

Press Release – For Immediate Release

January 29, 2019

## **CCFNB Bancorp, Inc. Reports Fourth Quarter 2018 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 fourth quarter of 2018.

Net income, as reported under U.S. Generally Accepted Accounting Principles, for the quarter-ended December 31, 2018 was \$1,735,000 compared to \$1,546,000 for the same period in 2017. Net income, as reported under U.S. Generally Accepted Accounting Principles, for the year-ended December 31, 2018 was \$8,025,000 compared to \$7,305,000 for the same period in 2017. Earnings per share for the year-ended December 31, 2018 and 2017 were \$3.77 and \$3.43, respectively. The return on average assets and return on average equity were 1.12% and 8.85% for the year-ended December 31, 2018 as compared to 1.05% and 8.23% for the same period of 2017.

The net interest margin, tax effected, on interest earning assets was 3.24% at December 31, 2018 as compared to 3.26% as of December 30, 2017.

Total assets amounted to \$726.2 million at December 31, 2018 as compared to \$709.5 at December 31, 2017. For the year, net loans, not held for sale, increased by \$26.7 million while investment securities decreased \$416 thousand. Over the same time period, loans held for sale increased \$27 thousand. Total deposits decreased \$390 thousand while short term borrowings increased \$13.6 million since the end of 2017.

When compared to December 31, 2017, stockholders' equity, excluding accumulated other comprehensive loss, increased \$4.5 million to \$93.2 million as of December 31, 2018. The current level of stockholders' equity equated to a book value per share of \$43.90 at December 31, 2018 as compared with \$42.05 as of December 31, 2017. For the year-ended December 31, 2018 cash dividends of \$1.51 per share were paid to stockholders as compared to \$1.47 for the same 2017 period. Also during the year-ended December 31, 2018, the Company repurchased 11,500 shares. CCFNB Bancorp, Inc. remains well capitalized, with an equity-to assets ratio of 12.8% as of December 31, 2018 and 12.6% at December 31, 2017.

*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)**

(In Thousands, Except Share Data)	December 31, 2018	December 31, 2017
<b>ASSETS</b>		
Cash and due from banks	\$ 11,102	\$ 9,822
Interest-bearing deposits in other banks	1,122	11,853
Federal funds sold	293	1,706
Total cash and cash equivalents	12,517	23,381
Investment debt securities, available for sale, at fair value	179,257	181,364
Investment equity securities, at fair value	1,049	-
Restricted securities	3,878	3,236
Loans held for sale	3,649	3,622
Loans, net of unearned income	483,189	456,132
Less: Allowance for loan losses	7,250	6,901
Loans, net	475,939	449,231
Premises and equipment, net	13,430	13,047
Accrued interest receivable	2,008	1,905
Cash surrender value of bank-owned life insurance	20,057	19,535
Investment in limited partnerships	1,995	2,525
Intangible Assets:		
Core deposit	-	36
Goodwill	7,937	7,937
Other assets	4,509	3,654
<b>TOTAL ASSETS</b>	<b>\$ 726,225</b>	<b>\$ 709,473</b>
<b>LIABILITIES</b>		
Interest-bearing deposits	\$ 401,474	\$ 406,462
Noninterest-bearing deposits	115,147	110,549
Total deposits	516,621	517,011
Short-term borrowings	113,787	100,199
Long-term borrowings	72	80
Accrued interest payable	308	280
Other liabilities	2,240	2,194
<b>TOTAL LIABILITIES</b>	<b>633,028</b>	<b>619,764</b>
<b>STOCKHOLDERS' EQUITY</b>		
Common stock, par value \$1.25 per share; authorized 15,000,000 shares, issued 2,337,208 shares in 2018 and 2,336,013 shares in 2017	2,922	2,920
Surplus	29,740	29,683
Retained earnings	69,552	64,561
Accumulated other comprehensive loss	(1,593)	(604)
Treasury stock, at cost; 214,200 shares in 2018 and 202,700 shares in 2017	(7,424)	(6,851)
<b>TOTAL STOCKHOLDERS' EQUITY</b>	<b>93,197</b>	<b>89,709</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>\$ 726,225</b>	<b>\$ 709,473</b>

