

RIVERVIEW BANCORP INC  
Form 8-K  
May 06, 2008

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 5, 2008

RIVERVIEW BANCORP, INC.  
(Exact name of registrant as specified in its charter)

|  |  |   |
|--|--|---|
| Washington   | 000-22957                                    | 91-1838969                              |
| (State or other jurisdiction<br>of<br>incorporation) | (Commission<br>File Number)                  | (I.R.S. Employer<br>Identification No.) |
| Washington   | 900 Washington Street, Suite 900, Vancouver, | 98660                                   |
|  | (Address of principal executive offices)     | (Zip Code)                              |

Registrant's telephone number, including area code: (360) 693-6650

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions.

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))



Item 2.02 Results of Operations and Financial Condition.

On May 5, 2008, Riverview Bancorp, Inc. issued its earnings release for the quarter and year ended March 31, 2008. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

99.1 News Release of Riverview Bancorp, Inc. dated May 5, 2008.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

RIVERVIEW BANCORP, INC.

Date: May 5, 2008

/s/Ronald A. Wyseske  
Ronald A. Wyseske  
President and Chief Operating Officer  
(Principal Executive Officer)

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Exhibit 99.1

News Release Dated May 5, 2008

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Contacts: Pat Sheaffer or Ron Wysaske,  
Riverview Bancorp, Inc. 360-693-6650

Riverview Bancorp Earns \$8.6 Million in Fiscal 2008  
Net Loans Increased 11% to \$757 Million

Vancouver, WA – May 5, 2008 – Riverview Bancorp, Inc. (NASDAQ GSM: RVSB) today reported results for fiscal year end and fourth quarter ended March 31, 2008. “The Northwest economy has been impacted by the real estate slowdown that is affecting the whole country, but our local markets remain among the best in the USA”, said Pat Sheaffer, Chairman and CEO. “Riverview, in many ways, is as strong or stronger than the previous year, which was our best year ever. Strength in our local markets, growth in customers, our balance sheet, and our multiple sources of revenue, create opportunities for Riverview in our market area.”

Fourth quarter net income was \$1.2 million, or \$0.11 per diluted share, compared to \$2.8 million, or \$0.24 per diluted share, in the fourth quarter of fiscal 2007. A \$1.8 million provision for loan losses in the fourth quarter 2008, compares to a \$100,000 provision in fourth quarter 2007. For fiscal year 2008, net income was \$8.6 million, or \$0.79 per diluted share, compared to \$11.6 million, or \$1.01 per diluted share, in fiscal 2007. Again, the 2008 provision of \$2.9 million compared to the 2007 provision of \$1.4 million explains most of the difference.

“In fiscal 2008 changes in the economy affected the local markets that we served. While loan growth has remained strong, we have seen a marked slowdown in residential real estate sales in all our markets which directly impacted our land development and speculative construction lending,” said Sheaffer. “We believe our actions to strengthen our allowance for loan losses and address these issues immediately is prudent for our future success. Even with these aggressive steps to meet credit quality concerns, our fourth quarter and fiscal 2008 results show that we remain well positioned to pursue our strategies for growth over the long term.”

“The local housing markets have slowed to a more moderate pace compared to the last few years and as a result, our one-to-four family real estate construction portfolio is now down to \$93 million from \$110 million a year ago,” said Ron Wysaske, President and COO. “Despite the slowing housing market, population growth in the Southwest Washington and metropolitan Portland, Oregon area remains strong. We will continue to focus on our customers’ needs in order to expand our existing relationships while looking to add new customers. We believe this presents an excellent opportunity for us to grow in fiscal 2009.”

Fiscal 2008 Highlights (at or for the period ended March 31, 2008, compared to March 31, 2007)

- Net income was \$8.6 million, or \$0.79 per diluted share.
- Added \$1.5 million more to the loan loss provision than a year ago.
- Net interest margin was 4.66% for the year.
- Net loans increased 11% to \$757 million.
- Riverview Asset Management Corp. increased assets under management 16% to \$330.5 million.
- Asset management fees increased 14% to \$2.1 million.

