

Edgar Filing: RIVERVIEW BANCORP INC - Form 10-Q/A

RIVERVIEW BANCORP INC  
Form 10-Q/A  
July 06, 2004

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q/A  
AMENDMENT NO.1

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF  
----- THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended December 31, 2003

OR

----- TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF  
THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number: 0-22957

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

Washington 91-1838969  
(State or other jurisdiction of (I.R.S. Employer  
incorporation or organization) Identification No.)

900 Washington, Suite 900 Vancouver, WA 98660  
(Address of principal executive offices) (Zip Code)

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

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No  .  
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Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act). Yes  No  .  
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APPLICABLE ONLY TO CORPORATE ISSUERS: Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: Common Stock, \$.01 par value per share, 4,772,911 shares outstanding as of January 15, 2004.

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## EXPLANATORY NOTE

This Amendment No. 1 on Form 10-Q/A amends the registrant's Quarterly Report on Form 10-Q for the quarter ended December 31, 2003, and is being filed solely to correct a typographical error in the number of shares of common stock outstanding at December 31, 2003 on the Riverview Bancorp, Inc. and Subsidiary Consolidated Balance Sheets. The registrant's Consolidated Financial Statements included in this Amendment No. 1 on Form 10-Q/A have not changed in any other respect. Exhibit Numbers 31.1, 31.2 and 32 are being currently dated but are otherwise unchanged.

### Part I. Financial Information

#### Item I. Financial Statements (Unaudited)

#### RIVERVIEW BANCORP, INC. AND SUBSIDIARY CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2003 AND MARCH 31, 2003

| (In thousands, except share data) (Unaudited)  | DECEMBER 31,<br>2003 | MARCH 31,<br>2003 |
|--|----------------------|-------------------|
|  |                      |                   |
| <b>ASSETS</b>  |                      |                   |
| Cash (including interest-earning accounts of \$22,485 and \$42,464)                                    | \$ 44,778            | \$ 60,858         |
| Loans held for sale  | 423                  | 1,501             |
| Investment securities available for sale, at fair value (amortized cost of \$37,269 and \$20,265)      | 37,051               | 20,426            |
| Mortgage-backed securities held to maturity, at amortized cost (fair value of \$2,739 and \$3,403)     | 2,667                | 3,301             |
| Mortgage-backed securities available for sale, at fair value (amortized cost of \$11,285 and \$12,669) | 11,464               | 13,069            |
| Loans receivable (net of allowance for loan losses of \$4,885 and \$2,739)                             | 372,136              | 300,310           |
| Real estate owned  | 868                  | 425               |
| Prepaid expenses and other assets  | 3,859                | 854               |
| Accrued interest receivable  | 1,851                | 1,492             |
| Federal Home Loan Bank stock, at cost  | 5,986                | 5,646             |
| Premises and equipment, net  | 10,164               | 9,703             |
| Deferred income taxes, net   | 3,031                | 1,321             |
| Mortgage servicing rights, net   | 668                  | 629               |
| Goodwill   | 9,214                | -                 |
| Core deposit intangible, net   | 879                  | 369               |
| Bank-owned life insurance  | 9,002                | -                 |
|  | -----                | -----             |
| <b>TOTAL ASSETS</b>  | <b>\$514,041</b>     | <b>\$419,904</b>  |
|  | =====                | =====             |
| <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>  |                      |                   |
| <b>LIABILITIES:</b>  |                      |                   |
| Deposit accounts   | \$405,553            | \$320,742         |
| Accrued expenses and other liabilities   | 4,565                | 4,364             |
| Advance payments by borrowers for taxes and insurance  | 108                  | 287               |
| Federal Home Loan Bank advances  | 40,000               | 40,000            |

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|   |           |           |
|---|-----------|-----------|
| Total liabilities   | 450,226   | 365,393   |
| COMMITMENTS AND CONTINGENCIES (NOTE 14)   |           |           |
| SHAREHOLDERS' EQUITY:   |           |           |
| Serial preferred stock, \$.01 par value; 250,000 authorized, issued and outstanding, none | -         | -         |
| Common stock, \$.01 par value; 50,000,000 authorized                                      |           |           |
| December 31, 2003 - 4,954,479 issued, 4,772,911 outstanding                               |           |           |
| March 31, 2003 - 4,585,543 issued, 4,358,704 outstanding                                  | 50        | 46        |
| Additional paid-in capital  | 40,038    | 33,525    |
| Retained earnings   | 25,402    | 22,389    |
| Unearned shares issued to employee stock ownership trust                                  | (1,649)   | (1,804)   |
| Unearned shares held by the management recognition and development plan                   | -         | (15)      |
| Accumulated other comprehensive (loss) income   | (26)      | 370       |
|   | -----     | -----     |
| Total shareholders' equity  | 63,815    | 54,511    |
|   | -----     | -----     |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY  | \$514,041 | \$419,904 |
|   | =====     | =====     |

See notes to consolidated financial statements.

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RIVERVIEW BANCORP, INC. AND SUBSIDIARY  
CONSOLIDATED STATEMENTS OF INCOME

| (In thousands, except share data)<br>(Unaudited) | Three Months Ended   |                      | Nine Months Ended    |                      |
|--|----------------------|----------------------|----------------------|----------------------|
|  | December 31,<br>2003 | December 31,<br>2002 | December 31,<br>2003 | December 31,<br>2002 |
| -----  |                      |                      |                      |                      |
| INTEREST INCOME:                                 |                      |                      |                      |                      |
| Interest and fees on loans receivable            | \$ 6,673             | \$ 5,869             | \$ 19,069            | \$ 17,842            |
| Interest on investment securities                | 146                  | 74                   | 301                  | 132                  |
| Interest on mortgage-backed securities           | 143                  | 236                  | 478                  | 1,052                |
| Other interest and dividends                     | 229                  | 315                  | 701                  | 1,058                |
|  | -----                | -----                | -----                | -----                |
| Total interest income                            | 7,191                | 6,494                | 20,549               | 20,084               |
|  | -----                | -----                | -----                | -----                |
| INTEREST EXPENSE:                                |                      |                      |                      |                      |
| Interest on deposits                             | 1,230                | 1,293                | 3,564                | 4,348                |
| Interest on borrowings                           | 499                  | 642                  | 1,491                | 2,418                |
|  | -----                | -----                | -----                | -----                |
| Total interest expense                           | 1,729                | 1,935                | 5,055                | 6,766                |
|  | -----                | -----                | -----                | -----                |
| Net interest income                              | 5,462                | 4,559                | 15,494               | 13,318               |
| Less provision for loan losses                   | -                    | 190                  | 70                   | 517                  |
|  | -----                | -----                | -----                | -----                |

