



NEWS RELEASE
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AMES NATIONAL CORPORATION NAMED TO KBW'S "BANK HONOR ROLL" AS ONE OF THE TOP 40 U.S. BANKING INSTITUTIONS FOR SUPERIOR PERFORMANCE

On March 01, 2011, the Business Wire, Inc. reported the *40 U.S. Banking Institutions Recognized for Successfully Navigating the Financial Crisis & Generating Superior Ten-Year Track Record* by KBW, Inc. (NYSE: KBW), a full-service investment bank that specializes in the financial services sector. These 40 U.S. banking institutions were named to KBW, Inc.'s "Bank Honor Roll" of superior performers.

Honor Roll winners are publicly traded banking companies with at least \$500 million in total assets that meet the following three conditions:

- No annual loss reported in net income per share before extraordinary items over the past 10 years.
- 2010 annual reported net income per-share before extraordinary items must have been equal to or greater than peak net income per-share over the past 10 years.
- Consecutive increases in net income per-share before extraordinary items since 2009.

KBW found that 40 companies, out of nearly 400 total companies screened, now qualify for inclusion in the "Bank Honor Roll". They are: **Alliance Financial Corporation**(ALNC), **Ames National Corporation**(ATLO), **Arrow Financial Corporation**(AROW), **Bancorp Rhode Island**(BARI), **Bank of Marin Bancorp**(BMRC), **Bank of the Ozarks, Inc.**(OZRK), **BOK Financial Corporation**(BOKF), **Camden National Corporation**(CAC), **Cass Information Systems**(CASS), **Century Bancorp, Inc.**(CNBKA), **Community Bank System, Inc.**(CBU), **DNB Financial Corporation**(DNBF), **Eagle Bancorp, Inc.**(EGBN), **ESB Financial Corporation**(ESBF), **First Citizens BancShares, Inc.**(FCNCA), **First Financial Bankshares**(FFIN), **First Financial Corporation**(THFF), **First of Long Island Corporation**(FLIC), **German American Bancorp**(GABC), **Harleysville Savings Financial Corporation**(HARL), **Hingham Institution for Savings**(HIFS), **Hudson City Bancorp, Inc.**(HCBK), **Merchants Bancshares, Inc.**(MBVT), **Monarch Financial Holdings, Inc.**(MNRK), **NB&T Financial Group, Inc.**(NBTF), **National Bankshares, Inc.**(NKSH), **Northwest Bancshares Inc.**(NWBI), **Norwood Financial Corp.**(NWFL), **Orrstown Financial Services, Inc.**(ORRF), **Parke Bancorp, Inc.**(PKBK), **Penns Woods Bancorp, Inc.**(PWOD), **Prosperity Bancshares, Inc.**(PRSP), **Republic Bancorp, Inc.**(RBCAA), **S.Y. Bancorp, Inc.**(SYBT), **SCBT Financial Corporation**(SCBT), **Simmons First National Corporation**(SFNC), **Southern Missouri Bancorp, Inc.**(SMBC), **Teche Holding Company**(TSH), **Tompkins Financial Corporation**(TMP) and **Washington Banking Company**(WBCO).

Thomas Pohlman, President of Ames National Corporation, commented, "We are honored to receive this recognition. Our banks are focused on delivering quality service with stability and integrity and as we build relationships and help our clients meet their financial needs. This dedication to our customers translates into strong earnings and enhanced shareholder value. We are fortunate to deliver banking services in some very stable Central Iowa communities."



In terms of stock price performance, Bank Honor Roll companies significantly outperformed both the banking industry and the overall stock market during the five-year period between 2005 and 2010. Bank Honor Roll members posted an average price appreciation of 1.5% compounded annually compared to a 12.8% decline in the KBW Bank Index (BKX) and a 10.9% decline in the KBW Regional Banking Index (KRX) in the same period. The Honor Roll banks also meaningfully outperformed the S&P 500 (SPX) return of 0.1% over the equivalent time period.

About KBW: KBW operates in the U.S., Europe and Asia through its broker dealer subsidiaries, Keefe, Bruyette & Woods, Inc., Keefe, Bruyette & Woods Limited and Keefe, Bruyette & Woods Asia Limited. It also offers asset management services through KBW Asset Management, Inc. Founded in 1962, the firm is widely recognized as a leading authority in the banking, insurance, brokerage, asset management, mortgage banking, real estate and specialty finance sectors. The firm has established industry-leading positions in the areas of research, corporate finance, mergers and acquisitions as well as sales and trading in equities of financial services companies.

Ames National Corporation is listed on the NASDAQ Capital Market under the ticker symbol, ATLO. **For the year ended December 31, 2010, the Corporation reported record earnings, record assets and record deposits.** Ames National Corporation affiliate banks include: First National Bank, Ames, Boone Bank & Trust Co., Boone, State Bank & Trust Co., Nevada, Randall-Story State Bank, Story City, and United Bank & Trust, Marshalltown. Additional information about Ames National Corporation can be found at www.amesnational.com.