



Revere Bank Announces Fourth Quarter and Annual 2018 Record Earnings – 2018 Net Income of \$27.6 Million Increased 69.8% Over 2017

Rockville, MD January 29, 2019 – Revere Bank (the “Bank”) (OTCQX: REVB) today reported record quarterly net income of \$7.21 million for the quarter ended December 31, 2018, a 161.1% increase compared to \$2.76 million for the quarter ended December 31, 2017 and a 2.9% increase over the quarter ended September 30, 2018. Pre-tax net income for the quarter ended December 31, 2018 was \$9.92 million, an increase of 16.7% compared to \$8.50 million for the quarter ended December 31, 2017. We believe pre-tax net income provides a better comparison to last year due to the impact of the Tax Cuts and Jobs Act (“Tax Act”), as discussed under the Earnings and Growth Highlights section.

Net income per basic common share for the fourth quarter of 2018 was \$0.61 compared to \$0.28 for the same period in 2017, an increase of 117.9%. Net income per diluted common share increased 118.5% to \$0.59 for the fourth quarter of 2018 compared to \$0.27 for the same period in 2017.

For the year ended December 31, 2018, net income was \$27.63 million, a 69.8% increase compared to \$16.27 million for the year ended December 31, 2017. Pre-tax net income increased 24.1% to \$37.05 million for the year ended December 31, 2018, from \$29.85 million for the year ended December 31, 2017. Net income per basic common share for the year ended December 31, 2018, was \$2.62 compared to \$1.67 for 2017, an increase of 56.9%. Net income per diluted common share increased 58.5% to \$2.52 for the year ended December 31, 2018, compared to \$1.59 for 2017.

Quarterly Highlights

- Pre-tax net income grew by 4.9% compared to the third quarter of 2018 and by 16.7% compared to the fourth quarter of 2017.
- Period end loans grew 14.9%, or \$270.1 million, compared to the fourth quarter of 2017, and grew 4.4%, or \$87.3 million, compared to the third quarter of 2018.
- Period end deposits grew 16.4%, or \$293.9 million, compared to the fourth quarter of 2017 and grew 7.1%, or \$138.6 million, compared to the third quarter of 2018. Core deposits, defined as total deposits excluding brokered deposits and listing services deposits, grew 8.0%, or \$149.8 million, compared to the third quarter of 2018. This increase includes approximately \$40.0 million of short term deposits that are expected to be withdrawn in the first quarter of 2019. As adjusted to eliminate the impact of these short term deposits, our fourth quarter 2018 growth of total and core deposits was 5.1% and 5.9%, respectively, compared to the third quarter of 2018.

Drew Flott, Co-President and CEO, said, “We are proud of our growth and increased earnings especially when comparing pre-tax net income, the best apples-to-apples comparison of our year-over-year performance. We continue to be optimistic about our future.”

Ken Cook, Co-President and CEO, added, “Our strong earnings momentum continued on both a year-over-year and a linked quarter basis, complemented by continued outstanding credit quality. Robust balance sheet growth throughout 2018, but particularly in the fourth quarter, has set the stage for continued healthy income growth in 2019.”

Earnings and Growth Highlights

<i>In thousands, except per share data</i>	4Q 2018	3Q 2018	4Q 2017	YTD 2018	YTD 2017
Pre-tax income	\$ 9,917	\$ 9,451	\$ 8,499	\$ 37,052	\$ 29,849
Net Income	7,212	7,006	2,762	27,627	16,271
EPS	0.61	0.68	0.28	2.62	1.67
Diluted EPS	0.59	0.65	0.27	2.52	1.59
Loans	\$ 2,084,806	\$ 1,997,511	\$ 1,814,692		
Deposits	2,088,967	1,950,385	1,795,092		

Fourth quarter net income increased \$4.45 million, or 161.1%, compared to the fourth quarter of 2017, driven by stronger pre-tax earnings and a lower tax rate in 2018 and the negative impact of the \$2.41 million one-time deferred tax charge related to the Tax Act taken during the fourth quarter of 2017. Pre-tax net income, a more comparable metric, increased \$1.42 million, or 16.7%, compared to the quarter ended December 31, 2017, primarily driven by a 17.1% increase in net interest income. Net income increased \$206 thousand, or 2.9%, compared to the third quarter of 2018 also driven by net interest income growth. The fourth quarter diluted EPS declined compared to the third quarter of 2018, despite higher earnings, due to the incremental shares from the late third quarter capital raise being outstanding for the entire period. Compared to the prior year quarter, EPS increased significantly due to strong pre-tax net income growth and the previously discussed impacts of the Tax Act.

