

Welcome Shareholders

2007 Annual Meeting

Ephrata National Bank



Annual Meeting Agenda

- **Reading of the notice from the cover letter of the Proxy Statement**
 - **To establish the number of directors at ten**
 - **Elect directors**
 - **Other**
- **Reading of the affidavit of mailing**
- **Statement regarding a quorum**

Directors for 2007-2008

- **Paul W. Brubaker**
- **James C. Gibbel**
- **Aaron L. Groff, Jr.**
- **Willis R. Lefever**
- **Donald Z. Musser**
- **Bonnie R. Sharp**
- **J. Harold Summers**
- **Walter K. Trumbauer**
- **Paul M. Zimmerman, Jr.**
- **Thomas H. Zinn**

Voting Process

- **Proxy Holders**
 - Robert L. Bensing
 - Janice S. Eaby
 - John H. Shuey

- **Judges of Election**
 - Richard H. Binner
 - Roger S. Kline
 - William M. Rohrbach

President's Remarks

Aaron L. Groff, Jr.

“By far the best proof is experience.”

– Sir Francis Bacon

Executive Team

- **Aaron L. Groff, Jr.**
Chairman of the Board, President and CEO
- **Paul W. Brubaker**
Executive VP, Corporate Secretary
- **Dale G. Burkholder**
Sr. VP Lending, Sr. Loan Officer
- **Richard K. Dieterle, Jr.**
Sr. VP, Money Management Group
- **Barry W. Harting**
Sr. VP, Administrative Services
- **Scott E. Lied**
Sr. VP, CFO
- **Paul W. Wenger**
Sr. VP of Operations

Reflection and Insight

- 1. Solid roots in the community**
- 2. A guiding vision**
- 3. Building the foundation for success**
- 4. Moving out into the community**
- 5. A distinguished line of leaders**

Strategic Initiatives

- 1. Grow Money Management Group**
- 2. Grow loans and boost yield**
- 3. Coordinate branching strategies to sustain core deposit growth**
- 4. Develop customer relationship management**
- 5. Establish performance measurement**
- 6. Create succession plan**
- 7. Evaluate the formation of a holding company**

Financial Performance

Scott E. Lied

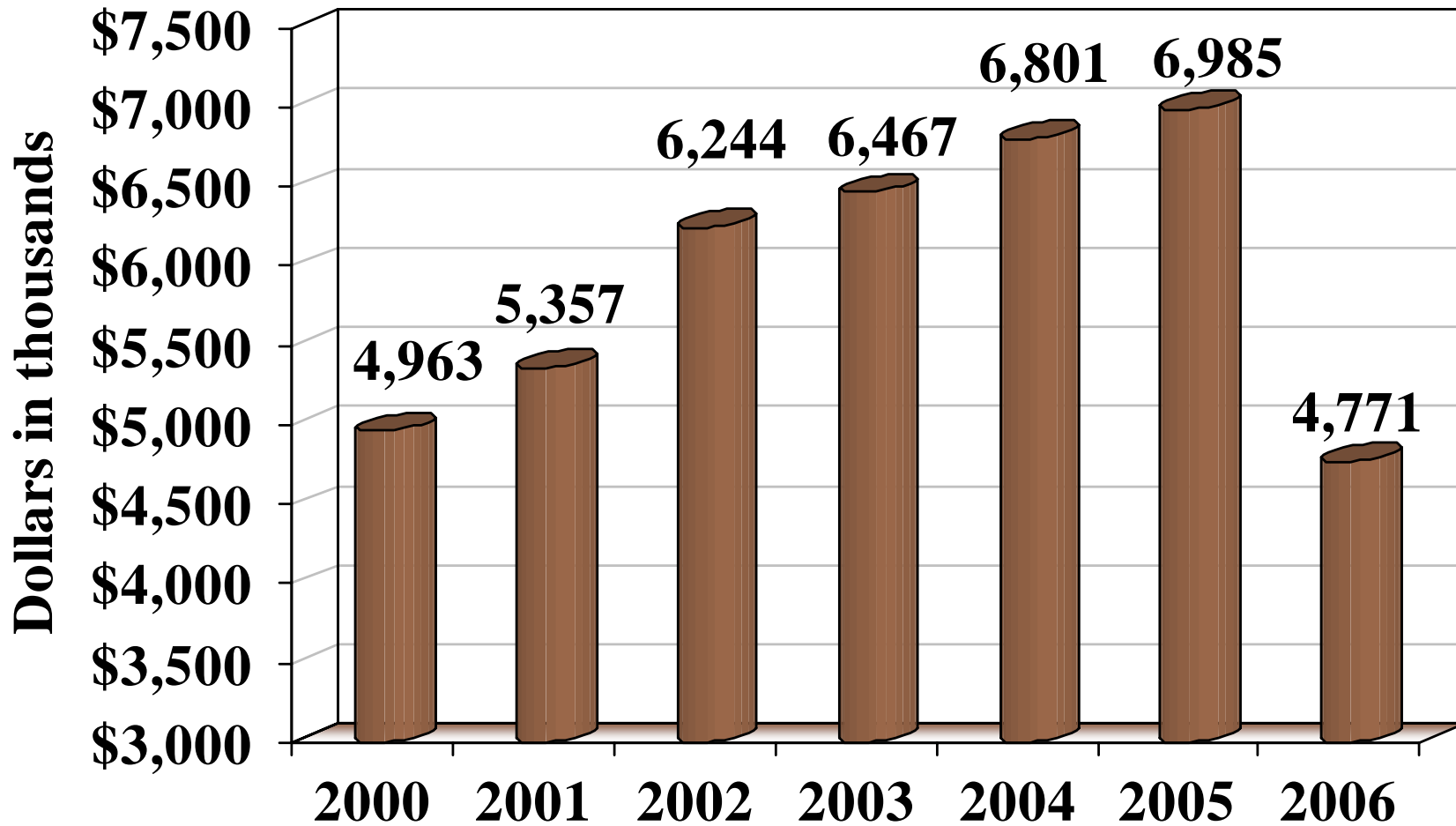
*“Management is doing things right;
leadership is doing the right things.”*

