



National Bank Wins BauerFinancial 5-Star Safety Rating

Blacksburg, VA., November 21, 2008 – National Bank announced today that it has received a 5-Star “Superior” rating from BauerFinancial, Inc., the nation’s leading independent bank rating firm. Bauer’s financial ratings represent an independent, unbiased analysis of a financial institution’s safety and soundness position. Bauer has been reporting the condition of the nation’s banking industry since 1983.



“We’re honored to be recognized by BauerFinancial as one of the safest banks in the country,” commented James G. Rakes, Chairman, President and CEO of National Bank. “For more than 117 years our bank has been well served by a traditional and conservative approach to community banking. It has proved to be a prudent course to follow through the years, and we’re proud that Bauer has recognized our commitment to sound banking practices.”

The Bauer rating is based on a complex analysis of financial criteria including capitalization, asset quality, profitability, liquidity and risk. The 5-Star rating indicates that National Bank is both financially sound and has the resources to deal with a variety of economic conditions. This is the tenth consecutive quarter that National Bank has earned the 5-Star rating.

National Bank, founded in Blacksburg in 1891, has over \$900 million in assets and operates 26 offices throughout Southwest Virginia. The bank is a subsidiary of National Bankshares, Inc., a Blacksburg-based financial holding company. National Bankshares, Inc. also operates National Bankshares Financial Services, Inc., which does business as National Bankshares Insurance Services and National Bankshares Investment Services.

Visit the company’s web site at www.nbbank.com for the latest news on National Bank.

For more information, contact:

Nancy Bowman
Marketing
540-951-6332