

**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*
 Marcele 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*
 Catherine Ferraro.....*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*
 Ralph E. Scartelli.....*Vice President*
 Ronald M. Sebastianelli.....*Vice President*
 Richard C. Simmers.....*Vice President*
 Richard M. Soden.....*Vice President*
 Jeffrey Witts.....*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*
 Randy Donovan..... *Commercial Loan Officer I*
 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 Lender

**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
 June 30, 2018**

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

Assets	June 30th,	
	2018	2017
	(In Thousands, except Share and Per Share Data)	
Cash and due from banks	\$ 7,842	\$ 6,864
Interest-bearing deposits	1,327	11,726
Cash and cash equivalents	9,169	18,590
Securities available for sale	104,602	111,226
Fed funds sold	12,000	0
Mortgage loans held for sale	227	1,807
Loans receivable, net of allowance		
for loan losses 2018-\$8,794; 2017-\$8,392	473,573	459,253
Investment in restricted stock, at cost	478	424
Bank premises and equipment, net	7,782	7,854
Accrued interest receivable	2,109	2,128
Investment in life insurance	19,940	15,667
Other assets	9,468	8,946
Total Assets	\$ 639,348	\$ 625,895
	Liabilities and Stockholders' Equity	
Liabilities		
Deposits		
Non-interest-bearing	\$ 153,593	\$ 143,126
Interest-bearing	378,517	377,036
Total deposits	532,110	520,162
Accrued interest payable	601	551
Other liabilities	9,030	8,640
Total Liabilities	541,741	529,353
Stockholders' Equity		
Common stock, par value \$.20 per share; authorized 5,000,000 shares; issued 1,800,000 shares; outstanding		
2018 and 2017 - 1,481,474 and 1,497,641	360	360
Surplus	1,015	1,015
Retained earnings	105,807	101,857
Accumulated other comprehensive income	194	1,436
Treasury stock, at cost, 2018 and 2017 - 318,526 and 302,359	(9,769)	(8,126)
Total Stockholders' Equity	97,607	96,542
Total Liabilities and Stockholders' Equity	\$ 639,348	\$ 625,895

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

	Period Ended June 30th,	
	2018	2017
	(In Thousands)	
Interest Income		
Loans receivable, including fees	\$ 11,578	\$ 10,752
Securities:		
Taxable	438	361
Tax exempt	936	1,059
Other	39	26
Total Interest Income	12,991	12,198
Interest Expense		
Deposits	1,040	979
Other	31	31
Total Interest Expense	1,071	1,010
Net Interest Income	11,920	11,188
Provision for Loan Losses	200	125
Net Interest Income after Provision for Loan Losses	11,720	11,063
Other Income		
Customer service fees	958	891
Mortgage banking activities	329	368
Income from fiduciary accounts	263	219
Bank owned life insurance earnings	233	168
Other	443	221
Total Other Income	2,226	1,867
Other Expenses		
Salaries and wages	3,463	3,148
Employee benefits	1,658	1,353
Occupancy	727	548
Data processing	329	337
Furniture and equipment	259	259
Advertising and promotion	210	187
Legal and professional	224	182
Donations	174	129
State tax	332	326
FDIC insurance premium	90	93
Other	1,233	1,237
Total Other Expenses	8,699	7,799
Income Before Income Tax	5,247	5,131
Federal Income Tax Expense	763	1,200
Net Income	\$ 4,484	\$ 3,931