



Community Bank
of San Joaquin

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June 15, 2005

Dear Shareholder:

Approximately one hundred twenty five shareholders and their guests attended our Annual Meeting on Thursday, May 19, 2005. Seventy-four percent (74%) of the shares outstanding voted either in person or by proxy. Your Board of Directors was re-elected and the accounting firm, Moss Adams LLP, was re-appointed as the Company's independent auditors for the year ending December 31, 2005.

The Company's financial accomplishments for the year 2004 were presented at the meeting. Community Bank experienced deposit and loan growth of approximately 30% compared to 2003. Net income for the Company of \$915,000 or \$0.80 per share was reported in 2004, up 128% from \$402,000 or \$0.35 per share reported in 2003. Earnings growth can be primarily attributed to the significant asset growth.

Your Company also announced operating results for the first quarter of 2005, as noted in the enclosed *Quarterly Report*. Net income of \$305,000 or \$0.27 per share was reported for the first quarter of 2005, an increase of 138% from the first quarter of the prior year. Asset growth and an increasing interest rate environment are responsible for the improvement in earnings.

A report on customer use of our banking technology was presented. Dramatic growth in electronic fund transfers and in the use of ATM and Visa Check Cards for point of sale (purchase) transactions has been experienced. The new products and enhancements introduced in 2004 included: viewing checks through e-Banking, implementing a Business Visa Check Card, installing a new ATM with touch screen capabilities and the introduction of Health Savings Accounts. Community Bank was one of the first financial institutions in Northern California to offer Health Savings accounts. Please contact us if you would like more information about any of our services.

Thank you again for your confidence and support of Community Bank of San Joaquin, and its parent, Bank On It, Inc. Your management team looks forward to continued growth and success this year. If you have any questions or would like further information, please call us at 209-956-7000.

Sincerely,

C. Joseph Crane
Chairman

Jane R. Butterfield
President

Encl.