Revere Bank Announces Record Earnings for the First Quarter of 2019 – Net Income of $7.5 Million Increased 14.5% Over the First Quarter of 2018

Rockville, MD April 29, 2019 – Revere Bank (the "Bank") (OTCQX: REVB) today reported record quarterly net income of $7.5 million for the quarter ended March 31, 2019, a 14.5% increase compared to net income of $6.6 million for the quarter ended March 31, 2018, and a 4.1% increase over the quarter ended December 31, 2018. Net income per diluted common share decreased 1.6% to $0.62 for the first quarter of 2019 compared to $0.63 for the same period in 2018. Net income per basic common share for the first quarter of 2019 was $0.63 compared to $0.66 for the same period in 2018, a decrease of 4.5%. The decrease in our diluted and basic earnings per share was a result of our capital raise in September 2018, in which we issued 1.6 million additional shares of common stock. Compared to the fourth quarter of 2018 diluted and basic earnings per share increased by 5.1% and 3.3%, respectively, driven primarily by increased earnings.

Quarterly Highlights

- Net income grew by 4.1% compared to the fourth quarter of 2018 and by 14.5% compared to the first quarter of 2018.
- Period end loans grew 14.2%, or $267.0 million, compared to the first quarter of 2018, and also grew 3.1%, or $65.7 million, compared to the fourth quarter of 2018.
- Period end deposits declined 0.6%, or $12.8 million, compared to the fourth quarter of 2018, but grew 10.0%, or $188.1 million, compared to the first quarter of 2018. As discussed last quarter, we held approximately $40.0 million of short-term deposits as of the quarter ended December 31, 2018, that were withdrawn during the first quarter of 2019. Furthermore, we intentionally shrank non-core brokered deposits by $13.4 million during the quarter. These two items, totaling $53.4 million, offset our organic deposit growth. As adjusted to eliminate the impact of these short-term and brokered deposits, our first quarter 2019 total deposit growth would have been 2.0% compared to the fourth quarter of 2018.
- During the first quarter of 2019, the Bank made the strategic decision to borrow an additional $46.0 million from the Federal Home Loan Bank ("FHLB") for funding purposes in order to take advantage of favorable rates instead of running a certificate of deposit advertising campaign. The Bank has and will continue to actively utilize the most optimal sources to fund the Bank's loan growth to maximize earnings and manage risk.

Ken Cook, Co-President and CEO, said, "Robust loan growth and continued very strong credit quality during the quarter resulted in continued strong earnings momentum. This momentum, coupled with our loan pipeline being at an all-time high, has us optimistic about the remainder of 2019."

Drew Flott, Co-President and CEO, added, "We continue to grow high-quality assets and maintain strong expense controls. The yield curve has put pressure on our net interest margin and we continue to focus on sources of low-cost operating accounts. The Federal Open Market Committee's statement that interest rates will remain stable has decelerated the speed of deposit rate increases and we anticipate a more stable interest rate environment going forward."

Earnings and Growth Highlights

In thousands, except per share data	For the Three Months Ended March 31, 2019	December 31, 2018	March 31, 2018
Net Income	$ 7,509	$ 7,212	$ 6,559
Earnings per share - basic	0.63	0.61	0.66
Earnings per share - diluted	0.62	0.59	0.63
Loans (period end)	$ 2,150,473	$ 2,084,806	$ 1,883,521
Deposits (period end)	2,076,214	2,088,967	1,888,126

First quarter net income increased $1.0 million, or 14.5%, compared to the first quarter of 2018, driven primarily by stronger net interest income, and offset partially by higher non-interest expense. Net income increased $297 thousand, or 4.1%, compared to the fourth quarter of 2018, driven by lower non-interest expense during the first quarter of 2019. The first quarter diluted earnings per share increased $0.03 per diluted share compared to the fourth quarter of 2018, driven by higher earnings. Compared to the prior year quarter, diluted earnings per share decreased $0.01 per diluted share, despite higher earnings, due to the incremental share count increase from our capital raise during the third quarter of 2018.

