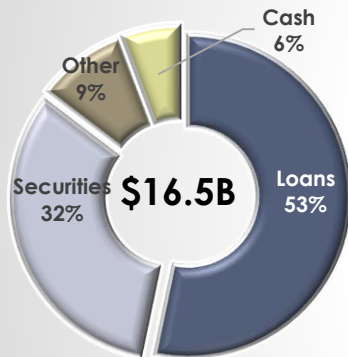
- In-market
- New markets

# CVBF Balance Sheet Profile

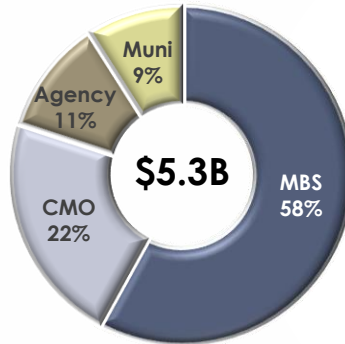


**March 31, 2024**

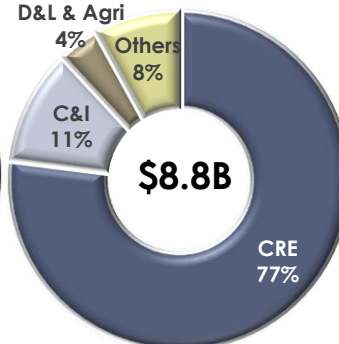
## Assets



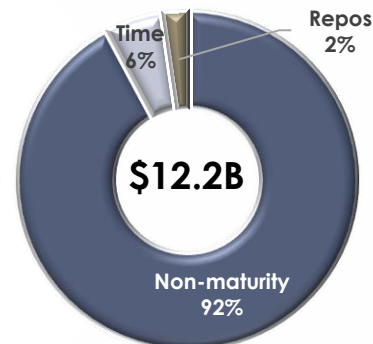
## Securities



## Loans



## Deposits & Repos



## Funding



## Capital Ratios as of March 31, 2024

TCE	Tier 1 Leverage	CET1	Tier 1 RBC	Total RBC
8.5%	10.5%	14.9%	14.9%	15.8%

# Q1 2024 Financial Highlights



## Profitability

- ROATCE = 15.13%
- ROAA = 1.21%
- Efficiency Ratio = 47.22%

## Income Statement

- Q1'24 Net Income = \$48.6 million / EPS = \$0.35
- FDIC special assessment (add'l in Q1'24) = \$2.3 million or (\$.01) EPS
- Cost of funds increased sequentially from 1.09% to 1.31%
- NIM decreased sequentially from 3.26% to 3.10%

## Balance Sheet

- Total quarter end deposits increased sequentially by \$461 million
- Loans at quarter end declined by \$134 million from the end of 2023
- Total average deposits decreased sequentially by \$517 million
- Noninterest deposits > 60% of Total Deposits on average in Q1'24

## Asset Quality

- Q1 Net charge-offs = \$4.0 million
- NPA/TA = 0.09% (NPA = \$14 million)
- Classified loans = \$103 million or 1.18% of total loans
- ACL = \$83 million or 0.94% of gross loans

## Capital

- CET1 Ratio = 14.9%
- Total Risk-Based Ratio = 15.8%
- Tangible Common Equity Ratio = 8.3%

# Selected Ratios



		2021	2022	2023	Q1'23	Q4'23	Q1'24
Performance	ROATCE	15.93%	18.85%	18.48%	20.59%	16.21%	15.13%
	NIM	2.97%	3.30%	3.31%	3.45%	3.26%	3.10%
	Cost of Deposits	0.04%	0.05%	0.41%	0.17%	0.62%	0.74%
	Cost of Funds	0.05%	0.06%	0.83%	0.49%	1.09%	1.31%
	Efficiency Ratio*	41.09%	38.98%	42.00%	39.50%	40.98%	45.41%
	NIE % Avg. Assets*	1.24%	1.28%	1.41%	1.36%	1.39%	1.43%
Credit Quality	NPA % Total Assets	0.04%	0.03%	0.13%	0.04%	0.13%	0.09%
	Net Charge-Offs (Recoveries) to Avg. Loans	0.04%	(0.01%)	0.00%	0.00%	0.00%	0.05%
Capital	CET1 Ratio	14.9%	13.5%	14.6%	13.8%	14.6%	14.9%
	Total Risk-Based Capital Ratio	15.6%	14.4%	15.5%	14.6%	15.5%	15.8%

# Selected Highlights



## Income Statement

(\$ in Thousands)	Q1'23	Q4'23	Q1'24
Net Interest Income	\$ 125,728	\$ 119,356	\$ 112,461
Noninterest Income	13,202	19,163	14,113
Noninterest Expense, excluding Regulatory Assessments	52,809	54,637	55,326
Regulatory Assessments	2,072	11,293	4,445
Total Noninterest Expense	54,881	65,930	59,771
PTPP	84,049	72,589	66,803
Provision for (Recapture of) Credit Losses	1,500	(2,000)	-
Earnings before Income Taxes	82,549	74,589	66,803
Net Income	\$ 59,270	\$ 48,508	\$ 48,599
Basic earnings per common share	\$0.42	\$0.35	\$0.35
Diluted earnings per common share	\$0.42	\$0.35	\$0.35

# Selected Highlights



## Average Balance Sheet

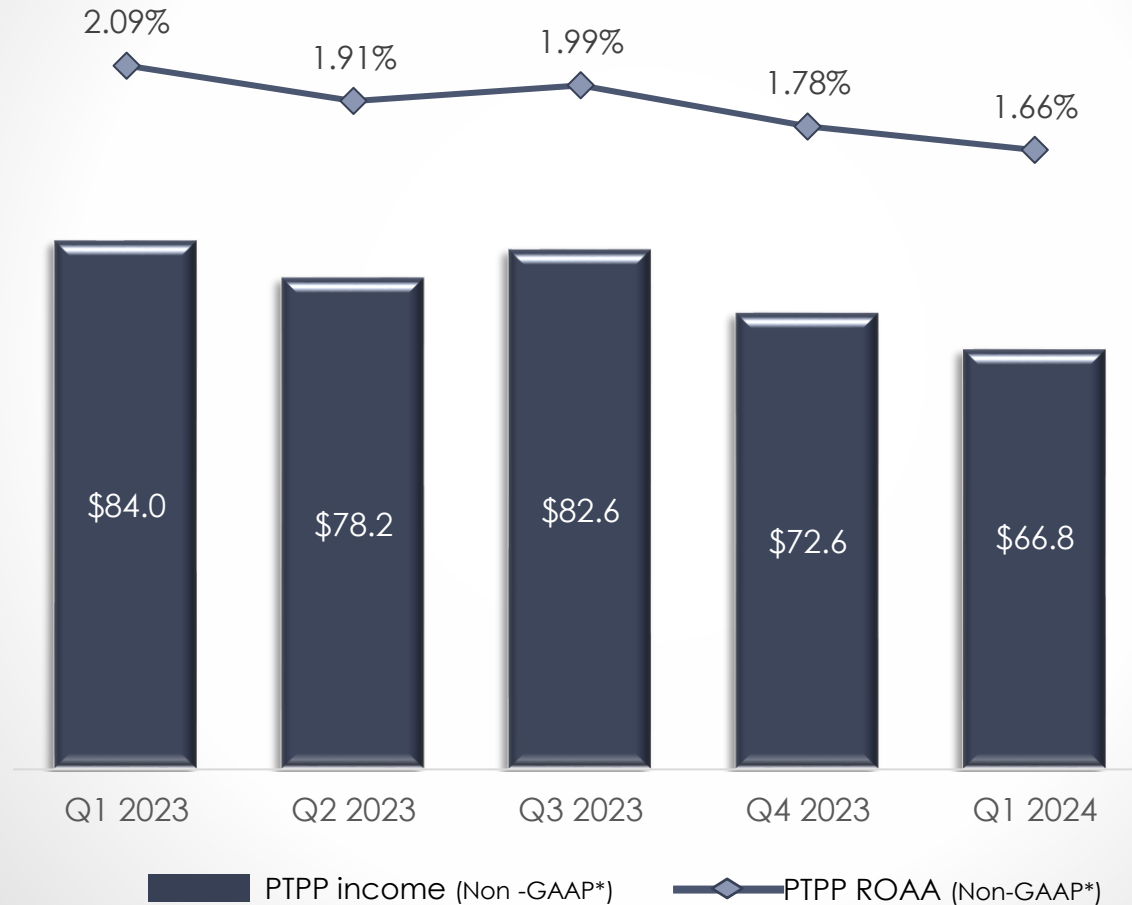
(\$ in Thousands)	Q1'23	Q4'23	Q1'24
Average Cash & Cash Equivalents	\$ 212,079	\$ 593,110	\$ 595,470
Average Loans	8,963,323	8,856,654	8,824,579
Average Total Securities	5,762,728	5,328,208	5,357,708
Average Noninterest-bearing Deposits	8,092,704	7,450,856	7,182,718
Average Total Deposits & Customer Repurchase Agreements	13,264,705	12,455,330	11,946,125
Average Borrowings	971,701	1,585,272	1,991,978
Loan-to-deposit	70.50%	72.87%	75.83%
Noninterest-bearing deposits/Total Deposits	63.65%	61.30%	61.72%



# Pretax-Pre Provision Income



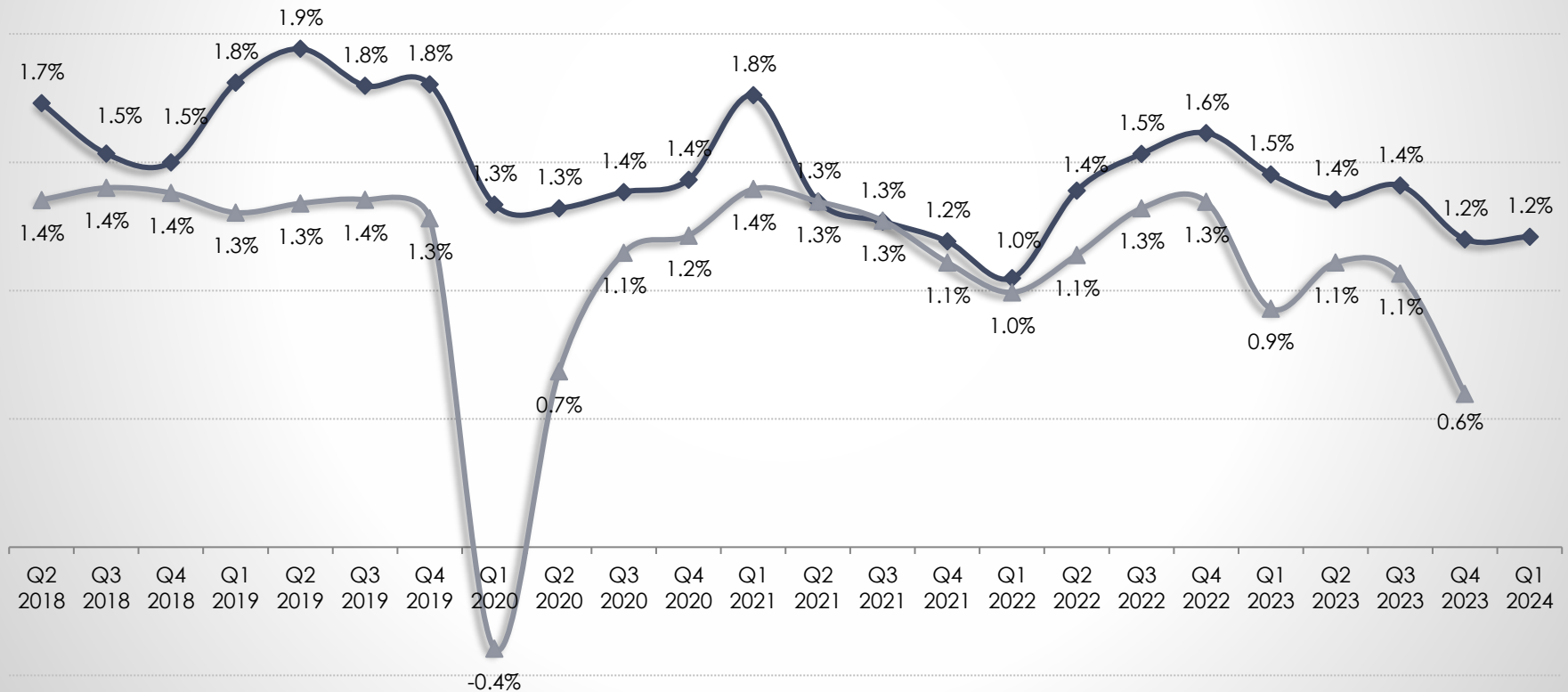
(\$ in Millions)



# Return on Average Assets



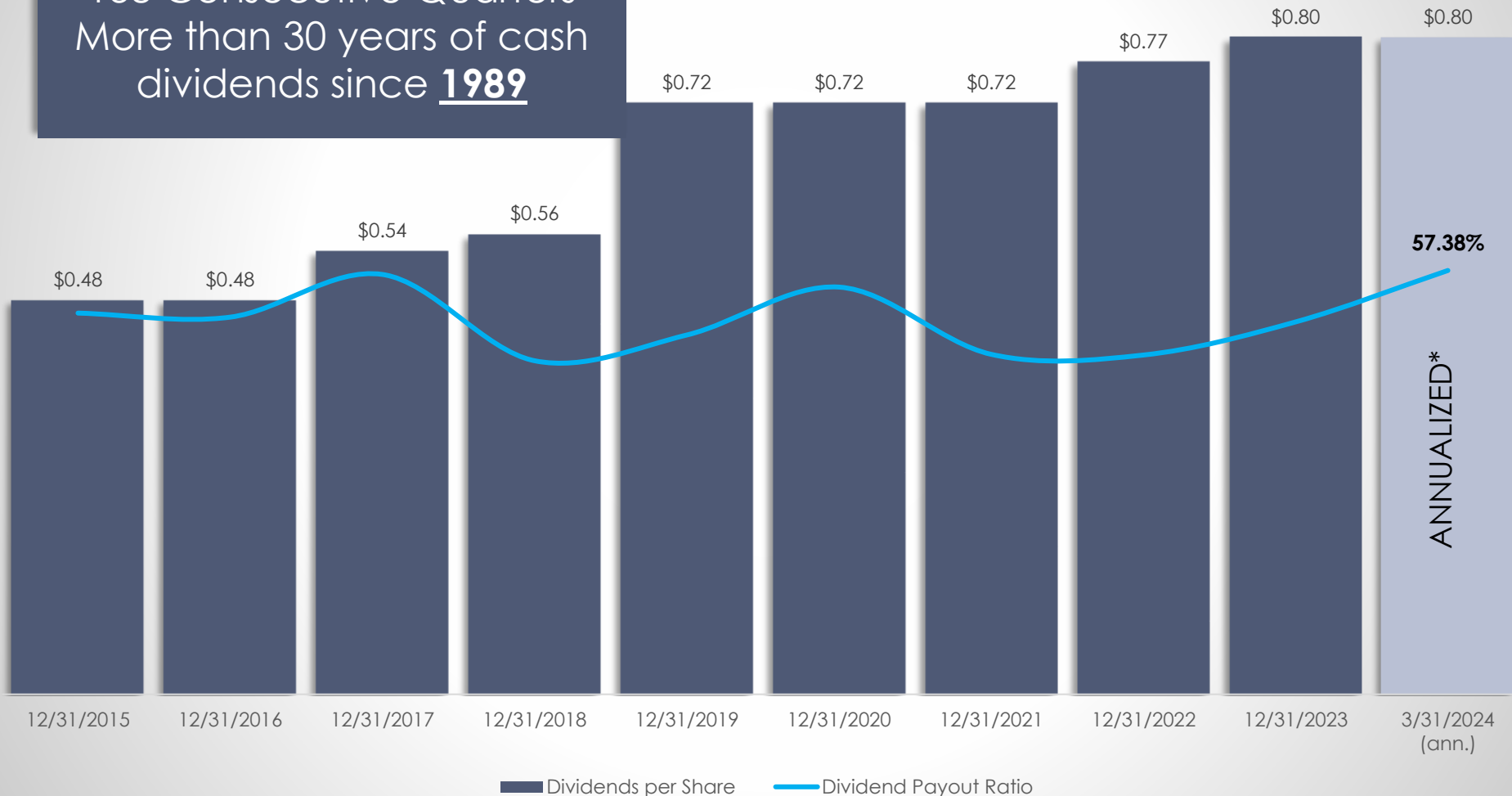
◆ CVBF ▲ KRX



# Dividends – 138 Consecutive Quarters



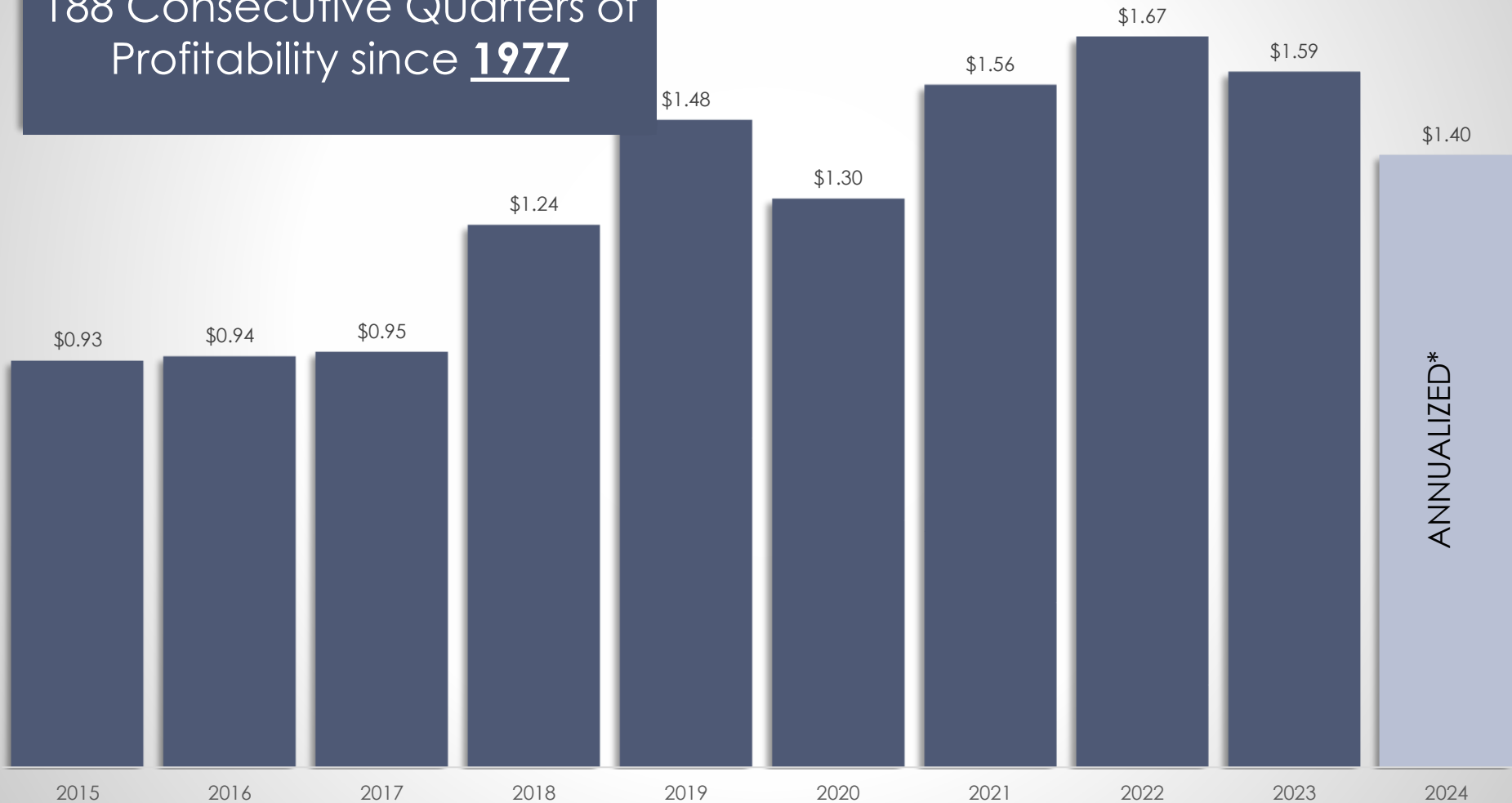
138 Consecutive Quarters  
More than 30 years of cash  
dividends since **1989**



