LATROBE, Pa., Oct. 25, 2013 /PRNewswire/ -- Commercial National Financial Corporation (OTC Markets: CNAF) (Company), parent Company of Commercial Bank & Trust of PA, has reported results for the quarter ended September 30, 2013. The Company earned $1,361,000 (or $0.47 per average share outstanding) in the third quarter 2013 compared to $1,074,000 (or $0.38 per average share outstanding) in the third quarter 2012. The Company earned $3,811,000 (or $1.33 per average share outstanding) for the nine-month period ended September 30, 2013 and $6,089,000 (or $2.13 per average share outstanding) for the nine-month period ended September 30, 2012. The Company's annualized return on average assets and average equity were 1.48% and 12.25%, respectively, for the quarter ended September 30, 2013 compared to 1.16% and 7.70%, respectively, for the quarter ended September 30, 2012. The Company's annualized return on average assets and average equity for the nine month period ended September 30, 2013 were 1.36% and 10.20%, respectively, compared to 2.14% and 14.74%, respectively, for the nine month period ended September 30, 2012. Tier one risk-based, total risk-based and leverage capital ratios for September 30, 2013 were 22.10%, 22.82% and 13.05%, respectively.

President and Chief Executive Officer, Gregg E. Hunter noted, "Third quarter 2013 earnings of $1,361,000 represented a $287,000, or 26.72%, increase above the $1,074,000 in earnings produced during 2012's third quarter. Comparative earnings for the first nine months of 2013 reflect the $3,317,000 in net realized securities gains generated during 2012's first nine months. The Company's strong core profitability, ample regulatory capital adequacy, exceptional asset quality and uncommon tax efficiency continue to greatly surpass prevailing banking industry standards and all solidly support the regular $0.26 per share common stock quarterly cash dividend payments to our shareholders."

In addition to Latrobe, Pennsylvania where it is headquartered, the Company operates ten community banking facilities in Greensburg, Hempfield Township, 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.

COMMERCIAL NATIONAL FINANCIAL CORPORATION

CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION

(Unaudited)

(Dollars in thousands, except per share data)

September 30,

December 31,

September 30,

2013

2012

2012

ASSETS

Cash and due from banks on demand

$ 8,169

$ 6,468

$ 6,729

Interest bearing deposits with banks

114

32,113

56,320

Total cash and cash equivalents

8,283

38,581

63,049

Securities available for sale

176,814

141,321

117,540

Restricted investments in bank stock

893

2,506

2,884

Loans

162,882

168,886

170,332

Allowance for loan losses

(1,597)

(1,649)

(1,652)

Net loans

161,285

167,237

168,680

Premises and equipment

3,163

3,136

3,146

Investment in Life Insurance

16,924

16,562

16,387

Other assets

13,491

3,719

4,320

Total assets

$ 380,853

$ 373,062

$ 376,006

LIABILITIES AND SHAREHOLDERS' EQUITY

Liabilities:

Deposits:

Non-interest bearing

$ 102,711

$ 103,437

$ 99,738

Interest bearing

207,971

213,020

216,305

Total deposits

310,682

316,457

316,043

Short-term borrowings

16,300

-

-

Other liabilities

8,588

3,839

4,077

Total liabilities

335,570

320,296

320,120

Shareholders' equity:

Common stock, par value $2 per share; 10,000,000 shares authorized; 3,600,000 shares issued; 2,860,

7,200

7,200

7,200

Retained earnings

54,183

52,604

55,032

Accumulated other comprehensive income

(3,556)

5,506

6,198

Less treasury stock, at cost, 739,047 shares in 2013 and 2012

(12,544)

(12,544)

(12,544)

Total shareholders' equity

45,283

52,766

55,886

Total liabilities and shareholders' equity

$ 380,853

$ 373,062

$ 376,006

COMMERCIAL NATIONAL FINANCIAL CORPORATION

CONSOLIDATED STATEMENTS OF INCOME

(Dollars in thousands, except per share data)

Three Months

Nine Months

Ended September 30

Ended September 30

2013

2012

2013

2012

(unaudited)

(unaudited)

(unaudited)

(unaudited)

INTEREST INCOME:

Interest and fees on loans

$ 1,858

$ 2,243

$ 5,941

$ 6,954

Interest and dividends on securities:

Taxable

298

534

1,105

2,269

Exempt from federal income taxes

1,535

849

3,849

2,695

Other

4

28

30

68

Total Interest income

3,695

3,654

10,925

11,986

INTEREST EXPENSE:

Interest on deposits

179

277

620

924

Interest on short-term borrowings

3

-

3

16

Interest on long-term borrowings

-

-

-

1

Total Interest expense

182

277

623

941

NET INTEREST INCOME

3,513

3,377

10,302

11,045

PROVISION FOR LOAN LOSSES

-

-

-

-

NET INTEREST INCOME AFTER

PROVISION FOR LOAN LOSSES

3,513

3,377

10,302

11,045

OTHER OPERATING INCOME:

Asset management and trust income

241

232

724

706

Service charges on deposit accounts

268

273

784

818

Net Security gains

(5)

122

52

3,317

Income from investment in life insurance

127

125

362

366

Other income

74

45

225

198

Total other operating income

705

797

2,147

5,405

OTHER OPERATING EXPENSES:

Salaries and employee benefits

1,702

1,567

5,079

4,782

Net occupancy expense

210

188

641

616

Furniture and equipment

58

81

286

266

Pennsylvania shares tax

141

125

417

377

Legal and professional

72

84

198

247

FDIC insurance expense

45

48

133

144

Other expenses

762

949

2,059

2,361

Total other operating expenses

2,990

3,042

8,813

8,793

INCOME BEFORE INCOME TAXES

1,228

1,132

3,636

7,657

Income tax expense (benefit)

(133)

58

(175)

1,568

Net income

$ 1,361

$ 1,074

$ 3,811

$ 6,089

Average Shares Outstanding

2,860,953

2,860,953

2,860,953

2,860,953

Earnings Per Share

$ 0.47

$ 0.38

$ 1.33

$ 2.13

SOURCE Commercial National Financial Corporation

RELATED LINKS http://www.cbthebank.com