

First Century Bankshares, Inc. (OTC Pink: FCBS; Bluefield, WV) has agreed to merge with Summit Financial Group, Inc. (NASDAQ: SMMF; Moorefield, WV)

Deal Value: Approximately \$42.8 Million

Sandler O'Neill served as financial advisor to First Century Bankshares, Inc. and rendered a fairness opinion in connection with the transaction. This transaction represents Sandler O'Neill's 80th bank or thrift transaction nationwide since January 1, 2015 representing \$23.2 billion in aggregate transaction value, more than any other investment bank during that time period.¹

Since January 1, 2015, Sandler O'Neill has advised on 25 Southeast bank or thrift transactions with an aggregate deal value of approximately \$4.4 billion, more than any other investment bank during that time period.¹

Summit Financial Group, Inc. ("Summit") (NASDAQ: SMMF) and First Century Bankshares, Inc. ("First Century") (OTC Pink: FCBS) announced today the signing of a definitive merger agreement.

Pursuant to the terms of the merger agreement, Summit will acquire all of the outstanding shares of common stock of First Century in exchange for cash in the amount of \$22.50 per share or 1.2433 shares of Summit common stock. First Century shareholders will have a right to receive cash, Summit common stock or a combination of cash and Summit common stock, subject to proration to result in approximately 35% cash and 65% stock consideration in the aggregate. Total merger consideration received by First Century shareholders is subject to an adjustment if First Century's adjusted shareholders' equity as of the effective date of the merger deviates materially from the target mutually determined by the parties.

The transaction has been unanimously approved by each company's board of directors and is expected to close late in the fourth quarter of 2016, pending regulatory approvals and the approval of First Century's shareholders. Following the consummation of the merger, First Century's wholly-owned subsidiary First Century Bank, Inc. will be consolidated with Summit's bank subsidiary, Summit Community Bank, Inc.

The estimated aggregate consideration in the transaction is approximately \$42.8 million, or an implied deal value per share of \$22.50, based on First Century's common shares outstanding of 1,903,120 and using a trailing three-day average of Summit's closing stock price through May 25, 2016 of \$18.10 per share.

Financial Highlights

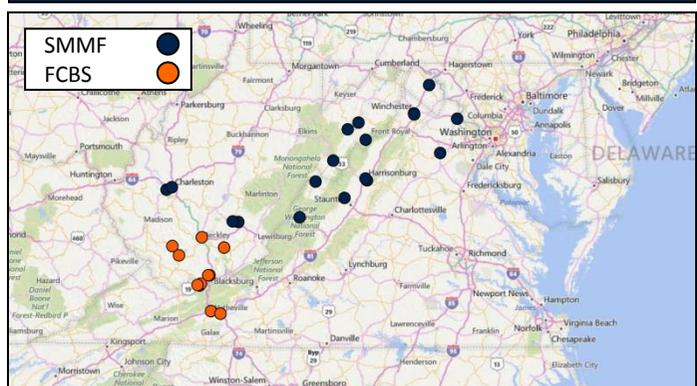
	SMMF	FCBS
Total Assets	\$1,509	\$410
Net Loans	\$1,097	\$226
Deposits	\$1,095	\$350
Equity	\$146	\$46
TCE/TA	9.2%	9.7%

Notes:

Dollars in millions; Financial data as of March 31, 2016

¹Source: SNL Financial; excludes terminated transactions and self-advisory roles

Pro Forma Branch Network



Sandler O'Neill Contacts:

3424 Peachtree Road NE, Suite 2050
Atlanta, GA 30326

Fred Price
Managing Principal
(212) 466-7765

Peter Finnerty
Principal
(404) 442-2865

Andrew Mutch
Vice President
(404) 442-2879