

A HISTORY OF INDEPENDENCE. EYES TO THE HORIZON.

20
10
ANNUAL
REVIEW



LOOKING BOLDLY TO THE FUTURE, THE HORIZON IS BRIGHT FOR
ACNB CORPORATION AND ITS WHOLLY-OWNED SUBSIDIARIES OF ACNB BANK AND
RUSSELL INSURANCE GROUP, INC.

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SHAREHOLDER INFORMATION

ANNUAL MEETING

The 2011 Annual Meeting of Shareholders for ACNB Corporation will be held on Tuesday, May 3, at 1:00 p.m. at the ACNB Corporation Operations Center, 100 V-Twin Drive, Gettysburg, PA. All proxy and other materials for the Annual Meeting are available on the Internet at acnb.com under ACNB Corporation Investor Relations.

ANNUAL REPORT ON FORM 10-K

A copy of ACNB Corporation's Annual Report on Form 10-K, as filed with the Securities and Exchange Commission, may be obtained, without charge, by contacting:

Lynda L. Glass
Executive Vice President & Secretary
ACNB Corporation
PO Box 3129
Gettysburg, PA 17325
717.339.5085

The Annual Report and other Corporation reports are also filed electronically through the Electronic Data Gathering, Analysis and Retrieval System (EDGAR), which performs automated collection, validation, indexing, acceptance and forwarding of submissions to the Securities and Exchange Commission and is accessible by the public using the Internet at www.sec.gov/edgar.shtml.

TRANSFER AGENT, REGISTRAR AND DIVIDEND DISBURSING AGENT

Registrar and Transfer Company
10 Commerce Drive
Cranford, NJ 07016
www.rtc.com

For shareholder inquiries or information regarding the ACNB Corporation Dividend Reinvestment and Stock Purchase Plan, call Registrar and Transfer Company toll free at 1.800.368.5948.

MARKET MAKERS

Boening & Scattergood, Inc.
West Conshohocken, PA
610.832.1212/1.800.883.1212

Janney Montgomery Scott LLC
York, PA
717.779.2720/1.800.999.0503

LOCAL BROKERS

Morgan Stanley Smith Barney LLC
Gettysburg, PA
717.334.9101/1.800.344.3828

Wells Fargo Advisors, LLC
Hanover, PA
717.637.3817/1.800.242.1331

FINANCIAL HIGHLIGHTS

FOR THE YEAR	2010	2009	2008
Net interest income	\$35,017,000	\$32,252,000	\$29,024,000
Net income	8,419,000	7,219,000	6,744,000
Cash dividends paid	4,506,000	4,512,000	4,550,000

PER SHARE STATISTICS			
Basic earnings	\$ 1.42	\$ 1.22	\$ 1.13
Cash dividends paid	0.76	0.76	0.76
Book value (year-end)	15.81	14.90	14.18

AT YEAR-END			
Total assets	\$968,667,000	\$961,904,000	\$976,679,000
Total loans	665,291,000	644,687,000	637,723,000
Total deposits	746,526,000	728,523,000	690,297,000
Total stockholders' equity	93,754,000	88,303,000	84,439,000

KEY RATIOS			
Return on average equity	9.15%	8.34%	7.96%
Return on average assets	0.86%	0.75%	0.72%
Dividend payout	53.52%	62.50%	67.47%
Average stockholders' equity to average assets	9.40%	8.99%	9.10%

BUSINESS PROFILE

ACNB Corporation, headquartered in Gettysburg, PA, is the financial holding company for the wholly-owned subsidiaries of ACNB Bank, Gettysburg, PA, and Russell Insurance Group, Inc., Westminster, MD.

Through its banking subsidiary of ACNB Bank, ACNB Corporation provides a wide array of consumer, commercial and fiduciary services to fulfill the financial needs of individuals, businesses, public entities, and community organizations in its trading area. Originally founded in 1857, ACNB Bank serves its marketplace as of December 31, 2010, via a network of 19 retail banking offices located throughout Adams County, PA, as well as in Dillsburg and Hanover, York County, PA, and in Newville, Cumberland County, PA. In addition, the Bank operates loan offices in Hanover, York County, and Chambersburg, Franklin County, PA.

Russell Insurance Group, Inc., the insurance subsidiary of ACNB Corporation, offers a broad range of commercial and personal insurance lines through licenses in 36 states, including Maryland and Pennsylvania. This full-service insurance agency has office locations in Westminster, Carroll County, MD, and Germantown, Montgomery County, MD.

