



AMERICAN NATIONAL
BANKSHARES INC.

2015 Summary
**ANNUAL
REPORT**

Seeing
tomorrow



General Corporate Information

Annual Meeting

The 2016 Annual Meeting of Shareholders of American National Bankshares Inc. will be held on Tuesday, May 17, 2016, at 9 a.m. (EDT) at The Wednesday Club, 1002 Main Street, Danville, Va.

Stock Listing

The common stock of American National Bankshares Inc. (the "Company") is traded on the NASDAQ Global Select Market under the symbol "AMNB."

American National Bankshares Inc. Stock Price and Dividends

The following represent the intra-day high and low sales prices of the Company's common stock as traded on the NASDAQ Global Select Market, as well as the quarterly cash dividends declared by the Company's Board of Directors each quarter for the years 2015 and 2014.

	High	Low	Dividend Per Share
2015			
1st Quarter	\$24.72	\$21.31	\$0.23
2nd Quarter	24.31	21.68	0.23
3rd Quarter	24.28	21.88	0.23
4th Quarter	26.42	23.02	<u>0.24</u>
			<u>\$0.93</u>
2014			
1st Quarter	\$26.08	\$21.54	\$0.23
2nd Quarter	24.06	20.65	0.23
3rd Quarter	23.53	20.90	0.23
4th Quarter	25.00	21.69	<u>0.23</u>
			<u>\$0.92</u>

Shareholder Information

Shareholders needing information on stock transfer requirements, lost certificates, dividends, the dividend retirement plan and other shareholder matters may contact:

Computershare Inc.
PO Box 30170
College Station, TX 77842
800.368.5948

Independent Auditors

Yount, Hyde & Barbour PC
50 South Cameron Street
Winchester, VA 22601

Regulatory and Securities Counsel

LeClairRyan
919 East Main Street
Twenty-Fourth Floor
Richmond, VA 23219

Equal Opportunity Employer

American National Bank and Trust Company, a wholly owned subsidiary of American National Bankshares Inc., is an equal opportunity employer. All matters regarding recruiting, hiring, training, compensation, benefits, promotions, transfers and all other personnel policies will remain free from discriminatory practices.

This Report

The American National Bankshares Inc. 2015 Summary Annual Report is presented in a summary format to provide information regarding the performance of the Company in a manner that is meaningful and useful to the widest range of readers. The audited consolidated financial statements of the Company and other more detailed analytical information regarding the Company are contained in the 2015 Annual Report on Form 10-K filed with the Securities and Exchange Commission.

Investor Relations & Financial Statements

A copy of the Company's annual reports on Form 10-K and quarterly reports on Form 10-Q, as filed with the Securities and Exchange Commission, are available without charge to shareholders upon written request and are also available on our website, amnb.com. Those with requests for this or other financial information about American National Bankshares Inc. should contact:

American National Bankshares Inc.
Investor Relations
PO Box 191
Danville, VA 24543
800.240.8190

Corporate Headquarters

American National Bankshares Inc.
628 Main Street
Danville, VA 24541
434.792.5111

Banking Offices

NORTH CAROLINA

Burlington (3)
Graham
Greensboro (2)
Mebane
Yanceyville

VIRGINIA

Bedford
Chatham
Collinsville
Danville (4)
Gretna
Hardy
Lynchburg (2)
Martinsville
Ridgeway
Rocky Mount
South Boston
Union Hall
Lovingston

Table of Contents

General Corporate Information	2
Letter from the Chairman of the Board	4
Letter from the President & Chief Executive Officer	5
<i>Seeing Tomorrow</i>	6
Financial Highlights.	10
Performance Graphs.	11
Consolidated Balance Sheets	12
Consolidated Statements of Income.	13
Management/Board of Directors	14
Advisory Boards	15