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|   |           |           |           |           |
|---|-----------|-----------|-----------|-----------|
| Net interest income after provision for loan losses | 5,462     | 4,369     | 15,424    | 12,801    |
|   | -----     | -----     | -----     | -----     |
| NON-INTEREST INCOME:                                |           |           |           |           |
| Fees and service charges                            | 954       | 1,221     | 3,372     | 3,183     |
| Asset management services                           | 229       | 179       | 666       | 549       |
| Gain on sale of loans held for sale                 | 198       | 494       | 789       | 1,108     |
| Gain on sale of securities                          | -         | 162       | -         | 162       |
| Gain on sale of other real estate owned             | 1         | 13        | 49        | 42        |
| Loan servicing income (expense)                     | (2)       | (97)      | 149       | (438)     |
| Other   | 39        | 22        | 59        | 62        |
|   | -----     | -----     | -----     | -----     |
| Total non-interest income                           | 1,419     | 1,994     | 5,084     | 4,668     |
|   | -----     | -----     | -----     | -----     |
| NON-INTEREST EXPENSE:                               |           |           |           |           |
| Salaries and employee benefits                      | 2,575     | 2,095     | 7,324     | 6,164     |
| Occupancy and depreciation                          | 782       | 619       | 2,137     | 1,853     |
| Data processing                                     | 233       | 197       | 675       | 614       |
| Amortization of core deposit intangible             | 121       | 82        | 310       | 245       |
| Marketing expense                                   | 183       | 92        | 696       | 502       |
| FDIC insurance premium                              | 24        | 13        | 49        | 35        |
| State and local taxes                               | 110       | 94        | 317       | 285       |
| Telecommunications                                  | 64        | 59        | 185       | 157       |
| Professional fees                                   | 147       | 105       | 341       | 310       |
| Other   | 331       | 339       | 1,049     | 939       |
|   | -----     | -----     | -----     | -----     |
| Total non-interest expense                          | 4,570     | 3,695     | 13,083    | 11,104    |
|   | -----     | -----     | -----     | -----     |
| INCOME BEFORE FEDERAL INCOME TAXES                  | 2,311     | 2,668     | 7,425     | 6,365     |
| PROVISION FOR FEDERAL INCOME TAXES                  | 772       | 896       | 2,468     | 2,027     |
|   | -----     | -----     | -----     | -----     |
| NET INCOME  | \$ 1,539  | \$ 1,772  | \$ 4,957  | \$ 4,338  |
|   | =====     | =====     | =====     | =====     |
| Earnings per common share:                          |           |           |           |           |
| Basic   | \$ 0.32   | \$ 0.41   | \$ 1.08   | \$ 0.99   |
| Diluted   | 0.32      | 0.40      | 1.06      | 0.98      |
| Weighted average number of shares outstanding:      |           |           |           |           |
| Basic   | 4,757,750 | 4,331,305 | 4,594,958 | 4,372,325 |
| Diluted   | 4,844,247 | 4,382,873 | 4,673,038 | 4,428,332 |
| Cash dividends per common share                     | \$ 0.140  | \$ 0.125  | \$ 0.420  | \$ 0.375  |

See notes to consolidated financial statements.

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CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY  
 FOR THE YEAR ENDED MARCH 31, 2003  
 AND THE NINE MONTHS ENDED DECEMBER 31, 2003  
 (Unaudited)

| (In thousands, except<br>per share data)  | Common<br>Stock<br>Shares | Addi-<br>tional<br>Paid-in<br>Capital<br>Amount | Retained<br>Earnings | Unearned<br>Shares<br>Issued to<br>Employee<br>Stock<br>Owner-<br>ship<br>Trust | Unearned<br>Shares<br>Issued to<br>MRDP | Accum-<br>ulated<br>Other<br>Compre-<br>hensive<br>Income<br>(Loss) |         |
|---|---------------------------|---|----------------------|---|---|---|---------|
| Balance, April 1, 2002  | 4,458,456                 | \$ 47   | \$ 35,725            | \$ 20,208   | \$ (2,010)                              | \$ (218)  | \$ (75) |
| Cash dividends  | -                         | -   | -                    | (2,178)   | -                                       | -   | -       |
| Exercise of stock options   | 46,577                    | -   | 417                  | -   | -                                       | -   | -       |
| Stock repurchased and<br>retired  | (196,100)                 | (1)   | (2,881)              | -   | -                                       | -   | -       |
| Earned ESOP shares  | 24,633                    | -   | 166                  | -   | 206                                     | -   | -       |
| Tax benefit associated<br>with MRDP   | -                         | -   | 98                   | -   | -                                       | -   | -       |
| Earned MRDP shares  | 25,138                    | -   | -                    | -   | -                                       | 203   | -       |
|   | -----                     | ----  | -----                | -----   | -----                                   | -----   | -----   |
|   | 4,358,704                 | 46  | 33,525               | 18,030  | (1,804)                                 | (15)  | (75)    |
| Comprehensive income  |                           |   |                      |   |   |   |         |
| Net Income  | -                         | -   | -                    | 4,359   | -                                       | -   | -       |
| Other Comprehensive Income:   |                           |   |                      |   |   |   |         |
| Unrealized holding gain on<br>securities of \$966 (net of<br>\$498 tax effect) less re-<br>classification adjustment<br>for net losses included in<br>net income of \$1,411 ( net<br>of \$727 tax effect) | -                         | -   | -                    | -   | -                                       | -   | 445     |
| Total comprehensive income  | -                         | -   | -                    | -   | -                                       | -   | -       |
|   | -----                     | ----  | -----                | -----   | -----                                   | -----   | -----   |
| Balance, March 31, 2003   | 4,358,704                 | 46  | 33,525               | 22,389  | (1,804)                                 | (15)  | 370     |
| Cash dividends  | -                         | -   | -                    | ( 1,944)  | -                                       | -   | -       |
| Exercise of stock options   | 35,281                    | -   | 422                  | -   | -                                       | -   | -       |
| Stock repurchased and<br>retired  | (81,500)                  | (1)   | (1,509)              | -   | -                                       | -   | -       |
| Stock issued in connection<br>with acquisition (Note 15)  | 430,655                   | 5   | 7,343                | -   | -                                       | -   | -       |
| Earned ESOP shares  | 24,633                    | -   | 198                  | -   | 155                                     | -   | -       |
| Tax benefit associated<br>with MRDP   | -                         | -   | 59                   | -   | -                                       | -   | -       |
| Earned MRDP shares  | 5,138                     | -   | -                    | -   | -                                       | 15  | -       |
|   | -----                     | ----  | -----                | -----   | -----                                   | -----   | -----   |
|   | 4,772,911                 | 50  | 40,038               | 20,445  | (1,649)                                 | -   | 370     |
| Comprehensive income  |                           |   |                      |   |   |   |         |
| Net Income  | -                         | -   | -                    | 4,957   | -                                       | -   | -       |
| Other Comprehensive Income:   |                           |   |                      |   |   |   |         |
| Unrealized holding loss on<br>securities of \$396 (net of   |                           |   |                      |   |   |   |         |