# Earnings Per Share



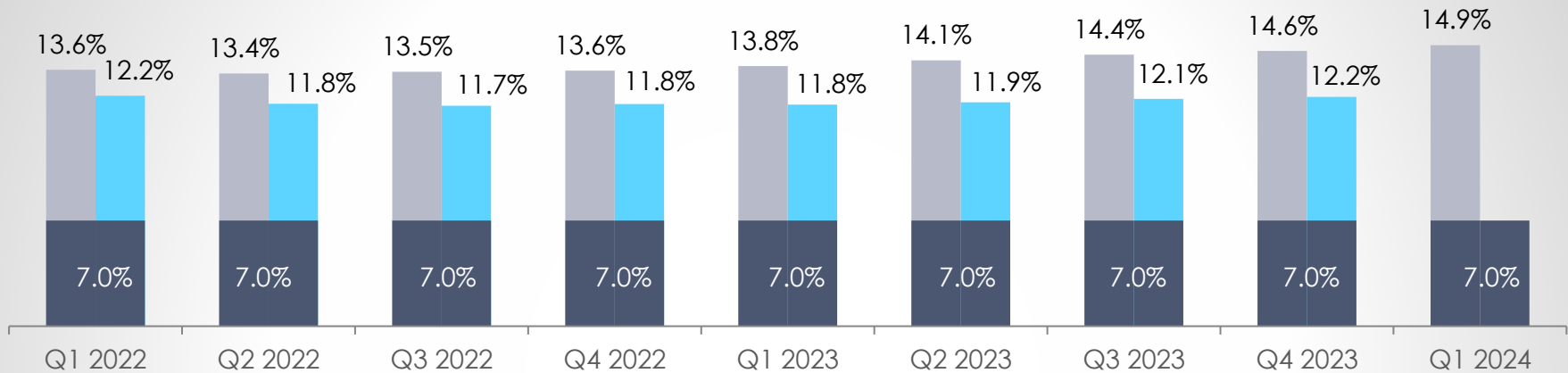
188 Consecutive Quarters of Profitability since 1977



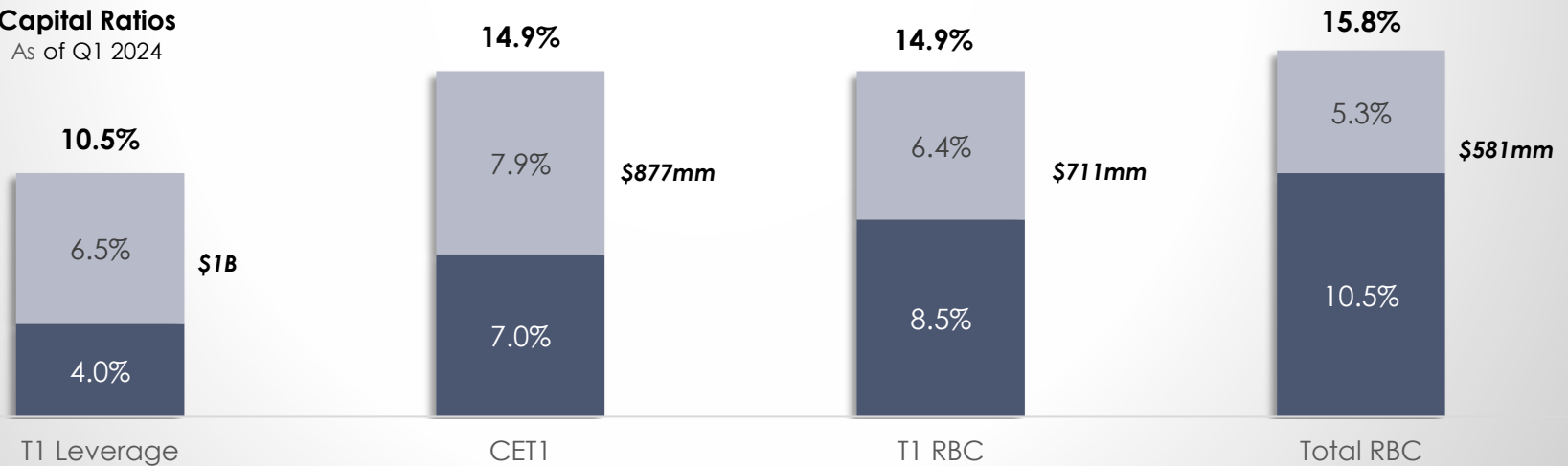
# Strong Capital Ratios



■ CVBF CET1 %   ■ KRX Avg CET1 %   ■ Regulatory Min.

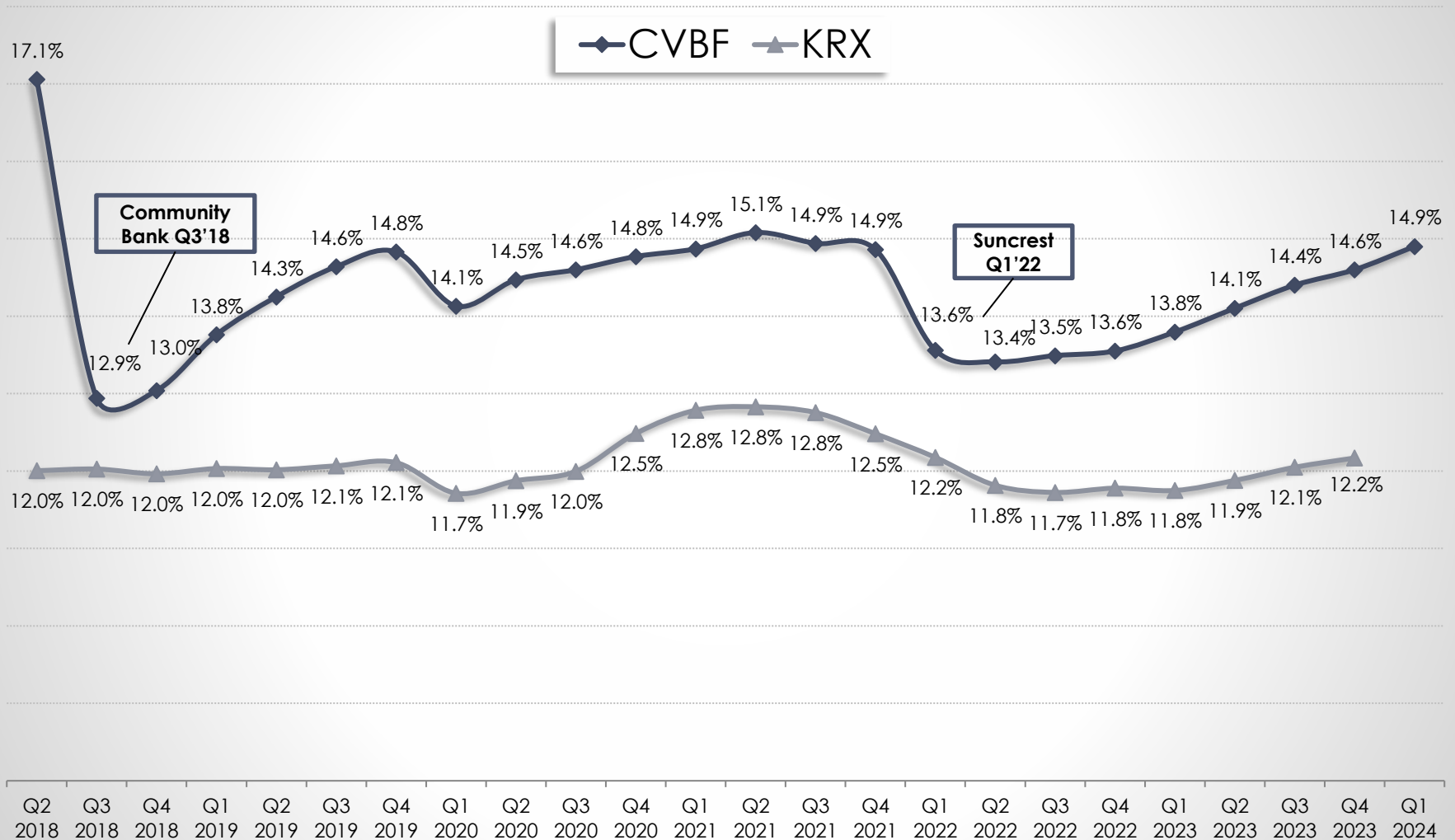


## Capital Ratios As of Q1 2024



■ Regulatory Minimum + Capital Conservation Buffer   ■ Excess Capital

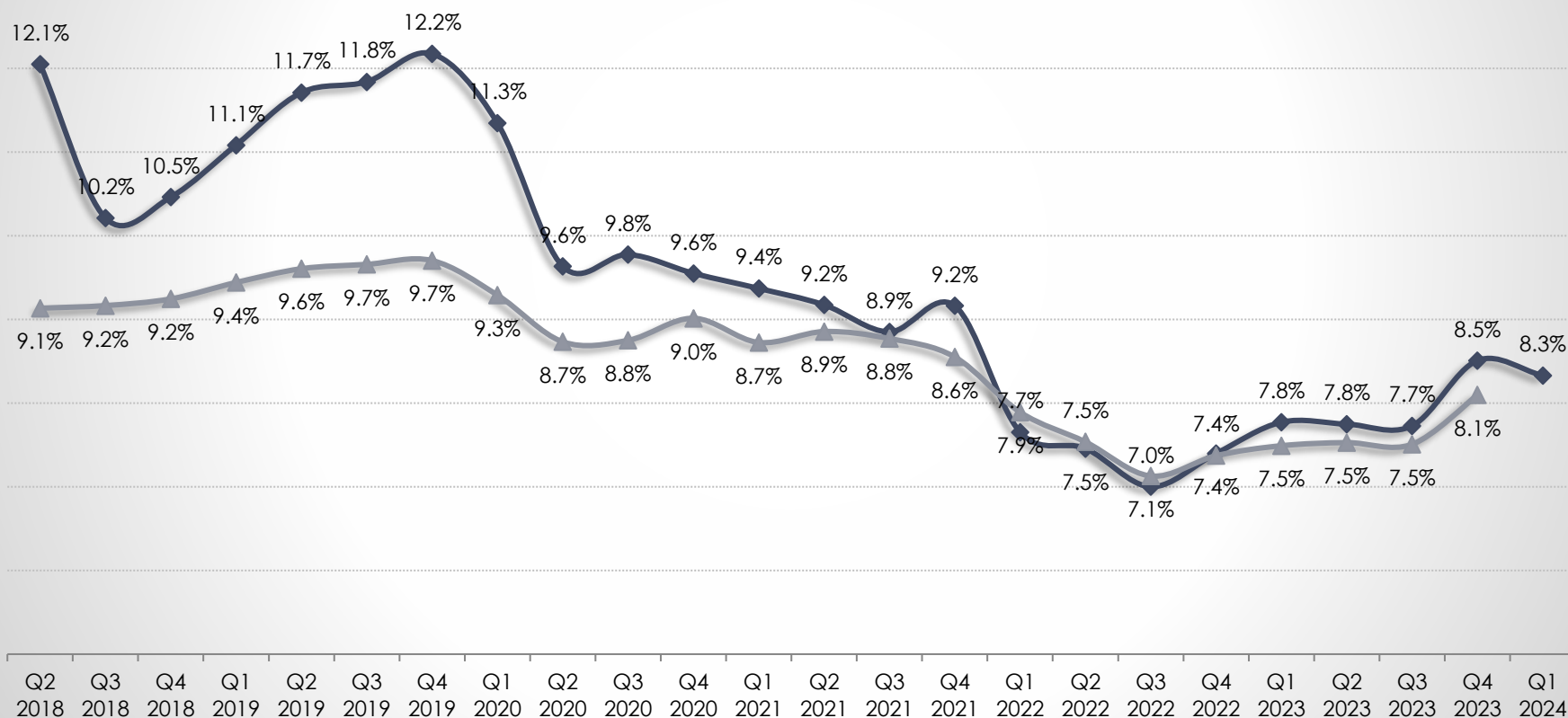
# CET1 Ratio Trend (%)



