REVERE BANK

October 30, 2015

Dear Fellow Shareholder:

We are pleased to report continued strong third quarter and year-to-date results. These include a significant increase in net income, continued solid credit metrics and substantial loan and deposit growth. Net income for the third quarter was $1.62 million representing a 37.4% increase over last year's third quarter and a 6.2% increase over the second quarter's net income. The linked quarterly income growth occurred despite a 78.6% increase in the loan loss provision expense. This marks our 19th consecutive quarter of profitability. Year-to-date net income was $4.56 million or 44.7% higher than the $3.15 million earned during the same period of 2014. Last week we announced our planned merger with and acquisition of BlueRidge Bank. We'll comment more on that news following the detailed financial discussion below.

Key Performance Highlights:

- Total assets at September 30, 2015 increased by 33.1% to $794.8 million as compared to $597.0 million as of September 30, 2014.
- Total loans at September 30, 2015 increased by 33.2% or $176.6 million since September 30, 2014 and 7.8% or $51.3 million in the third quarter. Our loan pipeline is substantial and current momentum is strong.
- Total deposits increased by 28.0% or $146.4 million since September 30, 2014 and 5.8% or $36.5 million during the third quarter.
- The bank's year-to-date net interest margin was 3.95% compared to 4.02% for the same period of 2014 and was 3.89% in the third quarter versus 3.93% in the second quarter. These decreases are reflective of industry wide margin compression being experienced in this continued low interest rate environment. We are experiencing loan pricing pressure and more competition on most new deals. Even so, our net interest margin compares favorably to our peer group.
- Net interest income, the bank's main source of income, increased 33.5% or $5.2 million versus the same period of 2014, and 6.3% or $433 thousand on a linked quarter basis–both as a result of very strong loan growth during the respective periods.
- Non-interest expense increased by 27.8% or $2.76 million compared to the same period last year. These increased operating expenses are appropriate relative to our significant asset growth during the past 12 months.
- The bank's year-to-date efficiency ratio improved to 58.96% from 61.42% during the same period last year. On a linked quarter basis our efficiency ratio improved to 56.67% from 59.70%.
- Credit quality remains very strong. Charge-offs during the quarter were $204 thousand (0.03% of period-end loans), and there were no loans past due more than 30 days or more at quarter-end. Non-accrual loans at September 30th totaled $1.72 million. The resulting ratio of non-performing assets to total assets stood at 0.22% at quarter-end and remains among the best in the industry. The allowance for loan losses was 1.17% of loans outstanding at quarter-end compared to 1.27% as of September 30, 2014.

- The bank remains "Well Capitalized" at quarter-end with a leverage ratio of 9.38% and a total risk-based capital ratio of 12.24%.
- Our year-to-date earnings per share (EPS) increased 25.6% to $0.92 for the first three quarters of the year from $0.73 for the same period last year. EPS increased by $0.01 on a linked quarter basis. Earnings are now spread over an additional one million shares issued in the first half of this year.
- A detailed profit and loss statement and balance sheet are attached to this letter.

As noted above, on October 19th we announced the planned merger with and acquisition of BlueRidge Bank. The transaction is expected to be accretive to both EPS and tangible book value per share within the first year after close. In other words, this is a good transaction for our shareholders. Additionally, this is a strong market deal as the majority of BlueRidge's business clients are along the I-270 Corridor which starts in Montgomery County, MD and heads due north to Frederick County where BlueRidge is headquartered. We expect the combined banks' clients to benefit from a significantly higher lending capacity as well as additional branch and service convenience. You should have received a copy of the press release last week. It is also posted on our website (www.RevereBank.com) in the Investor Relations section.

Before we close the letter we want to note that loan demand continues to outpace core deposit growth and we would appreciate any deposits and deposit referrals you may have. To help drive deposits we have just introduced a special, limited time **Money Market Account** featuring a **1.0% APY** on new money for the next six months. This is a very attractive offer and we encourage you, your contacts, and friends and family to take advantage of it. Contact your banking officer or any of our branches for additional information.

Our journey of building a great bank continues and we remain very optimistic about the future. Thank you for your support and we welcome your comments anytime.