– Peter F. Drucker

Disclosures

- **Unaudited Financial Information**
 - **Some of the following slides do present financial information that is unaudited; therefore, this information is subject to adjustments that could be necessary upon completion of the annual audit.**
- **Forward Looking Statements**
 - **Some of the material and/or language used in this presentation would be considered as a forward looking statement. Management is not obligated to update these forward looking statements.**

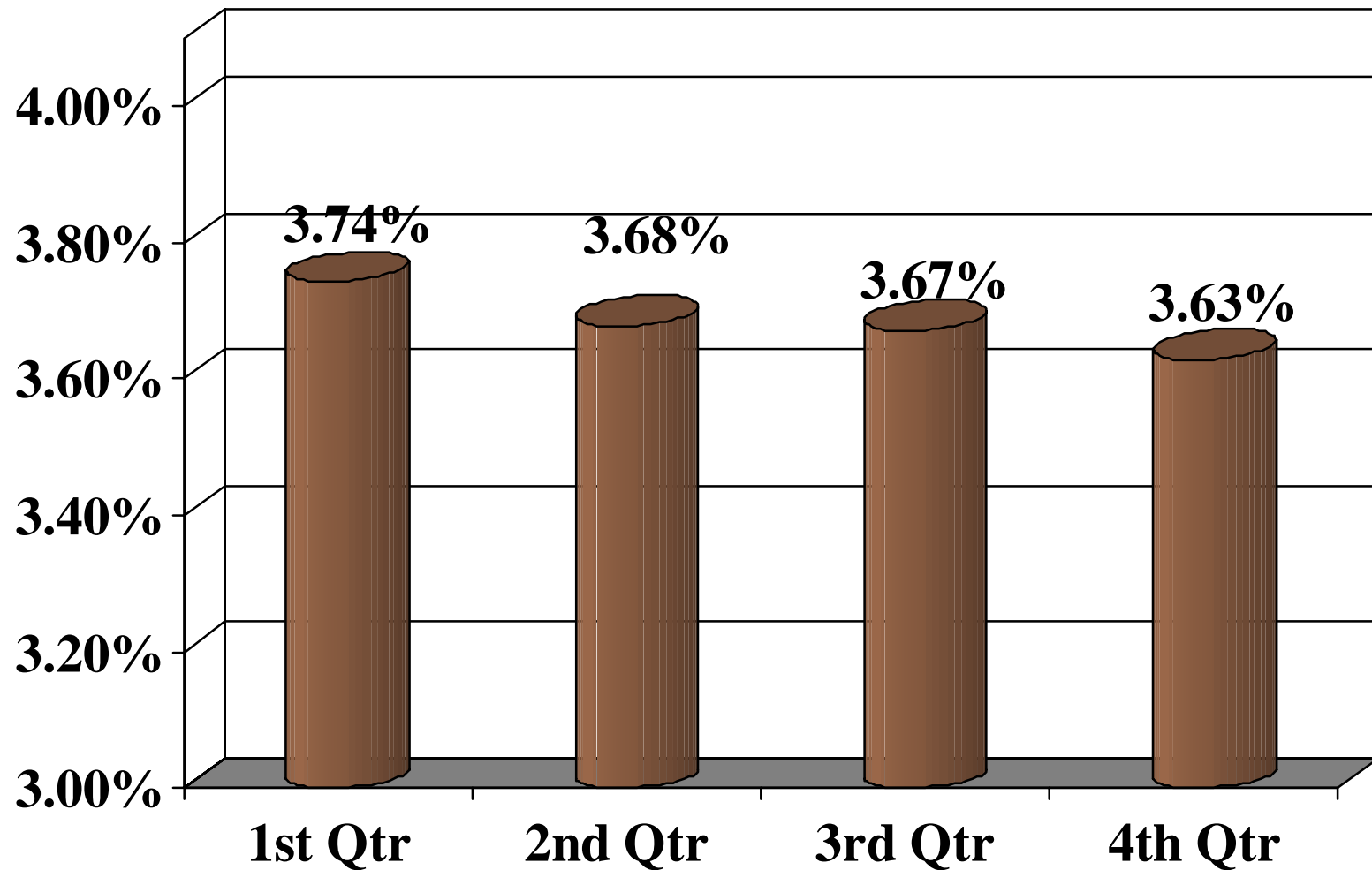
Net Income



Significant Items

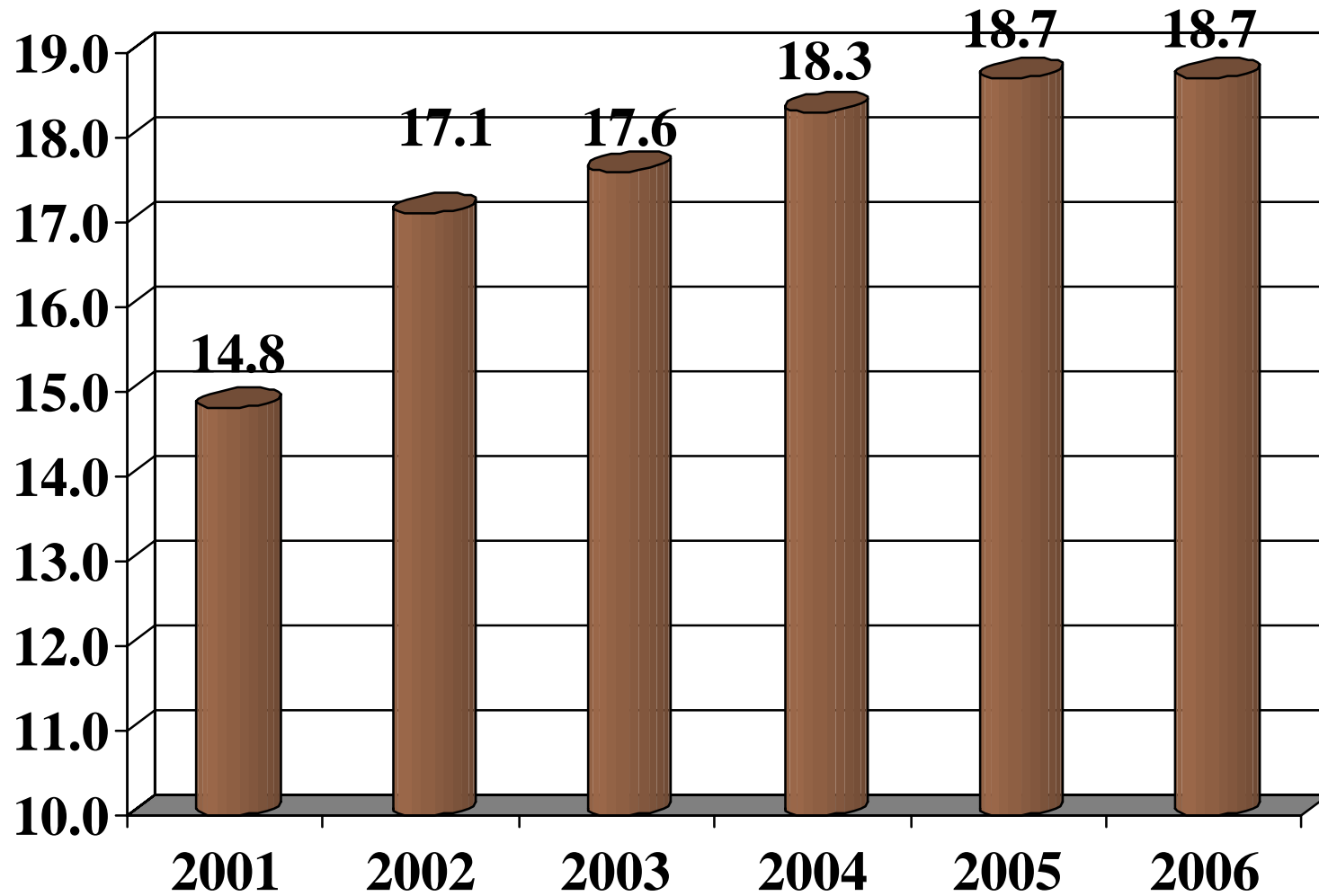
- **Declining net interest margin**
- **Higher operating expenses**
- **Higher net charge-offs**
- **Impairment on securities**