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|                            |           |       |           |           |            |      |      |       |
|----------------------------|-----------|-------|-----------|-----------|------------|------|------|-------|
| \$204 tax effect)          | -         | -     | -         | -         | -          | -    | -    | (396) |
| Total comprehensive income | -         | -     | -         | -         | -          | -    | -    | -     |
| Balance, December 31, 2003 | 4,772,911 | \$ 50 | \$ 40,038 | \$ 25,402 | \$ (1,649) | \$ - | \$ - | (26)  |

See notes to consolidated financial statements.

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RIVERVIEW BANCORP, INC. AND SUBSIDIARY  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE NINE MONTHS ENDED DECEMBER 31,

| (In thousands)  | (Unaudited) | 2003      | 2002      |
|---|-------------|-----------|-----------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>                                  |             |           |           |
| Net income  |             | \$ 4,957  | \$ 4,338  |
| Adjustments to reconcile net income to cash provided by operating activities: |             |           |           |
| Depreciation and amortization   |             | 1,641     | 1,312     |
| Mortgage servicing rights impairment  |             | (304)     | 491       |
| Provision for losses on loans   |             | 70        | 517       |
| Origination of loans held for sale  |             | (43,706)  | (38,177)  |
| Proceeds from sales of loans held for sale                                    |             | 44,888    | 38,810    |
| Provision (credit) for deferred income taxes                                  |             | 237       | (161)     |
| Noncash expense related to ESOP benefit                                       |             | 353       | 271       |
| Noncash expense related to MRDP benefit                                       |             | 15        | 194       |
| Decrease in deferred loan origination fees, net of amortization               |             | 669       | 536       |
| Federal Home Loan Bank stock dividend   |             | (182)     | (246)     |
| Net gain on sale of loans, real estate owned and premises and equipment       |             | (699)     | (1,119)   |
| Changes in assets and liabilities:  |             |           |           |
| Increase in prepaid expenses and other assets                                 |             | (2,949)   | (225)     |
| Decrease in accrued interest receivable                                       |             | 195       | 297       |
| Decrease in accrued expenses and other liabilities                            |             | (815)     | (36)      |
| Net cash provided by operating activities                                     |             | 4,370     | 6,802     |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>                                  |             |           |           |
| Loan originations   |             | (232,828) | (189,503) |
| Principal repayments on loans   |             | 245,679   | 168,538   |
| Principal repayments on mortgage-backed securities held to maturity           |             | 632       | 865       |
| Principal repayments on mortgage-backed securities available for sale         |             | 6,823     | 18,183    |
| Purchase of mortgage-backed securities available for sale                     |             | (4,937)   | -         |
| Purchase of investment securities available for sale                          |             | (11,000)  | (5,000)   |
| Proceeds from call or maturity of investment securities available for sale    |             | 250       | 1,356     |
| Purchase of premises, equipment and other                                     |             | (380)     | (120)     |
| Acquisition, net of cash received   |             | 7,206     | -         |
| Purchase of first mortgage or improvement to REO                              |             | (159)     | -         |
| Purchase bank-owned life insurance  |             | (9,000)   | -         |

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|   |           |           |
|---|-----------|-----------|
| Proceeds from sale of real estate                   | 654       | 1,456     |
|   | -----     | -----     |
| Net cash provided by (used in) investing activities | 2,940     | (4,225)   |
|   | -----     | -----     |
| CASH FLOWS FROM FINANCING ACTIVITIES:               |           |           |
| Net (decrease) increase in deposit accounts         | (20,302)  | 54,698    |
| Dividends paid                                      | (1,821)   | (1,584)   |
| Repurchase of common stock                          | (1,510)   | (2,599)   |
| Proceeds from Federal Home Loan Bank advances       | -         | 5,000     |
| Repayment of Federal Home Loan Bank advances        | -         | (29,500)  |
| Net decrease in advance payments by borrowers       | (179)     | (135)     |
|   |           |           |
| Proceeds from exercise of stock options             | 422       | 31        |
|   | -----     | -----     |
| Net cash (used in) provided by financing activities | (23,390)  | 25,911    |
|   | -----     | -----     |
| NET (DECREASE) INCREASE IN CASH                     | (16,080)  | 28,488    |
| CASH, BEGINNING OF PERIOD                           | 60,858    | 22,492    |
|   | -----     | -----     |
| CASH, END OF PERIOD                                 | \$ 44,778 | \$ 50,980 |
|   | =====     | =====     |

SUPPLEMENTAL DISCLOSURES:

Cash paid during the period for:

|              |          |          |
|--------------|----------|----------|
| Interest     | \$ 5,158 | \$ 6,972 |
| Income taxes | 2,170    | 1,912    |

NONCASH INVESTING AND FINANCING ACTIVITIES:

|  |        |          |
|--|--------|----------|
| Transfer of loans to real estate owned                 | \$ 688 | \$ 1,527 |
| Dividends declared and accrued in other liabilities    | 668    | 539      |
| Fair value adjustment to securities available for sale | (599)  | (932)    |
| Income tax effect related to fair value adjustment     | 204    | 317      |
| Common stock issued upon business combination          | 7,347  | -        |

See notes to consolidated financial statements.

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RIVERVIEW BANCORP, INC. AND SUBSIDIARY  
Notes to Consolidated Financial Statements  
(Unaudited)

(1) Organization and Basis of Presentation  
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The accompanying unaudited consolidated financial statements were prepared in accordance with instructions for Form 10-Q and, therefore, do not include all disclosures necessary for a complete presentation of financial condition, results of operations, and cash flows in conformity with accounting principles generally accepted in the United States of America. However, all adjustments that are, in the opinion of management, necessary for a fair presentation of the interim unaudited financial statements have been included. All such adjustments are of a normal recurring nature.

The unaudited consolidated financial statements should be read in conjunction with the audited financial statements included in the Riverview Bancorp, Inc.

