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John Marshall Bank Reports Second Quarter Financial Results

Reston, VA – John Marshall Bank reported net income of \$2.1 million for the six months ended June 30, 2012, an increase of \$980 thousand, or 84.6%, as compared to net income of \$1.2 million reported for six months ended June 30, 2011. This represents the Bank's twelfth consecutive quarterly profit.

Key financial results for the period include the following:

- Total assets at June 30, 2012 increased by 31.5% to \$484.6 million as compared to \$368.6 million as of June 30, 2011.
- Gross loans at June 30, 2012 increased by 32.2% to \$428.2 million as compared to \$323.9 million as of June 30, 2011.
- Total deposits at June 30, 2012 increased by 35.7% to \$396.6 million as compared to \$292.3 million as of June 30, 2011.
- The Bank's net interest margin remains strong at 4.67% for the first six months of 2012 as compared to 4.63% during the first six months of 2011.
- Net interest income, the Bank's main source of income, increased 40.9% to \$10.5 million during the first six months of 2012, compared to \$7.5 million during the first six months of 2011.
- Non-interest expense increased by 24.2%, or \$1.2 million, during the first six months of 2012 as compared
 to 2011, reflecting increased operating expenses required to support the Bank's growth. Notwithstanding,
 the Bank's efficiency ratio declined to 58.2% during the first six months of 2012, compared to 65.8% during
 the first six months of 2011.
- Asset quality remains strong. As of June 30, 2012, non-accrual loans were .49% of total loans, down from .60% as of March 31, 2012. Loans past due 30-89 days increased to .20% of total loans as of June 30, 2012, compared to .11% as of March 31, 2012. The allowance for loan losses covered non-accrual loans by over 2.2 times as of June 30, 2012. The Bank reported no other real estate owned as of June 30, 2012.
- Capital ratios remain well above regulatory minimums for well capitalized banks. As of June 30, 2012, the Bank reported a total risk-based capital ratio of 11.8%, compared to 12.2% as of March 31, 2012.

The Bank filed to deregister its shares on April 13, 2012 under the Securities Exchange Act of 1934, pursuant to the enactment of the Jumpstart Our Business Startups Act. Deregistration became effective as of July 16, 2012 and the Bank's obligation to file Exchange Act reports with the Federal Reserve Bank, including annual, quarterly and current reports on Form 10-K, Form 10-Q and Form 8-K, has been suspended. The Bank will continue to produce quarterly press releases at to its financial performance, and provide annual reports and proxy statements to shareholders.

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

John Marshall Bank

Financial Highlights (Unaudited)
(Dollars in 000's except per-share data)

	Six Months Ended							Quarter Ended			
	June 30, 2012			June 30, 2011		\$ Change % Change		June 30, 2012		March 31, 2012	
Operating Results	_				_				<u> </u>		
Net Interest Income	\$	10,540		7,478	\$	3,062	40.9%	\$	5,393	\$	5,148
Less Provision for Loan Losses		(1,140)		(733)	_	(407)	<u>55.5%</u>	_	(550)	_	(590)
Net Interest income after provision for loan losses		9,400		6,745		2,655	39.4%		4,843		4,558
Non-interest income		112		110		2	1.8%		59		52
Non-interest expense		6,199		4,992	_	1,207	24.2%		3,139		3,059
Income before income taxes		3,313		1,863		1,450	77.8%		1,763		1,551
Income tax expense		1,177		706		471	66.7%		636	_	541
Net income	\$	2,136	\$	1,157	_	979	<u>84.6%</u>	\$	1,127	\$	1,010
Per-Share Data											
Earnings per share - basic	\$	0.45	\$	0.31				\$	0.24	\$	0.21
Earnings per share - diluted	\$	0.45	\$	0.31				\$	0.24	\$	0.21
Book value per share	\$	10.59	\$	9.68				\$	10.59	\$	10.30
Selected Balance Sheet Data											
Investments	\$	35,670	\$	28,582	\$	7,088	24.8%	\$	35,670	\$	32,126
Total Loans (gross)	\$	428,162	\$	323,874	\$	104,288	32.2%	\$	428,162		410,417
Total Assets	\$	484,594	\$	368,618	\$	115,976	31.5%	\$	484,594	\$	467,777
Total Deposits	\$	396,561	\$	292,328	\$	104,233	35.7%	\$	396,561	\$	382,924
Borrowings	\$	37,223		29,896		7,327	24.5%	\$	37,223		35,078
Stockholders' Equity	\$	49,861	\$	45,586	\$	4,275	9.4%	\$	49,861	\$	48,469
Performance Ratios											
Return on average assets (annualized)		0.93%		0.70%					0.95%		0.90%
Return on average equity (annualized)		8.80%		6.71%					9.17%		8.42%
Net interest margin		4.67%		4.63%					4.66%		4.62%
Efficiency Ratio		58.20%		65.79%					57.58%	'	58.83%
Credit Quality Ratios Allowance for loan losses to gross loans		1.10%		1.22%					1.10%		1.15%
Past due loans 30-89 days to gross loans*		0.20%		0.00%					0.20%		0.11%
Past due loans 90 days or more to gross loans*		0.00%		0.00%					0.00%		0.00%
Non-accrual loans to gross loans		0.49%		0.20%					0.49%		0.60%
Net loan chargeoffs (recoveries)	\$	1,433	\$	(9)				\$	577		856
*and still accruing interest	·	,	•	(-,				·		·	
Regulatory Capital Ratios											
Total risk-based capital ratio		11.8%		14.1%					11.8%	,	12.2%
Tier 1 risk-based capital ratio		10.8%		12.9%					10.8%		11.1%
Leverage ratio		10.4%		13.2%					10.4%	,	10.7%