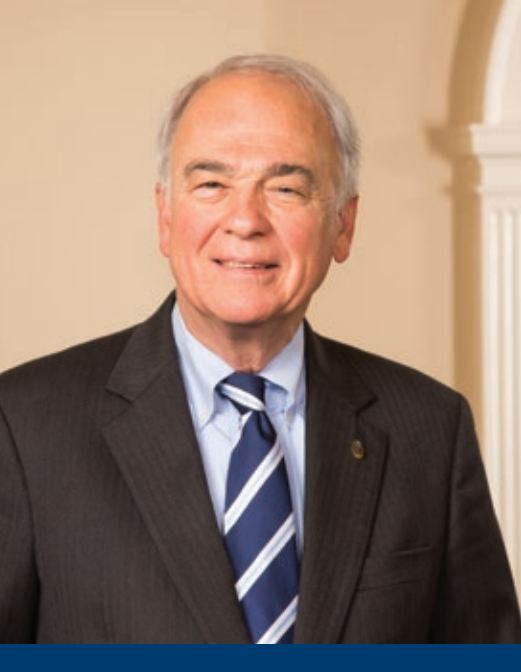
American National

American National Bankshares Inc. is a bank holding company with assets of \$1.5 billion. Headquartered in Danville, Va., it is the holding company of American National Bank and Trust Company (the “Bank”), a community bank serving Virginia and North Carolina through 25 banking offices. In addition, the Bank manages \$749 million through its Trust & Investment Services division. The Bank provides a full array of financial products and services, including personal and business banking, trust and investment services, and mortgage and insurance services. Electronic banking solutions range from a convenient Automated Teller Machine (ATM) network and debit cards to real-time Online Banking with Bill Pay, Mobile Banking with Mobile Deposit, mobile Debit Card alerts and Telephone Banking. Chartered in 1909, the Bank is entering its 108th year of operation. It has grown from a single office on Main Street in Danville to a progressive multi-state, regional financial institution. The focus on building relationships through quality financial services with exceptional customer service has remained constant. The Bank operates under a strong community bank philosophy and is a leader in charitable and civic support in all its markets. Many Bank employees serve on the boards of civic organizations throughout the Bank’s market area.

Forward-Looking Statements

This Summary Annual Report may contain “forward-looking statements” within the meaning of federal securities laws that involve significant risks and uncertainties. Statements herein are based on certain assumptions and analyses by the Company and are factors it believes are appropriate in the circumstances. Actual results could differ materially from those contained in or implied by such statements for a variety of reasons including, but not limited to: financial market volatility including the level of interest rates could affect the values of financial instruments and the amount of net interest income earned; general economic or business conditions, either nationally or in the market areas in which the Company does business, may be less favorable than expected, resulting in deteriorating credit quality, reduced demand for credit, or a weakened ability to generate deposits; competition among financial institutions may increase and competitors may have greater financial resources and develop products and technology that enable those competitors to compete more successfully than the Company; businesses that the Company is engaged in may be adversely affected by legislative or regulatory changes, including changes in accounting standards; the ability to retain key personnel; the failure of assumptions underlying the allowance for loan losses; and risks associated with mergers, acquisitions, and other expansion activities. Consequently, all forward-looking statements made herein are qualified by these cautionary statements and the cautionary language in the Company’s most recent Form 10-K report and other documents filed with the Securities and Exchange Commission. American National Bankshares Inc. does not undertake to update forward-looking statements to reflect circumstances or events that occur after the date the forward-looking statements are made.

Letter from the Chairman of the Board



March 24, 2016

To Our Shareholders:

I am pleased to report to you that 2015 was not just another successful year for American National. It was a year characterized by “growth.” We had significant growth in earnings, in loans and deposits, as well as adding three new offices in a new market area—Franklin County, a part of the Roanoke, Virginia, MSA.

We began the year closing the acquisition of MainStreet BankShares, Inc., and its banking subsidiary, Franklin Community Bank, effective January 1, 2015. Our loan portfolio grew from the acquisition and from organic growth, as did our deposits.

Our net income for the year was over \$15 million, an 18% increase over 2014. Even though we increased our outstanding common shares due to the transaction, our per share income increased from \$1.62 in 2014 to \$1.73 in 2015.

Our capital ratios remain strong and continue to exceed all regulatory minimums for “well capitalized” banking organizations. For the year ended December 31, 2015, average shareholders’ equity to average assets was 12.9%. Our book value per common share was \$22.95 at year end compared to \$22.07 at the end of 2014.

We have a great team of employees here at American National, led by Jeff Haley and his very talented executive group. The integration of Franklin Community Bank went smoothly, due to the dedication and hard work of our employees, both our legacy American National group and our new team members from Franklin Community. We finished 2015 on a strong note and look forward to a successful 2016.

We have a strong and effective Board of Directors. Bob Ward retired as a regular director last May pursuant to our directors’ retirement policy. He is serving this year as a Director Emeritus. We appreciate his valuable service to our Company. Joel Shepherd, the board chairman of MainStreet Bankshares, Inc., joined the Board of Directors on January 1, 2015. Ronda Penn joined our Board in August of 2015. A certified public accountant and a former partner in a regional public accounting firm, she is the chief financial officer of Plexus Capital, LLC, a North Carolina small business investment company. We are pleased to have Joel and Ronda join our Board.

The Company and the Bank are fortunate to have dedicated and committed directors, who do an outstanding job of representing the shareholders by providing strategic policy leadership and management oversight. You should be proud of them—I am.

Thank you for your investment in our Company. It is critically important to our continued success and we appreciate your support. We work hard to provide prudent and appropriate management and oversight for the Company.

Very truly yours,

A handwritten signature in black ink that reads "Charles H. Majors". The signature is written in a cursive, flowing style.

