



Strength. Vision. Prosperity.

THE 23RD FIG PARTNERS
BANK CEO FORUM

January 30-31, 2019

Forward-Looking Statements

This presentation contains information that constitutes forward-looking statements (within the meaning of the Private Securities Litigation Act of 1995) that are based on current expectations that involve a number of risks and uncertainties. The information contained in this report should be read in conjunction with Summit's Form 10-K for the year ended December 31, 2017 and documents subsequently filed by Summit with the Securities and Exchange Commission ("SEC"), including Summit's Form 10-Q for the quarter ended September 30, 2018, which are available at the SEC's website, www.sec.gov, or at Summit's website, www.summitfgi.com.

Words such as "expects", "anticipates", "believes", "estimates" and other similar expressions or future or conditional verbs such as "will", "should", "would" and "could" are intended to identify such forward-looking statements. Although we believe the expectations reflected in such forward-looking statements are reasonable, actual results may differ materially. Factors that might cause such a difference include changes in interest rates and interest rate relationships; changes in the national and local economies; demand for products and services; the degree of competition by traditional and non-traditional competitors; changes in banking laws and regulations; changes in tax laws; the impact of technological advances; the outcomes of contingencies; trends in customer behavior as well as their ability to repay loans; and our ability to successfully complete and integrate acquisitions. We undertake no obligation to revise these statements following the date of this presentation.

