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NEWS RELEASE

COMMERCIAL NATIONAL REPORTS JUNE 30, 2019 EARNINGS

LATROBE, PA, July 26, 2019 - Commercial National Financial Corporation (OTC Markets:CNAF) (Company), parent Company of Commercial Bank & Trust of PA, has reported results for the quarter ended June 30, 2019. The Company earned \$1,032,000 (or \$0.36 per average share outstanding) in the second quarter 2019 compared to \$1,037,000 (or \$0.36 per average share outstanding) in the second quarter of 2018. The Company earned \$2,240,000 (or \$0.78 per average share outstanding) for the six-month period ended June 30, 2019 and \$2,077,000 (or \$0.73 per average share outstanding) for the six-month period ended June 30, 2018.

The Company's annualized return on average assets for the quarter ended June 30, 2019 was 0.98%, compared to 1.05% for the quarter ended June 30, 2018. The Company's annualized return on average assets for the six-month period ended June 30, 2019 was 1.07% compared to 1.06% for the six-month period ended June 30, 2018. The Company's very large AFS bond portfolio net unrealized market value gains, which represented 5.45% of book value at second quarter-end, have materially influenced ROA and ROE calculations thus far in 2019. Second quarter tax equivalent net interest margin was 4.03%. The effective tax rate for the quarter ended June 30, 2019 was 10.90% and the first six month effective tax rate was 8.70%. Tier one risk-based, total risk-based, leverage and common equity tier one capital ratios for June 30, 2019 were 22.05%, 22.57%, 14.01% and 22.05%, respectively.

The Company's strong capital position, supplemented by recent and reasonably anticipated core earnings, remains supportive of the regular \$0.26 quarterly common stock cash dividend payments to shareholders. Providing an attractive and reliable cash dividend income stream to all our shareholders through the safe and sound operation of the subsidiary bank is a long-standing top priority for the Company.

Direct and beneficial ownership by executive officers and directors of the Company's outstanding shares totaled 472,975 shares, or 16.53% on June 30, 2019.

As disclosed each year in the Annual Report to Shareholders, on June 30, 2019, the Company employed 98 people in full-time and part-time positions. Forty-five (45) employees are represented by the United Auto Workers, Local 1799. Of that bargaining unit total, Thirty-five (35) employees are full-time and ten (10) employees are part-time. The Company has had unionized employees since 1972. In October 2018, the agreement between the Company and the bargaining unit was negotiated and subsequently ratified by the bargaining unit with an effective date of February 16, 2019. The labor agreement will expire in February 2024. The Commonwealth of Pennsylvania and the National Labor Relations Board both afford protection to the organized status of pre-existing collective bargaining units. The Company has been advised that bargaining unit status may limit the Company's strategic options relative to those of non-unionized insured depository institutions. The Company continues to consider this as a factor in its strategic and capital management decisions.

The Company operates nine community banking facilities in Greensburg, Hempfield Township, Latrobe, Ligonier, North Huntingdon, Unity Township and West Newton, Pennsylvania and also maintains a commercial business development sales force throughout its entire market area. The Company operates an asset management and trust division of Commercial Bank & Trust of PA headquartered in Greensburg, Pennsylvania. Commercial Bank & Trust of PA also serves its customer base from an Internet banking site (www.cbthebank.com) and an automated TouchTone Teller banking system.

Safe Harbor Statement

Forward-looking statements (statements which are not historical facts) in this release are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. For this purpose, any statements contained herein that are not statements of historical fact may be deemed to be forward-looking statements. Without limiting the generality of the foregoing, words such as "may," "will," "to," "expect," "believe," "anticipate," "intend," "could," "would," "estimate," or "continue" or the negative or other variations thereof or comparable terminology are intended to identify forward-looking statements. These statements are based on information currently available to the Company, and the Company assumes no obligation to update these statements as circumstances change. Investors are cautioned that all forward-looking statements involve risk and uncertainties, including changes in general economic and financial market conditions, unforeseen credit problems, and the Company's ability to execute its business plans. The actual results of future events could differ materially from those stated in any forward-looking statements herein.