Charles H. Majors
Chairman of the Board
American National Bankshares Inc.
American National Bank and Trust Company

Letter from the President & Chief Executive Officer

March 24, 2016

To Our Shareholders:

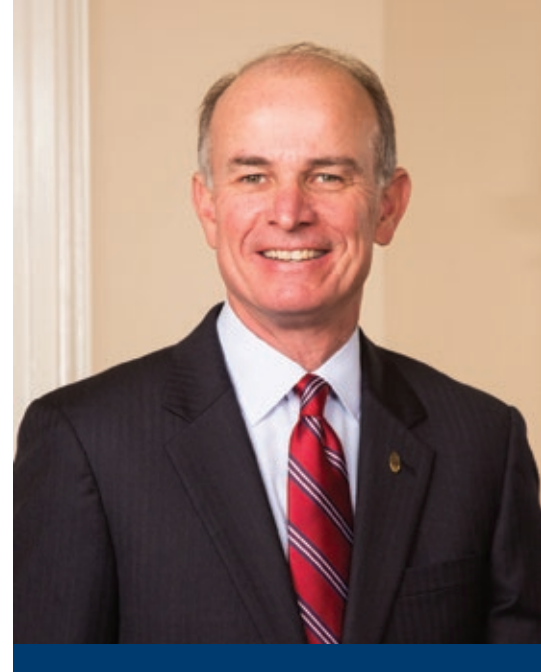
The year 2015 brought excitement, productivity, challenges and, ultimately, success for American National. Charley Majors says it best in his letter—“It was a year characterized by growth” on several fronts... earnings, loans, deposits and our physical footprint. The theme was capital management, an appropriate focus for the Board and management group of our bank, which has remained extremely well-capitalized over the years.

I am especially proud of four milestone achievements resulting from our capital management efforts. We successfully executed the acquisition of MainStreet BankShares, Inc. We experienced significant organic growth in our legacy markets. Loans and deposits grew organically by 7% and 6.6% respectively. Also, in the fourth quarter of 2015, (for the first time since 2007) we increased our quarterly cash dividend to shareholders to \$0.24 per share, an increase of one cent or 4.3%. Lastly, we continued an active stock repurchase program, providing an additional outlet, when appropriate, to efficiently manage our capital.

Another milestone accomplishment of 2015 was the completion of our 107th year as a community bank. We take this role seriously and understand we are only as good as the communities we serve. It's our responsibility as a corporate citizen to continue our strong support of the communities in which we live, work and play. Each year, our bankers devote countless hours to civic groups and local causes, and we contribute thousands of dollars to efforts designed to strengthen our communities.

Seeing tomorrow is about leveraging today's insights for tomorrow's success. Our industry is constantly changing. In order to be successful tomorrow, we need to accept and, more importantly, expect change to continue. My commitment to you is that our management team and the employees of American National will work tirelessly and collaboratively to effectively manage our capital and remain a high performing bank in the midst of these ever-present changes.

As a shareholder, you've already taken the first step to helping us see tomorrow by believing in us. I sincerely appreciate your support as well as the hard work of our employees and management group and the guidance of our Board of Directors and Advisory Boards. Your investment and the talent and effort of these groups allowed us to achieve the financial results outlined in Charley's letter, and it will position us for continued success in 2016.



Sincerely,

A handwritten signature in blue ink that reads "Jeffrey V. Haley". The signature is fluid and cursive, with the first name "Jeffrey" being the most prominent.

Jeffrey V. Haley
President & Chief Executive Officer
American National Bankshares Inc.
American National Bank and Trust Company

**Seeing tomorrow is about
leveraging today's
insights for
tomorrow's success.**

Seeing tomorrow

Customers walk through our doors each day.

To open **new accounts**.

To talk with us about their **hopes and dreams**.

To **ask for help** when making important decisions.

While they are here, **they tell us about their lives**. They share pictures of their families.

New children. And grandchildren.

Weddings.

Vacations.

And the dog.

And, they ask about ours.

It's like Facebook in a way.

... only better.





As technology enables engagement in new ways and on different terms, the question is asked, “Do people want this kind of service?” Or, “Do they prefer online and mobile?” To communicate from a distance rather than face to face? To deposit a picture of a check rather than share a picture of the family? To open an account online rather than open the door to an office?

At American National, we think the answer is they want both. It is on this premise that we value our branch network and customer-facing team members, and value our investment in technology.

So, what does tomorrow look like for American National?

In many ways, it looks a lot like yesterday and today.



Tomorrow, we will provide great service to our customers. We are going to deliver the financial products and services they need in the way they want to use them and at a fair price. We are going to offer those products and services through a well-trained staff and through technology.

Tomorrow, we will remain focused on growing American National. In 2015, we added three offices—in Hardy, Union Hall and Rocky Mount, Virginia—through our acquisition of Franklin Community Bank. Those customers are now American National customers. Those employees are part of the American National team. They've joined a long line of staff members who continue to pass on what it means to be part of this organization, what it has meant for over a century. What it means today. And what it will mean tomorrow.

We also will focus on growing American National one customer, one individual, one business, one checking account, one loan, one mortgage and one relationship at a time. That's what tomorrow looks like.

