

Working Together To Meet Our Customers' Needs and Expectations



American National Bank
AND TRUST COMPANY

Personal and Business Banking Services



American National Bank
AND TRUST COMPANY

Trust and Investment Services



American National Bank
AND TRUST COMPANY

E-Banking Services



American National Bankshares Inc.



A N B

INVESTOR SERVICES



A N B

MORTGAGE CORP.



ANB

INSURANCE SERVICES

2002 Annual Report

Your guide

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2002 Annual Report

American National Bankshares Inc. is a bank holding company whose subsidiary is American National Bank and Trust Company. The bank offers a wide variety of retail, commercial, and trust banking services through its office locations in Danville, Martinsville, Pittsylvania County, Henry County, and Halifax County in Virginia and Caswell County in North Carolina. ANB Mortgage Corp. is a subsidiary of American National Bank and Trust Company, offering secondary market mortgage loans throughout the bank's market area. ANB Services Corp. is a subsidiary of the bank providing a full range of brokerage and investor services through ANB Investor Services and insurance through ANB Insurance Services.

Annual Shareholders' Meeting

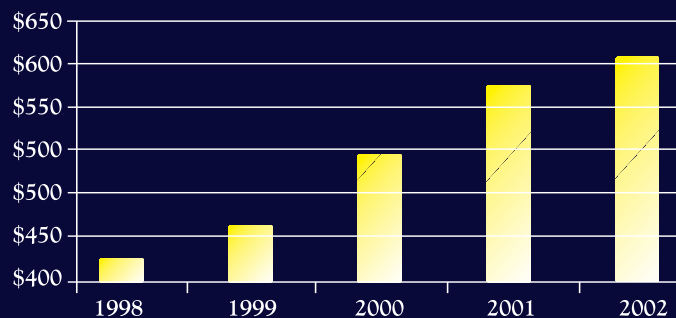
The Annual Meeting of Shareholders of American National Bankshares Inc. will be held Tuesday, April 22, 2003 at 11:30 a. m. at The Wednesday Club, 1002 Main Street, Danville, Virginia.

About The Report

This 2002 Annual Report is presented in a summary format to provide information regarding the performance of American National Bankshares Inc. in a manner which is meaningful and useful to the widest range of readers. The audited consolidated financial statements of American National Bankshares Inc. and subsidiaries and more detailed analytical information are contained in the American National Bankshares Inc. 2002 Annual Report on Form 10-K filed with the Securities and Exchange Commission.

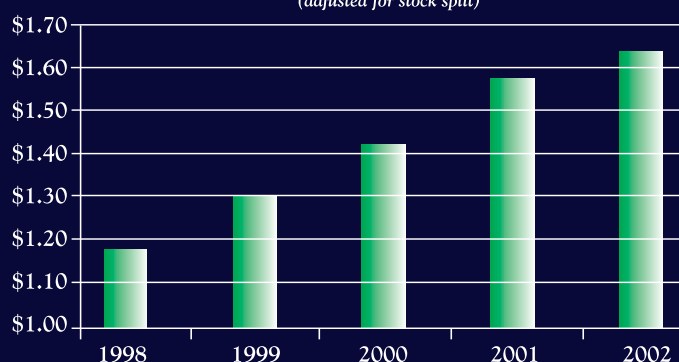
ASSETS

(in millions)



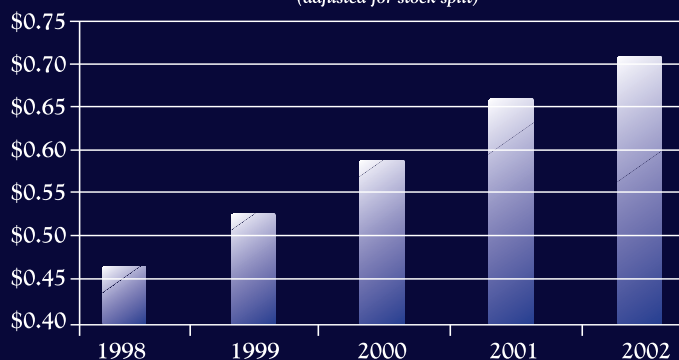
EARNINGS PER SHARE

(adjusted for stock split)



DIVIDENDS

(adjusted for stock split)



FINANCIAL HIGHLIGHTS

(in thousands, except per share amounts)