- Capital position remains strong – Riverview remains “well-capitalized” with the total capital ratio at 10.99%.

#### Credit Quality

“We have always placed a strong emphasis on managing asset quality by applying a disciplined approach to the approval process and monitoring the loan portfolio for signs of deterioration,” said Wysaske. “Since we have recently seen an increase in nonperforming loans, we proactively added to our reserves for possible loan losses.” As expected, non-performing assets increased to \$8.2 million, or 0.92% of total assets, at March 31, 2008, compared to \$1.1 million, or 0.14% of total assets, at December 31, 2007 and \$226,000, or 0.03% of total assets, at March 31, 2007. The increase is comprised primarily of three borrowers, which include one land development loan for \$3.9 million, one commercial loan

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for \$1.1 million and two construction loans to the same borrower for \$1.9 million. Riverview had a total of \$7.7 million in non-performing loans and \$494,000 in other real estate owned (OREO) at the end of March 2008. The allowance for loan losses, including unfunded loan commitments of \$337,000, was \$11.0 million, or 1.44% of net loans at year end, compared with \$9.9 million, or 1.37% of total loans at December 31, 2007, and \$9.0 million, or 1.31% of net loans, a year ago. Management believes the allowance for loan losses is adequate and appropriate based on its current analysis of the loan portfolio's credit quality and current economic conditions. Net loan charge-offs were \$866,000, or 0.11% of total loans, for the year ended March 31, 2008.

### Operating Results

For the fourth quarter of fiscal 2008, the net interest margin was 4.41% compared to 4.71% in the previous linked quarter and 4.95% in the fourth fiscal quarter a year ago. For fiscal 2008, the net interest margin was 4.66% compared to 5.01% in fiscal 2007. "Margin compression continued to be a challenge for Riverview, as well as the entire banking industry. We expect improved spreads in light of the Federal Reserve rate cuts in January and March, and anticipate our margin will stabilize as our interest-bearing deposits re-price," said Wysaske.

Net interest income in the fourth fiscal quarter of 2008 was \$8.6 million compared to \$9.1 million in the fourth fiscal quarter a year ago, largely due to interest-bearing assets re-pricing down faster than interest-bearing liabilities as a result of the recent Federal Reserve rate cuts. Non-interest income was unchanged at \$2.2 million for the quarter, compared to the same quarter a year ago.

For fiscal 2008, net interest income was \$35.0 million, compared to \$36.5 million in fiscal 2007. Non-interest income was \$8.9 million for the year compared to \$9.0 million a year ago. "Although fee income from Riverview Asset Management Corp. increased 14% during the year, it was offset by declining mortgage broker loan fees reflecting the continued slowdown in the real estate market," added Wysaske.

"During the fourth fiscal quarter we moved into our new Hazel Dell branch, which replaced an existing branch. In the third quarter we opened a new lending center in Clackamas, Oregon, which houses three commercial lending officers, creating our second lending center to serve the east Portland area," said Sheaffer. "The hiring of these additional quality lenders has helped contribute to our continued loan growth in the fourth quarter and we believe will generate a good deal of new business in the future." Non-interest expenses were \$7.2 million in the fourth quarter of fiscal 2008, and \$27.8 million for the fiscal year, compared to \$6.9 million and \$26.4 million for the respective periods a year ago, reflecting the opening of new facilities and the continued expansion of the lending team.

The efficiency ratio was 66.46% for the fourth quarter, compared to 60.75% in the fourth quarter a year ago and 63.40% for all of fiscal 2008, compared to 57.85% a year ago. "The increase in our efficiency ratio reflects the decline in net interest margin and the increase in non-interest expense due to our new facilities and expanded lending team," said Wysaske. "As we grow into our increased capacity we expect our efficiency ratio will improve."

Riverview's return on average assets was 0.54% for the fourth quarter and 1.04% for the year, compared to 1.36% and 1.43% for the fourth quarter and full year fiscal 2007. Return on average equity was 4.92% for the quarter and 8.92% for fiscal 2008, compared to 11.11% and 11.88%, respectively, for the same periods last year.

