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Oak View National Bank Announces Third Quarter Earnings *Net Income Increase of 104.5%*

Warrenton, VA., October 30, 2018--Oak View National Bank (OTC Pink: OAKV) reported net income for the quarter ended September 30, 2018 of \$492,145, compared to net income of \$240,659 for the third quarter of 2017, an increase of 104.5%. Basic and diluted earnings per share for the third quarter of 2018 were \$0.17 compared with \$0.08 per share in the third quarter of 2017. Return on average assets (ROAA) was .81% and return on average equity (ROAE) was 9.05% for the third quarter of 2018 compared to .46% and 4.70% respectively for the third quarter of 2017. For the nine months ended September 30, 2018, the Bank reported net income of \$1,231,415 compared to net income of \$794,924 reported for the nine months ending September 30, 2017, an increase of 54.9%. Basic and diluted earnings per share for the nine months ending September 30, 2018 were \$0.43 versus \$0.28 for the nine months ending September 30, 2017.

Michael Ewing, Vice Chairman of the Board and CEO said, "As previously indicated, increases in short term rates and local competition have combined to force the Bank to become more aggressive in its deposit gathering efforts which has impacted our net interest margin. At the same time, however, our increased revenues due to our asset growth and well controlled non-interest expenses have improved our efficiency ratio, resulting in increased profitability and higher returns on both assets and equity."

The Bank is considered "well capitalized" according to regulatory guidelines. Regulatory capital ratios at September 30, 2018 were 8.92% Tier 1 leverage ratio and 12.79% Tier 1 capital ratio compared to 9.80% Tier 1 leverage ratio and 13.18% Tier 1 capital ratio at September 30, 2017. Capital ratios declined as the bank deployed capital to fund growth in loans and deposits.

The net interest margin was 3.55% for the quarter ended September 30, 2018 compared to 3.73% for the quarter ending September 30, 2017. The average yield on earning assets increased to 4.46% for the quarter ending September 30, 2018 from 4.38% for the quarter ending September 30, 2017 and the cost of funds increased by 32 basis points to 1.16% in the third quarter of 2018 from .84% for third quarter of 2017. The ratio of average interest-earning assets to interest bearing liabilities was 127.4% for the quarter ending September 30, 2018 compared to 128.2% for the quarter ending September 30, 2017.

Loans, net of unearned interest and deferred costs, increased 12.8% to \$196.9 million at the end of the third quarter 2018 compared to \$174.5 million at September 30, 2017. Credit quality remained sound as the bank only had two non-performing loans at September 30, 2018 totaling \$68,690. For the quarter ending September 30, 2018 there was a loan loss provision of \$23,609 compared to a loan loss provision of \$52,342 for the quarter ending September 30, 2017. The allowance for loan losses was \$1.76 million or .90% of total loans at September 30, 2018 compared to \$1.71 million or .98% of total loans at September 30, 2017.

Total deposits ended the quarter at \$194.3 million, representing an increase of 16.2% compared to \$167.2 million at the end of the third quarter of 2017. Total bank assets ended the quarter at \$240.8 million, representing an annual growth rate of 15.0% compared to the same period last year.

Non-interest income increased by \$11,491 or 7.0% to \$175,325 for the quarter ending September 30, 2018 from higher levels of card fee income and service charges on deposit accounts partially offset by lower BOLI income and other non-interest income.

Non-interest expenses increased by \$37,715 or 2.45% for the quarter ending September 30, 2018, the majority of which was attributable to increases in professional services and volume driven increases in data processing costs partially offset by a reduction in other operating expenses which included a gain of \$34,321 on other real estate owned.

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.

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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**

