

**Blue Valley Ban Corp**  
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**NEWS RELEASE**

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**Blue Valley Ban Corp Reports Annual and Fourth Quarter 2005 Earnings**

Overland Park, Kansas, January 17, 2006 – Blue Valley Ban Corp (OTCBB: BVBC) (“the Company”) today announced net income of \$4.6 million or fully-diluted earnings per share of \$1.91 per share for the year ended December 31, 2005, compared to net income of \$1.9 million or \$0.82 per share for the same period in 2004. Net income for the fourth quarter of 2005 was \$1.4 million, or \$0.57 per share, compared to \$6,000, or \$0.00 per share for the same period in 2004.

“2005 was a transition year for the Company. While our 2004 results were disappointing, 2005 operating results were much improved, driven by a strong increase in our net interest margin throughout the year. However, we are not satisfied with our current return on equity and look forward to carrying the momentum gained in 2005 into 2006 to further improve our financial performance” said Robert D. Regnier, Chairman and CEO of Blue Valley Ban Corp.

During December 2005, the Company’s Board of Directors declared a \$0.25 cash dividend on the Company’s common stock. The dividend will be paid on January 31, 2006 to shareholders of record as of December 30, 2005.

**Operating Results**

For the twelve-month period ending December 31, 2005, net interest income increased 30.3% to \$22.4 million compared to \$17.1 million for the same period in the prior year, primarily due to an increase in yield on earning assets. Noninterest income decreased 18.9% to \$11.3 million during this period from \$13.9 million in the prior year. The principal factor driving the decrease in non-interest income was a decrease in Loans Held for Sale Income resulting from lower mortgage origination volume. Noninterest expense decreased 1.6% to \$26.1 million compared to \$26.6 million in the prior year period. The decrease relates primarily to lower incentive compensation costs associated with mortgage originations, partially offset by higher operating costs.

For the fourth quarter of 2005, net interest income increased 33.5% to \$6.3 million compared to \$4.7 million for the same period in the prior year, primarily due to an increase in yield on earning assets. Noninterest income decreased to \$2.5 million during this period from \$3.2 million in the prior year, a decrease of 20.8% due primarily to lower Loans Held for Sale Income. Noninterest expense decreased 7.3% to \$6.6 million compared to \$7.1 million in the prior year period. This decrease in noninterest expense relates primarily to lower incentive compensation costs associated with mortgage originations, partially offset by higher operating costs.

Total assets, loans and deposits at December 31, 2005 were \$689.6 million, \$503.1 million and \$529.3 million, respectively, compared to \$672.7 million, \$507.2 million and \$522.6 million one year earlier, respectively, increases of 2.5% and 1.3% for total assets and deposits, respectively, and a 0.8% decrease for loans.

**About Blue Valley Ban Corp**

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. In

addition, the Company originates residential mortgages locally and nationwide through its InternetMortgage.com website.

*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**  
**FOURTH QUARTER 2005**  
**FINANCIAL HIGHLIGHTS**  
(all dollars in thousands, except per share data)  
(unaudited)

<u>Twelve Months Ended December 31</u>	<u>2005</u>	<u>2004</u>		
Net interest income	\$ 22,396	\$ 17,190		
Provision for loan losses	230	1,965		
Non-interest income	11,301	13,941		
Non-interest expense	26,134	26,570		
Net income	4,569	1,930		
Net income per share - Basic	1.95	0.84		
Net income per share - Diluted	1.91	0.82		
Common stock dividend per share	0.25	0.20		
Return on average assets	0.66 %	0.30 %		
Return on average equity	10.44 %	4.69 %		
<u>Three Months Ended December 31</u>				
Net interest income	\$ 6,322	\$ 4,736		
Provision for loan losses	75	915		
Non-interest income	2,498	3,156		
Non-interest expense	6,551	7,069		
Net Income	1,375	6		
Net income per share - Basic	0.58	0.00		
Net income per share - Diluted	0.57	0.00		
Return on average assets	0.78 %	0.00 %		
Return on average equity	11.92 %	0.06 %		
<u>At December 31</u>				
Assets	\$ 689,589	\$ 672,717		
Loans	503,143	507,170		
Deposits	529,341	522,646		
Stockholders' Equity	46,105	41,384		