

**Officers of
The Honesdale National Bank**

William Schweighofer..... *Chairman of the Board*
 John P. Burlein.....*Vice Chairman*
 David E. Raven.....*President and Chief Executive Officer*
 Marcelle R. Swingle..... *Executive Vice President*
 Raymond J. Ceccotti..... *Senior Vice President*
 Christopher T. Bresset.....*Vice President*
 Katherine M. Bryant.....*Vice President*
 Christopher T. Cook..... *Vice President*
 Charles D. Curtin..... *Vice President*
 Kathleen Enslin.....*Vice President*
 Sean A. Finan.....*Vice President*
 Mark A. Graziadio.....*Vice President*
 Gregory G. Gula.....*Vice President*
 Stephen A. Homza.....*Vice President*
 Jennifer Jaycox.....*Vice President*
 Cynthia M. Motichka.....*Vice President*
 James V. Musto.....*Vice President*
 Elizabeth C. Nagy..... *Vice President*
 Michael E. Rollison.....*Vice President*
 Ronald M. Sebastianelli.....*Vice President*
 Richard C. Simmers.....*Vice President*
 Richard M. Soden.....*Vice President*
 Luke W. Woodmansee.....*Vice President*
 Nicholas D'Alberto..... *Assistant Vice President*
 Karen A. Decker..... *Assistant Vice President*
 Lisa A. Dowse..... *Assistant Vice President*
 Robert B. Ferraro..... *Assistant Vice President*
 Elizabeth Hazen..... *Assistant Vice President*
 Carol L. Milani..... *Assistant Vice President*
 Linda A. Miller..... *Assistant Vice President*
 Donna Rinehimer..... *Assistant Vice President*
 Melissa Rushworth..... *Assistant Vice President*
 Paulette Straka..... *Assistant Vice President*
 Brian P. Wilken..... *Assistant Vice President*
 Lisa S. Bonham..... *Assistant Trust Officer*
 John Conte, III..... *Loan Officer*
 Mary Ann Risboskin..... *Loan Officer*
 Beverly A. Simons..... *Branch Manager/Loan Officer*
 Lacey P. Churmblo..... *Accounting Officer*
 Kevin Colgan..... *Fraud/Security Officer*



The Honesdale National Bank
 800.HNB.9515 • www.hnbbank.bank

Corporate Center
 724 Main Street, Honesdale, PA
 570-253-3355

Honesdale
 733 Main Street 570-253-3355
 1207 Texas Palmyra Hwy. 570-253-5991
Clarks Summit
 651 Northern Boulevard 570-587-2274
Eynon
 202 Betty Street 570-876-1079
Forest City
 619 Main Street 570-785-2274
Hamlin
 559 Hamlin Highway 570-689-1922
Kingston
 786 Wyoming Avenue 570-283-6900
Lackawaxen
 180 Scenic Drive 570-685-1000
Lakewood
 718 Como Road 570-798-2399
Lake Wallenpaupack
 2547 Route 6 570-226-8300
Montdale
 13 Chapman Lake Road 570-254-2274

HNB Mortgage Center
 38 N. Franklin Street, Wilkes-Barre, PA
 800-426-4884 • 570-826-1800

24-Hour Telephone Banking
 570-253-4817 • 1-888-HNB-Xpress

Email
 hnb@hnbbank.com

Member FDIC - Equal Housing Lender - Equal Opportunity Leader

HONAT BANCORP, INC.
 AND SUBSIDIARY
 HONESDALE, PA



• DIRECTORS •

Alfred D. Beck
 John P. Burlein
 Michael W. Cavage
 Roger L. Dirlam
 Robert C. Grimm
 Charles H. Jurgensen
 Paul M. Meagher
 Kurt I. Propst
 David E. Raven
 William Schweighofer

• OFFICERS •

William Schweighofer
Chairman of the Board
John P. Burlein
Vice Chairman
David E. Raven
President & Chief Executive Officer
Marcele R. Swingle
Secretary
Katherine M. Bryant
Treasurer

**For Quarter Ended
 March 31, 2018**

Honat Bancorp, Inc.**Consolidated Balance Sheets (Unaudited)**

Assets	March 31st,	
	2018	2017
	(In Thousands, except Share and Per Share Data)	
Cash and due from banks	\$ 4,913	\$ 5,539
Interest-bearing deposits	6,617	6,944
Cash and cash equivalents	<u>11,530</u>	<u>12,483</u>
Securities available for sale	102,964	112,827
Mortgage loans held for sale	997	796
Loans receivable, net of allowance		
for loan losses 2018-\$8,695; 2017-\$8,374	475,124	454,469
Investment in restricted stock, at cost	450	404
Bank premises and equipment, net	7,850	7,950
Accrued interest receivable	2,051	1,893
Investment in life insurance	19,823	15,583
Other assets	9,618	9,057
Total Assets	<u>\$ 630,407</u>	<u>\$ 615,462</u>
	Liabilities and Stockholders' Equity	
Liabilities		
Deposits		
Noninterest-bearing	\$ 144,544	\$ 128,713
Interest-bearing	380,976	382,659
Total deposits	<u>525,520</u>	<u>511,372</u>
Accrued interest payable	655	637
Other liabilities	7,944	8,166
Total Liabilities	<u>534,119</u>	<u>520,175</u>
Stockholders' Equity		
Common stock, par value \$.20 per share; authorized 5,000,000 shares; issued 1,800,000 shares; outstanding		
2018 and 2017 - 1,484,148 and 1,505,341	360	360
Surplus	1,015	1,015
Retained earnings	104,267	100,264
Accumulated other comprehensive income	137	1,000
Treasury stock, at cost, 2018 and 2017 - 315,852 and 294,659	(9,491)	(7,352)
Total Stockholders' Equity	<u>96,288</u>	<u>95,287</u>
Total Liabilities and Stockholders' Equity	<u>\$ 630,407</u>	<u>\$ 615,462</u>

Honat Bancorp, Inc.**Consolidated Statements of Income (Unaudited)**

	Period Ended March 31st,	
	2018	2017
	(In Thousands)	
Interest Income		
Loans receivable, including fees	\$ 5,655	\$ 5,311
Securities:		
Taxable	215	174
Tax exempt	483	529
Other	17	9
Total Interest Income	<u>6,370</u>	<u>6,023</u>
Interest Expense		
Deposits	518	485
Other	16	16
Total Interest Expense	<u>534</u>	<u>501</u>
Net Interest Income	5,836	5,522
Provision for Loan Losses	<u>100</u>	<u>100</u>
Net Interest Income after Provision for Loan Losses	<u>5,736</u>	<u>5,422</u>
Other Income		
Customer service fees	467	430
Mortgage banking activities	163	198
Income from fiduciary accounts	127	102
Bank owned life insurance earnings	116	85
Other	153	104
Total Other Income	<u>1,026</u>	<u>919</u>
Other Expenses		
Salaries and wages	1,893	1,579
Employee benefits	556	679
Occupancy	421	310
Data processing	163	164
Furniture and equipment	130	132
Advertising and promotion	112	84
Legal and professional	100	91
Donations	124	126
State tax	112	108
FDIC insurance premium	46	46
Other	600	601
Total Other Expenses	<u>4,257</u>	<u>3,920</u>
Income Before Income Tax	2,505	2,421
Federal Income Tax Expense	349	551
Net Income	<u>\$ 2,156</u>	<u>\$ 1,870</u>