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Annual Report on Form 10-K for the year ended March 31, 2003. The results of operations for the three and nine months ended December 31, 2003 are not necessarily indicative of the results which may be expected for the entire fiscal year. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

### (2) Principles of Consolidation

-----

The accompanying unaudited consolidated financial statements of Riverview Bancorp, Inc. and Subsidiary (the "Company") include all the accounts of Riverview Bancorp, Inc. and the consolidated accounts of its wholly-owned subsidiary, Riverview Community Bank (the "Community Bank"), and the Community Bank's majority-owned subsidiary Riverview Asset Management Corporation ("RAM CORP.") and wholly-owned subsidiary Riverview Services, Inc. All references to the Company herein include the Community Bank where applicable. All inter-company balances and transactions have been eliminated upon consolidation.

### (3) Stock Based Compensation

-----

In December 2002, Statement of Financial Accounting Standards ("SFAS") No. 148, Accounting for Stock-Based Compensation -- Transition and Disclosure, an amendment of Financial Accounting Standards Board ("FASB") Statement No. 123, was issued. This Statement amends FASB Statement No. 123, Accounting for Stock-Based Compensation, to provide alternative methods of transition for a voluntary change to the fair value based method of accounting for stock-based employee compensation. In addition, this Statement amends the disclosure requirements of Statement No. 123 to require prominent disclosures in both annual and interim financial statements about the method of accounting for stock-based employee compensation and the effect of the method used on reported results.

Effective March 31, 2003, and in accordance with Statement No. 148, the Company elected to continue to account for stock-based awards under the guidance of Accounting Principles Board ("APB") Opinion No. 25.

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Had compensation cost for the Company's stock-based compensation plans been determined using the fair value method consistent with Statement No. 123 for all periods presented, the Company's net income per share would have been reduced to the pro forma amounts indicated below:

|   | Three Months Ended<br>December 31, |              |
|---|------------------------------------|--------------|
|   | 2003                               | 2002         |
| Net income  |                                    |              |
| As reported   | \$ 1,539,000                       | \$ 1,772,000 |
| Deduct: Total stock-based employee<br>compensation expense determined |                                    |              |

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|   |              |              |
|---|--------------|--------------|
| under fair value method for all awards, net of related tax effects  | (16,542)     | (23,890)     |
|   | -----        | -----        |
| Pro forma   | \$ 1,522,458 | \$ 1,748,110 |
|   | =====        | =====        |
| Earnings per common share - basic:  |              |              |
| As reported   | \$ 0.32      | \$ 0.41      |
| Pro forma   | 0.32         | 0.40         |
| Earnings per common share - fully diluted:  |              |              |
| As reported   | 0.32         | 0.40         |
| Pro forma   | 0.32         | 0.40         |
| Nine Months Ended<br>December 31,   |              |              |
|   | -----        | -----        |
|   | 2003         | 2002         |
|   | -----        | -----        |
| Net income  |              |              |
| As reported   | \$ 4,957,000 | \$ 4,338,000 |
| Deduct: Total stock-based employee compensation expense determined under fair value method for all awards, net of related tax effects | (49,626)     | (71,670)     |
|   | -----        | -----        |
| Pro forma   | \$ 4,907,374 | \$ 4,266,330 |
|   | =====        | =====        |
| Earnings per common share - basic:  |              |              |
| As reported   | \$ 1.08      | \$ 0.99      |
| Pro forma   | 1.07         | 0.98         |
| Earnings per common share - fully diluted:  |              |              |
| As reported   | 1.06         | 0.98         |
| Pro forma   | 1.05         | 0.97         |

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(4) Comprehensive Income

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Comprehensive income is defined as the change in equity during a period from transactions and other events from nonowner sources. Comprehensive income is the total of net income and other comprehensive income, which for the Company is comprised of unrealized gains and losses on securities available for sale adjusted for gains and losses on securities available for sale included in non-interest income.

For the three and nine months ended December 31, 2003, the Company's total comprehensive income was \$885,000 and \$4.6 million, respectively, compared to \$954,000 and \$3.7 million for the three and nine months ended December 31, 2002, respectively.

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Total comprehensive income for the three and nine months ended December 31, 2003 is comprised of net income of \$1.5 million and \$5.0 million and other comprehensive losses of \$654,000 and \$396,000, net of tax effect, respectively. Other comprehensive income for the three months and nine months ended December 31, 2003 consists of unrealized securities losses of \$654,000 and \$396,000, net of tax effect.

Total comprehensive income for the three and nine months ended December 31, 2002 is comprised of net income of \$1.8 million and \$4.3 million and other comprehensive loss of \$818,000 and \$615,000, net of tax effect, respectively. Other comprehensive income for the three and nine months ended December 31, 2002, consists of unrealized securities loss of \$711,000 and \$508,000, net of tax effect, respectively, less gain on securities available for sale included in non-interest income of \$107,000 for both periods, net of tax effect.

### (5) Earnings Per Share

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Basic earnings per share ("EPS") is computed by dividing net income applicable to common stock by the weighted average number of shares of common stock outstanding during the period, without considering the effect of any dilutive items. Diluted EPS is computed by dividing net income applicable to common stock by the weighted average number of shares of common stock and common stock equivalents for items that are dilutive, net of shares assumed to be repurchased using the treasury stock method at the average share price for the Company's common stock during the period. Common stock equivalents arise from assumed conversion of outstanding stock options and awarded but not released Management Recognition and Development Plan ("MRDP") shares. Employee Stock Ownership Plan ("ESOP") shares are not considered outstanding for EPS purposes until they are committed to be released.

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|  | Three Months Ended<br>December 31, |              |
|--|------------------------------------|--------------|
|  | 2003                               | 2002         |
| Basic EPS computation:   |                                    |              |
| Numerator-Net Income   | \$ 1,539,000                       | \$ 1,772,000 |
| Denominator-Weighted average common<br>shares outstanding      | 4,757,750                          | 4,322,832    |
| Basic EPS  | \$ 0.32                            | \$ 0.41      |
| Diluted EPS computation:                                       |                                    |              |
| Numerator-Net Income   | \$ 1,539,000                       | \$ 1,772,000 |
| Denominator-Weighted average<br>common shares outstanding      | 4,757,750                          | 4,331,305    |
| Effect of dilutive stock options                               | 86,497                             | 49,383       |
| Effect of dilutive MRDP  | -                                  | 2,185        |
| Weighted average common shares and<br>common stock equivalents | 4,844,247                          | 4,382,873    |

