



FOR IMMEDIATE RELEASE

February 12, 2019

**Highlands Bankshares, Inc.
Reports Year End 2018 Earnings
And Declares Quarterly Dividend**

Petersburg, WV - Highlands Bankshares, Inc. (OTC: HBSI) announced unaudited earnings of \$3,889,000 for the year ended December 31, 2018 compared to \$2,469,000 for the year ended December 31, 2017. On a per share basis, net income was \$2.91 per share for 2018, compared to \$1.85 earnings per share for 2017.

On February 12, 2019, the Board of Directors declared a quarterly dividend of \$0.45 per share to be paid on March 1, 2019 to all shareholders of record as of February 22, 2019. Based upon the current market price and annualizing the dividends paid to shareholders this quarter, Highlands' current dividend yield is 3.93%.

John Van Meter, Chairman and Chief Executive Officer of the holding company, stated "We are pleased with our year end results and the overall strength of our balance sheet. We have seen growth in our total loans, book value, and earnings per share over the prior year. Core deposit growth remains a part of our focus to minimize our funding costs to allow us to deliver ongoing, consistent returns for our shareholders. The lower corporate tax rate has served to increase our operating income over 2017, allowing us to invest in our employees and our communities, grow our company, and reward our loyal 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.