### Balance Sheet Growth

Total assets increased 8% to \$887 million at March 31, 2008, compared to \$820 million a year ago.



“The recent growth in our loan portfolio is a direct result of the expansion of the lending team throughout the year,” Wysaske said. “Our plan remains to keep a well-diversified, high quality loan portfolio.” Net loans were up 11% to \$757 million at March 31, 2008, compared to \$683 million a year ago and up \$41 million, or 6%, over the linked December 2007 quarter end. At March 31, 2008, commercial loans and construction loans accounted for 70% and 19%, respectively, of our total loan portfolio compared to 65% and 24% at March 31, 2007.

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## Riverview Bancorp, Inc. Fiscal 2008 Earnings

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The following table breaks out the composition of commercial and construction loan types based on loan purpose:

## COMPOSITION OF COMMERCIAL AND CONSTRUCTION LOAN TYPES BASED ON LOAN PURPOSE

| March 31, 2008                         | Commercial              |            | Other                   |                             |
|--|-------------------------|------------|-------------------------|-----------------------------|
|  | & Construction<br>Total | Commercial | Real Estate<br>Mortgage | Real Estate<br>Construction |
|  |                         |            | (Dollars in thousands)  |                             |
| Commercial                             | \$ 109,585              | \$ 109,585 | \$ -                    | \$ -                        |
| Commercial construction                | 55,277                  | -          | -                       | 55,277                      |
| Office buildings                       | 88,106                  | -          | 88,106                  | -                           |
| Warehouse/industrial                   | 39,903                  | -          | 39,903                  | -                           |
| Retail/shopping<br>centers/strip malls | 70,510                  | -          | 70,510                  | -                           |
| Assisted living facilities             | 28,072                  | -          | 28,072                  | -                           |
| Single purpose facilities              | 65,756                  | -          | 65,756                  | -                           |
| Land                                   | 108,030                 | -          | 108,030                 | -                           |
| Multi-family                           | 29,045                  | -          | 29,045                  | -                           |
| One-to-four family                     | 93,354                  | -          | -                       | 93,354                      |
| Total                                  | \$ 687,638              | \$ 109,585 | \$ 429,422              | \$ 148,631                  |

Riverview does not have sub-prime residential real estate in its loan portfolio and does not believe that it has any exposure to sub-prime lending in its Mortgage Backed Securities portfolio.

“We are continuing to expand our commercial banking products by offering remote deposit capture of checks to selected customers and enhancing our cash management product line, in an effort to grow our core deposit business,” added Wysaske. Total deposits were \$667 million at March 31, 2008, compared to \$665 million a year ago. On a linked quarter basis, total deposits increased \$44 million, or 7% over the past three months. Non-interest checking balances represent 12% of total deposits and interest checking balances represent 15% of total deposits. Core deposits, defined as all deposits excluding certificates of deposit, were \$401 million at the end of March 2008, and represent 60% of total deposits.

The following table breaks out deposits by category:

|                                  | March 31, 2008 |        | December 31, 2007      |        | March 31, 2007 |        |
|----------------------------------|----------------|--------|------------------------|--------|----------------|--------|
|                                  |                |        | (Dollars in thousands) |        |                |        |
| DEPOSIT DATA                     |                |        |                        |        |                |        |
| Interest checking                | \$ 102,489     | 15.37% | \$ 112,062             | 18.00% | \$ 144,451     | 21.71% |
| Regular savings                  | 27,401         | 4.11%  | 26,216                 | 4.21%  | 29,472         | 4.43%  |
| Money market deposit<br>accounts | 189,309        | 28.38% | 210,084                | 33.74% | 205,007        | 30.81% |
| Non-interest checking            | 82,121         | 12.31% | 80,710                 | 12.96% | 86,601         | 13.01% |