The Bank's continued earnings growth is driven by strong loan and deposit growth. As of March 31, 2019, loans were $2.15 billion, an increase of 3.1% compared to loans of $2.08 billion as of December 31, 2018, and an increase of 14.2% compared to loans of $1.88 billion as of March 31, 2018. Deposits decreased 0.6% due to expected temporary deposit runoff and intentionally shrinking non-core brokered deposits as discussed earlier, to $2.08 billion as of March 31, 2019, compared to $2.09 billion as of December 31, 2018. Total deposits increased by 10.0% compared to $1.89 billion as of March 31, 2018 and core deposits, defined as total deposits excluding brokered deposits and listing services deposits, increased by 11.4% compared to the same period.

Income Statement Review

Net interest income

In thousands	For the Three Months Ended March 31, 2019	December 31, 2018	March 31, 2018
Interest income	$ 29,848	$ 29,522	$ 24,282
Interest expense	8,182	7,364	4,844
Net interest income	$ 21,666	$ 22,158	$ 19,438
Yield on interest-earning assets	5.05%	5.00%	4.71%
Cost of interest-bearing liabilities	1.84%	1.67%	1.21%
Net interest margin	3.67%	3.75%	3.77%

On a year-over-year basis, our net interest income continues to grow and drive increased earnings. First quarter net interest income increased 11.5% compared to the same period last year driven primarily by strong loan growth, offset by an increase in the cost of deposits. Compared to the linked quarter, net interest income declined 2.2%. This decline was caused in part, by two fewer days in the quarter, a decrease in fee and accretion on fair market value adjustments related to acquisitions, and an increase in the cost of deposits. We expect the slope of the yield curve to put pressure on the margin throughout the year.

Our current quarter's net interest margin decreased eight basis points from the prior quarter and decreased 10 basis points compared to the same period last year. The decrease in our net interest margin was caused by increases in the cost of interest-bearing liabilities out-pacing the rise in yield on interest-earning assets. Our cost of interest-bearing liabilities increased 17 basis points compared to the prior quarter and 63 basis points compared to the same period last year, while our yield on interest-earning assets increased five basis points and 34 basis points, over the same periods, respectively. The increase in the cost of interest-bearing liabilities has been partially mitigated by growth in our non-interest bearing deposits of 1.4% and 10.1% compared to the fourth quarter of 2018 and the first quarter of 2018, respectively.

Provision for Loan Losses

For the first quarter of 2019, the provision for loan losses decreased $569 thousand and $184 thousand compared to the fourth quarter of 2018 and first quarter of 2018, respectively. This provision is supportive of our very strong asset quality.

Non-interest income and Non-interest expense

	For the Three Months Ended		
Dollars in thousands	March 31, 2019	December 31, 2018	March 31, 2018
Non-interest income	$ 489	$ 632	$ 584
Non-interest expense	$ 11,114	$ 11,535	$ 10,349
Efficiency ratio	50.16%	50.61%	51.69%

Non-interest income was $489 thousand for the first quarter of 2019, a decrease of $95 thousand, or 16.3%, compared to the first quarter of 2018, and $143 thousand, or 22.6%, compared to the fourth quarter of 2018. A $141 thousand recovery of legal expenses received during the fourth quarter of 2018, related to an acquired loan, caused the decrease compared to the linked quarter.

Non-interest expense increased by $765 thousand, or 7.4%, in the first quarter of 2019 compared to the same period last year. The year-over-year increase was primarily due to increased staff necessary to support our continued growth. Compared to the fourth quarter of 2018, non-interest expense decreased $421 thousand, or 3.6%, primarily driven by decreases in salaries and benefits and other expenses. These decreases were partially offset by increases in occupancy expense, due to the implementation of new lease accounting guidance, and FDIC premiums.

