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**FOR IMMEDIATE RELEASE**

February 11, 2020

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

**Petersburg, WV** - Highlands Bankshares, Inc. (OTC: HBSI) announced unaudited earnings of \$3,526,000 for the year ended December 31, 2019. This represents a decrease of 9.3% from the \$3,889,000 earned during 2018. On a per share basis, net income was \$2.64 for 2019, compared to earnings of \$2.91 per share for the year ended December 31, 2018.

On February 11, 2020, the Board of Directors declared a quarterly dividend of \$0.45 per share to be paid on February 28, 2020 to all shareholders of record as of February 24, 2020. Based upon the current market price and annualizing the dividends paid to shareholders this quarter, Highlands' current dividend yield is 4.34%.

John Van Meter, Chairman and Chief Executive Officer of the holding company, stated "2019 was a less than ideal year for Highlands as valuation adjustments on foreclosed assets and increased provision expense weighed on income. We are optimistic we will move forward in 2020 with some of these additional expenses behind us. Our capital levels remain strong allowing us to continue to return additional value to 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.