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|                         |            |         |            |         |            |         |
|-------------------------|------------|---------|------------|---------|------------|---------|
| Certificates of deposit | 265,680    | 39.83%  | 193,538    | 31.09%  | 199,874    | 30.04%  |
| Total deposits          | \$ 667,000 | 100.00% | \$ 622,610 | 100.00% | \$ 665,405 | 100.00% |

Shareholders' Equity

Shareholders' equity was \$92.6 million, compared to \$100.2 million a year ago. Book value per share was \$8.48 at the end of March 2008, compared to \$8.56 a year earlier. During the fiscal year, 875,000 shares have been purchased on the open market under the announced Repurchase Plans. Under the current Repurchase Plan announced June 21, 2007, there are 125,000 shares remaining to be purchased. Riverview's capital position remains strong, as the bank remains "well-capitalized." At March 31, 2008, the total capital ratio was 10.99% compared to 11.29% at December 31, 2007 and 11.38% at March 31, 2007.

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#### Conference Call

The management team of Riverview Bancorp will host a conference call on Tuesday, May 6, at 8:00 a.m. PDT, to discuss fiscal 2008 results. The conference call can be accessed live by telephone at 303-262-2211. To listen to the call online go to the “About Riverview” page of Riverview’s website at [www.riverviewbank.com](http://www.riverviewbank.com).

#### About the Company

Riverview Bancorp, Inc. ([www.riverviewbank.com](http://www.riverviewbank.com)) is headquartered in Vancouver, Washington – just north of Portland, Oregon on the I-5 corridor. With assets of \$887 million, it is the parent company of the 85 year-old Riverview Community Bank, as well as Riverview Mortgage and Riverview Asset Management Corp. There are 18 branches, including ten in fast growing Clark County, three in the Portland metropolitan area and four lending centers. The Bank offers true community banking services, focusing on providing the highest quality service and financial products to commercial and retail customers.

Statements concerning future performance, developments or events, concerning expectations for growth and market forecasts, and any other guidance on future periods, constitute forward-looking statements, which are subject to a number of risks and uncertainties that might cause actual results to differ materially from stated objectives. These factors include but are not limited to: RVS’s ability to acquire shares according to internal repurchase guidelines, regional economic conditions and the company’s ability to efficiently manage expenses. Additional factors that could cause actual results to differ materially are disclosed in Riverview Bancorp's recent filings with the SEC, including but not limited to Annual Reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K.

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RIVERVIEW BANCORP, INC. AND SUBSIDIARY

Consolidated Balance Sheets

March 31, 2008 and 2007

| (In thousands, except share data) (Unaudited)   | March 31,<br>2008 | March 31,<br>2007 |
|---|-------------------|-------------------|
| <b>ASSETS</b>   |                   |                   |
| Cash (including interest-earning accounts of \$14,238 and \$7,818)                                      | \$ 36,439         | \$ 31,423         |
| Loans held for sale   | -                 | -                 |
| Investment securities available for sale, at fair value<br>(amortized cost of \$7,825 and \$19,258)     | 7,487             | 19,267            |
| Mortgage-backed securities held to maturity, at amortized<br>cost (fair value of \$892 and \$1,243)     | 885               | 1,232             |
| Mortgage-backed securities available for sale, at fair value<br>(amortized cost of \$5,331 and \$6,778) | 5,338             | 6,640             |
| Loans receivable (net of allowance for loan losses of \$10,687<br>and \$8,653)                          | 756,538           | 682,951           |
| Real estate and other personal property owned   | 494               | -                 |
| Prepaid expenses and other assets   | 2,679             | 1,905             |
| Accrued interest receivable   | 3,436             | 3,822             |
| Federal Home Loan Bank stock, at cost   | 7,350             | 7,350             |
| Premises and equipment, net   | 21,026            | 21,402            |
| Deferred income taxes, net  | 4,571             | 4,108             |
| Mortgage servicing rights, net  | 302               | 351               |
| Goodwill  | 25,572            | 25,572            |
| Core deposit intangible, net  | 556               | 711               |
| Bank owned life insurance   | 14,176            | 13,614            |
| <b>TOTAL ASSETS</b>   | <b>\$ 886,849</b> | <b>\$ 820,348</b> |
| <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>   |                   |                   |
| <b>LIABILITIES:</b>   |                   |                   |
| Deposit accounts  | \$ 667,000        | \$ 665,405        |
| Accrued expenses and other liabilities  | 8,654             | 9,349             |
| Advance payments by borrowers for taxes and insurance   | 393               | 397               |
| Federal Home Loan Bank advances   | 92,850            | 35,050            |
| Junior subordinated debentures  | 22,681            | 7,217             |
| Capital lease obligation  | 2,686             | 2,721             |
| Total liabilities   | 794,264           | 720,139           |
| <b>SHAREHOLDERS' EQUITY:</b>  |                   |                   |
| Serial preferred stock, \$.01 par value; 250,000 authorized,<br>issued and outstanding, none            | -                 | -                 |

