FOR IMMEDIATE RELEASE

CONTACT: Kathleen Campbell

Senior Vice President, Marketing

15 S. Main Street Mansfield, PA 16933 570-662-0422 570-662-8512 (fax)

July 5, 2011

CITIZENS FINANCIAL SERVICES, INC. DECLARES QUARTERLY DIVIDEND

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

The cash dividend of \$.265 per share, along with a 1% stock dividend, is payable on July 29, 2011 to shareholders of record as of July 15, 2011. This quarterly cash dividend is an increase of 3.9% over the dividend declared a year ago.

Citizens Financial Services, Inc. is a \$850 million bank holding company conducting business through First Citizens National Bank. First Citizens National Bank operates 17 full-service offices in Pennsylvania and New York.

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.