

Citizens Bancorp of Virginia, Inc.

PRESS RELEASE - FOR IMMEDIATE DISTRIBUTION

Dated: October 20, 2015

Solid 3rd Quarter Earnings Reported by Citizens Bancorp of Virginia, Inc.

Blackstone, Virginia Citizens Bancorp of Virginia, Inc. (the "Company") (OTCBB: CZBT), the parent company of Citizens Bank and Trust Company (the "Bank"), reported earnings of \$876 thousand, or \$0.39 per share, for the quarter ended September 30, 2015, a 5.81 % decrease from the \$930 thousand, or \$0.42 per share, reported for the comparable 2014 quarter. The Company's return on assets was .99% and 1.08% for the 3rd quarter of 2015 and 2014, respectively. Earnings for the first nine months of 2015 were \$3.009 million, or \$1.36 per share, a 5.8% increase from the \$2.845 million, or \$1.27 per share, for the prior year. The Company's return on assets was 1.16% and 1.12% for the nine months ended September 30, 2015 and 2014, respectively.

Margin compression remains a challenge for the Company in 2015. The Company's net interest margin decreased from 3.87% in the 3rd quarter of 2014 to 3.63% in 2015. Noninterest expense was basically flat for the 3rd quarter of 2015 compared to 2014.

Balance Sheet

At September 30, 2015, total Company assets were \$350.5 million, an increase of \$10.2 million, or 3.0%, from December 31, 2014 as a result of growth in both loans and deposits. The Bank's loan portfolio ended the period at \$184.9 million, an increase of \$1.9 million from the prior year end, and total deposits grew to \$293.6 million from \$285.5 million at year end 2014. Noninterest-bearing demand deposits increased to \$51.3 million, or by 14.4%, and interest-bearing deposits increased to \$242.3 million, or by .68%, since year end.

Capital Strength

The Company's total equity at September 30, 2015 was \$47.1 million. Total risk-based capital and Tier 1 risk-based capital ratios were approximately 25.9% and 24.7%, respectively. Both ratios significantly exceed the current regulatory standards for well capitalized status.

Credit Quality

The Bank's loan portfolio has continued to perform well and remains stable. The Company has reported net charge-offs of only \$39 thousand in the 3rd quarter of 2015. Nonaccruing loans as a percentage of loans increased to 1.44 % as of September 30, 2015 from .87% at December 31, 2014.

President and CEO, Joseph D. Borgerding commented, "Earnings for the first nine months of 2015 exceeded last year by 5.8%. Management is pleased with the year to date growth in loans and deposits. Margin compression remains a challenge for the Banking industry; however, we remain disciplined in our approach of focusing on the growth of transactional deposits, expense efficiencies and managing interest rate risk."

About Citizens Bancorp of Virginia, Inc. and Citizens Bank and Trust Company

Citizens Bank and Trust Company was founded in 1873 and is the second oldest independent bank in Virginia. The Bank has eleven offices in the Counties of Amelia, Chesterfield, Nottoway and Prince Edward, along with one branch in the city of Colonial Heights and one in the Town of South Hill, Virginia. Citizens Bancorp of Virginia, Inc. is the parent company of the Bank and is headquartered in Blackstone, Virginia. The Company's stock trades on the OTC Bulletin Board under the symbol "CZBT". Additional information on the Company and the Bank is also available at its web site: www.cbtva.com.

Cautionary Statement about Forward-Looking Statements

We caution you that certain statements in this release may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Although we believe that our expectations with respect to these forward-looking statements are based upon reasonable assumptions within the bounds of our business operations, there can be no assurance that the actual results, performance or achievements of the Company will not differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements. For more details on factors that could affect expectations, see the Company's Annual Report for the year ended December 31, 2014.

CITIZENS BANCORP OF VIRGINIA, INC. AND SUBSIDIARY
Consolidated Balance Sheets
(Dollars in thousands, except share data)

| Assets | (Unaudited) September 30, 2015 | December 31, 2014 |
|--|---|------------------------------------|
| | | |
| Cash and due from banks | \$ 6,331 | \$ 7,290 |
| Interest-bearing deposits in banks | 166 | 411 |
| Federal funds sold | 36,169 | 23,428 |
| Securities available for sale, at fair market value | 98,123 | 102,332 |
| Restricted securities, at cost | 459 | 455 |
| Loans, net of allowance for loan losses of \$2,237 in 2015 and \$2,331 in 2014 | 182,646 | 180,698 |
| Premises and equipment, net | 7,795 | 8,003 |
| Accrued interest receivable | 1,600 | 1,666 |
| Other assets | 1,086 | 1,337 |
| Bank-owned life insurance | 11,317 | 9,376 |
| Other real estate owned, net of valuation allowance of \$350 in 2015 and \$322 in 2014 | 4,829 | 5,322 |
| | | |
| Total assets | \$ 350,521 | \$ 340,318 |
| Liabilities and Stockholders' Equity | | |
| Liabilities | | |
| Deposits: | | |
| Noninterest-bearing | \$ 51,338 | \$ 44,864 |
| Interest-bearing | 242,255 | 240,615 |
| Total deposits | 293,593 | 285,479 |
| Other borrowings | 6,560 | 6,695 |
| Accrued interest payable | 245 | 273 |
| Accrued expenses and other liabilities | 3,003 | 2,212 |
| Total liabilities | 303,401 | 294,659 |
| Stockholders' Equity | | |
| Preferred stock, \$0.50 par value; authorized 1,000,000 shares; none outstanding | - | - |
| Common stock, \$0.50 par value; authorized 10,000,000 shares; issued and outstanding, 2,213,100 for 2015 and 2,233,234 for 2014 | 1,107 | 1,116 |
| Additional paid-in capital | - | - |
| Retained earnings | 46,296 | 44,926 |
| Accumulated other comprehensive loss | (283) | (383) |
| Total stockholders' equity | 47,120 | 45,659 |
| Total liabilities and stockholders' equity | \$ 350,521 | \$ 340,318 |

