

NEWS RELEASE

COMMERCIAL NATIONAL REPORTS DECEMBER 31, 2014 EARNINGS

LATROBE, PA, February 2, 2015 - Commercial National Financial Corporation (OTC Markets:CNAF) (Company), parent Company of Commercial Bank & Trust of PA, has reported results for the quarter ended December 31, 2014. The Company earned \$1,410,000 (or \$0.49 per average share outstanding) in the fourth quarter 2014 compared to \$1,581,000 (or \$0.55 per average share outstanding) in the fourth quarter 2013. The Company earned \$6,212,000 (or \$2.17 per average share outstanding) for the twelve-month period ended December 31, 2014 and \$5,392,000 (or \$1.88 per average share outstanding) for the twelve-month period ended December 31, 2013.

The Company's annualized return on average assets and average equity were 1.45% and 9.81%, respectively, for the quarter ended December 31, 2014 compared to 1.68% and 13.92%, respectively, for the quarter ended December 31, 2013. The Company's annualized return on average assets and average equity for the twelve month period ended December 31, 2014 were 1.58% and 11.61%, respectively, compared to 1.44% and 11.07%, respectively, for the twelve month period ended December 31, 2013. Tier one risk-based, total risk-based and leverage capital ratios for December 31, 2014 were 23.10%, 23.81% and 13.86%, respectively.

President and Chief Executive Officer, Gregg E. Hunter noted, "Year-end 2014 earnings rose \$820,000 which represented a 15.21% increase over 2013's results. Fourth quarter 2014 earnings moderated somewhat in comparison to the fourth quarter of 2013 yet remained very strong. Tax equivalent net interest margin for 2014 rose to 5.01% while the efficiency ratio improved to 57.37%. The Company begins 2015 fortified by top-notch asset quality, an exceptionally desirable funding base and impeccable capital adequacy. The Company's core earnings and capital, viewed in conjunction with the Company's low overall risk profile, remain highly supportive of the regular \$0.26 per share quarterly common stock cash dividend payments to shareholders. Providing an attractive and reliable cash dividend income stream to our shareholders continues to be a top priority for the Company."

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.

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COMMERCIAL NATIONAL FINANCIAL CORPORATION
CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION
(Unaudited)
(Dollars in thousands)

	December 31 2014	December 31 2013
ASSETS		
Cash and due from banks on demand	\$ 5,286	\$ 8,036
Interest bearing deposits with banks	90	3,999
Total cash and cash equivalents	<u>5,376</u>	<u>12,035</u>
Securities available for sale	187,070	185,446
Restricted investments in bank stock	722	1,425
Loans	171,224	163,916
Allowance for loan losses	<u>(1,616)</u>	<u>(1,619)</u>
Net loans	169,608	162,297
Premises and equipment	3,207	3,096
Investment in Life Insurance	17,650	17,111
Other assets	<u>3,886</u>	<u>12,924</u>
Total assets	<u>\$ 387,519</u>	<u>\$ 394,334</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities:		
Deposits:		
Non-interest bearing	\$ 105,717	\$ 104,792
Interest bearing	207,669	211,769
Total deposits	<u>313,386</u>	<u>316,561</u>
Short-term borrowings	12,225	23,311
Long-term borrowings	-	-
Other liabilities	3,603	8,325
Total liabilities	<u>329,214</u>	<u>348,197</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 2014 and 2013.	7,200	7,200
Retained earnings	58,254	55,020
Accumulated other comprehensive income	5,395	(3,539)
Less treasury stock, at cost, 739,047 shares in 2014 and 2013	<u>(12,544)</u>	<u>(12,544)</u>
Total shareholders' equity	<u>58,305</u>	<u>46,137</u>
Total liabilities and shareholders' equity	<u>\$ 387,519</u>	<u>\$ 394,334</u>

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

	Three Months Ended December 31		Twelve Months Ended December 31	
	2014	2013	2014	2013
INTEREST INCOME:				
Interest and fees on loans	\$ 1,915	\$ 1,847	\$ 7,667	\$ 7,788
Interest and dividends on securities:				
Taxable	182	263	833	1,368
Exempt from federal income taxes	1,472	1,649	6,711	5,498
Other	13	5	54	35
Total Interest income	<u>3,582</u>	<u>3,764</u>	<u>15,265</u>	<u>14,689</u>
INTEREST EXPENSE:				
Interest on deposits	129	168	569	788
Interest on short-term borrowings	16	10	74	13
Interest on long-term borrowings	-	-	-	-
Total Interest expense	<u>145</u>	<u>178</u>	<u>643</u>	<u>801</u>
NET INTEREST INCOME	3,437	3,586	14,622	13,888
PROVISION FOR LOAN LOSSES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	<u>3,437</u>	<u>3,586</u>	<u>14,622</u>	<u>13,888</u>
OTHER OPERATING INCOME:				
Asset management and trust income	298	257	1,142	981
Service charges on deposit accounts	243	255	976	1,039
Net Security gains (loss)	7	(1)	21	51
Income from investment in life insurance	149	146	497	508
Other income	39	40	240	265
Total other operating income	<u>736</u>	<u>697</u>	<u>2,876</u>	<u>2,844</u>
OTHER OPERATING EXPENSES				
Salaries and employee benefits	1,741	1,748	7,017	6,827
Net occupancy expense	193	202	853	843
Furniture and equipment	201	128	503	465
Pennsylvania shares tax	101	138	404	552
Legal and professional	114	79	340	277
FDIC Insurance expense	48	48	192	181
Other expenses	589	607	2,710	2,618
Total other operating expenses	<u>2,987</u>	<u>2,950</u>	<u>12,019</u>	<u>11,763</u>
INCOME BEFORE INCOME TAXES	1,186	1,333	5,479	4,969
Income tax expense (benefit)	<u>(224)</u>	<u>(248)</u>	<u>(733)</u>	<u>(423)</u>
Net income	<u>\$ 1,410</u>	<u>\$ 1,581</u>	<u>\$ 6,212</u>	<u>\$ 5,392</u>
Average Shares Outstanding	2,860,953	2,860,953	2,860,953	2,860,953
Earnings Per Share	0.49	0.55	2.17	1.88