REVERE BANK

April 30, 2013

Dear Fellow Shareholder:

We are very pleased to report that your bank continued to display solid growth in net income, loans and deposits during the first quarter of 2013. Pretax net income for the first quarter was $716 thousand versus $184 thousand for the first quarter of 2012. This was our ninth consecutive quarter of profitability. In the middle of 2012 we recognized the benefit of our deferred tax asset and began to recognize income tax expense. Therefore, for 2013, the best comparison to 2012 is pretax net income which excludes the extraordinary income event.

We closed the first quarter with $443.8 million in assets, $352.5 million in loans and $387.0 million in deposits. Assets and deposits are both inflated at quarter-end due to a $26.2 million temporary non-interest bearing escrow deposit received in late February and still on deposit at quarter-end. After adjusting out the temporary escrow funds, deposits have grown 35.5% or $94.5 million since March 31, 2012, and 2.4% or $8.3 million during the first quarter of 2013. Loans have grown 44.1% or $107.8 million since March 31, 2012, and 5.1% or $17.1 million during the first quarter of 2013. Following very strong 2012 fourth quarter production results, pipelines have been replenished and momentum in both areas remains healthy. This strength is evident in spite of a continued tepid and slow growing economy.

Our net interest margin for the first quarter was 3.59% compared to 3.65% for the fourth quarter of 2012. However, after adjusting for the large escrow account, and its 20 basis point short term incremental interest spread, our net interest margin would have been 3.70% compared to 3.65% last quarter and 3.80% for 2012's first quarter. On an adjusted basis, during the quarter, we were able to reduce our deposit and funding costs to mitigate rate compression on loan yields. The rate compression was brought about due to two factors: competitors are more active in the market today, which impacts loan pricing; and a view by many that we are in a protracted low rate environment, which pushes down loan portfolio yields. Our associated net interest income, due to significant balance sheet growth, increased 40.0% or $1.02 million during the quarter to $3.57 million from $2.55 million for the same period last year.

Non-interest expense increased by 27.4% or $580 thousand compared to the same period last year, due to increased operating expenses necessary to support our significant growth. Our efficiency ratio (the smaller the better) improved to 71.9% in the first quarter from 80.4% during the same period last year. We continue to deploy our operating expenses in an appropriately trending manner and benefit from the economies of scale that come from growth.

Our credit quality remains very strong. We had one loan past due at quarter-end and no charge-offs during the quarter. We had three real estate secured loan customers on non-accrual at quarter-end totaling $1.55 million. The resulting ratio of non-performing assets to total assets stood at .35% at quarter-end and is among the best in our peer group. The allowance for loan losses was 1.37% of loans outstanding at quarter-end.

Please note that the accompanying financial highlights have been reformatted to include more key performance metrics and comparative data—all on one page.

Before we close this letter we would like to remind you of two other important matters. Within the past week or so, you should have received, via mail or from your broker electronically, your Revere Bank proxy materials and notice of our shareholders annual meeting. We are asking you to vote on several matters—please take the time to vote on the motions put forth to you as a shareholder. Voting is easy and can take place via return mail, telephone or online; details are provided in the materials you received. The Annual Meeting will be held on May 21, 2013, at Revere Bank headquarters in Laurel, MD. If you need information regarding the proxy materials or the annual meeting, please contact Janet Fink at (240) 264-5352 or janet.fink@reverebank.com.

Despite a sluggish economy and a challenging low interest rate environment, we remain very optimistic about 2013 and beyond. Small- and medium-sized business owners want to deal with experienced commercial bankers who will invest the time to understand their business and customize loan and deposit solutions to help them become even more successful. That's what we do.

On behalf of our colleagues and directors, thank you for your continued support and referrals. We welcome your comments and invite you to do all of your banking with us. Please contact us at anytime.