REPORT TO SHAREHOLDERS

In 2010, ACNB Corporation worked hard to increase earnings, fortify capital, and pay a consistent dividend to shareholders. This was accomplished despite the difficult economic environment characterized by continued low interest rates, lingering high unemployment, weak housing demand, and ongoing recessionary pressures. There was determination and resolve in the Corporation's focus on the fundamentals of earnings, capital, dividends, liquidity, as well as organizational safety and soundness. This is not a new focus, but one born of more than 150 years of independence.

ACNB CORPORATION FINANCIAL PERFORMANCE

ACNB Corporation's net income for the year ended December 31, 2010, was \$8,419,000, or \$1.42 per share. In comparison to 2009, this is an increase of \$1,200,000, or 17%. Net income for the year ended December 31, 2009, was \$7,219,000, or \$1.22 per share. The most significant component of the Corporation's net income is net interest income, which was the primary driver for the increase in ACNB Corporation profitability during 2010.

Net interest income is the income derived from the interest earned on loans and investments, less the interest paid on deposits and borrowings, through the Corporation's banking subsidiary, ACNB Bank. Net interest income attained a record level, once again, in 2010. ACNB Corporation reported \$35,017,000 in net interest income for the year ended December 31, 2010, which is an increase of \$2,765,000, or 9%, compared to \$32,252,000 for the year ended December 31, 2009. The rise in net interest income for 2010 is a direct result of the expansion of the net interest margin with the reduction in interest expense exceeding the reduction in interest income, both of which are due to the low interest rate environment for new and repriced deposits and loans.

The Corporation's earnings were also impacted by the increase in the provision for loan losses. Due to continued stresses in the local economy affecting the ability of loan customers to repay loans, \$6,410,000 was provisioned in 2010 to fund and strengthen the allowance for loan losses, which is the reserve set aside for potential loan losses. In comparison to the prior year, the provision for loan losses charged against earnings was \$4,750,000 in 2009. Overall asset quality concerns due to the slow economic recovery and an increase in non-performing assets were the determining factors in fortifying the allowance for loan losses, which stood at \$15,252,000 as of December 31, 2010. The resulting ratio of the allowance for loan losses to total loans was 2.29% as of this same date — a ratio greater than that of peers, but which ACNB Corporation believes to be judicious given today's banking scenario.

Other income rose by 4% to \$12,172,000 at year-end 2010, as compared to \$11,703,000 at the end of 2009. The largest source of other income for ACNB Corporation is commissions from insurance sales at the insurance subsidiary of Russell Insurance Group, Inc., which decreased by 10% to \$4,949,000 for the year ended December 31, 2010. This decline was due to reduced insurance volume in the economic downturn, increased competition, a soft insurance market with lower premiums, and lesser contingency fee income, all of which were predominantly experienced in the commercial sector of the business. Additional sources of other income compensated for the decrease in the insurance subsidiary revenue with increases in fee income from ACNB Bank's trust and retail operations, as well as one-time gains on assets.

Other expenses fell by 1% to a total of \$30,303,000 for the year ended December 31, 2010, compared to \$30,629,000 for the year ended December 31, 2009. This decline was a result of a concerted effort throughout the organization to manage expenses without jeopardizing long-term infrastructure needs. The largest component of other expenses is salaries and employee benefits, which decreased by 2% to \$17,318,000 for the year of 2010. The contributing factors to this decrease include the reduced defined benefit retirement plan expense at ACNB Bank due to a modification in the benefit formula calculation effective January 1, 2010, and lower production-based commissions and incentives paid in 2010. The Corporation also benefited from expense reductions in net occupancy, as well as FDIC insurance premiums which are still elevated from periods prior to 2009 due to the need to restore the Deposit Insurance Fund for the protection of depositors' accounts at failed financial institutions during the recession. Expenses related to equipment, marketing, and professional services all rose from 2009 to 2010 as the Corporation invested in technology infrastructure and strategic initiatives.

The key financial performance ratios of return on average assets and return on average equity for 2010 exhibited improvement over 2009. Specifically, the Corporation's return on average assets was 0.86% for 2010 and was 0.75% for 2009. The return on average equity was 9.15% for 2010 and was 8.34% for 2009.

