



# YEAR IN REVIEW



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Stock Listing  
NASDAQ Global Select Market Symbol RVSB  
Transfer Agent  
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**Riverview**  
BANCORP, INC.



Photography by:  
Gary Nasca

RIVERVIEW BANCORP, INC. ANNUAL REPORT 2018

# FINANCIAL HIGHLIGHTS

FOR THE YEAR ENDED March 31:

(Dollars in thousands, except share data)	2018	2017	2016
Interest and dividend income	\$ 44,960	\$ 35,627	\$ 30,948
Interest expense	2,349	1,869	1,742
Net interest income	42,611	33,758	29,206
Recapture of loan losses	-	-	(1,150)
Net interest income after recapture of loan losses	42,611	33,758	30,356
Non-interest income	11,004	10,014	9,375
Non-interest expense	35,618	32,981	29,947
Income before income taxes	17,997	10,791	9,784
Provision for income taxes	7,755	3,387	3,426
Net income	\$ 10,242	\$ 7,404	\$ 6,358
Average # of common shares outstanding	22,531,480	22,478,306	22,450,252

## PER COMMON SHARE

Net Income	\$ 0.45	\$ 0.33	\$ 0.28
Cash dividends	0.105	0.080	0.065
Book value	5.18	4.94	4.81
Closing price	9.34	7.15	4.20

## FISCAL YEAR END BALANCES

Assets	\$ 1,151,535	\$ 1,133,939	\$ 921,229
Loans, net	800,610	768,904	614,934
Deposits	995,691	980,058	779,803
Shareholders' equity	116,901	111,264	108,273

Total # of common shares outstanding	22,570,179	22,510,890	22,507,890
Full-time equivalent employees	258	260	229
Number of banking facilities	20	20	18

## FINANCIAL RATIOS

Return on average assets	0.90%	0.76%	0.54%
Return on average equity	8.78	6.66	5.93
Net interest margin	4.08	3.79	3.67
Efficiency ratio	66.43	75.35	77.62
Non-performing assets to total assets	0.24	0.27	0.36
Allowance for loan losses to total loans	1.33	1.35	1.58
Equity to assets at period end	10.15	9.81	11.75

For complete financial details and other information, please see the 2018 Riverview Bancorp, Inc. 10-K.

To Our Shareholders, Employees, and Friends;

We are excited to announce that, with a net income of \$10.2 million, fiscal year 2018 was one of our most profitable years in the history of the Bank. Supported by strong balance sheet growth, the expansion of our net interest margin, and improving operating efficiencies, our dedicated employees continue to remain committed to cultivating relationships with our clients and ensuring they are educated on all the relevant services available to them.

Financial highlights:

- Fiscal year profits up 38% to \$10.2 million, or \$0.45 per diluted share
- Net interest margin increased 29 basis points to 4.08%
- Our loan portfolio increased by \$32 million
- Total deposits increased by over \$15 million to \$995 million
- Nonperforming assets shrank to 0.24% of total assets from 0.27% in 2017 and 0.36% in 2016
- Tangible book value per share increased 25 basis points to \$3.93
- Capital ratio and a Tier 1 leverage ratio of 15.41% and 10.26%, respectively

This past year brought several planned changes in our leadership team with the retirements of Pat Sheaffer, Ron Wyseske, and Richard Michalek, as well as the following promotions:

- Kevin Lycklama, President & Chief Executive Officer
- Steve Plambeck, EVP/Chief Lending Officer
- Kim Capeloto, EVP/Chief Banking Officer
- David Lam, EVP/Chief Financial Officer

It's noteworthy to mention that these executive positions were all internal moves, further solidifying our belief that we've assembled a first-rate leadership team, whose focus in the coming fiscal year remains on growing the franchise in our local markets, continuing to improve our profitability, and investing in solutions to best position Riverview for sustained success.

As the digital payments space continues to expand, it's imperative that we stay abreast of new developments in financial technology to not only stay competitive with our peers, but to provide the best products and services to our increasingly savvy client base. In the coming months you will see new and improved services designed to make banking more accessible, more convenient, and more secure than ever before.

Even as we grow and evolve, we remain steadfast in our belief of Community Banking. As the largest community bank in the Portland metro area, we're uniquely positioned to build and maintain deep, lasting partnerships with local small businesses, community minded individuals, and service organizations.

We've stayed true to our mission of providing Local, Personal Service, which is why for the fifth straight year, the readers of The Columbian, The Vancouver Business Journal, and The Gresham Outlook voted Riverview as the Best Bank, Best Business Bank, and Best Financial Institution. Additionally, Riverview has again been awarded a 5-Star Superior Rating for financial strength from Bauer Financial, as well as a Corporate Philanthropy Award from the Portland Business Journal.

We're extremely optimistic about the future of our Company and our communities. We thank you for your continued support and loyalty.



Patrick Sheaffer  
Chairman



Kevin Lycklama  
President and Chief Executive Officer