

Press Release – For Immediate Release

October 27, 2020

CCFNB Bancorp, Inc. Reports Third 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 third quarter of 2020.

Net income, as reported under U.S. Generally Accepted Accounting Principles, for the quarter-ended September 30, 2020 was \$2,196,000 compared to \$2,305,000 for the same period in 2019. Net income, as reported under U.S. Generally Accepted Accounting Principles, for the nine months-ended September 30, 2020 was \$6,470,000 compared to \$6,917,000 for the same period in 2019. Earnings per share for the quarter-ended September 30, 2020 and 2019 were \$1.05 and \$1.09, respectively. Earnings per share for the nine months-ended September 30, 2020 and 2019 were \$3.09 and \$3.27, respectively. The return on average assets and return on average equity were 1.09% and 8.43% for the nine months-ended September 30, 2020 as compared to 1.26% and 9.59% for the same period of 2019.

Consolidated net income for the nine months ended September 30, 2020 was negatively impacted by additional 2020 provisions for loan losses amounting to \$640,000, or \$283,000 more than 2019 provisions. With the additional loan loss reserves, the Company maintains a strong ratio of allowance to total loans of 1.77%. In addition, for the nine months ended September 30, 2020 the Company recorded a loss on equity securities of \$543,000 due to market value fluctuations in our Bank stock portfolio.

The net interest margin, tax effected, on interest earning assets was 3.03% and 3.27% at September 30, 2020 and 2019, respectively.

Total assets amounted to \$848.8 million at September 30, 2020 as compared to \$742.7 at December 31, 2019. For the nine months ended September 30, 2020, net loans, not held for sale, increased by \$17.1 million while investment securities decreased \$2.8 million. Over the same time period, loans held for sale decreased \$25 thousand. Total deposits increased \$93.6 million while short term borrowings increased \$8.4 million since the end of 2019.

When compared to December 31, 2019, stockholders' equity, excluding accumulated other comprehensive income (loss), increased \$2.8 million to \$103.7 million as of September 30, 2020. The current level of stockholders' equity equated to a book value per share of \$49.82 at September 30, 2020 as compared with \$47.45 as of December 31, 2019. For the nine months-ended September 30, 2020 cash dividends of \$1.19 per share were paid to stockholders as compared to \$1.16 for the same 2019 period. Also during the nine months-ended September 30, 2020, the Company repurchased 26,100 shares. CCFNB Bancorp, Inc. remains well capitalized, with an equity to assets ratio of 12.2% as of September 30, 2020 and 13.5% at December 31, 2019.

P. Jeffrey Hill, Director of the Board of Directors of CCFNB Bancorp, Inc., has provided notice to the Board of Directors that he is retiring from the Board of Directors effective December 31, 2020. The Board of Directors valued Mr. Hill's more than 38 years of experience as an attorney, practicing primarily in the areas of commercial and residential real estate, business law, wills, and trusts and estates. The Board of Directors and senior management thank Mr. Hill for his many years of dedicated service to the Company.

On October 6, 2020, the Board of Directors approved a resolution to appoint Ms. Brenda R. Hess Williams as a Director of the Corporation to fill the vacancy created in Class 3 by the retirement of P. Jeffrey Hill, for a term to begin January 1, 2021 and to expire in 2021. Brenda was born and raised in Berwick, Pennsylvania and is a graduate of the Marywood College and the Dickinson School of Law. Brenda is a partner in the Dickson, Gordner, and Hess Law Office and also serves as an Assistant District Attorney for Columbia County. The

Board of Directors values Ms. Williams more than 20 years of experience as an attorney and her numerous leadership roles in various local civic organizations.