During the first quarter of 2019, our efficiency ratio improved to 50.16% compared to 51.69% in the same period last year. The improvement is primarily due to strong net interest income growth and continued economies of scale as we continue to grow. Compared to the prior quarter our efficiency ratio improved slightly to 50.16% from 50.61% primarily due to a decrease in non-interest expenses as described above.

Performance Ratios

	For the Three Months Ended		
	March 31, 2019	December 31, 2018	March 31, 2018
Return on average assets (annualized)	1.24%	1.19%	1.23%
Return on average equity (annualized)	11.25%	10.95%	13.85%

Return on average assets and return on average equity increased five basis points and 30 basis points, respectively, compared to the fourth quarter of 2018. The increase in return on average assets and return on average equity compared to the fourth quarter were primarily driven by increased earnings. Return on average assets improved by one basis point and return on average equity declined by 260 basis points compared to the first quarter of 2018. Compared to the prior year both return on average assets and return on average equity were impacted by our capital raise in the third quarter of 2018.

Balance Sheet Review

Dollars in thousands	For the Quarter Ended		
	March 31, 2019	December 31, 2018	March 31, 2018
Assets	$ 2,510,251	$ 2,455,211	$ 2,192,638
Loans	2,150,473	2,084,806	1,883,521
Deposits	2,076,214	2,088,967	1,888,126
FHLB advances	103,991	63,456	72,053
Stockholders' equity	275,074	264,891	195,135

Asset growth from March 31, 2018, to March 31, 2019, was $317.6 million, or 14.5%, and was driven primarily by loan growth, as well as increases in securities available-for-sale and cash and due from banks. Assets increased $55.0 million compared to the prior quarter, or 2.2%, also due to loan growth and offset by a decrease in cash and due from banks.

Loans increased $267.0 million, or 14.2%, compared to March 31, 2018, and increased $65.7 million, or 3.1%, compared to December 31, 2018. The increase over both periods was primarily due to commercial real estate and commercial loan growth.

Deposits increased $188.1 million, or 10.0%, and decreased $12.8 million, or 0.6%, compared to March 31, 2018 and December 31, 2018, respectively. The increase compared to the prior year period was primarily driven by increases in certificate of deposit and non-interest bearing accounts. When compared to the fourth quarter of 2018 deposit decreases were driven by a decrease in money market accounts and the expected short-term deposit withdrawal, offset by increases in certificate of deposit accounts. As previously mentioned during the fourth quarter of 2018, we held approximately $40.0 million of short term deposits that were expected to be withdrawn in the first quarter of 2019 and we intentionally shrank our non-core brokered deposits by $13.4 million during the first quarter of 2019. As adjusted to eliminate the impact of these short term and brokered deposits, deposit growth would have been 2.0% compared to December 31, 2018. Our non-interest-bearing deposits grew by 10.1% compared to March 31, 2018, and by 1.4% compared to December 31, 2018.

FHLB advances increased $40.5 million, or 63.9%, compared to the linked quarter, and increased $31.9 million, or 44.3% compared to the same period last year. The increase in FHLB advances was a strategic decision to borrow an additional $46.0 million at favorable rates during the first quarter of 2019.

Stockholders' equity increased $79.9 million, or 41.0% compared to March 31, 2018. The very strong equity growth compared to the first quarter of 2018 was achieved through record earnings and a capital raise during the third quarter of 2018. Stockholders' equity increased by $10.2 million, or 3.8%, compared to December 31, 2018, driven primarily by record earnings for the first quarter of 2019. The increase compared to both periods was also due to an improvement in unrealized losses related to the investment portfolio.

The Bank's capital ratios remain well above regulatory guidelines for well-capitalized banks. As of March 31, 2019, the Bank's total risk-based capital ratio and tier 1 leverage ratio were 13.60% and 10.10%, respectively, compared to 11.25% and 7.89%, respectively, as of March 31, 2018. As of March 31, 2019, the Bank's tangible equity to total tangible assets ratio was 9.87% compared to 7.59% as of March 31, 2018.