# TCE Ratio Trend (%)



CVBF KRX

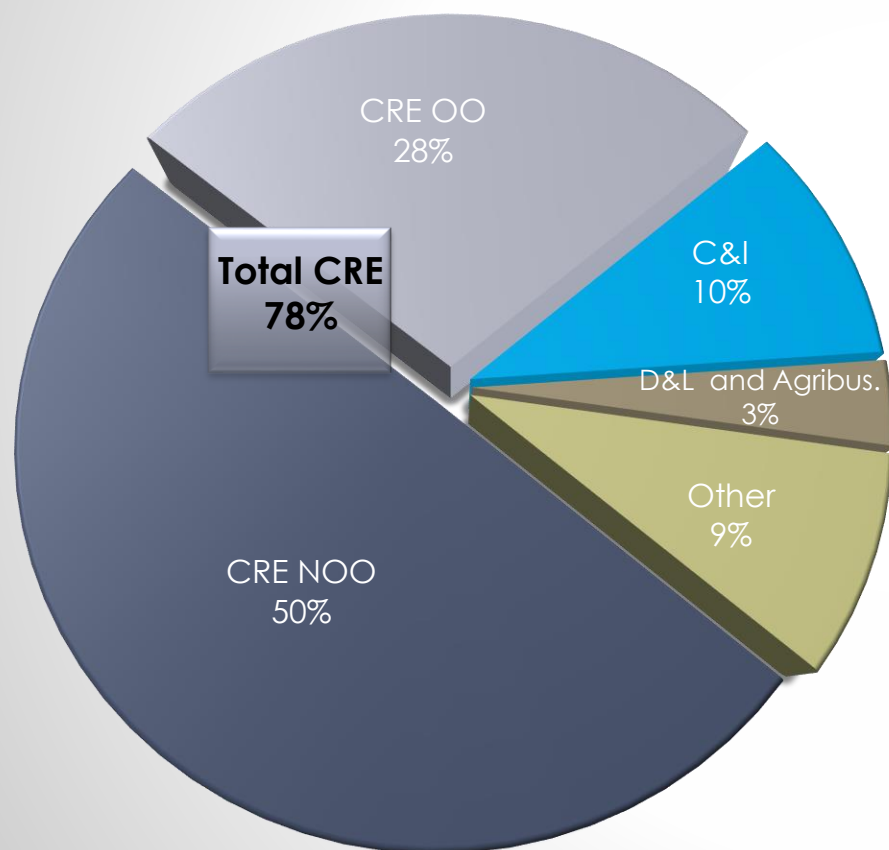




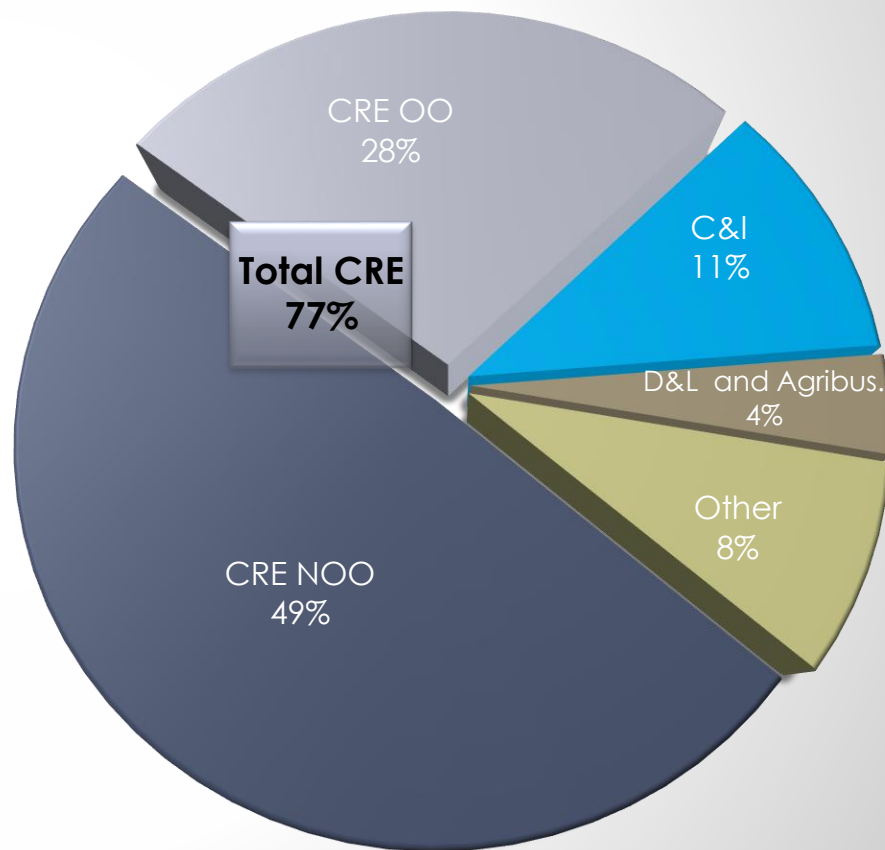
# Loan Composition



Q1 2023



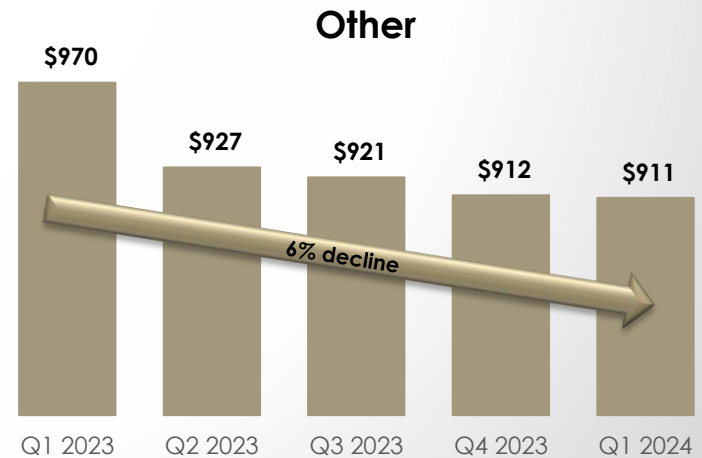
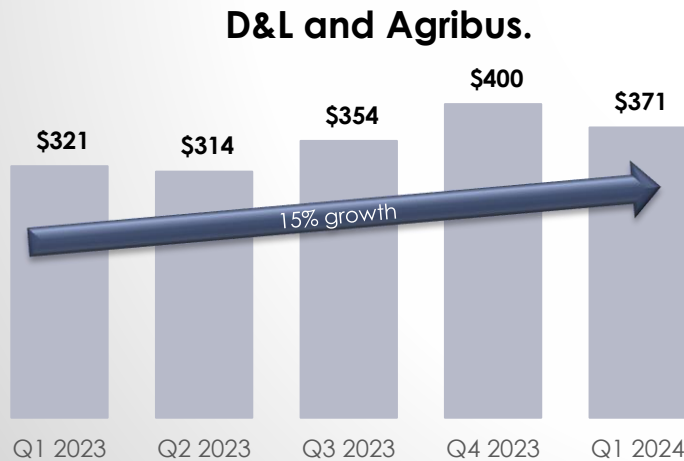
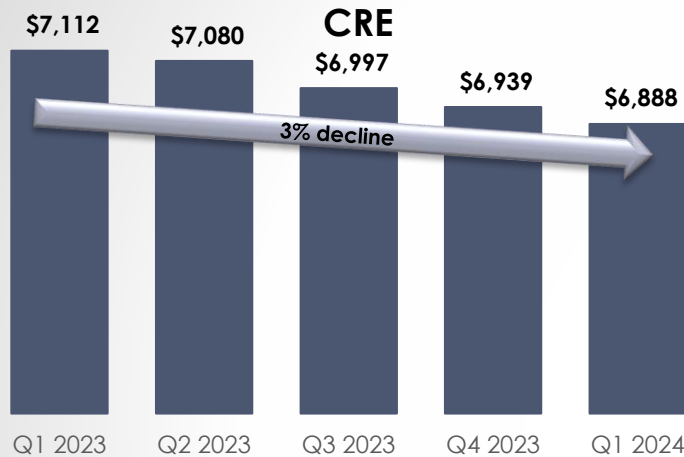
Q1 2024



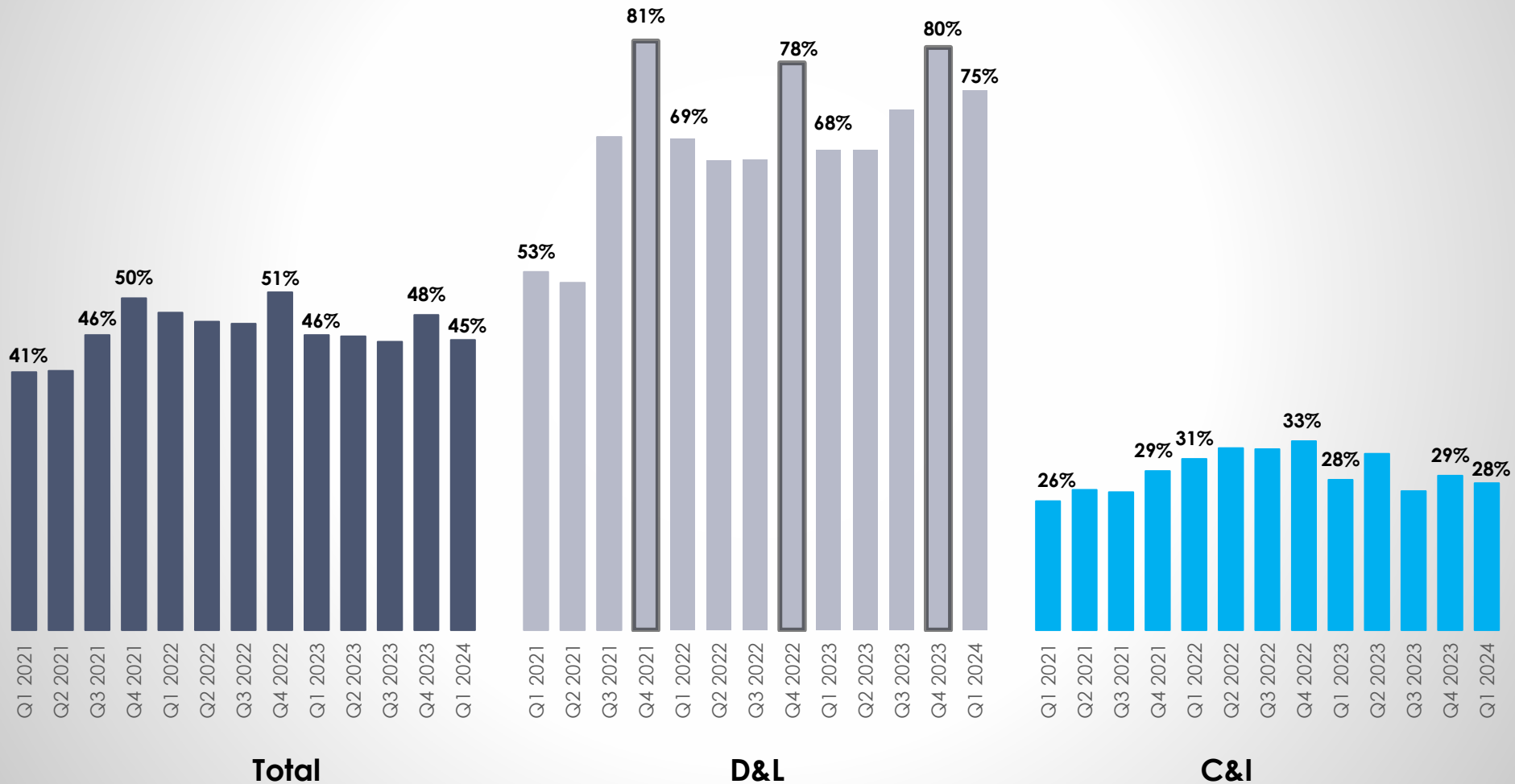
# Loan Trends – Quarterly Averages



(\$ in Millions)



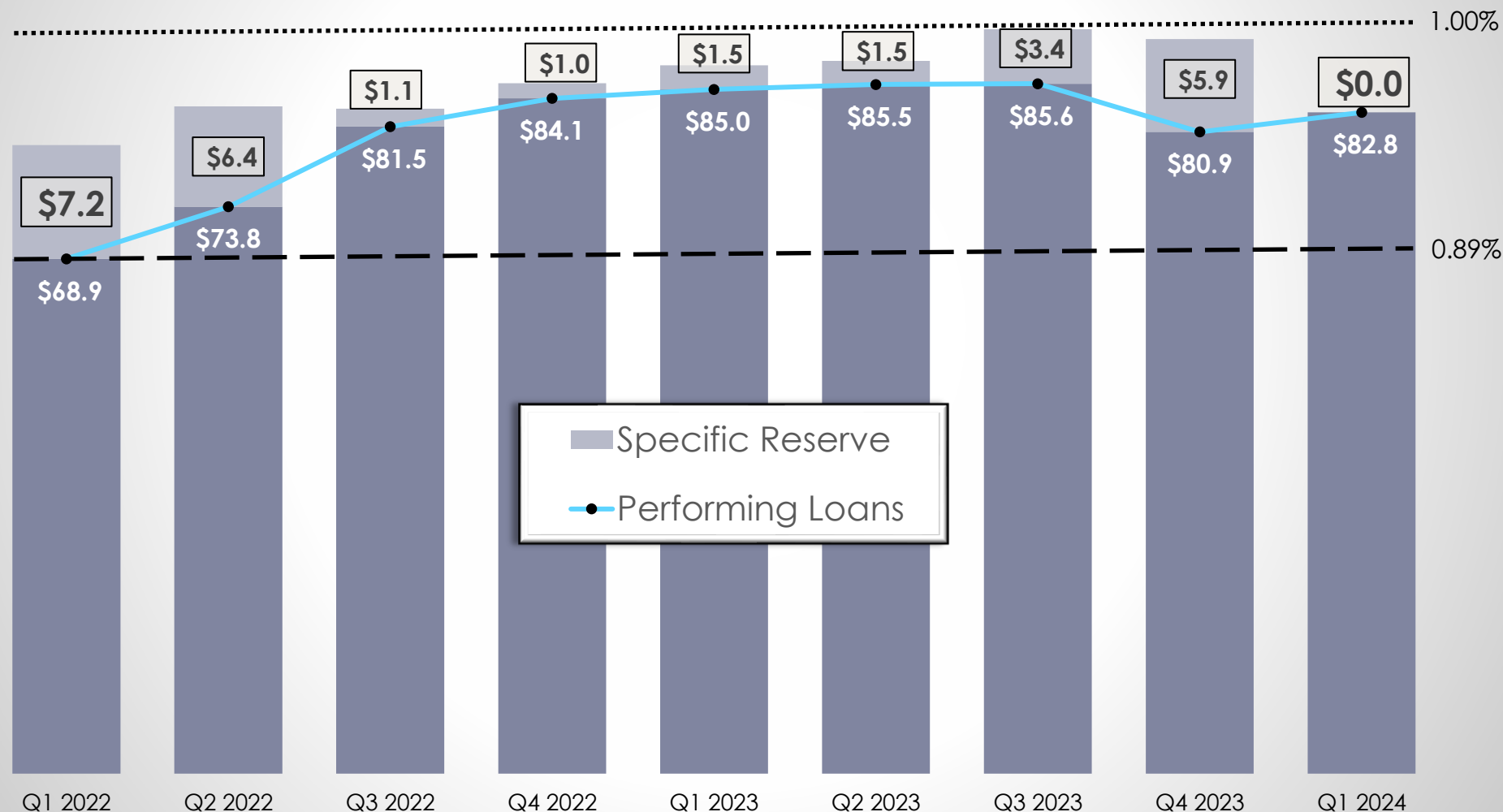
# Line Utilization Trends



# ACL Nine Quarter Trend



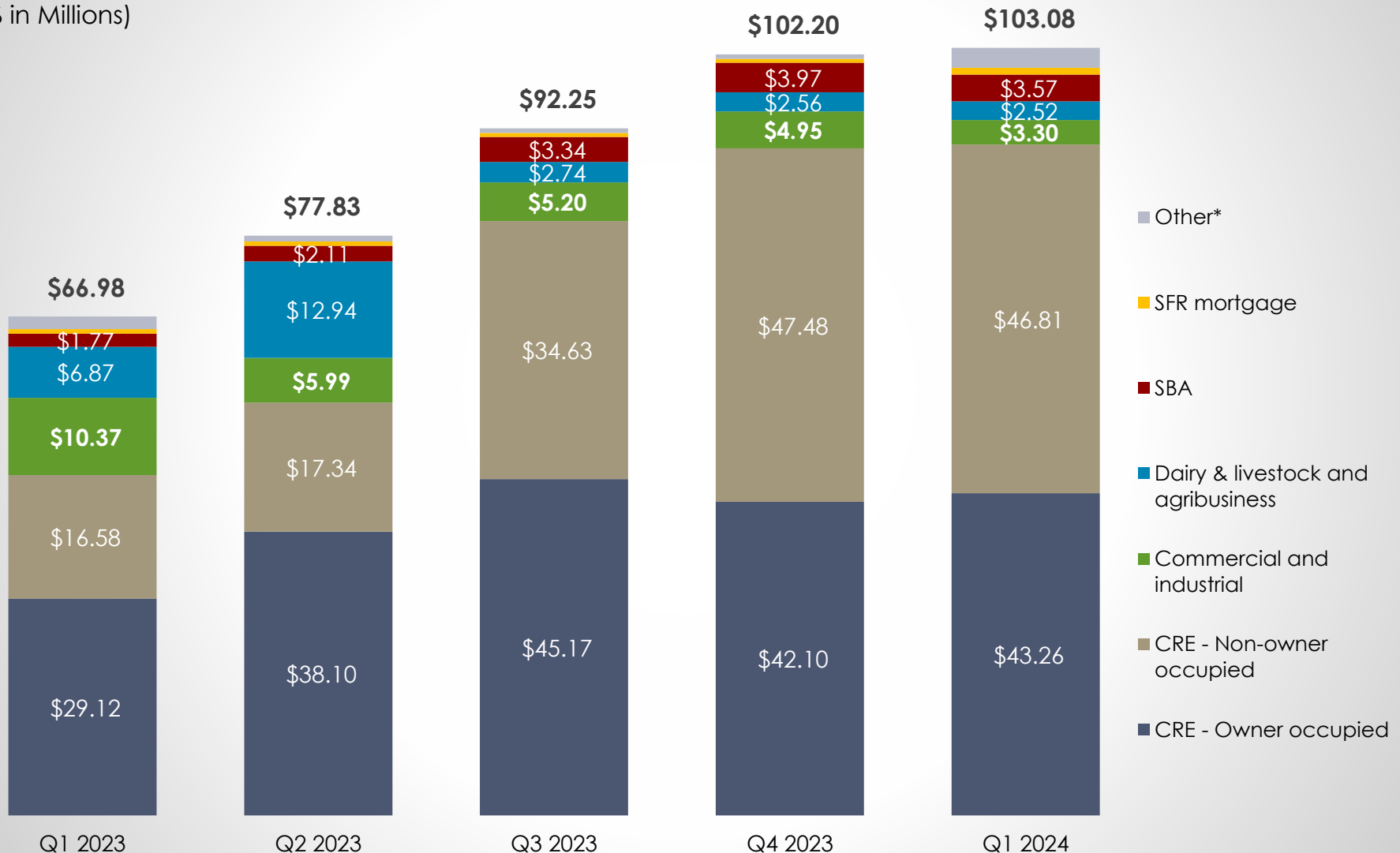
(\$ in Millions)



# Classified Loan Trend



(\$ in Millions)

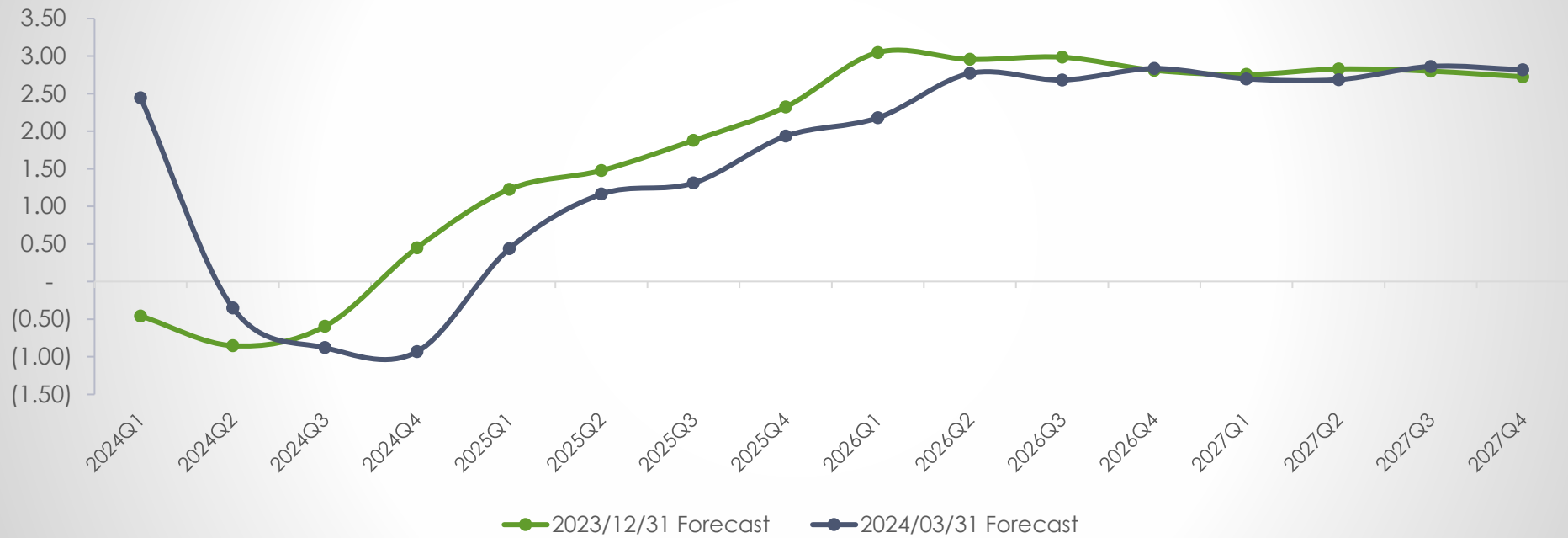


\*Other includes other loan segments that are not listed above, including Consumer and other loans.