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

(In Thousands, Except Per Share Data)	For the Three Months Ended		For the Twelve Months Ended	
	December 31,		December 31,	
	2018	2017	2018	2017
<b>INTEREST AND DIVIDEND INCOME</b>				
Interest and fees on loans:				
Taxable	\$ 5,165	\$ 4,638	\$ 19,705	\$ 18,093
Tax-exempt	248	257	984	1,033
Interest and dividends on investment securities:				
Taxable	717	556	2,606	2,021
Tax-exempt	261	280	1,075	1,139
Dividend and other interest income	69	54	261	238
Federal funds sold	8	5	30	16
Deposits in other banks	17	60	104	145
<b>TOTAL INTEREST AND DIVIDEND INCOME</b>	<b>6,485</b>	<b>5,850</b>	<b>24,765</b>	<b>22,685</b>
<b>INTEREST EXPENSE</b>				
Deposits	581	540	2,274	2,063
Short-term borrowings	518	231	1,575	678
Long-term borrowings	1	1	4	5
<b>TOTAL INTEREST EXPENSE</b>	<b>1,100</b>	<b>772</b>	<b>3,853</b>	<b>2,746</b>
<b>NET INTEREST INCOME</b>	<b>5,385</b>	<b>5,078</b>	<b>20,912</b>	<b>19,939</b>
PROVISION FOR LOAN LOSSES	530	380	620	470
<b>NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES</b>	<b>4,855</b>	<b>4,698</b>	<b>20,292</b>	<b>19,469</b>
<b>NON-INTEREST INCOME</b>				
Service charges and fees	400	380	1,468	1,420
Gain on sale of loans	109	226	650	748
Earnings on bank-owned life insurance	106	126	465	490
Brokerage	140	136	595	559
Trust	219	185	726	635
Investment security (losses) gains, net	(127)	481	(112)	635
Interchange fees	346	326	1,343	1,272
Other	268	262	1,154	1,154
<b>TOTAL NON-INTEREST INCOME</b>	<b>1,461</b>	<b>2,122</b>	<b>6,289</b>	<b>6,913</b>
<b>NON-INTEREST EXPENSE</b>				
Salaries	1,836	1,747	7,074	6,763
Employee benefits	581	374	2,519	2,220
Occupancy	315	297	1,276	1,201
Furniture and equipment	299	291	1,206	1,115
State shares tax	(192)	166	316	653
Professional fees	245	223	868	825
Director's fees	74	75	306	292
FDIC assessments	47	50	203	190
Telecommunications	80	75	315	294
Amortization of core deposit intangible	9	24	36	99
Automated teller machine and interchange	182	143	611	425
Other	910	496	2,457	1,808
<b>TOTAL NON-INTEREST EXPENSE</b>	<b>4,386</b>	<b>3,961</b>	<b>17,187</b>	<b>15,885</b>
INCOME BEFORE INCOME TAX PROVISION	1,930	2,859	9,394	10,497
INCOME TAX PROVISION	195	1,313	1,369	3,192
<b>NET INCOME</b>	<b>\$ 1,735</b>	<b>\$ 1,546</b>	<b>\$ 8,025</b>	<b>\$ 7,305</b>
<b>EARNINGS PER SHARE</b>	<b>\$ 0.82</b>	<b>\$ 0.73</b>	<b>\$ 3.77</b>	<b>\$ 3.43</b>
<b>CASH DIVIDENDS PER SHARE</b>	<b>\$ 0.38</b>	<b>\$ 0.37</b>	<b>\$ 1.51</b>	<b>\$ 1.47</b>
<b>WEIGHTED AVERAGE SHARES OUTSTANDING</b>	<b>2,126,734</b>	<b>2,132,983</b>	<b>2,129,058</b>	<b>2,132,469</b>

	Quarter Ended (unaudited)				
	12/31/2018	9/30/2018	6/30/2018	3/31/2018	12/31/2017
<i>(Dollars in Thousands, Except Per Share Data)</i>					
<b>Operating Highlights</b>					
Net income	\$ 1,735	\$ 2,206	\$ 2,090	\$ 1,994	\$ 1,546
Net interest income	5,385	5,370	5,122	5,035	5,078
Provision for loan losses	530	30	30	30	380
Non-interest income	1,461	1,662	1,611	1,555	2,122
Non-interest expense	4,386	4,422	4,156	4,223	3,961
<b>Financial Condition Data:</b>					
Total assets	\$ 726,225	\$ 727,192	\$ 722,457	\$ 713,688	\$ 709,473
Loans, net and loans held for sale	479,588	472,349	471,931	456,898	452,853
Intangibles	7,937	7,946	7,954	7,973	7,973
Total deposits					
Noninterest-bearing	\$ 115,147	\$ 124,499	\$ 117,956	\$ 113,605	\$ 110,549
Savings	117,367	121,111	121,589	119,655	112,559
NOW	100,546	99,364	99,086	97,599	94,383
Money Market	35,757	34,722	35,015	38,914	39,749
Time Deposits	147,804	151,211	152,491	156,618	159,771
Total interest-bearing deposits	401,474	406,408	408,181	412,786	406,462
Core deposits*	368,817	379,696	373,646	369,773	357,240
<b>Selected Ratios</b>					
Net interest margin(YTD)	3.24%	3.23%	3.20%	3.22%	3.26%
Annualized return on average assets	1.12%	1.17%	1.15%	1.13%	1.05%
Annualized return on average equity	8.85%	9.30%	9.10%	8.90%	8.23%
<b>Capital Ratios</b>					
Common equity tier I capital ratio	19.60%	19.40%	19.00%	19.52%	19.65%
Tier I capital ratio	19.60%	19.40%	19.00%	19.52%	19.65%
Total risk-based capital ratio	20.85%	20.65%	20.26%	20.77%	20.92%
Leverage ratio	11.95%	12.10%	12.26%	12.07%	11.85%
<b>Asset Quality Ratios</b>					
Non-performing assets	\$ 7,108	\$ 7,432	\$ 4,183	\$ 3,762	\$ 4,494
Allowance for loan losses	7,250	6,800	6,792	6,875	6,901
Allowance for loan losses to total loans	1.49%	1.42%	1.42%	1.48%	1.50%
Allowance for loan losses to non-performing loans	104.12%	92.71%	175.02%	183.88%	156.31%
<b>Per Share Data</b>					
Earnings per share	\$ 0.82	\$ 1.03	\$ 0.98	\$ 0.94	\$ 0.73
Dividend declared per share	0.38	0.38	0.38	0.37	0.37
Book value	43.90	42.97	42.48	41.96	42.05
Common stock price:					
Bid	\$ 49.75	\$ 50.65	\$ 47.25	\$ 47.31	\$ 50.00
Ask	52.00	53.00	50.00	47.90	88.00
Weighted average common shares	2,128,421	2,128,421	2,128,087	2,133,069	2,132,983
* Core deposits are defined as total deposits less time deposits					