

Press Release – For Immediate Release
January 28, 2020

CCFNB Bancorp, Inc. Reports Fourth Quarter 2019 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 2019.

Net income, as reported under U.S. Generally Accepted Accounting Principles, for the quarter-ended December 31, 2019 was \$2,011,000 compared to \$1,735,000 for the same period in 2018. Net income, as reported under U.S. Generally Accepted Accounting Principles, for the year-ended December 31, 2019 was \$8,928,000 compared to \$8,025,000 for the same period in 2018. Earnings per share for the year-ended December 31, 2019 and 2018 were \$4.22 and \$3.77, respectively. The return on average assets and return on average equity were 1.21% and 9.20% for the year-ended December 31, 2019 as compared to 1.12% and 8.85% for the same period of 2018.

The net interest margin, tax effected, on interest earning assets was 3.24% at December 31, 2019 and 2018.

Total assets amounted to \$742.7 million at December 31, 2019 as compared to \$726.2 at December 31, 2018. For the year ended December 31, 2019, net loans, not held for sale, decreased by \$12.6 million while investment securities increased \$20.5 million. Over the same time period, loans held for sale decreased \$294 thousand. Total deposits increased \$13.8 million while short term borrowings decreased \$5.5 million since the end of 2018.

When compared to December 31, 2018, stockholders' equity, excluding accumulated other comprehensive income (loss), increased \$4.8 million to \$99.6 million as of December 31, 2019. The current level of stockholders' equity equated to a book value per share of \$47.45 at December 31, 2019 as compared with \$43.90 as of December 31, 2018. For the year-ended December 31, 2019 cash dividends of \$1.55 per share were paid to stockholders as compared to \$1.51 for the same 2018 period. Also during the year-ended December 31, 2019, the Company repurchased 17,900 shares. CCFNB Bancorp, Inc. remains well capitalized, with an equity-to assets ratio of 13.5% as of December 31, 2019 and 12.8% at December 31, 2018.

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, except share data)	December 31,	
	2019	2018
ASSETS		
Cash and due from banks	\$ 8,436	\$ 11,102
Interest-bearing deposits in other banks	11,046	1,122
Federal funds sold	1,518	293
Total cash and cash equivalents	21,000	12,517
Investment debt securities, available for sale, at fair value	200,006	179,257
Investment equity securities, at fair value	1,290	1,049
Restricted securities	3,378	3,878
Loans held for sale	3,355	3,649
Loans, net of unearned income	471,401	483,189
Less: Allowance for loan losses	8,054	7,250
Loans, net	463,347	475,939
Premises and equipment:		
Operating lease right-of-use asset	1,022	-
Other premises and equipment, net	13,832	13,430
Accrued interest receivable	1,926	2,008
Cash surrender value of bank-owned life insurance	20,023	20,057
Investment in limited partnerships	1,743	1,995
Goodwill	7,937	7,937
Prepaid FDIC assessment	-	-
Other assets	3,832	4,509
TOTAL ASSETS	\$ 742,691	\$ 726,225
LIABILITIES		
Interest-bearing deposits	\$ 409,311	\$ 401,474
Noninterest-bearing deposits	121,144	115,147
Total deposits	530,455	516,621
Short-term borrowings	108,282	113,787
Long-term borrowings	46	72
Junior subordinate debentures	-	-
Accrued interest payable	352	308
Operating lease liability	1,022	-
Other liabilities	2,590	2,240
TOTAL LIABILITIES	642,747	633,028
STOCKHOLDERS' EQUITY		
Common stock, par value \$1.25 per share; authorized 15,000,000 shares, issued 2,338,487 shares in 2019 and 2,337,208 shares in 2018	2,923	2,922
Surplus	29,802	29,740
Retained earnings	75,202	69,552
Accumulated other comprehensive income (loss)	335	(1,593)
Treasury stock, at cost; 232,100 shares in 2019 and 214,200 in 2018	(8,318)	(7,424)
TOTAL STOCKHOLDERS' EQUITY	99,944	93,197
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 742,691	\$ 726,225

