

ALLEGHENY BANCSHARES, INC. ANNOUNCES FIRST QUARTER 2020 FINANCIAL RESULTS

Allegheny Bancshares, Inc., the parent company of Pendleton Community Bank, is pleased to announce first quarter 2020 net income of \$629,000 or \$0.76 per share. This compares with first quarter 2019 income of \$858,000 or \$1.03 per share. Return on Average Assets (ROAA) for the quarter was 0.57% and the Return on Average Equity (ROAE) was 6.21%. This compares to a ROAA of 1.12% and ROAE of 9.07% for the same period of 2019.

The decrease in net income for the first quarter in 2020 compared to first quarter 2019 was attributed to the information technology conversion expense and other costs associated with the 4th quarter 2019 merger with the Bank of Mount Hope.

Assets increased by 40.6% from March 31, 2019 to March 31, 2020 and, at the end of the quarter, totaled \$449,338,000 and Shareholders' Equity at the end of the quarter totaled \$41,222,000.

W.A. (Bill) Loving, President and CEO, indicated he was pleased with the first quarter's performance. According to Loving, "During the first quarter of 2020 we completed the final steps in the acquisition of The Bank of Mt Hope. The drag on 1st quarter earnings was attributable to the finalization of the acquisition and data conversion expenses. While accounted for as an expense on the income statement, I look at these costs as investments into our future and providing the basis to enhance earnings, provide greater returns for our stakeholders and, provide additional opportunities to serve our customers and expand our footprint. First quarter operations, without consideration of merger related expenses, are reflecting an increase of \$281,000 over 2019's first quarter and reflective of the earnings power of an increased asset base. As we ended the 1st quarter, we began to see a change in our operations and potential challenges that lie ahead for us due to COVID-19. We are working with impacted customers and providing various means of support, including participation in the PPP program; however, the full impact of this pandemic was unclear at quarter end and we are closely monitoring any adverse changes in credit quality and will be making the necessary allocations to loan loss reserves in future quarters as warranted. We are confident that once we transition to a more normal mode of operations and stabilization of the yield curve, we will continue to see the impact of the investments we have made in our company over time.

This press release includes forward-looking statements, which are not historical facts and pertain to future operating results. These forward-looking statements are intended to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. These forward-looking statements are subject to significant business, economic, and competitive uncertainties and contingencies, many of which are beyond our control. Accordingly, actual results may differ materially from anticipated results.

Pendleton Community Bank, an independent community bank since 1925, currently has ten full-service financial centers, with 8 being located in the West Virginia communities of Beckley, Fayetteville, Franklin, Marlinton, Moorefield, Mount Hope, Petersburg, and Wardensville. Two offices and mortgage operation are located in the Virginia community of Harrisonburg, VA.