For the year ended December 31, 2018, net income increased \$11.36 million, or 69.8%, compared to 2017. The change in year-to-date net income was similarly impacted by a lower tax rate in 2018 and the one-time deferred tax charge in the fourth quarter of 2017 related to the Tax Act. During the year diluted EPS increased \$0.93 per share, or 58.5%, as a result of increased pre-tax net income and a decrease in tax expense, as previously mentioned.

The Bank's continued earnings growth is driven by strong loan and deposit growth. As of December 31, 2018, loans were \$2.08 billion, an increase of 4.4% compared to loans of \$2.00 billion as of September 30, 2018, and an increase of 14.9% compared to loans of \$1.81 billion as of December 31, 2017. Deposits increased 7.1% to \$2.09 billion as of December 31, 2018, compared to \$1.95 billion as of September 30, 2018, and increased 16.4% compared to \$1.80 billion as of December 31, 2017.

Income Statement Review

Net interest income

<i>In thousands</i>	4Q 2018	3Q 2018	4Q 2017	YTD 2018	YTD 2017
Interest income	\$ 29,522	\$ 27,403	\$ 23,466	\$ 106,973	\$ 88,388
Interest expense	7,364	6,559	4,543	24,131	16,533
Net interest income	\$ 22,158	\$ 20,844	\$ 18,923	\$ 82,842	\$ 71,855
Yield on interest-earning assets	5.00%	4.85%	4.66%	4.87%	4.62%
Cost of interest-bearing liabilities	1.67%	1.51%	1.16%	1.44%	1.10%
Net Interest margin	3.75%	3.69%	3.76%	3.77%	3.76%

Our net interest income continues to grow and drive increased earnings. Fourth quarter net interest income increased 17.1% compared to the same period last year and 6.3% compared to the prior quarter. Net interest income for the year increased 15.3% compared to last year. Interest income increased for all periods from a combination of strong loan growth and increasing yields on interest-earning assets. Similarly, interest expense has increased due to the competitive rate environment as well as the increased volume of deposits used to fund loan growth.

On a year-to-date basis our net interest margin increased by one basis point from last year to 3.77%. Our current quarter's net interest margin increased six basis points from the prior quarter and decreased one basis point compared to the same

period last year. Our net interest margin has normalized compared to the prior period as we have deployed the funds from the CD campaign and capital raise that took place during the third quarter. Although our loan portfolio is positioned to respond well in a rising rate environment, with approximately one third of our portfolio maturing or repricing within one year, the increasing cost of interest-bearing liabilities outpaced the increases in our interest-earning assets during the year and has continued to put pressure on our net interest margin. This has been partially mitigated by the successful growth in our non-interest bearing deposits of 13.9% in 2018. As always our focus remains on maintaining the net interest margin and the quality of our loan portfolio.

Provision for Loan Losses

For the fourth quarter of 2018, the provision for loan losses increased \$693 thousand and \$687 thousand compared to the third quarter of 2018 and fourth quarter of 2017, respectively. For the year ended December 31, 2018, the provision increased \$930 thousand compared to the prior year. The increase in our provision for the fourth quarter of 2018 and for the year was in line with loan growth during the respective periods.

Non-interest income and Non-interest expense

<i>Dollars in thousands</i>	4Q 2018	3Q 2018	4Q 2017	YTD 2018	YTD 2017
Non-interest income	\$ 632	\$ 425	\$ 518	\$ 2,245	\$ 2,128
Non-interest expense	\$ 11,535	\$ 11,173	\$ 10,291	\$ 43,946	\$ 40,975
Efficiency ratio	50.61%	52.53%	52.93%	51.65%	55.38%

Non-interest income was \$632 thousand for the fourth quarter, an increase of \$114 thousand, or 22.0%, compared to the fourth quarter of 2017, and \$207 thousand, or 48.7%, compared to the third quarter of 2018. For the year ended December 31, 2018, total non-interest income increased by 5.5% to \$2.25 million, compared to \$2.13 million for the year ended December 31, 2017. A \$141 thousand recovery received during the fourth quarter of 2018, related to an acquired loan, caused the increase compared to all reported periods.

