

Press Release – For Immediate Release

August 8, 2017

## **CCFNB Bancorp, Inc. Reports Second Quarter 2017 Earnings**

Bloomsburg, PA – CCFNB Bancorp, Inc. (OTC Pink: CCFN), parent company of First Columbia Bank & Trust Co., has released its unaudited financial statements for the second quarter of 2017.

Net income, as reported under U.S. Generally Accepted Accounting Principles, for the six months-ended June 30, 2017 was \$3,814,000 compared to \$3,489,000 for the same period in 2016. Earnings per share for the six months-ended June 30, 2017 and 2016 were \$1.79 and \$1.62, respectively. The return on average assets and return on average equity were 1.11% and 8.72% for the six months-ended June 30, 2017 as compared to 1.06% and 8.28% for the same period of 2016.

The net interest margin, tax effected, on interest earning assets was 3.29% at June 30, 2017 as compared to 3.32% as of June 30, 2016.

Total assets amounted to \$699.4 million at June 30, 2017 as compared to \$673.6 at December 31, 2016. Since the end of 2016, net loans, not held for sale, increased by \$16.6 million while investment securities decreased \$610 thousand. Over the same time period, loans held for sale increased \$69 thousand. Total deposits increased \$13.0 million while short term borrowings increased \$9.8 million since the end of 2016.

When compared to December 31, 2016, stockholders' equity, excluding accumulated other comprehensive income, increased \$2.3 million to \$88.4 million as of June 30, 2017. The current level of stockholders' equity equated to a book value per share of \$41.70 at June 30, 2017 as compared with \$40.42 as of December 31, 2016. For the six months-ended June 30, 2017 cash dividends of \$0.73 per share were paid to stockholders as compared to \$0.715 for the same 2016 period. CCFNB Bancorp, Inc. remains well capitalized, with an equity-to assets ratio of 12.7% as of June 30, 2017 and 12.8% at December 31, 2016.

*Note: This press release may contain forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. Actual results and trends could differ materially from those set forth in such statements due to various factors. These factors include operating, legal and regulatory risks; changing economic and competitive conditions and other risks and uncertainties.*

**CCFNB Bancorp, Inc.**  
**Consolidated Balance Sheets**

(In Thousands)	June 30, 2017	December 31, 2016
<b>ASSETS</b>		
Cash and due from banks	\$ 9,826	\$ 10,844
Interest-bearing deposits in other banks	10,915	3,219
Federal funds sold	1,917	274
Total cash and cash equivalents	22,658	14,337
Investment securities, available for sale, at fair value	173,817	174,296
Restricted securities, at cost	3,346	3,477
Loans held for sale	4,499	4,430
Loans, net of unearned income	452,955	436,281
Less: Allowance for loan losses	6,545	6,488
Loans, net	446,410	429,793
Premises and equipment, net	12,744	11,448
Accrued interest receivable	1,840	1,791
Cash surrender value of bank-owned life insurance	19,275	18,988
Investment in limited partnerships	2,600	2,423
Intangible Assets:		
Core deposit	85	135
Goodwill	7,937	7,937
Other assets	4,219	4,544
<b>TOTAL ASSETS</b>	<b>\$ 699,430</b>	<b>\$ 673,599</b>
<b>LIABILITIES</b>		
Interest-bearing deposits	\$ 405,304	\$ 397,124
Noninterest-bearing deposits	110,911	106,053
Total deposits	516,215	503,177
Short-term borrowings	91,443	81,694
Long-term borrowings	84	87
Accrued interest payable	258	248
Other liabilities	2,501	2,228
<b>TOTAL LIABILITIES</b>	<b>610,501</b>	<b>587,434</b>
<b>STOCKHOLDERS' EQUITY</b>		
Common stock, par value \$1.25 per share; authorized 15,000,000 shares, issued 2,335,366 shares in 2017 and 2,334,624 shares in 2016	2,919	2,918
Surplus	29,653	29,620
Retained earnings	62,648	60,391
Accumulated other comprehensive income	560	87
Treasury stock, at cost; 202,700 shares in 2017 and 202,700 shares in 2016	(6,851)	(6,851)
<b>TOTAL STOCKHOLDERS' EQUITY</b>	<b>88,929</b>	<b>86,165</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>\$ 699,430</b>	<b>\$ 673,599</b>