Net Interest Margin

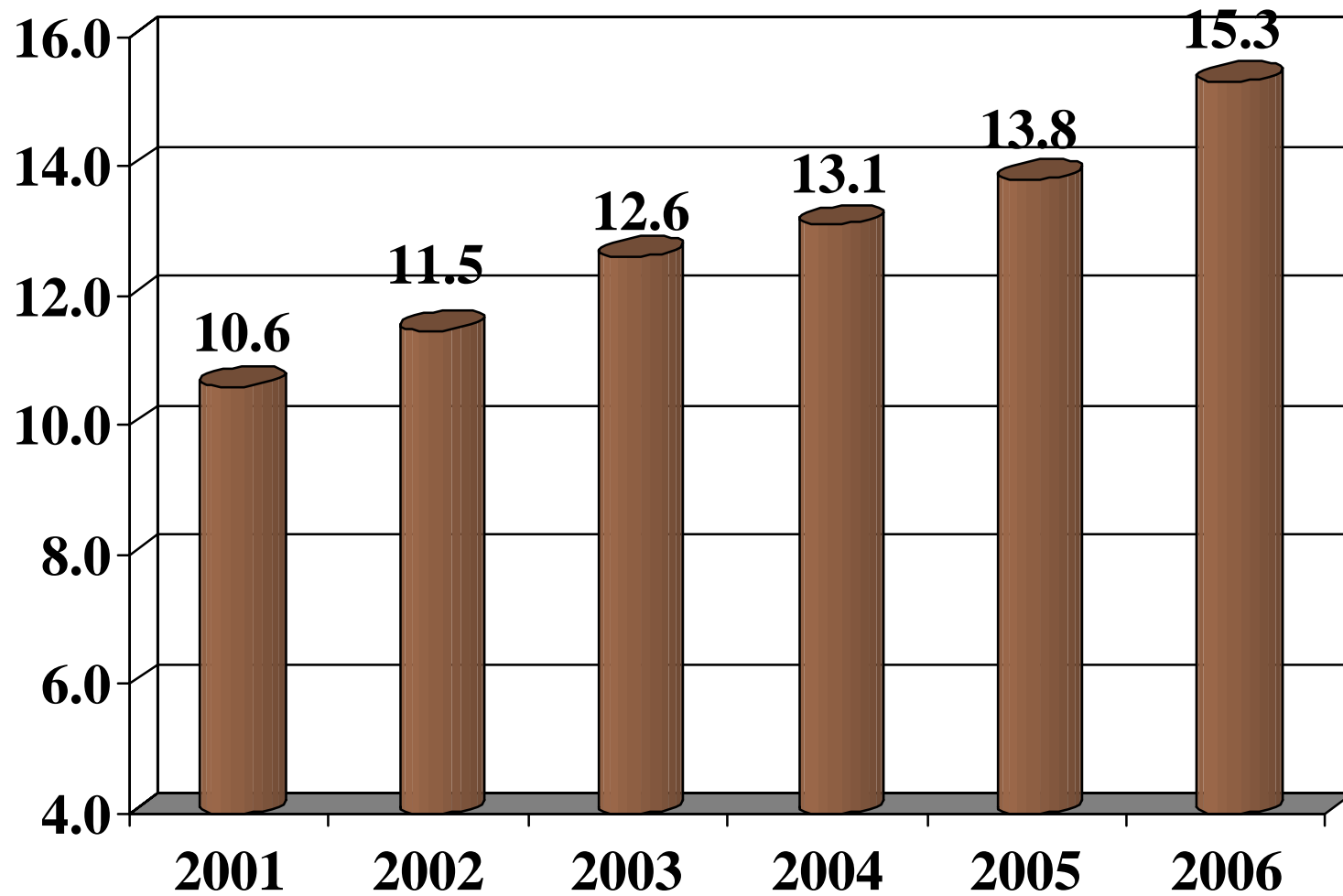


Annualized quarterly net interest margin

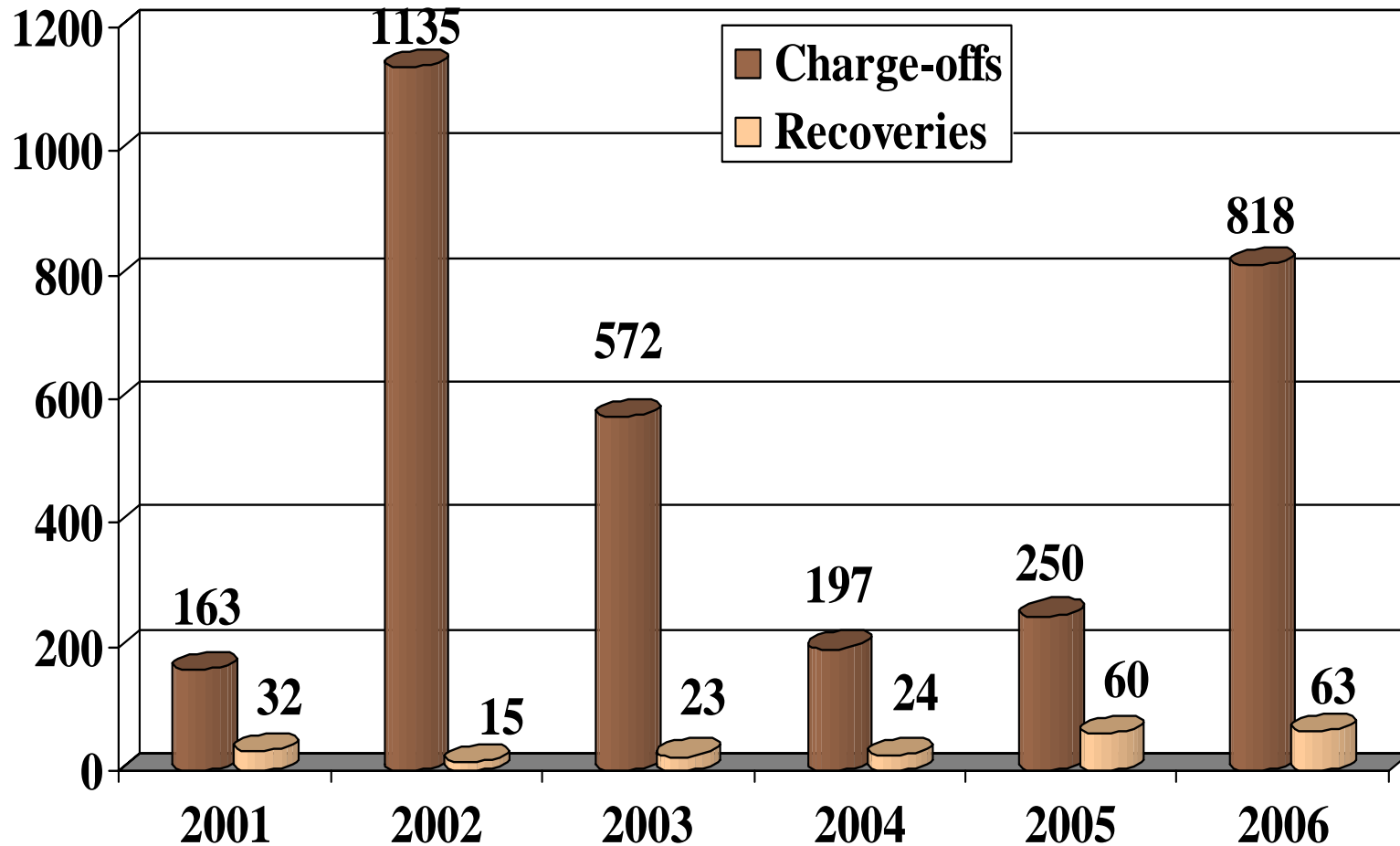
Net Interest Income



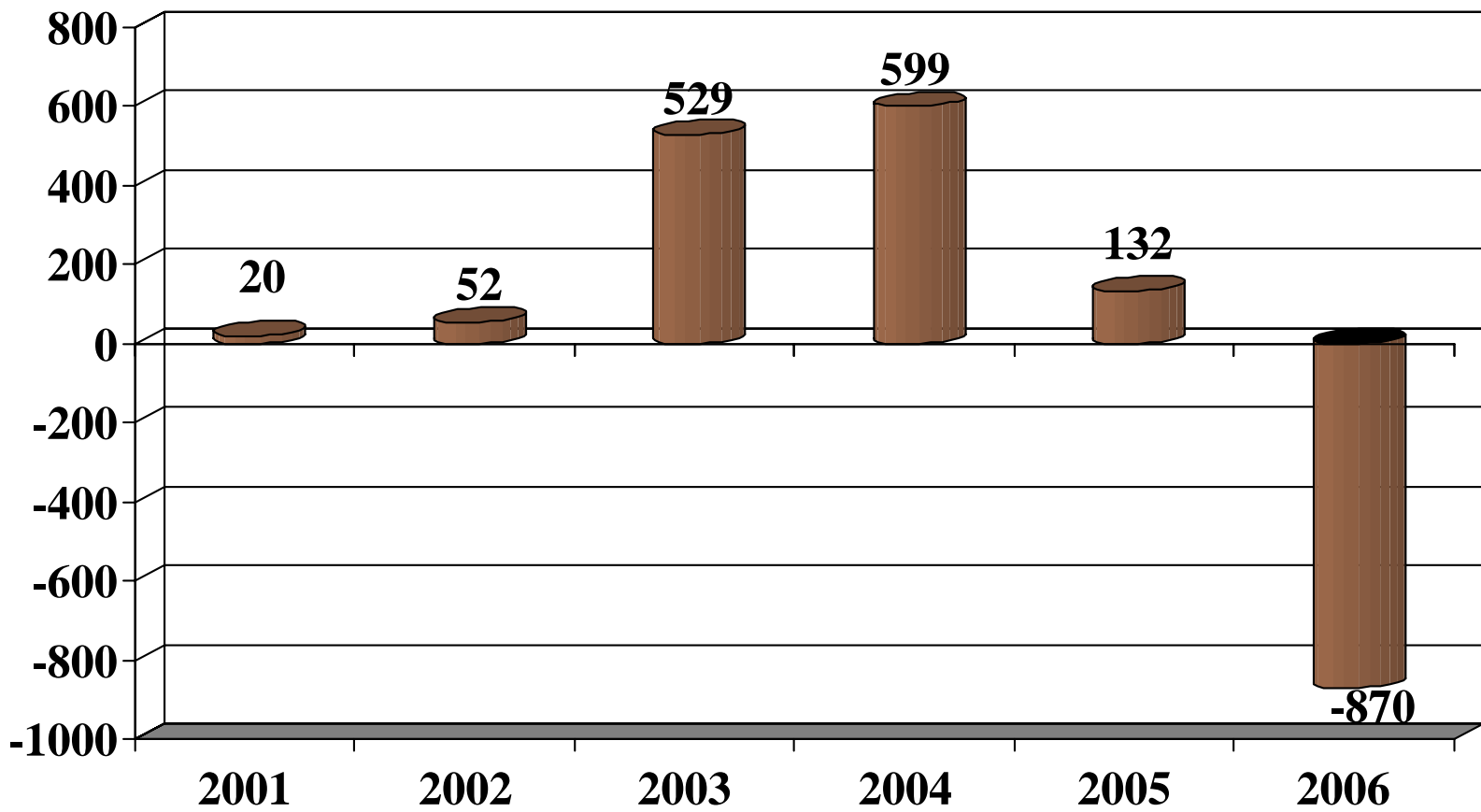
Operating Expenses



