



FOR IMMEDIATE RELEASE

February 9, 2016

Highlands Bankshares, Inc. Declares Quarterly Dividend

Highlands Bankshares, Inc. (OTCQB: HBSI) Board of Directors declared a quarterly dividend of \$0.26 per share to be paid on March 4, 2016 to all shareholders of record as of February 26, 2016. Based upon the current market price and annualizing the dividends paid to shareholders this quarter, Highlands' current dividend yield is 3.8%.

John Van Meter, Chairman and Chief Executive Officer of the holding company, stated "2015 was a profitable year for Highlands Bankshares. We grew our loan portfolio and continued to improve asset quality. As we enter the new year, we look forward to providing our customers and shareholders increased services and value as we prepare for a stronger future."

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.