Non-interest expense increased by \$1.24 million, or 12.1%, in the fourth quarter compared to the same period last year. The year-over-year increase was driven by higher salaries and benefits expense, partially offset by lower FDIC premiums due to our stronger capital position. Compared to the third quarter of 2018, non-interest expense increased \$362 thousand, or 3.2%, primarily driven by an increase in salaries and benefits and partially offset by decreases in legal and professional fees and lower FDIC premiums due to our stronger capital position.

For the year, non-interest expense increased \$2.97 million, or 7.3%, to \$43.95 million, compared to \$40.98 million during the year ended 2017. The year-to-date increase was also primarily the result of an increase in salaries and benefits due to an increase in the number of employees to support our continued growth and the initiation of a brand identity marketing campaign that began during the third quarter of 2018.

During the fourth quarter our efficiency ratio improved to 50.61% compared to 52.93% in the same period last year and improved for the year ended December 31, 2018, to 51.65% from 55.38% for 2017. The improvement is primarily due to strong net interest income growth, continued economies of scale as we continue to grow, and to a lesser extent, a reduction in acquisition expense compared to the prior year. Compared to the prior quarter our efficiency ratio improved to 50.61% from 52.53% primarily due to an increase in net interest income.

Performance Ratios

	4Q 2018	3Q 2018	4Q 2017
Return on average assets (annualized)	1.19%	1.21%	0.52%
Return on average equity (annualized)	10.95%	13.00%	5.78%

Return on average assets and return on average equity increased 67 basis points and 517 basis points, respectively, during the quarter compared to the same period last year. These increases for the fourth quarter over the prior year period were primarily driven by increased earnings and the impact of the Tax Act, as previously discussed. Return on average assets effectively remained unchanged quarter over quarter. Return on average equity declined by 205 basis points quarter over quarter as a result of our capital raise late in the third quarter. We expect our return on equity to normalize once we have fully deployed our new capital.

Balance Sheet Review

<i>Dollars in thousands</i>	At the period ended		
	Dec. 2018	Sep. 2018	Dec. 2017
Assets	\$ 2,455,211	\$ 2,317,700	\$ 2,098,845
Loans	2,084,806	1,997,511	1,814,692
Deposits	2,088,967	1,950,385	1,795,092
FHLB borrowings	63,456	74,594	77,827
Stockholders' equity	264,891	255,905	188,277

Asset growth from December 31, 2017, to December 31, 2018, was \$356.4 million, or 17.0%, and was driven primarily by loan growth, and to a lesser extent increases in cash and due from banks and securities available-for-sale. Assets increased \$137.5 million compared to the prior quarter, or 5.9%, also due to loan growth and increases in cash and due from banks and securities available-for-sale.

Loans increased \$270.1 million, or 14.9%, compared to December 31, 2017, driven primarily by an increase in commercial real estate loans and commercial loans. Compared to September 30, 2018, loans increased \$87.3 million, or 4.4%, primarily due to commercial real estate loan growth.

Deposits increased \$293.9 million, or 16.4%, and \$138.6 million, or 7.1%, compared to December 31, 2017 and September 30, 2018, respectively. As previously mentioned this increase includes approximately \$40.0 million of short term deposits that are expected to be withdrawn during the first quarter of 2019. As adjusted to eliminate the impact of these short term deposits, deposit growth was 14.1% compared to December 31, 2017, and 5.1% compared to September 30, 2018. The increases for both periods are primarily due to increases in CD and money market deposits. Our non-interest bearing deposits grew by 13.9% compared to December 31, 2017, and by 4.4% compared to September 30, 2018.

Stockholders' equity increased \$76.6 million, or 40.7% compared to December 31, 2017. The very strong equity growth compared to last year was achieved through record earnings for the year and a successful capital raise that yielded \$44.1 million in net capital through the issuance of 1.61 million common shares. Stockholders' equity increased by \$9.0 million, or 3.5%, compared to September 30, 2018, driven primarily by record earnings for the fourth quarter of 2018.

The Bank's capital ratios remain well above regulatory guidelines for well-capitalized banks. As of December 31, 2018, the Bank's total risk-based capital ratio and tier 1 leverage ratio were 13.77% and 10.03%, respectively, compared to 11.21% and 7.75%, respectively, as of December 31, 2017. As of December 31, 2018, the Bank's tangible equity to total tangible assets ratio was 9.67% compared to 7.60% as of December 31, 2017.