American National Bankshares Inc. and Subsidiary

Operations Information:	2002	2001	2000	1999	1998
Interest income:					
Loans	\$ 27,150	\$ 30,217	\$ 28,300	\$ 23,959	\$ 23,356
Interest on deposits in other banks	248	385	179	273	272
Investment securities	7,737	9,218	10,127	9,467	9,026
Total interest income	35,135	39,820	38,606	33,699	32,654
Interest expense	12,310	17,502	17,343	14,736	14,472
Net interest income	22,825	22,318	21,263	18,963	18,182
Provision for loan losses	873	1,015	1,020	670	927
Non-interest income	5,712	5,668	4,771	4,493	4,079
Non-interest expense	14,285	13,614	12,923	11,542	11,013
Income before income taxes	13,379	13,357	12,091	11,244	10,321
Income taxes	3,918	3,942	3,415	3,320	3,123
Net income	\$ 9,461	\$ 9,415	\$ 8,676	\$ 7,924	\$ 7,198
Balance Sheet Information:					
Securities	\$ 163,824	\$ 156,791	\$ 162,929	\$ 166,272	\$ 163,413
Loans held for sale	1,285	253	399	220	1,233
Net loans	400,781	370,006	334,611	289,386	264,465
Total deposits	473,562	464,012	426,588	385,558	358,325
Shareholders' equity	70,736	65,397	63,338	56,719	54,861
Total assets	605,859	572,887	541,389	491,391	460,383
Per Share Information:*					
Earnings - basic	\$ 1.63	\$ 1.58	\$ 1.42	\$ 1.30	\$ 1.18
Earnings - diluted	1.62	1.58	1.42	1.30	1.18
Dividends	0.710	0.660	0.585	0.525	0.465
Book value	12.24	11.23	10.45	9.29	8.99
Ratios:					
Return on average assets	1.63%	1.69%	1.70%	1.68%	1.64%
Return on average shareholders' equity ..	13.97%	14.49%	14.74%	14.17%	13.79%
Average shareholder's equity/average assets	11.64%	11.68%	11.54%	11.89%	11.86%
Total risk-based capital/assets	15.49%	15.56%	17.09%	17.79%	18.04%
Dividend payout ratio	43.52%	41.68%	41.07%	40.44%	39.43%
Net charge-offs to average net loans	0.15%	0.12%	0.13%	0.13%	0.15%
Allowance for loan losses to period-end loans, net of unearned income	1.38%	1.42%	1.40%	1.41%	1.42%

* Per share amounts have been restated to reflect the impact of a 2-for-1 stock split effected in the form of a 100% stock dividend issued to stockholders July 15, 1999, with a record date of July 1, 1999.

MARKET PRICE OF THE CORPORATION'S COMMON STOCK

	NASDAQ Closing Price			NASDAQ Closing Price	
	Low	High		Low	High
2002			2001		
4th quarter	\$25.80	\$27.24	4th quarter	\$17.50	\$19.10
3rd quarter	\$25.81	\$29.00	3rd quarter	\$17.75	\$19.40
2nd quarter	\$19.25	\$27.39	2nd quarter	\$18.25	\$20.94
1st quarter	\$18.05	\$20.32	1st quarter	\$14.25	\$25.00

MESSAGE TO OUR SHAREHOLDERS



Charles H. Majors
President & Chief Executive Officer

March 24, 2003

To Our Shareholders:

It is my pleasure to report to you that, despite a very challenging year, we had record earnings for the eighth consecutive year. Interest rates declined to historic lows, equity markets declined for their third year, and national economic growth was slow. Within this framework, our net income was \$9.5 million, a slight gain from \$9.4 million in 2001. Our basic earnings per share rose to \$1.63 from \$1.58 in 2001, an increase of 3.2%.

We attribute our success to building and maintaining relationships with our customers. We believe that we build and maintain these relationships by identifying and meeting our customers' changing needs and expectations. Throughout this report you will read how we are working in many different ways to accomplish this.

We continued to grow our loans, deposits and customer base. Total loans increased 8.3% while total deposits and retail repurchase agreements increased 3.9%. We ended 2002 with assets totaling \$605.9 million, an increase of 5.8% over the prior year end.

In March of 2002, we opened a new office in southern Henry County. Our fourteenth office, it represents our commitment to the Martinsville/Henry County market and reflects the growth we have experienced in that market.

A critical component of a bank is strong credit quality. Our asset quality continued to exceed industry standards. Our net charge-offs for 2002 were only 0.15% of average total loans and our non-performing loans, at year end, represented only 0.13% of total loans. Our allowance for loan losses equaled 1.38% of total loans.

Return on average assets (ROA) and return on average equity (ROE) continue to be important measurements for banking organizations. Our ROA for 2002 was 1.63% and this keeps us in a category most consider as "high-performing". Our ROE was 13.97%, which is strong considering that we have shareholders' equity which represented 11.7% of total assets.

We are particularly pleased with the strong return for our shareholders in 2002. Recognized by the Russell Company and added to the Russell 3000® and the Russell 2000® stock indexes in mid-year, our stock experienced additional exposure and

liquidity in 2002. Dividends were increased in the second quarter and the \$0.71 per share paid in 2002 represented a 7.6% increase over the \$0.66 paid in 2001. Based on the Corporation's average stock price in 2002, the dividend payment provided a 3.03% yield.