ACNB Corporation's assets increased slightly from \$962 million at December 31, 2009, to \$969 million at December 31, 2010. Total deposits grew by 2% over the prior year to \$747 million at year-end 2010. Total loans, which continued to be impacted by poor economic conditions, low consumer confidence, and a slack loan demand in 2010, rose by 3% to \$665 million at December 31, 2010, compared to \$645 million at December 31, 2009. This increase was meaningful considering the volume of loans in the portfolio that paid down or paid off in 2010, as consumers and businesses sought to reduce debt levels in the tight economy. And, lastly, a 6% rise in stockholders' equity resulted in an aggregate of \$93.8 million at year-end 2010, in comparison to \$88.3 million at the end of the prior year.

DIVIDENDS TO SHAREHOLDERS

Despite the challenges in the financial services industry due to the unsure economy and operating environment, ACNB Corporation furthered its long history of paying dividends to its shareholders. A cash dividend of \$0.19 per share was paid in each quarter of 2010 — the same as in 2009 and 2008. In total, \$4,506,000, or \$0.76 per share, was approved by the ACNB Corporation Board of Directors and paid to shareholders in 2010 for a dividend payout ratio of 53.52%.

ACNB CORPORATION INITIATIVES

Effective December 20, 2010, ACNB Corporation common stock was listed and began trading on The NASDAQ Capital Market. This transition from the Over The Counter Bulletin Board was a significant step in the growth of the Corporation. The listing on NASDAQ has the potential to increase liquidity for shareholders, provide greater access to the capital markets for future growth, and expand the base of future shareholders of ACNB Corporation common stock.

On January 24, 2011, the ACNB Corporation Dividend Reinvestment and Stock Purchase Plan was introduced for registered shareholders of ACNB Corporation common stock. This plan offers shareholders the opportunity to purchase additional shares of the Corporation's common stock through the automatic

reinvestment of cash dividends and voluntary cash payments on a quarterly basis. The benefit to the registered shareholders who elect to participate in the plan includes the convenience of the acquisition of additional shares of ACNB Corporation common stock, as well as the ability to do so without paying service fees or brokerage commissions.

ACNB BANK

The most notable milestone for the Bank in 2010 was the conversion of Adams County National Bank from a national banking association to a Pennsylvania state-chartered bank and trust company — resulting in ACNB Corporation's banking subsidiary now being ACNB Bank. The Bank's charter conversion, effective October 4, 2010, was a deliberate and strategic decision which also required the removal of the word "National" from the name of the Bank. It is our belief that a state bank charter serves the needs of a community bank more effectively with a better understanding of the environment in which the Bank operates. Further, the name of Adams County National Bank no longer served the Bank well as expansion continued outside of Adams County. Plus, the brand name of ACNB Bank is now consistent with the financial holding company name of ACNB Corporation and its stock symbol of ACNB.

The Bank's rebranding, however, did not change the steadfast responsibility to the core principle of community banking. Our long history of independence is built upon the mission of the Bank to reinvest depositors' dollars in loans to others in the community. This endeavor occurs every business day at ACNB Bank with the goal of loan growth driving asset growth. In 2010, asset quality was again a high priority due to economic conditions and the financial impact on the Bank's borrowers. The risk in the Bank's loan portfolio is carefully managed and monitored based upon prudent underwriting standards for the protection of depositors and shareholders alike.

Today's banking and regulatory environments necessitate an emphasis on capital as the basis of organizational strength and sustainability. At ACNB Bank, the primary capital ratios were further enhanced and fortified in 2010. The total risk-based capital ratio at year-end 2010 was 13.25%, exceeding the 10.00% requirement to be well capitalized under banking regulations. At the end of 2009 and 2008, this ratio was 13.11% and 12.78%, respectively. Improvement in the capital position of the Bank is predominantly a function of retained earnings, which is the amount of net income after the payment of dividends to the Corporation for issuance to ACNB Corporation shareholders.

TRUST & INVESTMENT SERVICES

ACNB Bank's Trust & Investment Services staff, once again, surpassed the prior year's income from fiduciary activities with \$1,303,000 earned for the year of 2010, versus \$1,057,000 for 2009. Assets under management reached a year-end high of \$152 million at December 31, 2010, which is an advance of 10% over \$138 million at December 31, 2009. This progress is a result of both new business development and increased asset values.

RUSSELL INSURANCE GROUP, INC.

The insurance subsidiary of Russell Insurance Group, Inc. was acquired in 2005, is headquartered in Westminster, Maryland, and is led by Frank C. Russell, Jr. who founded the full-service insurance agency in 1978. The financial market and economic turbulence since August 2007 has had a dampening effect on the insurance industry. Like the industry, Russell Insurance Group has been negatively impacted by a soft insurance market with lower premiums and by competitive forces, especially in the commercial lines of business. Coupled with greater recessionary pressures resulting in economic contractions in the Maryland markets, commissions from insurance sales decreased from \$5,484,000 for the year ended 2009 to \$4,949,000 for the year ended 2010. In response, Russell Insurance Group is controlling expenses and seeking new strategies for business expansion going forward.

