2017 Annual Report

April 18, 2018

To Our Shareholders:

2017 marked our 10th year of operations and was one of great accomplishment as FVCBankcorp, Inc. (the "Company") surpassed $1 billion in total assets and again achieved record earnings. As we continue to see increases in market share and franchise value, we are well positioned to continue our growth trajectory by focusing on our core strengths into 2018. I am pleased to share our 2017 financial performance with you.

The Company reported consolidated operating earnings of $9.7 million, or $0.84 diluted earnings per share, for the year ended December 31, 2017, compared to $6.9 million, or $0.63 diluted earnings per share, for the 2016 period. This represents a 40% growth in operating earnings year over year. The Company's 2017 operating earnings exclude the impact of a $2.0 million write down in its deferred tax asset as a result of the enactment of the Tax Cuts and Jobs Act ("TCJA") in December 2017. Including the write down, net income per generally accepted accounting principles ("GAAP") for the year ended December 31, 2017 is $7.7 million, or $0.67 per diluted share.

On an operating basis, excluding the impact of the TCJA, return on average assets was 1.01% and return on average equity was 10.88% for the year ended December 31, 2017. On a GAAP basis, the Company reported return on average assets of 0.80% and return on average equity of 8.64% for the year ended December 31, 2017, compared to a return on average assets of 0.88% and return on average equity of 8.91% for 2016.

Total assets increased to $1.05 billion compared to $909.3 million as of December 31, 2017 and 2016, respectively, an increase of $144 million, or 16%. The Company's focus on its relationship banking strategy has resulted in increases in its loans receivable portfolio and total deposits. Loans receivable, net of deferred fees, totaled $888.7 million as of December 31, 2017, compared to $768.1 million as of December 31, 2016, a year over year increase of $121 million, or 16%.

Total deposits increased to $928.2 million as of December 31, 2017 compared to $776.0 million as of December 31, 2016, an increase of $152 million, or 20%. The Company's increase in deposits is a result of several successful targeted promotions to continue its growth in core deposits. Noninterest-bearing deposits increased 6% to $175.4 million at December 31, 2017, or 19% of total deposits, compared to $165.7 million at December 31, 2016. Core deposits, which include total deposits less wholesale deposits, increased $99 million or 14% year over year. Wholesale deposits totaled $115.5 million, or 12% of total deposits at December 31, 2017.

Tangible book value per share at December 31, 2017 was $9.03, an increase from $7.83 at December 31, 2016. This is remarkable as we completed a successful over-subscribed private placement of 500,000 shares of our common stock providing gross proceeds of $10.0 million in capital to the organization during the third quarter of 2017. We are also extremely pleased with the notable increase in the value of our common stock during 2017. Our stock price closed at $17.52 on December 29, 2017, a 30% year-over-year increase, and 1.9x our tangible book value.

Net interest income totaled $32.1 million for the year ended December 31, 2017, compared to $27.2 million for 2016, an increase of 18%. Net interest margin was 3.45% and 3.53% for the years ended December 31, 2017 and 2016, respectively.

Noninterest income for the years ended December 31, 2017 and 2016 was $3.0 million and $1.2 million, respectively. The Company recorded noninterest income of $443,000 from a claim on the bank owned life insurance ("BOLI") policies during the first quarter of 2017. Recurring fee income was $1.3 million, an increase of 12% for the year ended December 31, 2017 compared to 2016. The Company continues to enhance its fee income opportunities through ancillary services designed to serve its clients' financial needs.

Noninterest expense was $19.3 million and $16.4 million, for the years ended December 31, 2017 and 2016, respectively. The efficiency ratio decreased to 57.2% from 58.0%, for the years ended December 31, 2017 and 2016, respectively.

Asset quality remains strong as nonperforming loans and loans ninety days or more past due totaled $789,000, or 0.07% of total assets. Troubled debt restructurings ("TDR") decreased to $1.7 million at December 31, 2017, compared to $11.5 million at December 31, 2016. Nonperforming assets (including TDRs) to total assets was 0.58% and 1.29% for the years ended December 31, 2017 and 2016, respectively. The allowance for loan losses to total loans was 0.87% at December 31, 2017, reflecting credit quality improvement in the loan portfolio and refinements to the loan loss allocation as the loan portfolio grows.

