

Press Release – For Immediate Release

August 4, 2020

CCFNB Bancorp, Inc. Reports Second 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 second quarter of 2020.

Net income, as reported under U.S. Generally Accepted Accounting Principles, for the quarter-ended June 30, 2020 was \$2,251,000 compared to \$2,520,000 for the same period in 2019. Net income, as reported under U.S. Generally Accepted Accounting Principles, for the six months-ended June 30, 2020 was \$4,274,000 compared to \$4,612,000 for the same period in 2019. Earnings per share for the quarter-ended June 30, 2020 and 2019 were \$1.08 and \$1.19, respectively. Earnings per share for the six months-ended June 30, 2020 and 2019 were \$2.04 and \$2.18, respectively. The return on average assets and return on average equity were 1.11% and 8.41% for the six months-ended June 30, 2020 as compared to 1.27% and 9.70% for the same period of 2019.

The net interest margin, tax effected, on interest earning assets was 3.14% and 3.29% at June 30, 2020 and 2019, respectively.

Total assets amounted to \$823.8 million at June 30, 2020 as compared to \$742.7 at December 31, 2019. For the six months ended June 30, 2020, net loans, not held for sale, increased by \$21.2 million while investment securities decreased \$23.8 million. Over the same time period, loans held for sale decreased \$39 thousand. Total deposits increased \$75.3 million while short term borrowings increased \$1.8 million since the end of 2019.

When compared to December 31, 2019, stockholders' equity, excluding accumulated other comprehensive income (loss), increased \$1.8 million to \$101.4 million as of June 30, 2020. The current level of stockholders' equity equated to a book value per share of \$49.36 at June 30, 2020 as compared with \$47.45 as of December 31, 2019. For the six months-ended June 30, 2020 cash dividends of \$0.79 per share were paid to stockholders as compared to \$0.77 for the same 2019 period. Also during the six months-ended June 30, 2020, the Company repurchased 18,000 shares. CCFNB Bancorp, Inc. remains well capitalized, with an equity to assets ratio of 12.5% as of June 30, 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

(In Thousands, except share data)	June 30, 2020	December 31, 2019
ASSETS		
Cash and due from banks	\$ 15,871	\$ 8,436
Interest-bearing deposits in other banks	86,795	11,046
Federal funds sold	2,052	1,518
Total cash and cash equivalents	104,718	21,000
Investment debt securities, available for sale, at fair value	176,362	200,006
Investment equity securities, at fair value	895	1,290
Restricted securities	3,582	3,378
Loans held for sale	3,316	3,355
Loans, net of unearned income	492,931	471,401
Less: Allowance for loan losses	8,358	8,054
Loans, net	484,573	463,347
Premises and equipment:		
Operating lease right-of-use asset	998	1,022
Other premises and equipment, net	13,523	13,832
Accrued interest receivable	2,366	1,926
Cash surrender value of bank-owned life insurance	20,288	20,023
Investment in limited partnerships	1,573	1,743
Goodwill	7,937	7,937
Other assets	3,656	3,832
TOTAL ASSETS	\$ 823,787	\$ 742,691
LIABILITIES		
Interest-bearing deposits	\$ 444,135	\$ 409,311
Noninterest-bearing deposits	161,647	121,144
Total deposits	605,782	530,455
Short-term borrowings	110,070	108,282
Long-term borrowings	44	46
Accrued interest payable	323	352
Operating lease liability	998	1,022
Other liabilities	3,441	2,590
TOTAL LIABILITIES	720,658	642,747
STOCKHOLDERS' EQUITY		
Common stock, par value \$1.25 per share; authorized 15,000,000 shares, issued 2,339,479 shares in 2020 and 2,338,487 shares in 2019	2,924	2,923
Surplus	29,836	29,802
Retained earnings	77,819	75,202
Accumulated other comprehensive income (loss)	1,744	335
Treasury stock, at cost; 250,100 shares in 2020 and 232,100 in 2019	(9,194)	(8,318)
TOTAL STOCKHOLDERS' EQUITY	103,129	99,944
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 823,787	\$ 742,691