Who We Are

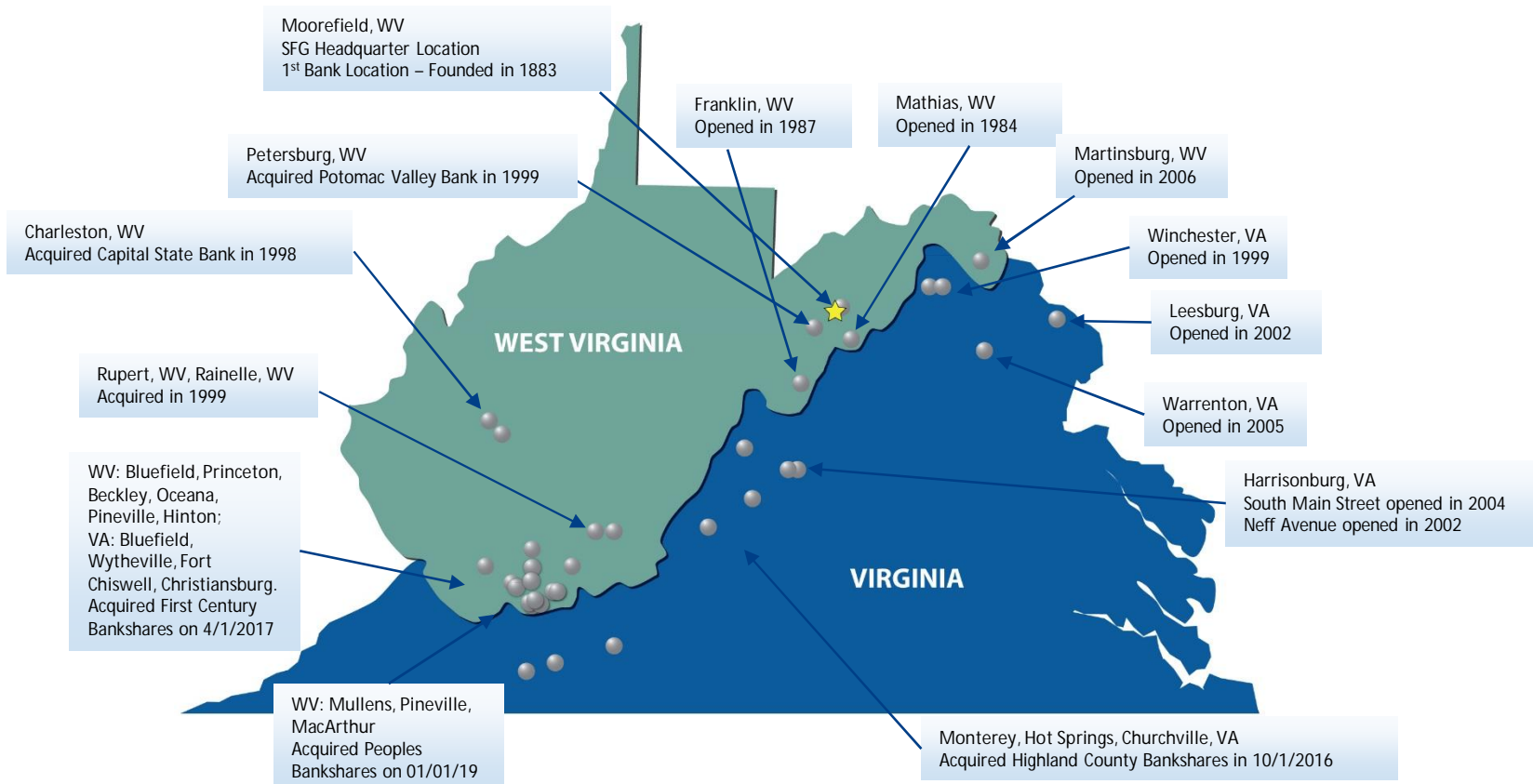


- Ø Headquartered in Moorefield, WV
 - ✓ *Founded in 1987*
 - ✓ *Approximately 360 Employees*
- Ø \$2.20 billion financial holding company
 - ✓ *4th largest bank headquartered in West Virginia*
- Ø 33 locations in West Virginia and Virginia
 - ✓ *Primarily in the Eastern Panhandle and Southern regions of West Virginia and the Northern, Shenandoah Valley and Southwestern regions of Virginia.*

FINANCIAL HIGHLIGHTS – Year End/FYE 2018

Total Assets	\$2,200,000	Loans/Deposits	102.87%
Total Loans	\$1,682,000	ROAA	1.32%
Deposits	\$1,635,000	ROATE	16.09%

Where We Are



Investment Rationale

- Ø Strong focus on driving shareholder value through earnings growth
- Ø Solid current profitability profile, driven by a fundamental focus on cost control that delivers positive operating leverage
- Ø Favorable operating metrics compared to peers
- Ø Disciplined M&A growth strategy
- Ø SMMF presently trades at 4-5 earnings multiple discount to peer average, despite above peer operating performance

Culture & Business Model

- Ø Hire the best and brightest ... hold them accountable and reward them for results
- Ø Emphasize community banking
- Ø Emphasize asset quality
- Ø Emphasize efficiency
- Ø Emphasize profitability
- Ø Seek M&A opportunities in WV to enhance funding costs
- Ø Seek M&A or lending opportunities in Metro DC, Lexington/Louisville/Northern KY and/or Columbus to enhance growth profile

Executive Management Team



H. Charles Maddy III

CPA with over 30 years of banking experience. Joined Summit's predecessor, South Branch Valley National Bank, in 1988 as Controller and was elevated to President and Chief Executive Officer of South Branch in 1992 and subsequently Summit.



Robert S. Tissue

CPA with over 27 years of bank-related experience. Joined Summit Financial Group in 1998 as Chief Financial Officer.



Scott C. Jennings

33 years of banking experience through various positions. Joined Summit's predecessor, South Valley National Bank, in 1986 and was later promoted to Chief Operations Officer of Branch Summit.



