



FOR IMMEDIATE RELEASE

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C.F.S. Declares Dividend 1/6/10

MANSFIELD, PA (January 2010)--At a meeting held on December 21, 2009, the corporate board of directors of Citizens Financial Services, Inc., holding company for First Citizens National Bank, agreed to award all employees of the company with shares of common stock. First Citizens continues to achieve record financial performance and outperform peer banks leading to a ranking of 7th in the state and 58th in the nation among community banks.

The Board authorized the bonus shares based on the company's outstanding financial performance. In addition, the company's stock price continues to appreciate and they have been able to consistently provide an attractive return to shareholders. The Board wanted all employees to have ownership in the company and benefit from the stock's performance.

"We could not have achieved such strong financial performance over these past several years without the commitment and dedication of our employees," stated Randall E. Black, CEO and President. "Performance-based incentive programs are already part of the employee benefits here at First Citizens. This additional stock bonus is the Board's way of recognizing employee contribution to our success during a time of great economic turbulence in our nation".

The company's stock is traded on the Over-the-Counter Bulletin Board under the symbol "CZFS." For more information on the financial performance of Citizens Financial Services, Inc. and First Citizens National Bank, visit the bank's website at firstcitizensbank.com or the Securities and Exchange Commission website at SEC.gov.

First Citizens National Bank, headquartered in Mansfield, has offices in Blossburg, Ulysses, Genesee, Sayre, Wellsboro, Troy, Canton, Gillett, StateLine, LeRaysville, Towanda, and Wellsville, New York, as well as two in-store offices located in the Mansfield Wal-Mart and Wellsboro Weis Markets. For more information on First Citizens National Bank, contact the community office nearest you or visit www.firstcitizensbank.com.

Note: This press release may contain forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. Actual results and trends could differ materially from those set forth in such statements due to various factors. These factors include operating, legal and regulatory risks; changing economic and competitive conditions and other risks and uncertainties.