On behalf of your Board of Directors and employees, we thank you for your business, your referrals and your continued support as we start our 11th year of operations. We also thank our employees for their hard work and dedication, without which we would not be able to attain and exceed our strategic goals. We are excited about our 2018 objectives which will continue to enhance the performance of your Company.

Best regards,

David W. Pijor
Chairman and Chief Executive Officer

DIRECTORS

David W. Pijor
Chairman

L. Burwell Gunn
Vice Chairman

Patricia A. Ferrick

Scott Laughlin

Thomas L. Patterson

Devin Satz

Lawrence W. Schwartz

Sidney G. Simmonds

Daniel M. Testa

Philip "Trey" R. Wills III

Steven M. Wiltse

EXECUTIVE OFFICERS

David W. Pijor
Chairman
Chief Executive Officer

Patricia A. Ferrick
President

B. Todd Dempsey
Executive Vice President
Chief Operating Officer

William G. Byers
Executive Vice President
Chief Lending Officer

Michael G. Nassy
Executive Vice President
Chief Credit Officer

Sharon L. Jackson
Executive Vice President
Chief Deposit Officer

Jennifer L. Deacon
Executive Vice President
Chief Financial Officer

REGIONAL LENDING OFFICERS

Alissa Curry Briggs
Director of Commercial Real Estate Lending

James C. Elliot
Market President
Prince William

Christopher O. Turley
Director of C&I Lending and Government Contractor Lending

Lance D. Nobles
Market President
Loudoun

OFFICERS

Michelle L. Buckles
Senior Vice President
Director of Compliance

Terry L. Elliott
Senior Vice President
Lending

Terry F. Frey
Senior Vice President
Loan Administration

Alberta A. Gibson
Senior Vice President
Director of Human Resources

Thomas Grantham
Senior Vice President
Lending

Oliver James
Senior Vice President
Lending

Jacqueline S. Marbell-Edson
Senior Vice President
Loan Administration

Farideh Mullafiroze
Senior Vice President
Business Development

Mark Palmer
Senior Vice President
Lending

Joshua F. Steele
Senior Vice President
Lending

Huong V. Song
Senior Vice President
Lending

Steffany R. Watson
Senior Vice President
Director of Cash Management

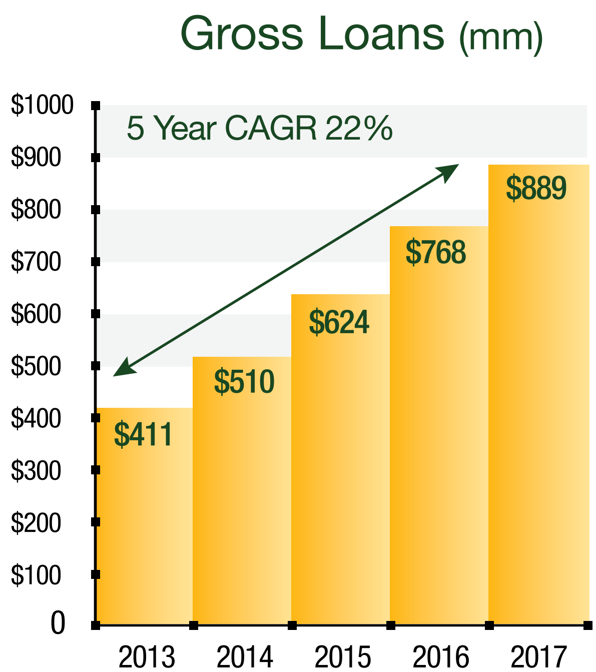
Executive Team

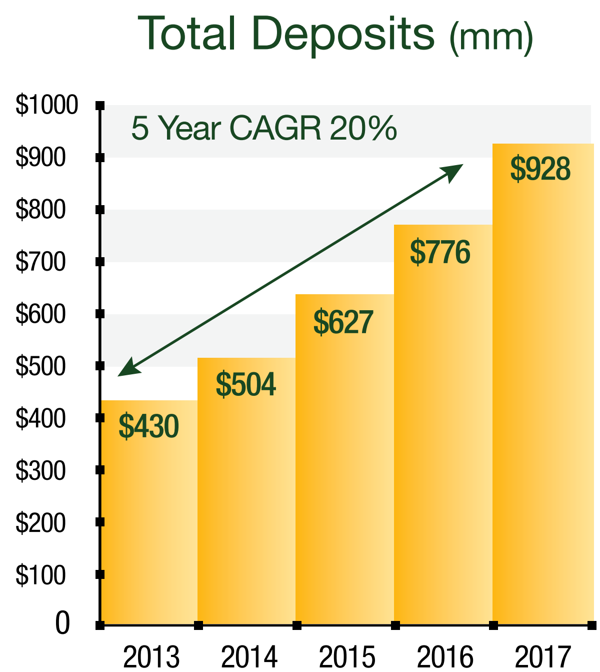
Seated David W. Pijor, Chairman and CEO
Patricia A. Ferrick, President