Patrick N. Frye

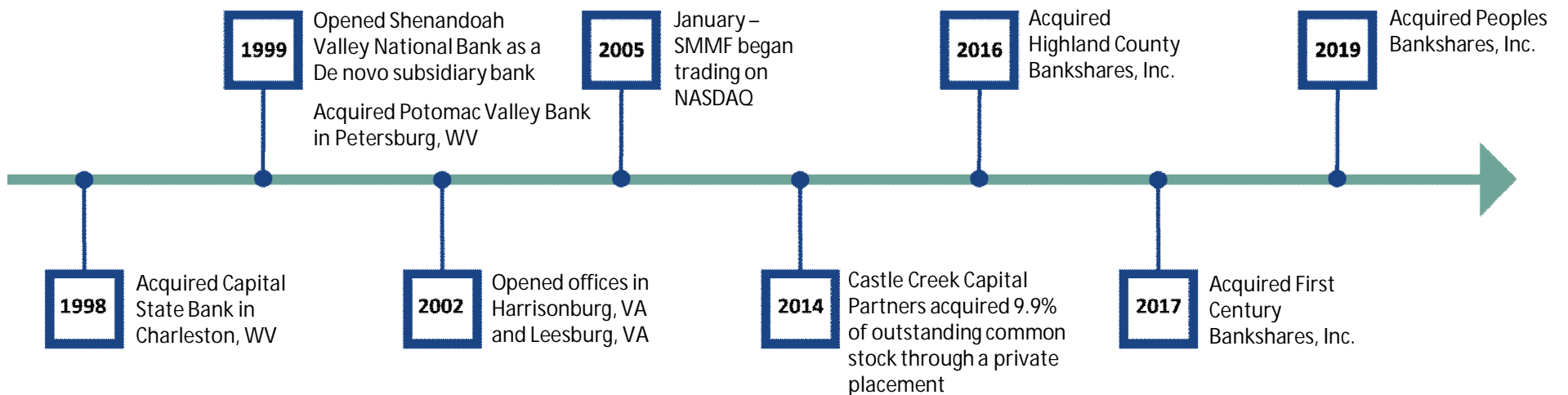
35 years of banking experience. Former President and CEO of Potomac Valley Bank, acquired by Summit in 2000. Currently serves as Summit's Chief of Credit Administration.



Brad Ritchie

CPA with over 26 years of bank related-experience. Former Regional President of United Bank's (UBSI) southern West Virginia region. Joined Summit in 2008 and has served as President of Summit Community Bank since 2012.

Significant Milestones



Our Markets

West Virginia				
Market	# Offices	Deposits in Market (\$)	Market Share	Median HH Income 2015 (\$)
<i>Eastern Panhandle WV</i>				
Hardy	2	592,085	79.11%	43,880
Grant	1	118,208	46.69%	44,064
Pendleton	1	34,445	20.51%	40,075
Berkeley	1	14,824	1.07%	66,111
<i>Southern Region WV</i>				
Kanawha	2	110,159	2.02%	47,459
Greenbrier	2	60,280	8.85%	43,555
Mercer	5	171,354	17.69%	40,199
Wyoming	3	166,607	66.14%	36,398
Summers	1	57,259	41.94%	37,782
Raleigh	2	13,589	1.08%	45,866

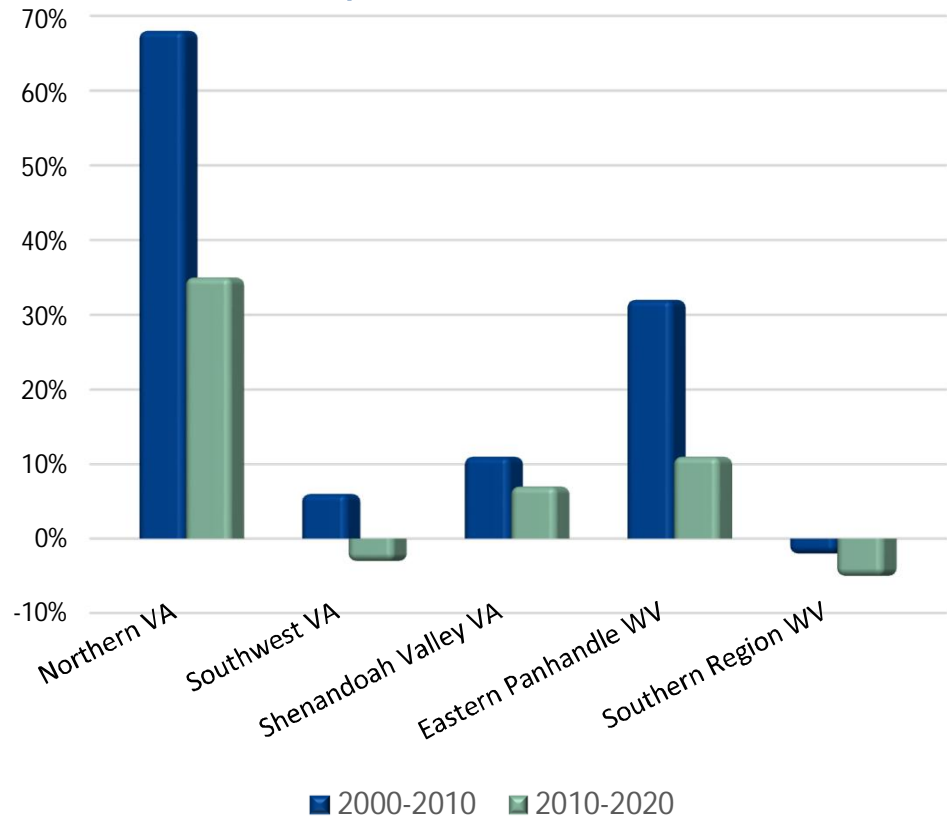
Virginia				
Market	# Offices	Deposits in Market (\$)	Market Share	Median HH Income 2015 (\$)
<i>Northern VA</i>				
Loudoun	1	41,138	0.62%	141,363
Fauquier	1	25,127	1.32%	104,723
<i>Southwest VA</i>				
Wythe	2	40,871	6.76%	46,583
<i>Shenandoah Valley VA</i>				
Winchester	2	110,430	6.87%	53,909
Harrisonburg	2	72,301	4.86%	43,609
Highland	1	64,492	60.56%	48,443
Bath	1	30,851	42.81%	46,471
Augusta	1	9,367	2.10%	59,386
Bluefield	1	24,030	6.99%	44,400

