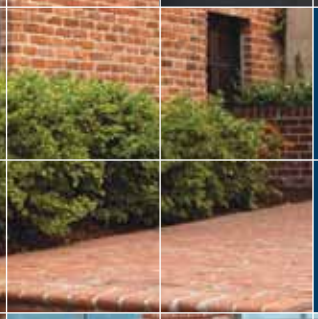
JOHN MARSHALL BANK

2011



Annual Report to Shareholders

Dear Shareholders:

It is my pleasure to report continued positive financial results for your Bank. We reported pre-tax net income of $4.6 million during 2011, an increase of 71% over 2010. In addition total assets increased by 41% during the year, reaching $437 million at December 31, 2011. Enclosed with this letter is a copy of our 2011 10-K which includes our audited financial statements. Also enclosed is our 2012 Proxy Statement and announcement of our annual shareholder meeting to be held on June 12, 2012 at the Sheraton Reston Hotel.

This past September, we opened a fifth branch and our new corporate headquarters, occupying the entire first floor of an office building located at 1943 Isaac Newton Square in Reston. By offering flexible loan and deposit products, experienced bankers with proven track records, and a focus on personal service, John Marshall Bank has grown substantially. I am confident we will continue to be a strong presence in the Washington, DC market.

Our Alexandria region has grown faster than projected, this due in great measure to our team of banking professionals who have extensive experience in the Alexandria region — Ted Johnson, the regional executive, Pam DeCandio and Erik Dorn. All regions continue to perform strongly, contributing to the overall growth and profitability of our Bank.

Our marketing team has had success forming relationships within the press, and the result has been frequent and favorable news coverage for the bank. I encourage you to visit our Web site at www.johnmarshallbank.com and click the News & Events section.

I cannot say enough about our tremendous team of bankers. They deserve a great deal of credit for the remarkable accomplishments our bank has enjoyed, in spite of a challenging economy. Be assured our entire team will continue to work hard for our shareholders.

If you are a customer of the Bank, please accept my heartfelt thanks. If you are currently banking elsewhere, I ask you to consider joining our growing number of satisfied customers who enjoy a banking relationship with us. In so doing, you will not only be generating new business for the bank, but also serving the interests of the shareholders — and you'll get a great banking partner in the bargain.

In closing, it is with great sadness we report the loss of our colleague, Will Soza, who died April 22, 2011. Will was instrumental in founding John Marshall Bank, and initially served as Chairman of the Board. A humble man, Will did not tout his many and wide-ranging accomplishments, but was simply proud to be known as a CPA. We, on the other hand, were proud to call him friend. While we mourn and miss this wonderful man, we also celebrate his magnanimous nature and the grace we were given to know him so well.

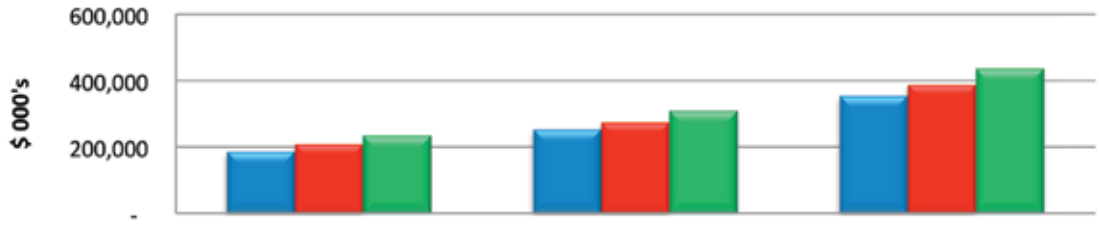
As always, I look forward to the opportunity to talk with you and would welcome your call.

Sincerely,

John R. Maxwell
Chairman & Chief Executive Officer

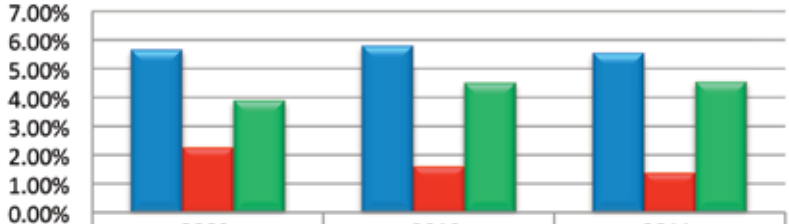
Selected Historical Financial Information

