



FOR IMMEDIATE RELEASE

Oak View National Bank Announces 89.5% Increase in Earnings

Warrenton, VA., November 4, 2016 -- Oak View National Bank (OTC Pink: OAKV) reported net income for the quarter ended September 30, 2016 of \$335,333, compared to net income of \$176,955 for the third quarter of 2015, an increase of 89.5%. Basic and diluted earnings per share for the third quarter of 2016 were \$0.12 compared with \$0.07 per share in the third quarter of 2015. Return on average assets (ROAA) was .71% and return on average equity (ROAE) was 7.15% for the third quarter of 2016 compared to .41% and 4.26% respectively for the third quarter of 2015. For the nine months ended September 30, 2016, the Bank reported net income of \$827,660 compared to net income of \$625,492 reported for the nine months ending September 30, 2015, an increase of 32.3%. Basic and diluted earnings per share for the nine months ending September 30, 2016 were \$0.29 versus \$0.24 for the nine months ending September 30, 2015.

Michael Ewing, Vice Chairman of the Board and CEO said, "The Bank has enjoyed solid loan demand in 2016 allowing us to increase our loan outstandings and the corresponding net interest income while still maintaining our stellar credit quality. The higher net interest income combined with tight control over our non-interest expenses has driven the improvement in our operating results. We are beginning to grow into the infrastructure we built when we established the bank, and the expected results are starting to be realized."

The Bank is considered "well capitalized" according to regulatory guidelines. Regulatory capital ratios at September 30, 2016 were 9.96% Tier 1 leverage ratio and 14.12% Tier 1 capital ratio compared to 10.22% Tier 1 leverage ratio and 14.86% Tier 1 capital ratio at September 30, 2015. Capital ratios declined as capital was deployed to fund growth in loans and deposits.

Net interest margin was 3.76% for the quarter ended September 30, 2016 compared to 3.54% for the quarter ending September 30, 2015. The average yield on earning assets increased to 4.32% for the quarter ending September 30, 2016 from 4.16% for the quarter ending September 30, 2015 and the cost of funds declined by 5 basis points to .71% in the third quarter of 2016 from .76% for third quarter of 2015. The ratio of average interest-earning assets to interest bearing liabilities increased to 129.21% for the quarter ending September 30, 2016 from 123.58% for the quarter ending September 30, 2015.

Loans, net of unearned interest and deferred costs, increased 13.0% to \$156.7 million at the end of the third quarter 2016 compared to \$138.8 million at September 30, 2015. Credit quality remained sound as the bank only had one non-performing loan at September 30, 2016 totaling \$64,425. For the quarter ending September 30, 2016 there was a loan loss provision of \$28,242 compared to a loan loss provision of \$21,462 for the quarter ending September 30, 2015. The allowance for loan losses was \$1.60 million or 1.023% of total loans at September 30, 2016 compared to \$1.42 million or 1.025% of total loans at September 30, 2015.

Total deposits ended the quarter at \$152.1 million, representing an increase of 7.9% compared to \$141.0 million at the end of the third quarter of 2015. Total bank assets ended the quarter at \$196.0 million, representing an annual growth rate of 13.4% compared to the same period last year.

Noninterest income increased by \$25,290 or 19.28% to \$156,447 for the quarter ending September 30, 2016 from higher levels of card fee income, fees on secondary market mortgage loans and income from bank owned life insurance.

Noninterest expenses increased by \$59,428 or 4.6% for the quarter ending September 30, 2016, the majority of which was attributable to increases in personnel costs and volume driven increases in data processing costs partially offset by reductions in marketing, occupancy, and professional service costs.

Oak View National Bank is a locally owned and managed community bank offering a full range of financial services for commercial and retail customers, as well as not-for-profit entities. Oak View National Bank serves Fauquier, Culpeper and surrounding counties with offices in Warrenton, Marshall and Culpeper. Visit us at www.oakviewbank.com. Member FDIC.

Oak View National Bank was awarded a 5-star rating by BauerFinancial in January 2016, and as such is recognized as one of the strongest financial institutions in the country. BauerFinancial, Inc. is the nation's leading independent bank and credit union rating firm. www.bauerfinancial.com 800.388.6686.