Our Markets

Major Employers



Population Growth (%)



Financial Highlights

Recent Financial and Operational Highlights

- Ø **Earnings growth:** Achieved record net income of \$7.45 million for Q4 2018 and record full year net income of \$28.1 million for 2018.
- Ø **Solid loan growth:** Loans, excluding mortgage warehouse lines, grew \$46.1 million, or 11.5% annualized, in Q4 2018; full year 2018 loan growth was \$88.3 million, or 5.3 percent.
- Ø **Core deposit growth:** Core deposits increased \$42.2 million or 3.2% since year-end 2017.

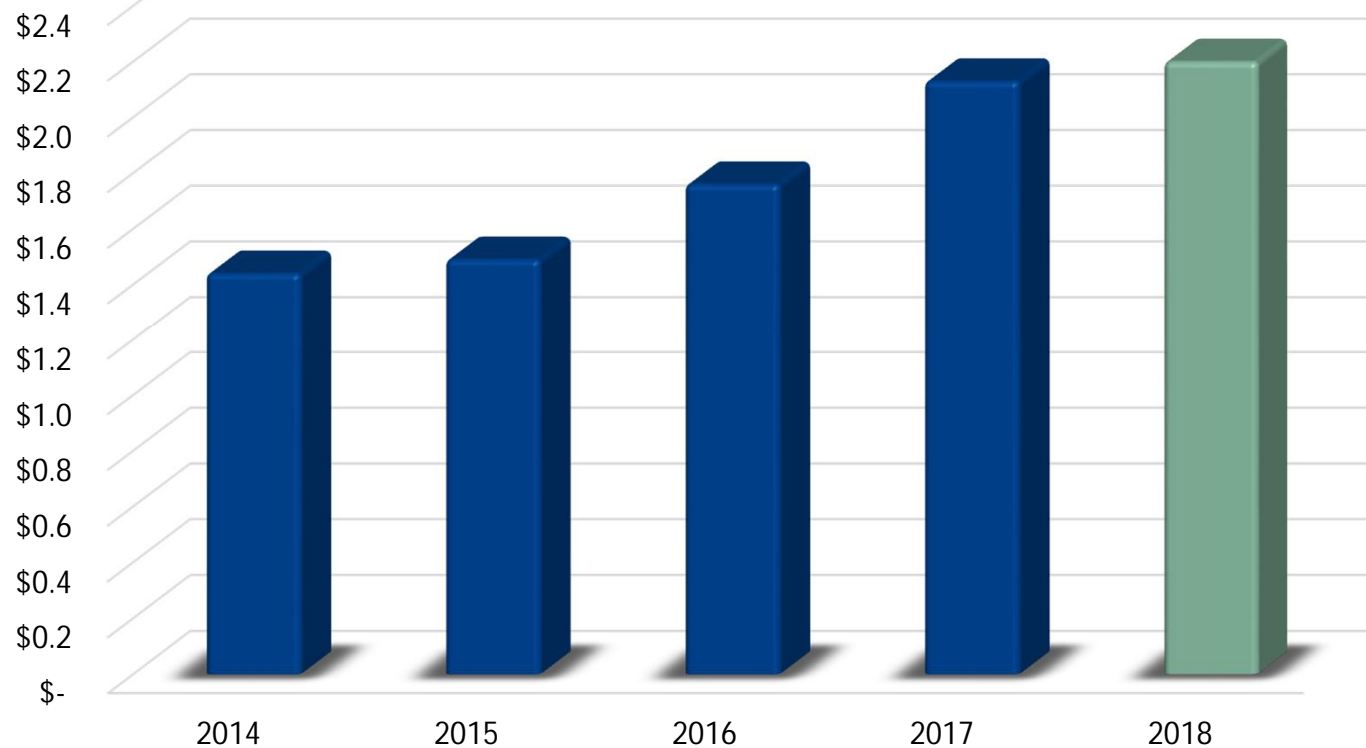
Recent Financial and Operational Highlights