Sincerely,

Drew

Andrew F. Flott

Chief Executive Officer
Office: (240) 264-5340
Cell: (301) 980-6030
Andrew.Flott@RevereBank.com

Ken

Kenneth C. Cook

President and Vice Chairman
Office: (240) 264-5372
Cell: (301) 980-7507
Kenneth.Cook@RevereBank.com

REVERE BANK

Financial Highlights (Unaudited)

(Dollars in thousands except per-share data)

	Quarter Ended				
	03/31/13	03/31/12		12/31/12	
Operating Results			YoY Δ		LQ Δ
Net Interest Income	$ 3,569	$ 2,549	40.0%	$ 3,405	4.8%
Provision for Loan Loss	335	330	1.5%	490	-31.6%
Net Interest Income after Provision	3,234	2,219	45.8%	2,915	11.0%
Non-Interest Income	175	78	124.3%	157	11.2%
Non-Interest Expense	2,693	2,113	27.4%	2,639	2.0%
Pretax Net Income	716	184	289.4%	433	65.3%
Income Tax Expense	278	-	NA	215	29.3%
Net Income	$ 438	$ 184	138.3%	$ 218	100.8%
Per-Share Data					
Earnings per share	$ 0.12	$ 0.06	97.8%	$ 0.07	69.3%
Earnings per share - diluted	$ 0.11	$ 0.06	80.5%	$ 0.07	54.5%
Book value per share	$ 10.16	$ 8.50	19.5%	$ 9.76	4.1%
Book value per share - diluted	$ 10.14	$ 8.50	19.3%	$ 9.76	4.0%
Selected Balance Sheet Data					YTD Δ
Loans	$ 352,490	$ 244,699	44.1%	$ 335,385	5.1%
Assets	$ 443,783	$ 307,776	44.2%	$ 401,917	10.4%
Deposits	$ 387,013	$ 266,280	45.3%	$ 352,453	9.8%
Stockholders' equity	$ 43,546	$ 26,830	62.3%	$ 35,059	24.2%
Performance Ratios			BP		BP
Return on Average Assets (annualized)	0.42%	0.27%	16	0.23%	20
Return on Average Equity (annualized)	4.69%	2.76%	193	2.77%	192
Net Interest Margin	3.59%	3.80%	(21)	3.65%	(6)
Net Interest Yield	3.45%	3.70%	(25)	3.52%	(7)
Efficiency Ratio	71.92%	80.43%	(852)	74.08%	(216)
Credit Quality Ratios					
Loans past due more than 30 days to total loans	0.03%	0.02%	2	0.00%	3
Non accrual loans to total loans	0.44%	0.00%	44	0.39%	5
Allowance for loan loss to total loans	1.37%	1.30%	7	1.34%	3
Non performing assets to total assets	0.35%	0.00%	35	0.32%	3
Regulatory Capital ratios					
Core capital (leverage) ratio	10.25%	9.43%	82	8.82%	143
Tier 1 risk-based capital ratio	12.28%	10.57%	171	10.00%	228
Total risk-based capital ratio	13.53%	11.82%	171	11.25%	228
Number of Employees	63	53	18.9%	61	3.3%

Financial Highlights
Glossary of Select Terms

Operating Results

Net Interest Income	Interest income minus interest expense
Provision for Loan Loss	Current period expense for possible future problem loans

Per-Share Data

Earnings per share	Net income divided by YTD average shares outstanding
Earnings per share - diluted	Net income divided by the YTD average of shares outstanding plus total "in the money versus book value" stock options granted
Book value per share	Stockholders' equity divided by shares outstanding
Book value per share - diluted	Stockholders' equity plus cash derived from execution of all "in the money versus book value" stock options granted divided by shares outstanding plus total "in the money versus book value" stock options granted

Performance Ratios

Return on Average Assets (annualized)	Net income annualized divided by YTD average assets
Return on Average Equity (annualized)	Net income annualized divided by YTD average equity
Net Interest Margin	Net interest income divided by YTD average earning assets
Net Interest Yield	Net interest income divided by YTD average assets
Efficiency Ratio	Ratio of operating expense to net interest income plus non interest income

Credit Quality Ratios

Non accrual loans to total loans	Loans on which we no longer accrue interest due to credit concerns divided by period end total loans
Non performing assets to total assets	Investments on which we no longer accrue interest due to default concerns plus non accrual loans plus other real estate owned divided by period end total assets

Regulatory Capital ratios

Core capital (leverage) ratio	Period end equity divided by period end assets
Tier 1 risk-based capital ratio	Period end tier 1 capital (as defined by the FDIC) divided by period end assets
Total risk-based capital ratio	Period end total regulatory capital (as defined by the FDIC) divided by period end risk weighted assets (as defined by the FDIC)

Other

YoY Δ	Year over year change
YTD Δ	Year to date change
LQ Δ	Linked quarter change
BP	Basis point - A basis point is equivalent to 1 one hundred of 1 percent.