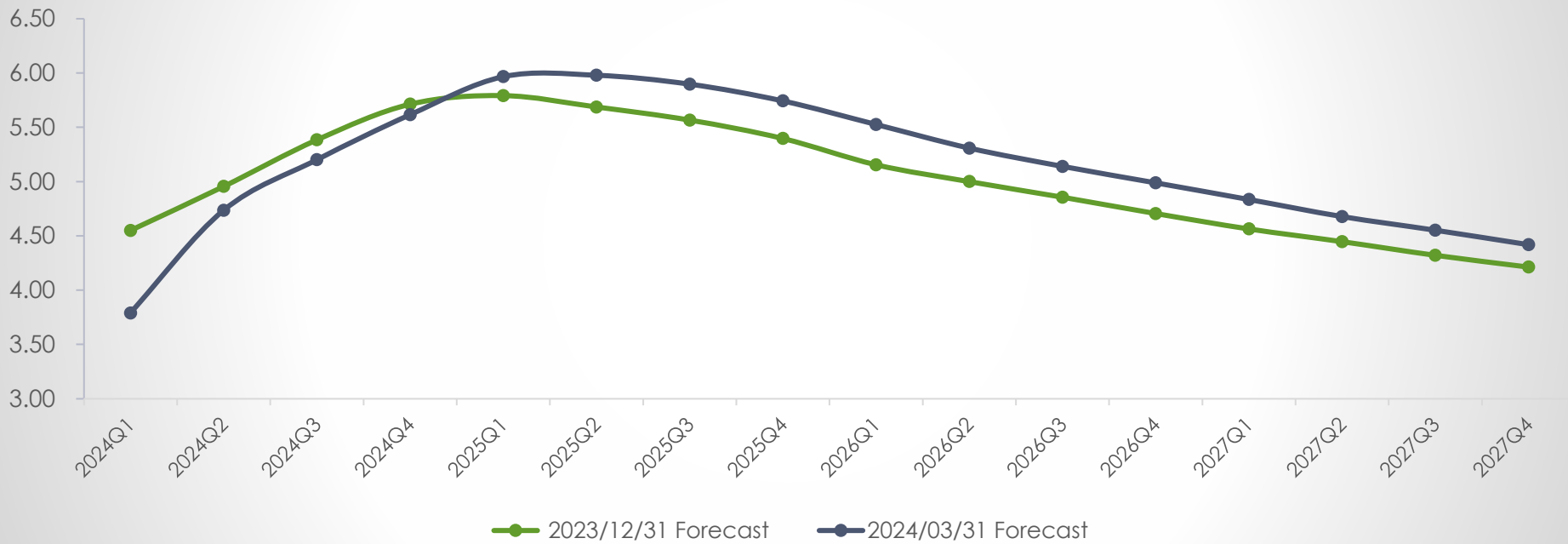
# Economic Forecast – GDP



## Real GDP Growth



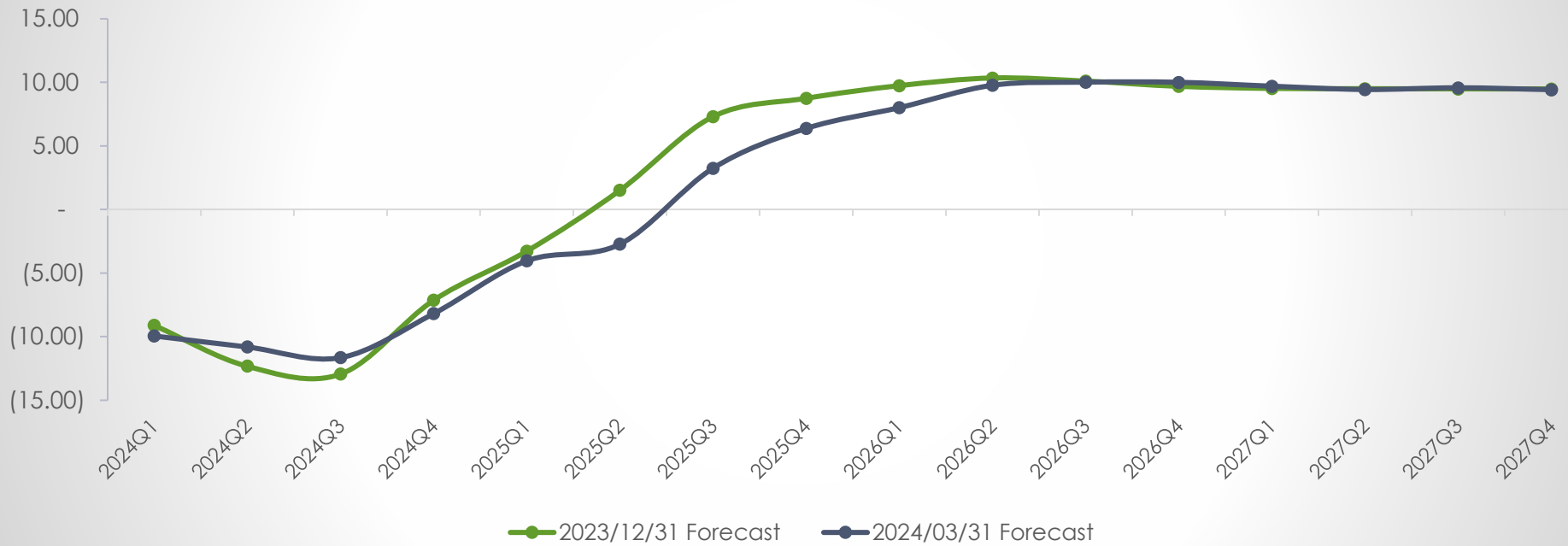
## Unemployment Rate



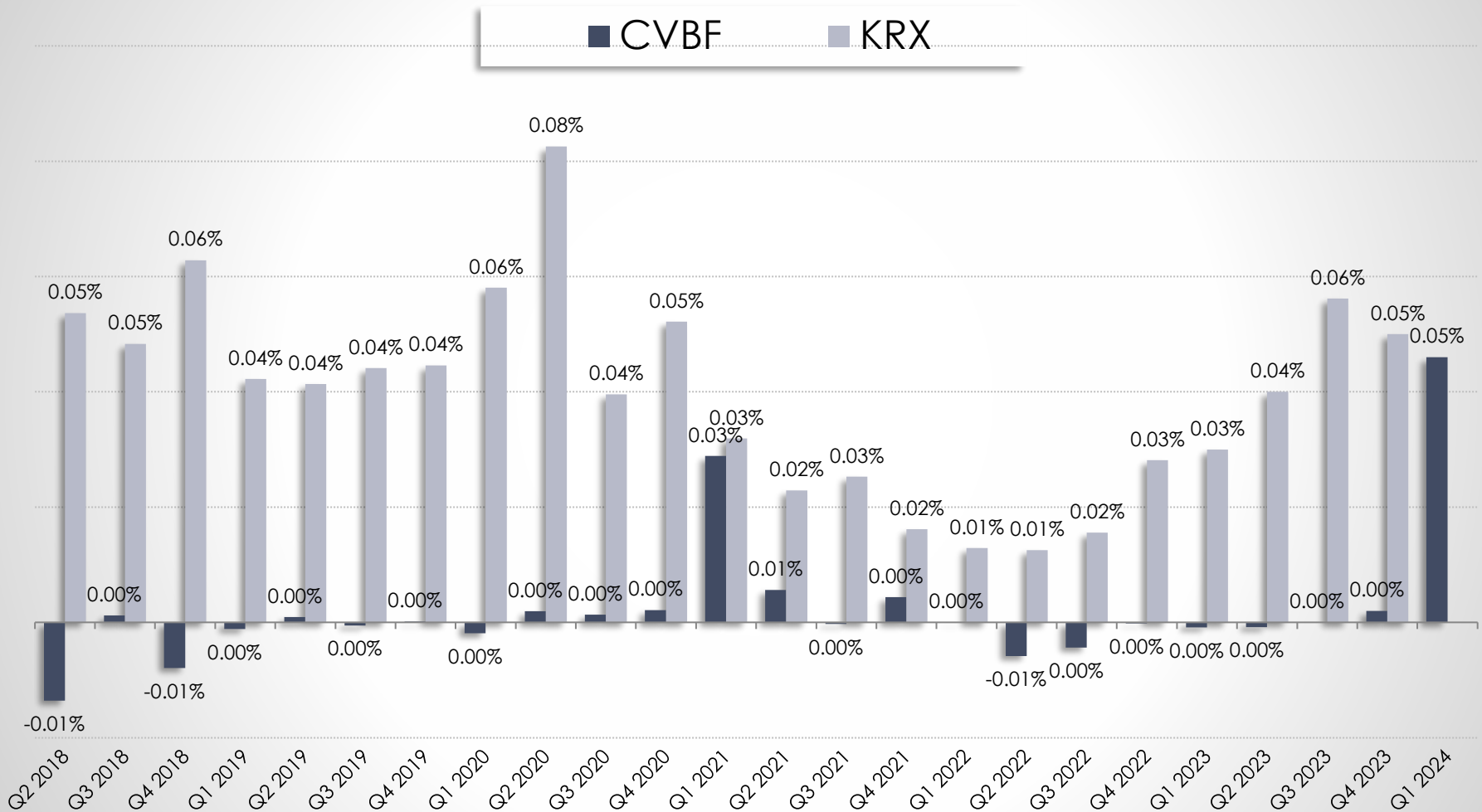




## CRE Price Index Growth



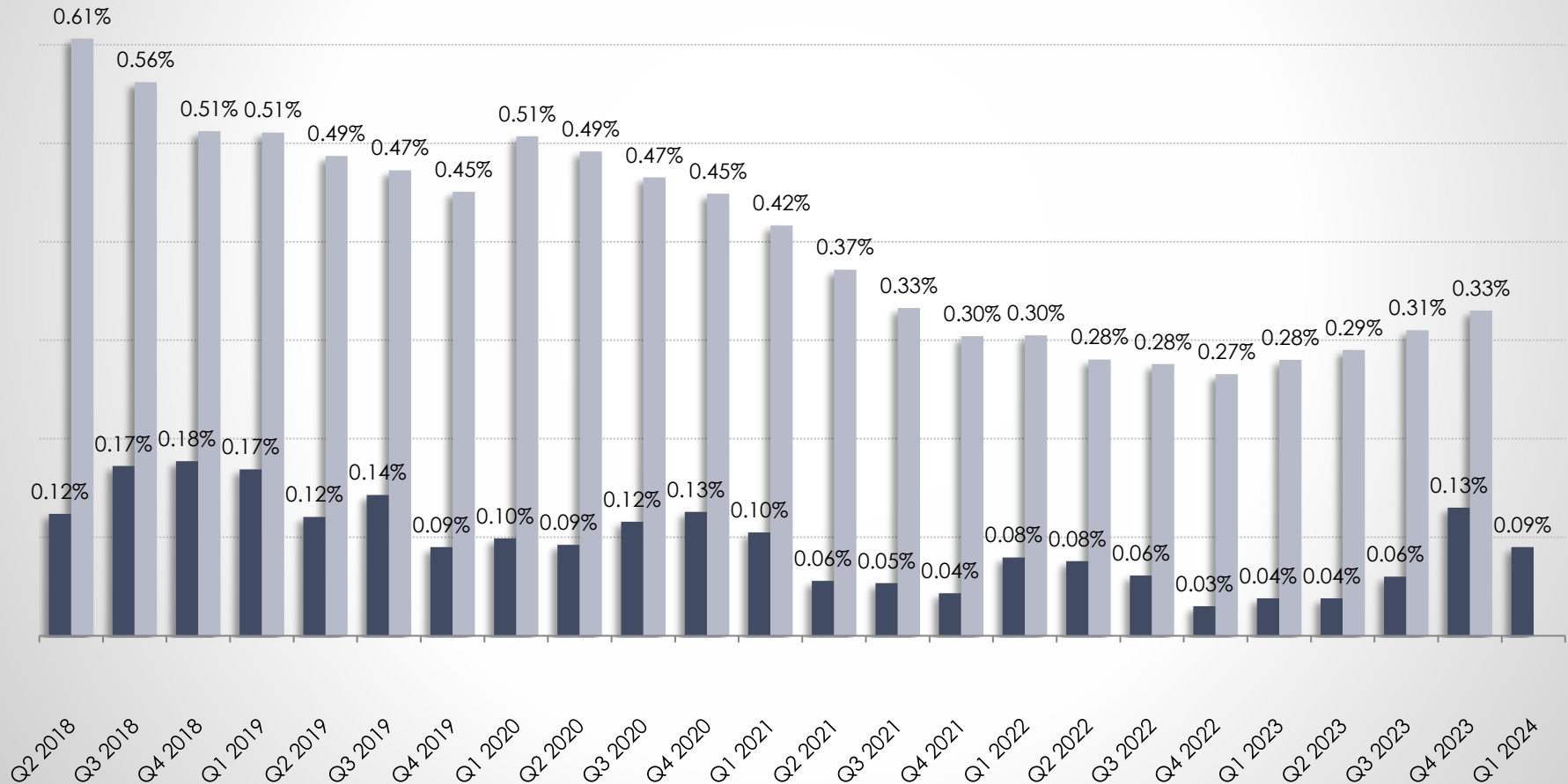
# Net Charge-Offs / Average Loans (%)



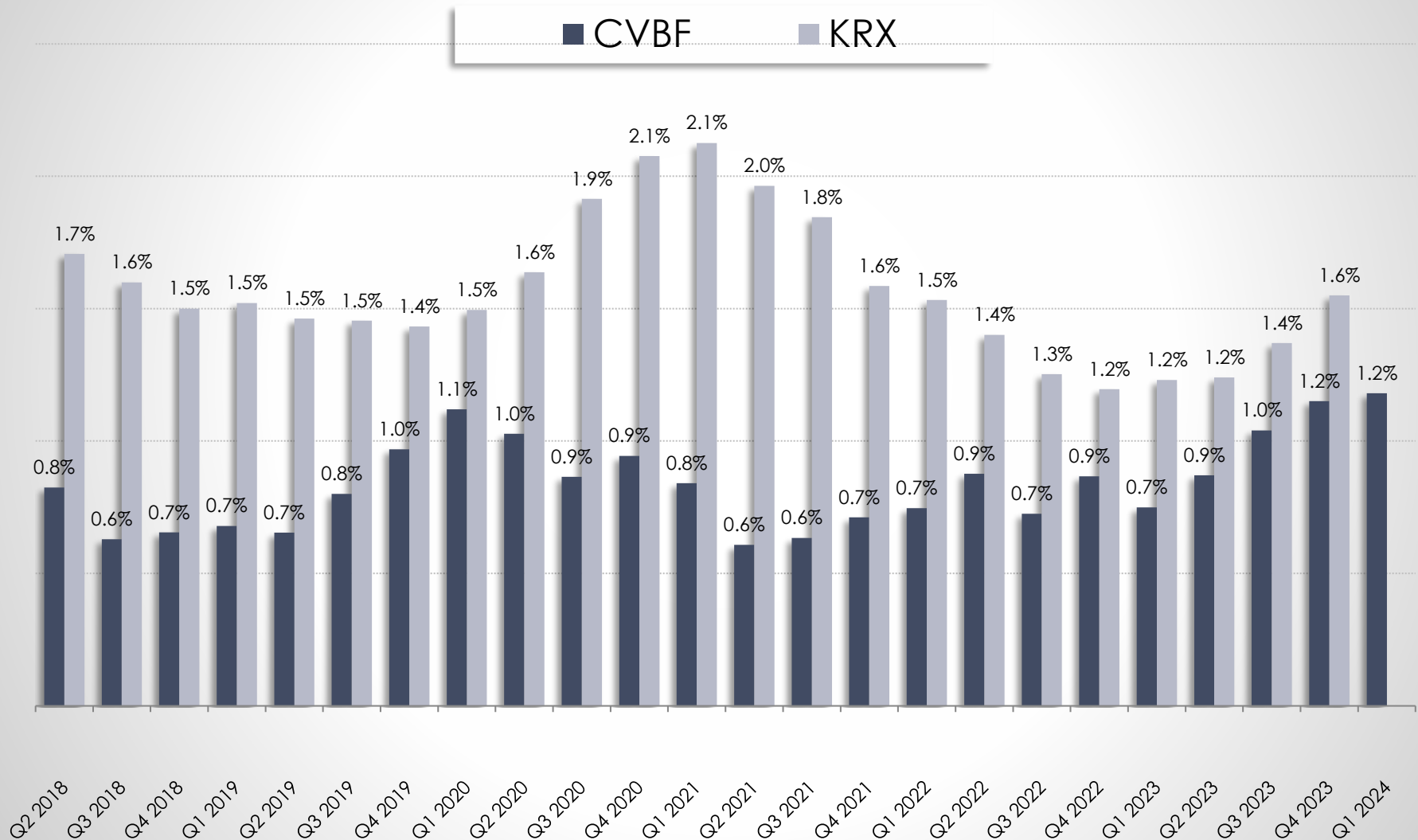
# NPA / Average Assets (%)



■ CVBF ■ KRX



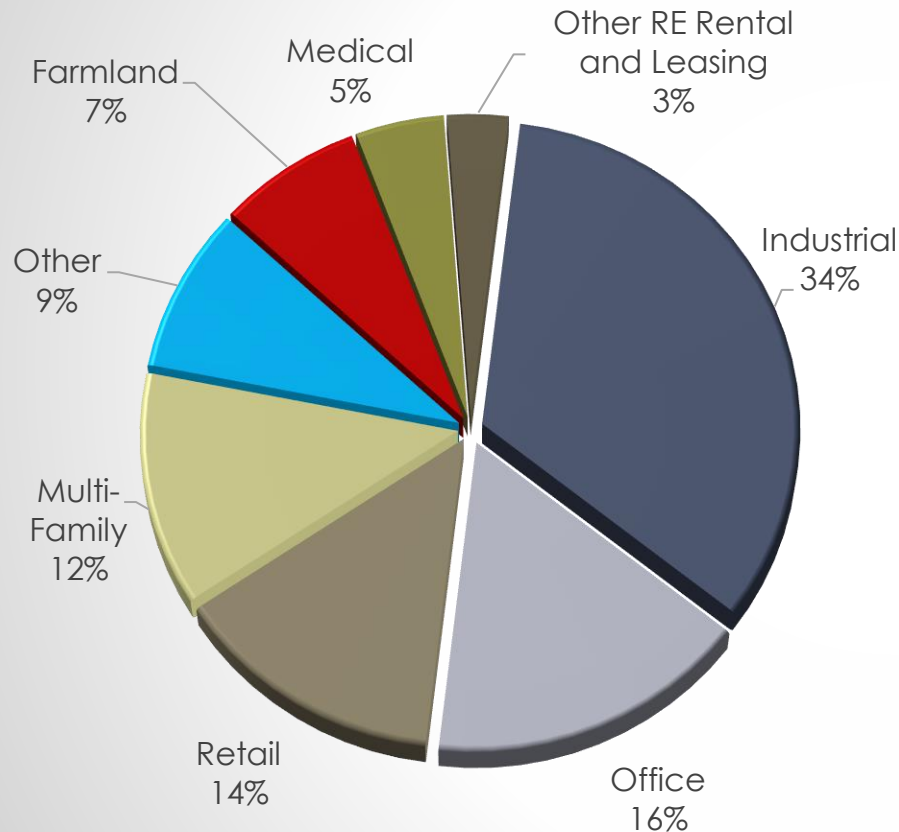
# Classified Loans / Total Loans (%)