CITIZENS BANCORP OF VIRGINIA, INC. AND SUBSIDIARY
Consolidated Statements of Income
(Dollars in thousands, except per share data)

| | Three Months Ended September 30, (Unaudited) | | Nine Months Ended September 30, (Unaudited) | |
|--|--|----------------|---|-----------------|
| | 2015 | 2014 | 2015 | 2014 |
| Interest and Dividend Income | | | | |
| Loans, including fees | \$ 2,575 | \$ 2,696 | \$ 7,689 | \$ 8,217 |
| Investment securities: | | | | |
| Taxable | 282 | 296 | 873 | 918 |
| Tax-exempt | 265 | 279 | 822 | 828 |
| Federal funds sold | 20 | 11 | 50 | 28 |
| Other | 4 | 9 | 12 | 28 |
| Total interest and dividend income | 3,146 | 3,291 | 9,446 | 10,019 |
| Interest Expense | | | | |
| Deposits | 326 | 395 | 1,001 | 1,215 |
| Borrowings | 7 | 9 | 21 | 25 |
| Total interest expense | 333 | 404 | 1,022 | 1,240 |
| Net interest income | 2,813 | 2,887 | 8,424 | 8,779 |
| Provision for loan losses | - | 38 | - | 113 |
| Net interest income after provision for loan losses | 2,813 | 2,849 | 8,424 | 8,666 |
| Noninterest Income | | | | |
| Service charges on deposit accounts | 221 | 242 | 688 | 667 |
| Net gain on sale of land, premises and equipment | - | - | 337 | - |
| Net gain on calls of securities | - | - | 5 | - |
| Net gain on sales of loans | 30 | 32 | 62 | 72 |
| Income from bank-owned life insurance | 84 | 78 | 241 | 233 |
| ATM fee income | 260 | 237 | 747 | 692 |
| Other | 73 | 89 | 255 | 291 |
| Total noninterest income | 668 | 678 | 2,335 | 1,955 |
| Noninterest Expense | | | | |
| Salaries and employee benefits | 1,349 | 1,362 | 4,005 | 4,086 |
| Net occupancy expense | 161 | 160 | 476 | 489 |
| Equipment expense | 107 | 114 | 311 | 287 |
| FDIC deposit insurance | 50 | 55 | 151 | 174 |
| Net gain on sale of other real estate owned | (20) | (20) | (148) | (43) |
| OREO expenses, net of rental income | 25 | 23 | 39 | 59 |
| Other | 657 | 606 | 1,901 | 1,798 |
| Total noninterest expense | 2,329 | 2,300 | 6,735 | 6,850 |
| Income before income taxes | 1,152 | 1,227 | 4,024 | 3,771 |
| Income taxes | 276 | 297 | 1,015 | 926 |
| Net income | \$ 876 | \$ 930 | \$ 3,009 | \$ 2,845 |
| Earnings per share, basic & diluted | \$ 0.39 | \$ 0.42 | \$ 1.36 | \$ 1.27 |

CITIZENS BANCORP OF VIRGINIA, INC. AND SUBSIDIARY
Consolidated Regulatory Capital Ratios
And Performance Ratios

(Dollars in thousands, except per share data)

| | Three Months Ended | | | | |
|--|-----------------------|------------------|-------------------|----------------------|-----------------------|
| | September 30, 2015 | June 30, 2015 | March 31, 2015 | December 31, 2014 | September 30, 2014 |
| Per Share Data: | | | | | |
| Earnings per weighted average share | \$0.39 | \$0.44 | \$0.52 | \$0.36 | \$0.42 |
| Weighted average shares outstanding | 2,218,560 | 2,225,632 | 2,231,451 | 2,233,384 | 2,235,059 |
| Actual shares outstanding | 2,213,100 | 2,224,609 | 2,230,234 | 2,333,234 | 2,233,959 |
| Book value per share at period end | \$ 21.29 | \$ 20.92 | \$ 20.91 | \$ 20.45 | \$ 20.62 |
| Dividend per share | \$ 0.19 | \$ 0.19 | \$ 0.19 | \$ 0.19 | \$ 0.19 |
| Performance Ratios: | | | | | |
| Return on average assets | 0.99% | 1.12% | 1.37% | 0.94% | 1.08% |
| Net interest margin, (FTE) ¹ | 3.63% | 3.73% | 3.81% | 3.85% | 3.87% |
| Efficiency ratio ² | 64.45% | 60.89% | 55.87% | 66.88% | 62.08% |
| Capital and Other Ratios: | | | | | |
| (Ratios are period end, unless stated otherwise) | | | | | |
| Tier 1 leverage ratio | 13.50% | 13.57% | 13.62% | 13.59% | 13.41% |
| Total risk-based capital ratio | 25.89% | 25.99% | 25.66% | 25.14% | 24.73% |
| Allowance for loan losses to total loans | 1.21% | 1.24% | 1.26% | 1.27% | 1.29% |
| Nonaccruing loans to total loans | 1.44% | 0.96% | 0.88% | 0.87% | 1.34% |
| Net charge-offs (net recoveries) to average loans (annualized) | 0.09% | 0.04% | 0.08% | 0.21% | 0.03% |

¹ The net interest margin is reported on a fully taxable equivalent basis.

² Computed by dividing noninterest expense by the sum of net interest income (on a fully taxable equivalent basis) and noninterest income.

CONTACT: Geoffrey C. Warner
EVP and Chief Financial Officer
Voice: 434-292-8100 or E-mail: Geoffrey.Warner@cbtva.com