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OAK VIEW NATIONAL BANK

Balance Sheets

September 30, 2016 and 2015

	(Unaudited)	
	2016	2015
Assets		
Cash and due from banks	\$ 2,062,192	\$ 1,752,790
Interest-bearing deposits in other banks	22,811,691	20,181,274
Securities held to maturity, at cost	1,900,420	1,252,788
Fed Funds Sold	54,000	--
Restricted stock, at cost	1,827,750	1,354,450
Loans, net of allowance for loan losses of \$1,601,692.34 and \$1,421,289.62 for 2016 and 2015, respectively	155,145,566	137,354,763
Premises and equipment, net	5,886,266	6,088,036
Accrued interest receivable	441,191	373,497
BOLI investment	4,701,000	3,063,693
Deferred tax asset	818,118	1,033,448
Stock Subscription Receivable	--	103,000
Other assets	<u>315,160</u>	<u>196,932</u>
Total assets	<u>\$ 195,963,353</u>	<u>\$ 172,754,671</u>
Liabilities and Shareholders' Equity		
Liabilities		
Deposits:		
Noninterest bearing	\$ 36,139,242	\$ 26,656,466
Savings, interest-bearing checking and money market accounts	59,958,745	57,179,276
Time, \$100,000 and over	33,427,452	34,540,386
Other time	<u>22,568,141</u>	<u>22,590,371</u>
Total deposits	\$ 152,093,580	\$ 140,966,499
Federal Home Loan Bank advances	23,900,000	12,900,000
Accrued expenses and other liabilities	<u>804,141</u>	<u>747,844</u>
Total liabilities	<u>\$ 176,797,721</u>	<u>\$ 154,614,343</u>
Commitments and Contingent Liabilities	<u>\$ --</u>	<u>\$ --</u>
Shareholders' Equity		
Preferred stock		
\$ 5 par value, authorized 2,000,000 shares, None issued and outstanding	--	--
Common stock		
\$ 1 par value, authorized 10,000,000 shares, 2,873,456 shares issued and outstanding	\$ 2,873,456	\$ 2,873,456
Additional paid-in capital	17,347,988	17,347,988
Retained (deficit)	(1,055,813)	(2,081,116)
Accumulated other comprehensive income	--	--
Total shareholders' equity	<u>\$ 19,165,632</u>	<u>\$ 18,140,328</u>
Total liabilities and shareholders' equity	<u>\$ 195,963,353</u>	<u>\$ 172,754,671</u>

OAK VIEW NATIONAL BANK
Statements of Operations

	Three Months Ending September 30,		Nine Months Ending September 30,	
	2016	2015	2016	2015
	(Unaudited)		(Unaudited)	
Interest and Dividend Income				
Interest and fees on loans	\$ 1,843,681	\$ 1,631,225	\$ 5,367,337	\$ 4,887,568
Interest on held to maturity securities	18,788	4,860	48,539	13,239
Dividends on restricted stock	23,304	20,998	63,027	55,946
Interest on interest-bearing deposits in other banks	60,079	60,006	184,593	167,125
Interest on federal funds sold	4,254	4,286	7,586	9,272
Total interest and dividend income	\$ 1,950,106	\$ 1,721,375	\$ 5,671,081	\$ 5,133,150
Interest Expense				
Interest on deposits	\$ 193,680	\$ 210,204	\$ 577,939	\$ 637,293
Interest on Federal Home Loan Bank advances	55,892	45,500	157,123	135,021
Interest on federal funds purchased	229	-	1,173	-
Total interest expense	\$ 249,801	\$ 255,704	\$ 736,236	\$ 772,314
Net Interest Income	\$ 1,700,305	\$ 1,465,671	\$ 4,934,845	\$ 4,360,836
Provision for Loan Losses	28,242	21,462	119,190	(88,401)
Net interest income after provision for loan losses	\$ 1,672,063	\$ 1,444,209	\$ 4,815,655	\$ 4,449,237
Noninterest Income				
Service charges on deposit accounts	\$ 16,230	\$ 16,235	\$ 43,898	\$ 45,664
Card Fee Income	46,833	40,611	134,568	108,160
Income on BOLI	35,173	24,500	104,386	63,733
Other income	58,212	49,811	161,316	126,506
Total Noninterest Income	\$ 156,448	\$ 131,157	\$ 444,169	\$ 344,063
Noninterest Expenses				
Salaries and employee benefits	\$ 826,348	\$ 745,432	\$ 2,429,370	\$ 2,186,336
Occupancy and equipment expense	122,291	131,939	397,498	412,321
Professional services	112,473	120,065	283,801	312,271
Data processing	187,038	178,573	545,058	521,833
Promotional and marketing	25,168	36,871	75,704	98,582
Other operating expenses	93,363	94,373	320,613	314,242
Total noninterest expenses	\$ 1,366,681	\$ 1,307,253	\$ 4,052,044	\$ 3,845,585
Net Income Before Tax	\$ 461,830	\$ 268,113	\$ 1,207,780	\$ 947,715
Income tax expense	126,497	91,158	380,120	322,223
Net income	\$ 335,333	\$ 176,955	\$ 827,660	\$ 625,492
Earnings per Share , basic and diluted	\$ 0.12	\$ 0.07	\$ 0.29	\$ 0.24