We will do more with our resources, leveraging them to make American National a high performing company. We will do what it takes to become an even more engaging place to bank. For our employees, we will strive to become an even better place to work, a place that attracts and retains the best and brightest. And, we will enhance our commitment to rewarding our shareholders for believing in us. It is about stewardship. It is taking what we have and maximizing its value.

Risk, it is said, is the potential of gaining or losing something of value. In business, there are different kinds of risk—strategic, financial, compliance, operational and reputational. There are risks in doing “something,” but also in “not doing something.” We will act in the face of risk with our customers, employees and shareholders ever present in our thinking, and with tomorrow and our legacy as a touchstone.

A silhouette of a hand holding a rolled-up document against a sunset city skyline. The sun is low on the horizon, casting a warm glow over the scene. The city skyline is visible in the background, with several tall buildings. The overall mood is one of hope and future.

tom

What legacy will the American National of today leave for those who follow?

We embraced yesterday, acted today and prepared for tomorrow.

We served and supported people who needed us.

We took some risks.

We earned and kept your trust.

We stood for something more.

We gave back to our communities.

We made a difference.

When we see tomorrow, we see customers walking through our doors and visiting us online. We see people signing new account documents with a pen or electronically. We see people talking to us, texting us and messaging us their opportunities and their decisions. We see people sharing pictures of their families, their vacations and their pets. Their hopes and dreams.

When we see tomorrow, we are humbled with responsibility, spurred by possibility and excited by opportunity.

We're ready...



for

tomorrow

Financial Highlights (Amounts in thousands, except per share information and ratios)

December 31,

	2015	2014	2013	2012	2011
Results of Operations:					
Interest income	\$ 55,169	\$ 47,455	\$ 52,956	\$ 57,806	\$ 49,187
Interest expense	5,904	5,730	6,583	8,141	8,780
Net interest income	49,265	41,725	46,373	49,665	40,407
Provision for loan losses	950	400	294	2,133	3,170
Noninterest income	13,287	11,176	10,827	11,410	9,244
Noninterest expense	40,543	34,558	35,105	36,643	30,000
Income before income tax provision	21,059	17,943	21,801	22,299	16,481
Income tax provision	6,020	5,202	6,054	6,293	4,910
Net income	\$ 15,039	\$ 12,741	\$ 15,747	\$ 16,006	\$ 11,571
Financial Condition:					
Assets	\$ 1,547,599	\$ 1,346,492	\$ 1,307,512	\$ 1,283,687	\$ 1,304,706
Loans, net of unearned income	1,005,525	840,925	794,671	788,705	824,758
Securities	345,661	349,250	351,013	340,533	339,385
Deposits	1,262,660	1,075,837	1,057,675	1,027,667	1,058,754
Shareholders' equity	197,835	173,780	167,551	163,246	152,829
Shareholders' equity, tangible	151,280	132,692	125,349	119,543	107,335
Per Share Information:					
Earnings per share, basic	\$ 1.73	\$ 1.62	\$ 2.00	\$ 2.04	\$ 1.64
Earnings per share, diluted	1.73	1.62	2.00	2.04	1.64
Cash dividends paid	0.93	0.92	0.92	0.92	0.92
Book value	22.95	22.07	21.23	20.80	19.58
Book value, tangible	17.55	16.86	15.89	15.23	13.75
Weighted average shares outstanding, basic	8,680,502	7,867,198	7,872,870	7,834,351	6,982,524
Weighted average shares outstanding, diluted	8,688,450	7,877,576	7,884,561	7,845,652	6,989,877
Selected Ratios:					
Return on average assets	0.99%	0.97%	1.20%	1.23%	1.07%
Return on average equity ¹	7.65%	7.40%	9.52%	10.08%	8.88%
Return on average tangible equity ²	10.62%	10.31%	13.75%	15.25%	12.97%
Dividend payout ratio	53.60%	56.80%	46.03%	45.06%	55.50%
Efficiency ratio ³	63.81%	63.41%	57.57%	58.23%	58.48%
Net interest margin	3.69%	3.66%	4.10%	4.44%	4.35%
Asset Quality Ratios:					
Allowance for loan losses to period-end loans	1.25%	1.48%	1.59%	1.54%	1.28%
Allowance for loan losses to period-end non-performing loans	242.09%	302.21%	248.47%	227.95%	76.76%
Non-performing assets to total assets	0.48%	0.46%	0.65%	0.90%	1.46%
Net charge-offs to average loans	0.08%	0.07%	(0.02)%	0.07%	0.16%
Capital Ratios:					
Total risk-based capital ratio	16.34%	17.86%	18.14%	17.00%	15.55%
Common equity tier 1 capital ratio	12.88%	n/a	n/a	n/a	n/a
Tier 1 risk-based capital ratio	15.23%	16.59%	16.88%	15.75%	14.36%
Tier 1 leverage ratio	12.05%	12.16%	11.81%	11.27%	10.32%
Tangible equity to tangible assets ratio ⁴	10.08%	10.00%	9.91%	9.64%	8.52%