The closing market price for the stock on December 31, 2002 was \$26.00, a 39% increase over the closing price on December 31, 2001. This increase, plus the dividend, resulted in a total annual return of 42% for our shareholders. We are extremely pleased with these results. We believe our commitment to relationship banking will continue to generate shareholder value in the future.

In September, we were fortunate to add two new directors who bring diverse backgrounds and experience. Mike Haley is President and CEO of MW Manufacturers, Inc., a leading supplier of windows and doors to the housing market, headquartered in Rocky Mount, VA. Frank Maddux is a physician, President of Danville Urologic Clinic and President of Gamewood, Inc., an information technology company based in Danville. We look forward to their wise business counsel.

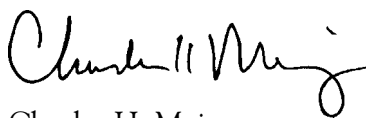
Pursuant to our directors' retirement policy, Jim Motley, my predecessor as President and CEO, will not seek re-election as a director at the annual meeting in April. This organization has benefited greatly from Jim's many contributions. I, individually, have gained much from his advice and friendship. We will miss him as a director, but we look forward to his service next year as a director emeritus.

In the December issue of our employee newsletter, I told my fellow employees that "in order to remain a high-performing independent bank, we must continue to look after our customers, our communities, our employees and our shareholders". I believe that to be a true statement.

What a challenge! What an opportunity! I am confident that, with our fine employees and our strong management team, we can continue to "identify and meet our customers' changing needs and expectations", we can continue to maintain and develop relationships, we can continue to grow and to increase earnings and we can continue to enhance shareholder value.

Thank you for your continued support.

Very truly yours,



Charles H. Majors

President & Chief Executive Officer



Above is our Senior Management team.
Left to right: Budge Kent, Brad Schwartz,
Charley Majors, Dexter Gilliam and Jeff Haley.



Since 1909, American National has kept our customers and the communities we serve in the foreground. Today, we know that meeting our customers' needs is an evolving challenge. Our relationship banking philosophy for retail bank services is designed with the ever-changing needs of our customers in mind. We take pride in our spectrum of personal, small business and commercial products. Core banking services such as checking, savings and loans are diverse in form and function to offer customers maximum flexibility and convenience.

We know our customers and are noted for our local decision making, diversity of products and flexibility and timeliness in meeting consumer, small business and commercial loan requests. Fourteen office locations within our market area, staffed by local, highly qualified personnel, provide for on-site personal service and convenience for our customers.

At American National, we listen. We constantly review our product and service offerings based on customer input. Our objective is to provide the best in products and services to meet our customers' changing needs and expectations.



"Where we help people plan and build their future."

The Trust and Investment Services Division, with offices in Danville and Martinsville, provides a key component of our diverse services to our customers. Staffed by personnel with decades of trust and investment experience, our goal is to meet the unique needs of each customer. Formed in 1927, this division manages assets of approximately \$300 million.

Personal attention is our focus in investment management and financial planning services. Each customer's plan is created based on an extensive review of their goals, which becomes the plan's central focus. We offer a comprehensive range of individually managed investments including equities, fixed income, and cash equivalents. One of our trust officers is assigned to each account to provide guidance to the investor, enabling sound investment decisions.

Estate planning, administration, and other core trust services provide convenience, simplification, coordination and continuity in administration of trusts and estates. We also provide guidance in appropriate planning vehicles such as Revocable and Irrevocable Living Trusts, Testamentary, Marital or QTIP Trusts, Family and By-Pass Trusts, Crummey, Charitable and Minor's Trusts.

Our experienced trust officers, who are also Certified Trust and Financial Advisors (CTRF), are available for free initial consultations to determine ways to accomplish our customers financial goals and objective while minimizing taxes.



**American National Bank
AND TRUST COMPANY**

e-Banking Services

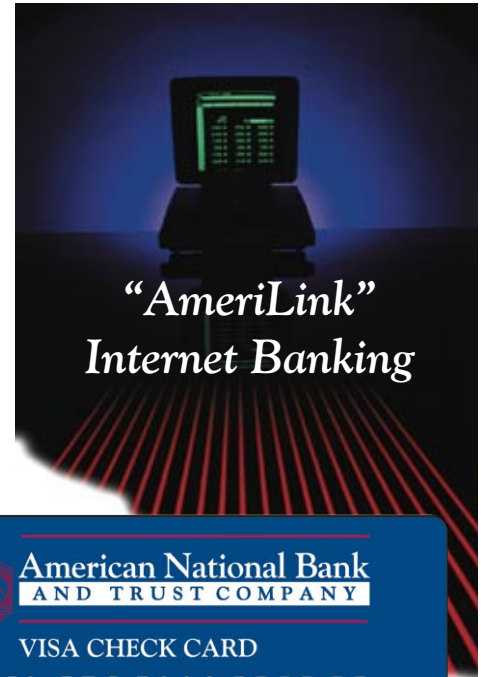
One of the most dynamic segments of the bank's product line is our e-banking service. We have the largest ATM network in our market area, comprised of fifteen locations offering "Round the Clock" account access. With our ATM Card, funds are available worldwide at any ATM displaying the Pulse or Cirrus network logos.

