

Press Release – For Immediate Release

May 12, 2020

CCFNB Bancorp, Inc. Reports First Quarter 2020 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 first quarter of 2020.

Net income, as reported under U.S. Generally Accepted Accounting Principles, for the quarter-ended March 31, 2020 was \$2,023,000 compared to \$2,092,000 for the same period in 2019. Quarterly earnings were impacted by a decrease in the market value of equity securities which resulted in a loss of approximately \$432 thousand as of March 31, 2020. Earnings per share for the quarter-ended March 31, 2020 and 2019 were \$0.96 and \$0.99, respectively. The return on average assets and return on average equity were 1.09% and 8.03% for the quarter-ended March 31, 2020 as compared to 1.15% and 8.91% for the same period of 2019.

The net interest margin, tax effected, on interest earning assets was 3.25% and 3.32% at March 31, 2020 and 2019, respectively.

Total assets amounted to \$738.3 million at March 31, 2020 as compared to \$742.7 at December 31, 2019. For the quarter ended March 31, 2020, net loans, not held for sale, decreased by \$2.0 million while investment securities decreased \$10.0 million. Over the same time period, loans held for sale increased \$398 thousand. Total deposits increased \$6.6 million while short term borrowings decreased \$12.9 million since the end of 2019.

When compared to December 31, 2019, stockholders' equity, excluding accumulated other comprehensive income (loss), increased \$341 thousand to \$100.0 million as of March 31, 2020. The current level of stockholders' equity equated to a book value per share of \$48.58 at March 31, 2020 as compared with \$47.45 as of December 31, 2019. For the quarter-ended March 31, 2020 cash dividends of \$0.39 per share were paid to stockholders as compared to \$0.38 for the same 2019 period. Also during the quarter-ended March 31, 2020, the Company repurchased 18,000 shares. CCFNB Bancorp, Inc. remains well capitalized, with an equity-to-assets ratio of 13.8% as of March 31, 2020 and 13.5% at December 31, 2019.

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

	(Unaudited)	
	March 31,	December 31,
(In Thousands, except share data)	2020	2019
ASSETS		
Cash and due from banks	\$ 13,135	\$ 8,436
Interest-bearing deposits in other banks	12,191	11,046
Federal funds sold	3,183	1,518
Total cash and cash equivalents	28,509	21,000
Investment debt securities, available for sale, at fair value	190,406	200,006
Investment equity securities, at fair value	858	1,290
Restricted securities, at cost	3,376	3,378
Loans held for sale	3,753	3,355
Loans, net of unearned income	469,448	471,401
Less: Allowance for loan losses	8,113	8,054
Loans, net	461,335	463,347
Premises and equipment:		
Operating lease right-of-use	1,009	1,022
Other premises and equipment, net	13,659	13,832
Accrued interest receivable	1,931	1,926
Cash surrender value of bank-owned life insurance	20,158	20,023
Investment in limited partnerships	1,658	1,743
Goodwill	7,937	7,937
Other assets	3,675	3,832
TOTAL ASSETS	\$ 738,264	\$ 742,691
LIABILITIES		
Interest-bearing deposits	\$ 413,167	\$ 409,311
Noninterest-bearing deposits	123,891	121,144
Total deposits	537,058	530,455
Short-term borrowings	95,392	108,282
Long-term borrowings	45	46
Accrued interest payable	339	352
Operating lease liability	1,009	1,022
Other liabilities	2,948	2,590
TOTAL LIABILITIES	636,791	642,747
STOCKHOLDERS' EQUITY		
Common stock, par value \$1.25 per share; authorized 15,000,000 shares, issued 2,338,924 shares in 2020; and 2,338,487 shares in 2019	2,924	2,923
Surplus	29,817	29,802
Retained earnings	76,403	75,202
Accumulated other comprehensive loss	1,523	335
Treasury stock, at cost; 250,100 shares in 2020 and 232,100 shares in 2019	(9,194)	(8,318)
TOTAL STOCKHOLDERS' EQUITY	101,473	99,944
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 738,264	\$ 742,691

