

Blue Valley Ban Corp
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NEWS RELEASE

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Blue Valley Ban Corp Reports Third Quarter 2002 Earnings

Overland Park, Kansas, October 16, 2002 – Blue Valley Ban Corp (OTCBB: BVBC) (“the Company”) today announced net income of \$1.7 million, or fully-diluted earnings per share (EPS) of \$0.74, for the third quarter of 2002, compared to net income of \$1.0 million, or \$0.47 per share for the same period in 2001. Net income for the nine months ended September 2002 was \$4.0 million or \$1.79 per share, compared to \$2.3 million or \$1.05 per share for the same period in 2001.

“Our strategic initiative into the Internet Mortgage market through our InternetMortgage.com division has resulted in significant returns in this low interest rate environment,” said Robert D. Regnier, Chairman and CEO of Blue Valley Ban Corp. “These significant gains have more than offset reduced margins in the commercial and retail lending area.”

For the third quarter of 2002, net interest income increased 12.2% to \$4.2 million compared to \$3.8 million for the same period in the prior year, primarily due to growth in earning assets. Noninterest income increased to \$5.3 million during this period from \$2.6 million in the prior year, an increase of 105.4%. The principal factor driving the increase in non-interest income has been Loans Held for Sale Income. The expansion of the Company’s internet mortgage capabilities coupled with the current low interest rate environment has resulted in a significant increase in the number of residential mortgage loans originated and sold by its Internet and Retail Mortgage Divisions. Noninterest expense increased 51.0% to \$6.3 million compared to \$4.2 million in the prior year period. The increase relates primarily to costs associated with the Company’s growth and expansion.

For the nine-month period ending September 30, 2002, net interest income increased 8.2% to \$11.8 million compared to \$10.9 million for the same period in the prior year, primarily due to growth in earning assets. Noninterest income increased to \$12.8 million during this period from \$5.1 million in the prior year, an increase of 152.8%. The principal factor driving the increase in non-interest income has been Loans Held for Sale Income earned on loans originated and sold by the Company’s Internet and Retail Mortgage Divisions. Noninterest expense increased 54.3% to \$16.8 million compared to \$10.9 million in the prior year period. The increase relates primarily to costs associated with the Company’s growth and expansion.

Total assets, loans and deposits at September 30, 2002 were \$559.1 million, \$357.7 million and \$426.7 million, respectively, compared to \$479.1 million, \$320.3 million and \$387.8 one year earlier, respectively, increases of 16.7%, 11.7% and 10.0% respectively.

Blue Valley Ban Corp is a bank holding company that, through its subsidiaries provides banking services to closely-held business, their owners, professionals and individuals in Johnson County, Kansas. “Blue Valley expanded into the Leawood, Kansas market with a recently opened supermarket facility on the rapidly expanding 135th street corridor” stated Regnier. “A free standing branch is planned with an opening scheduled during the fourth quarter of 2003.”

This release contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended. The Company intends such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995, and is including this statement for purposes of those safe harbor provisions. Forward-looking statements, which are based on certain assumptions and describe future plans, strategies and

expectations of the Company, can generally be identified by use of the words "believe," "expect," "intend," "anticipate," "estimate," "project," or similar expressions. The Company is unable to predict the actual results of its future plans or strategies with certainty. Factors which could have a material adverse effect on the operations and future prospects of the Company include, but are not limited to, fluctuations in market rates of interest and loan and deposit pricing; a deterioration of general economic conditions or the demand for housing in the Company's market areas; legislative or regulatory changes; adverse developments in the Company's loan or investment portfolio; any inability to obtain funding on favorable terms; the loss of key personnel; significant increases in competition; and the possible dilutive effect of potential acquisitions or expansions. These risks and uncertainties should be considered in evaluating forward-looking statements and undue reliance should not be placed on such statements.

BLUE VALLEY BAN CORP
THIRD QUARTER 2002
FINANCIAL HIGHLIGHTS
(all dollars in thousands, except per share data)
(unaudited)

<u>Nine Months Ended September 30</u>	<u>2002</u>	<u>2001</u>
Net interest income	\$ 11,848	\$ 10,949
Provision for loan losses	1,730	1,665
Non-interest income	12,814	5,069
Non-interest expense	16,792	10,881
Net income	3,997	2,317
Net income per share - Basic	1.84	1.07
Net income per share - Diluted	1.79	1.05
Return on average assets	1.02 %	0.70 %
Return on average equity	17.62 %	12.31 %
 <u>Three Months Ended September 30</u>		
Net interest income	\$ 4,212	\$ 3,754
Provision for loan losses	660	570
Non-interest income	5,312	2,586
Non-interest expense	6,316	4,184
Net Income	1,656	1,042
Net income per share - Basic	0.76	0.48
Net income per share - Diluted	0.74	0.47
Return on average assets	1.22 %	0.89 %
Return on average equity	20.76 %	15.83 %
 <u>At September 30</u>		
Assets	\$ 559,105	\$ 479,062
Loans	357,738	320,265
Deposits	426,719	387,845
Stockholders' Equity	32,663	27,340