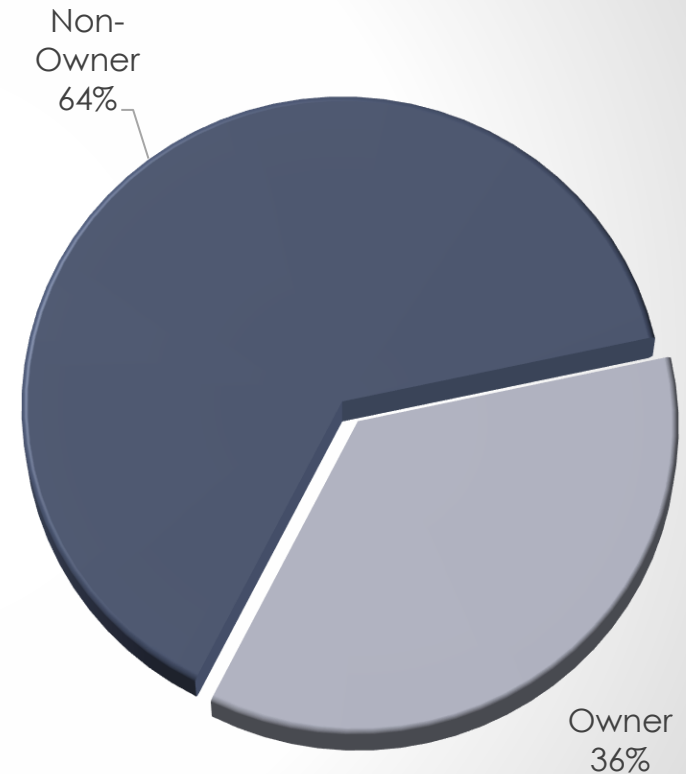
# Commercial Real Estate Loans



**Collateral Type**



**Owner/Non-Owner Occupied**



# CRE by Collateral



Collateral Type	Balance (\$ in Millions)	% of Owner Occupied	LTV at Origination	Avg. Size (\$ in Millions)	Classified (\$ in Millions)	Origination Year						
						2024	2023	2022	2021	2020	2019	2018 or earlier
Industrial	\$ 2,258	49%	50%	\$ 1.62	\$ 15.29	1%	9%	20%	19%	11%	7%	33%
Office	1,100	25%	55%	1.70	-	0%	4%	23%	15%	17%	9%	32%
Retail	929	11%	48%	1.69	21.78	0%	5%	23%	19%	13%	7%	33%
Multi-Family	835	0%	49%	1.59	14.37	1%	9%	21%	19%	18%	11%	21%
Other	582	54%	47%	1.51	11.33	2%	7%	13%	19%	11%	12%	36%
Farmland	498	99%	45%	1.50	27.25	1%	6%	21%	14%	21%	10%	27%
Medical	307	33%	58%	1.48	0.04	3%	3%	11%	16%	14%	6%	47%
Other RE Rental & Leasing	212	9%	49%	2.02	-	1%	14%	21%	14%	7%	5%	38%
<b>Total</b>	<b>\$ 6,721</b>	<b>36%</b>	<b>50%</b>	<b>\$ 1.62</b>	<b>\$ 90.06</b>	<b>1%</b>	<b>7%</b>	<b>20%</b>	<b>18%</b>	<b>14%</b>	<b>8%</b>	<b>32%</b>

# CRE Office by Loan Amount

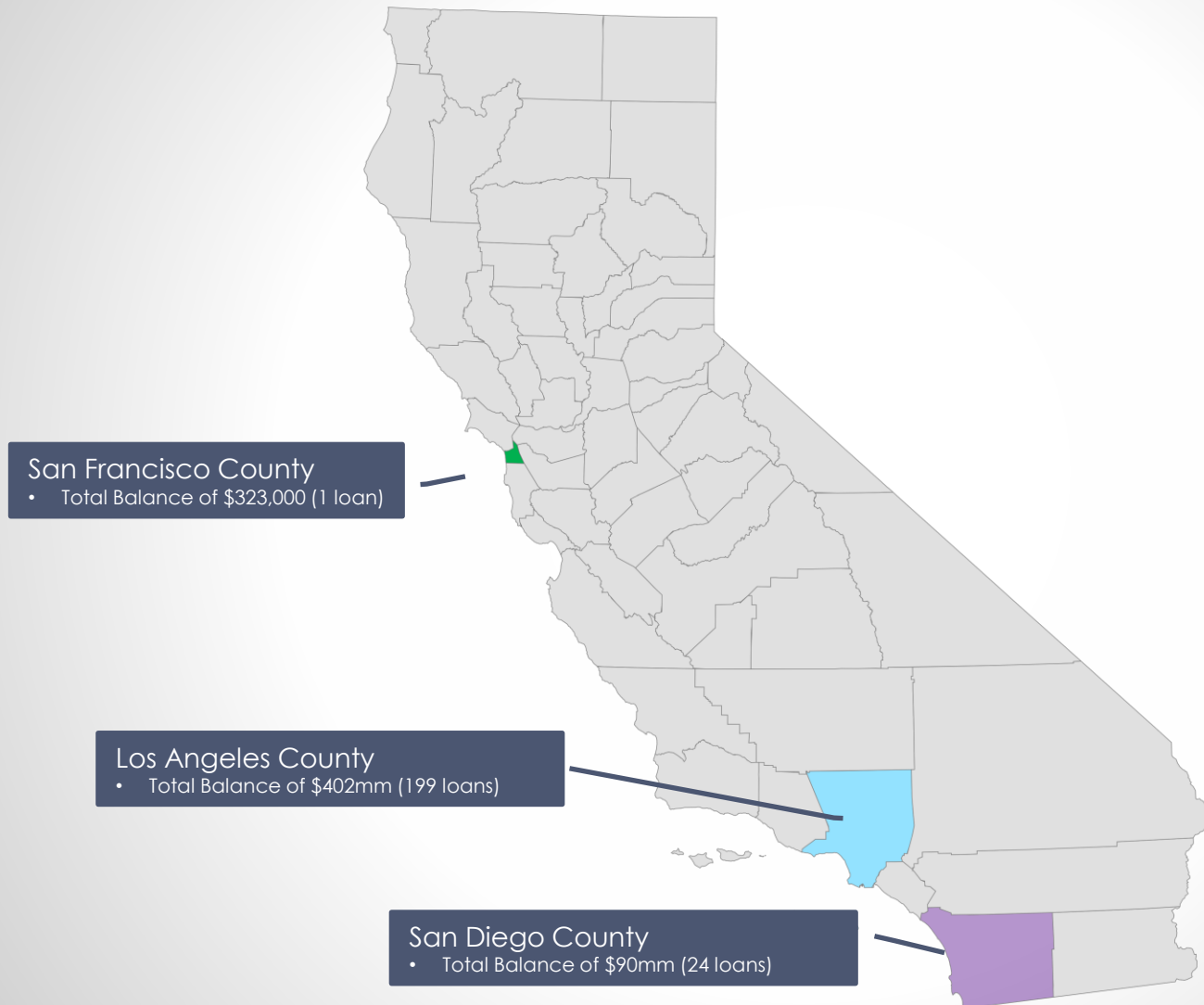


Loan Amount	Balance (\$ in Millions)	% of Owner Occupied	Avg. Balance (\$ in Millions)	Classified (\$ in Millions)	Balance Maturing Next 24 months (\$ in Millions)	Rate Resets Next 24 Months (\$ in Millions)
Greater than \$20M	\$ 23	0%	\$ 23	\$ 0	\$ 0	\$ 0
\$10M to \$20M	102	30%	15	0	0	13
\$5M to \$10M	296	14%	7	0	44	46
\$1M to \$5M	529	26%	2	0	82	62
Less than \$1M	150	42%	0	0	22	11
<b>Total</b>	<b>\$ 1,100</b>				<b>\$ 148</b>	<b>\$ 132</b>

\$280mm (or 25%) of CRE office loans mature or reprice in the next 24 months.



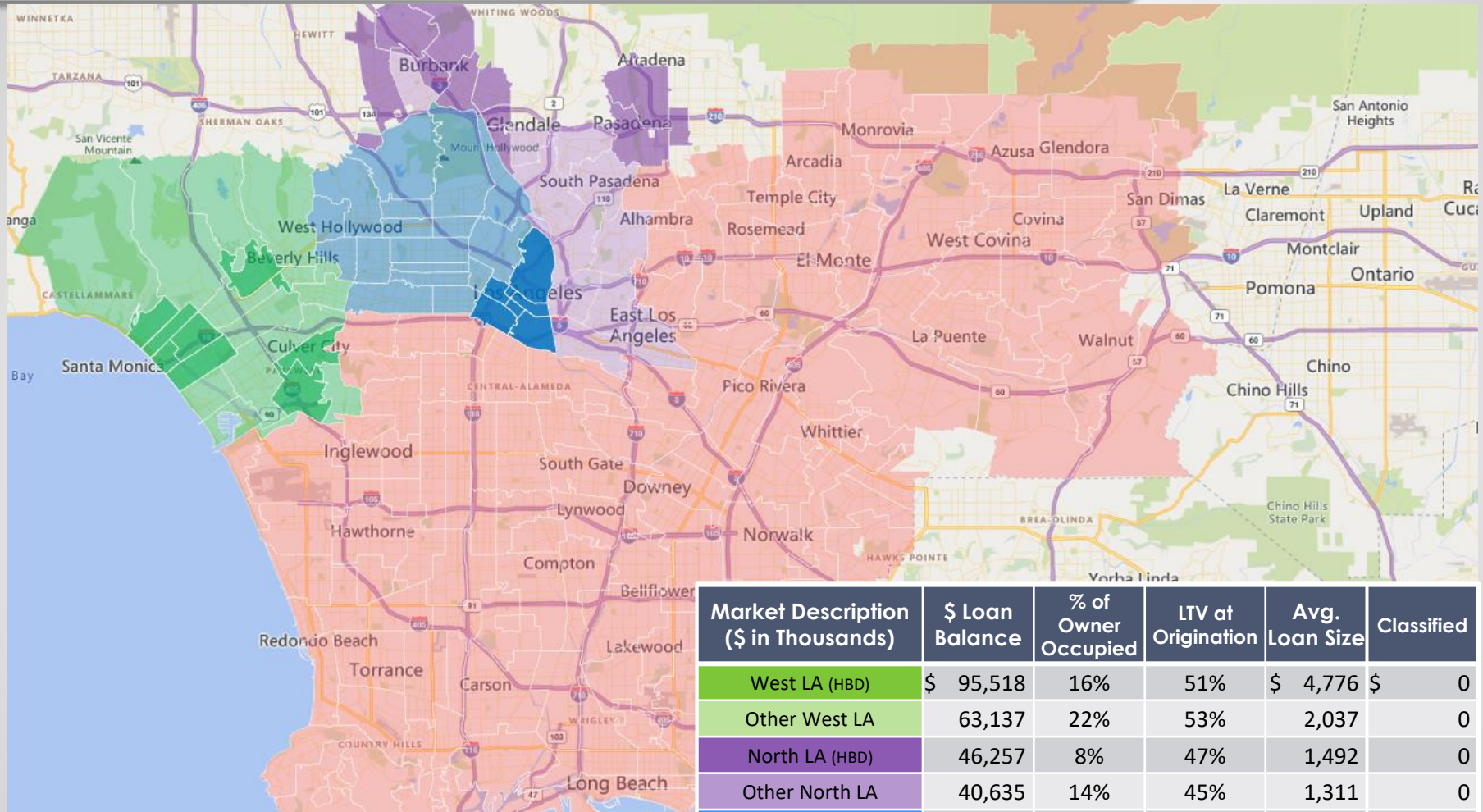
# CRE Office Loans by Major MSA



Powered by Bing  
© GeoNames, Microsoft, TomTom

**Note:** Only shows the office loans that are in the major MSA.

# Greater LA Business Density Distribution

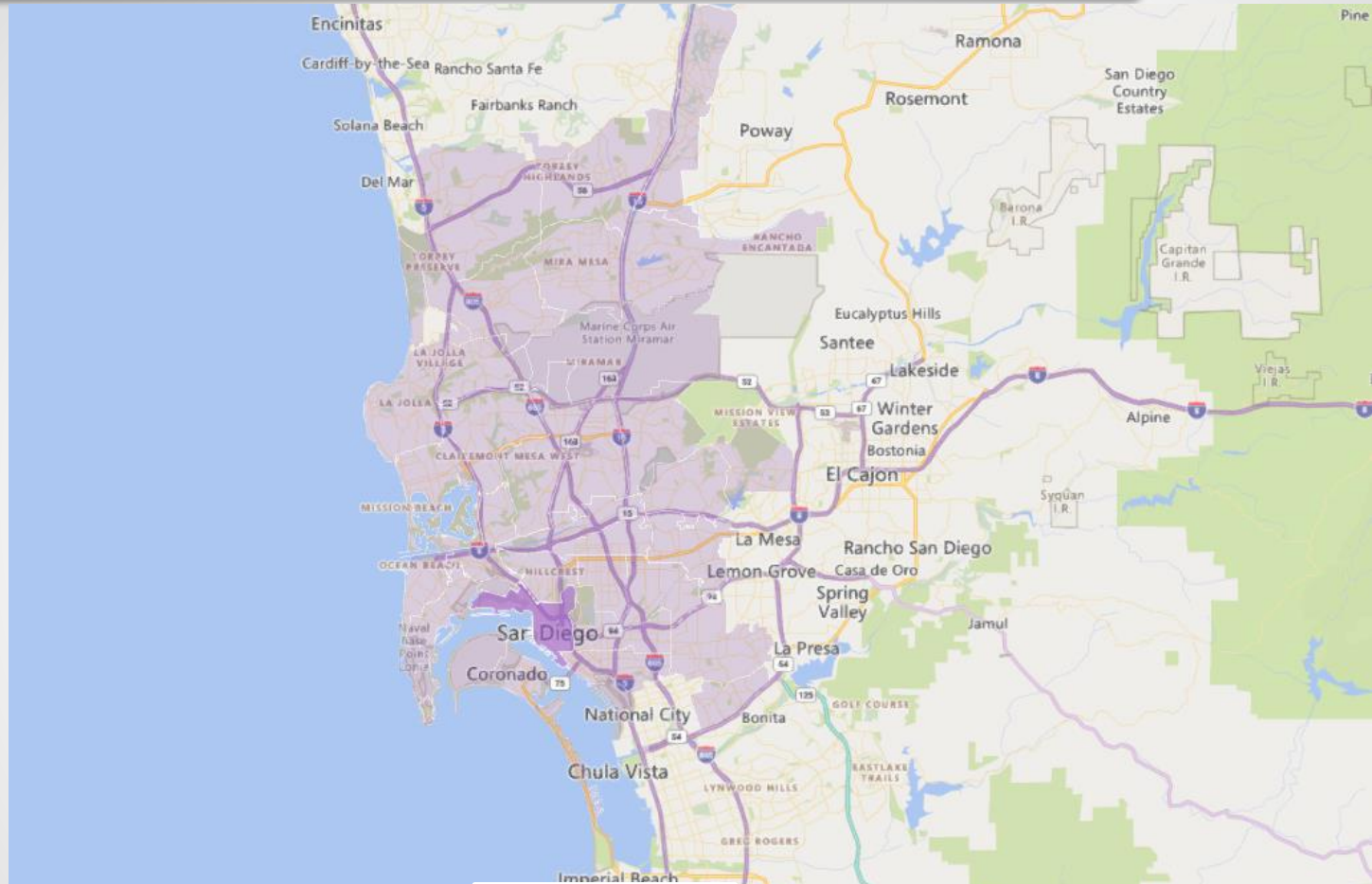


Note: Darker Shaded areas represent higher density of businesses within each submarket (HBD)

- **West LA** includes Santa Monica and Century City
- **Central LA** includes Downtown LA
- **North LA** includes Pasadena and Burbank
- **Other LA** (includes remaining areas of LA)

Market Description (\$ in Thousands)	\$ Loan Balance	% of Owner Occupied	LTV at Origination	Avg. Loan Size	Classified
West LA (HBD)	\$ 95,518	16%	51%	\$ 4,776	\$ 0
Other West LA	63,137	22%	53%	2,037	0
North LA (HBD)	46,257	8%	47%	1,492	0
Other North LA	40,635	14%	45%	1,311	0
Downtown LA (HBD)	554	100%	6%	554	0
Other Central LA	41,484	28%	48%	2,183	0
Other LA	114,789	37%	48%	1,739	0
<b>Total</b>	<b>\$ 402,374</b>	<b>23%</b>	<b>48%</b>	<b>\$ 2,022</b>	<b>\$ 0</b>

# Greater SD Business Density Distribution

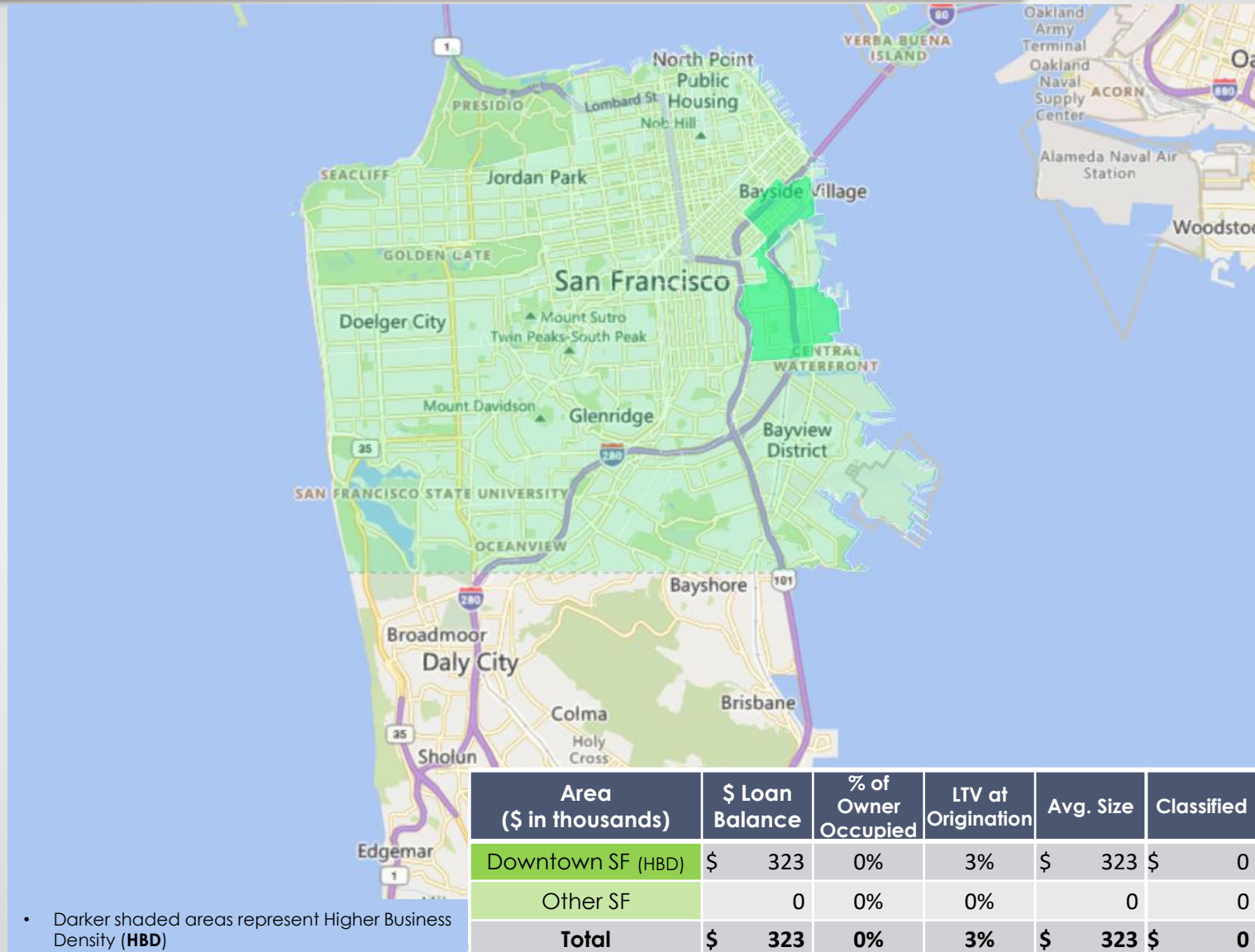


- Darker shaded areas represent Higher Business Density (HBD)

