

FOR IMMEDIATE RELEASE:

Poughkeepsie, New York  
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President and  
Chief Executive Officer

### **RIVERSIDE BANK'S PROFIT RISES 25%**

Riverside Bank, headquartered in Poughkeepsie, NY, announced record earnings of \$1,268,854 for the six month period ended June 30, 2006. This is a 25% increase over the comparable six month of 2005 when the Bank earned \$1,014,739.

This is in addition to the record earnings for 2005 of \$2,293,522, an increase of \$745,821 or + 48% over 2004.

For the six month period ended June 30, 2006, return on average assets was 1.85% while return on average equity was 19.50%, both new record highs for Riverside Bank.

The bank's net interest margin increased to 6.30% and our efficiency ratio was reduced to 50.51% both new records for our bank.

Assets totaled \$145 million as of June 30<sup>th</sup> while deposits centered mainly in demand deposits totaled \$131 million.

Commercial loan growth continues to be very strong. On a year over year basis, gross loans grew by \$25 million or +24% to a new record high of \$130 million as of June 30, 2006.

Credit quality remains strong with loan delinquencies at less than 1/4 of one percent of total loans with minimal net loan losses of \$111,000 for the six month period ended June 30, 2006.

David MacFarland, President and CEO of Riverside Bank said, "We had record earnings for the second quarter of 2006, despite an increase in interest rates. We maintained our net interest margin by focusing on high quality lending while retaining core deposits with our superior customer service." In June of 2006 Independent Community Bankers of America ranked Riverside Bank in the "Top 20" for posting one of the top 20 best year-end earnings performances in 2005 for ICBA member banks with \$100 million to \$250 million in assets. For details, visit the online news media center at [www.icba.org](http://www.icba.org) and click on Top 20 Best Performers.

For more information about Riverside Bank, please visit [www.riversidebankhv.com](http://www.riversidebankhv.com).