William G. Byers, EVP Chief Lending Officer
B. Todd Dempsey, EVP Chief Operating Officer
Sharon L. Jackson, EVP Chief Deposit Officer
Jennifer L. Deacon, EVP Chief Financial Officer
Michael G. Nassy, EVP Chief Credit Officer

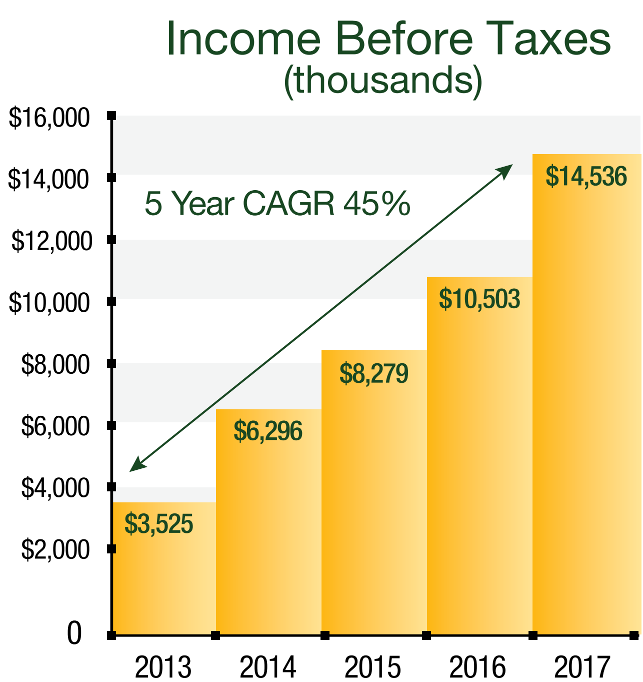
FVCbank began as an idea of Founder and CEO David Pijor. Since opening its doors in November 2007, FVCbank built a reputation of a community bank with a vision of helping people achieve their dreams. Now, 10 years later, the Bank has grown to six branches with over 85 employees and $1 billion in total assets. Of the Bank's initial team, six continue to devote their time and talent as dedicated employees of FVCbank. Most of the founding shareholders remain invested in the Bank and many of the first customers continue to bank with FVCbank.

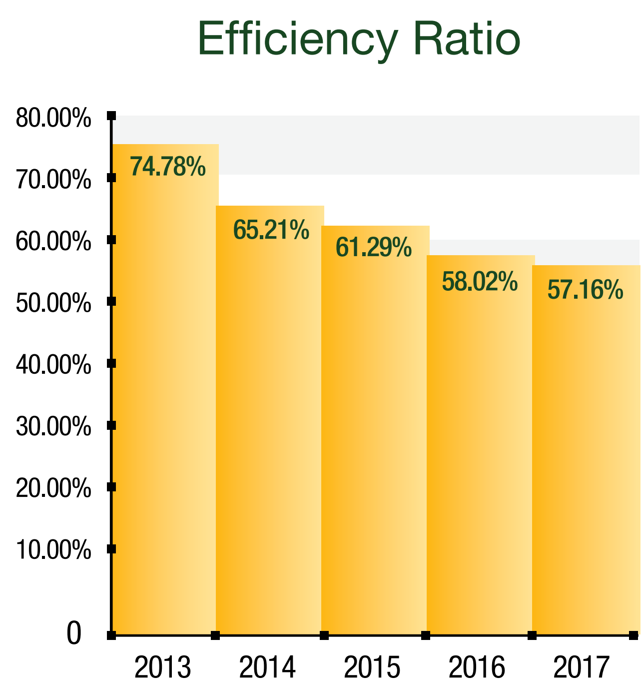
Loan and Deposit Growth





Increasing Profitability





Selected Financial Data

For the year ended December 31, (Unaudited)