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)	September 30, 2020	December 31, 2019
ASSETS		
Cash and due from banks	\$ 13,899	\$ 8,436
Interest-bearing deposits in other banks	97,833	11,046
Federal funds sold	1,590	1,518
Total cash and cash equivalents	113,322	21,000
Investment debt securities, available for sale, at fair value	197,453	200,006
Investment equity securities, at fair value	747	1,290
Restricted securities	3,638	3,378
Loans held for sale	3,330	3,355
Loans, net of unearned income	489,113	471,401
Less: Allowance for loan losses	8,705	8,054
Loans, net	480,408	463,347
Premises and equipment:		
Operating lease right-of-use asset	984	1,022
Other premises and equipment, net	13,367	13,832
Accrued interest receivable	2,360	1,926
Cash surrender value of bank-owned life insurance	20,395	20,023
Investment in limited partnerships	1,489	1,743
Goodwill	7,937	7,937
Other assets	3,353	3,832
TOTAL ASSETS	\$ 848,783	\$ 742,691
LIABILITIES		
Interest-bearing deposits	\$ 465,651	\$ 409,311
Noninterest-bearing deposits	158,428	121,144
Total deposits	624,079	530,455
Short-term borrowings	116,690	108,282
Long-term borrowings	43	46
Accrued interest payable	303	352
Operating lease liability	984	1,022
Other liabilities	2,964	2,590
TOTAL LIABILITIES	745,063	642,747
STOCKHOLDERS' EQUITY		
Common stock, par value \$1.25 per share; authorized 15,000,000 shares, issued 2,339,925 shares in 2020 and 2,338,487 shares in 2019	2,925	2,923
Surplus	29,852	29,802
Retained earnings	79,179	75,202
Accumulated other comprehensive income (loss)	1,288	335
Treasury stock, at cost; 258,200 shares in 2020 and 232,100 in 2019	(9,524)	(8,318)
TOTAL STOCKHOLDERS' EQUITY	103,720	99,944
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 848,783	\$ 742,691

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

(In Thousands, Except Per Share Data)	For the Three Months Ended		For the Nine Months Ended	
	September 30,		September 30,	
	2020	2019	2020	2019
INTEREST AND DIVIDEND INCOME				
Interest and fees on loans:				
Taxable	\$ 5,189	\$ 5,327	\$ 15,443	\$ 15,731
Tax-exempt	218	226	650	711
Interest and dividends on investment securities:				
Taxable	554	754	2,111	2,160
Tax-exempt	103	192	341	676
Dividend and other interest income	60	70	191	222
Federal funds sold	-	11	8	31
Deposits in other banks	22	147	71	261
TOTAL INTEREST AND DIVIDEND INCOME	6,146	6,727	18,815	19,792
INTEREST EXPENSE				
Deposits	610	699	1,929	1,970
Short-term borrowings	68	520	437	1,604
Long-term borrowings	1	1	2	3
TOTAL INTEREST EXPENSE	679	1,220	2,368	3,577
NET INTEREST INCOME	5,467	5,507	16,447	16,215
PROVISION FOR LOAN LOSSES	330	297	640	357
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	5,137	5,210	15,807	15,858
NON-INTEREST INCOME				
Service charges and fees	278	399	847	1,130
Gain on sale of loans	921	290	1,820	660
Earnings on bank-owned life insurance	101	110	328	541
Brokerage	144	152	477	451
Trust	180	195	567	490
Gain (loss) on equity securities	(148)	(15)	(543)	114
Investment security losses, net	-	-	-	(52)
Interchange fees	420	392	1,129	1,120
Other	206	265	758	881
TOTAL NON-INTEREST INCOME	2,102	1,788	5,383	5,335
NON-INTEREST EXPENSE				
Salaries	1,881	1,772	5,606	5,290
Employee benefits	706	670	2,153	2,021
Occupancy	351	317	983	977
Furniture and equipment	371	321	1,044	960
State shares tax	190	178	538	534
Professional fees	237	221	681	704
Director's fees	71	68	216	215
FDIC assessments	52	-	76	94
Telecommunications	92	83	266	240
Automated teller machine and interchange	104	124	234	313
Other	514	539	1,573	1,688
TOTAL NON-INTEREST EXPENSE	4,569	4,293	13,370	13,036
INCOME BEFORE INCOME TAX PROVISION	2,670	2,705	7,820	8,157
INCOME TAX PROVISION	474	400	1,350	1,240
NET INCOME	\$ 2,196	\$ 2,305	\$ 6,470	\$ 6,917
EARNINGS PER SHARE	\$ 1.05	\$ 1.09	\$ 3.09	\$ 3.27
CASH DIVIDENDS PER SHARE	\$ 0.40	\$ 0.39	\$ 1.19	\$ 1.16
WEIGHTED AVERAGE SHARES OUTSTANDING	2,088,563	2,110,220	2,092,730	2,116,489

