

## FOR IMMEDIATE RELEASE

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### **CITIZENS FINANCIAL SERVICES, INC. DECLARES QUARTERLY AND ONE-TIME SPECIAL CASH DIVIDEND**

MANSFIELD, PENNSYLVANIA— The Board of Directors of Citizens Financial Services, Inc. (CZFS) the bank holding company for First Citizens Community Bank, recently declared a cash dividend for CZFS shareholders.

The regular, quarterly cash dividend of \$.40 per share is payable on September 26, 2014 to shareholders of record on September 19, 2014. This quarterly cash dividend is an increase of 40.4% over the quarterly cash dividend declared a year ago. Additionally, due to the continued outstanding financial performance, the Board of Directors has also declared a **one-time**, special cash dividend of \$.60 per share. The special **one-time** cash dividend is also payable on September 26, 2014, to those shareholders of record on September 19, 2014.

“Our sustained outstanding financial performance and strong capital position has permitted us to increase our regular dividend as well as pay this one-time special dividend. Our attractive dividend payment reflects the Board of Directors’ desire to continue to provide total shareholder return to our shareholder base,” stated Randall E. Black, CEO and President.

Citizens Financial Services, Inc. is a \$914 million bank holding company conducting business through First Citizens Community Bank. First Citizens Community Bank operates 17 full-service offices in Pennsylvania and New York as well as two loan production offices in Lock Haven, and Dallas, PA.

For further information regarding the stock of Citizens Financial Services, Inc., please contact any of the following firms: Automated Trading Desk, 866-283-2831; Boenning & Scattergood, Inc., 800-842-8928; Keefe, Bruyette & Woods, Inc., 800-342-5529; Monroe Securities Inc., 800-766-5560; Pershing LLC, 201-413-2700; RBC Capital Markets Corp., 800-959-5951; Sandler O’Neill & Partners, 212-466-8020; Stifel, Nicolaus & Co., Inc., 973-549-4200; UBS Securities, LLC, 203-719-8710.

*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.*

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