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|   |                |                |
|---|----------------|----------------|
| Common stock, \$.01 par value; 50,000,000 authorized,<br>March 31, 2008– 10,913,773 issued and outstanding; | 109            | 117            |
| March 31, 2007 – 11,707,980 issued and outstanding;   |                |                |
| Additional paid-in capital  | 46,799         | 58,438         |
| Retained earnings   | 46,871         | 42,848         |
| Unearned shares issued to employee stock ownership trust  | (976)          | (1,108)        |
| Accumulated other comprehensive loss  | (218)          | (86)           |
| Total shareholders' equity  | 92,585         | 100,209        |
| <br>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY  | <br>\$ 886,849 | <br>\$ 820,348 |

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RIVERVIEW BANCORP, INC. AND SUBSIDIARY

Consolidated Statements of Income for the Three and Twelve Months Ended March 31, 2008 and 2007

(In thousands, except share data) (Unaudited)

INTEREST INCOME:

|   | Three Months Ended March 31, |           | Twelve Months Ended March 31, |           |
|---|------------------------------|-----------|-------------------------------|-----------|
|   | 2008                         | 2007      | 2008                          | 2007      |
| Interest and fees on loans receivable         | \$ 14,286                    | \$ 15,276 | \$ 58,747                     | \$ 59,496 |
| Interest on investment securities-taxable     | 85                           | 195       | 488                           | 854       |
| Interest on investment securities-non taxable | 31                           | 38        | 142                           | 163       |
| Interest on mortgage-backed securities        | 69                           | 96        | 323                           | 421       |
| Other interest and dividends                  | 137                          | 117       | 982                           | 366       |
| Total interest income                         | 14,608                       | 15,722    | 60,682                        | 61,300    |

INTEREST EXPENSE:

|                                |       |       |        |        |
|--------------------------------|-------|-------|--------|--------|
| Interest on deposits           | 4,580 | 5,829 | 22,143 | 20,507 |
| Interest on borrowings         | 1,456 | 833   | 3,587  | 4,275  |
| Total interest expense         | 6,036 | 6,662 | 25,730 | 24,782 |
| Net interest income            | 8,572 | 9,060 | 34,952 | 36,518 |
| Less provision for loan losses | 1,800 | 100   | 2,900  | 1,425  |

Net interest income after provision for loan losses 6,772 8,960 32,052 35,093

NON-INTEREST INCOME:

|                                       |       |       |       |       |
|---------------------------------------|-------|-------|-------|-------|
| Fees and service charges              | 1,268 | 1,432 | 5,346 | 5,747 |
| Asset management fees                 | 539   | 479   | 2,145 | 1,874 |
| Gain on sale of loans held for sale   | 92    | 101   | 368   | 434   |
| Loan servicing income                 | 16    | 30    | 126   | 155   |
| Gain on sale of credit card portfolio | -     | -     | -     | 133   |
| Bank owned life insurance income      | 143   | 132   | 562   | 522   |
| Other                                 | 156   | 44    | 335   | 169   |
| Total non-interest income             | 2,214 | 2,218 | 8,882 | 9,034 |