Many customers are finding our Visa Check Card a viable alternative to the traditional checkbook for shopping today. They can now shop, dine or access cash worldwide through any Visa merchant or ATM worldwide displaying the Pulse or Cirrus logos.

American National customers have 24/7 transaction capability nationwide through "AccessAmerican" 1-800 telephone banking. Customers may access account balances, verify checks cleared, and transfer funds between accounts.

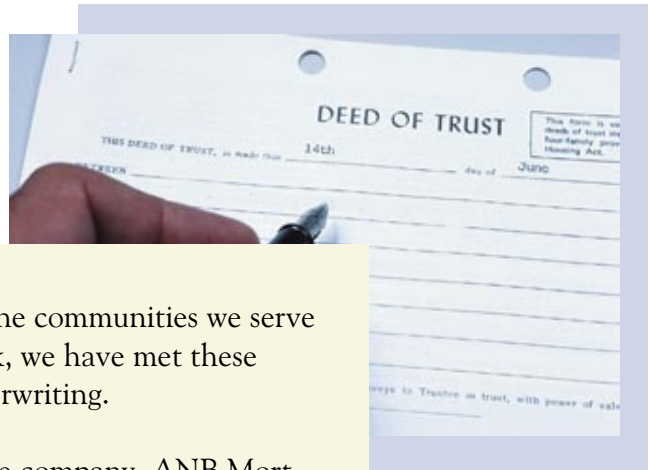
Recently we introduced "AmeriLink" internet banking. With this offering, customers can access accounts worldwide, view cleared checks and monthly statements anywhere they can log-on. By selecting the bill-pay option, one can effectively pay their monthly bills right from their computer.

Pair all of the above with our new image statements and our e-banking package offers great customer convenience.





**ANB
MORTGAGE CORP.**



Providing home ownership for customers in the communities we serve is an important part of our business. Within the bank, we have met these needs through exceedingly flexible and tailored underwriting.

Seven years ago, we formed our own mortgage company, ANB Mortgage Corp. Through this subsidiary, we have been successful in expanding the types of home loans we offer and have created numerous new avenues to meet customer needs.

At ANB Mortgage, we offer a full range of secondary market home loans including, conventional, FHA, VA, and VHDA. With these programs, we have been successful in meeting the need of first time homebuyers with VHDA no down payment or minimum down payment loans and flexible VA and FHA low down payment products. The ability to offer fixed rate products, at competitive market rates, has been exceedingly beneficial to our customers and ANB Mortgage. All loans originated through the mortgage company are underwritten for sale on the secondary market.

ANB Mortgage originates loans through two offices, one each in the Danville and Martinsville areas. Through these locations, we are able to provide this service to our entire branch network.





ANB INVESTOR SERVICES

Financial services for the sophisticated customer of today no longer fit within the traditional service mix offered by banks. One stop shopping for investment options is a must for our customers.

ANB Investor Services, through an arrangement with UVEST Investment Services, offers this full range of investment options. Customers can choose from mutual funds and annuities or purchase individual stocks and bonds. We also offer corporate and individual retirement plans.

We have a dedicated staff of qualified investment counselors available to help our customers make the best possible investments decisions in today's complex environment. ANB Investor Services manages over 900 accounts with assets in excess of \$20 million. Our ANB Investment Services office is located in our Riverside office in Danville, but regularly scheduled office hours and scheduled appointments are conducted in all of the bank's fourteen offices.



ANB INSURANCE SERVICES

The most recent expansion of services for our customers is ANB Insurance Services. Through an affiliation with Bankers Insurance, LLC, we are able to offer a full range of personal and commercial insurance products.

Bankers Insurance, established in 1999 to assist community banks in the sale of insurance to their customers, represents a broad range of insurance companies. Local, established agents are available at their office at 201 North Ridge Street in Danville, VA. Fifteen additional offices are strategically located throughout Virginia.



American National customers now have a full range of traditional banking, trust, brokerage and investment, mortgage and insurance services available with one local provider - American National Bankshares Inc. - "Working Together to Meet the Needs and Expectations of our Customers."