As of March 31, 2019, the Bank's tangible book value per share was $20.62, up 25.3% compared to $16.45 as of March 31, 2018. The increase in tangible book value per share was due to strong earnings per share during the trailing twelve month period plus approximately $1.41 per share accretion from the capital raise during the third quarter of 2018.

Asset Quality Review

	For the Quarter Ended		
Dollars in thousands	March 31, 2019	December 31, 2018	March 31, 2018
Non-performing assets	$ 2,009	$ 2,025	$ 1,880
Non-performing assets to total assets	0.08%	0.08%	0.09%
Loans 30-89 days past due and still accruing interest	$ 1,033	$ 793	$ 8,058
Loans 30-89 days past due and still accruing interest to total assets	0.04%	0.03%	0.37%
Quarterly net charge-offs (recoveries)	$ (8)	$ 147	$ (1)

Asset quality continues to remain very strong. As of March 31, 2019, non-performing assets as a percentage of total assets remained at 0.08% compared to December 31, 2018, and decreased slightly from 0.09% at March 31, 2018.

Loans 30-89 days past due and still accruing interest increased $240 thousand compared to the linked quarter and decreased $7.0 million compared to the same period last year. For the quarter ended March 31, 2018, loans 30-89 days past due and still accruing interest reflected a large number of loans in process of being renewed. The Bank had $8 thousand of net recoveries during the first quarter of 2019, compared to $1 thousand of net recoveries during the first quarter of 2018, and $147 thousand of net charge-offs during the fourth quarter of 2018.

The Bank is proactive in monitoring its loan portfolio for any indication of weakness and attempts to mitigate future risks across all lines of business.

Revere Bank is a Maryland state-chartered bank that commenced operations in November 2007. The Bank is headquartered in Rockville and has 11 branches located in the suburban Maryland counties of Anne Arundel, Baltimore, Frederick, Howard, Montgomery, and Prince George's. The Bank is a community-based, full-service commercial bank that emphasizes the banking needs of community-based businesses, professional entities, and individuals. Further information on Revere Bank can be obtained by visiting our website at www.reverebank.com.

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Forward-Looking Statement

This press release contains forward-looking statements within the meaning of the Securities and Exchange Act of 1934, as amended, including statements of goals, intentions, and expectations as to future trends, plans, events or results of Bank operations and policies and regarding general economic conditions. In some cases, forward-looking statements can be identified by use of words such as "may," "will," "anticipates," "believes," "expects," "plans," "estimates," "potential," "continue," "should," and similar words or phrases. These statements are based upon current and anticipated economic conditions, nationally and in the Bank's market, interest rates and interest rate policy, competitive factors, and other conditions which by their nature, are not susceptible to accurate forecast, and are subject to significant uncertainty. Because of these uncertainties and the assumptions on which this discussion and the forward-looking statements are based, actual future operations and results may differ materially from those indicated herein. Readers are cautioned against placing undue reliance on any such forward-looking statements. The Bank's past results are not necessarily indicative of future performance.

Non-GAAP Financial Measures

Statements included in this press release include non-GAAP financial measures and should be read along with the Financial Highlights table, which provides a reconciliation of non-GAAP financial measures to GAAP financial measures. This press release and the accompanying tables discuss financial measures, such as tangible common equity, tangible assets and tangible book value per share, which are non-GAAP measures. We believe that such non-GAAP measures are useful because they enhance the ability of investors and management to evaluate and compare the Bank's operating results from period to period in a meaningful manner. Non-GAAP measures should not be considered as an alternative to any measure of performance as promulgated under GAAP, nor are they necessarily comparable to non-GAAP performance measures that may be presented by other banks. Investors should consider the Bank's performance and financial condition as reported under GAAP and all other relevant information when assessing the performance or financial condition of the Bank. Non-GAAP measures have limitations as analytical tools, and investors should not consider them in isolation or as a substitute for analysis of the Bank's results or financial condition as reported under GAAP.