NON-INTEREST EXPENSE:

|   |       |       |        |        |
|---|-------|-------|--------|--------|
| Salaries and employee benefits          | 4,128 | 3,957 | 16,249 | 15,012 |
| Occupancy and depreciation              | 1,296 | 1,293 | 5,146  | 4,687  |
| Data processing                         | 186   | 211   | 786    | 988    |
| Amortization of core deposit intangible | 37    | 44    | 155    | 184    |
| Advertising and marketing expense       | 185   | 175   | 1,054  | 1,102  |
| FDIC insurance premium                  | 152   | 19    | 210    | 74     |
| State and local taxes                   | 210   | 190   | 741    | 644    |
| Telecommunications                      | 114   | 109   | 406    | 437    |
| Professional fees                       | 215   | 234   | 826    | 809    |
| Other                                   | 645   | 619   | 2,218  | 2,416  |
| Total non-interest expense              | 7,168 | 6,851 | 27,791 | 26,353 |

INCOME BEFORE INCOME TAXES 1,818 4,327 13,143 17,774

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|  |            |            |            |            |
|--|------------|------------|------------|------------|
| PROVISION FOR INCOME TAXES                     | 656        | 1,563      | 4,499      | 6,168      |
| NET INCOME                                     | \$ 1,162   | \$ 2,764   | \$ 8,644   | \$ 11,606  |
| Earnings per common share:                     |            |            |            |            |
| Basic  | \$ 0.11    | \$ 0.24    | \$ 0.79    | \$ 1.03    |
| Diluted  | 0.11       | 0.24       | 0.79       | 1.01       |
| Weighted average number of shares outstanding: |            |            |            |            |
| Basic  | 10,669,554 | 11,385,327 | 10,915,271 | 11,312,847 |
| Diluted  | 10,714,453 | 11,588,573 | 11,006,673 | 11,516,232 |

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|   | At or for the year<br>ended March 31,<br>2008 | At or for the nine<br>months<br>ended December 31,<br>2007 | At or for the year<br>ended March 31,<br>2007 |
|---|---|--|---|
| FINANCIAL CONDITION<br>DATA<br>(Dollars in thousands)                   |   |  |   |
| Average interest-earning assets   | \$ 751,023                                    | \$ 738,053   | \$ 731,089                                    |
| Average interest-bearing liabilities                                    | 643,265                                       | 628,104  | 614,546                                       |
| Net average earning assets  | 107,758                                       | 109,949  | 116,543                                       |
| Non-performing assets   | 8,171   | 1,142  | 226   |
| Non-performing loans  | 7,677   | 1,068  | 226   |
| Allowance for loan losses   | 10,687  | 9,505  | 8,653   |
| Allowance for loan losses and unfunded loan commitments                 | 11,024  | 9,912  | 9,033   |
| Average interest-earning assets to average interest-bearing liabilities | 116.75%                                       | 117.50%  | 118.96%                                       |
| Allowance for loan losses to non-performing loans                       | 139.21%                                       | 889.98%  | 3828.76%                                      |
| Allowance for loan losses to total loans                                | 1.39%   | 1.31%  | 1.25%   |
| Allowance for loan losses and unfunded loan commitments to total loans  | 1.44%   | 1.37%  | 1.31%   |
| Non-performing loans to total loans                                     | 1.00%   | 0.15%  | 0.03%   |
| Non-performing assets to total assets                                   | 0.92%   | 0.14%  | 0.03%   |
| Shareholders' equity to assets  | 10.44%  | 10.94%   | 12.22%  |
| Number of banking facilities  | 20  | 20   | 19  |
| LOAN DATA   |   |  |   |
| Commercial and construction   |   |  |   |
| Commercial  | \$ 109,585 14.28%                             | \$ 99,259 13.68%   | \$ 91,174 13.18%                              |
| Other real estate mortgage  | 429,422 55.97%                                | 391,878 54.03%   | 360,930 52.19%                                |
| Real estate construction  | 148,631 19.37%                                | 150,951 20.81%   | 166,073 24.01%                                |
| Total commercial and construction                                       | 687,638 89.62%                                | 642,088 88.52%   | 618,177 89.38%                                |
| Consumer  |   |  |   |
| Real estate one-to-four family  | 75,922 9.90%                                  | 78,479 10.82%  | 69,808 10.10%                                 |
| Other installment   | 3,665 0.48%                                   | 4,774 0.66%  | 3,619 0.52%                                   |
| Total consumer  | 79,587 10.38%                                 | 83,253 11.48%  | 73,427 10.62%                                 |

