

2017 STATEMENT OF FINANCIAL CONDITION





The Penn Community Bank 2017 Statement of Financial Condition reflects our continued strength and growth as a full-service financial institution meeting the needs of our community through banking, lending, insurance and investment services. Our strong capital position is a result of prudent management. We offer fair fees, local decisions, and a long-term strategy focused on our customers.

In 2017, we expanded the footprint of Penn Community Bank into Montgomery County with a new branch in Abington. Our mutual bank charter allows us the privilege of developing long term relationships with our customers and expansion into new communities.

Penn Community Bank looks forward to serving your financial needs in 2018.

Sincerely,

Jeane M. Vidoni,
President and Chief Executive Officer, Penn Community Bank

The complete audited financial statements are available to the public by sending a request to:

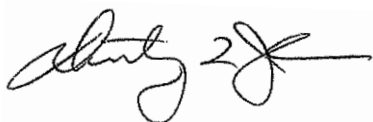
Penn Community Bank
Attention: Finance Department
219 S. Ninth Street
Perkasie, PA 18944

Consolidated Balance Sheets (In thousands)

As of December 31, 2017

<i>December 31,</i>	2017	2016
Assets		
Cash and due from banks	\$ 16,883	\$ 15,870
Interest earning deposits	48,737	37,393
Cash and cash equivalents	65,620	53,263
Time Deposits	1,000	--
Securities	490,976	465,521
Loans held for sale	183	--
Loans receivable (net of allowance for loan losses)	1,318,395	1,236,684
Premises and equipment, net	25,300	24,827
Intangible assets, net	2,594	3,416
Goodwill	8,475	8,033
Foreclosed real estate	27	1,688
Other assets	95,966	98,845
Total Assets	\$ 2,008,536	\$ 1,892,277
Liabilities and Stockholder's Equity		
Liabilities		
Deposits	\$ 1,381,385	\$ 1,345,110
Borrowings	329,100	269,515
Advances from borrowers for taxes and insurance	5,938	5,478
Other liabilities	27,068	20,943
Total Liabilities	1,743,491	1,641,046
Total Stockholder's Equity	265,045	251,231
Total Liabilities and Stockholder's Equity	\$ 2,008,536	\$ 1,892,277

I, Dorothy Jaworski, Senior Vice President and Director of Treasury and Risk Management of Penn Community Bank, do hereby declare that these Consolidated Balance Sheets have been prepared in accordance with generally accepted accounting principles and are true to the best of my knowledge and belief.



Penn Community Bank has 24 branch locations throughout Bucks and Montgomery Counties:

- Bensalem
- Bristol
- Buckingham
- Dublin
- Fairway
- Highland Park
- Langhorne
- Levittown
- Lower Makefield
- Milford
- New Britain
- New Hope
- Newtown
- Perkasie - 5th Street
- Perkasie - Market Street
- Pipersville
- Poole's Corner
- Quakertown
- Richlandtown
- Riegelsville
- Southampton
- Warminster
- Wrightstown
- Yardley

Board of Directors

Robert L. Byers

Chairman of the Board

William P. Larkin, Jr.

Vice-Chairman of the Board

Ross Choate

Cheri H. Freeh

Krista Pool Harper

Bruce Iacobucci

W. Thomas Lomax

Jeffrey A. Naugle

Jeane M. Vidoni

Bruce J. Weed

Mark D. Worthington

Executive Management Team

Jeane M. Vidoni

President and
Chief Executive Officer

Dorothy Jaworski

Senior Vice President
Director of Treasury and Risk Management

Stephanie A. Austin

Executive Vice President
Chief Financial Officer

Georgann Berger Mckenna

Senior Vice President, Human Resources
Training and Integrated Business Development

Diane Brown

Executive Vice President
Chief Administrative Officer

Michael A. Meenaghan

President
Penn Community Insurance

Robert Coffin

Executive Vice President
Chief Credit Officer

Stephanie Schwartzberg, Esq.

Executive Vice President
General Counsel

Todd R. Hurley

Executive Vice President
Chief Relationship Officer

Christian Wagner

President
Penn Investment Advisors

Derek P.B. Warden

Executive Vice President
Chief Lending Officer



PennCommunityBank.com

215-788-1234



BANKING | LENDING | INSURANCE | INVESTMENTS