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|  |                                   |               |
|--|-----------------------------------|---------------|
| Diluted EPS  | \$ 0.32                           | \$ 0.40       |
|  | =====                             | =====         |
|  | Nine Months Ended<br>December 31, |               |
|  | -----<br>2003                     | -----<br>2002 |
|  | -----                             | -----         |
| Basic EPS computation:   |                                   |               |
| Numerator-Net Income   | \$ 4,957,000                      | \$ 4,338,000  |
| Denominator-Weighted average<br>common shares outstanding      | 4,594,958                         | 4,372,325     |
| Basic EPS  | \$ 1.08                           | \$ 0.99       |
|  | =====                             | =====         |
| Diluted EPS computation:                                       |                                   |               |
| Numerator-Net Income   | \$ 4,957,000                      | \$ 4,338,000  |
| Denominator-Weighted average<br>common shares outstanding      | 4,594,958                         | 4,372,325     |
| Effect of dilutive stock options                               | 75,260                            | 43,579        |
| Effect of dilutive MRDP  | 2,820                             | 12,428        |
|  | -----                             | -----         |
| Weighted average common shares<br>and common stock equivalents | 4,673,038                         | 4,428,332     |
| Diluted EPS  | \$ 1.06                           | \$ 0.98       |
|  | =====                             | =====         |

(6) Investment Securities

There were no sales of investment securities classified as held to maturity during the three and nine month periods ended December 31, 2003 and 2002.

The amortized cost and approximate fair value of investment securities available for sale consisted of the following (in thousands):

|                            | Amortized<br>Cost | Gross<br>Unrealized<br>Gains | Gross<br>Unrealized<br>Losses | Estimated<br>Fair<br>Value |
|----------------------------|-------------------|------------------------------|-------------------------------|----------------------------|
|                            | -----             | -----                        | -----                         | -----                      |
| December 31, 2003          |                   |                              |                               |                            |
| Trust preferred securities | \$ 5,000          | \$ -                         | \$ -                          | \$ 5,000                   |
| U.S. Treasury securities   | 4,006             | 4                            | -                             | 4,010                      |
| Agency securities          | 13,000            | 110                          | -                             | 13,110                     |
| Equity securities          | 12,700            | -                            | (525)                         | 12,175                     |
| School district bonds      | 2,563             | 193                          | -                             | 2,756                      |
|                            | -----             | -----                        | -----                         | -----                      |
|                            | \$ 37,269         | \$ 307                       | \$ (525)                      | \$ 37,051                  |
|                            | =====             | =====                        | =====                         | =====                      |

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|                            |           |        |         |           |
|----------------------------|-----------|--------|---------|-----------|
| Trust preferred securities | \$ 5,000  | \$ -   | \$ (25) | \$ 4,975  |
| Equity securities          | 12,700    | -      | -       | 12,700    |
| School district bonds      | 2,565     | 186    | -       | 2,751     |
|                            | -----     | -----  | -----   | -----     |
|                            | \$ 20,265 | \$ 186 | \$ (25) | \$ 20,426 |
|                            | =====     | =====  | =====   | =====     |

Investment securities with an amortized cost of \$15.0 million and \$12.7 million and a fair value of \$14.6 million and \$12.7 million at December 31, 2003 and March 31, 2003, respectively, were pledged as collateral for advances at the Federal Home Loan Bank. Investment securities with an amortized cost of \$500,000 and \$753,000 and a fair value of \$502,000 and \$760,000 at December 31, 2003 and March 31, 2003, respectively, were pledged as collateral for government public funds held by the Community Bank. Investment securities with an amortized cost of \$500,000 and a fair value of \$500,000 at December 31, 2003 were pledged as collateral for treasury tax and loan funds held by the Community Bank.

The contractual maturities of securities available for sale are as follows (in thousands):

| December 31, 2003                      | Amortized<br>Cost | Estimated<br>Fair Value |
|--|-------------------|-------------------------|
|  | -----             | -----                   |
| Due in one year or less                | \$ 4,006          | \$ 4,010                |
| Due after one year through five years  | 14,415            | 14,636                  |
| Due after five years through ten years | 530               | 579                     |
| Due after ten years                    | 18,318            | 17,826                  |
|  | -----             | -----                   |
|  | \$ 37,269         | \$ 37,051               |
|  | =====             | =====                   |

(7) Mortgage-backed Securities

Mortgage-backed securities held to maturity consisted of the following (in thousands):

|                                  | Amortized<br>Cost | Gross<br>Unrealized<br>Gains | Gross<br>Unrealized<br>Losses | Estimated<br>Fair<br>Value |
|----------------------------------|-------------------|------------------------------|-------------------------------|----------------------------|
|                                  | -----             | -----                        | -----                         | -----                      |
| December 31, 2003                |                   |                              |                               |                            |
| REMICs                           | \$ 1,802          | \$ 48                        | \$ -                          | \$ 1,850                   |
| FHLMC mortgage-backed securities | 362               | 8                            | -                             | 370                        |
| FNMA mortgage-backed securities  | 503               | 16                           | -                             | 519                        |
|                                  | -----             | -----                        | -----                         | -----                      |
|                                  | \$ 2,667          | \$ 72                        | \$ -                          | \$ 2,739                   |
|                                  | =====             | =====                        | =====                         | =====                      |
| March 31, 2003                   |                   |                              |                               |                            |
| REMICs                           | \$ 1,803          | \$ 57                        | \$ -                          | \$ 1,860                   |
| FHLMC mortgage-backed securities | 589               | 13                           | -                             | 602                        |
| FNMA mortgage-backed securities  | 909               | 32                           | -                             | 941                        |
|                                  | -----             | -----                        | -----                         | -----                      |
|                                  | \$ 3,301          | \$ 102                       | \$ -                          | \$ 3,403                   |
|                                  | =====             | =====                        | =====                         | =====                      |

The contractual maturities of mortgage-backed securities classified as held to maturity are as follows (in thousands):

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| December 31, 2003                      | Amortized<br>Cost | Estimated<br>Fair Value |
|--|-------------------|-------------------------|
|  | -----             | -----                   |
| Due in one or less                     | \$ 79             | \$ 81                   |
| Due after one year through five years  | 57                | 60                      |
| Due after five years through ten years | 9                 | 10                      |
| Due after ten years                    | 2,522             | 2,588                   |
|  | -----             | -----                   |
|  | \$ 2,667          | \$ 2,739                |
|  | =====             | =====                   |

Mortgage-backed securities held to maturity with an amortized cost of \$1.9 million and \$2.2 million and a fair value of \$1.9 million and \$2.3 million at December 31, 2003 and March 31, 2003, respectively, were pledged as collateral for governmental public funds held by the Community Bank. Mortgage-backed securities held to maturity with an amortized cost of \$355,000 and \$385,000 and a fair value of \$366,000 and \$399,000 at December 31, 2003 and March 31, 2003, respectively, were pledged as collateral for treasury tax and loan funds held by the Community Bank. The real estate mortgage investment conduits ("REMICs") consist of Federal Home Loan Mortgage Corporation ("FHLMC"), Federal National Mortgage Association ("FNMA") and privately issued securities.