CONSOLIDATED BALANCE SHEETS

December 31, 2002 and 2001

American National Bankshares Inc. and Subsidiary

	2002	2001
Assets		
Cash and due from banks	\$ 16,757,283	\$ 14,797,926
Interest-bearing deposits in other banks	6,720,335	14,350,723
Securities available for sale, at fair value	137,046,119	127,316,666
Securities held to maturity (market value of \$28,219,299 in 2002 and \$30,154,043 in 2001)	26,777,747	29,474,139
Total securities	163,823,866	156,790,805
Loans held for sale	1,285,020	253,021
Loans, net of unearned income	406,403,107	375,339,939
Less allowance for loan losses	(5,622,150)	(5,334,456)
Net loans	400,780,957	370,005,483
Bank premises and equipment, at cost, less accumulated depreciation of \$10,673,195 in 2002 and \$9,651,610 in 2001	8,167,476	7,857,426
Core deposit intangibles	1,383,870	1,833,686
Accrued interest receivable and other assets	6,940,494	6,998,086
Total assets	\$ 605,859,301	\$ 572,887,156

Liabilities and Shareholders' Equity

Liabilities:		
Demand deposits – non-interest bearing	\$ 69,102,211	\$ 58,573,035
Demand deposits – interest bearing	62,679,718	61,404,626
Money market deposits	43,830,781	47,024,615
Savings deposits	73,410,623	65,650,939
Time deposits	224,539,145	231,358,568
Total deposits	473,562,478	464,011,783
Repurchase agreements	36,155,251	27,176,758
FHLB Borrowings	22,000,000	13,000,000
Accrued interest payable and other liabilities	3,405,913	3,301,342
Total liabilities	535,123,642	507,489,883
Shareholders' equity:		
Preferred stock, \$5 par, 200,000 shares authorized, none outstanding	—	—
Common stock, \$1 par, 10,000,000 shares authorized, 5,780,816 shares outstanding at December 31, 2002 and 5,821,956 shares outstanding at December 31, 2001	5,780,816	5,821,956
Capital in excess of par value	9,571,508	9,588,502
Retained earnings	53,092,527	48,677,761
Accumulated other comprehensive income	2,290,808	1,309,054
Total shareholders' equity	70,735,659	65,397,273
Total liabilities and shareholders' equity	\$ 605,859,301	\$ 572,887,156

CONSOLIDATED STATEMENTS OF INCOME

For The Years Ended December 31, 2002, 2001 and 2000
American National Bankshares Inc. and Subsidiary

	2002	2001	2000
Interest Income:			
Interest and fees on loans	\$ 27,149,521	\$ 30,216,549	\$ 28,300,030
Interest on deposits in other banks	248,270	385,019	179,215
Income on investment securities:			
U S Government	—	—	167,977
Federal agencies	1,941,974	2,709,097	4,231,105
Mortgage-backed	2,351,830	2,723,146	2,319,166
State and municipal	1,887,506	1,916,297	1,944,604
Other investments	1,555,947	1,869,711	1,464,462
Total interest income	<u>35,135,048</u>	<u>39,819,819</u>	<u>38,606,559</u>
Interest Expense:			
Interest on deposits:			
Demand	416,924	494,930	1,034,845
Money market	775,051	1,318,002	865,024
Savings	1,048,564	1,176,704	1,671,108
Time	8,606,409	12,617,362	11,094,637
Interest on repurchase agreements	634,996	1,087,823	1,362,104
Interest on other borrowings	827,800	806,869	1,315,507
Total interest expense	<u>12,309,744</u>	<u>17,501,690</u>	<u>17,343,225</u>
Net Interest Income	<u>22,825,304</u>	<u>22,318,129</u>	<u>21,263,334</u>
Provision for Loan Losses	873,000	1,015,000	1,020,000
Net Interest Income After Provision			
For Loan Losses	<u>21,952,304</u>	<u>21,303,129</u>	<u>20,243,334</u>
Non-Interest Income:			
Trust and investment services	2,515,937	2,569,125	2,657,802
Service charges on deposit accounts	1,706,137	1,385,339	1,113,548
Other fees and commissions	816,360	749,072	591,724
Mortgage banking income	360,669	365,349	240,390
Securities gains (losses), net	39,334	367,035	(1,751)
Other income	273,281	231,998	169,747
Total non-interest income	<u>5,711,718</u>	<u>5,667,918</u>	<u>4,771,460</u>
Non-Interest Expense:			
Salaries	6,519,552	6,383,811	6,071,352
Pension and other employee benefits	1,470,682	1,390,591	1,154,352
Occupancy and equipment	2,459,647	2,316,282	2,184,099
Core deposit intangible amortization	449,816	449,816	449,816
Other	3,384,839	3,073,702	3,063,880
Total non-interest expense	<u>14,284,536</u>	<u>13,614,202</u>	<u>12,923,499</u>
Income Before Income Tax Provision	<u>13,379,486</u>	<u>13,356,845</u>	<u>12,091,295</u>
Income Tax Provision	3,918,191	3,941,474	3,414,930
Net Income	<u>\$ 9,461,295</u>	<u>\$ 9,415,371</u>	<u>\$ 8,676,365</u>
Net Income Per Common Share:			
Basic	\$ 1.63	\$ 1.58	\$ 1.42
Diluted	\$ 1.62	\$ 1.58	\$ 1.42
Average Common Shares Outstanding:			
Basic	5,800,302	5,949,811	6,096,037
Diluted	5,850,349	5,973,153	6,101,415

BOARD OF DIRECTORS

American National Bankshares Inc.
American National Bank and Trust Company

Bill Barker, Jr.

