

## SHAREHOLDER RELATIONS

The stock of Bank On It, Inc. (parent company of Community Bank of San Joaquin) is listed on the Over-The-Counter Bulletin Board (OTCBB) exchange. If you are interested in buying or selling Bank On It, Inc. stock, please contact one of the market makers listed.

### **Stock Exchange:**

Over-The-Counter Bulletin Board (OTCBB)

### **Ticker Symbol:**

BKOT

### **Market Makers:**

Hill Thompson Magid & Co., Inc.  
Lisa Lee  
(866) 291-6316

Howe Barnes Hoefler & Arnett, Inc.  
Dave Bonaccorso  
(800) 346-5544, ext. 723

Monroe Securities, Inc.  
Russell F. Feltes  
(312) 327-2535, ext. 37

Wedbush Morgan Securities, Inc.  
Joey Warmenhoven  
(800) 569-2138

### **Additional Information:**

You may obtain information about the buy/sell activity of our stock through these web sites:  
[www.cbsjbank.com/shareholders](http://www.cbsjbank.com/shareholders)  
[www.otcbb.com](http://www.otcbb.com)

### **Bank Contact:**

Jane Butterfield  
CEO, President  
(209) 956-7000  
[jbutterfield@cbsjbank.com](mailto:jbutterfield@cbsjbank.com)

[www.cbsjbank.com](http://www.cbsjbank.com)



**Community Bank**  
*of San Joaquin*

22 West Yokuts Ave.  
Stockton, CA 95207-5715  
Tel: (209) 956-7000  
Fax: (209) 956-7720  
[www.cbsjbank.com](http://www.cbsjbank.com)

PB026 (9/06)



## QUARTERLY REPORT SEPTEMBER 30, 2006 *Bank On It, Inc.*



**Community Bank**  
*of San Joaquin*



**CONSOLIDATED BALANCE SHEETS**

(unaudited) as of September 30

	2006	2005
<b>Assets</b>		
Cash and due from banks	\$ 5,731,381	\$ 4,659,569
Federal funds sold & money market investments	<u>14,440,000</u>	<u>9,310,000</u>
Cash and cash equivalents	20,171,381	13,969,569
Certificates of deposit in other financial institutions	1,598,000	3,095,000
Investment securities	24,929,386	22,565,715
Loans, net of reserves for possible loan losses of \$ 1,284,630 and \$ 1,623,400	74,111,021	83,780,678
Accrued interest receivable	701,903	605,517
Bank premises and equipment, net	502,545	622,161
Other assets	<u>1,109,507</u>	<u>1,156,577</u>
<b>Total Assets</b>	<u>\$123,123,743</u>	<u>\$125,795,217</u>
<b>Liabilities</b>		
Demand deposits	\$ 17,288,053	\$ 24,027,127
Interest-bearing checking	9,796,080	11,334,121
Money market checking	17,908,166	22,034,026
Savings deposits	5,020,694	6,560,854
Time deposits	<u>53,054,308</u>	<u>48,875,970</u>
Total Deposits	103,067,301	112,832,098
Trust preferred subordinated debentures	4,124,000	-
Accrued interest payable	651	145
Other liabilities	<u>1,210,256</u>	<u>393,998</u>
<b>Total Liabilities</b>	<u>108,402,208</u>	<u>113,226,241</u>
<b>Stockholders' Equity</b>		
Common stock	13,094,522	11,488,000
Unrealized loss on securities	(171,030)	(156,580)
Accumulated profit	811,337	367,616
Current income	<u>986,706</u>	<u>869,940</u>
<b>Total Stockholders' Equity</b>	<u>14,721,535</u>	<u>12,568,976</u>
<b>Total Liabilities &amp; Stockholders' Equity</b>	<u>\$123,123,743</u>	<u>\$125,795,217</u>

**CONSOLIDATED STATEMENTS OF OPERATIONS**

(unaudited) for nine months ended September 30

	2006	2005
<b>Interest Income</b>		
Investment interest income	\$1,280,448	\$ 823,920
Loan interest income	<u>4,763,170</u>	<u>4,416,711</u>
Total interest income	6,043,618	5,240,631
<b>Interest Expense</b>		
Interest expense on deposits	\$1,621,548	\$ 984,953
Interest expense on borrowings	<u>101,972</u>	<u>20,613</u>
Total interest expense	1,723,520	1,005,566
Net interest income	4,320,098	4,235,065
<b>Provision For Loan Losses</b>	<u>120,500</u>	<u>647,971</u>
Net interest income after provision for loan losses	4,199,598	3,587,094
<b>Other Income</b>		
Fee income	238,333	228,011
Income from trust operations	188,003	219,978
Gains from sale of loans	82,608	135,949
Other income	1,166	(893)
<b>Operating Expenses</b>		
Salaries and employee benefits	1,785,808	1,554,257
Occupancy	215,388	207,382
Other operating expenses	<u>1,123,506</u>	<u>993,685</u>
Total operating expenses	<u>3,124,702</u>	<u>2,755,324</u>
<b>Net Income Before Income Tax</b>	1,585,006	1,414,815
Income tax expense	<u>598,300</u>	<u>544,875</u>
<b>Net Income</b>	<u>\$ 986,706</u>	<u>\$ 869,940</u>
<b>Net Income Per Share-Basic*</b>	\$ 0.78	\$ 0.72
<b>Net Income Per Share-Diluted*</b>	\$ 0.74	\$ 0.67
<b>Return on Average Assets</b>	1.11%	0.97%
<b>Return on Equity</b>	9.41%	9.50%

\* Per share amounts adjusted for 5% stock dividend issued in December 2005.

**BOARD OF DIRECTORS**

**Calvin Bright**  
Chairman, President  
Bright Development

**Jane Butterfield**  
CEO, President,  
Bank On It, Inc.,  
Community Bank of San Joaquin

**Edward J. Chavez**  
Mayor  
City of Stockton

**Rudy G. Croce**  
Past President  
Croce & Company Accountancy  
Corporation

**Chair**  
Bank On It, Inc.,  
Community Bank of San Joaquin

**Al Davidson**  
Past Chairman and Consultant  
Acme Truck Parts & Equipment, Inc.  
and Specialty Truck Parts, Inc.  
of San Jose

**Barbara M. Dondero**  
Co-owner  
R. & J. Dondero, Inc.

**Javad Jamshidi, M.D.**  
President  
Stockton MRI & Molecular  
Imaging Medical Center, Inc.

**Kathleen Lagorio Janssen**  
President  
Ace Tomato Company

**Vice Chair**  
Bank On It, Inc.,  
Community Bank of San Joaquin

**James Lagorio**  
Co-owner, Farming Corporation  
James A. Lagorio, Inc.

**Donald Reynolds**  
Vice President  
M & R Packing

**Robert Wheeler**  
Plant Manager  
General Mills, Lodi Plant

**BANK EXECUTIVE OFFICERS**

**Jane Butterfield**  
President  
Chief Executive Officer

**John Baughn**  
Executive Vice President  
Manager of Information Systems

**Marti Denk**  
Executive Vice President  
Chief Operating Officer

**Robert Daneke**  
Executive Vice President  
Chief Lending Officer

**Richard Dodge**  
Executive Vice President  
Chief Financial Officer