- Ø **Net interest margin:** Net interest margin for Q4 2018 increased 8 basis points to 3.61 percent compared to Q3 2018.
- Ø **Efficiency ratio:** Improved to 51.02 percent compared to 54.25 percent for the linked-quarter as result of the improved net interest margin and well-controlled overhead.
- Ø **Provision for loan losses:** Remained unchanged at \$500,000 compared to the prior quarter.

Balance Sheet Trends

Assets

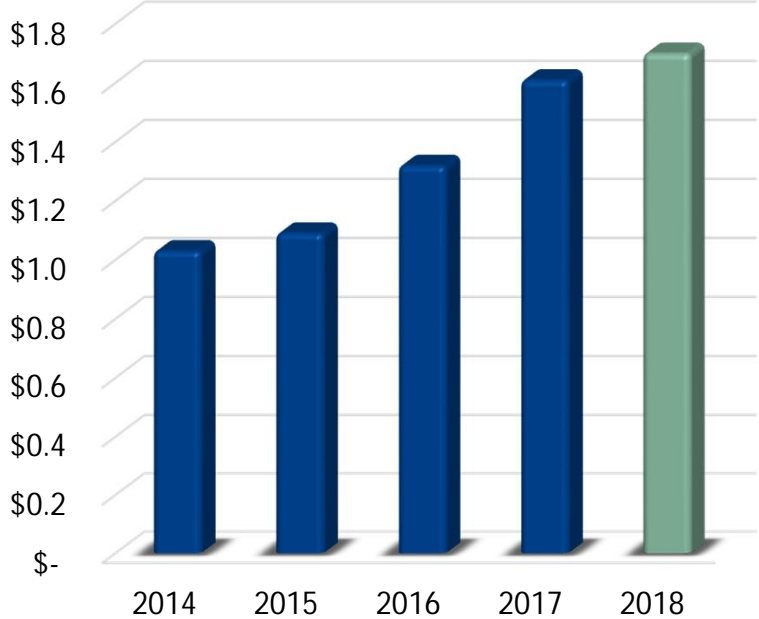
In billions



Balance Sheet Trends

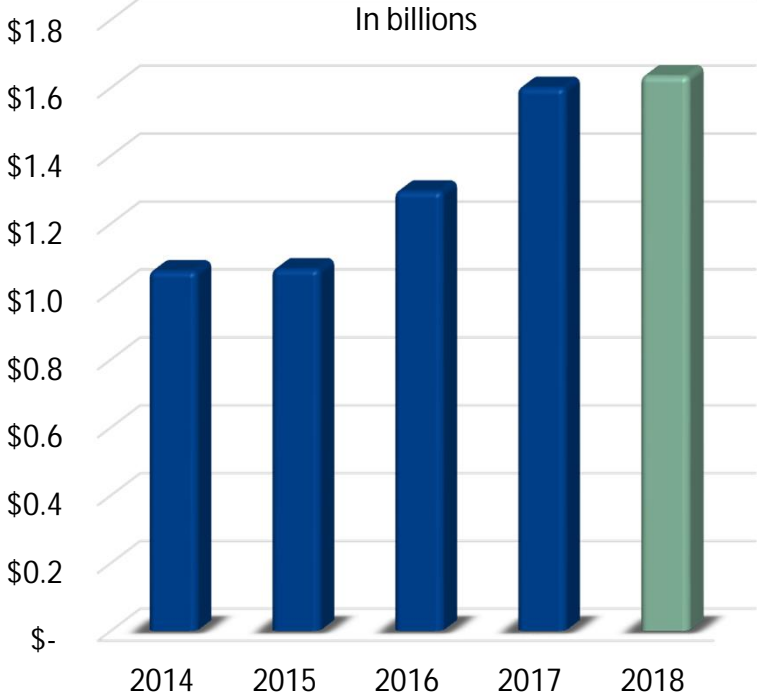
Loans

In billions



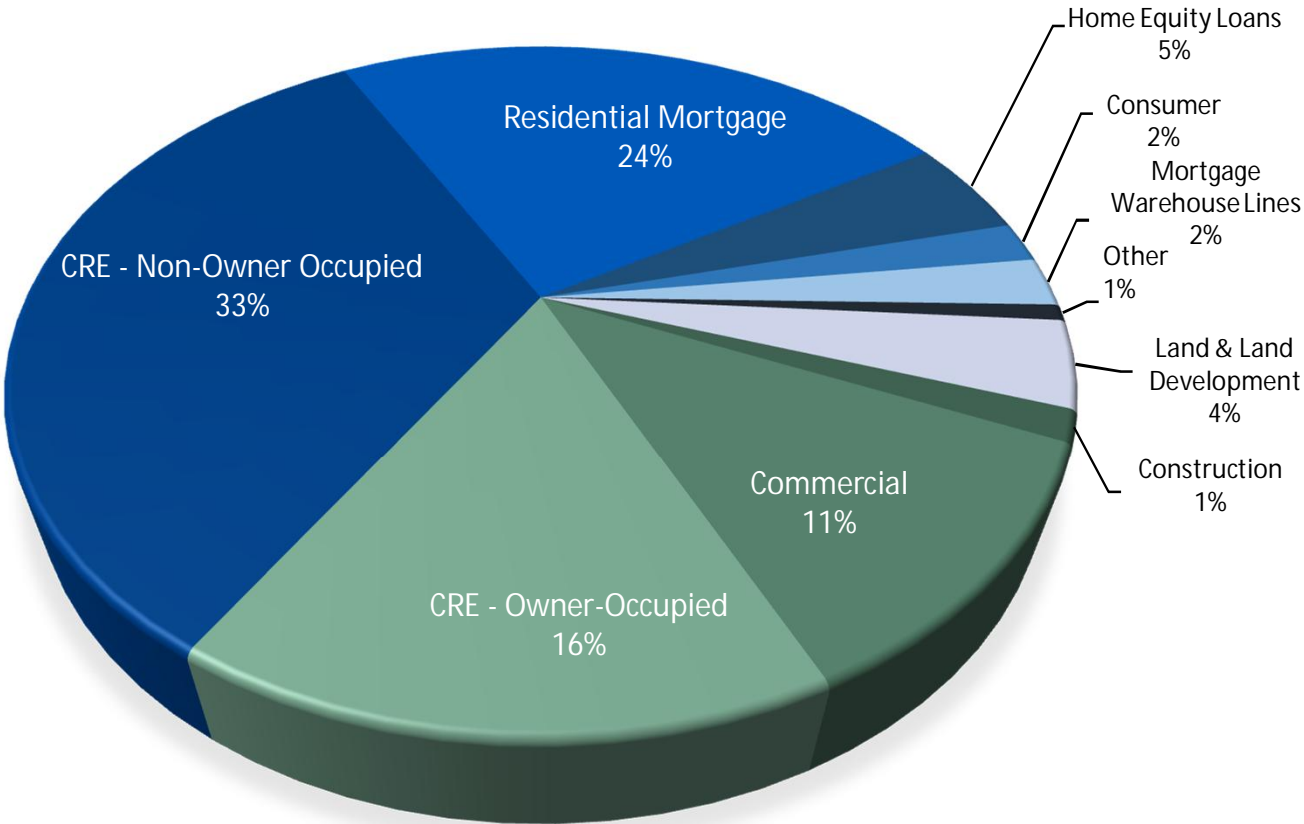
Deposits

In billions



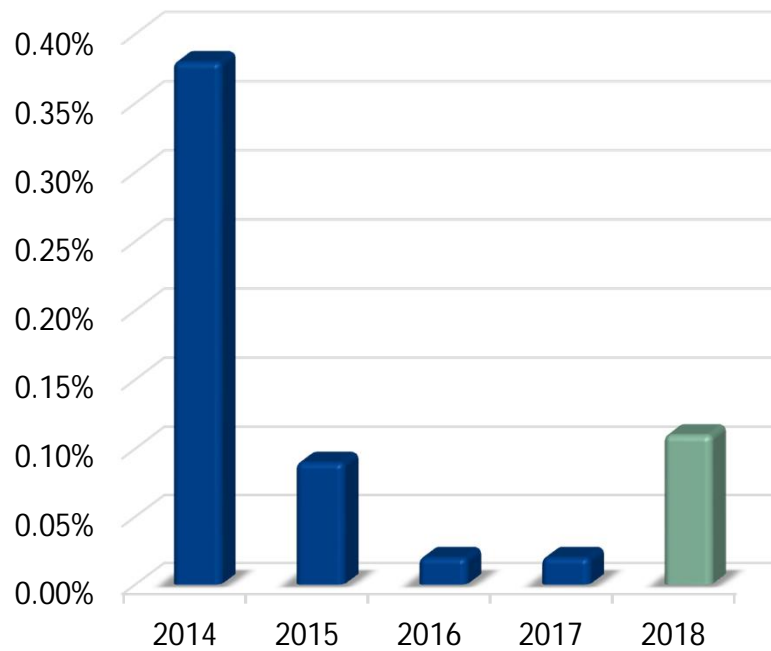
Loan Portfolio

Q4 2018

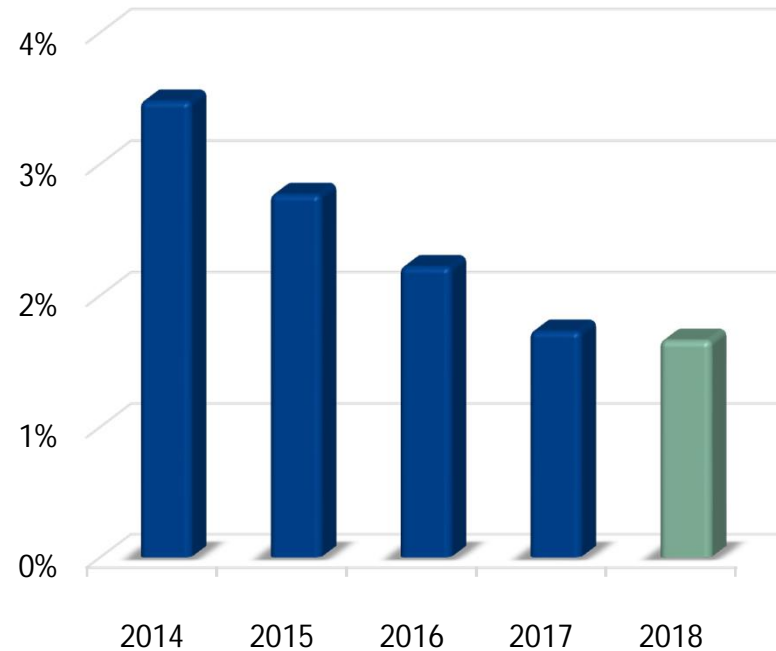


Assets Quality Trends

NCOs/Average Loans



NPAs/Total Assets



Full Year Financial Performance

<i>\$ in millions, except EPS</i>	2018	2017	2016	2015	2014
