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Riverview Bancorp, Inc. To Increase Its Provision For Loan Losses In Second Quarter

Vancouver, WA – September 19, 2008 – Riverview Bancorp, Inc. (NASDAQ GSM: RVSB) today announced that it expects to record a provision for loan losses of between \$6.8 million to \$7.3 million (pre-tax), or \$0.63 to \$0.68 per diluted share, during the second quarter of its fiscal year ending March 31, 2009. As a result of these actions, it currently expects the year to date provision for loan losses to be between \$9.6 million and \$10.1 million. This action will increase Riverview's allowance for loan losses to approximately 2.20% of total loans at September 30, 2008. After recording this increased provision for loan losses, Riverview will continue to be "well-capitalized" according to regulatory guidelines.

Riverview's decision to increase its provision for loan losses was prompted by a number of factors primarily driven by current economic conditions, a forward looking market assessment, as well as its methodology for determining the level of its allowance for losses and regulatory guidelines regarding impaired assets.

"While the Bank's underlying business, core fundamentals and capital levels remain strong, we believe that strengthening our allowance for loan losses is the prudent action in light of the continuing weakness in the residential development and housing markets as well as the overall economy," stated Pat Sheaffer, Chairman and CEO. "We are confident that taking such actions while maintaining our strong capital position will position Riverview for continued growth over the long term. We are pleased by the continued success of our core operations with net interest margin continuing to improve throughout the second quarter."

Due to ongoing negative market conditions Riverview further enhanced an already extensive analysis of its loan portfolio and determined a prudent increase in the range above was warranted to balance the current and forecasted economic environment and real estate market declines. Riverview updated its detailed loan-by-loan analysis with an overall risk trend migration applied to areas of concern, primarily the land and land development categories of loans. The program of limiting land development and construction lending continues, with concentrations declining. Land development and speculative construction loans currently comprise approximately 13% and 9%, respectively of Riverview's total loan portfolio compared to 14% and 10% at March 31, 2008. "Although our loan portfolio remains well diversified, our management team continues to closely monitor and evaluate all significant loans within our portfolio," said Sheaffer.

"Riverview's second quarter results certainly reflect the continued unfavorable conditions in the residential real estate market, which have resulted in declining real estate valuations, and in turn have negatively impacted home builders and developers of property," stated Ron Wysaske, President and COO. "Even so, the bulk of our non-performing assets today are concentrated in a few problem loans related to residential real estate development. In addition to the steps we are taking with regard to our loan loss reserve, we continue to take aggressive and timely action and work with the underlying relationships containing the above loans, and expect to gain positive outcomes exceeding the supportable current actions. However, given the nature of the projects related to such loans, we do not expect resolution in the immediate future. It is therefore reasonable to expect the provision will remain at elevated levels for the next few quarters when compared to prior periods."

Non-performing assets have remained steady at \$23.8 million, or 2.66% of total assets, compared to \$23.6 million, or 2.67% of total assets, at June 30, 2008. "We continue to actively manage our nonperforming assets and we will continue to be aggressive in working with our customers to resolve these issues as quickly as possible," said Sheaffer. "As part of this ongoing process we expect to charge off between \$3.8 million and \$4.4 million in loans during the second quarter. We are confident that we have the necessary processes and monitoring systems in place to identify and manage problem loans."

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Riverview does not have sub-prime residential real estate in its loan portfolio and does not believe that it has any exposure to sub-prime lending in its Mortgage Backed Securities portfolio.

“Capital preservation and liquidity management continue to be top priorities for management,” said Wysaske. “Riverview continues to maintain capital levels in excess of the well-capitalized regulatory threshold and its liquidity position remains strong. In addition to our solid customer base, management has the ability to access many additional sources of liquidity, such as the sale of AFS securities, additional borrowings from the FHLB, borrowings at correspondent banks and wholesale markets including brokered deposits.” Currently the Bank has \$200 million of additional liquidity available, or 22.3% of total assets.

Riverview projects that while market turbulence will continue through fiscal year 2009 and into fiscal year 2010, the Bank’s sound business fundamentals, strong management team and conservative lending practices and its system of controls put in place years ago, combined with the current actions mentioned above, will position the bank to be at the forefront of performing community banks when the current market and economic conditions resolve themselves.

The Company expects to report earnings for its second quarter ending September 30, 2008 on October 20, 2008.

About the Company

Riverview Bancorp, Inc. (www.riverviewbank.com) is headquartered in Vancouver, Washington – just north of Portland, Oregon on the I-5 corridor. With assets of \$885 million, it is the parent company of the 85 year-old Riverview Community Bank, as well as Riverview Mortgage and Riverview Asset Management Corp. There are 18 branches, including ten in fast growing Clark County, three in the Portland metropolitan area and four lending centers. The Bank offers true community banking services, focusing on providing the highest quality service and financial products to commercial and retail customers.

Certain matters discussed in this news release may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements may relate to, among other things, expectations of the business environment in which Riverview operates, projections of future performance, perceived opportunities in the market and statements regarding Riverview’s strategic objectives. These forward-looking statements are based upon current management expectations, and may therefore involve risks and uncertainties. Riverview’s actual results or performance may differ materially from those suggested, expressed or implied by forward-looking statements as a result of a wide range of factors including, but not limited to, the general business environment, the Washington and Oregon real estate market, competitive conditions in the business and geographic areas in which Riverview conducts its business, regulatory actions or changes and other risks detailed in Riverview’s reports filed with the Securities and Exchange Commission, including but not limited to Annual Reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K. Riverview disclaims any obligation to subsequently revise or update any forward-looking statements to reflect events or circumstances after the date of such statements or to reflect the occurrence of anticipated or unanticipated events.