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RIVERVIEW BANCORP INC
Form 8-K
July 28, 2004

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported): July 20, 2004

Riverview Bancorp, Inc.

(Exact name of registrant as specified in its charter)

Washington	0-22957	91-1838969
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State or other jurisdiction of incorporation	Commission File Number	(I.R.S. Employer Identification No.)
900 Washington Street, Suite 900, Vancouver, Washington		98660
-----		-----
(Address of principal executive offices)		(Zip Code)

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

Not Applicable

(Former name or former address, if changed since last report)

Item 7. Financial Statements, Pro Forma Financial Information and Exhibits

(c) Exhibits

99.1 News Release of Riverview Bancorp, Inc. dated July 20, 2004

Item 12. Results of Operations and Financial Condition

On July 20, 2004, Riverview Bancorp, Inc. issued its earnings release for the quarter ended June 30, 2004. A copy of the earnings release is attached hereto as Exhibit 99.1, which is incorporated herein by reference.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, hereunto duly authorized.

RIVERVIEW BANCORP, INC.

DATE: July 28, 2004

By: /s/ Ronald Dobyns

Ronald Dobyns
Senior Vice President and Chief Financial Officer

Exhibit 99.1

Contacts: Pat Sheaffer, Chairman/C.E.O., 360-693-6650
Ron Wysaske, President/C.O.O., 360-693-6650

RIVERVIEW BANCORP PROFITS INCREASE 47% TO \$2.2 MILLION FOR FIRST FISCAL

QUARTER AS REVENUES INCREASE 31%

Vancouver, WA - July 20, 2004 - Riverview Bancorp, Inc. (Nasdaq: RVSB) today reported strong loan and deposit growth and a substantial asset sale contributed to a 47% increase in net income for the first fiscal quarter ended June 30, 2004. Net income for the quarter grew to \$2.2 million, or \$0.45 per diluted share, compared to \$1.5 million, or \$0.34 per diluted share in the like quarter a year ago.

"Over the past year we have continued to grow our balance sheet by attracting new deposits and building our loan portfolio to reflect more of a commercial loan mix. The success of these initiatives, coupled with the continuing benefits from our acquisition of Today's Bancorp, has energized the entire organization and generated double digit profit growth," said Pat Sheaffer, Chairman and CEO. "To share our success with shareholders, we recently increased our quarterly cash dividend 11% to \$0.155 per share."

First quarter revenues (net interest income before the provision for loan losses + non-interest income) increased 31% to \$8.2 million for the quarter, compared to \$6.2 million in the first fiscal quarter last year. Net interest income before the provision for loan losses increased 20% to \$5.6 million for the quarter, compared to \$4.6 million for the like quarter last fiscal year.

For the fiscal first quarter, net interest income after provision for loan

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losses grew 19% to \$5.4 million, compared to \$4.6 million for the like quarter a year ago. For the quarter, the net interest margin was 4.90% compared to 4.87% in the previous quarter and 4.95% for the first fiscal quarter last year.

"In the first quarter, we announced the sale and leaseback of the Camas branch and operations center. We made this decision because our operations departments, which worked out of the Camas branch, were at capacity and running out of space. We plan to use the proceeds from the sale to expand our operations departments in another facility in Southwest Washington. The Camas branch will continue to operate as it has for the past 30 years at this location," said Sheaffer. Fiscal first quarter non-interest income increased 63% to \$2.6 million, compared to \$1.6 million in the like quarter a year ago. This increase was largely due to the \$828,000 pre-tax gain on the sale of the Camas branch and operations center, which contributed approximately \$0.11 per diluted share to earnings.

"Primarily due to the added personnel that came to us through the Today's Bank acquisition last July, fiscal first quarter, non-interest expense was \$4.8 million compared to \$3.9 million a year earlier," said Sheaffer. Net of intangible amortization, the efficiency ratio improved to 57.54% for the quarter, compared to 62.03% in the fourth fiscal quarter of 2004 and 59.90% in 2004's first fiscal quarter.

Total assets increased 17% to \$515 million at June 30, 2004 compared to \$440 million a year earlier. Deposits grew 18% to \$403 million compared to \$340 million at June 30, 2003. Shareholders' equity increased 20% to \$66 million and book value grew 10% to \$13.83 per share over the 12-month period.

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"Our loan portfolio continued to grow at double digit rates compared to year ago levels," said Ron Wysaske, President and COO. "The acquisition brought substantial growth to our commercial loan portfolio. Commercial and commercial real estate loans have increased 72% from a year ago and now account for 58% of the loan portfolio, compared to 43% of the portfolio at June 30, 2003." Net loans at June 30, 2004, increased 29% to \$382 million, compared to \$296 million at June 30, 2003. Single family lending represents just 12% of Riverview's loan portfolio.