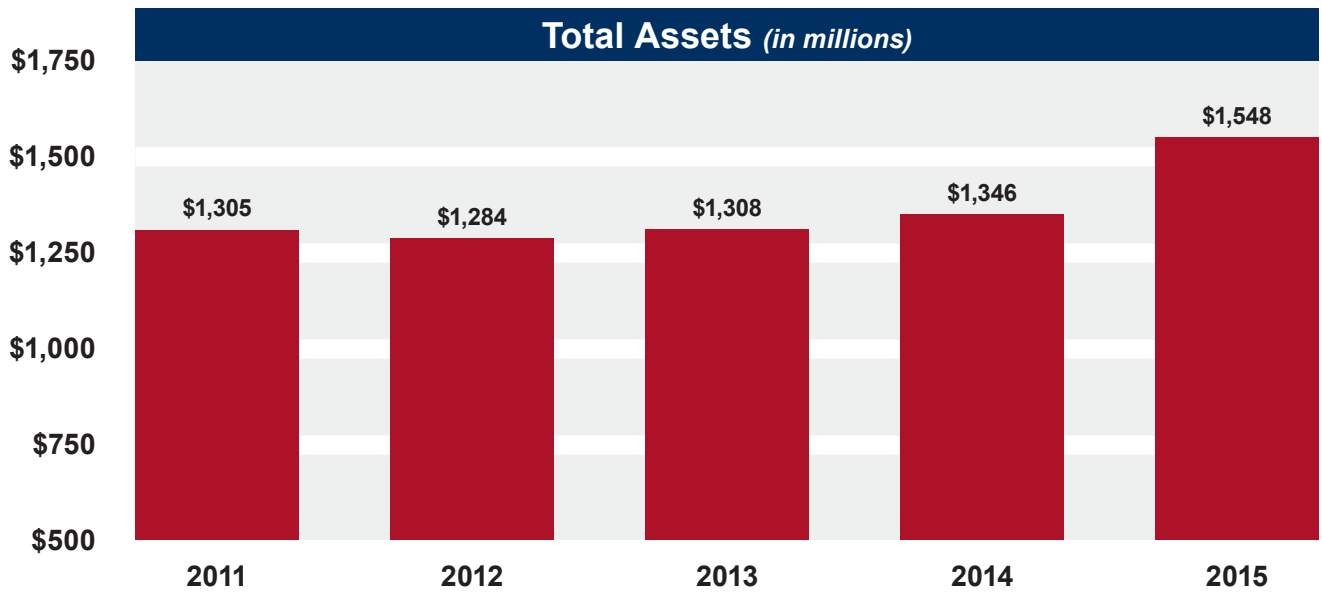
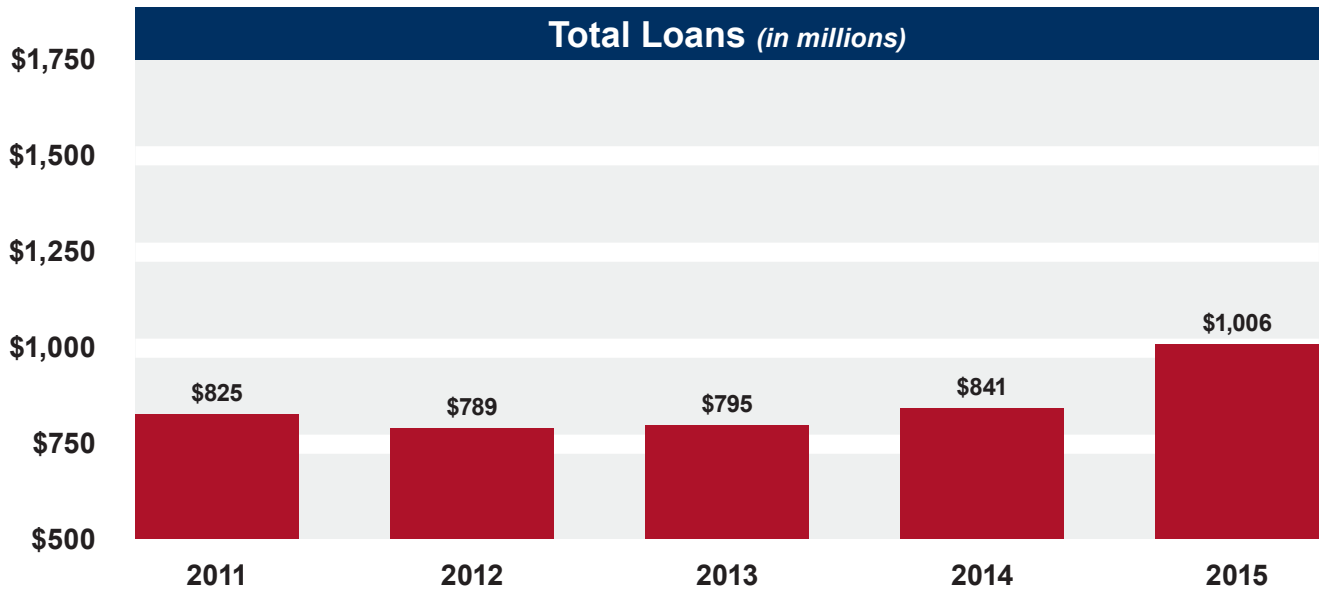
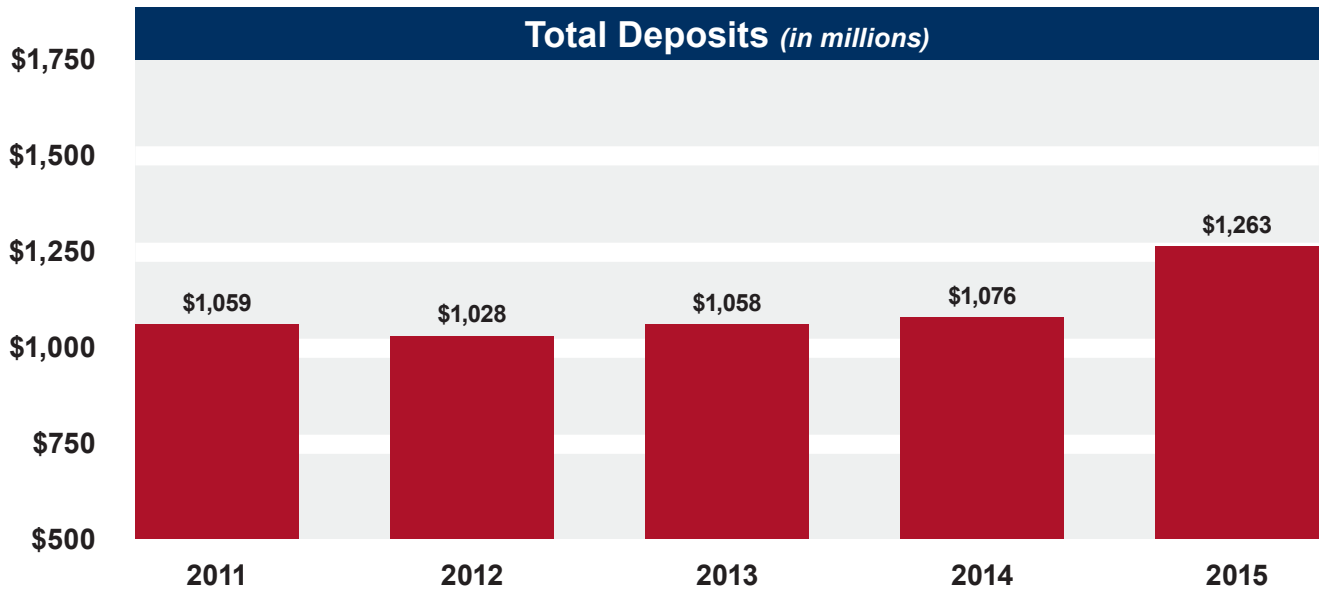
¹ Return on average equity is calculated by dividing net income available to common shareholders by average common equity.

