



FOR IMMEDIATE RELEASE

Oak View National Bank Announces First Quarter 2017 Earnings

Warrenton, VA., April 28, 2017--Oak View National Bank (OTC Pink: OAKV) reported net income for the quarter ended March 31, 2017 of \$211,774, compared to net income of \$231,606 for the first quarter of 2016. Basic and diluted earnings per share for the first quarter of 2017 were \$0.07 compared with \$0.08 per share in the first quarter of 2016. Return on average assets (ROAA) was .42% and return on average equity (ROAE) was 4.38% for the first quarter of 2017 compared to .51% and 5.03% respectively for the first quarter of 2016.

Michael Ewing, Vice Chairman of the Board and CEO said, "As previously announced, we have invested significantly in lenders and support personnel necessary to increase our rate of growth. Although the additional personnel expense has negatively impacted short term results, we hope to see the benefits for the remainder of the year and beyond."

The net interest margin was 3.71% for the quarter ended March 31, 2017 compared to 3.79% for the quarter ending March 31, 2016. The average yield on earning assets decreased by 11 basis points to 4.26% for the quarter ended March 31, 2017 compared 4.37% for the quarter ending March 31, 2016 and the cost of funds declined by 2 basis points to .70% in the first quarter of 2017 from .72% for first quarter of 2016.

Loans, net of unearned interest, deferred costs and allowance for loan losses, increased 11.95% to \$164.2 million at the end of the first quarter 2017 compared to \$146.6 million at March 31, 2016. Credit quality remained outstanding as the bank had just two non-performing assets at March 31, 2017 totaling \$87,890. For the quarter ending March 31, 2017 there was a loan loss provision of \$63,659 compared to a loan loss provision of \$41,878 for the quarter ending March 31, 2016. The allowance for loan losses was \$1.71 million or 1.03% of total loans at March 31, 2017 compared to \$1.64 million or 1.03% of total loans at March 31, 2016.

Total deposits ended the quarter at \$161.7 million, representing an increase of 10.0% compared to \$146.9 million at the end of the first quarter of 2016. Total bank assets ended the quarter at \$200.4 million, representing an annual growth rate of 9.4% compared to the same period last year.

Noninterest income decreased by \$5,383 or 3.9% to \$133,782 for the quarter ending March 31, 2017 due to lower levels of rental income partially offset by higher levels of service charges on deposit accounts and card fee income.

Noninterest expenses increased by \$179,437 or 13.4% for the quarter ending March 31, 2017, the majority of the increase was attributable to higher personnel costs due to the additional staff hired to facilitate an increase in the Bank's rate of growth; however, the Bank also had a volume driven increase in data processing 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.

###

For additional information, contact Jennifer Knighting, Senior Vice President/Director of Sales & Marketing, Oak View National Bank, at 540-825-2570.

OAK VIEW NATIONAL BANK**Balance Sheets**

March 31, 2017 and 2016

	Unaudited	
	2017	2016
Assets		
Cash and due from banks	\$ 2,363,925	\$ 2,015,440
Interest-bearing deposits in other banks	17,355,892	19,496,772
Securities held to maturity, at cost	2,650,286	1,402,473
Restricted stock, at cost	1,610,500	1,594,550
Loans, net of allowance for loan losses of \$1,707,094 and \$1,643,486 for 2017 and 2016, respectively	164,154,154	146,638,135
Premises and equipment, net	5,809,900	5,960,558
Accrued interest receivable	457,188	438,747
Deferred tax asset	837,785	828,925
Bank Owned Life Insurance	4,766,244	4,631,315
Other assets	407,232	194,098
Total assets	<u>\$ 200,413,106</u>	<u>\$ 183,201,013</u>
Liabilities and Shareholders' Equity		
Liabilities		
Deposits:		
Noninterest bearing	\$ 35,987,076	\$ 29,205,150
Savings, interest-bearing checking and money market accounts	69,794,383	61,307,371
Time, \$100,000 and over	33,375,680	34,096,937
Other time	22,531,002	22,314,484
Total deposits	\$ 161,688,141	\$ 146,923,942
Federal Home Loan Bank advances	17,900,000	16,900,000
Accrued expenses and other liabilities	1,063,438	807,493
Total liabilities	<u>\$ 180,651,579</u>	<u>\$ 164,631,435</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 as of March 31, 2016 and 2015.	\$ 2,873,456	\$ 2,873,456
Additional paid-in capital	17,427,382	17,347,988
Retained (deficit)	(539,311)	(1,651,866)
Total shareholders' equity	<u>\$ 19,761,527</u>	<u>\$ 18,569,578</u>
Total liabilities and shareholders' equity	<u>\$ 200,413,106</u>	<u>\$ 183,201,013</u>

OAK VIEW NATIONAL BANK
Statements of Income
For the Quarters Ended March 31, 2017 and 2016

	Unaudited	
	2017	2016
Interest and Dividend Income		
Interest and fees on loans	\$ 1,889,086	\$ 1,732,924
Interest on held to maturity securities	30,423	15,475
Dividends on restricted stock	21,947	19,089
Interest on interest-bearing deposits in other banks	62,188	61,915
Interest on federal funds sold	18,353	2,090
Total interest and dividend income	\$ 2,021,997	\$ 1,831,493
Interest Expense		
Interest on deposits	\$ 206,921	\$ 191,147
Interest on Federal Home Loan Bank advances	50,014	51,837
Interest on federal funds purchased	2	-
Total interest expense	\$ 256,937	\$ 242,984
Net Interest Income	\$ 1,765,060	\$ 1,588,509
Provision for Loan Losses	63,659	41,878
Net interest income after provision for loan losses	\$ 1,701,401	\$ 1,546,631
Noninterest Income		
Service charges on deposit accounts	\$ 17,651	\$ 13,786
Card Fee Income	46,010	42,041
Income on Bank owned life insurance	31,188	34,701
Other income	38,933	48,637
Total Noninterest Income	\$ 133,782	\$ 139,165
Noninterest Expenses		
Salaries and employee benefits	\$ 947,078	\$ 794,269
Occupancy and equipment expense	137,315	140,047
Professional services	89,480	97,335
Data processing	189,573	178,245
Promotional and marketing	29,783	22,654
Other operating expenses	121,085	102,328
Total noninterest expenses	\$ 1,514,314	\$ 1,334,877
Net Income Before Tax	\$ 320,869	\$ 350,918
Income tax expense	\$ 109,095	\$ 119,312
Net income	\$ 211,774	\$ 231,606
Earnings per Share , basic and diluted	\$ 0.07	\$ 0.08