Expected maturities of mortgage-backed securities held to maturity will differ from contractual maturities because borrowers may have the right to prepay obligations with or without prepayment penalties.

There were no sales of mortgage-backed securities held to maturity during the three and nine month periods ended December 31, 2003 and 2002.

Mortgage-backed securities available for sale consisted of the following (in thousands):

|                                  | Amortized<br>Cost | Gross<br>Unrealized<br>Gains | Gross<br>Unrealized<br>Losses | Estimated<br>Fair<br>Value |
|----------------------------------|-------------------|------------------------------|-------------------------------|----------------------------|
|                                  | -----             | -----                        | -----                         | -----                      |
| December 31, 2003                |                   |                              |                               |                            |
| REMICs                           | \$ 3,326          | \$ 73                        | \$ (3)                        | \$ 3,396                   |
| FHLMC mortgage-backed securities | 7,517             | 94                           | -                             | 7,611                      |
| FNMA mortgage-backed securities  | 442               | 15                           | -                             | 457                        |
|                                  | -----             | -----                        | -----                         | -----                      |
|                                  | \$ 11,285         | \$ 182                       | \$ (3)                        | \$ 11,464                  |
|                                  | =====             | =====                        | =====                         | =====                      |

March 31, 2003

|                                  |           |        |        |           |
|----------------------------------|-----------|--------|--------|-----------|
| REMICs                           | \$ 6,327  | \$ 100 | \$ (6) | \$ 6,421  |
| FHLMC mortgage-backed securities | 5,811     | 286    | -      | 6,097     |
| FNMA mortgage-backed securities  | 531       | 20     | -      | 551       |
|                                  | -----     | -----  | -----  | -----     |
|                                  | \$ 12,669 | \$ 406 | \$ (6) | \$ 13,069 |
|                                  | =====     | =====  | =====  | =====     |

The contractual maturities of mortgage-backed securities available for sale

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are as follows (in thousands):

| December 31, 2003                     | Amortized<br>Cost | Estimated<br>Fair Value |
|---------------------------------------|-------------------|-------------------------|
|                                       | -----             | -----                   |
| Due in one year or less               | \$ 39             | \$ 39                   |
| Due after one year through five years | 3,063             | 3,137                   |
| Due after five year through ten years | 4,890             | 4,912                   |
| Due after ten years                   | 3,293             | 3,376                   |
|                                       | -----             | -----                   |
|                                       | \$ 11,285         | \$ 11,464               |
|                                       | =====             | =====                   |

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Expected maturities of mortgage-backed securities available for sale will differ from contractual maturities because borrowers may have the right to prepay obligations with or without prepayment penalties.

Mortgage-backed securities with an amortized cost of \$5.9 million and \$11.9 million and a fair value of \$6.0 million and \$12.2 million at December 31, 2003 and March 31, 2003, respectively, were pledged as collateral for advances at the Federal Home Loan Bank. Mortgage-backed securities with an amortized cost of \$274,000 and a fair value of \$283,000 at December 31, 2003 were pledged as collateral for governmental public funds held by the Community Bank. Mortgage-backed securities with an amortized cost of \$114,000 and \$316,000 and a fair value of \$120,000 and \$327,000 at December 31, 2003 and March 31, 2003, respectively, were pledged as collateral for treasury tax and loan funds held by the Community Bank.

(8) Loans Receivable

-----

Loans receivable consisted of the following (in thousands):

|                        | December 31,<br>2003 | March 31,<br>2003 |
|------------------------|----------------------|-------------------|
|                        | -----                | -----             |
| Residential:           |                      |                   |
| One- to- four family   | \$ 47,049            | \$ 58,498         |
| Multi-family           | 5,529                | 6,313             |
| Construction:          |                      |                   |
| One- to- four family   | 72,428               | 70,397            |
| Multi-family           | 2,100                | 2,100             |
| Commercial real estate | 1,437                | 4,531             |
| Commercial             | 58,633               | 34,239            |
| Consumer:              |                      |                   |
| Secured                | 28,280               | 23,458            |
| Unsecured              | 1,933                | 1,334             |
| Land                   | 29,748               | 34,630            |
| Commercial real estate | 164,204              | 101,672           |
|                        | -----                | -----             |
|                        | 411,341              | 337,172           |

Less:

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|                              |            |            |
|------------------------------|------------|------------|
| Undisbursed portion of loans | 31,182     | 31,222     |
| Deferred loan fees           | 3,138      | 2,901      |
| Allowance for loan losses    | 4,885      | 2,739      |
|                              | -----      | -----      |
| Loans receivable, net        | \$ 372,136 | \$ 300,310 |
|                              | =====      | =====      |

(9) Allowance for Loan Losses

A reconciliation of the allowance for loan losses is as follows (in thousands):

|   | Three Months Ended<br>December 31, |          | Nine Months Ended<br>December 31, |          |
|---|------------------------------------|----------|-----------------------------------|----------|
|   | 2003                               | 2002     | 2003                              | 2002     |
|   | -----                              | -----    | -----                             | -----    |
| Beginning balance   | \$ 5,205                           | \$ 2,689 | \$ 2,739                          | \$ 2,537 |
| Provision for losses  | -                                  | 190      | 70                                | 517      |
| Charge-offs   | (333)                              | (77)     | (575)                             | (261)    |
| Recoveries  | 13                                 | 4        | 51                                | 13       |
| Acquisition   | -                                  | -        | 2,639                             | -        |
| Net change in allowance for<br>unfunded loan commitments and<br>lines of credit | -                                  | -        | (39)                              | -        |
|   | -----                              | -----    | -----                             | -----    |
| Ending balance  | \$ 4,885                           | \$ 2,806 | \$ 4,885                          | \$ 2,806 |
|   | =====                              | =====    | =====                             | =====    |

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At December 31, 2003 and March 31, 2003, the Company's recorded investment in loans for which impairment has been recognized under the guidance of SFAS No. 114 and SFAS No. 118 was \$2.0 million and \$323,000, respectively. The allowance for loan losses in excess of specific reserves is available to absorb losses from all loans, although allocations have been made for certain loans and loan categories as part of management's analysis of the allowance. The average investment in impaired loans was approximately \$1.0 million, \$1.3 million and \$1.1 million during the nine months ended December 31, 2003, December 31, 2002 and the year ended March 31, 2003 respectively.

