

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM  
WASHINGTON, D.C. 20551

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): March 15, 2011

John Marshall Bank  
(Exact name of registrant as specified in its charter)

Virginia  
(State or other jurisdiction  
of incorporation)

N/A  
(Commission file number)

74-3125891  
(IRS Employer  
Number)

6601 Little River Turnpike, Suite 400, Alexandria, Virginia  
(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code: 703-584-0840

Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (See General Instruction A.2. below):

- 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**

**Item 7.01 Regulation FD Disclosure**

On March 15, 2011, John Marshall Bank issued the press release attached as exhibit 99.

**Item 9.01 Financial Statements and Exhibits**

- (a) Financial Statements of Business Acquired. Not applicable.
- (b) Pro Forma Financial Information. Not applicable.
- (c) Shell Company Transactions. Not applicable.
- (d) Exhibits.

99      Press Release dated March 15, 2011

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.

JOHN MARSHALL BANK

By: \_\_\_\_\_ /s/

Carl E. Dodson  
Chief Operating Officer and Principal  
Financial Officer

Dated: March 15, 2011



For Immediate Release  
March 15, 2011

Contact: John R. Maxwell  
(703) 584-0840

## John Marshall Bank Reports First Full Year of Profitability

Alexandria, VA – John Marshall Bank reported a profit of \$4.3 million for the year ended December 31, 2010, an increase of \$5.4 million as compared to a loss of \$1.0 million reported for the year ended December 31, 2009. A principal factor in the increase was realization at June 30, 2010 of a \$2.3 million income tax benefit related to the recognition of the Bank's deferred tax asset associated primarily with net operating loss carry forwards from losses incurred during the Bank's start-up phase. Pre-tax income from operations of \$2.7 million represented an improvement of \$3.7 million as compared to the \$1.0 million pre-tax loss reported during 2009. For the three months ended December 31, 2010, pre-tax income from operations was \$937 thousand, compared to pre-tax operating income of \$806 thousand during the three months ended September 30, 2010.

This represents the Bank's sixth consecutive quarterly profit. Through the retention of earnings, the Bank's book value per share increased from \$7.81 per share as of December 31, 2009 to \$9.03 per share as of December 31, 2010, an improvement of 15.6%.

Key financial results for the period include the following:

- Total assets at December 31, 2010 increased by 32.1% to \$309.9 million as compared to \$234.6 million as of December 31, 2009.
- Gross loans at December 31, 2010 increased by 31.4% to \$274.1 million as compared to \$208.5 million as of December 31, 2009.
- Total deposits at December 31, 2010 increased by 36.0% to \$253.4 million as compared to \$186.3 million as of December 31, 2009.
- The Bank's net interest margin remains strong, reaching 4.51% during 2010 as compared to 3.90% during 2009.
- Net interest income, the Bank's main source of income, increased 80.2% to \$12.4 million during 2010, compared to \$6.9 million during 2009.
- Non-interest income declined by \$17 thousand during 2010 as compared to 2009, due primarily to the realization of a \$247 thousand gain on the sale of securities reported during 2009, compared to a gain of \$77 thousand realized during 2010. Eliminating the gain or loss on the sale of assets during both years, core non-interest income increased by 23.4% during 2010, from \$154 thousand to \$190 thousand.
- Non-interest expense increased by 28.3%, or \$1.9 million, during 2010 as compared to 2009, reflecting increased operating expenses required to support the Bank's growth.
- Asset quality remains strong. As of December 31, 2010, non-accrual loans were .72% of total loans, compared to .50% as of December 31, 2009. As of December 31, 2010, the Bank's allowance for loan losses was 1.17% of total loans and covered non-accrual loans by over 1.6 times. Other real estate owned was valued at \$464 thousand as of December 31, 2010.
- Capital levels remain strong and well above regulatory minimums for well capitalized banks. As of December 31, 2010, the Bank reported a total risk-based capital ratio of 12.1%, compared to 14.0% as of December 31, 2009.

