Press Release – For Immediate Release
January 24, 2023

CCFNB Bancorp, Inc. Reports Fourth Quarter 2022 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 2022.

Net income, as reported under U.S. Generally Accepted Accounting Principles, for the quarter-ended December 31, 2022 was $2,595,000 compared to $2,513,000 for the same period in 2021. Net income, as reported under U.S. Generally Accepted Accounting Principles, for the year-ended December 31, 2022 was $9,514,000 compared to $9,405,000 for the same period in 2021. Earnings per share for the quarters-ended December 31, 2022 and 2021 were $1.25 and $1.21, respectively. Earnings per share for the years-ended December 31, 2022 and 2021 were $4.58 and $4.53, respectively. The return on average assets and return on average equity were 1.0% and 10.45% for the year-ended December 31, 2022 as compared to 1.02% and 8.91% for the same period of 2021.

The net interest margin, tax effected, on interest earning assets and liabilities was 2.55% and 2.58% at December 31, 2022 and 2021, respectively.

Total assets amounted to $944.0 million at December 31, 2022 as compared to $952.7 at December 31, 2021. For the year-ended December 31, 2022, net loans, not held for sale, increased by $62.3 million while investment securities increased $3.3 million and cash and cash equivalents decreased $84.5 million to $13.1 million. Over the same time period, loans held for sale increased $633 thousand. Total deposits decreased $19.2 million while short term borrowings increased $29.0 million since the end of 2021.

The Corporation invests in various forms of agency debt including mortgage-backed securities and callable agency debt. The fair value of these securities is influenced by market interest rates, prepayment speeds on mortgage securities, bid to offer spreads in the market place and credit premiums for various types of agency debt. These factors change continuously and therefore the fair market value of these securities may be higher or lower than the Corporation's carrying value at any measurement date. The temporary impact on Investments will also affect Stockholders' Equity as these fluctuations are recorded through Accumulated Other Comprehensive Loss. For the year ended December 31, 2022, the temporary impact of these unrealized losses on the Stockholders' Equity amounted to a reduction of $24.5 million. The Corporation does not consider its debt securities to be other-than-temporarily impaired since it has both the intent and ability to hold the securities until a recovery of fair value, which may be maturity.

When compared to December 31, 2021, stockholders' equity, excluding accumulated other comprehensive loss, increased $6.1 million to $113.3 million as of December 31, 2022. Total stockholders' equity equated to a book value per share of $41.34 at December 31, 2022 as compared with $50.21 as of December 31, 2021. As mentioned above, the unrealized loss on the agency debt securities decreased the Corporation's book value. The unrealized losses have reduced the Corporation's book value by approximately $11.79 per share since December 31, 2021. For the year-ended December 31, 2022 cash dividends of $1.67 per share were paid to stockholders as compared to $3.13 for the same 2021 period. During 2021, the Corporation paid a one-time special dividend of $1.50 a share. CCFNB Bancorp, Inc. remains well capitalized, with an equity to assets ratio of 9.10% as of December 31, 2022 and 10.95% at December 31, 2021.

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.