



**FOR IMMEDIATE RELEASE**

## **Oak View National Bank Announces an Increase of 72.5% in Net Income for the First Quarter of 2018**

**Warrenton, VA., May 4, 2018--Oak View National Bank (OTC Pink: OAKV)** reported net income for the quarter ended March 31, 2018 of \$365,353, compared to net income of \$211,774 for the first quarter of 2017, an increase of 72.5%. Basic and diluted earnings per share for the first quarter of 2018 were \$0.13 compared with \$0.07 per share in the first quarter of 2017. Return on average assets (ROAA) was .66% and return on average equity (ROAE) was 7.18% for the first quarter of 2018 compared to .42% and 4.38% respectively for the first quarter of 2017.

Michael Ewing, Vice Chairman of the Board and CEO said, "We are pleased to see the positive results of our efforts to increase the Bank's overall rate of growth; which has resulted in higher net interest income and noninterest income. We have reached sufficient scale whereby our gross earnings are outpacing our noninterest expenses, resulting in improving net earnings."

The net interest margin was 3.79% for the quarter ended March 31, 2018 compared to 3.71% for the quarter ending March 31, 2017. The average yield on earning assets increased by 26 basis points to 4.52% for the quarter ended March 31, 2018 compared 4.26% for the quarter ending March 31, 2017 and the cost of funds increased by 23 basis points to .93% in the first quarter of 2018 from .70% for first quarter of 2017.

Loans, net of unearned interest, deferred costs and allowance for loan losses, increased 15.83% to \$190.1 million at the end of the first quarter 2018 compared to \$164.2 million at March 31, 2017. Credit quality remained outstanding as the bank had just two non-performing assets at March 31, 2018 totaling \$75,890. For the quarter ending March 31, 2018 there was a loan loss provision of \$77,437 compared to a loan loss provision of \$63,659 for the quarter ending March 31, 2017. The allowance for loan losses was \$1.82 million or .948% of total loans at March 31, 2018 compared to \$1.71 million or 1.03% of total loans at March 31, 2017.

Total deposits ended the quarter at \$183.2 million, representing an increase of 13.3% compared to \$161.7 million at the end of the first quarter of 2017. Total bank assets ended the quarter at \$225.9 million, representing an annual growth rate of 12.7% compared to the same period last year.

Noninterest income increased by \$41,002 or 30.7% to \$174.785 for the quarter ending March 31, 2018 due to higher levels of service charges on deposit accounts, card fee income, mortgage loan fee income and rental income.

Noninterest expenses increased by \$80,446 or 5.3% for the quarter ending March 31, 2018, the majority of the increase was attributable to higher personnel costs and volume driven increases in data processing costs.

Income tax expense decreased 11% for the three months ended March 31, 2018 compared to the three months ended March 31, 2017 due to the federal corporate tax rate reduction that was effective January 1, 2018.

**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](http://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**

March 31, 2018 and 2017

	<b>Unaudited</b>	
	<b>2018</b>	<b>2017</b>
<b>Assets</b>		
Cash and due from banks	\$ 2,165,092	\$ 2,363,925
Federal funds sold	1,149,000	103,000
Interest-bearing deposits in other banks	15,817,367	17,252,892
Securities held to maturity, at cost	2,650,015	2,650,286
Restricted stock, at cost	1,773,350	1,610,500
Loans, net of allowance for loan losses of \$1,819,074 and \$1,707,094 for 2018 and 2017, respectively	190,145,749	164,154,154
Premises and equipment, net	5,806,140	5,809,900
Accrued interest receivable	622,976	457,188
Deferred tax asset	529,200	837,785
Bank Owned Life Insurance	4,890,318	4,766,244
Other assets	363,625	407,232
Total assets	<u>\$ 225,912,832</u>	<u>\$ 200,413,106</u>
<b>Liabilities and Shareholders' Equity</b>		
<b>Liabilities</b>		
Deposits:		
Noninterest bearing	\$ 37,875,625	\$ 35,987,076
Savings, interest-bearing checking and money market accounts	73,072,414	69,794,383
Time deposits	72,255,748	55,906,682
Total deposits	\$ 183,203,787	\$ 161,688,141
Federal Home Loan Bank advances	20,900,000	17,900,000
Accrued expenses and other liabilities	1,056,551	1,063,438
Total liabilities	<u>\$ 205,160,338</u>	<u>\$ 180,651,579</u>
Commitments and Contingent Liabilities	<u>\$ --</u>	<u>\$ --</u>
<b>Shareholders' Equity</b>		
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, 2018 and 2017.	\$ 2,873,456	\$ 2,873,456
Additional paid-in capital	17,427,382	17,427,382
Retained (deficit)	451,656	(539,311)
Total shareholders' equity	<u>\$ 20,752,494</u>	<u>\$ 19,761,527</u>
Total liabilities and shareholders' equity	<u>\$ 225,912,832</u>	<u>\$ 200,413,106</u>

**OAK VIEW NATIONAL BANK**  
**Statements of Income**  
For the Quarters Ended March 31, 2018 and 2017

	<b>Unaudited</b>	
	<b>2018</b>	<b>2017</b>
<b>Interest and Dividend Income</b>		
Interest and fees on loans	\$ 2,200,747	\$ 1,889,086
Interest on held to maturity securities	29,656	30,423
Dividends on restricted stock	25,680	21,947
Interest on interest-bearing deposits in other banks	70,840	62,188
Interest on federal funds sold	9,412	18,353
Total interest and dividend income	<u>\$ 2,336,335</u>	<u>\$ 2,021,997</u>
<b>Interest Expense</b>		
Interest on deposits	\$ 296,622	\$ 206,921
Interest on Federal Home Loan Bank advances	79,013	50,014
Interest on federal funds purchased	816	2
Total interest expense	<u>\$ 376,451</u>	<u>\$ 256,937</u>
<b>Net Interest Income</b>	\$ 1,959,884	\$ 1,765,060
<b>Provision for Loan Losses</b>	<u>77,437</u>	<u>63,659</u>
Net interest income after provision for loan losses	<u>\$ 1,882,447</u>	<u>\$ 1,701,401</u>
<b>Noninterest Income</b>		
Service charges on deposit accounts	\$ 25,688	\$ 17,651
Card Fee Income	54,588	46,010
Income on Bank owned life insurance	29,242	31,188
Other income	65,267	38,933
Total Noninterest Income	<u>\$ 174,785</u>	<u>\$ 133,782</u>
<b>Noninterest Expenses</b>		
Salaries and employee benefits	\$ 997,180	\$ 947,078
Occupancy and equipment expense	129,501	137,315
Professional services	84,889	89,480
Data processing	213,387	189,573
Promotional and marketing	29,887	29,783
Other operating expenses	139,916	121,085
Total noninterest expenses	<u>\$ 1,594,760</u>	<u>\$ 1,514,314</u>
Net Income Before Tax	\$ 462,472	\$ 320,869
Income tax expense	<u>\$ 97,119</u>	<u>\$ 109,095</u>
Net income	<u>\$ 365,353</u>	<u>\$ 211,774</u>
<b>Earnings per Share</b> , basic and diluted	<u>\$ 0.13</u>	<u>\$ 0.07</u>