

## **Potomac Bancshares, Inc. Releases 2014 Third Quarter Results and Declares Dividend**

CHARLES TOWN, WV, October 24, 2014 --Robert F. Baronner Jr., President and CEO, of Potomac Bancshares, Inc., (OTC-QB: PTBS), the One Bank Holding Company for Bank of Charles Town, announced its quarterly results for the period ending September 30, 2014. The Charles Town, West Virginia based company earned \$556 thousand or 16 cents per share compared to net income of \$620 thousand or 18 cents a share for the quarter ended September 30, 2013. Cumulative earnings through the first nine months of this year are lower compared to last year primarily due to an increase in the loan loss provision. A portion of the increase in the provision is due to loan growth and a portion is allocated to a specific loan that was put on non-accrual status during the third quarter. The net loan portfolio has grown \$17.6 million or 7.7% since year end and deposits, including cash management accounts, grew \$8 million or 3.1% since year end as well.

Baronner reports, "We are optimistic about our new locations in Hagerstown, Maryland and Middleburg, Virginia." He added, "Although we are carrying the added expense of both offices, we expect the incremental loan and deposit growth from these locations will pay dividends sooner than later for the bank. Deposit growth is lagging behind loan demand and we are employing strategies to change that dynamic to include new business products, offering more competitive time deposit pricing and the ability to open accounts and take non-cash deposits at our Middleburg office."

Based on the bank's performance, the Board of Directors of Potomac Bancshares at its October 2014 meeting declared a 4.25 cent per share dividend for all shareholders of record on October 27, 2014. This cash dividend will be payable on November 3, 2014.

Bank of Charles Town has locations in Charles Town, Harpers Ferry, Kearneysville, Martinsburg, and Hedgesville, West Virginia; Middleburg, Virginia; and Hagerstown, Maryland. For more information visit us online at [www.mybct.com](http://www.mybct.com) or speak to one of our staff at 304-725-8431.