As of December 31, 2018, the Bank's tangible book value per share was \$19.84, up 24.5% compared to \$15.94 as of December 31, 2017. The increase in tangible book value per share was due to strong earnings per share plus approximately \$1.41 per share accretion from the capital raise.

Asset Quality Review

<i>Dollars in thousands</i>	At or for the three months ended		
	Dec. 2018	Sep. 2018	Dec. 2017
Non-performing assets	\$ 2,025	\$ 1,809	\$ 2,206
Non-performing assets to total assets	0.08%	0.08%	0.11%
Loans 30-89 days past due and still accruing interest	\$ 793	\$ 1,177	\$ 575
Loans 30-89 days past due and still accruing interest to total assets	0.03%	0.05%	0.03%
Quarterly net charge-offs (recoveries)	\$ 147	\$ -	\$ 265

Asset quality continues to remain very strong. As of December 31, 2018, non-performing assets as a percentage of total assets remained flat at 0.08% compared to September 30, 2018, and decreased from 0.11% at December 31, 2017. The decrease compared to last year was driven by a decline in non-performing assets as well as an increase in total assets.

Loans 30-89 days past due and still accruing interest decreased \$384 thousand compared to the prior period and increased \$218 thousand compared to the same period last year. The Bank had \$147 thousand of net charge-offs in the fourth quarter of 2018, compared to \$265 thousand of net charge-offs in the fourth quarter of 2017, and compared to no net charge-offs in the third quarter of 2018. For the year ended December 31, 2018, the Bank reported \$204 thousand in net charge-offs compared to net charge-offs of \$550 thousand during 2017.

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
Consolidated Balance Sheets
(dollars in thousands)

	Dec. 31, 2018	Sep. 30, 2018	Dec. 31, 2017
	(Unaudited)	(Unaudited)	(Audited)
Assets			
Cash and due from banks	\$ 136,442	\$ 104,740	\$ 70,730
Federal funds sold	-	12	12
Total cash and cash equivalents	<u>136,442</u>	<u>104,752</u>	<u>70,742</u>
Interest-bearing deposits with banks	-	-	1,470
Securities available-for-sale, at fair value	187,558	167,911	163,226
Equity securities, at cost	4,698	5,230	5,150
Loans	2,084,806	1,997,511	1,814,692
Less allowance for loan losses	<u>18,712</u>	<u>17,521</u>	<u>14,827</u>
Loans, net	<u>2,066,094</u>	<u>1,979,990</u>	<u>1,799,865</u>
Premises and equipment, net	4,283	4,169	4,227
Accrued interest receivable	6,854	6,556	5,868
Deferred tax assets	6,397	6,528	5,233
Bank owned life insurance	10,902	10,842	10,664
Goodwill	26,815	26,815	26,815
Core deposit intangibles	3,627	3,804	4,337
Other assets	1,541	1,103	1,248
Total Assets	<u><u>\$ 2,455,211</u></u>	<u><u>\$ 2,317,700</u></u>	<u><u>\$ 2,098,845</u></u>
Liabilities and Stockholders' Equity			
Liabilities			
Deposits:			
Non-interest-bearing demand	\$ 368,063	\$ 352,560	\$ 323,149
Interest-bearing	<u>1,720,904</u>	<u>1,597,825</u>	<u>1,471,943</u>
Total Deposits	<u>2,088,967</u>	<u>1,950,385</u>	<u>1,795,092</u>
Federal Home Loan Bank advances	63,456	74,594	77,827
Subordinated debt, net	30,715	30,690	30,607
Accrued interest payable	1,320	791	929
Other liabilities	<u>5,862</u>	<u>5,335</u>	<u>6,113</u>
Total Liabilities	<u><u>2,190,320</u></u>	<u><u>2,061,795</u></u>	<u><u>1,910,568</u></u>
Stockholders' Equity			
Common stock, par value \$5 per share; 30,000,000 shares authorized; shares issued and outstanding of 11,817,361 for December 2018, 11,803,007 for September 2018, and 9,854,488 for December 2017	59,087	59,015	49,272
Surplus	145,076	144,538	104,921
Retained earnings	62,878	55,473	35,060
Accumulated other comprehensive loss	<u>(2,150)</u>	<u>(3,121)</u>	<u>(976)</u>
Total Stockholders' Equity	<u><u>264,891</u></u>	<u><u>255,905</u></u>	<u><u>188,277</u></u>
Total Liabilities and Stockholders' Equity	<u><u>\$ 2,455,211</u></u>	<u><u>\$ 2,317,700</u></u>	<u><u>\$ 2,098,845</u></u>