Area (\$ in thousands)	\$ Loan Balance	% of Owner Occupied	LTV at Origination	Avg. Size	Classified
Downtown SD (HBD)	\$ 3,775	41%	54%	\$ 1,258	\$ 0
Other SD	86,540	0%	53%	4,121	0
<b>Total</b>	<b>\$ 90,315</b>	<b>2%</b>	<b>53%</b>	<b>\$ 3,763</b>	<b>\$ 0</b>



# Greater SF Business Density Distribution

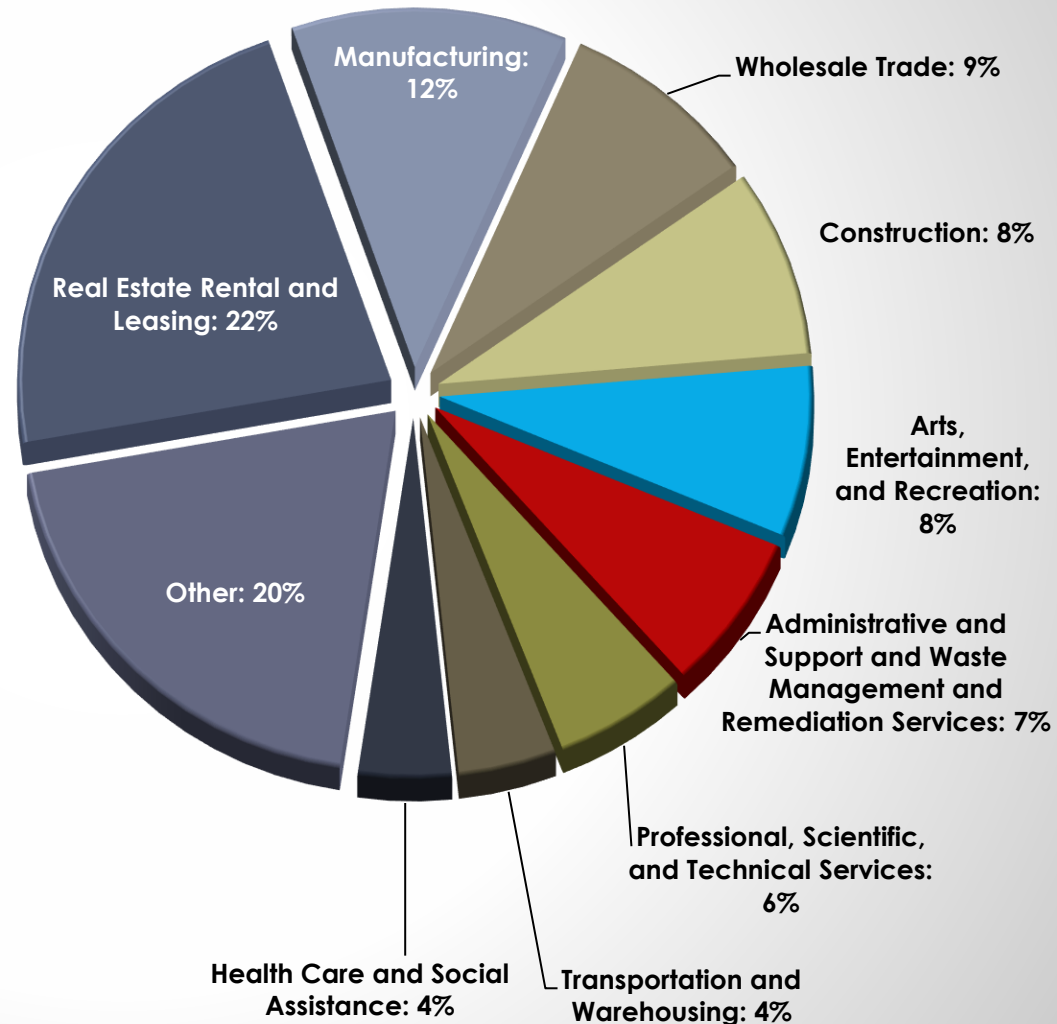


- Darker shaded areas represent Higher Business Density (HBD)

# C&I by Industry



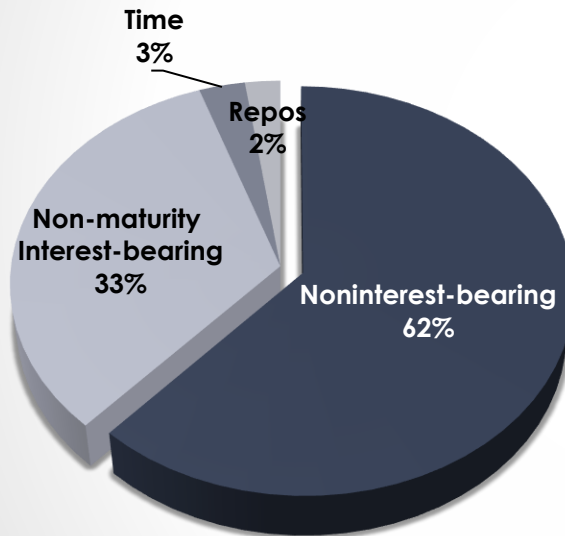
Industry	Balance (\$ in Millions)	% of C&I Total
Real Estate Rental and Leasing	\$ 216	22%
Manufacturing	115	12%
Wholesale Trade	83	9%
Construction	81	8%
Arts, Entertainment, and Recreation	74	8%
Administrative and Support and Waste Management and Remediation Services	68	7%
Professional, Scientific, and Technical Services	55	6%
Transportation and Warehousing	41	4%
Health Care and Social Assistance	39	4%
Other	191	20%
<b>Total</b>	<b>\$ 963</b>	<b>100%</b>