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,	
	2020	2019	2020	2019
INTEREST AND DIVIDEND INCOME				
Interest and fees on loans:				
Taxable	\$ 5,127	\$ 5,201	\$ 10,254	\$ 10,404
Tax-exempt	220	217	432	485
Interest and dividends on investment securities:				
Taxable	683	722	1,557	1,406
Tax-exempt	112	234	238	484
Dividend and other interest income	60	75	131	152
Federal funds sold	-	11	8	20
Deposits in other banks	14	64	49	114
TOTAL INTEREST AND DIVIDEND INCOME	6,216	6,524	12,669	13,065
INTEREST EXPENSE				
Deposits	642	654	1,319	1,271
Short-term borrowings	70	530	369	1,084
Long-term borrowings	-	1	1	2
TOTAL INTEREST EXPENSE	712	1,185	1,689	2,357
NET INTEREST INCOME	5,504	5,339	10,980	10,708
PROVISION FOR LOAN LOSSES	280	30	310	60
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	5,224	5,309	10,670	10,648
NON-INTEREST INCOME				
Service charges and fees	206	369	569	731
Gain on sale of loans	667	244	899	370
Earnings on bank-owned life insurance	111	318	227	431
Brokerage	146	150	333	299
Trust	193	150	387	295
Gain (loss) on equity securities	37	75	(395)	129
Investment security losses, net	-	-	-	(52)
Interchange fees	378	386	709	728
Other	270	282	552	616
TOTAL NON-INTEREST INCOME	2,008	1,974	3,281	3,547
NON-INTEREST EXPENSE				
Salaries	1,965	1,760	3,725	3,518
Employee benefits	703	658	1,447	1,351
Occupancy	317	330	632	660
Furniture and equipment	338	322	673	639
State shares tax	190	178	348	356
Professional fees	227	229	444	483
Director's fees	73	71	145	147
FDIC assessments	24	45	24	94
Telecommunications	90	78	174	157
Automated teller machine and interchange	19	27	130	189
Other	500	582	1,059	1,149
TOTAL NON-INTEREST EXPENSE	4,446	4,280	8,801	8,743
INCOME BEFORE INCOME TAX PROVISION	2,786	3,003	5,150	5,452
INCOME TAX PROVISION	535	483	876	840
NET INCOME	\$ 2,251	\$ 2,520	\$ 4,274	\$ 4,612
EARNINGS PER SHARE	\$ 1.08	\$ 1.19	\$ 2.04	\$ 2.18
CASH DIVIDENDS PER SHARE	\$ 0.40	\$ 0.39	\$ 0.79	\$ 0.77
WEIGHTED AVERAGE SHARES OUTSTANDING	2,088,824	2,117,491	2,094,836	2,119,675

	Quarter Ended (unaudited)					
<i>(Dollars in Thousands, Except Per Share Data)</i>	6/30/2020	3/31/2020	12/31/2019	9/30/2019	6/30/2019	
Operating Highlights						
Net income	\$ 2,251	\$ 2,023	\$ 2,011	\$ 2,305	\$ 2,520	
Net interest income	5,504	5,476	5,524	5,507	5,339	
Provision for loan losses	280	30	598	297	30	
Non-interest income	2,008	1,273	1,781	1,788	1,974	
Non-interest expense	4,446	4,355	4,346	4,293	4,280	
Financial Condition Data:						
Total assets	\$ 823,787	\$ 738,264	\$ 742,691	\$ 757,988	\$ 730,503	
Loans, net and loans held for sale	487,889	465,088	466,702	473,633	476,003	
Intangibles	7,937	7,937	7,937	7,937	7,937	
Total deposits						
Noninterest-bearing	\$ 161,647	\$ 123,891	\$ 121,144	\$ 124,145	\$ 122,371	
Savings	129,920	118,168	115,244	116,979	121,523	
NOW	126,437	110,304	111,280	108,023	106,574	
Money Market	43,250	39,025	37,070	35,654	32,356	
Time Deposits	144,528	145,670	145,717	151,384	145,803	
Total interest-bearing deposits	444,135	413,167	409,311	412,040	406,256	
Core deposits*	461,254	391,388	384,738	384,801	382,824	
Selected Ratios						
Net interest margin(YTD)	3.14%	3.25%	3.24%	3.27%	3.29%	
Annualized return on average assets	1.11%	1.09%	1.21%	1.26%	1.27%	
Annualized return on average equity	8.41%	8.03%	9.20%	9.59%	9.70%	
Capital Ratios						
Common equity tier I capital ratio	21.18%	21.49%	21.33%	20.91%	20.46%	
Tier I capital ratio	21.18%	21.49%	21.33%	20.91%	20.46%	
Total risk-based capital ratio	22.43%	22.75%	22.59%	22.16%	21.71%	
Leverage ratio	11.97%	12.75%	12.39%	12.37%	12.52%	
Asset Quality Ratios						
Non-performing assets	\$ 4,890	\$ 4,728	\$ 5,090	\$ 6,958	\$ 6,587	
Allowance for loan losses	8,358	8,113	8,054	7,510	7,306	
Allowance for loan losses to total loans	1.68%	1.71%	1.70%	1.56%	1.51%	
Allowance for loan losses to non-performing loans	177.84%	176.12%	162.73%	108.87%	113.37%	
Per Share Data						
Earnings per share	\$ 1.08	\$ 0.96	\$ 0.95	\$ 1.09	\$ 1.19	
Dividend declared per share	0.40	0.39	0.39	0.39	0.39	
Book value	49.36	48.58	47.45	46.91	46.10	
Common stock price:						
Bid	\$ 41.25	\$ 35.02	\$ 48.70	\$ 49.50	\$ 49.25	
Ask	43.25	40.00	49.45	50.00	50.35	
Weighted average common shares	2,088,824	2,100,637	2,107,812	2,110,220	2,117,491	
* Core deposits are defined as total deposits less time deposits						