President, Barklea, Inc., Danville, VA, tobacco warehouse.
Director since 1996. Committee(s) 2, 5

Richard G. Barkhouser

President, Barkhouser Motors, Inc., Danville, VA, automobile dealership. Director since 1980. Committee(s) 3, 5, 6, 7

Fred A. Blair

President, Blair Construction, Inc., Gretna, VA, commercial building contractor. Director since 1992. Committee(s) 2, 4, 5

Ben J. Davenport, Jr.

Chairman, First Piedmont Corporation, Chatham, VA, waste management. Director since 1992. Committee(s) 5, 6, 7

H. Dan Davis

Senior Consultant to the Corporation and the Bank. Director since 1996. Committee(s) 1, 5

Michael P. Haley

President and Chief Executive Officer, MW Manufacturers, Inc., Rocky Mount, VA, window manufacturing. Director since 2002. Committee(s) 2, 5

E. Budge Kent, Jr.

Executive Vice President of the Corporation and Executive Vice President, Chief Trust & Investment Officer of the Bank.
Director since 1979. Committee(s) 8

Dr. Franklin W. Maddux

President, Gamewood, Inc., Danville, VA, information technology services, President, Danville Urologic Clinic, Danville, VA, health care. Director since 2002. Committee(s) 3

Charles H. Majors

President and Chief Executive Officer of the Corporation and the Bank. Director since 1981. Committee(s) 1, 8

Claude B. Owen, Jr.

Retired Chairman & Chief Executive Officer of DIMON Incorporated, Danville, VA, leaf tobacco dealer. Director since 1984. Committee(s) 3, 5, 6, 8

Lester A. Hudson, Jr.

Professor of Management, Clemson University, Clemson, SC.
Director since 1984. Committee(s) 5, 7

Fred B. Leggett, Jr.

Retired Chairman and Chief Executive Officer, Leggett Stores, Danville, VA, retail department stores. Director since 1994.
Committee(s) 5, 8

James A. Motley

Retired Chairman and Chief Executive Officer of the Corporation and the Bank. Director since 1975. Committee(s) 4, 5, 8

Committees: 1. ANB Mortgage Corp. Board; 2. Audit & Compliance; 3. Corporate Governance & Nominating; 4. Emergency Preparedness; 5. Loan Review; 6. President's Advisory; 7. Human Resources & Compensation; 8. Trust

ADVISORY BOARD SOUTH BOSTON-HALIFAX COUNTY

William W. Bennett, Jr.
Attorney

Gerald C. Burnett, MD
Physician

J. Brian Burton
*President J. E. Burton
Construction Co., Inc.*

James Edmunds, II
*Member, Halifax County
Board of Supervisors*

W. Joseph Ferguson, MD
Physician

Wanda B. Jeffress
*Vice President
Jeffress Funeral Home*

Chris A. Lumsden
*Chief Executive Officer,
Halifax Regional Health System*

ADVISORY BOARD MARTINSVILLE-HENRY COUNTY

David W. Bowles
*Vice President,
Stanley Bowles Corp.*

James D. Coleman
*President
R.S.B. Enterprises, Inc.*

Joseph C. Compton
*Vice President
Compton Wood Products Inc.*

Shirley A. Craven
*President
Adkins Construction Corp.*

Phillip G. Gardner
Attorney

Howard Grodensky
Manager, Dutch Inn

William F. Lemons
*President
W.F.L. Company, Inc.*

James K. Muehleck, DDS
Dentist

G. Ronald Pigg
*President
John Barnes Hardwood Dimensions*

Joseph A. Roach
*Chief Executive Officer
Memorial Hospital of Martinsville
and Henry County*

John E. Turner
*Co-owner
Riverside Tire Company*

OFFICERS



American National Bankshares Inc.