	Quarter Ended (unaudited)				
(Dollars in Thousands, Except Per Share Data)	9/30/2020	6/30/2020	3/31/2020	12/31/2019	9/30/2019
Operating Highlights					
Net income	\$ 2,196	\$ 2,251	\$ 2,023	\$ 2,011	\$ 2,305
Net interest income	5,467	5,504	5,476	5,524	5,507
Provision for loan losses	330	280	30	598	297
Non-interest income	2,102	2,008	1,273	1,781	1,788
Non-interest expense	4,569	4,446	4,355	4,346	4,293
Financial Condition Data:					
Total assets	\$ 848,783	\$ 823,787	\$ 738,264	\$ 742,691	\$ 757,988
Loans, net and loans held for sale	483,738	487,889	465,088	466,702	473,633
Intangibles	7,937	7,937	7,937	7,937	7,937
Total deposits					
Noninterest-bearing	\$ 158,428	\$ 161,647	\$ 123,891	\$ 121,144	\$ 124,145
Savings	134,630	129,920	118,168	115,244	116,979
NOW	143,735	126,437	110,304	111,280	108,023
Money Market	44,063	43,250	39,025	37,070	35,654
Time Deposits	143,223	144,528	145,670	145,717	151,384
Total interest-bearing deposits	465,651	444,135	413,167	409,311	412,040
Core deposits*	480,856	461,254	391,388	384,738	384,801
Selected Ratios					
Net interest margin(YTD)	3.03%	3.14%	3.25%	3.24%	3.27%
Annualized return on average assets	1.09%	1.11%	1.09%	1.21%	1.26%
Annualized return on average equity	8.43%	8.41%	8.03%	9.20%	9.59%
Capital Ratios					
Common equity tier I capital ratio	21.40%	21.18%	21.49%	21.33%	20.91%
Tier I capital ratio	21.40%	21.18%	21.49%	21.33%	20.91%
Total risk-based capital ratio	22.66%	22.43%	22.75%	22.59%	22.16%
Leverage ratio	11.54%	11.97%	12.75%	12.39%	12.37%
Asset Quality Ratios					
Non-performing assets	\$ 4,632	\$ 4,890	\$ 4,728	\$ 5,090	\$ 6,958
Allowance for loan losses	8,705	8,358	8,113	8,054	7,510
Allowance for loan losses to total loans	1.77%	1.68%	1.71%	1.70%	1.56%
Allowance for loan losses to non-performing loans	191.22%	177.84%	176.12%	162.73%	108.87%
Per Share Data					
Earnings per share	\$ 1.05	\$ 1.08	\$ 0.96	\$ 0.95	\$ 1.09
Dividend declared per share	0.40	0.40	0.39	0.39	0.39
Book value	49.82	49.36	48.58	47.45	46.91
Common stock price:					
Bid	\$ 39.99	\$ 41.25	\$ 35.02	\$ 48.70	\$ 49.50
Ask	40.00	43.25	40.00	49.45	50.00
Weighted average common shares	2,088,563	2,088,824	2,100,637	2,107,812	2,110,220
* Core deposits are defined as total deposits less time deposits					