

Eastern Virginia Bankshares, Inc. (NASDAQ: EVBS; Richmond, VA) has agreed to merge with Southern National Bancorp of Virginia, Inc. (NASDAQ: SONA; McLean, VA)

Deal Value: Approximately \$178.3 Million

Sandler O'Neill served as financial advisor and provided a fairness opinion to Eastern Virginia Bankshares, Inc. in this transaction. This transaction represents Sandler O'Neill's 102nd bank or thrift transaction nationwide since January 1, 2015, representing over \$32.1 billion in aggregate transaction value. Sandler O'Neill has served as a financial advisor on more bank and thrift transactions than any other investment bank during that time period.¹

Since January 1, 2014, Sandler O'Neill has advised the Buyer or Seller on every transaction in Maryland, Virginia or Washington, D.C. with a deal value greater than \$100 million. There have been nine such transactions with an aggregate deal value over \$2.4 billion.¹

MCLEAN, Va. and RICHMOND, Va., Dec. 13, 2016 -- Southern National Bancorp of Virginia, Inc. (NASDAQ:SONA) ("Southern National"), the holding company of Sonabank, and Eastern Virginia Bankshares, Inc. (NASDAQ: EVBS) ("Eastern Virginia"), the holding company of EVB, jointly announced today the signing of a definitive agreement to merge. The combination brings together two banking companies with complementary business lines creating one of the premier banking institutions headquartered in the Commonwealth of Virginia.

Upon completion of the transaction, the combined company will have approximately \$2.4 billion in total assets, \$2.0 billion in total deposits, and \$1.8 billion in total loans. The company, which will assume the Southern National Bancorp of Virginia, Inc. name for the holding company and the Sonabank name for all banking operations, will maintain its corporate headquarters in McLean, Virginia and the headquarters of the bank in Richmond, Virginia. The company will have 47 branch locations covering markets in both Maryland and Virginia, including the Washington, D.C. and Richmond, Virginia MSAs. These attractive markets are often cited as having some of the best demographic and income profiles in the country characterized by low unemployment, strong population growth, new business starts and consistent capital expenditure.

Pursuant to the merger agreement, which was unanimously approved by the Board of Directors of both companies, Eastern Virginia common and preferred shareholders will receive a fixed exchange ratio equal to 0.6313 shares of Southern National common stock for each share of Eastern Virginia common stock or preferred stock owned. Based on the average closing price of Southern National's common stock for the ten trading days ended December 12, 2016, the transaction is valued at approximately \$178.3 million, or \$9.72 per share of Eastern Virginia common and preferred stock. Southern National shareholders will own approximately 51.4 percent of the combined company and Eastern Virginia shareholders will own approximately 48.6 percent.

Southern National and Eastern Virginia jointly project 16 percent cost savings of their combined noninterest expense base as a result of operational synergies and the consolidation of some locations. The transaction is expected to be materially accretive to earnings per share with minimal dilution to tangible book value, all of which is projected to be earned back within two years. Additionally, the combined company will be well-capitalized by all regulatory standards at the time of closing.

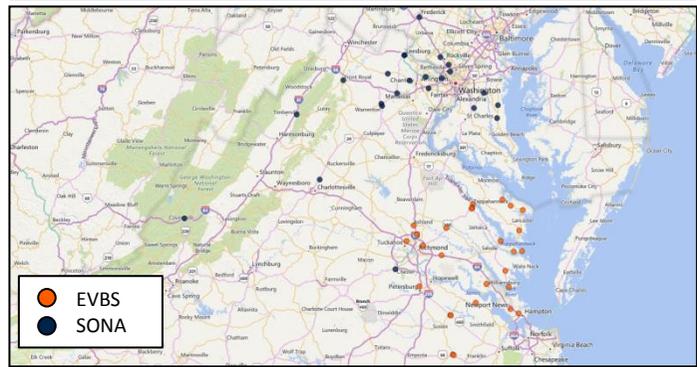
The transaction is expected to close during the second quarter of 2017 and is subject to the approval of both companies' shareholders along with regulatory approvals and other customary closing conditions. Pursuant to the terms of the merger agreement, EVB will merge with and into Sonabank immediately after the merger of Eastern Virginia with and into Southern National.

Financial Highlights

<i>(Dollars in thousands)</i>	SONA	EVBS
Total Assets	\$1,135,436	\$1,314,896
Total Net Loans	\$904,362	\$926,157
Total Deposits	\$915,271	\$1,010,290
Total Equity	\$125,045	\$134,645
TE / TA	10.11%	9.02%

¹⁾ Source: SNL Financial; excludes terminated transactions and self-advisory roles
 Note: Financial data as of September 30, 2016

Pro Forma Branch Map



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