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,	
	2019	2018	2019	2018
INTEREST AND DIVIDEND INCOME				
Interest and fees on loans:				
Taxable	\$ 5,232	\$ 5,165	\$ 20,963	\$ 19,705
Tax-exempt	216	248	927	984
Interest and dividends on investment securities:				
Taxable	861	717	3,021	2,606
Tax-exempt	154	261	830	1,075
Dividend and other interest income	74	69	296	261
Federal funds sold	10	8	41	30
Deposits in other banks	116	17	377	104
TOTAL INTEREST AND DIVIDEND INCOME	6,663	6,485	26,455	24,765
INTEREST EXPENSE				
Deposits	716	581	2,686	2,274
Short-term borrowings	423	518	2,027	1,575
Long-term borrowings	-	1	3	4
TOTAL INTEREST EXPENSE	1,139	1,100	4,716	3,853
NET INTEREST INCOME	5,524	5,385	21,739	20,912
PROVISION FOR LOAN LOSSES	598	530	955	620
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	4,926	4,855	20,784	20,292
NON-INTEREST INCOME				
Service charges and fees	359	400	1,489	1,468
Gain on sale of loans	225	109	885	650
Earnings on bank-owned life insurance	113	106	654	465
Brokerage	149	140	600	595
Trust	213	219	703	726
Gain (loss) on equity securities	127	(127)	241	(112)
Investment security losses, net	-	-	(52)	-
Interchange fees	363	346	1,483	1,343
Other	232	268	1,113	1,154
TOTAL NON-INTEREST INCOME	1,781	1,461	7,116	6,289
NON-INTEREST EXPENSE				
Salaries	1,881	1,836	7,171	7,074
Employee benefits	402	581	2,423	2,519
Occupancy	307	315	1,284	1,276
Furniture and equipment	427	299	1,387	1,206
State shares tax	178	(192)	712	316
Professional fees	222	245	926	868
Director's fees	84	74	299	306
FDIC assessments	5	47	99	203
Telecommunications	84	80	324	315
Amortization of core deposit intangible	-	9	-	36
Automated teller machine and interchange	127	182	440	611
Other	629	910	2,317	2,457
TOTAL NON-INTEREST EXPENSE	4,346	4,386	17,382	17,187
INCOME BEFORE INCOME TAX PROVISION	2,361	1,930	10,518	9,394
INCOME TAX PROVISION	350	195	1,590	1,369
NET INCOME	\$ 2,011	\$ 1,735	\$ 8,928	\$ 8,025
EARNINGS PER SHARE	\$ 0.95	\$ 0.82	\$ 4.22	\$ 3.77
CASH DIVIDENDS PER SHARE	\$ 0.39	\$ 0.38	\$ 1.55	\$ 1.51
WEIGHTED AVERAGE SHARES OUTSTANDING	2,107,812	2,126,734	2,114,302	2,129,058

	Quarter Ended (unaudited)				
	12/31/2019	9/30/2019	6/30/2019	3/31/2019	12/31/2018
<i>(Dollars in Thousands, Except Per Share Data)</i>					
Operating Highlights					
Net income	\$ 2,011	\$ 2,305	\$ 2,520	\$ 2,092	\$ 1,735
Net interest income	5,524	5,507	5,339	5,369	5,385
Provision for loan losses	598	297	30	30	530
Non-interest income	1,781	1,788	1,974	1,573	1,461
Non-interest expense	4,346	4,293	4,280	4,463	4,386
Financial Condition Data:					
Total assets	\$ 742,691	\$ 757,988	\$ 730,503	\$ 725,955	\$ 726,225
Loans, net and loans held for sale	466,702	473,633	476,003	477,777	479,588
Intangibles	7,937	7,937	7,937	7,937	7,937
Total deposits					
Noninterest-bearing	\$ 121,144	\$ 124,145	\$ 122,371	\$ 119,084	\$ 115,147
Savings	115,244	116,979	121,523	122,516	117,367
NOW	111,280	108,023	106,574	107,720	100,546
Money Market	37,070	35,654	32,356	32,557	35,757
Time Deposits	145,717	151,384	145,803	147,368	147,804
Total interest-bearing deposits	409,311	412,040	406,256	410,161	401,474
Core deposits*	384,738	384,801	382,824	381,877	368,817
Selected Ratios					
Net interest margin(YTD)	3.24%	3.27%	3.29%	3.32%	3.24%
Annualized return on average assets	1.21%	1.26%	1.27%	1.15%	1.12%
Annualized return on average equity	9.20%	9.59%	9.70%	8.91%	8.85%
Capital Ratios					
Common equity tier I capital ratio	21.33%	20.91%	20.46%	20.25%	19.60%
Tier I capital ratio	21.33%	20.91%	20.46%	20.25%	19.60%
Total risk-based capital ratio	22.59%	22.16%	21.71%	21.51%	20.85%
Leverage ratio	12.39%	12.37%	12.52%	12.44%	11.95%
Asset Quality Ratios					
Non-performing assets	\$ 5,090	\$ 6,958	\$ 6,587	\$ 7,131	\$ 7,108
Allowance for loan losses	8,054	7,510	7,306	7,265	7,250
Allowance for loan losses to total loans	1.70%	1.56%	1.51%	1.50%	1.49%
Allowance for loan losses to non-performing loans	162.73%	108.87%	113.37%	106.84%	104.12%
Per Share Data					
Earnings per share	\$ 0.95	\$ 1.09	\$ 1.19	\$ 0.99	\$ 0.82
Dividend declared per share	0.39	0.39	0.39	0.38	0.38
Book value	47.45	46.91	46.10	44.83	43.90
Common stock price:					
Bid	\$ 48.70	\$ 49.50	\$ 49.25	\$ 49.05	\$ 49.75
Ask	49.45	50.00	50.35	50.50	52.00
Weighted average common shares	2,107,812	2,110,220	2,117,491	2,122,234	2,128,421
* Core deposits are defined as total deposits less time deposits					