John Marshall Bank is headquartered in Alexandria, Virginia and has four full-service branches located in Falls Church, Virginia, Leesburg, Virginia, Arlington, Virginia, and Rockville, Maryland. The Bank also has a limited service commercial branch located in Washington, DC, and a loan production office located in Fairfax, Virginia. Further information on the Bank can be obtained by visiting its website at [www.johnmarshallbank.com](http://www.johnmarshallbank.com).

*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.*

**John Marshall Bank**  
Financial Highlights (Unaudited)  
(Dollars in 000's except per-share data)

	Year Ended				Quarter Ended	
	December 31, 2010	December 31, 2009	\$ Change	% Change	December 31, 2010	September 30, 2010
<b>Operating Results</b>						
Net Interest Income	\$ 12,355	\$ 6,857	\$ 5,498	80.2%	\$ 3,425	\$ 3,297
Less Provision for Loan Losses	(1,141)	(1,352)	211	-15.6%	(131)	(285)
Net Interest income after provision for loan losses	11,214	5,505	5,709	103.7%	3,294	3,012
Non-interest income	311	329	(18)	-5.5%	135	56
Non-interest expense	8,831	6,882	1,949	28.3%	2,493	2,262
Income (loss) before income taxes	2,694	(1,048)	3,742	n/m	936	806
Income tax expense (benefit)	(1,625)	-	(1,625)	n/m	344	298
Net income (loss)	\$ 4,319	\$ (1,048)	5,367	n/m	\$ 592	\$ 508
<b>Per-Share Data</b>						
Earnings (loss) per share - basic	\$ 1.16	\$ (0.28)			\$ 0.16	\$ 0.14
Earnings (loss) per share - diluted	\$ 1.16	\$ (0.28)			\$ 0.16	\$ 0.14
Book value per share	\$ 9.03	\$ 7.81			\$ 9.03	\$ 8.92
<b>Selected Balance Sheet Data</b>						
Investments	\$ 27,360	\$ 23,835	\$ 3,525	14.8%	\$ 27,360	\$ 25,607
Total Loans (gross)	\$ 274,079	\$ 208,534	\$ 65,545	31.4%	\$ 274,079	\$ 269,648
Total Assets	\$ 309,871	\$ 234,643	\$ 75,228	32.1%	\$ 309,871	\$ 303,611
Total Deposits	\$ 253,360	\$ 186,339	\$ 67,021	36.0%	\$ 253,360	\$ 246,477
Borrowings	\$ 22,337	\$ 18,718	\$ 3,619	19.3%	\$ 22,337	\$ 23,320
Stockholders' Equity	\$ 33,480	\$ 28,970	\$ 4,510	15.6%	\$ 33,480	\$ 33,055
<b>Performance Ratios</b>						
Return (loss) on average assets (annualized)	1.54%	-0.57%			0.75%	0.68%
Return (loss) on average equity (annualized)	13.74%	-3.57%			7.07%	6.14%
Net interest margin	4.51%	3.90%			4.42%	4.52%
Efficiency Ratio	69.72%	95.77%			70.03%	67.46%
<b>Credit Quality Ratios</b>						
Allowance for loan losses to gross loans	1.17%	1.10%			1.17%	1.14%
Past due loans 30-89 days* to gross loans	0.03%	0.07%			0.03%	0.30%
Past due loans 90 days or more* to gross loans	0.00%	0.00%			0.00%	0.00%
Non-accrual loans to gross loans	0.72%	0.50%			0.72%	0.48%
Net loan chargeoffs (recoveries) *and still accruing interest	\$ 221	\$ 365			\$ (20)	\$ 89
<b>Regulatory Capital Ratios</b>						
Total risk-based capital ratio	12.1%	14.0%			12.1%	12.3%
Tier 1 risk-based capital ratio	11.0%	13.0%			11.0%	11.2%
Leverage ratio	10.6%	13.6%			10.6%	10.9%

n/m = not meaningful