

Severn Bancorp, Inc.

Selected Financial Data

(dollars in thousands, except per share data)

(Unaudited)

	For the Three Months Ended				
	December 31, 2012	September 30, 2012	June 30, 2012	March 31, 2012	December 31, 2011
Summary Operating Results:					
Interest income	\$ 9,412	\$ 9,104	\$ 10,276	\$ 10,265	\$ 10,558
Interest expense	2,587	3,027	3,336	3,552	3,659
Net interest income	6,825	6,077	6,940	6,713	6,899
Provision for loan losses	300	-	-	465	141
Net interest income after provision for loan losses	6,525	6,077	6,940	6,248	6,758
Non-interest income	1,478	1,039	835	891	873
Non-interest expense	6,010	6,152	5,906	6,311	5,772
Income before income taxes	1,993	964	1,869	828	1,859
Income tax expense	837	406	772	356	792
Net income	\$ 1,156	\$ 558	\$ 1,097	\$ 472	\$ 1,067
Per Share Data:					
Basic earnings per share	\$ 0.08	\$ 0.02	\$ 0.07	\$ 0.01	\$ 0.06
Diluted earnings per share	\$ 0.08	\$ 0.02	\$ 0.07	\$ 0.01	\$ 0.06
Common stock dividends per share	\$ -	\$ -	\$ -	\$ -	\$ -
Average basic shares outstanding	10,066,679	10,066,679	10,066,679	10,066,679	10,066,679
Average diluted shares outstanding	10,066,679	10,066,679	10,066,679	10,066,679	10,066,679
Performance Ratios:					
Return on average assets	0.13%	0.06%	0.12%	0.05%	0.12%
Return on average equity	1.09%	0.52%	1.04%	0.45%	1.01%
Net interest margin	3.33%	3.09%	3.41%	3.27%	3.27%
Efficiency ratio*	66.05%	73.88%	67.20%	66.99%	64.84%

* The efficiency ratio is general and administrative expenses as a percentage of net interest income plus non-interest income

	As of				
	December 31, 2012	September 30, 2012	June 30, 2012	March 31, 2012	December 31, 2011
Balance Sheet Data:					
Total assets	\$ 851,138	\$ 861,766	\$ 896,644	\$ 900,471	\$ 900,628
Total loans receivable	680,305	695,198	691,647	701,596	719,241
Allowance for loan losses	(17,478)	(23,180)	(24,097)	(25,795)	(25,938)
Net loans	662,827	672,018	667,550	675,801	693,303
Deposits	599,394	609,772	643,653	650,473	652,757
Borrowings	115,000	115,000	115,000	115,000	115,000
Stockholders' equity	108,017	107,142	106,866	106,051	105,930
Bank's Tier 1 core capital to total assets	14.5%	14.1%	13.3%	13.1%	13.0%
Book value per share	\$ 8.08	\$ 8.00	\$ 7.97	\$ 7.89	\$ 7.88
Asset Quality Data:					
Non-accrual loans	\$ 30,537	\$ 29,790	\$ 29,450	\$ 17,882	\$ 23,912
Non-accrual troubled debt restructurings	7,208	12,574	9,515	11,677	19,351
Foreclosed real estate	11,441	13,801	16,329	19,853	19,932
Total non-performing assets	49,186	56,165	55,294	49,412	63,195
Performing troubled debt restructurings	54,875	51,230	51,034	51,034	52,255
Total non-accrual loans to net loans	5.7%	6.3%	5.8%	4.4%	6.2%
Allowance for loan losses	17,478	23,180	24,097	25,795	25,938
Allowance for loan losses to total loans	2.6%	3.3%	3.5%	3.7%	3.6%
Allowance for loan losses to total non-performing loans	46.3%	54.7%	61.8%	87.3%	60.0%
Total non-accrual loans to total assets	4.4%	4.9%	4.3%	3.3%	4.8%
Total non-performing assets to total assets	5.8%	6.5%	6.2%	5.5%	7.0%