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COMMERCIAL NATIONAL FINANCIAL CORPORATION
CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION

(Unaudited)

(Dollars in thousands, except per share data)

	June 30, 2019	December 31 2018	June 30, 2018
ASSETS			
Cash and due from banks on demand	\$ 4,730	\$ 5,642	\$ 5,017
Interest bearing deposits with banks	2,081	59	65
Total cash and cash equivalents	<u>6,811</u>	<u>5,701</u>	<u>5,082</u>
Securities available for sale	162,326	159,741	165,791
Restricted investments in bank stock	<u>1,656</u>	<u>1,411</u>	<u>1,278</u>
Loans	230,469	227,747	212,768
Allowance for loan losses	(1,374)	(1,349)	(1,289)
Net loans	<u>229,095</u>	<u>226,398</u>	<u>211,479</u>
Premises and equipment	2,756	2,800	2,943
Investment in Life Insurance	20,034	19,767	19,493
Other assets	<u>3,792</u>	<u>3,808</u>	<u>4,003</u>
Total assets	<u>\$ 426,470</u>	<u>\$ 419,626</u>	<u>\$ 410,069</u>
LIABILITIES AND SHAREHOLDERS' EQUITY			
Liabilities:			
Deposits:			
Non-interest bearing	\$ 128,333	\$ 128,437	\$ 119,561
Interest bearing	188,714	197,482	196,677
Total deposits	<u>317,047</u>	<u>325,919</u>	<u>316,238</u>
Short-term borrowings	41,684	32,822	34,338
Other liabilities	2,622	1,351	877
Total liabilities	<u>361,353</u>	<u>360,092</u>	<u>351,453</u>
Shareholders' equity:			
Common stock, par value \$2 per share; 10,000,000 shares authorized; 3,600,000 shares issued; 2,860,953 shares outstanding in 2019 and 2018	7,200	7,200	7,200
Retained earnings	63,838	63,085	62,305
Accumulated other comprehensive (loss) income	6,623	1,793	1,655
Less treasury stock, at cost, 739,047 shares in 2019 and 2018	(12,544)	(12,544)	(12,544)
Total shareholders' equity	<u>65,117</u>	<u>59,534</u>	<u>58,616</u>
Total liabilities and shareholders' equity	<u>\$ 426,470</u>	<u>\$ 419,626</u>	<u>\$ 410,069</u>

COMMERCIAL NATIONAL FINANCIAL CORPORATION
CONSOLIDATED STATEMENTS OF INCOME
(Dollars in thousands, except per share data)

	Three Months Ended June 30		Six Months Ended June 30	
	2019 (unaudited)	2018 (unaudited)	2019 (unaudited)	2018 (unaudited)
INTEREST INCOME:				
Interest and fees on loans	\$ 2,582	\$ 2,255	\$ 5,173	\$ 4,485
Interest and dividends on securities:				
Taxable	1,047	1,098	2,098	2,137
Exempt from federal income taxes	538	506	1,097	974
Other	29	16	63	28
Total Interest income	<u>4,196</u>	<u>3,875</u>	<u>8,431</u>	<u>7,624</u>
INTEREST EXPENSE:				
Interest on deposits	190	125	377	226
Interest on short-term borrowings	257	115	509	172
Total Interest expense	<u>447</u>	<u>240</u>	<u>886</u>	<u>398</u>
NET INTEREST INCOME	3,749	3,635	7,545	7,226
PROVISION FOR LOAN LOSSES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	<u>3,749</u>	<u>3,635</u>	<u>7,545</u>	<u>7,226</u>
OTHER OPERATING INCOME:				
Asset management and trust income	331	321	671	677
Service charges on deposit accounts	185	185	354	362
Net Security losses	(4)	-	(7)	-
Gain on sale of OREO	-	-	4	-
Income from investment in life insurance	124	120	250	247
Other income	36	50	100	129
Total other operating income	<u>672</u>	<u>676</u>	<u>1,372</u>	<u>1,415</u>
OTHER OPERATING EXPENSES:				
Salaries and employee benefits	1,906	1,796	3,773	3,626
Net occupancy expense	202	210	420	427
Furniture and equipment	108	58	214	180
Pennsylvania shares tax	142	142	284	270
Legal and professional	97	114	175	234
FDIC insurance expense	28	27	56	56
Other expenses	780	809	1,543	1,532
Total other operating expenses	<u>3,263</u>	<u>3,156</u>	<u>6,465</u>	<u>6,325</u>
INCOME BEFORE INCOME TAXES	1,158	1,155	2,452	2,316
Income tax expense	<u>126</u>	<u>118</u>	<u>212</u>	<u>239</u>
Net income	<u>\$ 1,032</u>	<u>\$ 1,037</u>	<u>\$ 2,240</u>	<u>\$ 2,077</u>
Average Shares Outstanding	2,860,953	2,860,953	2,860,953	2,860,953
Earnings Per Share	\$ 0.36	\$ 0.36	\$ 0.78	\$ 0.73