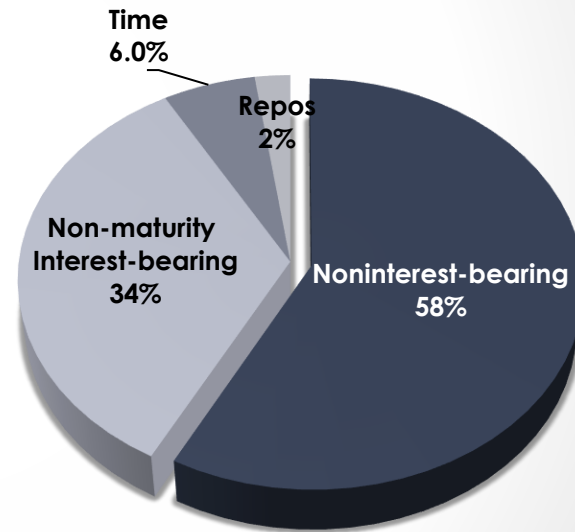
# Total Deposits & Customer Repos



**December 31, 2023**  
**Total Deposits & Customer Repos**



**March 31, 2024**  
**Total Deposits & Customer Repos**

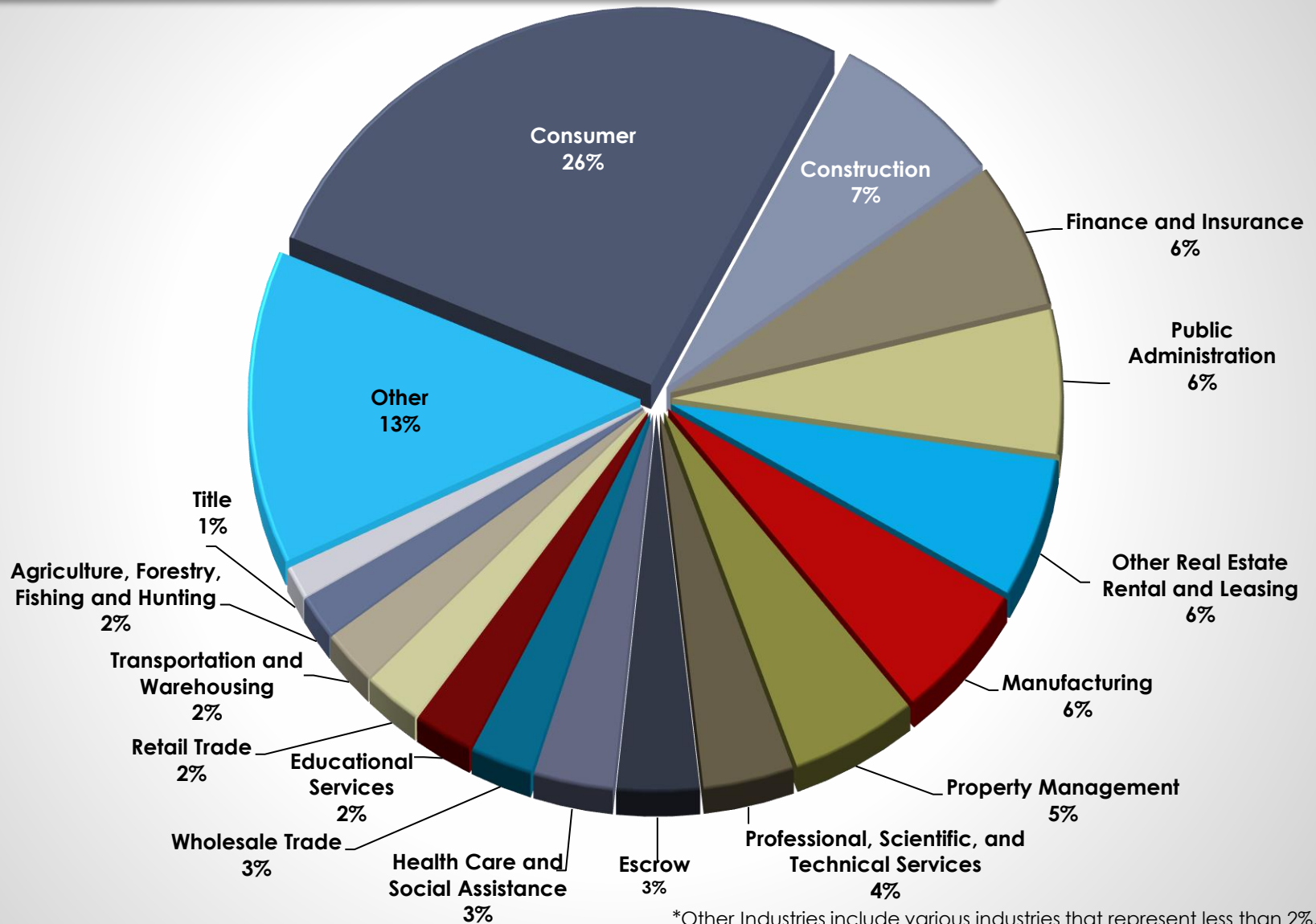


## ***Cost of Interest-Bearing Deposits and Repos***

December 2023  
1.60%

March 2024  
1.95%

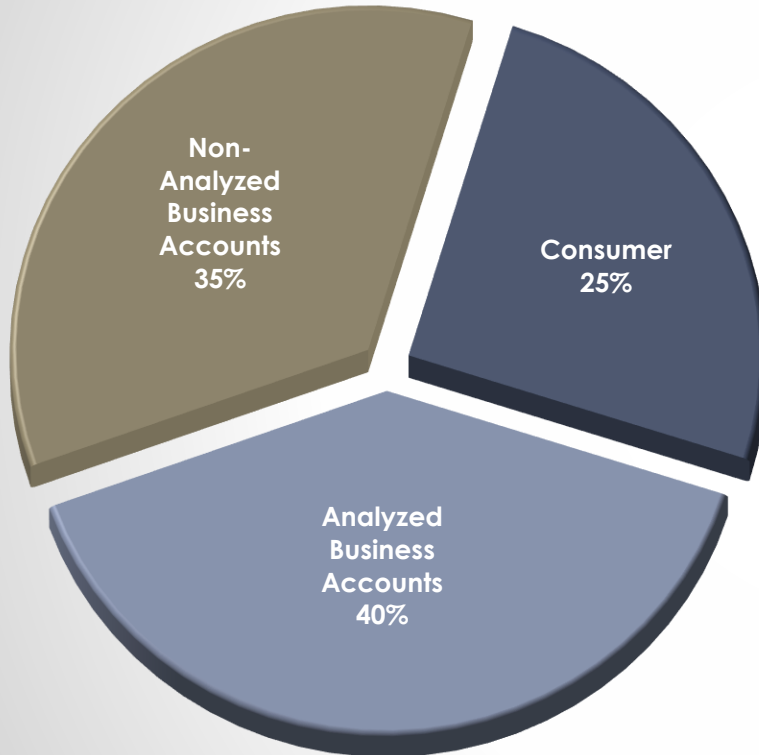
# Diverse Deposit Base



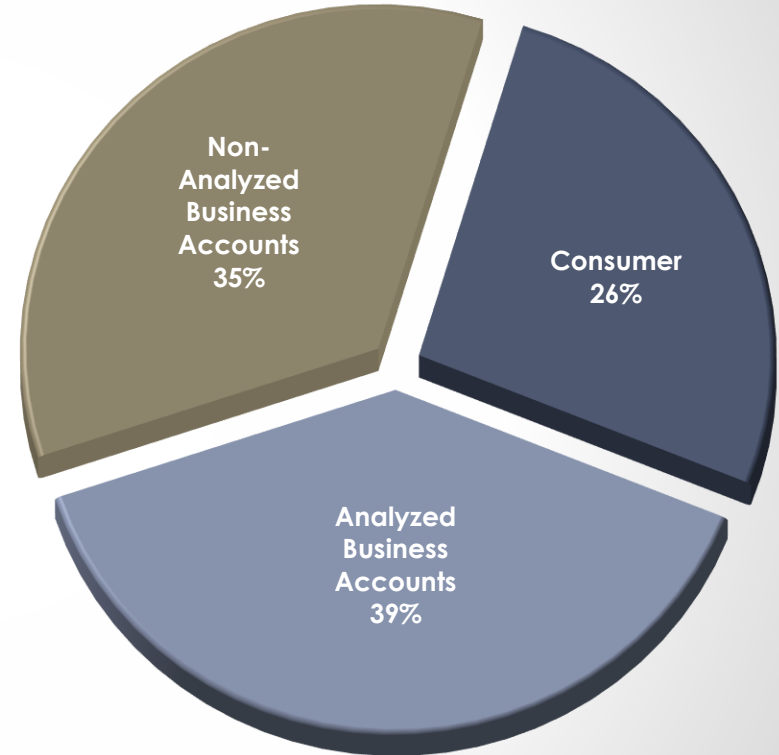
# Business vs Consumer Deposits



Q1 2022



Q1 2024

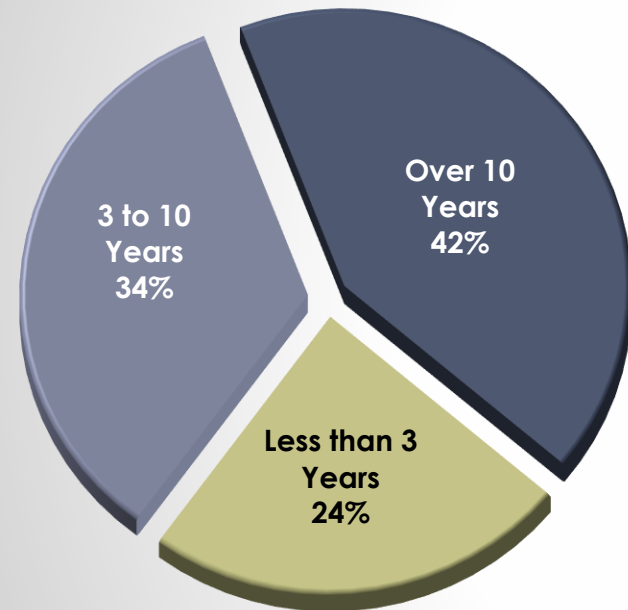




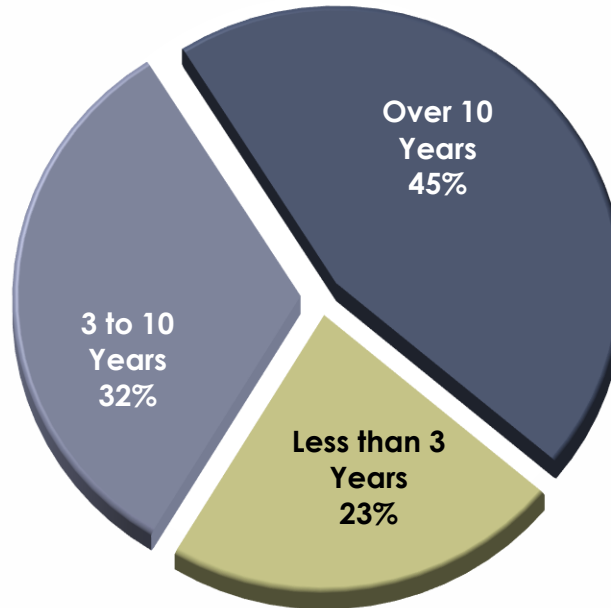
# Deposit Relationship Tenure



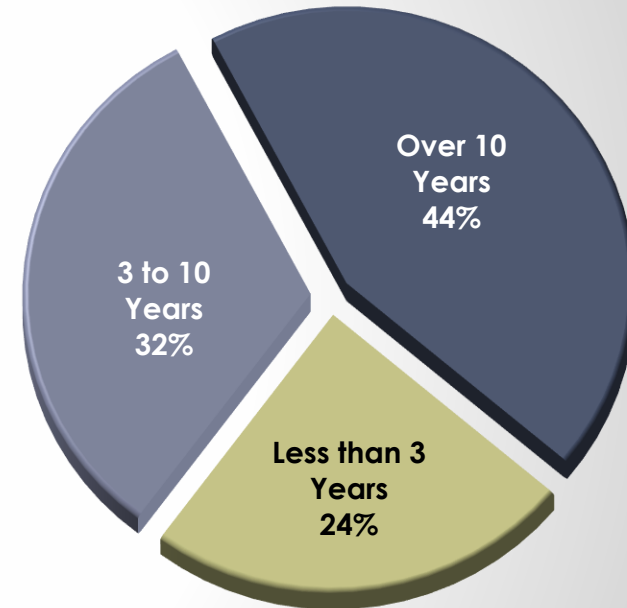
Q1 2022



Q4 2023



Q1 2024

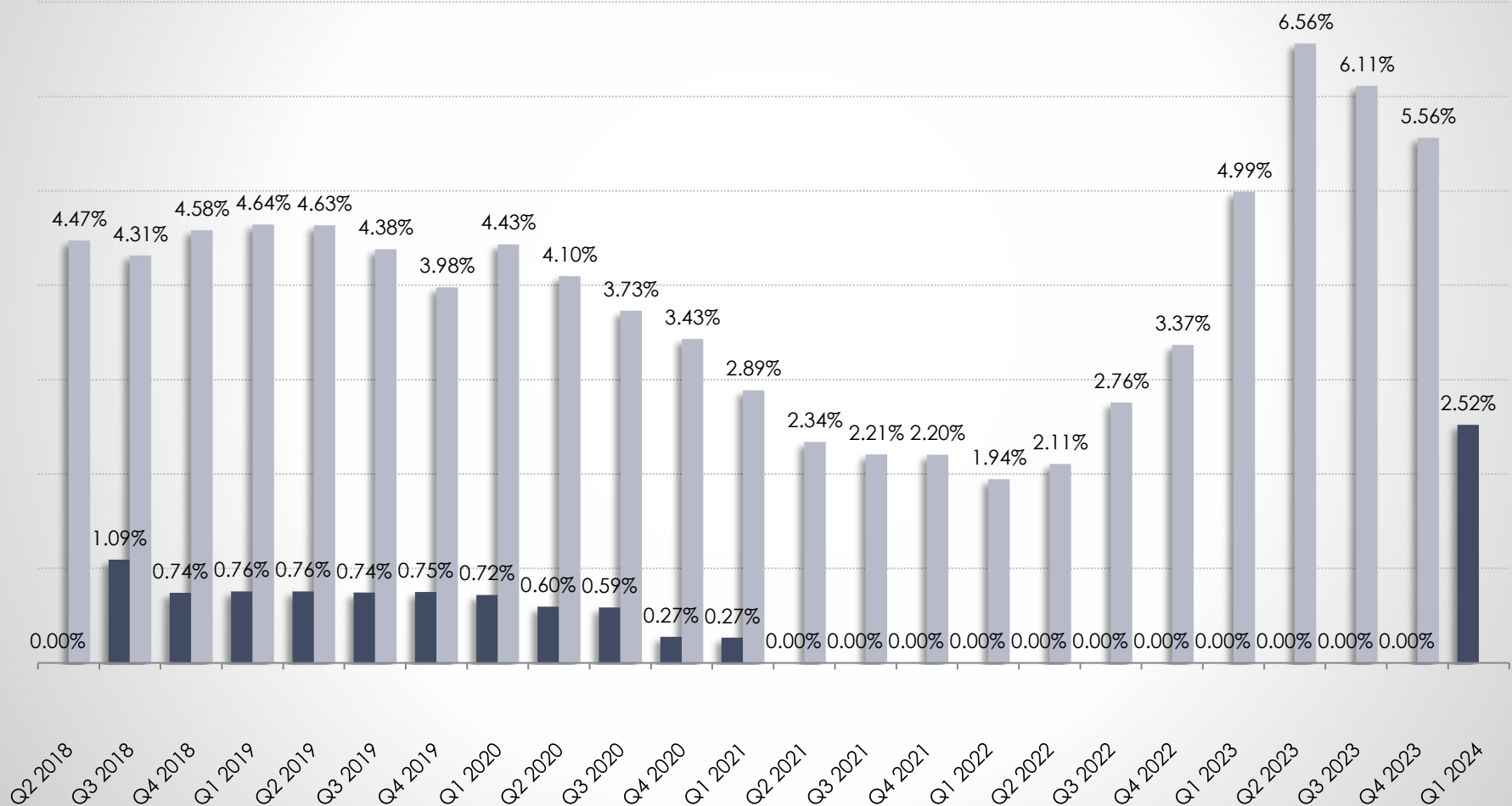


**>76% of our customer deposit relationships have banked with CBB for 3 years or more**

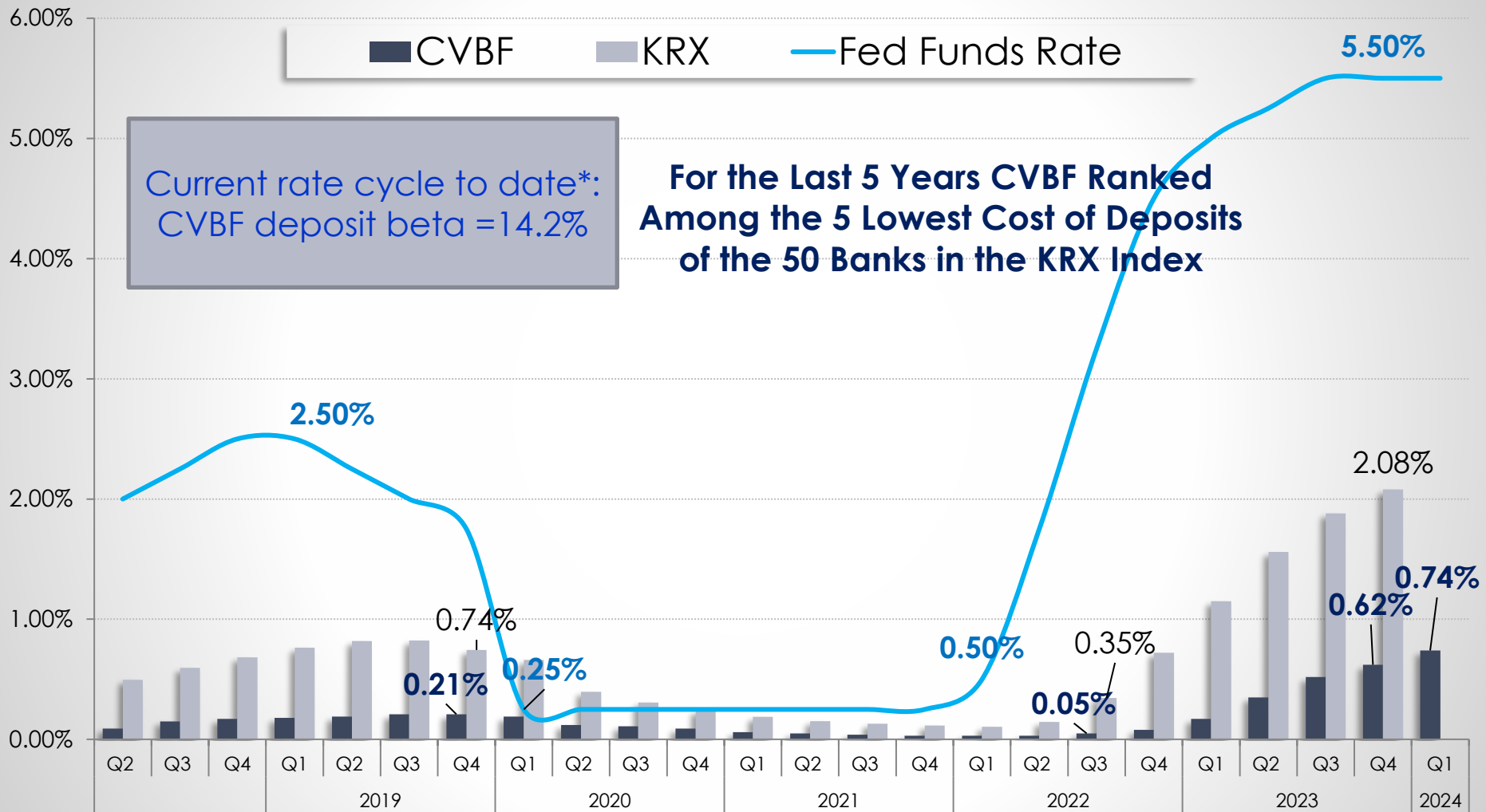
# Brokered Deposits / Total Deposits (%)



■ CVBF ■ KRX



# Cost of Deposits

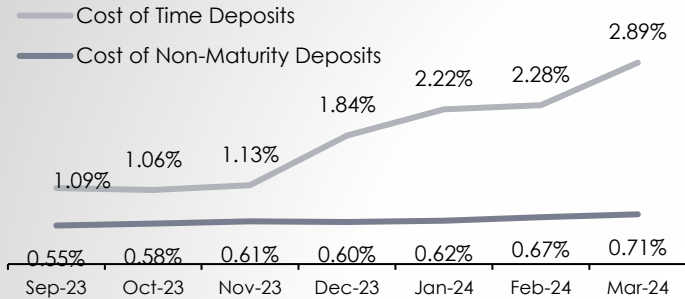


\*Measured as the growth in deposits costs from Q1 2022 through Q4 2023 as a function of growth in the Federal Funds Rate.

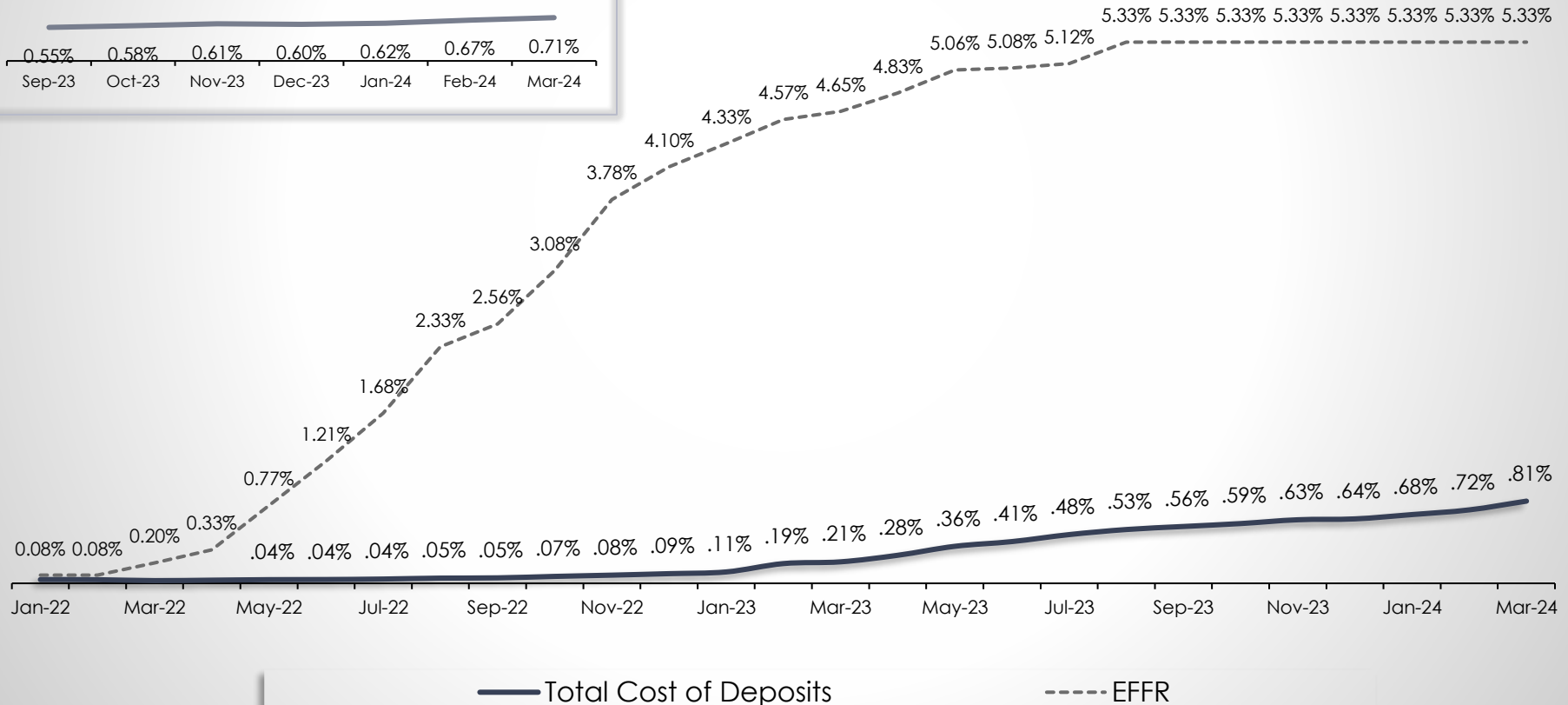
# Cost of Deposits: Monthly Trends



**CVBF Cost of Deposit Detail**



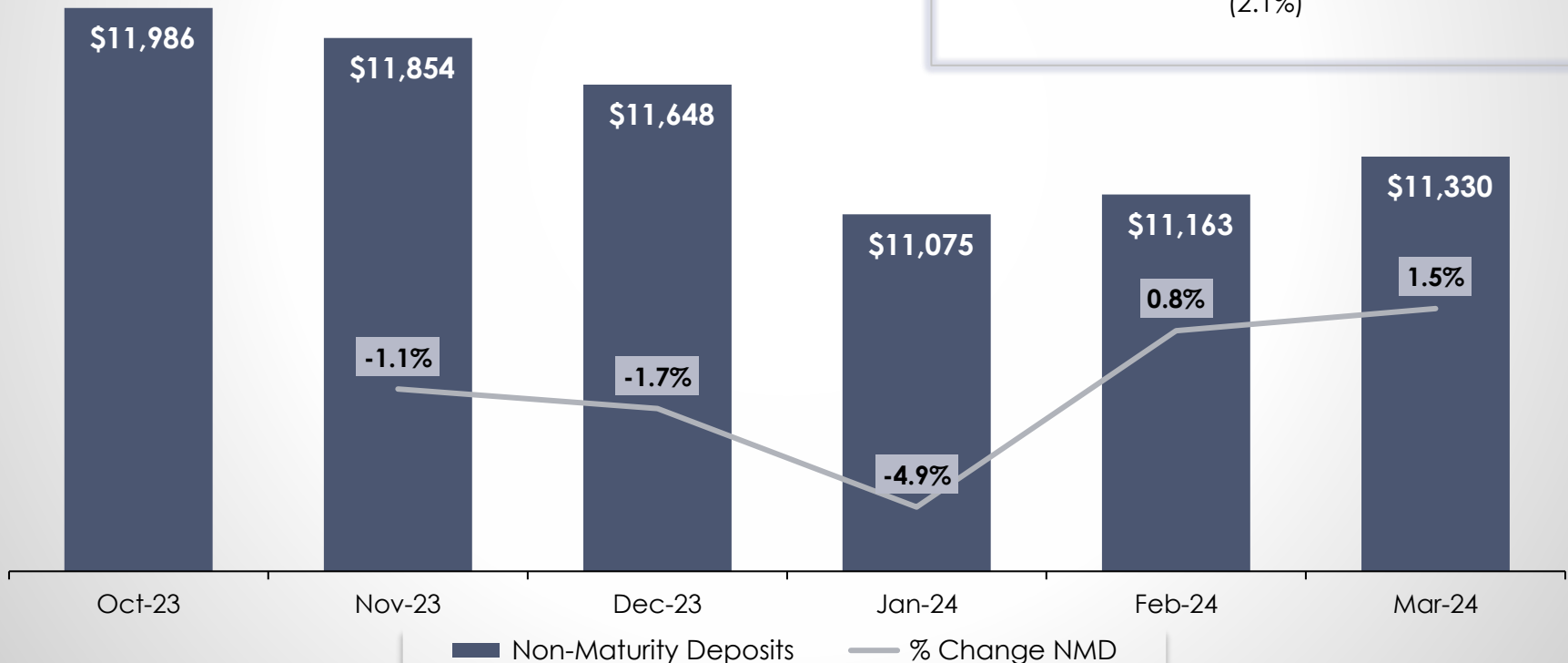
**CVBF Cost of Deposits vs. Effective Federal Funds Rate**



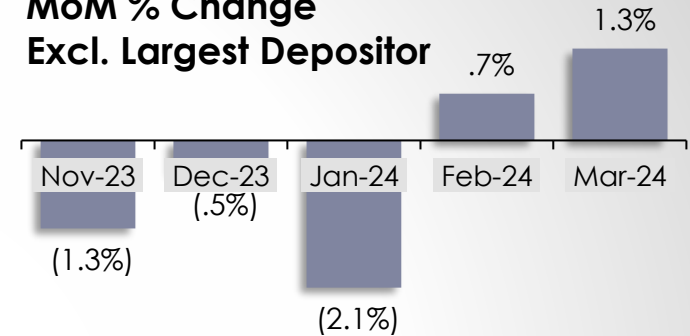
# Non-Maturity Deposits: Avg Month Trend



