



Middleburg Financial Corp. has agreed to merge with Access National Corp.

The Transaction ([link to press release](#))

On October 24, 2016, Access National Corporation (NASDAQ:ANCX) (“Access National”) and Middleburg Financial Corporation (NASDAQ: MBRG) (“Middleburg”) announced the signing of a definitive agreement to combine in a strategic merger.

Under the terms of the merger agreement, which was unanimously approved by the Boards of Directors of both companies, Middleburg shareholders will receive a fixed exchange ratio of 1.3314 Access National shares for each share of Middleburg common stock owned. Based on the average closing price of Access National’s common stock for the twenty trading days ended October 21, 2016, the transaction represents a value of \$32.51 per share of Middleburg common stock and \$233.1 million in the aggregate. Access National shareholders will own 53.5 percent of the combined entity and Middleburg shareholders will own 46.5 percent, and the transaction is intended to qualify as a tax-free reorganization for Middleburg shareholders. The transaction is expected to be immediately accretive to earnings per share.

“This merger brings together two of Virginia’s premier financial institutions and forms what I believe will be one of America’s strongest mid-market financial services companies.” said David Sokol, Middleburg’s largest shareholder (approximately 30%).

The transaction is expected to be completed in the second quarter of 2017, subject to approval of both companies’ shareholders, regulatory approvals and other customary closing conditions.

Donnelly Penman & Partners acted as financial advisor to Mr. Sokol and assisted in the negotiations on his behalf. Barnes & Thornburg, LLP acted as legal counsel to Mr. Sokol. Please contact [John Donnelly](#) at (313) 393-3054, [Andrew Christians](#), CFA at (313) 393-3074 or [Gregory Cunningham](#) at (313) 393-3070 for further information.


Middleburg Financial Corp.

Middleburg Financial Corporation is headquartered in Middleburg, Virginia and has two wholly owned subsidiaries, Middleburg Bank and Middleburg Investment Group, Inc. Middleburg Bank serves communities in Virginia with financial centers in Ashburn, Gainesville, Leesburg, Marshall, Middleburg, Purcellville, Reston, Richmond, Warrenton and Williamsburg. Middleburg Investment Group owns Middleburg Trust Company, which is headquartered in Richmond, Virginia with offices in Middleburg, Alexandria and Williamsburg.

Access National Corp.

Access National Corporation is the parent company of Access National Bank, a nationally chartered bank reporting assets of \$1.4 billion based in Reston, Virginia. The company provides on-target financial services to middle market companies and their leadership in select industries around the National Capital Region. The focus is on operating companies reporting \$1-100 million in revenue. The Company recently reported its 65th consecutive quarter of profitability over its history of 67 quarters or 17 years, and has declared consecutive quarterly dividends since the first quarter of 2006. Most recently, Access

October 2016



Middleburg Financial Corporation
(Middleburg, VA)

has agreed to merge with

Access National Bank®
(Reston, VA)

Transaction Value: \$233.1 Million

Financial Advisory

National was recognized for its consistent financial performance by the American Banker ranking #12 across the nation and ranked the highest among banking companies located in the Washington Metropolitan Market and across Virginia.

Donnelly Penman & Partners

Donnelly Penman & Partners is one of the largest independently owned investment banking firms headquartered in the Midwest. We provide comprehensive advisory services to both public and private companies, including mergers and acquisitions, capital raising, due diligence, and general financial advisory services. In addition, we are a [FINRA](#) licensed broker dealer and member [SIPC](#).

Donnelly Penman & Partners is owned by the employees of the firm, who have successfully completed more than 290 transactions and advisory engagements since the firm's inception in September 2000. Its principals have more than 110 years of investment banking experience collectively.