

Willamette Valley Bank Announces 2008 Earnings, forms Oregon Bancorp, Inc.

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For Immediate Release

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Salem, Oregon- Willamette Valley Bank (OTCBB: WLMT) reported today its results for the year ended December 31, 2008. Net Income for the year amounted to \$568,308 which delivered earnings per share of \$.63.

Neil D. Grossnicklaus, President and CEO stated, “We are happy to show solid earnings in this challenging economic environment. In fact, 2008 was our third best year since we formed the bank. Our conservative approach to lending paid off in these difficult times. We look at current conditions as a time of opportunity and have formed a Bank Holding Company to leverage our resources and explore new business lines.”

Joseph Potwora, Vice President and Manager of the Willamette Valley Bank Home Loan Division commented, “Home loan rates remain near historic lows and we had a very good year. As the economy improves we expect our mortgage brokerage business to reach new highs.”

Highlights for the year include:

- Total Loans increased from \$93 million to \$100 million, up 8% over 2007.
- Gross revenues up from \$9.2 million to \$10.3 million, an increase of 12%.
- Total Assets increased from \$104 million to \$116 million, an increase of 12%.
- The Bank entered new markets with 2 new Home Loan Centers.

Gary Van Antwerp, Executive Vice President and Chief Lending Officer said, “We continue to experience strong loan quality in our portfolio. We have not suffered loan losses in this downturn and feel well positioned for the future.”

Willamette Valley Bank is a community bank headquartered in Salem, Oregon operating full-service bank branches in Salem, Keizer, and Albany and Home Loan Centers in Silverton and Corvallis. The bank also operates Bank of Oregon Home Loan Centers in Bend, Redmond, Sisters, Eugene, Medford, and Oregon City.