Credit quality remains high, as non-performing assets were 0.34% of total assets at June 30, 2004, a 5 basis point improvement from 0.39% of total assets at March 31, 2004. The allowance for loan losses remained steady at \$4.5 million or 1.16% of total net loans outstanding at June 30, 2004.

Riverview's profitability measures improved as annualized return on average assets reached 1.74% and annualized return on average equity was 13.32% in the first quarter of fiscal 2005 compared to 1.47% and 10.77% for the same period a year ago.

Riverview Bancorp will host a conference call today, Tuesday, July 20th, at 8:00 a.m. PDT, to discuss first fiscal quarter results. The conference call can be accessed live by telephone at 303-262-2211. To listen to the call online go to www.actioncast.acttel.com and use event ID 23320. An archived

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recording of the call can be accessed by dialing 303-590-3000 access code 11001327# until Tuesday, July 27, 2004 or via the internet at www.actioncast.acttel.com and use event ID 23320.

Riverview Bancorp, Inc. (www.riverviewbank.com) is headquartered in Vancouver, Washington - just north of Portland, Oregon on the I-5 corridor. It is the parent company of the 81 year-old Riverview Community Bank, as well as Riverview Mortgage and Riverview Asset Management Corp. There are 13 Southwest Washington branches, including nine in Clark County - the second fastest growing county in the state - and one lending center. The bank offers true community banking services, focusing on providing the highest quality service and financial products to commercial and retail customers.

Statements concerning future performance, developments or events, concerning expectations for growth and market forecasts, and any other guidance on future periods, constitute forward-looking statements, which are subject to a number of risks and uncertainties that might cause actual results to differ materially from stated objectives. These factors include but are not limited to: RVSB's ability to integrate the Today's Bancorp acquisition and efficiently manage expenses, competitive factors, interest rate fluctuations, regional economic conditions and government and regulatory actions. Additional factors that could cause actual results to differ materially are disclosed in Riverview Bancorp's recent filings with the SEC, including but not limited to Annual Reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K.

(tables follow)

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RIVERVIEW BANCORP, INC. AND SUBSIDIARY
Consolidated Balance Sheets
June 30, 2004, MARCH 31, 2004 and June 30, 2003

(In thousands, except share data) (Unaudited)	June 30, 2004	March 31, 2004	June 30, 2003
<hr style="border-top: 1px dashed black;"/>			
ASSETS			
Cash (including interest-earning accounts of \$17,235, \$32,334 and \$68,484)	\$ 37,341	\$ 47,907	\$ 88,939
Loans held for sale	821	407	1,308
Investment securities available for sale, at fair value (amortized cost of \$32,713, \$32,751 and \$20,292)	32,079	32,883	19,745
Mortgage-backed securities held to maturity, at amortized cost (fair value of \$2,488, \$2,591 and \$3,123)	2,448	2,517	3,087
Mortgage-backed securities available for sale, at fair value (amortized cost of \$14,386, \$10,417 and \$9,825)	14,303	10,607	10,109
Loans receivable (net of allowance for loan			

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losses of \$4,489, \$4,481 and \$2,793)	382,057	381,127	296,451
Real estate owned	460	742	445
Prepaid expenses and other assets	3,604	1,289	1,033
Accrued interest receivable	1,705	1,786	1,418
Federal Home Loan Bank stock, at cost	6,078	6,034	5,706
Premises and equipment, net	8,618	9,735	9,497
Deferred income taxes, net	3,089	2,736	1,607
Mortgage servicing rights, net	601	624	481
Goodwill	9,214	9,214	
Core deposit intangible, net	678	758	287
Bank owned life insurance	12,275	12,121	-
	-----	-----	-----
TOTAL ASSETS	\$515,371	\$520,487	\$440,113
	=====	=====	=====
LIABILITIES AND SHAREHOLDERS' EQUITY			
LIABILITIES:			
Deposit accounts	\$402,632	\$409,115	\$340,036
Accrued expenses and other liabilities	6,402	5,862	4,853
Advance payments by borrowers for taxes and insurance	94	328	60
Federal Home Loan Bank advances	40,000	40,000	40,000
	-----	-----	-----
Total liabilities	449,128	455,305	384,949
SHAREHOLDERS' EQUITY:			
Serial preferred stock, \$.01 par value; 250,000 authorized, issued and outstanding, none	-	-	-
Common stock, \$.01 par value; 50,000,000 authorized, issued and outstanding:			
June 30, 2004 - 4,986,979 issued, 4,789,911 outstanding;			
March 31, 2004 - 4,974,979 issued, 4,777,911 outstanding			
June 30, 2003 - 4,602,535 issued, 4,375,696 outstanding	50	50	46
Additional paid-in capital	40,427	40,187	33,777
Retained earnings	27,786	26,330	23,275
Unearned shares issued to employee stock ownership trust	(1,547)	(1,598)	(1,753)
Unearned shares held by the management recognition and development plan	-	-	(7)
Accumulated other comprehensive income (loss)	(473)	213	(174)
	-----	-----	-----
Total shareholders' equity	66,243	65,182	55,164
	-----	-----	-----
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$515,371	\$520,487	\$440,113
	=====	=====	=====

(more)

Riverview Bancorp, Inc.