(10) Loans held for Sale

The Company identifies loans held for sale at the time of origination and they are carried at the lower of aggregate cost or net realizable value. Market values are derived from available market quotations for comparable pools of mortgage loans. Adjustments for unrealized losses, if any, are charged to income.

(11) Intangible Assets

The Company adopted SFAS No. 142, Goodwill and Other Intangible Assets, on April 1, 2002. SFAS No. 142 provides that goodwill is no longer amortized and

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the value of an identifiable intangible asset must be amortized over its useful life, unless the asset is determined to have an indefinite life. During the quarter ended September 30, 2003, the Company's purchase of Today's Bancorp, Inc. ("Today's Bancorp") resulted in the recording of \$9.2 million of goodwill (see note 16 for further details). The Company will review this balance on an annual basis for impairment. The annual test for impairment will be a two-step process. The first step will be to compare the current fair value of Riverview Bancorp, Inc. with its book value, including goodwill. If the current fair value exceeds the book value, goodwill will not be considered to be impaired and the test is completed. If the book value is greater than the current fair value, the implied value of the goodwill will be analyzed against the carrying value of the goodwill. Any noted impairment losses will be taken at that time.

The Company also has identifiable intangible assets of core deposit intangible and mortgage servicing rights ("MSR") that will continue to be amortized. As part of the Today's Bancorp acquisition, core deposit intangibles increased \$820,000.

Intangible asset balances (excluding MSR) consisted of the following (in thousands):

|                         | December 31, 2003  |                             |                 |
|-------------------------|--------------------|-----------------------------|-----------------|
|                         | Carrying<br>Amount | Accumulated<br>Amortization | Net             |
| Core deposit intangible | \$ 4,088<br>=====  | \$ 3,209<br>=====           | \$ 879<br>===== |

|                         | March 31, 2003     |                             |                 |
|-------------------------|--------------------|-----------------------------|-----------------|
|                         | Carrying<br>Amount | Accumulated<br>Amortization | Net             |
| Core deposit intangible | \$ 3,269<br>=====  | \$ 2,900<br>=====           | \$ 369<br>===== |

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|                         | Amortization Expense<br>Quarter Ended December 31, |                |
|-------------------------|--|----------------|
|                         | 2003   | 2002           |
| Core deposit intangible | \$ 121<br>=====                                    | \$ 82<br>===== |

|                         | Amortization Expense<br>Nine Months Ended<br>December 31, |                 |
|-------------------------|---|-----------------|
|                         | 2003  | 2002            |
| Core deposit intangible | \$ 310<br>=====   | \$ 245<br>===== |

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The value of the MSR asset is subject to prepayment risk. Future expected net cash flows from servicing a loan in the servicing portfolio are not realized if the loan pays off earlier than anticipated. If loans payoff earlier than anticipated there is no economic benefit because loans in our servicing portfolio do not contain penalty provisions for early payoff.

An estimated fair value of MSR is determined quarterly using a discounted cash flow model. The model estimates the present value of the future net cash flows of the servicing portfolio based on various factors, such as servicing costs, servicing income, expected prepayments speeds, discount rate, loan maturity and interest rate. MSR impairment is recorded in the amount that the estimated fair value is less than the MSR carrying value.

Changes in balance of MSR, net of valuation, were as follows (in thousands):

|                                  | Three Months Ended December 31, |        |
|----------------------------------|---------------------------------|--------|
|                                  | 2003                            | 2002   |
| Beginning balance                | \$ 718                          | \$ 636 |
| Additions                        | 36                              | 227    |
| Amortization                     | (87)                            | (75)   |
| Impairment adjustment            | 1                               | (108)  |
|                                  | -----                           | -----  |
| Total                            | \$ 668                          | \$ 680 |
|                                  | =====                           | =====  |
| Allowance at beginning of period | \$ 110                          | \$ 477 |
| Provision for impairment         | (1)                             | 108    |
|                                  | -----                           | -----  |
| Allowance at end of period       | \$ 109                          | \$ 585 |
|                                  | =====                           | =====  |
|                                  | Nine Months Ended December 31,  |        |
|                                  | 2003                            | 2002   |
| Beginning balance                | \$ 629                          | \$ 912 |
| Additions                        | 166                             | 461    |
| Amortization                     | (431)                           | (202)  |
| Impairment adjustment            | 304                             | (491)  |
|                                  | -----                           | -----  |
| Total                            | \$ 668                          | \$ 680 |
|                                  | =====                           | =====  |
| Allowance at beginning of period | \$ 413                          | \$ 94  |
| Provision for impairment         | (304)                           | 491    |
|                                  | -----                           | -----  |
| Allowance at end of period       | \$ 109                          | \$ 585 |
|                                  | =====                           | =====  |

Amortization expense for the net carrying amount of intangible assets at December 31, 2003 is estimated to be as follows (in thousands):

Fiscal year

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|                   |         |
|-------------------|---------|
| 2004              | \$ 189  |
| 2005              | 389     |
| 2006              | 237     |
| 2007              | 192     |
| 2008              | 172     |
| Beyond<br>5 years | 368     |
| Total             | \$1,547 |

(12) Borrowings

Borrowings are summarized as follows (in thousands):

|                                 | December 31,<br>2003 | March 31,<br>2003 |
|---------------------------------|----------------------|-------------------|
| Federal Home Loan Bank advances | \$40,000             | \$40,000          |
| Weighted average interest rate: | 4.88%                | 5.53%             |

Borrowings have the following maturities at December 31, 2003 (in thousands):

| Fiscal Year |           |
|-------------|-----------|
| 2004        | \$ -      |
| 2005        | -         |
| 2006        | 15,000    |
| 2007        | 20,000    |
| 2008        | 5,000     |
|             | \$ 40,000 |

(13) Shareholders' Equity

Repurchase of Common stock

In September 2002, the Company announced a stock repurchase of up to 5%, or 214,000 shares, of its outstanding common stock. At December 31, 2003, 81,500 shares had been repurchased at an average cost of \$18.53 per share.

In July 2001, the Company received regulatory approval to repurchase up to 10% or 465,504 shares of its outstanding common stock at June 30, 2001. At December 31, 2003, 465,504 shares had been repurchased at an average cost of \$12.93 per share. Because the Company is a Washington corporation and the State of Washington treats all treasury stock as retired upon purchase, all purchases of treasury stock reduce stock issued and the cost of treasury stock acquired is charged to par value and paid-in capital.

(14) Recently Issued Accounting Pronouncements

In May 2003, the FASB issued Statement No. 150, Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity. This Statement establishes standards for how an issuer classifies and measures

certain financial instruments with characteristics of both liabilities and equity. It requires that an issuer classify a financial instrument that is within its scope as a liability (or an asset in some circumstances). Such instruments may have been previously classified as equity. This Statement is effective for financial instruments entered into or modified after May 31, 2003, and otherwise is effective at the beginning of the first interim period beginning after June 15, 2003. Adoption of this standard has not had a significant effect on the Company's reported equity.