Revere Bank
Consolidated Income Statements
(dollars in thousands, except per share data)
(Unaudited)

	Three Months Ended			Twelve Months Ended	
	Dec. 31, 2018	Sep. 30, 2018	Dec. 31, 2017	Dec. 31, 2018	Dec. 31, 2017
Interest Income					
Loans, including fees	\$ 27,580	\$ 25,933	\$ 22,467	\$ 101,243	\$ 84,590
Securities	1,045	929	808	3,691	2,965
Federal funds sold and other	897	541	191	2,039	833
Total Interest Income	<u>29,522</u>	<u>27,403</u>	<u>23,466</u>	<u>106,973</u>	<u>88,388</u>
Interest Expense					
Deposits	6,594	5,625	3,802	20,972	13,691
Borrowed funds	304	471	279	1,304	1,001
Subordinated debt	466	463	462	1,855	1,841
Total Interest Expense	<u>7,364</u>	<u>6,559</u>	<u>4,543</u>	<u>24,131</u>	<u>16,533</u>
Net Interest Income	22,158	20,844	18,923	82,842	71,855
Provision for Loan Losses	1,338	645	651	4,089	3,159
Net interest income after provision for loan losses	<u>20,820</u>	<u>20,199</u>	<u>18,272</u>	<u>78,753</u>	<u>68,696</u>
Non-interest income					
Service charges on deposits	328	254	219	1,071	921
Other non-interest income	244	136	239	962	967
Disposal of premises and equipment	-	(26)	-	(26)	(2)
Earnings on bank owned life insurance	60	61	60	238	242
Total Non-interest income	<u>632</u>	<u>425</u>	<u>518</u>	<u>2,245</u>	<u>2,128</u>
Non-Interest Expense					
Salaries and employee benefits	7,947	7,265	6,601	29,120	26,499
Occupancy and equipment	1,007	988	1,090	3,927	4,065
Legal and professional fees	176	388	331	1,257	1,041
Advertising	322	430	307	1,200	765
Data processing	627	657	585	2,515	2,397
FDIC premiums	118	330	368	1,147	1,544
Merger and acquisitions costs	-	-	25	-	584
Core deposit intangible amortization	177	178	177	710	710
Other	1,161	937	807	4,070	3,370
Total Non-interest expense	<u>11,535</u>	<u>11,173</u>	<u>10,291</u>	<u>43,946</u>	<u>40,975</u>
Income before income taxes	9,917	9,451	8,499	37,052	29,849
Income Tax Expense	2,705	2,445	5,737	9,425	13,578
Net Income	<u>\$ 7,212</u>	<u>\$ 7,006</u>	<u>\$ 2,762</u>	<u>\$ 27,627</u>	<u>\$ 16,271</u>
Basic earnings per common share	\$ 0.61	\$ 0.68	\$ 0.28	\$ 2.62	\$ 1.67
Diluted earnings per common share	\$ 0.59	\$ 0.65	\$ 0.27	\$ 2.52	\$ 1.59