Revere Bank and Subsidiary
Consolidated Balance Sheets
(dollars in thousands)

	March 31, 2019 (Unaudited)	December 31, 2018 (Audited)	March 31, 2018 (Unaudited)
Assets			
Cash and due from banks	$ 107,121	$ 136,442	$ 97,468
Federal funds sold	—	—	12
Total cash and cash equivalents	107,121	136,442	97,480
Interest-bearing deposits with banks	—	—	1,000
Securities available-for-sale, at fair value	188,331	187,558	162,458
Equity securities, at cost	6,742	4,698	5,124
Loans	2,150,473	2,084,806	1,883,521
Less allowance for loan losses	19,488	18,712	15,781
Loans, net	2,130,985	2,066,094	1,867,740
Premises and equipment, net	4,067	4,283	4,146
Right-of-use assets	16,733	—	—
Accrued interest receivable	7,442	6,854	6,034
Deferred tax assets	5,948	6,397	5,898
Bank owned life insurance	10,960	10,902	10,723
Goodwill	26,815	26,815	26,815
Core deposit intangibles	3,449	3,627	4,159
Other assets	1,658	1,541	1,061
Total Assets	$ 2,510,251	$ 2,455,211	$ 2,192,638
Liabilities and Stockholders' Equity			
Liabilities			
Deposits:			
Non-interest-bearing demand	$ 373,179	$ 368,063	$ 339,078
Interest-bearing	1,703,035	1,720,904	1,549,048
Total Deposits	2,076,214	2,088,967	1,888,126
Federal Home Loan Bank advances	103,991	63,456	72,053
Subordinated debt, net	30,741	30,715	30,638
Lease liabilities	17,349	—	—
Accrued interest payable	1,056	1,320	502
Other liabilities	5,826	5,862	6,184
Total Liabilities	2,235,177	2,190,320	1,997,503
Stockholders' Equity			
Common stock, par value $5 per share; 30,000,000 shares authorized; shares issued and outstanding of 11,873,152 for March 2019, 11,817,361 for December 2018, and 9,978,231 for March 2018	59,366	59,087	49,891
Surplus	145,662	145,076	106,034
Retained earnings	70,386	62,878	41,618
Accumulated other comprehensive loss	(340)	(2,150)	(2,408)
Total Stockholders' Equity	275,074	264,891	195,135
Total Liabilities and Stockholders' Equity	$ 2,510,251	$ 2,455,211	$ 2,192,638

Revere Bank and Subsidiary
Consolidated Income Statement
(dollars in thousands, except per share data)
(Unaudited)

	Three Months Ended		
	March 31, 2019	**December 31, 2018**	**March 31, 2018**
Interest Income			
Loans, including fees	$ 28,068	$ 27,580	$ 23,088
Securities	1,178	1,045	850
Federal funds sold and other	602	897	344
Total Interest Income	29,848	29,522	24,282
Interest Expense			
Deposits	7,411	6,594	4,138
Borrowed funds	311	304	243
Subordinated debt	460	466	463
Total Interest Expense	8,182	7,364	4,844
Net Interest Income	21,666	22,158	19,438
Provision for Loan Losses	769	1,338	953
Net interest income after provision for loan losses	20,897	20,820	18,485
Non-interest income			
Service charges on deposits	343	328	250
Earnings on bank owned life insurance	58	60	58
Other non-interest income	88	244	276
Total Non-interest income	489	632	584
Non-Interest Expense			
Salaries and employee benefits	7,356	7,947	6,728
Occupancy and equipment	1,115	1,007	961
Legal and professional fees	259	176	367
Advertising	227	322	166
Data processing	637	627	608
FDIC premiums	313	118	356
Core deposit intangible amortization	178	177	178
Other	1,029	1,161	985
Total Non-interest expense	11,114	11,535	10,349
Income before taxes	10,272	9,917	8,720
Income Tax Expense	2,763	2,705	2,161
Net Income	$ 7,509	$ 7,212	$ 6,559
Basic earnings per common share	$ 0.63	$ 0.61	$ 0.66
Diluted earnings per common share	$ 0.62	$ 0.59	$ 0.63