THE BOARD OF DIRECTORS

On May 4, 2010, David L. Sites was elected to the Board of Directors of ACNB Corporation for a term of two years until 2012. Mr. Sites is Owner and Managing Partner of Realty Leasing & Management Co., a real estate development and holding company located in Gettysburg, Pennsylvania, and possesses over 30 years of experience in real estate sales, management and development. He brings to the boardroom table a broad scope of knowledge relative to this business sector and the greater Adams County and Hanover communities.

On this same day, ACNB Corporation lost a true friend with the death of Philip P. Asper. Mr. Asper first joined the Board of Directors of ACNB Corporation and the Bank in 1988. For more than 20 years, he served the organization faithfully and with genuine sincerity in his actions and deliberations. He is truly missed by our organization.

IN CLOSING

Planning for 2010 was far from predictable. Planning for 2011 was no different given the sustained low interest rate environment, the uncertainties of economic recovery, and the unknown magnitude of regulatory reform on the banking landscape. However, ACNB Corporation is defined by who we have been for more than 150 years, as well as who we will strive to be in the future. Our history of independence has proven worthy. It is also the foundation upon which we look to the horizon for steady growth and profitability. Our eyes are on the future with its great challenges and its great opportunities.

The continued loyalty and confidence of our Board of Directors, our shareholders, our customers, our employees and our communities provide the strength and stability supporting ACNB Corporation. The success of our endeavors reflects this commitment, for which we are grateful.