Charles H. Majors
President & Chief Executive Officer

Dabney T. P. Gilliam, Jr.
Senior Vice President

Jeffrey V. Haley
Senior Vice President

E. Budge Kent, Jr.
Executive Vice President

Brad E. Schwartz
*Senior Vice President
Secretary & Treasurer*

Carolyn H. Compton
Assistant Secretary



American National Bank AND TRUST COMPANY

Charles H. Majors
President and Chief Executive Officer

E. Budge Kent, Jr.
*Executive Vice President
& Chief Trust and Investment Officer*

Dabney T. P. Gilliam, Jr.
Senior Vice President & Chief Banking Officer

Jeffrey V. Haley
*Senior Vice President &
Chief Administrative Officer*

Brad E. Schwartz
*Senior Vice President, Cashier
& Chief Financial Officer*

Michael L. Coleman
Vice President

Ronnie C. Fowlkes
Vice President

Wayne D. Holley
Vice President

James H. Johnson, Jr.
Vice President & City Executive

James R. Jefferson
Vice President & Controller

E. C. Jordan
Vice President & City Executive

Phillip H. Strader
Vice President

John G. Wales
Vice President

Linda H. Coleman
Director of Internal Audit

Cheryl L. Clark
Director of Information Services

Charles G. Ellis
Director of Community Affairs

William B. Stephens, Jr.
Director of Technology Development

Wayne M. Barker
Assistant Vice President

Thomas Y. Chandler
Assistant Vice President

Michael L. Dance
Assistant Vice President

Lloyd N. Mitchell
Assistant Vice President

Ronnie F. Moore
Assistant Vice President, Area Manager

Barry J. Shields
Assistant Vice President

Beverly A. Scruggs
Assistant Vice President

Mary H. Wertz
Assistant Vice President

Sean A. Brown
Banking Officer

Shirley O. Bryant
Banking Officer

Linda A. Conner
Banking Officer

Rita Cook-Raynor
Banking Officer

Janice O. England
Banking Officer

Robert S. Fuller
Banking Officer

Kaye S. Hayden
Banking Officer

Elizabeth S. Hylton
Marketing Officer

Elaine T. Jones
Banking Officer

Garry C. Martin
Banking Officer

Randall J. McDaniel
Credit Administrator

Sandra H. Miller
Banking Officer

Betty C. Penick
Compliance Officer

Beth M. Scarce
Banking Officer

Gwen L. Smith
Banking Officer

Mary Jack Sparks
Banking Officer

William S. Via
Banking Officer

Angela Dyer-Cannon
Assistant Auditor

Lisa G. Johnston
Assistant Auditor

Jillianne C. McGlamery
Accounting Specialist

Allyson M. Bartley
Training Officer

Jane S. Baynes
Deposit Operations Manager

Carolyn H. Compton
Assistant to the President

Lynne H. Cousins
Banking Associate

Joseph T. Dykes
Collector

Brenda L. Gibson
Accounting Specialist

Donna M. Hankins
Human Resources Administrator

Robert A. Howard
Credit Analyst

Patricia T. Hudson
Accounting Specialist

Doris A. Kendrick
Banking Associate

Anne D. Moore
Loan Operations Manager

Frances H. Sam
Banking Associate

Bernetha W. Saunders
Banking Associate

Katherine P. Shelton
Banking Associate

Eugene A. Tate
Collector

Richard B. Waters
Systems Analyst

Shirley J. Witt
Banking Associate



American National Bank AND TRUST COMPANY Trust and Investment Services Division

John B. Hall, Jr.
Trust Officer

David G. Komornick
Trust Officer

William D. Shealy
Trust Investment Officer

Loretta B. Aron
Assistant Trust Officer

William H. Jennings
Trust Operations Officer

Sandra H. Prillaman
Assistant Trust Officer

Phyllis A. Wiles
Trust Operations Officer



A N B INVESTOR SERVICES

Thomas W. Freeze
*Investment Consultant
& Program Manager*

Joanne C. Mann
Investment Consultant



A N B MORTGAGE CORP.

Patricia B. Burnett
Manager & Secretary

Binnie Y. Davis
Loan Officer

Mission

Our mission is to provide quality financial services with exceptional customer service.



Vision

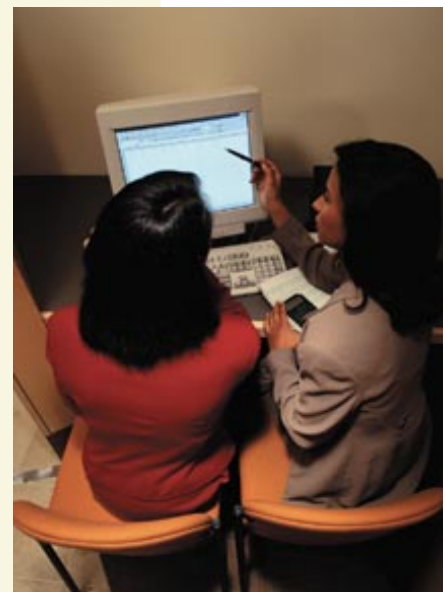
Our commitment is to enhance the value of our shareholders' investment by being our communities' preferred provider of relationship-based financial services.