² Return on average tangible equity is calculated by dividing net income available to common shareholders plus amortization of intangibles tax effected by average common equity less average intangibles.

³ The efficiency ratio is calculated by dividing noninterest expense excluding gains or losses on the sale of other real estate owned by net interest income including tax equivalent income on nontaxable loans and securities and excluding (a) gains or losses on securities and (b) gains or losses on sale of premises and equipment.

⁴ Tangible equity to tangible assets ratio is calculated by dividing period-end common equity less period-end intangibles by period-end assets less period-end intangibles.

Performance Graphs



Consolidated Balance Sheets (Dollars in thousands, except per share data)

December 31,

2015

2014

ASSETS

Cash and due from banks	\$ 19,352	\$ 29,272
Interest-bearing deposits in other banks	75,985	38,031
Securities available for sale, at fair value	340,349	344,716
Restricted stock, at cost	5,312	4,367
Loans held for sale	3,266	616
Loans, net of unearned income	1,005,525	840,925
Less allowance for loan losses	(12,601)	(12,427)
Net loans	<u>992,924</u>	<u>828,498</u>
Premises and equipment, net	23,567	23,025
Other real estate owned, net of valuation allowance of \$329 in 2015 and \$2,971 in 2014	2,184	2,119
Goodwill	43,872	39,043
Core deposit intangibles, net	2,683	2,045
Bank owned life insurance	17,658	15,193
Accrued interest receivable and other assets	20,447	19,567
Total assets	<u>\$ 1,547,599</u>	<u>\$ 1,346,492</u>

LIABILITIES and SHAREHOLDERS' EQUITY

Liabilities:

Demand deposits—noninterest bearing	\$ 322,442	\$ 254,458
Demand deposits—interest bearing	227,030	193,432
Money market deposits	200,495	174,000
Savings deposits	115,383	90,130
Time deposits	397,310	363,817
Total deposits	<u>1,262,660</u>	<u>1,075,837</u>
Customer repurchase agreements	40,611	53,480
Long-term borrowings	9,958	9,935
Junior subordinated debt	27,622	27,521
Accrued interest payable and other liabilities	8,913	5,939
Total liabilities	<u>1,349,764</u>	<u>1,172,712</u>

Commitments and contingencies

Shareholders' equity:

Preferred stock, \$5 par, 2,000,000 shares authorized, none outstanding	—	—
Common stock, \$1 par, 20,000,000 shares authorized, 8,622,007 shares outstanding at December 31, 2015, and 7,873,474 shares outstanding at December 31, 2014	8,605	7,872
Capital in excess of par value	75,375	57,650
Retained earnings	111,565	104,594
Accumulated other comprehensive income, net	2,290	3,664
Total shareholders' equity	<u>197,835</u>	<u>173,780</u>
Total liabilities and shareholders' equity	<u>\$ 1,547,599</u>	<u>\$ 1,346,492</u>

(Dollars in thousands, except per share data) **Consolidated Statements of Income**

For the Years Ended December 31,

	2015	2014	2013
Interest and Dividend Income:			
Interest and fees on loans	\$ 46,860	\$ 39,257	\$ 44,817
Interest on federal funds sold	6	–	–
Interest and dividends on securities:			
Taxable	4,072	3,775	3,530
Tax-exempt	3,681	3,971	4,213
Dividends	346	296	245
Other interest income	204	156	151
Total interest and dividend income	<u>55,169</u>	<u>47,455</u>	<u>52,956</u>
Interest Expense:			
Interest on deposits	4,811	4,654	5,460
Interest on short-term borrowings	9	9	40
Interest on long-term borrowings	324	325	329
Interest on junior subordinated debt	760	742	754
Total interest expense	<u>5,904</u>	<u>5,730</u>	<u>6,583</u>
Net Interest Income:	<u>49,265</u>	<u>41,725</u>	<u>46,373</u>
Provision for Loan Losses	950	400	294
Net Interest Income after Provision for Loan Losses	<u>48,315</u>	<u>41,325</u>	<u>46,079</u>
Noninterest Income:			
Trust fees	3,935	4,196	3,689
Service charges on deposit accounts	2,066	1,735	1,750
Other fees and commissions	2,377	1,903	1,864
Mortgage banking income	1,320	1,126	2,008
Securities gains, net	867	505	192
Brokerage fees	946	643	469
Income from Small Business Investment Companies	912	176	12
Other	864	892	843
Total noninterest income	<u>13,287</u>	<u>11,176</u>	<u>10,827</u>
Noninterest Expense:			
Salaries	16,554	14,688	14,059
Employee benefits	4,311	2,988	3,848
Occupancy and equipment	4,425	3,727	3,614
FDIC assessment	750	647	647
Bank franchise tax	898	901	745
Core deposit intangible amortization	1,201	1,114	1,501
Data processing	1,725	1,448	1,248
Software	1,158	1,019	923
Other real estate owned, net	99	240	1,523
Merger-related expenses	1,998	780	–
Other	7,424	7,006	6,997
Total noninterest expense	<u>40,543</u>	<u>34,558</u>	<u>35,105</u>
Income before income taxes	<u>21,059</u>	<u>17,943</u>	<u>21,801</u>
Income taxes	6,020	5,202	6,054
Net Income	<u>\$ 15,039</u>	<u>\$ 12,741</u>	<u>\$ 15,747</u>
Net Income Per Common Share:			
Basic	\$ 1.73	\$ 1.62	\$ 2.00
Diluted	\$ 1.73	\$ 1.62	\$ 2.00
Average Common Shares Outstanding:			
Basic	8,680,502	7,867,198	7,872,870
Diluted	8,688,450	7,877,576	7,884,561

Executive Management *(as of January 1, 2016)*

Jeffrey V. Haley
President
Chief Executive Officer

R. Helm Dobbins
Executive Vice President
Chief Credit Officer

Dabney T.P. Gilliam Jr.
Executive Vice President
Chief Administrative Officer
(retired March 31, 2016)

H. Gregg Strader
Executive Vice President
Chief Banking Officer

William W. Traynham
Executive Vice President
Chief Financial Officer

Board of Directors *(as of January 1, 2016)*

American National Bankshares Inc.
and American National Bank
and Trust Company

Director Emeritus

Robert A. Ward

Board of Directors

Fred A. Blair
President
Blair Construction Inc.
Gretna, VA
Director since 1992
Committees 1, 5, 6

Frank C. Crist Jr., D.D.S.
President
Brady & Crist Dentists Inc.
Lynchburg, VA
Director since 2006
Committees 3, 5, 6