Net income applicable to common shares	\$28.1	\$11.9 ¹	\$17.3	\$16.1	\$10.6
Diluted EPS	\$2.26	\$1.00 ¹	\$1.61	\$1.50	\$1.17
Loan Loss Provision	\$2.3	\$1.3	\$0.5	\$1.3	\$2.3
Writedowns of Foreclosed Properties	\$0.8	\$0.9	\$0.7	\$2.4	\$3.8
NPAs (excl. TDRs) / Total Assets	1.66%	1.73%	2.22%	2.77%	3.48%
Net Interest Margin	3.57%	3.67%	3.39%	3.50%	3.39%
Return on Average Tangible Equity	16.09%	8.01%	12.38%	12.39%	10.36%
Return on Average Assets	1.32%	0.59%	1.08%	1.10%	0.80%
Cash Dividends per Common Share	\$0.53	\$0.44	\$0.40	\$0.32	\$ -

¹ - Includes \$6.2 million after-tax litigation settlement charge (or \$0.52 per share) and \$3.5 million tax charge (or \$0.29 per share) relative to enactment of TCJA

Quarterly Financial Performance

<i>\$ in millions, except EPS</i>	Q4 2018	Q3 2018	Q4 2017
Net income	\$7.4	\$6.9	\$2.3 ¹