Revere Bank and Subsidiary
Average Balance Sheets, Interest and Rate
(dollars in thousands)
(Unaudited)

	Three Months Ended March 31, 2019			Three Months Ended March 31, 2018		
	Average Balance[1]	Interest Income-Expense	Average Yields/ Rates	Average Balance[1]	Interest Income-Expense	Average Yields/ Rates
Assets						
Loans, net [2]	$ 2,107,085	$ 28,068	5.40%	$ 1,851,763	$ 23,088	5.06%
Securities [3]	188,495	1,178	2.53%	164,173	850	2.10%
Federal funds sold and other [4]	101,300	602	2.41%	74,704	344	1.87%
Total interest-earning assets	2,396,880	29,848	5.05%	2,090,640	24,282	4.71%
Less: Allowance for loan losses	18,958			15,160		
Other assets	84,547			78,944		
Total Assets	$ 2,462,469			$ 2,154,424		
Liabilities & Stockholders' Equity						
Interest-bearing deposits	$ 1,703,134	7,411	1.76%	$ 1,516,320	4,138	1.11%
Federal Home Loan Bank advances	66,313	311	1.90%	74,771	243	1.32%
Subordinated debt	30,725	460	6.07%	30,619	463	6.13%
Total interest-bearings liabilities	1,800,172	8,182	1.84%	1,621,710	4,844	1.21%
Non-interest-bearing demand deposits	372,211			333,052		
Other liabilities	19,330			7,662		
Total Liabilities	2,191,713			1,962,424		
Stockholders' Equity	270,756			192,000		
Total Liabilities & Stockholders' Equity	$ 2,462,469			$ 2,154,424		
Net interest income and margin [5][6]		$ 21,666	3.67%		$ 19,438	3.77%

	Three Months Ended December 31, 2018		
	Average Balance[1]	Interest Income-Expense	Average Yields/ Rates
Assets			
Loans, net [2]	$ 2,026,586	$ 27,580	5.40%
Securities [3]	175,728	1,045	2.36%
Federal funds sold and other [4]	139,202	897	2.56%
Total interest-earnings assets	2,341,516	29,522	5.00%
Less: Allowance for loan losses	17,845		
Other assets	71,751		
Total Assets	$ 2,395,422		
Liabilities & Stockholders' Equity			
Interest-bearing deposits	$ 1,653,913	6,594	1.58%
Federal Home Loan Bank Advances	69,587	304	1.73%
Subordinated debt	30,699	466	6.02%
Total Interest bearing liabilities	1,754,199	7,364	1.67%
Non-interest-bearing demand deposits	372,326		
Other liabilities	7,652		
Total Liabilities	2,134,177		
Stockholders' Equity	261,245		
Total Liabilities & Stockholders' Equity	$ 2,395,422		
Net interest income and margin [5][6]		$ 22,158	3.75%

(1) Average balances are computed on a daily basis.
(2) Loans are presented net of average non-accrual loans for the period and unearned revenue.
(3) Includes securities available-for-sale.
(4) Includes federal funds sold, FHLB stock and interest-bearing deposits at other banks.
(5) Total interest income less total interest expense.
(6) Net interest margin is net interest income, expressed as a percentage of average interest-earning assets.