(dollars in thousands, except per share data)	2017	2016	2015	2014	2013	2012
Selected Balances						
Total assets	$ 1,053,224	$ 909,305	$ 736,807	$ 604,756	$ 506,717	$ 422,761
Total investment securities	117,712	113,988	67,795	62,697	56,890	29,128
Total loans	888,677	768,102	623,559	509,938	411,040	331,428
Allowance for loan losses	(7,725)	(6,452)	(6,239)	(5,565)	(4,792)	(3,757)
Total deposits	928,163	775,991	626,640	504,220	429,990	378,702
Subordinated notes, net of issuance costs	24,327	24,247	-	-	-	-
Other borrowings	-	27,000	35,650	32,500	14,500	2,500
Total shareholders' equity	98,283	79,811	72,752	66,815	60,903	39,143
Summary Results of Operations						
Interest income	$ 40,302	$ 32,587	$ 26,557	$ 22,473	$ 18,491	$ 15,095
Interest expense	8,195	5,387	3,665	3,288	2,960	2,515
Net interest income	32,107	27,200	22,892	19,185	15,531	12,580
Provision for loan losses	1,200	1,471	1,073	886	803	1,227
Net interest income after provision for loan losses	30,907	25,729	21,819	18,299	14,728	11,353
Noninterest income - gains on sales of securities available for sales	164	71	68	77	204	23
Noninterest income - gains on sales of loans	-	-	-	196	-	-
Noninterest income - gain on foreclosure of other real estate owned	1,075	-	-	-	-	-
Noninterest income - services charges and other income	1,736	1,149	1,093	1,040	821	1,075
Noninterest expense	19,346	16,446	14,701	13,316	12,228	10,168
Income before taxes	14,536	10,503	8,279	6,296	3,525	2,283
Income tax expense (benefit)	6,846	3,571	2,860	2,162	1,297	805
Net income	7,690	6,932	5,419	4,133	2,228	1,478
Per Share Data (1)						
Net income, basic	$ 0.74	$ 0.68	$ 0.54	$ 0.41	$ 0.25	$ 0.22
Net income, diluted	$ 0.67	$ 0.63	$ 0.51	$ 0.41	$ 0.25	$ 0.22
Book value	$ 9.04	$ 7.84	$ 7.18	$ 6.59	$ 6.02	$ 5.65
Tangible Book value	$ 9.03	$ 7.83	$ 7.16	$ 6.58	$ 6.01	$ 5.62
Shares outstanding	10,868,984	10,178,909	10,141,281	10,137,691	10,110,805	6,931,243
Significant Ratios						
Net interest margin	3.45%	3.53%	3.69%	3.63%	3.59%	4.09%
Efficiency ratio	57.16%	58.02%	61.29%	65.21%	74.78%	74.46%
Return on average assets	0.80%	0.88%	0.85%	0.76%	0.50%	0.47%
Return on average equity	8.63%	8.91%	7.70%	6.45%	4.21%	4.11%
Total capital (to risk weighted assets)	12.83%	13.16%	12.20%	13.62%	15.89%	12.29%
Common equity tier capital (to risk weighted assets)	12.05%	12.37%	11.25%	N/A	N/A	N/A
Tier 1 capital (to risk weighted assets)	12.05%	12.37%	11.25%	12.53%	14.71%	11.13%
Tier 1 (to average assets)	11.79%	11.89%	10.82%	10.96%	12.58%	9.16%
Asset Quality						
Nonperforming assets and loans 90+ past due (2)	$ 4,655	$ 249	$ 2,559	$ 1,601	$ 2,988	$ 4,623
Nonperforming assets and loans 90+ past due to total assets (2)	0.44%	0.03%	0.35%	0.26%	0.59%	1.09%
Allowance for loan losses to loans	0.87%	0.84%	1.00%	1.09%	1.17%	1.13%
Allowance for loan losses to nonperforming assets	165.95%	2,591.16%	243.81%	347.51%	160.37%	81.27%
Net (recovery) charge-offs	$ (73)	$ 1,257	$ 399	$ 113	$ (231)	$ 225
Net (recovery) charge-offs to average loans	(0.01%)	0.19%	0.07%	0.03%	(0.06%)	0.07%