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

(In Thousands, Except Per Share Data)	For the Three Months Ended	
	March 31,	
	2020	2019
INTEREST AND DIVIDEND INCOME		
Interest and fees on loans:		
Taxable	\$ 5,127	\$ 5,203
Tax-exempt	212	268
Interest and dividends on investment securities:		
Taxable	874	684
Tax-exempt	126	250
Dividend and other interest income	71	77
Federal funds sold	8	9
Deposits in other banks	35	50
TOTAL INTEREST AND DIVIDEND INCOME	6,453	6,541
INTEREST EXPENSE		
Deposits	677	617
Short-term borrowings	299	554
Long-term borrowings	1	1
TOTAL INTEREST EXPENSE	977	1,172
NET INTEREST INCOME	5,476	5,369
PROVISION FOR LOAN LOSSES	30	30
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	5,446	5,339
NON-INTEREST INCOME		
Service charges and fees	363	362
Gain on sale of loans	232	126
Earnings on bank-owned life insurance	116	113
Brokerage	187	149
Trust	194	145
(Loss) gain on equity securities	(432)	54
Investment security losses, net	-	(52)
Interchange fees	331	342
Other	282	334
TOTAL NON-INTEREST INCOME	1,273	1,573
NON-INTEREST EXPENSE		
Salaries	1,760	1,758
Employee benefits	744	693
Occupancy	315	330
Furniture and equipment	335	317
State shares tax	158	178
Professional fees	217	254
Director's fees	72	76
FDIC assessments	-	49
Telecommunications	84	79
Amortization of core deposit intangible	-	-
Automated teller machine and interchange	111	162
Other	559	567
TOTAL NON-INTEREST EXPENSE	4,355	4,463
INCOME BEFORE INCOME TAX PROVISION	2,364	2,449
INCOME TAX PROVISION	341	357
NET INCOME	\$ 2,023	\$ 2,092
EARNINGS PER SHARE	\$ 0.96	\$ 0.99
CASH DIVIDENDS PER SHARE	\$ 0.39	\$ 0.38
WEIGHTED AVERAGE SHARES OUTSTANDING	2,100,637	2,122,234

	Quarter Ended (unaudited)				
<i>(Dollars in Thousands, Except Per Share Data)</i>	3/31/2020	12/31/2019	9/30/2019	6/30/2019	3/31/2019
Operating Highlights					
Net income	\$ 2,023	\$ 2,011	\$ 2,305	\$ 2,520	\$ 2,092
Net interest income	5,476	5,524	5,507	5,339	5,369
Provision for loan losses	30	598	297	30	30
Non-interest income	1,273	1,781	1,788	1,974	1,573
Non-interest expense	4,355	4,346	4,293	4,280	4,463
Financial Condition Data:					
Total assets	\$ 738,264	\$ 742,691	\$ 757,988	\$ 730,503	\$ 725,955
Loans, net and loans held for sale	465,088	466,702	473,633	476,003	477,777
Intangibles	7,937	7,937	7,937	7,937	7,937
Total deposits					
Noninterest-bearing	\$ 123,891	\$ 121,144	\$ 124,145	\$ 122,371	\$ 119,084
Savings	118,168	115,244	116,979	121,523	122,516
NOW	110,304	111,280	108,023	106,574	107,720
Money Market	39,025	37,070	35,654	32,356	32,557
Time Deposits	145,670	145,717	151,384	145,803	147,368
Total interest-bearing deposits	413,167	409,311	412,040	406,256	410,161
Core deposits *	391,388	384,738	384,801	382,824	381,877
Selected Ratios					
Net interest margin(YTD)	3.25%	3.24%	3.27%	3.29%	3.32%
Annualized return on average assets	1.09%	1.21%	1.26%	1.27%	1.15%
Annualized return on average equity	8.03%	9.20%	9.59%	9.70%	8.91%
Capital Ratios					
Common equity tier I capital ratio	21.49%	21.33%	20.91%	20.46%	20.25%
Tier I capital ratio	21.49%	21.33%	20.91%	20.46%	20.25%
Total risk-based capital ratio	22.75%	22.59%	22.16%	21.71%	21.51%
Leverage ratio	12.75%	12.39%	12.37%	12.52%	12.44%
Asset Quality Ratios					
Non-performing assets	\$ 4,728	\$ 5,090	\$ 6,958	\$ 6,587	\$ 7,131
Allowance for loan losses	8,113	8,054	7,510	7,306	7,265
Allowance for loan losses to total loans	1.71%	1.70%	1.56%	1.51%	1.50%
Allowance for loan losses to non-performing loans	176.12%	162.73%	108.87%	113.37%	106.84%
Per Share Data					
Earnings per share	\$ 0.96	\$ 0.95	\$ 1.09	\$ 1.19	\$ 0.99
Dividend declared per share	0.39	0.39	0.39	0.39	0.38
Book value	48.58	47.45	46.91	46.10	44.83
Common stock price:					
Bid	\$ 35.02	\$ 48.70	\$ 49.50	\$ 49.25	\$ 49.05
Ask	40.00	49.45	50.00	50.35	50.50
Weighted average common shares	2,100,637	2,107,812	2,110,220	2,117,491	2,122,234
* Core deposits are defined as total deposits less time deposits					