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|                           |            |         |            |         |            |         |
|---------------------------|------------|---------|------------|---------|------------|---------|
| Total loans               | 767,225    | 100.00% | 725,341    | 100.00% | 691,604    | 100.00% |
| Less:                     |            |         |            |         |            |         |
| Allowance for loan losses | 10,687     |         | 9,505      |         | 8,653      |         |
| Loans receivable, net     | \$ 756,538 |         | \$ 715,836 |         | \$ 682,951 |         |

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RIVERVIEW BANCORP, INC. AND  
 SUBSIDIARY  
 FINANCIAL  
 HIGHLIGHTS  
 (Unaudited)

COMPOSITION OF COMMERCIAL AND CONSTRUCTION LOAN TYPES BASED ON LOAN PURPOSE

|  | Commercial<br>&<br>Construction<br>Total | Other<br>Real Estate | Real Estate  |
|--|--|----------------------|--------------|
|  | Commercial                               | Mortgage             | Construction |
|  | (Dollars in thousands)                   |                      |              |
| March 31, 2008                         |  |                      |              |
| Commercial                             | \$ 109,585                               | \$ 109,585           | \$ -         |
| Commercial construction                | 55,277                                   | -                    | 55,277       |
| Office buildings                       | 88,106                                   | -                    | -            |
| Warehouse/industrial                   | 39,903                                   | -                    | -            |
| Retail/shopping<br>centers/strip malls | 70,510                                   | -                    | -            |
| Assisted living facilities             | 28,072                                   | -                    | -            |
| Single purpose facilities              | 65,756                                   | -                    | -            |
| Land                                   | 108,030                                  | -                    | -            |
| Multi-family                           | 29,045                                   | -                    | -            |
| One-to-four family                     | 93,354                                   | -                    | 93,354       |
| Total                                  | \$ 687,638                               | \$ 109,585           | \$ 148,631   |

|  | (Dollars in thousands) |           |            |
|--|------------------------|-----------|------------|
| March 31, 2007                         |                        |           |            |
| Commercial                             | \$ 91,174              | \$ 91,174 | \$ -       |
| Commercial construction                | 56,226                 | -         | 56,226     |
| Office buildings                       | 62,310                 | -         | -          |
| Warehouse/industrial                   | 40,238                 | -         | -          |
| Retail/shopping<br>centers/strip malls | 70,219                 | -         | -          |
| Assisted living facilities             | 11,381                 | -         | -          |
| Single purpose facilities              | 41,501                 | -         | -          |
| Land                                   | 103,240                | -         | -          |
| Multi-family                           | 32,041                 | -         | -          |
| One-to-four family                     | 109,847                | -         | 109,847    |
| Total                                  | \$ 618,177             | \$ 91,174 | \$ 166,073 |

At the year  
 ended March 31,  
 2008

At the nine months  
 ended December 31,  
 2007

At the year  
 ended March 31,  
 2007

(Dollars in thousands)

DEPOSIT DATA

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|                                  |            |         |            |         |            |         |
|----------------------------------|------------|---------|------------|---------|------------|---------|
| Interest checking                | \$ 102,489 | 15.37%  | \$ 112,062 | 18.00%  | \$ 144,451 | 21.71%  |
| Regular savings                  | 27,401     | 4.11%   | 26,216     | 4.21%   | 29,472     | 4.43%   |
| Money market deposit<br>accounts | 189,309    | 28.38%  | 210,084    | 33.74%  | 205,007    | 30.81%  |
| Non-interest checking            | 82,121     | 12.31%  | 80,710     | 12.96%  | 86,601     | 13.01%  |
| Certificates of deposit          | 265,680    | 39.83%  | 193,538    | 31.09%  | 199,874    | 30.04%  |
| Total deposits                   | \$ 667,000 | 100.00% | \$ 622,610 | 100.00% | \$ 665,405 | 100.00% |