Continued Balance Sheet Growth



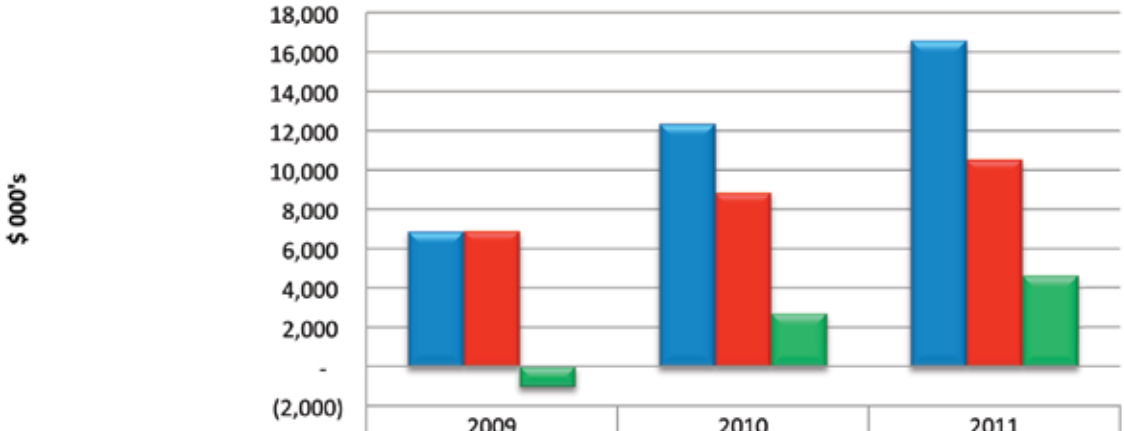
	12/31/09	12/31/10	12/31/11
Total Deposits	186,339	253,360	354,923
Total Loans	208,534	274,079	387,632
Total Assets	234,643	309,871	436,935

Combined With an Increasing Net Interest Margin



	2009	2010	2011
Yield on Earning Assets	5.66%	5.80%	5.61%
Cost of Interest Bearing Liabilities	2.26%	1.60%	1.38%
Net Interest Margin	3.90%	4.51%	4.55%

Resulted in Increasing Pre-Tax Profits



	2009	2010	2011
Net Interest Income	6,857	12,355	16,585
Non-Interest Expense	6,882	8,831	10,518
Net Income (Loss) Before Taxes	(1,048)	2,694	4,617

Directors

John R. Maxwell
Chairman

Philip W. Allin

Philip R. Chase

Jean Edelman

Michael T. Foster, FAIA

Subhash K. Garg

Ronald J. Gordon

Jonathan C. Kinney

O. Leland Mahan

Lim Nguonly

Officers

John R. Maxwell
Chairman & Chief Executive Officer

Bill Ridenour
President & Chief Administrative Officer

Carl Dodson
Executive Vice President & Chief Operating Officer

Mark D. Moore
Executive Vice President & Chief Lending Officer

Paul W. Bice
Regional President
Loudoun County

Edward Harrington
Regional President
Maryland/DC

Sonia Nga Johnston
Regional President
Arlington

Jim Bowman
Senior Vice President
Loudoun Region

Debbie H. Boyd
Senior Vice President
Deposit Operations

B. Drew Brown
Senior Vice President
Arlington Region

Kevin Clarke
Senior Vice President
Branch Administration

Thomas S. Davis
Senior Vice President
Fairfax Region

Pamela C. DeCandio
Senior Vice President
Alexandria Region

R. Bruce Gemmill
Senior Vice President
Chief Marketing Officer

Donald A. Hancock, Jr.
Senior Vice President
Credit Administration

J. David Holden
Senior Vice President
Fairfax Region

Ted Johnson
Senior Vice President
Alexandria Region

Miguel Ornelas
Senior Vice President
Fairfax Region

Martha Trejo
Senior Vice President
Controller

Steve Wilson
Senior Vice President
Loan Review

Chuck Wortman
Senior Vice President
Fairfax Region

Jennifer Dellinger
Vice President
Maryland/DC Region

Erik J. Dorn
Vice President
Alexandria Region

Daniel L. Leber
Vice President
Credit Underwriting

Christopher J. Lipscomb
Vice President
Arlington Region

Archisha Mehan
Vice President
Maryland/DC Region

Michael Otto
Vice President
Fairfax Region

Kay C. Bond
Assistant Vice President
Fairfax Region

Josephine C. Catilo
Assistant Vice President
Deposit Operations

Jackie C. Forbes
Assistant Vice President
Credit Administration

Ann M. Ford
Assistant Vice President
Loudoun Region

Manisha Mahnot
Assistant Vice President
Credit Underwriting

Joan M. Robey
Assistant Vice President
Loudoun Region

Marissa Sellner
Assistant Vice President
Maryland/DC Region

Paul Velasquez
Assistant Vice President
Arlington Region

Penny A. Beidelman
Bank Officer
Credit Administration

Heng-Ying Fang
Bank Officer
Accounting

Jorge (George) Hernandez
Bank Officer
Cash Management

Marisa Martineau
Bank Officer
Human Resources

Dahlia McLean
Bank Officer
Fairfax Region

Chhaya Muth
Bank Officer
Cash Management

Rosa M. Perez
Bank Officer
Operations

Jacqueline Harmon Purnell
Bank Officer
Credit Administration

Monica Rodriguez
Bank Officer
Alexandria Region

Independent Accountants

Yount, Hyde & Barbour, P.C.
Winchester, Virginia

John Marshall Bank is an equal opportunity employer.

Additional Information

For additional information about John Marshall Bank, please contact:
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cdodson@johnmarshallbank.com