

Citizens & Northern Corporation (NASDAQ: CZNC; Wellsboro, PA) has agreed to acquire Monument Bancorp, Inc. (Private; Doylestown, PA)

Deal Value: Approximately \$42.7 Million

Sandler O'Neill served as exclusive financial advisor and rendered a fairness opinion to Citizens & Northern Corporation in this transaction. This transaction represents Sandler O'Neill's 195th bank or thrift transaction nationwide since January 1, 2015 representing \$62.9 billion in aggregate transaction value. Sandler O'Neill has served as a financial advisor on more bank and thrift transactions and for a greater aggregate deal value than any other investment bank during that time period.¹

Since January 1, 2015, Sandler O'Neill has advised on 14 bank or thrift transactions in Pennsylvania, representing over \$4.5 billion in aggregate transaction value, more than any other investment bank during that time period.¹

WELLSBORO, PA. and DOYLESTOWN, PA. -- Citizens & Northern Corporation ("C&N") (NASDAQ: CZNC), headquartered in Wellsboro, Pennsylvania, and Monument Bancorp, Inc. ("Monument"), headquartered in Doylestown, Pennsylvania, announced today the execution of an agreement and plan of merger (the "Agreement") pursuant to which Monument will merge with and into C&N in a transaction valued at approximately \$42.7 million. Monument's bank subsidiary, Monument Bank, will be merged into C&N's bank subsidiary, Citizens & Northern Bank.

Citizens & Northern Corporation is the bank holding company for Citizens & Northern Bank, which operates 26 banking offices located in Bradford, Cameron, Lycoming, McKean, Potter, Sullivan and Tioga Counties in Pennsylvania and Steuben County in New York as well as a loan production office in Elmira, New York. As of June 30, 2018, C&N had consolidated assets of \$1.284 billion. Monument is the holding company of Monument Bank, which operates two community bank offices and one loan production office in Bucks County. Monument had assets of \$348 million as of June 30, 2018. After the transaction is completed, the combined organization is projected to have approximately \$1.7 billion in assets.

The joint announcement of the transaction was made today by J. Bradley Scovill, President and CEO of C&N, Clark S. Frame, Executive Chairman of the Board of Monument and Christopher Nardo, President and CEO of Monument. Mr. Scovill stated, "This merger aligns with our strategic plan to enter attractive markets through acquisition by combining the strengths of two reputable, community banks that share a similar culture and common strategic vision. With a mission of creating value through lifelong relationships, values that keep us grounded and aligned with our local communities and a culture focused on our customers' success, C&N shares many similarities to Monument." He continued, "We believe this is a great fit and we are pleased to welcome the Monument team and customers to C&N as we work together to expand our presence in southeastern PA and beyond."

In the transaction, Monument shareholders will elect to receive either 1.0144 shares of C&N common stock or \$28.10 in cash for each share of Monument common stock owned, subject to proration to ensure that, overall, 20% of the Monument shares will be converted into cash and 80% of the Monument shares will be converted into C&N stock. Holders of Monument common stock prior to the consummation of the Merger will own approximately 9.4% of the Corporation's common stock outstanding immediately following the consummation of the Merger. In addition, the parties have agreed that Clark S. Frame, Chairman of the Board of Monument, will join the C&N board of directors.

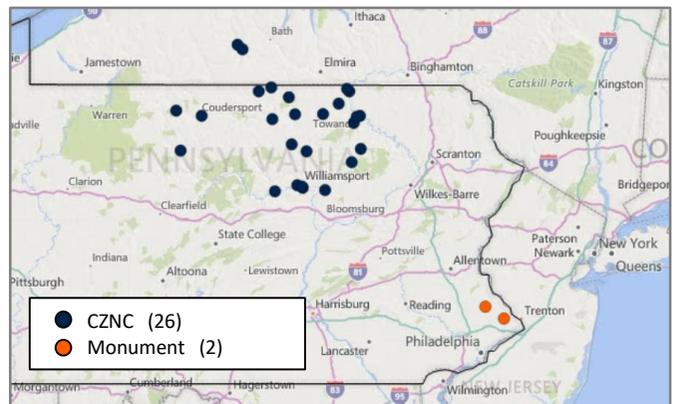
Clark Frame said, "The transaction is very positive for our shareholders, providing them with an attractive return on their investment in Monument, and an opportunity to create greater value in the years ahead." Chris Nardo added, "We believe the time is right for Monument to partner with a significant and growing bank like Citizens & Northern. This partnership will provide our local market teams with additional resources, such as Treasury Management, increased lending limits, and the latest in banking technology, which will enhance our ability to build relationships and deliver value to our customers and communities."

Financial Highlights

<i>Dollars in thousands</i>	CZNC	Monument Bank²
Total Assets	\$1,284,007	\$347,773
Net Loans	\$809,993	\$236,151
Total Deposits	\$1,040,899	\$236,007
Shareholders Equity	\$189,179	\$32,523
TCE/TA	13.93%	9.35%

1) Majority and minority transactions; Excludes terminated transactions and self-advisory roles
 2) Bank level financial data shown
 Note: Financial data as of June 30, 2018
 Source: S&P Global Market Intelligence, Company press release

Pro Forma Branch Map



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