

March 17, 2017

FOR IMMEDIATE RELEASE

Piedmont Bancorp, Inc. Announces Agreement to Acquire Mountain Valley Bancshares, Inc.

Peachtree Corners, Georgia, March 17, 2017 – Piedmont Bancorp, Inc. (“Piedmont”), the holding company of The Piedmont Bank, announced today that it has entered into a definitive agreement and plan of merger with Mountain Valley Bancshares, Inc. (“MVB”), the holding company of Mountain Valley Community Bank, pursuant to which MVB will merge with and into Piedmont and Mountain Valley Community Bank will merge with and into The Piedmont Bank. Following the transaction, it is anticipated that Mountain Valley Community Bank will continue to operate as a division of The Piedmont Bank.

MVB, headquartered in Cleveland, Georgia, and which operates Mountain Valley Community Bank, will add approximately \$202 million in assets, \$178 million in deposits, and \$107 million in gross loans to Piedmont’s operations, along with three branch locations positioned in Cleveland, Jefferson and Gainesville Georgia. MVB and Mountain Valley Community Bank were founded in 2004 and have built a strong deposit franchise, with core deposits representing 100% of total deposits and noninterest-bearing demand deposits representing 38% of total deposits. The composition of Mountain Valley Community Bank’s loan portfolio is complementary to Piedmont’s existing loan portfolio.

“We are very excited to announce our partnership with Mountain Valley Community Bank,” said Monty G. Watson, Chairman and Chief Executive Officer of Piedmont and The Piedmont Bank. “Mountain Valley Community Bank’s dedication to its customers and the communities it serves, along with its strong financial performance, made Mountain Valley Community Bank a natural partner, and we are delighted to welcome Mountain Valley Community Bank’s customers and employees to The Piedmont Bank.”

Marc J. Greene, Chief Executive Officer of Mountain Valley Community Bank, who will serve as the North Georgia Regional President and Chief Risk Officer of The Piedmont Bank following the merger, stated, “We are excited to be joining the Piedmont team. It was of great importance to us to find a partner with strong values, clear strategic vision and financial strength. Our customers, employees and the communities we serve will all benefit from this transaction.”

The boards of directors of both Piedmont and MVB have unanimously approved the transaction. The transaction is expected to close in the third quarter of 2017, and is subject to approval by MVB’s shareholders, receipt of regulatory approvals and other customary closing conditions.

MVB was advised by the investment banking firm The Burke Group and the law firm Miller & Martin PLLC. Piedmont was advised by the investment banking firm Roger G. Powell, LLC and represented by the law firm of Alston & Bird LLP.

About Piedmont

Piedmont Bancorp, Inc. is a bank holding company and the parent company of The Piedmont Bank, a full-service community bank with \$552 million in assets and \$466.5 million in deposits as of December 31, 2016. The Piedmont Bank is headquartered in Peachtree Corners, Georgia, and operates three additional branches and two loan production offices in the northeast Atlanta area. The Piedmont Bank's deposits are insured by the Federal Deposit Insurance Corporation. Additional information on The Piedmont Bank may be found on its website: www.piedmontbankonline.com.

About MVB

Mountain Valley Bancshares, Inc. is a bank holding company and the parent company of Mountain Valley Bank, a full-service community bank. Mountain Valley Community Bank is headquartered in Cleveland, Georgia, and operates branches in Cleveland, Gainesville and Jefferson, Georgia. Mountain Valley Community Bank's deposits are insured by the Federal Deposit Insurance Corporation. Additional information on Mountain Valley Community Bank can be found on its website at www.mvcbank.com.

Forward-Looking Statements

This release may contain "forward-looking statements" within the meaning of the federal securities laws. These statements may be identified by use of such words as "believe," "expect," "anticipate," "should," "planned," "estimated," "working on," "continue to," "be joining," "announce," "seek," and "potential." Examples of forward-looking statements include, but are not limited to, statements regarding future growth, profitability, expense reduction, improvements in income and margins, increasing stockholder value, the anticipated benefits of a proposed acquisition, the impact of a proposed acquisition on anticipated financial results, the synergies from a proposed acquisition, the closing of a proposed acquisition, and estimates with respect to our financial condition and results of operation and business that are subject to various factors that could cause actual results to differ materially from these estimates. These factors include but are not limited to Piedmont's inability to implement its business strategy; general and local economic conditions; changes in interest rates, deposit flows, demand for mortgages and other loans, real estate values, and competition; changes in accounting principles, policies, or guidelines; changes in loan defaults and charge-off rates; changes in the value of securities and other assets, adequacy of loan loss reserves, or deposit levels necessitating an increase in borrowing to fund loans and investments; the changing exposure to credit risk; the effect of any acquisition or other strategic initiatives that we determine to pursue; changes in legislation or regulation; failure to obtain the necessary regulatory and shareholder approvals with respect to proposed acquisitions; other economic, competitive, governmental, regulatory, and technological factors affecting our operations, pricing, products, and services; the effect of cyberterrorism and system failures; and the effects of geopolitical instability and risks such as terrorist attacks, the effects of weather and natural disasters such as floods, droughts, wind, tornadoes and hurricanes, and the effect of any damage to our reputation resulting from developments relating to any of the factors listed herein. Any or all forward-looking statements in this release and in any other public statements we make

may turn out to be wrong. They can be affected by inaccurate assumptions we might make or known or unknown risks and uncertainties. Consequently, no forward-looking statements can be guaranteed. Except as required by law, Piedmont disclaims any obligation to subsequently revise or update any forward-looking statements to reflect events or circumstances after the date of such statements or to reflect the occurrence of anticipated or unanticipated events. All written and oral forward-looking statements attributable to the company, its management, or persons acting on their behalf are qualified in their entirety by these cautionary statements. Further, forward-looking statements speak only as of the date they are made, and the company undertakes no obligation to update or revise forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or changes to future operating results over time unless otherwise required by law.