Sincerely,

Drew

Andrew F. Flott

Co-President & CEO
Office: (240) 264-5340
Cell: (301) 980-6030
Andrew.Flott@RevereBank.com

Ken

Kenneth C. Cook

Co-President & CEO
Office: (240) 264-5372
Cell: (301) 980-7507
Kenneth.Cook@RevereBank.com

REVERE BANK

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

	Nine Months Ended			Quarter Ended				
	09/30/15	09/30/14		09/30/15	06/30/15		09/30/14	
Operating Results			YoY Δ			LQ Δ		QoQ Δ
Net Interest Income	$ 20,839	$ 15,611	33.5%	$ 7,309	$ 6,876	6.3%	$ 5,704	28.1%
Provision for Loan Loss	1,325	992	33.6%	$ 625	$ 350	78.6%	$ 430	45.3%
Net Interest Income after Provision	19,514	14,619	33.5%	$ 6,684	$ 6,526	2.4%	$ 5,274	26.7%
Non-Interest Income	669	542	23.4%	$ 275	$ 220	25.1%	$ 174	57.9%
Non-Interest Expense	12,681	9,921	27.8%	$ 4,298	$ 4,236	1.4%	$ 3,551	21.0%
Pretax Net Income	7,502	5,240	43.2%	$ 2,661	$ 2,510	6.0%	$ 1,897	40.3%
Income Tax Expense	2,945	2,092	40.8%	$ 1,045	$ 988	5.8%	$ 721	45.1%
Net Income	$ 4,557	$ 3,148	44.7%	$ 1,616	$ 1,522	6.2%	$ 1,176	37.4%
Per-Share Data								
Earnings per share	$ 0.92	$ 0.73	25.6%	$ 0.30	$ 0.29	2.6%	$ 0.27	10.7%
Earnings per share - diluted	$ 0.88	$ 0.72	22.2%	$ 0.29	$ 0.28	3.6%	$ 0.27	7.4%
Book value per share	$ 13.45	$ 11.47	17.3%	$ 13.45	$ 13.07	2.9%	$ 11.47	17.3%
Selected Balance Sheet Data								
Loans	$ 708,512	$ 531,955	33.2%	$ 708,512	$ 657,236	7.8%	$ 531,955	33.2%
Assets	$ 794,843	$ 596,972	33.1%	$ 794,843	$ 748,699	6.2%	$ 596,972	33.1%
Deposits	$ 668,634	$ 522,185	28.0%	$ 668,634	$ 632,137	5.8%	$ 522,185	28.0%
Stockholders' equity	$ 71,926	$ 49,387	45.6%	$ 71,926	$ 69,826	3.0%	$ 49,387	45.6%
Performance Ratios			BP			BP		
Return on Average Assets (annualized)	0.84%	0.79%	6	0.84%	0.85%	(1)	0.81%	3
Return on Average Equity (annualized)	9.55%	8.79%	76	8.98%	9.09%	(10)	9.48%	(50)
Net Interest Margin	3.95%	4.02%	(7)	3.89%	3.93%	(4)	4.05%	(16)
Net Interest Yield	3.86%	3.90%	(5)	3.80%	3.83%	(3)	3.94%	(14)
Efficiency Ratio	58.96%	61.42%	(246)	56.67%	59.70%	(303)	60.41%	(374)
Credit Quality Ratios								
Loans past due more than 30 days to total loans	0.00%	0.01%	(1)	0.00%	0.00%	-	0.01%	(1)
Non accrual loans to total loans	0.24%	0.18%	6	0.24%	0.30%	(6)	0.18%	6
Allowance for loan loss to total loans	1.17%	1.27%	(10)	1.17%	1.20%	(3)	1.27%	(10)
Non performing assets to total assets	0.22%	0.16%	6	0.22%	0.26%	(5)	0.16%	6
Net charge-offs to total loans	0.03%	0.01%	2	0.03%	0.00%	3	0.00%	3
Regulatory Capital ratios								
Core capital (leverage) ratio	9.38%	8.56%	82	9.38%	9.70%	(32)	8.56%	82
Common equity tier 1 ratio	10.99%	N/A	-	10.99%	11.52%	-	N/A	-
Tier 1 risk-based capital ratio	10.99%	9.47%	152	10.99%	11.52%	(53)	9.47%	152
Total risk-based capital ratio	12.24%	10.72%	152	12.24%	12.77%	(53)	10.72%	152
Number of Employees	98	83	18.1%	98	98	0.0%	83	

REVERE BANK

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 potentially dilutive common shares under the Treasury Stock Method
Book value per share	Stockholders' equity divided by shares outstanding
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
Net charge-offs to total loans	Gross loan charge-offs less recoveries as a percentage of average YTD loans
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
QoQ Δ	Current quarter compared to the same quarter last year
BP	Basis point - A basis point is equivalent to 1 one hundred of 1 percent.