(15) Commitments and Contingencies

-----

The Company is a party to financial instruments with off-balance sheet risk in the normal course of business to meet the financing needs of its customers. These financial instruments generally include commitments to originate mortgage, consumer and commercial loans. Those instruments involve, to varying degrees, elements of credit and interest rate risk in excess of the amount recognized in the balance sheet. The Company's maximum exposure to credit loss in the event of nonperformance by the borrower is represented by the contractual amount of those applicable instruments. The Company uses the same credit policies in making commitments as it does for on-balance sheet instruments. Commitments to extend credit are conditional, and are honored for up to 45 days subject to the Company's usual terms and conditions. Collateral is not required to support commitments.

At December 31, 2003, the Company had commitments to originate fixed rate mortgages of \$1.9 million at interest rates ranging from 4.625% to 7.000%. At December 31, 2003 adjustable rate mortgage loan commitments were \$2.7 million at an average interest rate of 6.051%. The undisbursed balance of mortgage loans closed was \$31.2 million at December 31, 2003. Consumer loan commitments totaled \$53,500 and unused lines of consumer credit totaled \$17.9 million at December 31, 2003. Commercial real estate loan commitments totaled \$2.8 million and unused lines of commercial real estate credit totaled \$17.9 million at December 31, 2003. Commercial loan commitments totaled \$1.1 million and unused commercial lines of credit totaled \$27.1 million at December 31, 2003.

The allowance for unfunded commitments was \$214,192 at December 31, 2003.

At December 31, 2003, the Company had firm commitments to sell \$423,000 of residential loans to FHLMC. These agreements are short term fixed rate commitments and no material gain or loss is likely.

In connection with certain asset sales, the Community Bank typically makes representations and warranties about the underlying assets conforming to specified guidelines. If the underlying assets do not conform to the specifications, the Community Bank may have an obligation to repurchase the assets or indemnify the purchaser against loss. As of December 31, 2003, loans under warranty totaled \$124.7 million, which substantially represents the unpaid principal balance of the Community Bank's loans serviced for others portfolio. The Community Bank believes that the potential for loss under these arrangements is remote. Accordingly, no contingent liability is recorded in the financial statements.

The Company is a party to litigation arising in the ordinary course of business. In the opinion of management, these actions will not have a

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material effect, if any, on the Company's financial position, results of operations, or liquidity.

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(16) ACQUISITION  
-----

On July 18, 2003 the Company completed the acquisition of Today's Bancorp. Each share of Today's Bancorp common stock was exchanged for 0.826 shares of the Company's common stock, or \$13.64 in cash, or combination thereof resulting in the issuance of 430,655 additional shares. The acquisition was accounted for using the purchase method of accounting and, accordingly, the assets and liabilities of Today's Bancorp were recorded at their respective fair value. Goodwill, the excess of the purchase price over the net fair value of the assets and liabilities acquired, was recorded at \$9.2 million. The merger of the two community-oriented institutions will give the Company a stronger presence as a business and retail commercial bank in the growing Vancouver and Clark County market area.

The following unaudited actual and pro forma financial information for the three and nine months ended December 31, 2003 and 2002 assumes that the Today's Bancorp acquisition occurred as of March 31, 2002, after giving effect to certain adjustments. The pro forma results have been prepared for comparative purposes only and are not necessarily indicative of the results of operations which may occur in the future or that would have occurred had the Today's Bancorp acquisition been consummated on the date indicated.

|                      | Financial Information for the<br>Three Months Ended December 31, |                    |
|----------------------|--|--------------------|
|                      | 2003   | 2002               |
|                      | -----<br>Actual  | -----<br>Pro Forma |
|                      | -----<br>(in thousands)  |                    |
| Net Interest Income  | \$ 5,462   | \$ 5,647           |
| Non-interest Income  | 1,419  | 2,003              |
| Non-interest Expense | 4,570  | 4,626              |
| Net Income           | 1,539  | 417                |

|                      | Pro Forma Financial Information for the<br>Nine Months Ended December 31, |                         |
|----------------------|---|-------------------------|
|                      | 2003  | 2002                    |
|                      | -----<br>(in thousands)   | -----<br>(in thousands) |
| Net Interest Income  | \$ 16,596   | \$ 17,157               |
| Non-interest Income  | 5,182   | 4,780                   |
| Non-interest Expense | 14,424  | 13,591                  |
| Net Income           | 5,138   | 3,703                   |

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SIGNATURES

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In accordance with the requirements of the Securities Exchange Act of 1934, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

RIVERVIEW BANCORP, INC.

DATE: July 1, 2004

BY: /S/ Patrick Sheaffer

-----  
Patrick Sheaffer  
Chief Executive Officer

DATE: July 1, 2004

BY: /S/ Ron Dobyms

-----  
Ron Dobyms  
Senior Vice President and  
Chief Financial Officer

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EXHIBIT 31.1

Certification of the Chief Executive Officer Pursuant to Section 302  
of the Sarbanes-Oxley Act

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I, Patrick Sheaffer, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Riverview Bancorp, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to

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us by others within those entities, particularly during the period in which this report is being prepared;

- (b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
- (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 1, 2004

/S/ Patrick Sheaffer

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Patrick Sheaffer  
Chief Executive Officer

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EXHIBIT 31.2

Certification of the Chief Financial Officer Pursuant to Section 302  
of the Sarbanes-Oxley Act

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I, Ron Dobyms, certify that:

- 1. I have reviewed this Quarterly Report on Form 10-Q of Riverview Bancorp, Inc.;
- 2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the

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statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 1, 2004

/S/ Ron Dobyns

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Ron Dobyns  
Chief Financial Officer

CERTIFICATION OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER OF  
RIVERVIEW BANCORP, INC.  
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

The undersigned hereby certify, pursuant to Section 906 of the Sarbanes-Oxley act of 2002 and in connection with this Quarterly Report on Form 10-Q that:

1. the report fully complies with the requirements of sections 13(a) and 15(d) of the Securities Exchange Act of 1934, as amended, and
2. the information contained in the report fairly presents, in all material respects, the Company's financial condition and results of operations.

/S/ Patrick Sheaffer

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Patrick Sheaffer  
Chairman and Chief Executive Officer

/S/ Ron Dobyms

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Ron Dobyms  
Senior Vice President and  
Chief Financial Officer

Dated: July 1, 2004