Ben J. Davenport Jr.
Chairman
First Piedmont Corporation
Davenport Energy Inc.
Chatham, VA
Director since 1992
Committees 2, 4, 6

Jeffrey V. Haley
President & Chief Executive Officer
American National Bankshares Inc.
American National Bank and Trust Company
Danville, VA
Director since 2010
Committee 7

Michael P. Haley
Retired Advisor
Fenway Partners
New York, NY
Director since 2002
Committees 1, 2, 4, 6, 8

Charles S. Harris
Executive Vice President
Averett University
Danville, VA
Director since 2008
Committees 5, 6

F. D. Hornaday III
President & Chief Executive Officer
Knit Wear Fabrics Inc.
Burlington, NC
Director since 2011
Committees 3, 6, 7

John H. Love
President & Chief Executive Officer
W. E. Love & Associates Inc.
Burlington, NC
Director since 2011
Committees 4, 5, 6

Franklin W. Maddux, M.D.
Chief Medical Officer
*Executive Vice President for Clinical &
Scientific Affairs*
Fresenius Medical Care North America
Waltham, MA
Director since 2002
Committees 1, 3, 6

Charles H. Majors
Chairman of the Board
American National Bankshares Inc.
American National Bank and Trust Company
Danville, VA
Director since 1981
Committee 7

Claude B. Owen Jr.
Retired Chairman & Chief Executive Officer
DIMON Inc.
Danville, VA
Director since 1984
Committees 2, 3, 6, 7, 8

Ronda M. Penn
Chief Financial Officer
Plexus Capital LLC
Raleigh, NC
Director since 2015
Committees 1, 6

Dan M. Pleasant
Chief Operating Officer
The Dewberry Companies Inc.
Fairfax, VA
Director since 2011
Committees 4, 6, 8

Joel R. Shepherd
President
Virginia Home Furnishings Inc.
220 Self Storage Inc.
Roanoke, VA
Director since 2015
Committees 6, 8

Committees

1. Audit
2. Chief Executive Officer's Advisory
3. Corporate Governance and Nominating
4. Human Resources and Compensation
5. Risk and Compliance
6. Stock Grant and Option
7. Trust
8. Capital Management

Advisory Boards *(as of January 1, 2016)*

NORTH CAROLINA

Thomas E. Chandler Jr.
President
Chandler Concrete Company Inc.

Dawn S. Chaney
President
Chaney Properties

James B. Crouch Jr.
Vice President
Harris, Crouch, Long, Scott & Miller Inc.

J. Nathan Duggins III
Partner
Tuggle, Duggins & Meschan P.A.

Anthony E. Foriest
Retired
Xerox Corporation

John A. Holt Sr.
President & Chief Financial Officer
DynaYarn USA LLC

David S. Johnson, M.D.
Physician
Burlington Pediatrics

Teena M. Koury
Owner
Carolina Hosiery Mills

John B. Leath
Chief Executive Officer
Acucote Inc.

Phillip J. Nahser Jr., M.D.
Cardiologist
Cone Health Medical Group

Richard H. Ramsey
Operating Partner
New Page Capital
President
Engineered Steel Products, Inc.

Diane M. Rumley, CPA
Partner
Leeper, Kean & Rumley LLP

Adrian T. Smith
Chief Executive Officer
Ice Age Management

James H. Smith Jr.
President
Villane Inc.

VIRGINIA

Kim E. Adkins
Former Mayor
City of Martinsville
President
KEA Consulting Services

Jay E. Barker
President
JEB International Tobacco Company

James E. Barkhouser
President
Barkhouser Motors Inc.

J. Brian Burton
President
J.E. Burton Construction Company

Thomas C. Capps
President
Capps Shoe Company Inc.

Timothy J. Clark
Vice President
Blair Construction Inc.

James D. Coleman Jr.
President
Rives Brown Realty

S. Cabell Dudley Jr.
Retired Executive
American National Bank and Trust Company

Tiffany M. Franks, Ph.D.
President
Averett University

Harold E. Green Jr.
President
Distinct Impressions Inc.

Wanda B. Jeffress
Owner
Jeffress Funeral Home

Earnest C. Jordan
Retired Senior Vice President
American National Bank and Trust Company

Brian J. Kelleher
Vice President
Atlantic Precision Resources Inc.

Chris A. Lumsden
Chief Executive Officer
Halifax Regional Hospital

Martha W. Medley
Partner
Daniel, Medley & Kirby P.C.

Chris F. Mohr
Chairman & Chief Executive Officer
Ameristaff Inc.

James K. Muehleck, D.D.S
Dentist
Martinsville

Thomas S. Stump
President & Chief Executive Officer
First Piedmont Corporation

Michael A. Thornton
President
Progress Printing

William C. Vaughn
Vice President
J & R Management Inc.

Lewis E. Wall Jr.
President
Davenport Energy



AMERICAN NATIONAL

BANKSHARES INC.

PO Box 191
Danville, VA 24543

amnb.com