

RESOURCE BANKSHARES, INC.

Directors

G. Chris Keller, Jr., Chairman *Chandler Craig, Jr., Vice Chairman*
David A. Briggs, Jr. *Michael B. Burriss, Lead Director*
J. Storey Charbonnet *Katherine M. Gibert*
Dennis E. Crowe *David D. Lindsey*
Maura W. Donahue *James E. Walther, III, Emeritus*

RESOURCE BANK

Executive Officers

G. Chris Keller, Jr., Chief Executive Officer
Chandler Craig, Jr., President
Pat Campbell, Executive Vice President, Chief Lending Officer
Douglas M. Ferrer, Executive Vice President, Chief Credit Officer
Julie C. Cervantes, CPA, Executive Vice President, Chief Financial Officer
Lynn Kennedy, Executive Vice President, Chief Operations Officer

Branch Locations

Bogalusa Office: 402 Avenue B
CBD Office: 412 Magazine Street
Covington Offices: 70533 Highway 21
 5100 Village Walk, Suite 102
Franklinton Office: 950 10th Avenue
Metairie Office: 321 Veterans Memorial Blvd., Suite 101
Mandeville Offices: 68177 Highway 59
 1695 W. Causeway Approach
Slidell Office: 2283 Gause Blvd. East
Baton Rouge Office: 9513 Jefferson Highway



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2017 Financial Report

4th Quarter



December 31, 2017

Dear Shareholder:

We are proud to share that we closed out 2017 with record high numbers in total loans and total assets. With the record growth, we also closed December with a healthy monthly and annual return on assets of 1.30 percent and 1.12 percent, respectively.

As of quarter end, our total assets were \$689 million, an increase of 11.31 percent from the same quarter last year. Loans grew to \$581 million and deposits grew to \$533 million; increases of 9.78 percent and 3.92 percent, respectively. Total stockholders' equity, net of cumulative dividends paid, increased 10.26 percent from last year with our total capital of 11.44 percent of total assets.

We are excited about enhancing growth in all markets and continue to search for opportunities in our newer markets. With your help, we plan to build on our 2017 success throughout 2018.

Yours truly,

G. Chris Keller, Jr.
CEO & Chairman of the Board

Chandler Craig, Jr.
President & Vice Chairman of the Board

RESOURCE BANKSHARES, INC.

STATEMENT OF FINANCIAL CONDITION (in thousands)

ASSETS

	Holding Company Consolidated 12/31/2017 (unaudited)	Holding Company Consolidated 12/31/2016 (unaudited)
Cash & due from banks	\$12,990	\$7,661
Interest bearing deposits in other banks	135	57
Fed funds sold	26,069	21,325
Investment securities: Available-for-sale, at fair value	40,734	36,974
Other stocks, at cost	4,089	2,523
Loans, less allowance for loan losses	581,019	529,238
(12/31/2017 Allowance for loan losses \$ 3,875,247)		
(12/31/2016 Allowance for loan losses \$ 3,659,297)		
Bank premises & equipment, net of accumulated depreciation	19,366	17,002
Deferred tax receivable	46	86
Accrued interest receivable	1,774	1,512
Other real estate owned	1,617	1,461
Other assets	699	760

TOTAL ASSETS

\$688,538 **\$618,599**

LIABILITIES

Deposits

Demand deposit accounts	\$133,324	\$116,613
NOW accounts	231,457	224,970
Money market accounts	82,055	91,749
Saving accounts	23,847	22,649
Certificates of deposits \$100,000 & over	40,194	34,161
Other certificates of deposit	22,486	23,098

Total Deposits

\$533,363 **\$513,240**

Accrued expenses and other liabilities	1,213	2,432
Deferred tax payable	75	254
Accrued interest payable	123	93
Other borrowed funds	75,000	30,000

Total Liabilities

\$609,774 **\$546,019**

STOCKHOLDERS' EQUITY

Common stock; \$1.00 par value; 2,000,000 shares authorized; 1,614,202 and 1,595,013 shares issued and outstanding at 12/31/2017 and 12/31/2016, respectively. As of 12/31/2017, a total of 1,616,951 shares issued, however 2,749 are treasury stock.	1,617	1,595
Preferred stock; \$0.00 par value; 100,000 shares authorized; no shares issued or outstanding	0	0
Stock subscription receivable	(959)	(858)
Capital surplus	27,670	26,979
Treasury stock	(155)	0
Retained earnings	43,425	38,683
Earnings year to date (*Bank only \$7,367,098 year to date)	7,338	6,349
Net unrealized gains (losses) on securities held	(172)	(168)

Total Stockholders' Equity

\$78,764 **\$72,580**

TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY

\$688,538 **\$618,599**

Book Value per Share-Undiluted	\$48.79	\$45.50
Book Value per Share-Diluted	\$47.99	\$44.69
Quarterly Return on Average Assets (ROA) (*Bank only as of December 31)	1.12%	1.11%
Quarterly Efficiency Ratio (*Bank only as of December 31)	62.19%	61.46%
End of Year Return on Average Assets (ROA) (*Bank only as of December 31)	1.12%	1.08%
End of Year Efficiency Ratio (*Bank only as of December 31)	63.34%	64.68%

Required notes, statement of cash flows and statement of changes in stockholders' equity are not included.