



For more information:

Mark A. Holmes, President
CB Financial Corporation and Cornerstone Bank
(252) 265-5223; mholmes@thecornerstonebank.com

For release on:

July 10, 2017

**CB FINANCIAL CORPORATION REPORTS SECOND QUARTER and
YEAR-TO-DATE 2017 EARNINGS**

***Continued solid financial performance results in net income of \$153,000 for the second quarter
and \$296,000 year-to-date as of June 30, 2017.***

(See accompanying financials.)

Wilson, NC . . . CB Financial Corporation (“CB” OTC-QB: “CBFA”), the holding company for Cornerstone Bank (“Cornerstone”), reported net income of \$153,000 for the quarter ended June 30, 2017, compared to net income of \$2.6 million for the quarter ended June 30, 2016, reported Mark A. Holmes, president of both CB and Cornerstone. CB posted net income of \$296,000 for the six months ended June 30, 2017, compared to net income of \$2.7 million for the six months ended June 30, 2016. CB reversed its deferred tax asset (“DTA”) valuation allowance in the second quarter of 2016 which resulted in a one-time tax benefit of \$2.4 million making year-to-year comparisons difficult.

As of June 30, 2017, CB reported total assets of \$106.8 million, total loans of \$76.0 million and total deposits of \$87.3 million. The company continues to post positive core earnings, improved asset quality, solid loan growth and strong capital ratios – well in excess of regulatory guidelines for well-capitalized banks.

“This positive second quarter financial performance follows a good first quarter and three consecutive years of profitable operations,” said Holmes. “We are especially pleased that our 2017 year-to-date, pre-tax net income was 42% higher than in the first half of 2016. We are well-positioned for continued success and are pleased to be meeting the banking needs of the Wilson community.”

Cornerstone opened its doors in 2000 to serve the community banking needs of City of Wilson, Wilson County, and the surrounding area. Cornerstone operates from a main office location at 3710 Nash Street North in Wilson.

###

OTC-QB: “CBFA” – thecornerstonebank.com

The information as of and for the quarter and six-month period ended June 30, 2017, as presented, is unaudited. This news release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including, without limitation, (i) statements regarding certain of our goals and expectations with respect to earnings, earnings per share, revenue, expenses and the growth rate in such items, as well as other measures of economic performance, including statements relating to estimates of credit quality trends, and (ii) statements preceded by, followed by or that include the words “may,” “could,” “should,” “would,” “believe,” “anticipate,” “estimate,” “expect,” “intend,” “plan,” “projects,” “outlook” or similar expressions. The actual results might differ materially from those projected in the forward-looking statements for various reasons, including, but not limited to, our ability to manage growth, changes in financial markets, regulatory changes, changes in interest rates, loss of deposits and loan demand to other savings and financial institutions, and changes in real estate values and the real estate market. Additional information concerning factors that could cause actual results to materially differ from those in the forward-looking statements is contained in the Company’s SEC filings, including its periodic reports under the Securities Exchange Act of 1934, as amended, copies of which are available upon request from the Company.

CB Financial Corporation and Subsidiary
Balance Sheets (unaudited) June 30,

	<u>2017</u>	<u>2016</u>
	(Dollars in thousands)	
Assets		
Cash and due from banks	\$ 4,120	\$ 3,918
Interest-earning deposits with banks	3,487	11,967
<u>Total cash and cash equivalents</u>	<u>7,607</u>	<u>15,885</u>
Investment securities available for sale, at fair value	13,816	13,074
Loans receivable	75,952	70,441
Allowance for loan losses	1,025	1,168
<u>Net loans receivable</u>	<u>74,927</u>	<u>69,273</u>
Bank premises & equipment, net	2,185	2,275
Other assets	8,291	8,850
<u>Total assets</u>	<u>\$ 106,826</u>	<u>\$ 109,357</u>
Liabilities and Shareholders' Equity		
Deposits:		
Demand deposits	\$ 15,844	\$ 14,826
Savings, Money market & NOW	39,293	38,561
Time deposits	32,194	36,707
<u>Total deposits</u>	<u>87,331</u>	<u>90,094</u>
Other borrowed money	11,205	11,045
Accrued interest payable and other liabilities	314	305
<u>Total liabilities</u>	<u>98,850</u>	<u>101,444</u>
<u>Total shareholders' equity</u>	<u>7,976</u>	<u>7,913</u>
<u>Total liabilities and shareholders' equity</u>	<u>\$ 106,826</u>	<u>\$ 109,357</u>

CB Financial Corporation and Subsidiary
Statement of Operations (unaudited)

Six Months Ended, June 30,
2017 **2016**

(Dollars in thousands, except per share data)

Interest Income	1,910	1,819
Interest Expense	250	307
<hr/>		
Net Interest Income	1,660	1,512
Provision for loan losses	-	-
<hr/>		
Net Interest Income after provision	1,660	1,512
Service charges on deposit accounts	66	75
Mortgage banking operations	30	38
Other	129	206
<hr/>		
Total noninterest Income	225	319
Personnel costs	782	801
Occupancy and equipment	109	119
Data processing fees	228	225
Other	340	387
<hr/>		
Total noninterest expense	1,459	1,532
<hr/>		
Net Income before income taxes	426	299
Income taxes	130	(2,358)
<hr/>		
Net Income	296	2,657
<hr/> <hr/>		
Net income per common share	\$ 0.01	\$ 0.06

CB Financial Corporation and Subsidiary
Statement of Operations (unaudited)

Three Months Ended, June 30,
2017 **2016**

(Dollars in thousands, except per share data)

Interest Income	973	905
Interest Expense	129	153
<hr/>		
Net Interest Income	844	752
Provision for loan losses	-	-
<hr/>		
Net Interest Income after provision	844	752
Service charges on deposit accounts	34	36
Mortgage banking operations	12	17
Other	73	131
<hr/>		
Total noninterest Income	119	184
Personnel costs	387	402
Occupancy and equipment	58	60
Data processing fees	109	126
Other	187	206
<hr/>		
Total noninterest expense	741	794
<hr/>		
Net Income before income taxes	222	142
Income taxes	69	(2,358)
<hr/>		
Net Income	153	2,500
<hr/> <hr/>		