



FOR IMMEDIATE RELEASE

October 10, 2017

**Highlands Bankshares, Inc.  
Reports 2017 Third Quarter Earnings  
And Declares Quarterly Dividend**

**Petersburg, WV** - Highlands Bankshares, Inc. (OTC: HBSI) announced unaudited earnings of \$2,568,000 or \$1.92 per share for the first nine month period ended September 30, 2017. This represents a decrease of approximately 3.13% from the \$2,651,000 or \$1.98 per share earned during the same period in 2016.

On October 10, 2017, the Board of Directors declared a quarterly dividend of \$0.30 per share to be paid on November 7, 2017 to all shareholders of record as of October 31, 2017. Based upon the current market price and annualizing the dividends paid to shareholders this quarter, Highlands' current dividend yield is 3.20%.

John Van Meter, Chairman and Chief Executive Officer of the holding company, stated "We continue to develop the number of relationships with small businesses and customers desiring to establish loans and deposit accounts with a locally owned and managed community bank.

"Our balance sheet shows improved strength positioning us for future growth to create additional value for our stockholders. The increase in net interest margin and stable loan to deposit ratio has contributed to an increase in net interest income which has allowed us to deliver consistent ongoing returns for our shareholders."

Highlands Bankshares, Inc. operates twelve banking locations in West Virginia and Virginia through its two wholly-owned subsidiary banks, The Grant County Bank and Capon Valley Bank, and offers insurance services through its wholly-owned subsidiary HBI Life Insurance Company.