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

	Three Months Ended December 31, 2018			Three Months Ended December 31, 2017		
	Average Balance ⁽¹⁾	Interest Income- Expense	Average Yields/ Rates	Average Balance ⁽¹⁾	Interest Income- Expense	Average Yields/ Rates
Assets						
Loans, net ⁽²⁾	\$ 2,026,586	\$ 27,580	5.40%	\$ 1,788,400	\$ 22,467	4.98%
Securities ⁽³⁾	175,728	1,045	2.36%	164,616	808	1.95%
Federal funds sold and other ⁽⁴⁾	139,202	897	2.56%	45,035	191	1.68%
Total interest-earnings assets	<u>2,341,516</u>	<u>29,522</u>	5.00%	<u>1,998,051</u>	<u>23,466</u>	4.66%
Less: Allowance for loan losses	17,845			14,808		
Other assets	71,751			108,837		
Total Assets	<u>\$ 2,395,422</u>			<u>\$ 2,092,080</u>		
Liabilities & Stockholders' Equity						
Interest-bearing deposits	\$ 1,653,913	6,594	1.58%	\$ 1,441,802	3,802	1.05%
Federal Home Loan Bank advances	69,587	304	1.73%	86,700	279	1.28%
Subordinated debt	30,699	466	6.02%	30,594	462	5.99%
Other borrowed funds	-	-	0.00%	-	-	0.00%
Total interest-bearing liabilities	<u>1,754,199</u>	<u>7,364</u>	1.67%	<u>1,559,096</u>	<u>4,543</u>	1.16%
Non-interest-bearing demand deposits	372,326			335,913		
Other liabilities	7,652			7,436		
Total Liabilities	<u>2,134,177</u>			<u>1,902,445</u>		
Stockholders' Equity	261,245			189,635		
Total Liabilities & Stockholders' Equity	<u>\$ 2,395,422</u>			<u>\$ 2,092,080</u>		
Net interest income and margin ⁽⁵⁾⁽⁶⁾		<u>\$ 22,158</u>	3.75%		<u>\$ 18,923</u>	3.76%

	Three Months Ended September 30, 2018		
	Average Balance ⁽¹⁾	Interest Income- Expense	Average Yields/ Rates
Assets			
Loans, net ⁽²⁾	\$ 1,969,777	\$ 25,933	5.22%
Securities ⁽³⁾	166,094	929	2.22%
Federal funds sold and other ⁽⁴⁾	106,801	541	2.01%
Total interest-earnings assets	<u>2,242,672</u>	<u>27,403</u>	4.85%
Less: Allowance for loan losses	17,180		
Other assets	70,342		
Total Assets	<u>\$ 2,295,834</u>		
Liabilities & Stockholders' Equity			
Interest-bearing deposits	\$ 1,589,091	5,625	1.40%
Federal Home Loan Bank Advances	100,253	471	1.86%
Subordinated debt	30,673	463	5.99%
Other borrowed funds	-	-	0.00%
Total interest-bearing liabilities	<u>1,720,017</u>	<u>6,559</u>	1.51%
Non-interest-bearing demand deposits	355,627		
Other liabilities	6,359		
Total Liabilities	<u>2,082,003</u>		
Stockholders' Equity	213,831		
Total Liabilities & Stockholders' Equity	<u>\$ 2,295,834</u>		
Net interest income and margin ⁽⁵⁾⁽⁶⁾		<u>\$ 20,844</u>	3.69%

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

	Twelve Months Ended December 31, 2018			Twelve Months Ended December 31, 2017		
	Average Balance ⁽¹⁾	Interest Income- Expense	Average Yields/ Rates	Average Balance ⁽¹⁾	Interest Income- Expense	Average Yields/ Rates
Assets						
Loans, net ⁽²⁾	\$ 1,938,864	\$ 101,243	5.22%	\$ 1,698,458	\$ 84,590	4.98%
Securities ⁽³⁾	167,162	3,691	2.21%	155,955	2,965	1.90%
Federal funds sold and other ⁽⁴⁾	92,532	2,039	2.20%	58,594	833	1.42%
Total interest-earning assets	2,198,558	106,973	4.87%	1,913,007	88,388	4.62%
Less: Allowance for loan losses	16,598			13,660		
Other assets	75,861			106,933		
Total Assets	\$ 2,257,821			\$ 2,006,280		
Liabilities & Stockholders' Equity						
Interest-bearing deposits	\$ 1,569,552	20,972	1.34%	\$ 1,389,169	13,691	0.99%
Federal Home Loan Bank advances	80,652	1,304	1.62%	86,927	1,001	1.15%
Subordinated debt	30,660	1,855	6.05%	30,557	1,841	6.02%
Other borrowed funds	-	-	0.00%	1	-	1.30%
Total interest-bearing liabilities	1,680,864	24,131	1.44%	1,506,654	16,533	1.10%
Non-interest-bearing demand deposits	352,485			312,239		
Other liabilities	7,413			6,804		
Total Liabilities	2,040,762			1,825,697		
Stockholders' Equity	217,059			180,583		
Total Liabilities & Stockholders' Equity	\$ 2,257,821			\$ 2,006,280		
Net interest income and margin ^{(5) (6)}		\$ 82,842	3.77%		\$ 71,855	3.76%

(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
Financial Highlights
(dollars in thousands, except share data)
(Unaudited)