Revere Bank and Subsidiary
Average Balance Sheets, Interest and Rate
(dollars in thousands, except per share data)
(Unaudited)

	At or For the Three Months Ended		
	March 31, 2019	December 31, 2018	March 31, 2018
Per share Data and Shares Outstanding			
Earnings per share - basic	$ 0.63	$ 0.61	$ 0.66
Earnings per share - diluted	$ 0.62	$ 0.59	$ 0.63
Tangible book value per share (1)	$ 20.62	$ 19.84	$ 16.45
Weighted-average common shares - basic	11,848,394	11,808,265	9,910,792
Weighted-average common shares - diluted	12,183,897	12,162,327	10,392,706
Common shares outstanding at end of period	11,873,152	11,817,361	9,978,231
Performance Ratios			
Return on average assets (annualized)	1.24%	1.19%	1.23%
Return on average equity (annualized)	11.25%	10.95%	13.85%
Yield on interest-earning assets (annualized)	5.05%	5.00%	4.71%
Cost of interest-bearing liabilities (annualized)	1.84%	1.67%	1.21%
Net interest margin	3.67%	3.75%	3.77%
Efficiency ratio (2)	50.16%	50.61%	51.69%
Asset Quality			
Loans 30-89 days past due and accruing interest	$ 1,033	$ 793	$ 8,058
Loans 30-89 days past due and accruing interest to total assets	0.04%	0.03%	0.37%
Non-accrual loans	$ 2,009	$ 2,025	$ 1,880
Other real estate owned	$ —	$ —	$ —
Non-performing assets (3)	$ 2,009	$ 2,025	$ 1,880
Non-performing assets to total assets (3)	0.08%	0.08%	0.09%
Allowance for loan losses to total loans	0.91%	0.90%	0.84%
Allowance for loan losses to non-performing loans	970.0%	924.0%	839.4%
Net loan charge-offs (recoveries)	$ (8)	$ 147	$ (1)
Regulatory Capital Ratios			
Total risk-based capital ratio	13.60%	13.77%	11.25%
Tier 1 risk-based capital ratio	11.30%	11.40%	8.82%
Tier 1 leverage ratio	10.10%	10.03%	7.89%
Common equity tier 1 ratio	11.30%	11.40%	8.82%
Tangible common equity to total tangible assets ratio (1)	9.87%	9.67%	7.59%
Other Information			
Number of full time equivalent employees	235	226	215
# Full service branch offices	11	11	11

(1) Tangible common equity, tangible assets, tangible common equity to tangible assets and tangible book value per common share are non-GAAP financial measures. Tangible common equity is computed as total stockholders' equity excluding intangible assets and goodwill. Tangible assets is computed as total assets excluding intangible assets and goodwill. Tangible common equity to tangible assets is the ratio of tangible common equity to tangible assets. Tangible book value per common share is computed by dividing the total tangible common equity by the common shares issued and outstanding. The following tables provide a reconciliation of total stockholders' to tangible common equity and a reconciliation of total assets to tangible assets.

	At or For the Three Months Ended		
	March 31, 2019	December 31, 2018	March 31, 2018
Total stockholders' equity - GAAP	$ 275,074	$ 264,891	$ 195,135
Less:			
Goodwill	26,815	26,815	26,815
Core deposits intangible	3,449	3,627	4,159
Tangible stockholders' equity (non-GAAP)	$ 244,810	$ 234,449	$ 164,161
Total assets - GAAP	$ 2,510,251	$ 2,455,211	$ 2,192,638
Less:			
Goodwill	26,815	26,815	26,815
Core deposits intangible	3,449	3,627	4,159
Total tangible assets (non-GAAP)	$ 2,479,987	$ 2,424,769	$ 2,161,664
Tangible common equity to total tangible assets ratio (non-GAAP)	9.87%	9.67%	7.59%
Common shares outstanding	11,873,152	11,817,361	9,978,231
Tangible book value per share (non-GAAP)	$ 20.62	$ 19.84	$ 16.45

(2) Efficiency ratio is non-interest expense divided by the sum of net interest income and non-interest income.
(3) Non-performing assets consist of non-accrual loans, loans 90 days or more past due and still accruing interest, and other real estate owned.