**CCFNB Bancorp, Inc.**  
**Consolidated Statements of Income**  
**(Unaudited)**

(In Thousands, Except Per Share Data)	For the Three Months Ended		For the Six Months Ended	
	June 30,		June 30,	
	2017	2016	2017	2016
<b>INTEREST AND DIVIDEND INCOME</b>				
Interest and fees on loans:				
Taxable	\$ 4,510	\$ 4,242	\$ 8,881	\$ 8,445
Tax-exempt	264	254	515	512
Interest and dividends on investment securities:				
Taxable	523	327	947	708
Tax-exempt	286	324	580	652
Dividend and other interest income	60	62	124	129
Federal funds sold	3	2	6	3
Deposits in other banks	9	15	27	25
<b>TOTAL INTEREST AND DIVIDEND INCOME</b>	<b>5,655</b>	<b>5,226</b>	<b>11,080</b>	<b>10,474</b>
<b>INTEREST EXPENSE</b>				
Deposits	507	470	998	917
Short-term borrowings	146	52	244	109
Long-term borrowings	1	1	2	2
<b>TOTAL INTEREST EXPENSE</b>	<b>654</b>	<b>523</b>	<b>1,244</b>	<b>1,028</b>
<b>NET INTEREST INCOME</b>	<b>5,001</b>	<b>4,703</b>	<b>9,836</b>	<b>9,446</b>
PROVISION FOR LOAN LOSSES	30	30	60	60
<b>NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES</b>	<b>4,971</b>	<b>4,673</b>	<b>9,776</b>	<b>9,386</b>
<b>NON-INTEREST INCOME</b>				
Service charges and fees	341	304	675	607
Gain on sale of loans	178	287	289	422
Earnings on bank-owned life insurance	124	109	243	214
Brokerage	137	126	293	260
Trust	155	148	287	298
Investment security gains, net	-	-	154	-
Interchange fees	323	309	628	603
Other	310	256	631	574
<b>TOTAL NON-INTEREST INCOME</b>	<b>1,568</b>	<b>1,539</b>	<b>3,200</b>	<b>2,978</b>
<b>NON-INTEREST EXPENSE</b>				
Salaries	1,658	1,659	3,303	3,290
Employee benefits	588	564	1,240	1,187
Occupancy	290	273	572	540
Furniture and equipment	280	283	525	555
State shares tax	166	149	321	298
Professional fees	198	158	381	331
Director's fees	71	72	144	145
FDIC assessments	46	80	93	164
Telecommunications	77	67	153	161
Amortization of core deposit intangible	25	41	50	83
Automated teller machine and interchange	105	141	216	306
Other	459	439	872	873
<b>TOTAL NON-INTEREST EXPENSE</b>	<b>3,963</b>	<b>3,926</b>	<b>7,870</b>	<b>7,933</b>
<b>INCOME BEFORE INCOME TAX PROVISION</b>	<b>2,576</b>	<b>2,286</b>	<b>5,106</b>	<b>4,431</b>
<b>INCOME TAX PROVISION</b>	<b>600</b>	<b>481</b>	<b>1,292</b>	<b>942</b>
<b>NET INCOME</b>	<b>\$ 1,976</b>	<b>\$ 1,805</b>	<b>\$ 3,814</b>	<b>\$ 3,489</b>
<b>EARNINGS PER SHARE</b>	<b>\$ 0.93</b>	<b>\$ 0.84</b>	<b>\$ 1.79</b>	<b>\$ 1.62</b>
<b>CASH DIVIDENDS PER SHARE</b>	<b>\$ 0.37</b>	<b>\$ 0.360</b>	<b>\$ 0.730</b>	<b>\$ 0.715</b>
<b>WEIGHTED AVERAGE SHARES OUTSTANDING</b>	<b>2,132,290</b>	<b>2,137,569</b>	<b>2,132,108</b>	<b>2,142,787</b>

	Quarter Ended				
	6/30/2017	3/31/2017	12/31/2016	9/30/2016	6/30/2016
<i>(Dollars in Thousands, Except Per Share Data)</i>					
<b>Operating Highlights</b>					
Net income	\$ 1,976	\$ 1,838	\$ 1,808	\$ 1,867	\$ 1,805
Net interest income	5,001	4,835	4,780	4,765	4,703
Provision for loan losses	30	30	130	30	30
Non-interest income	1,568	1,632	1,611	1,637	1,539
Non-interest expense	3,963	3,907	3,948	3,949	3,926
<b>Financial Condition Data:</b>					
Total assets	\$ 699,430	\$ 699,610	\$ 673,599	\$ 680,430	\$ 669,713
Loans, net	450,909	445,055	434,223	429,835	424,584
Intangibles	8,022	8,047	8,072	8,113	8,155
Total deposits					
Noninterest-bearing	\$ 110,911	\$ 115,255	\$ 106,053	\$ 103,933	\$ 104,716
Savings	111,869	112,676	105,261	102,557	101,246
NOW	97,455	96,241	93,361	90,071	88,184
Money Market	35,719	39,932	38,143	38,193	39,605
Time Deposits	160,261	161,775	160,359	165,223	163,637
Total interest-bearing deposits	405,304	410,624	397,124	396,044	392,672
Core deposits*	355,954	364,104	342,818	334,754	333,751
<b>Selected Ratios</b>					
Net interest margin(YTD)	3.29%	3.27%	3.28%	3.29%	3.32%
Annualized return on average assets	1.11%	1.07%	1.07%	1.08%	1.06%
Annualized return on average equity	8.72%	8.47%	8.42%	8.44%	8.28%
<b>Capital Ratios</b>					
Common equity tier I capital ratio	19.38%	19.18%	19.49%	19.64%	19.94%
Tier I capital ratio	19.38%	19.18%	19.49%	19.64%	19.94%
Total risk-based capital ratio	20.64%	20.43%	20.74%	20.92%	21.20%
Leverage ratio	11.86%	11.82%	11.86%	11.70%	11.71%
<b>Asset Quality Ratios</b>					
Non-performing assets	\$ 4,195	\$ 4,351	\$ 4,420	\$ 4,959	\$ 5,043
Allowance for loan losses	6,545	6,499	6,488	6,413	6,381
Allowance for loan losses to total loans	1.43%	1.44%	1.47%	1.47%	1.48%
Allowance for loan losses to non-performing loans	158.31%	153.52%	149.42%	129.93%	128.51%
<b>Per Share Data</b>					
Earnings per share	\$ 0.93	\$ 0.86	\$ 0.85	\$ 0.88	\$ 0.84
Dividend declared per share	0.37	0.36	0.360	0.360	0.360
Book value	41.70	40.83	40.42	40.28	39.75
Common stock price:					
Bid	\$ 46.80	\$ 46.16	\$ 41.50	\$ 39.90	\$ 39.50
Ask	49.00	49.00	45.00	40.00	42.00
Weighted average common shares	2,132,290	2,131,924	2,134,110	2,135,849	2,137,569
* Core deposits are defined as total deposits less time deposits					