Diluted EPS	\$0.60	\$0.55	\$0.19 ¹
Loan Loss Provision	\$0.50	\$0.50	\$0.38
Writedowns of Foreclosed Properties	\$0.32	\$0.04	\$0.30
NPAs (excl. TDRs) / Total Assets	1.66%	1.82%	1.73%
Net Interest Margin	3.61%	3.53%	3.65%
Return on Average Tangible Equity	16.41%	15.53%	6.12%
Return on Average Assets	1.38%	1.31%	0.44%
Cash Dividends per Common Share	\$0.14	\$0.13	\$0.11

¹ - Includes \$3.5 million tax charge (or \$0.28 per share) relative to enactment of TCJA

Summit Peer Group¹

Q3 2018			ROAA	ROAE
\$ in Millions	Ticker	Assets	(LTM)	(LTM)
Access National Corporation	ANCX	\$3,021	1.03%	7.06%
American National Bankshares, Inc.	AMNB	\$1,806	1.08%	9.28%
C & F Financial Corporation	CFFI	\$1,500	0.71%	7.43%
Community Bankers Trust Corporation	ESXB	\$1,350	0.72%	7.61%
First Community Bankshares, Inc.	FCBC	\$2,270	1.20%	8.15%
MVB Financial Corp.	MVBF	\$1,723	0.66%	6.72%
National Bankshares, Inc.	NKSH	\$1,258	1.17%	7.87%
Premier Financial Bancorp, Inc.	PFBI	\$1,544	1.22%	9.85%
Southern National Bancorp of Virginia, Inc.	SONA	\$2,703	0.93%	7.48%

¹ - WV and VA publicly-traded bank holding companies with assets of \$1-\$3 billion

How Summit Compares

Q3 2018

\$ in Millions

	Summit	Peer Average
Total Assets	\$2,139	\$1,908
Total Assets 3Y CAGR	13.33%	11.58%
Return on Avg Asset (LTM)	1.08%	0.97%
Return on Avg Equity (LTM)	11.16%	7.94%
Return on Avg Tang Equity (LTM)	13.61%	10.53%
Net Interest Margin (LTM)	3.59%	3.95%
Efficiency Ratio (LTM)	53.42%	61.08%
NPAs (excl. TDRs) / Assets	1.84%	0.68%
Net Charge-offs / Avg Loans (LTM)	0.10%	0.23%

How SMMF Compares

Price Ratio	SMMF	Peer Average
Price ¹ / LTM Earnings	11.8x	15.5x
Price ¹ / Tangible Book Value	1.45x	1.55x

¹ - As of January 23, 2019

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