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Riverview Bancorp, Inc. Fiscal 2008 Earnings  
 May 5, 2008  
 Page 9

RIVERVIEW BANCORP, INC. AND SUBSIDIARY  
 FINANCIAL HIGHLIGHTS  
 (Unaudited)

| SELECTED OPERATING DATA                              | At or for the three<br>months ended March 31, |            | At or for the twelve<br>months ended March 31, |            |
|--|---|------------|--|------------|
|  | 2008  | 2007       | 2008   | 2007       |
|  | (Dollars in thousands, except share data)     |            |  |            |
| Efficiency ratio (4)                                 | 66.46%  | 60.75%     | 63.40%   | 57.85%     |
| Efficiency ratio net of intangible<br>amortization   | 65.73%  | 60.06%     | 62.78%   | 57.22%     |
| Coverage ratio (6)                                   | 119.59%                                       | 132.24%    | 125.77%  | 138.57%    |
| Coverage ratio net of intangible<br>amortization     | 120.21%                                       | 133.10%    | 126.47%  | 139.55%    |
| Return on average assets (1)                         | 0.54%   | 1.36%      | 1.04%  | 1.43%      |
| Return on average equity (1)                         | 4.92%   | 11.11%     | 8.92%  | 11.88%     |
| Average rate earned on<br>interest-earned assets     | 7.51%   | 8.58%      | 8.09%  | 8.40%      |
| Average rate paid on<br>interest-bearing liabilities | 3.55%   | 4.28%      | 4.00%  | 4.03%      |
| Spread (7)   | 3.96%   | 4.30%      | 4.09%  | 4.37%      |
| Net interest margin                                  | 4.41%   | 4.95%      | 4.66%  | 5.01%      |
| PER SHARE DATA                                       |   |            |  |            |
| Basic earnings per share (2)                         | \$ 0.11                                       | \$ 0.24    | \$ 0.79  | \$ 1.03    |
| Diluted earnings per share (3)                       | 0.11  | 0.24       | 0.79   | 1.01       |
| Book value per share (5)                             | 8.48  | 8.56       | 8.48   | 8.56       |
| Tangible book value per share (5)                    | 6.06  | 6.28       | 6.06   | 6.28       |
| Market price per share:                              |   |            |  |            |
| High for the period                                  | \$ 12.840                                     | \$ 17.580  | \$ 16.280                                      | \$ 17.580  |
| Low for the period                                   | \$ 9.930                                      | \$ 15.290  | \$ 9.930                                       | \$ 12.135  |
| Close for period end                                 | \$ 9.980                                      | \$ 15.940  | \$ 9.980                                       | \$ 15.940  |
| Cash dividends declared per share                    | \$ 0.090                                      | \$ 0.100   | \$ 0.420                                       | \$ 0.395   |
| Average number of shares<br>outstanding:             |   |            |  |            |
| Basic (2)  | 10,669,554                                    | 11,385,327 | 10,915,271                                     | 11,312,847 |
| Diluted (3)  | 10,714,453                                    | 11,588,573 | 11,006,673                                     | 11,516,232 |

(1) Amounts are annualized.

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- (2) Amounts calculated exclude ESOP shares not committed to be released.
- (3) Amounts calculated exclude ESOP shares not committed to be released and include common stock equivalents.
- (4) Non-interest expense divided by net interest income and non-interest income.
- (5) Amounts calculated include ESOP shares not committed to be released.
- (6) Net interest income divided by non-interest expense.
- (7) Yield on interest-earning assets less cost of funds on interest bearing liabilities.

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