

Dear Shareholders:

On behalf of our board of directors and management, we are please to present the following results. The first quarter of 2015 continued our trend of strong asset growth. Loans increased \$48,017,799 (19.62%) and investment securities increased by \$6,546,018 (28.1%) comprising the remaining rise in assets.

Asset growth was funded by large increases in transaction account balances. Non interest bearing balances increased \$6,832,755 (13.9%). Interest checking deposits expanded even faster, \$23,244,788 (45.9%). The rest was funded by a \$24,201,186 (14.9%) increase in CDs.

Strong asset growth generated strong revenue growth. Net interest income increased \$558,118 (21.2%) at March 31, 2015 versus a year earlier. Both revenues and expenses increased in the first quarter of 2015 compared with the prior year. The provision for loan losses increased from \$100,000 in the first quarter of 2014 to \$300,000 in the first quarter of 2015. While non interest income was up for the year, so were non interest expenses. These increases reduced net profit before taxes to \$216,024 from \$348,215 the prior year. The bank finished its twenty-fourth consecutive profitable quarter and for the first time began recording income taxes, which reduced net income by another \$73,500 to \$142,524.

Asset quality remained strong at March 31, 2015 with non performing assets declining to 0.13% of total assets at March 31, 2015, down from 0.49% at the same time last year.

The bank continued investing in growth. We opened our third branch located in Reston during the summer of 2014 and made several key hires in our mortgage division this quarter, which increased our non interest expense for the quarter compared to 2014. We are pleased with the results of both and hope they will be strong contributors to the bank later in 2015. The Reston branch ended the quarter with \$30 million in deposits in only nine months. When the bank hired Richard Hutchison to run the mortgage division in December 2014, the division had \$649,975 in loans for sale. At March 31, 2015 the division increased this to \$4,778,993. The bank makes its money when it sells the mortgages to investors. This trend is promising for the future profitability of the division.

Finally, to support our growth, the Bank raised \$3.5 million (after expenses) at 1.24 times the book value per share at the start of the offering. By selling stock at greater than book value, the offering added approximately \$0.09 per share in tangible book value for our shareholders. Combined with net profit, capital expanded \$5,391,604 or 20.3% over the first quarter of 2014.

Provisions of the Basel III accords governing banks worldwide went into effect January 1, 2015 so now Freedom Bank must adhere to a new set of capital ratios. We are please that we remain well capitalized. Our ratios at March 31, 2015 were CET1 11.01%, Tier 1 Leverage 9.14%, Tier 1 Capital 11.03% and Tier 2 Capital 12.06%.

We thank you for your continued support of the bank.

A handwritten signature in black ink that reads "Craig S. Underhill". The script is fluid and cursive, with the first letters of each word being capitalized and prominent.

Craig S. Underhill
President & CEO

A handwritten signature in black ink that reads "Richard C. Litman". The script is fluid and cursive, with the first letters of each word being capitalized and prominent.

Richard Litman
Chairman