



FOR IMMEDIATE RELEASE

October 8, 2019

**Highlands Bankshares, Inc.
Reports 2019 Third Quarter Earnings
And Declares Quarterly Dividend**

Petersburg, WV - Highlands Bankshares, Inc. (OTC: HBSI) announced unaudited earnings of \$2,431,000 for the first nine month period ended September 30, 2019. This represents a decrease of 16.5% from the \$2,911,000 earned during the same period in 2018. On a per share basis, net income was \$1.82 for the first nine months of 2019, compared to earnings of \$2.18 per share for the nine months ended September 30, 2018.

On October 8, 2019, the Board of Directors declared a quarterly dividend of \$0.45 per share to be paid on November 1, 2019 to all shareholders of record as of October 25, 2019. Based upon the current market price and annualizing the dividends paid to shareholders this quarter, Highlands' current dividend yield is 4.44%.

John Van Meter, Chairman and Chief Executive Officer of the holding company, stated "Again this quarter, the company booked expenses related to foreclosed properties and the provision for loan losses providing us lower year over year net income. Given our strong capital position, we are pleased to return additional value to our loyal shareholders by maintaining the same dividend we paid during the previous 6 quarters."

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.