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RIVERVIEW BANCORP, INC. AND SUBSIDIARY Consolidated Statements of Income (In thousands, except share data) (Unaudited)	Three Months Ended June 30,	
	2004	2003
<hr style="border-top: 1px dashed black;"/>		
INTEREST INCOME:		
Interest and fees on loans receivable	\$ 6,626	\$ 5,669
Interest on investment securities	168	67
Interest on mortgage-backed securities	160	181
Other interest and dividends	139	214
	-----	-----
Total interest income	7,093	6,131
	-----	-----
INTEREST EXPENSE:		
Interest on deposits	1,043	1,009
Interest on borrowings	496	495
	-----	-----
Total interest expense	1,539	1,504
	-----	-----
Net interest income	5,554	4,627
Less provision for loan losses	140	70
	-----	-----
Net interest income after provision for loan losses	5,414	4,557
	-----	-----
NON-INTEREST INCOME:		
Fees and service charges	1,170	1,173
Asset management fees	272	223
Gain on sale of loans held for sale	175	304
Loan servicing income (expense)	19	(108)
Gain on sale of land and fixed assets	828	-
Bank owned life insurance	154	-
Other	22	24
	-----	-----
Total non-interest income	2,640	1,616
	-----	-----
NON-INTEREST EXPENSE:		
Salaries and employee benefits	2,646	2,249
Occupancy and depreciation	773	586
Data processing	249	204
Amortization of core deposit intangible	81	82
Advertising and marketing expense	251	269
FDIC insurance premium	15	12
State and local taxes	153	94
Telecommunications	64	48
Professional fees	123	89
Other	477	302
	-----	-----
Total non-interest expense	4,832	3,935
	-----	-----

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INCOME BEFORE FEDERAL INCOME TAXES	3,222	2,238
PROVISION FOR FEDERAL INCOME TAXES	1,023	738
	-----	-----
NET INCOME	\$ 2,199	\$ 1,500
	=====	=====
Earnings per common share:		
Basic	\$ 0.46	\$ 0.34
Diluted	0.45	0.34
Weighted average number of shares outstanding:		
Basic	4,790,785	4,371,380
Diluted	4,864,583	4,442,363

(more)

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RIVERVIEW BANCORP, INC. AND SUBSIDIARY
 FINANCIAL HIGHLIGHTS
 (Unaudited)

AT OR FOR THE THREE MONTHS ENDED JUNE 30, 2004	AT OR FOR THE YEAR ENDED MARCH 31, 2004
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(Dollars in thousands, except share data)

FINANCIAL CONDITION DATA

Average interest-earning assets	\$ 458,378	\$ 443,525
Average interest-bearing liabilities	375,594	361,984
Net average earning assets	82,784	81,541
Non-performing assets	1,730	2,043
Non-performing loans	1,270	1,301
Allowance for loan losses	4,489	4,481
Average interest-earning assets to average interest-bearing liabilities	122.04%	122.53%
Allowance for loan losses to non-performing loans	353.46%	344.43%
Allowance for loan losses to net loans	1.16%	1.16%
Non-performing loans to total net loans	0.33%	0.34%
Non-performing assets to total assets	0.34%	0.39%
Shareholders' equity to assets	12.85%	12.52%
Number of banking facilities	14	14

AT OR FOR THE
THREE MONTHS ENDED
JUNE 30,

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SELECTED OPERATING DATA	2004	2003
	(Dollars in thousands, except share data)	
Efficiency ratio (4)	58.97%	63.03%
Efficiency ratio net of intangible amortization	57.54%	59.90%
Coverage ratio net of intangible amortization	116.90%	120.09%
Return on average assets (1)	1.74%	1.47%
Return on average equity (1)	13.32%	10.77%
Net interest margin	4.90%	4.95%

PER SHARE DATA

Basic earnings per share (2)	\$ 0.46	\$ 0.34
Diluted earnings per share (3)	0.45	0.34
Book value per share (2)	13.83	12.61
Tangible book value per share (2)	11.64	12.43
Market price per share:		
High for period	21.000	18.300
Low for the period	19.490	16.300
Close for period end	20.730	18.300
Cash dividends declared per share	0.155	0.140
Average number of shares outstanding:		
Basic (2)	4,790,785	4,371,380
Diluted (3)	4,864,583	4,442,363

- (1) Amounts are annualized.
- (2) Amounts calculated exclude ESOP shares not committed to be released.
- (3) Amounts calculated exclude ESOP shares not committed to be released and include common stock equivalents.
- (4) Non-interest expense divided by net interest income plus non-interest income.