Millions



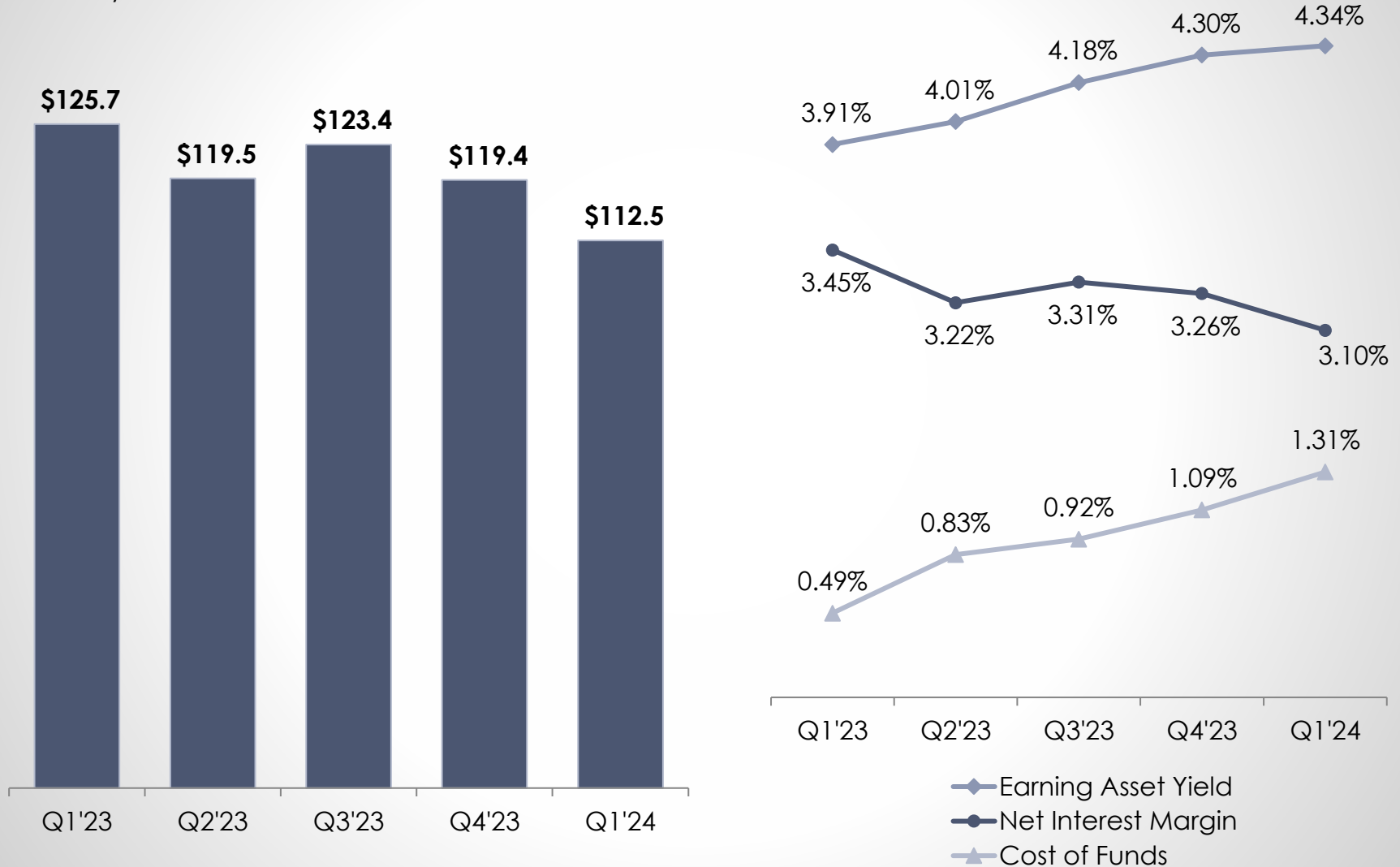
## MoM % Change Excl. Largest Depositor



# Net Interest Income and NIM



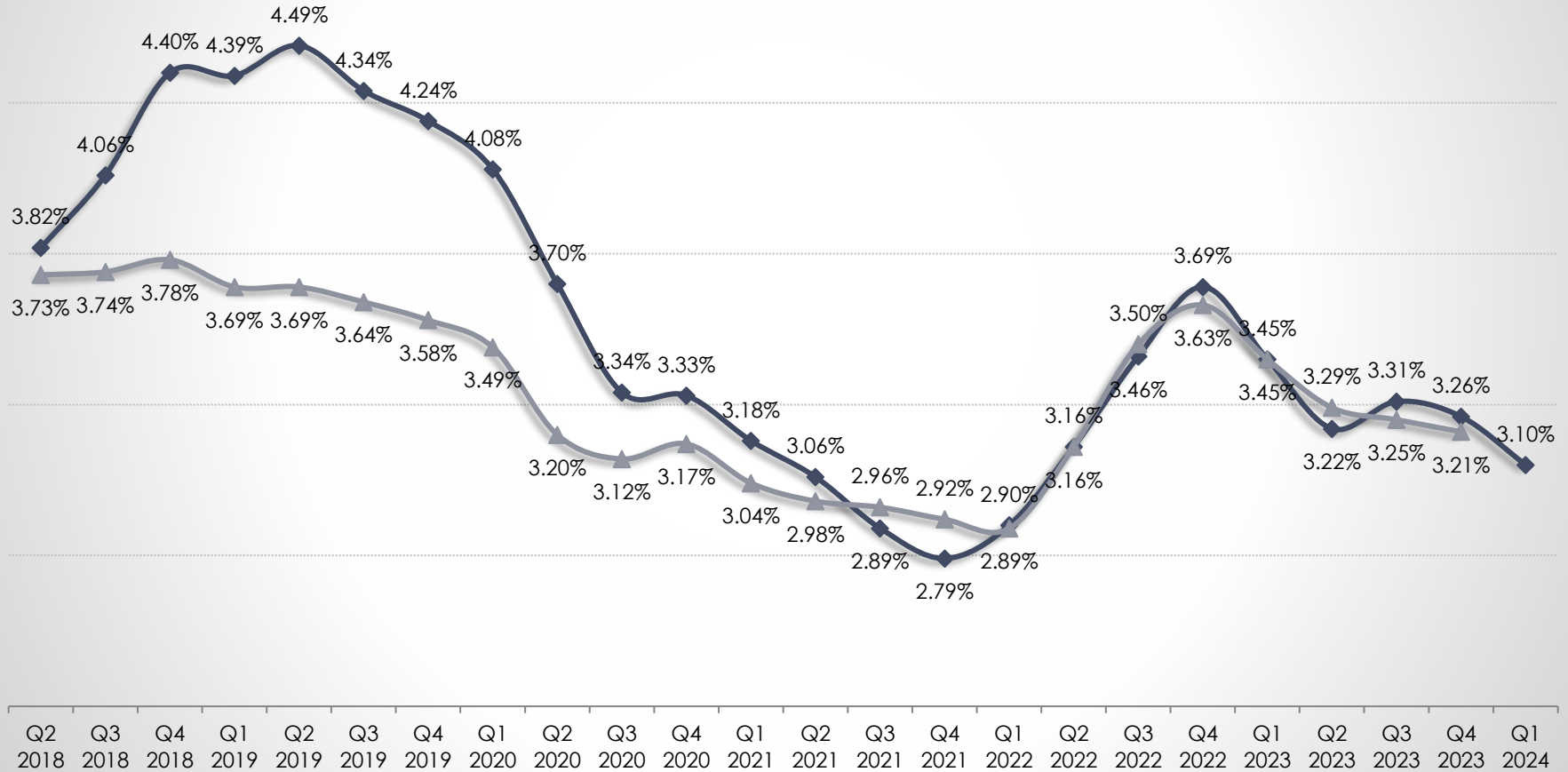
(\$ in Millions)



# Net Interest Margin Trend



CVBF KRX





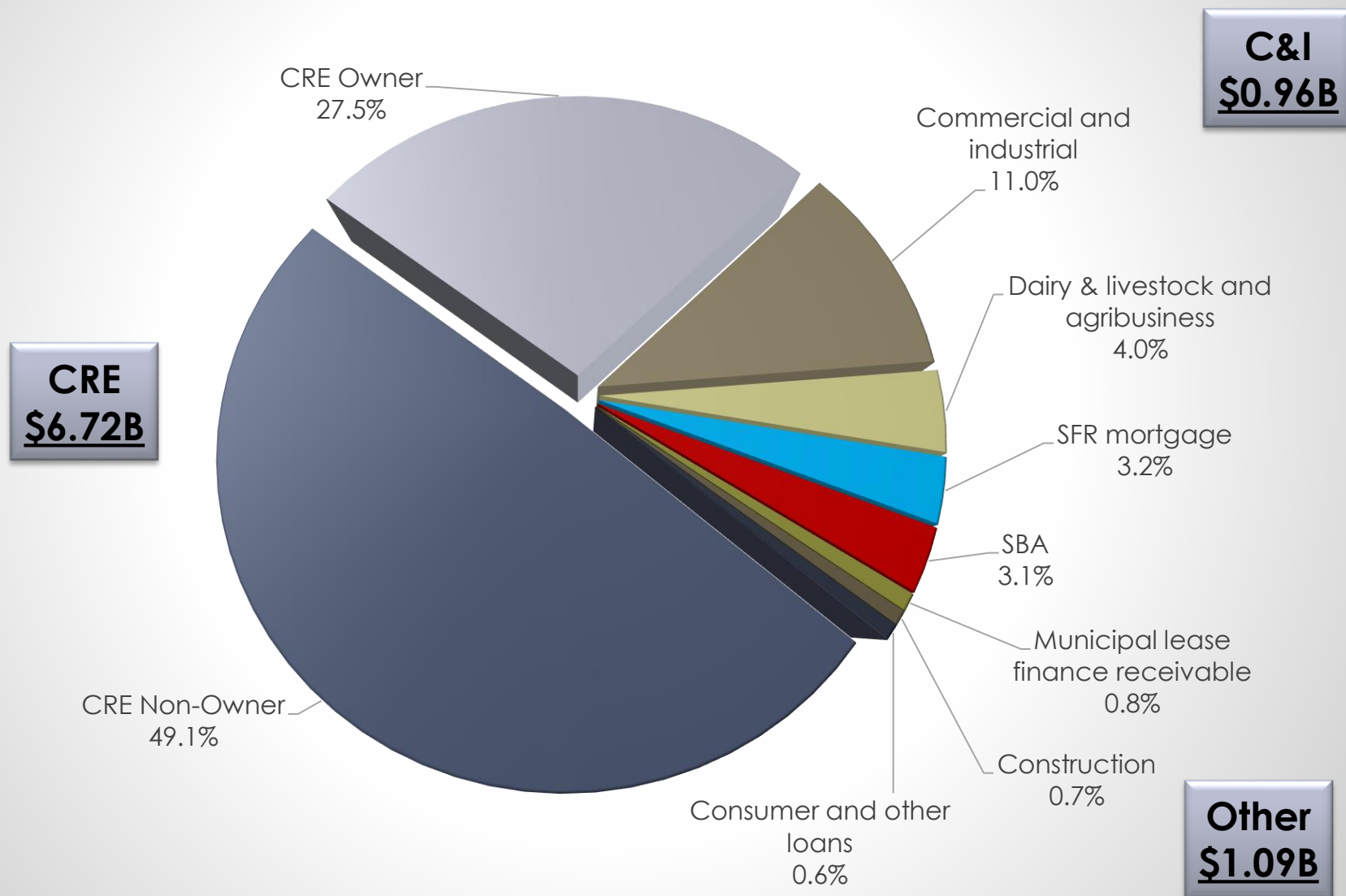
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# Appendix

## Non-GAAP Reconciliation



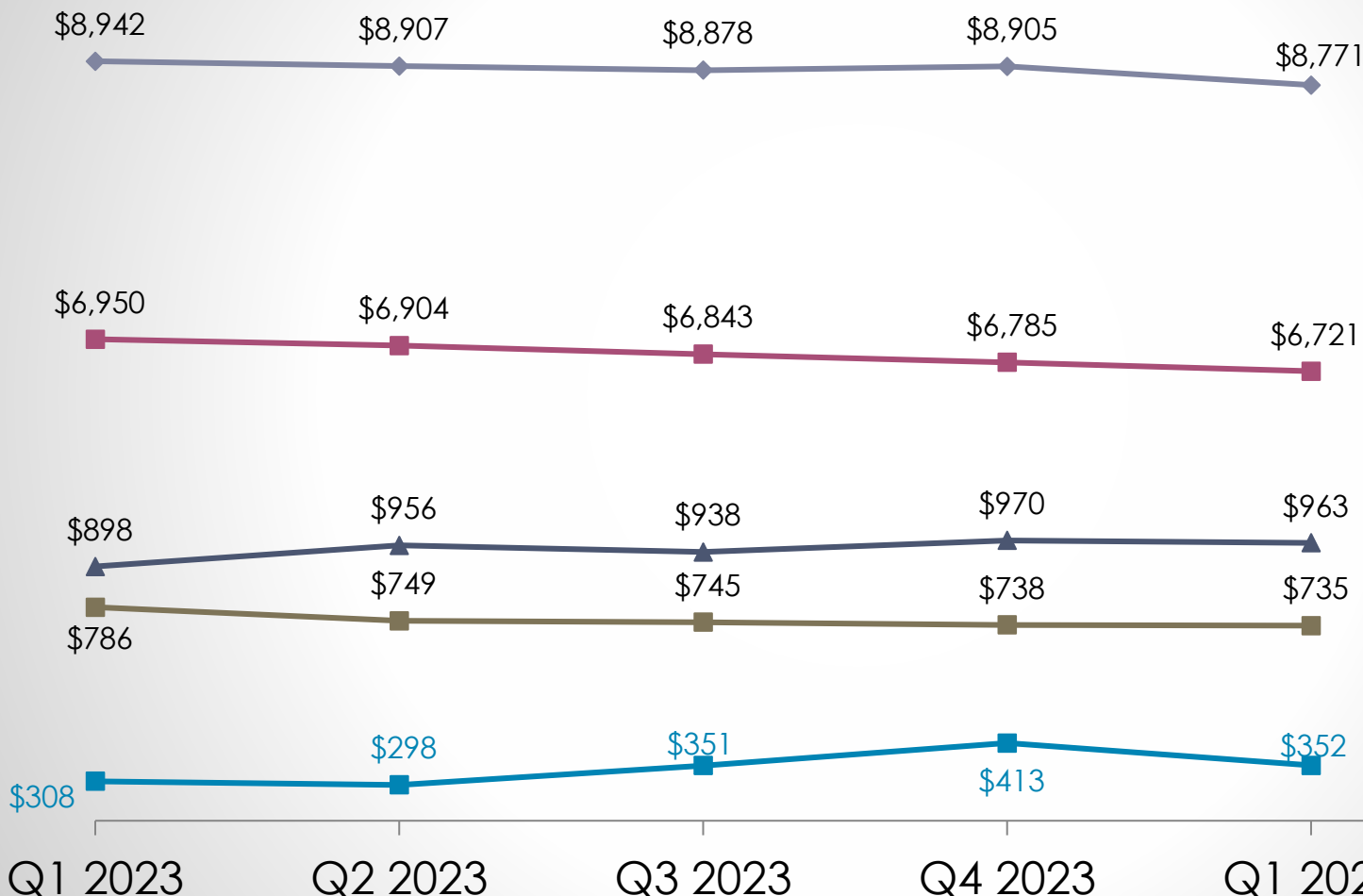
# Loans by Type



# Loan Trends



(\$ in Millions)



**Q1 2024 vs Q1 2023**

**Total (\$172)  
2% decline**

**CRE (\$230)  
3% decline**

**C&I \$65  
7% increase**

**Other (\$51)**

**D&L and  
Agribus. \$44**

\*Other includes other loan segments that are not listed above, such as Construction, SFR Mortgage, and SBA.

# Loans by Region



(\$ in Thousands)	# of Center Locations (3/31/24)	Average Loans per Location	Total Loans (3/31/24)	%
Los Angeles County	21	\$ 152,575	\$ 3,204,076	36.5%
Central Valley and Sacramento	15	138,443	2,076,644	23.7%
Orange County	10	115,412	1,154,124	13.2%
Inland Empire (Riverside & San Bernardino Counties)	9	111,387	1,002,479	11.4%
Central Coast	5	95,614	478,068	5.4%
San Diego	2	168,087	336,174	3.8%
Other California			153,797	1.8%
Out of State			365,351	4.2%
<b>Total</b>	<b>62</b>	<b>\$ 141,463</b>	<b>\$ 8,770,713</b>	<b>100.0%</b>

# Deposits by Region



(\$ in Thousands)	# of Center Locations (3/31/24)	Total Deposits (12/31/23))	Total Deposits (3/31/24)	Average Deposits per Center (12/31/23)
Los Angeles County	21	\$ 4,526,390	\$4,746,731	\$226,035
Inland Empire (Riverside & San Bernardino Counties)	9	3,217,378	3,681,925	409,103
Central Valley and Sacramento	15	1,907,336	1,777,225	118,482
Orange County	10	1,595,483	1,498,701	149,870
Central Coast	5	369,243	354,228	70,846
San Diego	2	89,453	111,831	55,916
<b>Total</b>	<b>62</b>	<b>\$ 11,705,284</b>	<b>\$12,170,641</b>	<b>\$196,301</b>

\*Includes Customer Repurchase Agreements.

# Reconciliation of Return on Average Tangible Common Equity (Non-GAAP)



The return on average tangible common equity is a non-GAAP disclosure. We use certain non-GAAP financial measures to provide supplemental information regarding our performance. We believe that presenting the return on average tangible common equity provides additional clarity to the users of our financial statements.

	For the Year Ended December 31,				Three Months Ended		
	2020	2021	2022	2023	March 31, 2023	December 31, 2023	March 31, 2024
Net Income	\$ 177,159	\$ 212,521	\$ 235,425	\$ 221,435	\$ 59,270	\$ 48,508	\$ 48,599
Add: Amortization of intangible assets	9,352	8,240	7,566	6,452	1,720	1,446	1,438
Less: Tax effect of amortization of intangible assets [1]	(2,765)	(2,436)	(2,237)	(1,907)	(508)	(427)	(425)
Tangible net income	\$ 183,746	\$ 218,325	\$ 240,754	\$ 225,980	\$ 60,482	\$ 49,527	\$ 49,612
Average stockholders' equity	\$ 1,991,664	\$ 2,063,360	\$ 2,066,463	\$ 2,006,882	\$ 1,978,244	\$ 1,994,150	\$ 2,098,868
Less: Average goodwill	(663,707)	(663,707)	(764,143)	(765,822)	(765,822)	(765,822)	(765,822)
Less: Average intangible assets	(38,203)	(29,328)	(25,376)	(18,434)	(20,983)	(15,993)	(14,585)
Average tangible common equity	\$ 1,289,754	\$ 1,370,325	\$ 1,276,944	\$ 1,222,626	\$ 1,191,439	\$ 1,212,335	\$ 1,318,461
Return on average equity, annualized [2]	8.90%	10.30%	11.39%	11.03%	12.15%	9.65%	9.31%
Return on average tangible common equity, annualized [2]	14.25%	15.93%	18.85%	18.48%	20.59%	16.21%	15.13%

[1] Tax effected at respective statutory rates.

[2] Annualized where applicable.

# Reconciliation of PTPP Return on Average Assets (Non-GAAP)



The Pretax-pre provision income (“PTPP”) return on average assets is a non-GAAP disclosure. We use certain non-GAAP financial measures to provide supplemental information regarding our performance. We believe that presenting the return on average tangible common equity provides additional clarity to the users of our financial statements.

	Year Ended December 31,				Three Months Ended		
	2020	2021	2022	2023	March 31, 2023	December 31, 2023	March 31, 2024
<i>(Dollars in thousands)</i>							
Net Income	\$ 177,159	\$ 212,521	\$ 235,425	\$ 221,435	\$ 59,270	\$ 48,508	\$ 48,599
Add: Provision for(recapture of) credit losses	23,500	(25,500)	10,600	2,000	1,500	(2,000)	-
Add: Income tax expense	72,361	85,127	92,922	93,999	23,279	26,081	18,204
Pretax-pre provision income	<u>\$ 273,020</u>	<u>\$ 272,148</u>	<u>\$ 338,947</u>	<u>\$ 317,434</u>	<u>\$ 84,049</u>	<u>\$ 72,589</u>	<u>\$ 66,803</u>
Average total assets	\$ 12,929,813	\$ 15,350,521	\$ 16,911,661	\$ 16,346,172	\$ 16,313,136	\$ 16,169,125	\$ 16,205,413
Return on average assets [1]	1.37%	1.38%	1.39%	1.35%	1.47%	1.19%	1.21%
PTPP Return on average assets [1]	2.11%	1.77%	2.00%	1.94%	2.09%	1.78%	1.66%

[1] Annualized where applicable.



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