(1) Adjusted for 5-for-4 stock splits in 2017, 2016, and 2015
(2) excludes performing troubled debt restructurings

Lance Nobles, Market President Loudoun
Judith Jackson, CSR
Masuma Kerawala, Assistant Branch Manager
Leiah Rocheleau, VP Commercial Loan Officer
Clive Yeo, VP Portfolio Credit Risk Review Officer

The newest FVCbank location, opening its doors at the end of 2016, the Ashburn Branch team immediately reached out to the Loudoun County community to actively engage with its residents and businesses. Through a relationship-focused approach, the team achieved loan production and deposit goals earlier than anticipated for the year.

Arlington

Thomas Grantham, SVP Commercial Loan Officer
Sylvana Mascarenhas, VP Branch Manager
Miguel Cisneros, Assistant Branch Manager

Alissa Curry Briggs, Director Commercial Real Estate Lending
Eric Radcliffe, VP Commercial Loan Officer
Courtney Williams, AVP Junior Portfolio Credit Risk Review Officer
Jocelyn Dorsey, CSR
LaDonna Simon, VP Business Development
Mark Palmer, SVP Commercial Lender
Karl Eckert, Head Teller

Living and working in the community in which they serve, the FVCbank Arlington Branch team holds a unique perspective and extensive expertise in serving the business landscape in this area. Serving Arlington, Washington, D.C., Alexandria, as well as southern Maryland, this team carries vast experience in servicing businesses from all industries and sectors. A majority of FVCbank's Commercial Real Estate lenders call the Arlington office home.

Sharon Ricciardi, VP Business Development
Brittany Bower, Assistant Branch Manager

Josh Grimes, Technical Support Administrator
Michelle Buckles, SVP Director of Compliance
Anna M. Keefe, Assistant to CEO
Susan Abughannam, Receptionist Loan Administrator I
Chandna Singhla, Teller
Stephanie Carey, VP Branch Administration
Joshua Steele, SVP Commercial Lender

Serving as FVCbank headquarters since the doors opened on November 27, 2007, the Fairfax location houses the Bank's executive offices and the original branch.

With the combined experience of the Fairfax Branch team, Business Development Officers, Lending, Executive Assistants, Receptionist, Compliance and IT professionals, the Bank continues to grow and thrive.

Terry Frey, SVP Loan Administration
Patricia D. Bhatia, VP Loan Servicing

Lisa Craze, VP Loan Administration
Sharon Frey, Loan Administration
Gail Edmonds, Loan Compliance Analyst
Natalie Heymer, Junior Documentation Specialist
Brooke Johnson, VP Loan Reporting

The FVCbank Loan Administration and Servicing teams serve as the backbone to the Lending team providing guidance and support to all lenders. The Loan Administration team plays a critical role in documenting and booking loans while making certain all deadlines are met. The experienced Loan Servicing group has many functions including responding to all customer inquiries and quality control review.

Armina So, AVP Senior Underwriter
Jacqueline Marbell-Edson, SVP Credit Administration

Brandon Parker, VP Senior Underwriter and Team Leader
Brennan Rader, AVP Senior Underwriter
Farideh Mullafiroze, SVP Business Development
Courtney Williams, AVP Junior Portfolio Credit Risk Review Officer
Greg Kassing, VP Portfolio Credit Risk Review Officer

Through the dedicated efforts of the FVCbank Credit Administration team, the Bank's loan portfolio remains clean. This team provides all the underwriting for our commercial loans and is the oversight of all activities related to a bank's credit process. They make certain that the loan portfolio maintains its quality while managing the credit risk. They guarantee and ensure compliance with the Bank's policies and procedures.

Pawanjeet Sekhon, CSR
Amarjit Ubee, Teller

Tonya L. Smith, VP Retail Lending
Nancy Walker, VP Branch Manager
James C. Elliott, Market President Prince William
Terry Elliott, SVP Commercial Loan Officer
Crissy Everly, VP Assistant Controller
David Clark, VP Controller

Serving the Prince William County community since June 2008, FVCbank's Manassas Branch serves as home to many integral teams providing financial services for the Bank. The following teams operate out of the Manassas location: Lending, Branch Retail, Accounting, Deposit Operations, BSA, Cash Management, Compliance, Human Resources and Underwriting.

