

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.
R. J. Dragani
(866) 291-6316

Howe Barnes Hoefler & Arnett, Inc.
Michael Hedrei
(800) 774-8723

McAdams Wright Ragen, Inc.
Joey Warmenhoven
(866) 662-0351

Additional Information:

You may obtain information about the buy/sell activity of our stock through these web sites:

www.cbsjbank.com/shareholders
www.otcbb.com

Bank Contact:

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



Main Branch
22 West Yokuts Ave.
Stockton, CA 95207-5715
Tel: (209) 956-7000
Fax: (209) 956-7720

Waterloo Branch
4426 East Waterloo Road
Stockton, CA 95215-2306
Tel: (209) 373-4300
Fax: (209) 373-4350

www.cbsjbank.com

QUARTERLY REPORT SEPTEMBER 30, 2007 *Bank On It, Inc.*



CONSOLIDATED BALANCE SHEETS

(unaudited) as of September 30

| | 2007 | 2006 |
|--|----------------------|----------------------|
| Assets | | |
| Cash and due from banks | \$ 5,123,089 | \$ 5,731,381 |
| Federal funds sold & money market investments | <u>560,000</u> | <u>14,440,000</u> |
| Cash and cash equivalents | 5,683,089 | 20,171,381 |
| Certificates of deposit in other financial institutions | 3,627,853 | 1,598,000 |
| Investment securities | 34,118,193 | 24,929,386 |
| Loans, net of reserves for possible loan losses of \$1,479,130 and \$1,284,630 | 99,181,255 | 74,111,021 |
| Accrued interest receivable | 868,566 | 701,903 |
| Bank premises and equipment, net | 870,549 | 502,545 |
| Other assets | <u>945,861</u> | <u>1,109,507</u> |
| Total Assets | <u>\$145,295,366</u> | <u>\$123,123,743</u> |
| Liabilities | | |
| Demand deposits | \$ 16,755,075 | \$ 17,288,053 |
| Interest-bearing checking | 12,123,466 | 9,796,080 |
| Money market checking | 19,269,696 | 17,908,166 |
| Savings deposits | 4,050,167 | 5,020,694 |
| Time deposits | <u>58,347,400</u> | <u>53,054,308</u> |
| Total Deposits | 110,545,804 | 103,067,301 |
| Trust preferred subordinated debentures | 4,124,000 | 4,124,000 |
| Other borrowings | 13,250,000 | - |
| Accrued interest payable | 31,841 | 651 |
| Other liabilities | <u>1,072,724</u> | <u>1,210,256</u> |
| Total Liabilities | <u>129,024,369</u> | <u>108,402,208</u> |
| Stockholders' Equity | | |
| Common stock | 14,640,895 | 13,094,522 |
| Unrealized loss on securities | (52,306) | (171,030) |
| Accumulated profit | 817,009 | 811,337 |
| Current income | <u>865,399</u> | <u>986,706</u> |
| Total Stockholders' Equity | <u>16,270,997</u> | <u>14,721,535</u> |
| Total Liabilities & Stockholders' Equity | <u>\$145,295,366</u> | <u>\$123,123,743</u> |

CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited) for nine months ended September 30

| | 2007 | 2006 |
|---|-------------------|-------------------|
| Interest Income | | |
| Investment interest income | \$1,059,938 | \$1,280,448 |
| Loan interest income | <u>5,883,472</u> | <u>4,763,170</u> |
| Total interest income | 6,943,410 | 6,043,618 |
| Interest Expense | | |
| Interest expense on deposits | \$2,422,779 | \$1,621,548 |
| Interest expense on borrowings | <u>239,915</u> | <u>101,972</u> |
| Total interest expense | 2,662,694 | 1,723,520 |
| Net interest income | 4,280,716 | 4,320,098 |
| Provision For Loan Losses | | |
| | <u>165,000</u> | <u>120,500</u> |
| Net interest income after provision for loan losses | 4,115,716 | 4,199,598 |
| Other Income | | |
| Fee income | 224,655 | 238,333 |
| Income from trust operations | 122,171 | 188,003 |
| Gains from sale of loans | 62,194 | 82,608 |
| Other income | <u>39,355</u> | <u>1,166</u> |
| Total other income | 448,375 | 510,110 |
| Operating Expenses | | |
| Salaries and employee benefits | 1,716,697 | 1,785,808 |
| Occupancy | 300,791 | 215,388 |
| Other operating expenses | <u>1,180,404</u> | <u>1,123,506</u> |
| Total operating expenses | 3,197,892 | 3,124,702 |
| Net Income Before Income Tax | 1,366,199 | 1,585,006 |
| Income tax expense | <u>500,800</u> | <u>598,300</u> |
| Net Income | <u>\$ 865,399</u> | <u>\$ 986,706</u> |
| Net Income Per Share-Basic* | \$ 0.64 | \$ 0.74 |
| Net Income Per Share-Diluted* | \$ 0.62 | \$ 0.70 |
| Return on Average Assets | 0.90 % | 1.11 % |
| Return on Equity | 7.36% % | 9.41 % |

* Per share amounts adjusted for 5% stock dividend issued in December 2006.

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
CEO
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
Past Plant Manager
General Mills, Lodi Plant

BANK EXECUTIVE OFFICERS

Jane Butterfield
President
Chief Executive Officer

Karl Miller
Senior Executive Vice President

John Baughn
Executive Vice President
Manager of Information
Systems

Marti Denk
Executive Vice President
Chief Operating Officer

Richard Dodge
Executive Vice President
Chief Financial Officer

Germana Silva Suderman
Executive Vice President
Chief Lending Officer