	At or For the Three Months Ended			At or For the Twelve Months Ended	
	12/31/2018	9/30/2018	12/31/2017	12/31/2018	12/31/2017
Per share Data and Shares Outstanding					
Earnings per share - basic	\$ 0.61	\$ 0.68	\$ 0.28	\$ 2.62	\$ 1.67
Earnings per share - diluted	\$ 0.59	\$ 0.65	\$ 0.27	\$ 2.52	\$ 1.59
Tangible book value per share ⁽¹⁾	\$ 19.84	\$ 19.09	\$ 15.94	\$ 19.84	\$ 15.94
Weighted-average common shares - basic	11,808,265	10,329,900	9,830,501	10,529,804	9,736,916
Weighted-average common shares - diluted	12,162,327	10,705,221	10,353,288	10,943,945	10,235,304
Common shares outstanding at end of period	11,817,361	11,803,007	9,854,488	11,817,361	9,854,488
Performance Ratios					
Return on average assets (annualized)	1.19%	1.21%	0.52%	1.22%	0.81%
Return on average equity (annualized)	10.95%	13.00%	5.78%	12.73%	9.01%
Yield on interest-earning assets (annualized)	5.00%	4.85%	4.66%	4.87%	4.62%
Cost of interest-bearing liabilities (annualized)	1.67%	1.51%	1.16%	1.44%	1.10%
Net interest margin (annualized)	3.75%	3.69%	3.76%	3.77%	3.76%
Efficiency ratio ⁽²⁾	50.61%	52.53%	52.93%	51.65%	55.38%
Asset Quality					
Loans 30-89 days past due and accruing interest	\$ 793	\$ 1,177	\$ 575	\$ 793	\$ 575
Loans 30-89 days past due and accruing interest to total assets	0.03%	0.05%	0.03%	0.03%	0.03%
Non-accrual loans	\$ 2,025	\$ 1,809	\$ 2,206	\$ 2,025	\$ 2,206
Other real estate owned	\$ -	\$ -	\$ -	\$ -	\$ -
Non-performing assets ⁽³⁾	\$ 2,025	\$ 1,809	\$ 2,206	\$ 2,025	\$ 2,206
Non-performing assets to total assets ⁽³⁾	0.08%	0.08%	0.11%	0.08%	0.11%
Allowance for loan losses to total loans	0.90%	0.88%	0.82%	0.90%	0.82%
Allowance for loan losses to non-performing loans	9.2	9.7	6.7	9.2	6.7
Net loan charge-offs (recoveries)	\$ 147	\$ -	\$ 265	\$ 204	\$ 550
Regulatory Capital Ratios					
Total risk-based capital ratio	13.77%	13.85%	11.21%	13.77%	11.21%
Tier 1 risk-based capital ratio	11.40%	11.45%	8.73%	11.40%	8.73%
Tier 1 leverage ratio	10.03%	10.11%	7.75%	10.03%	7.75%
Common equity tier 1 ratio	11.40%	11.45%	8.73%	11.40%	8.73%
Tangible stockholders' equity to tangible assets ⁽¹⁾	9.67%	9.85%	7.60%	9.67%	7.60%
Other Information					
Number of full time employees	226	229	205	226	205
# Full service branch offices	11	11	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.

	12/31/2018	9/30/2018	12/31/2017
Total stockholders' equity - GAAP	\$ 264,891	\$ 255,905	\$ 188,277
Less:			
Goodwill	26,815	26,815	26,815
Core deposits intangible	3,627	3,804	4,337
Tangible stockholders' equity (non-GAAP)	<u>\$ 234,449</u>	<u>\$ 225,286</u>	<u>\$ 157,125</u>
Total assets - GAAP	2,455,211	2,317,700	2,098,845
Less:			
Goodwill	26,815	26,815	26,815
Core deposits intangible	3,627	3,804	4,337
Total tangible assets (non-GAAP)	<u>\$ 2,424,769</u>	<u>\$ 2,287,081</u>	<u>\$ 2,067,693</u>
Tangible common equity to total tangible assets ratio (non-GAAP)	<u>9.67%</u>	<u>9.85%</u>	<u>7.60%</u>
Common shares outstanding	11,817,361	11,803,007	9,854,488
Tangible book value per share (non-GAAP)	<u>\$ 19.84</u>	<u>\$ 19.09</u>	<u>\$ 15.94</u>

(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.