Guiding Principles

To achieve our vision and carry out our mission, we must:

- Identify and respond to our internal and external customers' needs and expectations in an ever – changing financial services environment
- Conduct our work with integrity and professionalism
- Furnish positive leadership for the well-being of all communities we serve
- Continuously develop a challenging and rewarding quality service-quality sales work environment for our employees
- Enhance shareholder value



General Information

American National Bankshares Inc.

CONTACT INFORMATION

American National Bankshares Inc.
628 Main Street
P.O. Box 191
Danville, VA 24543
434-792-5111

WEBSITE

Please visit www.amnb.com for information concerning our products and services, news releases, and financial information.

SHAREHOLDER INFORMATION

Shareholders needing information on stock-transfer requirements, lost certificates, dividends, and other shareholder matters may contact Carolyn Compton, Assistant Secretary, at the address above, by calling 434- 773- 2220 or by email at comptonc@amnb.com.

DIVIDEND REINVESTMENT PLAN

For information on purchasing additional shares of American National Bankshares Inc. stock through the dividend-reinvestment plan, shareholders may contact Carolyn Compton, Assistant Secretary, at the address above, by calling 434- 773- 2220 , or by email at comptonc@amnb.com.

STOCK LISTING

American National Bankshares Inc.'s common stock is listed on the NASDAQ National Market under the symbol "AMNB".

INVESTOR RELATIONS & FINANCIAL STATEMENTS

A copy of Form 10-K and quarterly reports on Form 10- Q, as filed with the Securities and Exchange Commission, are available without charge to stockholders upon written request and are also available on our website at www.amnb.com. Requests for this or other financial information about American National Bankshares Inc. should be directed to Brad E. Schwartz, Senior Vice President and Chief Financial Officer at the address above, by telephone at 434- 773- 2242, or by email at schwartzb@amnb.com

EQUAL OPPORTUNITY EMPLOYER

American National Bankshares Inc. is an equal opportunity employer. All matters regarding recruiting, hiring, training, compensation, benefits, promotions, transfers and all other personnel policies will remain free from discriminatory practices.

INDEPENDENT AUDITORS

Yount, Hyde and Barbour , P.C.
50 South Cameron Street
Winchester, VA 22601

Bank Offices

Main Office · 628 Main Street, Danville, VA 24541
Airport Office · 1407 South Boston Road, Danville, VA 24540
Chatham Office · 13880 U. S. Highway 29, Chatham, VA 24531
Collinsville Office · 2484 Virginia Avenue, Collinsville, VA 24078
Gretna Office · 109 Main Street, Gretna, VA 24557
Martinsville Office · 201 East Main Street, Martinsville, VA 24112
Nor-Dan Office · 239 Nor-Dan Drive, Danville, VA 24540
Riverside Office · 1081 Riverside Drive, Danville, VA 24541
South Boston Office · 3229 Halifax Road, South Boston, VA 24592
South Main Office · 1013 South Main Street, Danville, VA 24541
Tower Drive Office · 103 Tower Drive, Danville, VA 24540
West Main Office · 2016 West Main Street, Danville, VA 24541
Yanceyville Office · 173 Main Street, Yanceyville, NC 27379
220 South Office · 3810 Greensboro Road, Ridgeway, VA 24148

ATM Locations

Airport Office · 1407 South Boston Road, Danville, VA 24540
Chatham Office · 13880 U. S. Highway 29, Chatham, VA 24531
Collinsville Office · 2484 Virginia Avenue, Collinsville, VA 24078
Danville Regional Medical Center · 142 South Main Street, Danville, VA 24541
Franklin Turnpike · 2725 Franklin Turnpike, Danville, VA 24540
Huffman's Car Wash · 596 West Main Street, Danville, VA 24541
Liberty Fair Mall · 240 Commonwealth Boulevard, Martinsville, VA 24112
Martinsville Office · 201 East Main Street, Martinsville, VA 24112
Nor-Dan Office · 239 Nor-Dan Drive, Danville, VA 24540
Piedmont Mall · 325 Piedmont Drive, VA 24540
Riverside Office · 1081 Riverside Drive, Danville, VA 24540
South Boston Office · 3229 Halifax Road, South Boston, VA 24592
West Main Office · 2016 West Main Street, Danville, VA 24541
Yanceyville · Highways 86 & 158, Yanceyville, NC 27379
220 South Office · 3810 Greensboro Road, Ridgeway, VA 24148

Trust and Investment Services Division

628 Main Street, Danville, VA 24541
201 East Main Street, Martinsville, VA 24112

ANB Investor Services

1081 Riverside Drive, Danville, VA 24540

ANB Mortgage Corp.

103 Tower Drive, Danville, VA 24540
201 East Main Street, Martinsville, VA 24112



American National Bankshares Inc.

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