September 30, 2018 and 2017

	(Unaudited)	
	2018	2017
Assets		
Cash and due from banks	\$ 2,865,630	\$ 2,850,285
Interest-bearing deposits in other banks	16,226,304	15,963,299
Securities held to maturity, at cost	2,649,890	2,650,151
Fed Funds Sold	9,383,000	1,104,000
Restricted stock, at cost	1,987,450	1,738,000
Loans, net of allowance for loan losses of \$1,765,154 and \$1,713,518 for 2018 and 2017, respectively	195,161,542	172,794,877
Premises and equipment, net	5,731,256	5,739,437
Accrued interest receivable	650,311	540,213
BOLI investment	4,949,901	4,829,611
Deferred tax asset	529,200	837,785
Other real estate owned	284,083	--
Other assets	396,934	393,498
Total assets	<u>\$ 240,815,501</u>	<u>\$ 209,441,156</u>
Liabilities and Shareholders' Equity		
Liabilities		
Deposits:		
Noninterest bearing	\$ 39,783,244	\$ 36,908,265
Savings, interest-bearing checking and money market accounts	75,392,063	66,519,222
Time deposits	79,151,555	63,805,464
Total deposits	\$ 194,326,862	\$ 167,232,951
Federal Home Loan Bank advances	23,800,000	20,900,000
Accrued expenses and other liabilities	1,070,083	963,529
Total liabilities	<u>\$ 219,196,945</u>	<u>\$ 189,096,480</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	17,427,382	17,427,382
Retained earnings	1,317,718	43,838
Accumulated other comprehensive income	--	--
Total shareholders' equity	<u>\$ 21,618,556</u>	<u>\$ 20,344,676</u>
Total liabilities and shareholders' equity	<u>\$ 240,815,501</u>	<u>\$ 209,441,156</u>

OAK VIEW NATIONAL BANK				
Statements of Operations				
	Three Months Ending September 30,		Nine Months Ending September 30,	
	2018	2017	2018	2017
	(Unaudited)		(Unaudited)	
Interest and Dividend Income				
Interest and fees on loans	\$ 2,384,236	\$ 2,013,667	\$ 6,901,226	\$ 5,844,058
Interest on held to maturity securities	29,699	29,690	89,025	89,782
Dividends on restricted stock	33,680	20,566	86,096	64,643
Interest on interest-bearing deposits in other banks	81,558	65,932	224,479	191,046
Interest on federal funds sold	45,732	13,439	73,699	40,374
Total interest and dividend income	<u>\$ 2,574,905</u>	<u>\$ 2,143,294</u>	<u>\$ 7,374,524</u>	<u>\$ 6,229,903</u>
Interest Expense				
Interest on deposits	\$ 400,770	\$ 243,196	\$ 1,057,053	\$ 669,897
Interest on Federal Home Loan Bank advances	123,926	77,218	313,652	191,479
Interest on federal funds purchased	0	--	816	--
Total interest expense	<u>\$ 524,696</u>	<u>\$ 320,414</u>	<u>\$ 1,371,521</u>	<u>\$ 861,376</u>
Net Interest Income	<u>\$ 2,050,209</u>	<u>\$ 1,822,880</u>	<u>\$ 6,003,004</u>	<u>\$ 5,368,527</u>
Provision for Loan Losses	<u>23,609</u>	<u>52,342</u>	<u>157,391</u>	<u>70,042</u>
Net interest income after provision for loan losses	<u>\$ 2,026,600</u>	<u>\$ 1,770,538</u>	<u>\$ 5,845,613</u>	<u>\$ 5,298,486</u>
Noninterest Income				
Service charges on deposit accounts	\$ 29,849	\$ 23,688	\$ 83,213	\$ 60,075
Card Fee Income	68,900	57,921	191,131	156,019
Income on BOLI	30,054	31,984	88,825	94,555
Other income	46,521	50,241	165,832	132,225
Total Noninterest Income	<u>\$ 175,324</u>	<u>\$ 163,834</u>	<u>\$ 529,002</u>	<u>\$ 442,874</u>
Noninterest Expenses				
Salaries and employee benefits	\$ 939,370	\$ 946,419	\$ 2,904,375	\$ 2,822,375
Occupancy and equipment expense	136,239	130,814	393,935	393,041
Professional services	106,737	76,909	289,188	235,007
Data processing	236,252	198,679	676,254	585,774
Promotional and marketing	61,232	60,634	161,563	129,757
Other operating expenses	99,126	127,788	390,547	391,082
Total noninterest expenses	<u>\$ 1,578,956</u>	<u>\$ 1,541,243</u>	<u>\$ 4,815,862</u>	<u>\$ 4,557,037</u>
Net Income Before Tax	<u>\$ 622,968</u>	<u>\$ 393,129</u>	<u>\$ 1,558,753</u>	<u>\$ 1,184,323</u>
Income tax expense	<u>130,823</u>	<u>152,470</u>	<u>327,338</u>	<u>389,400</u>
Net income	<u>\$ 492,145</u>	<u>\$ 240,659</u>	<u>\$ 1,231,415</u>	<u>\$ 794,924</u>
Earnings per Share , basic and diluted	<u>\$ 0.17</u>	<u>\$ 0.08</u>	<u>\$ 0.43</u>	<u>\$ 0.28</u>