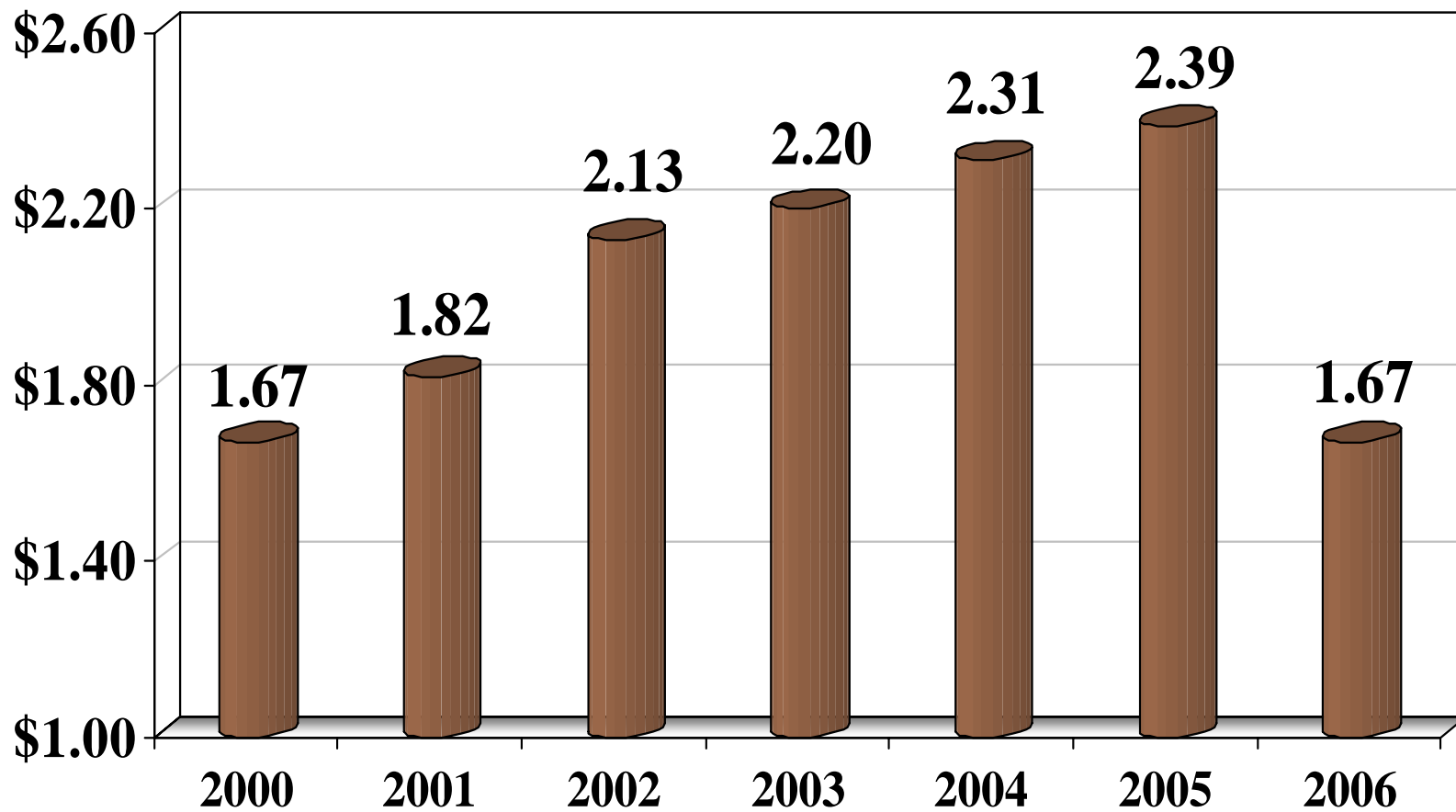
Charge-offs & Recoveries



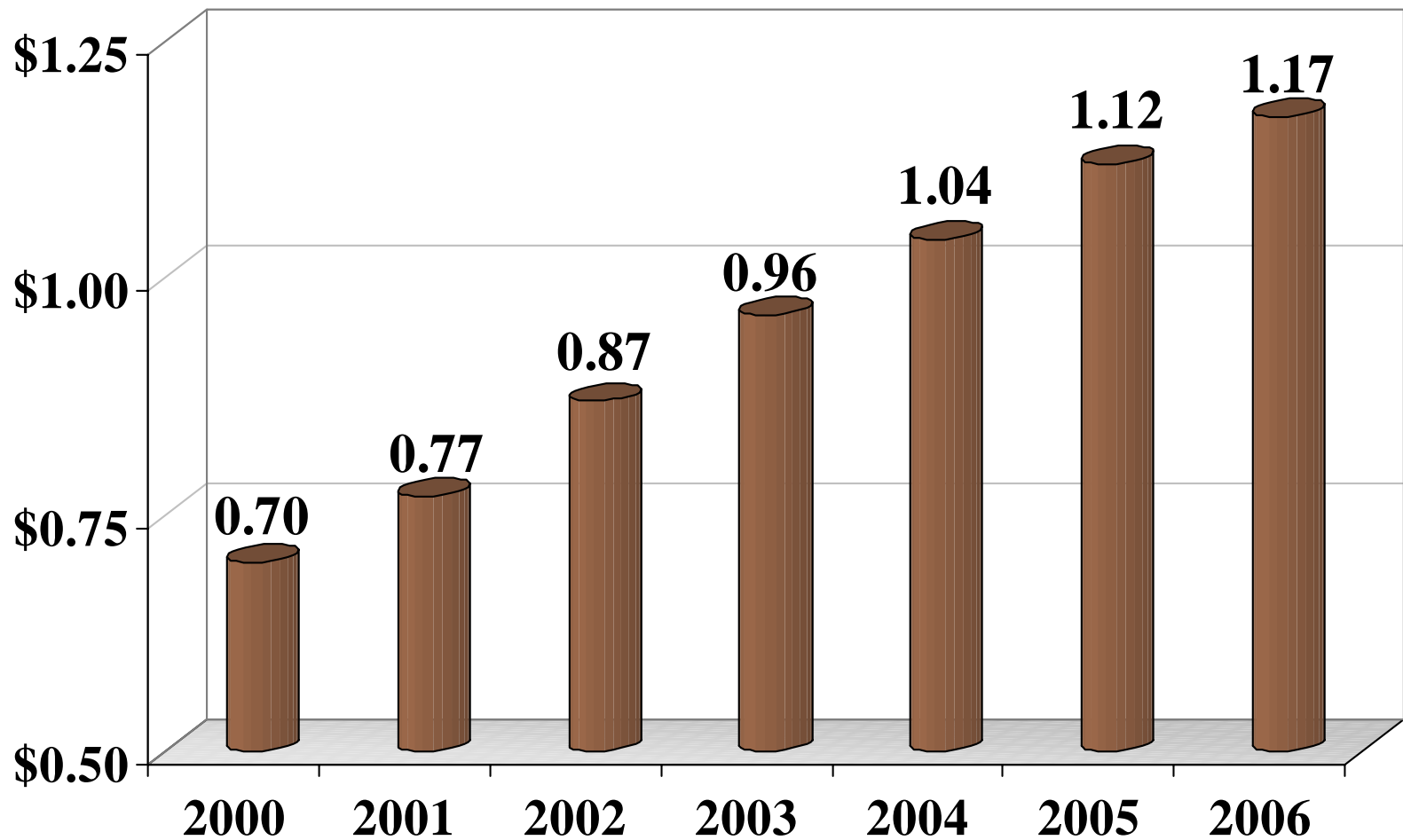
Gain/Loss on Securities



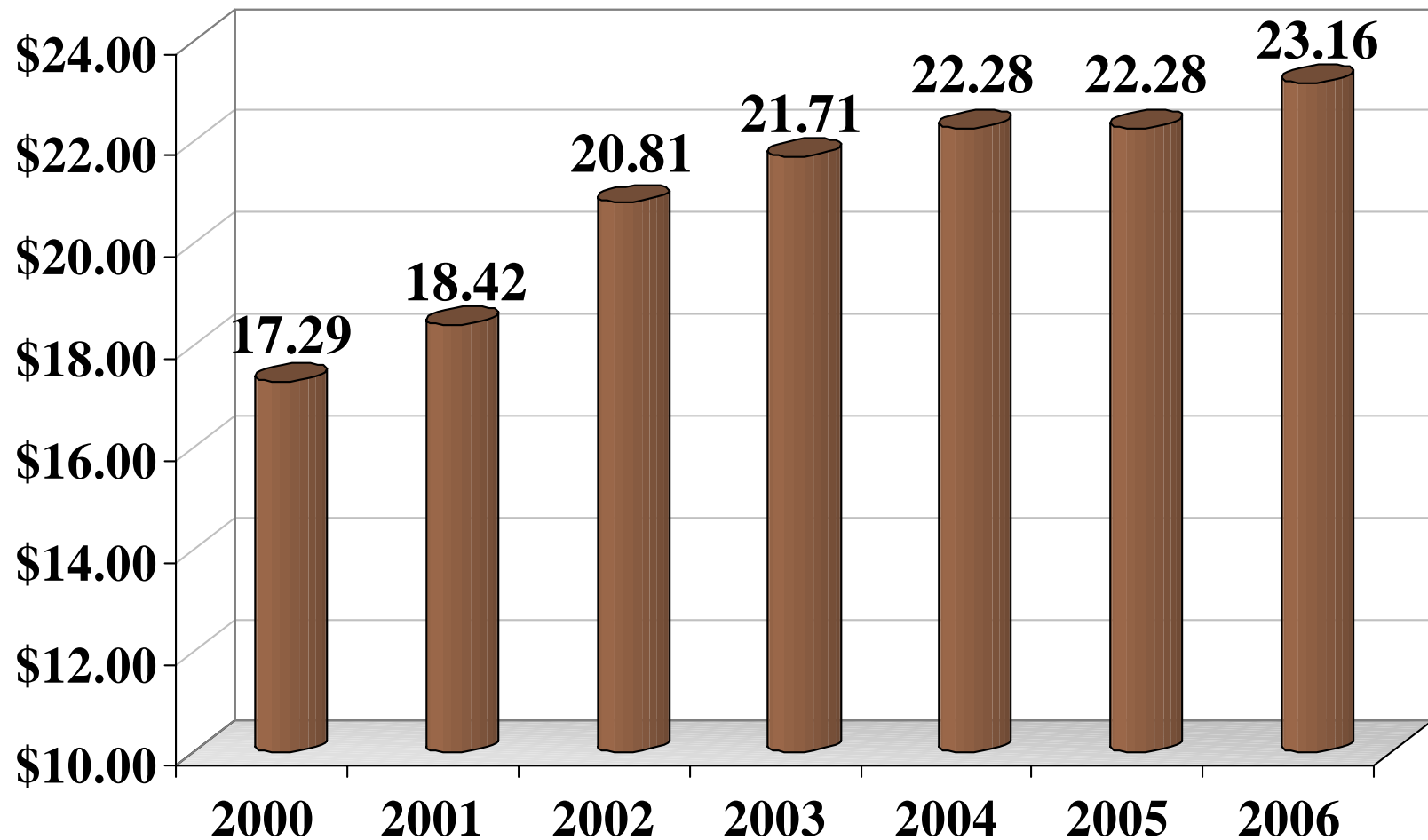
Earnings Per Share



Dividends Per Share



Book Value Per Share



First Quarter 2007

- **Net income \$682,000; 59.7% reduction**

“Progress lies not in enhancing what is, but in advancing toward what will be.” – Kahlil Gibran

**Questions or
Comments**

Results of Voting

- **To establish the number of directors at ten**
- **To elect the directors**

Thank You Shareholders

Our Mission

To remain an independent community bank of undisputed integrity, serving the communities of northern Lancaster County and beyond. To offer state-of-the-art financial products and services of high quality and value at an affordable price. To provide unsurpassed personal service, delivered by a highly dedicated professional team.