



April 30, 2015

Dear Fellow Shareholder:

We are very pleased to report Revere Bank's strong first quarter results. These results include a significant increase in net income, solid growth in both deposits and loans, and continued strong credit quality. Net income for the first quarter was \$1.42 million representing a 44.4% increase over last year's first quarter net income of \$984 thousand. On a linked quarter basis, net income rose by 4.7%.

We closed the first quarter with \$717.0 million in assets, \$622.2 million in loans and \$614.3 million in deposits. Deposits have grown 36.9% or \$165.4 million since March 31, 2014 and 10.8% or \$59.9 million during the first quarter. The strong linked quarter growth was the result of a 15-month certificate of deposit promotion we ran during the first quarter. That effort resulted in over \$35 million in new deposits – twice our goal. Loans have grown 36.8% or \$167.2 million since March 31, 2014 and 5.1% or \$30.1 million in the first quarter. Our loan pipeline is very substantial and current momentum is strong in both loans and deposits.

Our net interest margin was stable at 4.05% compared to 4.05% for the first quarter of 2014 and 4.04% for the previous linked quarter. Our associated net interest income for the quarter, due to balance sheet growth, increased 38.0% or \$1.83 million versus the first quarter of 2014 and 7.2% or \$450 thousand on a linked quarter basis.

Non-interest expense increased by 34.6% or \$1.07 million compared to the same period last year—these increased operating expenses are appropriate relative to our significant asset growth of 39.9% during the past 12 months. Our efficiency ratio improved to 60.74% in the first quarter from 61.56% during the same period last year. On a linked quarter basis our efficiency ratio increased as we incurred our first full quarter of operating expenses associated with the Ellicott City branch office. We expect to quickly absorb this expense increase with our continued growth.

Our credit quality remains very strong. We had \$2 thousand in charge-offs during the quarter, and \$9 thousand in loans past due at quarter-end. We had non-accrual loans at quarter-end totaling \$2.0 million which includes the addition of a \$1.0 million real estate-secured loan during the quarter. The resulting ratio of non-performing assets to total assets stood at 0.28% at quarter-end and remains among the best in the industry. The allowance for loan losses was 1.21% of loans outstanding at quarter-end.

As mentioned in a separate letter to you on April 6th, we had a very successful capital offering during the first quarter. By the end of the first 30 days, we were significantly oversubscribed with more than \$26 million in subscription requests to purchase the \$15.5 million in common shares offered. We closed the offering at that point and ultimately had to cutback and partially refund many shareholders' subscription deposits. It's gratifying to see the tremendous investment support we have for Revere Bank stock. We wish we could have accommodated each shareholder's request.

Before we close this letter we would like to remind you of two other important matters. First, 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 annual shareholder meeting. We are asking you to vote on one matter—please take the time to vote on the motion put forth to you as a shareholder. Voting is easy and can take place via return mail, telephone or online; those details are provided in the materials you received. Secondly, the Annual Meeting will be held on May 19, 2015, 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.

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,



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Financial Highlights (Unaudited)
(Dollars in thousands except per-share data)

	Three Months Ended		YoY Δ	Quarter Ended	
	03/31/15	03/31/14		12/31/14	LQ Δ
Operating Results					
Net Interest Income	\$ 6,654	\$ 4,823	38.0%	\$ 6,204	7.2%
Provision for Loan Loss	350	242	44.6%	\$ 487	-28.1%
Net Interest Income after Provision	6,304	4,581	37.6%	\$ 5,717	10.3%
Non-Interest Income	174	184	-5.2%	\$ 197	-11.8%
Non-Interest Expense	4,147	3,082	34.6%	\$ 3,709	11.8%
Pretax Net Income	2,331	1,683	38.5%	\$ 2,205	5.8%
Income Tax Expense	911	699	30.4%	\$ 848	7.5%
Net Income	\$ 1,420	\$ 984	44.4%	\$ 1,357	4.7%
Per-Share Data					
Earnings per share	\$ 0.33	\$ 0.23	43.1%	\$ 0.32	4.2%
Earnings per share - diluted	\$ 0.28	\$ 0.20	38.4%	\$ 0.27	4.1%
Book value per share	\$ 12.65	\$ 10.92	15.8%	\$ 11.84	6.9%
Book value per share - diluted	\$ 12.32	\$ 10.79	14.2%	\$ 11.59	6.2%
Selected Balance Sheet Data					
Loans	\$ 622,239	\$ 455,000	36.8%	\$ 592,096	5.1%
Assets	\$ 716,962	\$ 512,412	39.9%	\$ 642,462	11.6%
Deposits	\$ 614,277	\$ 448,841	36.9%	\$ 554,390	10.8%
Stockholders' equity	\$ 63,118	\$ 46,839	34.8%	\$ 51,109	23.5%
Performance Ratios					
Return on Average Assets (annualized)	0.84%	0.80%	4	0.86%	(2)
Return on Average Equity (annualized)	10.95%	8.56%	239	10.62%	33
Net Interest Margin	4.05%	4.05%	(0)	4.04%	1
Net Interest Yield	3.95%	3.94%	1	3.94%	1
Efficiency Ratio	60.74%	61.56%	(83)	57.95%	277
Credit Quality Ratios					
Loans past due more than 30 days to total loans	0.00%	0.00%	-	0.02%	(2)
Non accrual loans to total loans	0.32%	0.02%	30	0.15%	17
Allowance for loan loss to total loans	1.21%	1.33%	(12)	1.21%	(0)
Non performing assets to total assets	0.28%	0.02%	26	0.14%	14
Regulatory Capital ratios					
Core capital (leverage) ratio	9.19%	9.34%	(15)	8.15%	104
Common equity tier 1 ratio	11.03%	n/a	-	n/a	-
Tier 1 risk-based capital ratio	11.03%	10.27%	76	8.84%	219
Total risk-based capital ratio	12.28%	11.52%	76	10.09%	219
Number of Employees					
	92	76	21.1%	88	0.0%



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
Common Tier 1 Equity	Period end common tier 1 equity (as defined by the FDIC) divided by period end risk weighted assets (as defined by the FDIC)
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.