

Revere Bank (Laurel, MD) has agreed to acquire BlueRidge Bank (Private; Frederick, MD)

Deal Value: Approximately \$20 million

Sandler O'Neill served as a financial advisor to Revere Bank in this transaction. This transaction represents Sandler O'Neill's 101st bank or thrift transaction nationwide since January 1, 2014, representing \$18.1 billion in aggregate transaction value, more than any other investment bank during that time period.¹

Since January 1, 2012, Sandler O'Neill has advised on 15 bank or thrift transactions in Maryland, Virginia, and the District of Columbia, more than any other investment bank during that time period, representing an aggregate transaction value of \$1.4 billion.¹

On October 19, 2015, Revere Bank ("Revere") and BlueRidge Bank ("BlueRidge") announced that they have entered into a definitive agreement (the "Agreement") pursuant to which BlueRidge will be merged into Revere, with Revere being the surviving entity. The merger will add to Revere's already strong growth by expanding into contiguous markets with the addition of BlueRidge's Frederick and Baltimore branches to Revere's five current locations. At closing, the combined institution will be over \$1 billion in assets, making Revere the seventh largest bank headquartered and operating in the State of Maryland.

Revere will acquire 100% of the outstanding shares of BlueRidge in exchange for common shares of Revere. The exchange ratio will be fixed at 0.6245 of Revere's shares for each share of BlueRidge. The transaction, which has been unanimously approved by both Revere's and BlueRidge's Boards of Directors, is expected to close in the first quarter of 2016, pending regulatory approvals and the approval of the shareholders of Revere and BlueRidge.

The aggregate consideration to be paid in the transaction, based on a valuation of Revere Common Stock of \$17.00 and the Exchange Ratio at 0.6245, would be approximately \$20 million, including the value of outstanding options and warrants to acquire BlueRidge Common Stock. Options and warrants to acquire BlueRidge Common Stock would be converted into options and warrants to acquire shares of Revere Common Stock. The number of options and warrants and the exercise price will be adjusted by the exchange ratio. Revere expects that the transaction will be accretive to both Revere's tangible book value per share and earnings per share within twelve months following the closing of the merger.

In connection with the transaction J. Brian Gaeng, President and CEO of BlueRidge will join the executive management team of Revere and its Board of Directors. An additional two existing members of the BlueRidge Board of Directors will be invited to join Revere's Board of Directors. A new Advisory Board will be created for the Frederick Region and all current members of the BlueRidge Board will be invited to join this Board. In addition, Revere will maintain BlueRidge's Baltimore Region Advisory Board.

Andrew F. Flott, Co-CEO of Revere Bank said, "We are extremely excited about the proposed merger with BlueRidge and the prospect of working with Brian Gaeng and his team. We are very familiar with the BlueRidge team and look forward to the opportunities our expanded market and talent will bring. With this merger we will increase our lending capabilities and cost efficiencies while staying focused on speed and responsiveness. Both banks share a similar desire and culture of providing outstanding service and are committed to our clients' success."

Ken Cook, Co-CEO of Revere Bank added, "The addition of BlueRidge's talented team, combined with our own strong organic growth, gives Revere the ability to be an even greater force in our expanded market area which now includes the attractive suburban Washington market and the Baltimore to Washington corridor, including rapidly growing Frederick."

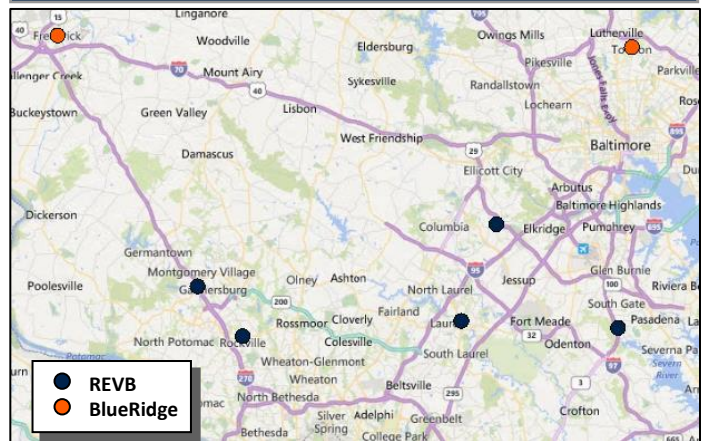
J. Brian Gaeng, President and CEO of BlueRidge Bank noted, "I spent 17 years working with Ken Cook and Drew Flott when we were all part of Mercantile Bankshares. I know from experience that reuniting with these solid community bankers will allow Revere to continue its growth trajectory while maintaining the credit culture that was one of the great hallmarks of Mercantile. For our customers, this combination with Revere means access to a dramatically higher and expanded lending capacity as well as a much larger branch footprint. This is also a great opportunity for our shareholders to enjoy the benefits of a \$1 billion community bank."

Financial Highlights

(\$ in USD millions)	REVB	BlueRidge
Total Assets	\$749	\$205
Gross Loans	657	175
Total Deposits	632	181
Total Equity	70	17
TCE/TA	9.33%	8.11%
LTM ROAA	0.84%	0.26%

1) Source: SNL Financial; excludes terminated transactions.

Pro Forma U.S. Branch Map



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