The lending, branch retail and accounting teams provide customer-centric service to facilitate relationships and help businesses reach established goals.

Steffany Watson, SVP Director of Treasury Management Services
Christine M. Rowe, VP Treasury Management

Jennifer Sutherland, Human Resources Generalist
Nardos Welch, Treasury Management Officer
Bertie A. Gibson, SVP Director of Human Resources
Dominique Baptiste, AVP Treasury Management
Terry Byard, Assistant Compliance Officer
Joanna Atchison, VP Senior Underwriter

Always on call, FVCbank's Cash Management team serves as the face and the voice for all customers supporting the technology and electronic banking services. FVCbank's Human Resources department works to recruit and retain the best and the brightest bankers to provide service for our customers. The Compliance team maintains and monitors all Bank operations to ensure transactions occur in accordance with all guidelines and regulations.

Megan Piccione, AML Specialist
Lauren O'Loughlin, BSA Specialist

Cathy Nisley, AVP Deposit Operations
Barbara Bowman, Operations Officer
Jan Olson, Operations Specialist
Colin Reid, VP BSA Officer
Kimberly Shahid, Operations Specialist II
Cynthia L. Piccione, VP Operations

Providing strong, internal and external support, the Deposit Operations team works efficiently to monitor and process transactions. Likewise, operating in a highly regulated environment, FVCbank's Bank Secrecy Act (BSA) team monitors and maintains operations in compliance with regulations. Both teams provide service through FVCbank's Manassas Branch.

Oliver James, SVP Commercial Lender
Peggy Elie, VP Branch Manager

Todd Frantum, Teller
Jason Brooks, VP Commercial Lender
Debra Noviello, Portfolio Coordinator
Christopher O. Turley, Director C&I and Government Contract Lending
Allyson Kavaljian, Teller
Uriel Gregoire, Portfolio Manager

Representing the third office for FVCbank, the Reston Branch opened in 2011 as a combination branch and loan production office. Building the branch around experienced commercial lenders with extensive GovCon experience, the Reston location offered the opportunity to capitalize on Northern Virginia's high growth market. Today, this location houses FVCbank's GovCon and Commercial and Industrial (C&I) lending teams with in-depth knowledge of the regulations and challenges facing this industry.

Mila Robinson, Teller
Majshda Bahri, VP Business Development
Pati Gambino, VP Branch Manager
Barbi Levengood, Assistant Branch Manager
Rebeka Afreen, Head Teller

FVCbank opened its central Springfield office in December 2013 recognizing the value and energy of the market in that region. The leadership provided by dynamic and seasoned banking professionals allowed the team to quickly create relationships in the business community. As a cohesive group, the team understands the needs of the community, the goals of its customers and provides the right solutions and expertise to achieve success.

Navneet Warraich, CSR
Huong V. Song, SVP Commercial Lender
Colleen Hube, Loan Documentation Specialist
Anthony Ranghelli, VP Director of IT

Celebrating 10 years of dedicated service, FVCbank's team members, including Branch, Lenders, IT and Loan Servicing staff (pictured above), build on the Bank's foundation and look to the future with a focus on continued support for shareholders and customers, allowing them to achieve their goals. Starting with a team of 11 employees, FVCbank since expanded to nearly 90 talented experts, each one bringing unique backgrounds and expertise, to provide comprehensive support for our customers.

LOCATIONS

Headquarters
11325 Random Hills Road, Suite 240
Fairfax, VA 22030
Phone: 703.436.3800

Arlington Branch
2500 Wilson Boulevard, Suite 100
Arlington, VA 22201
Phone: 703.387.5050

Ashburn Branch
43800 Central Station Drive, Suite 150
Ashburn, VA 20147
Phone: 571.919.6780

Fairfax Branch
11325 Random Hills Road, Suite 140
Fairfax, VA 22030
Phone: 703.436.3800

Manassas Branch
7900 Sudley Road
Manassas, VA 20109
Phone: 703.656.7300

Reston Branch
11260 Roger Bacon Drive, Suite 101
Reston, VA 20190
Phone: 703.436.3880

Springfield Branch
6975 Springfield Boulevard
Springfield, VA 22150
Phone: 703.672.2590

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