Ronald L. Hankey
Chairman



Thomas A. Ritter
President & Chief Executive Officer



Lynda L. Glass
Executive Vice President & Secretary

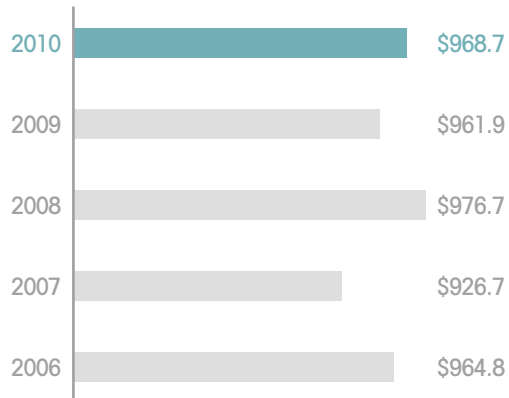


David W. Cathell
*Executive Vice President,
Treasurer & Chief Financial Officer*

FIVE-YEAR FINANCIAL OVERVIEW

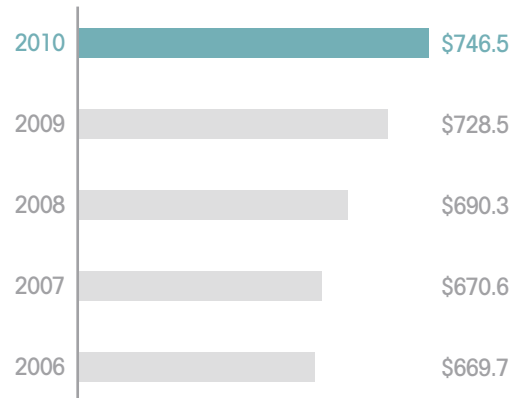
TOTAL ASSETS

In millions of dollars



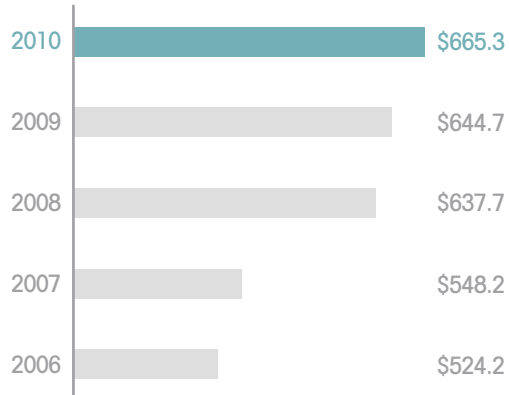
TOTAL DEPOSITS

In millions of dollars



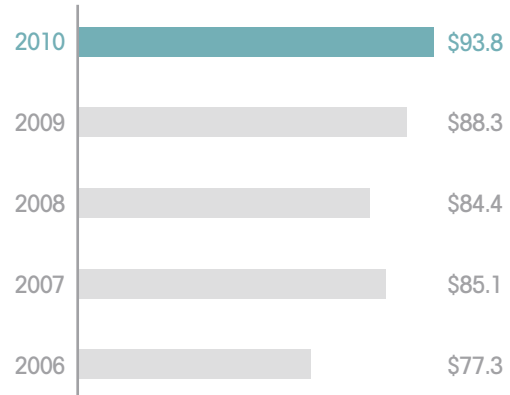
TOTAL LOANS

In millions of dollars



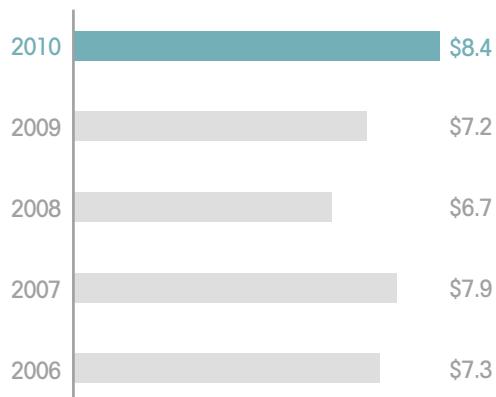
TOTAL STOCKHOLDERS' EQUITY

In millions of dollars



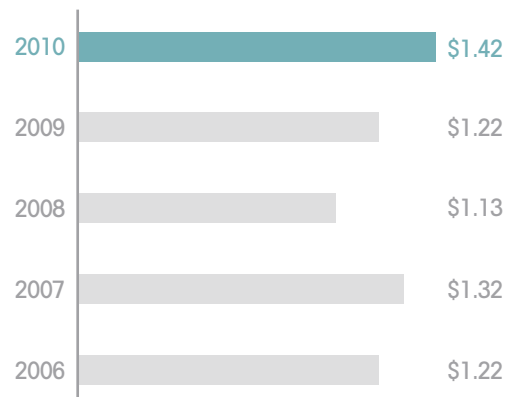
NET INCOME

In millions of dollars



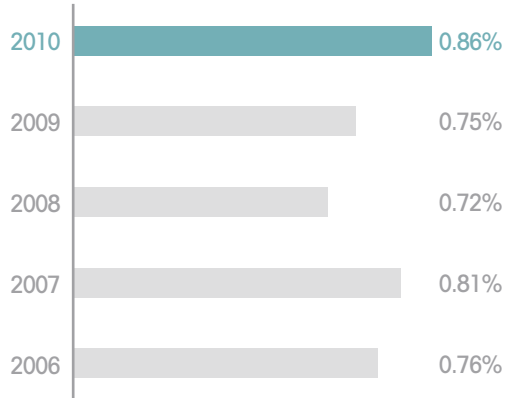
EARNINGS PER SHARE*

In dollars



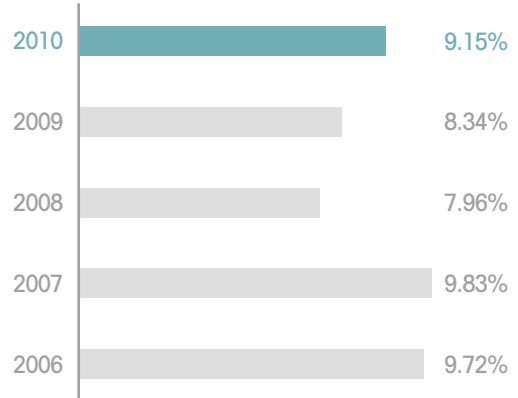
RETURN ON AVERAGE ASSETS

Percent



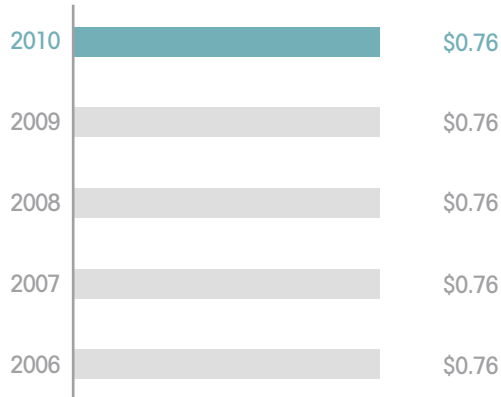
RETURN ON AVERAGE EQUITY

Percent



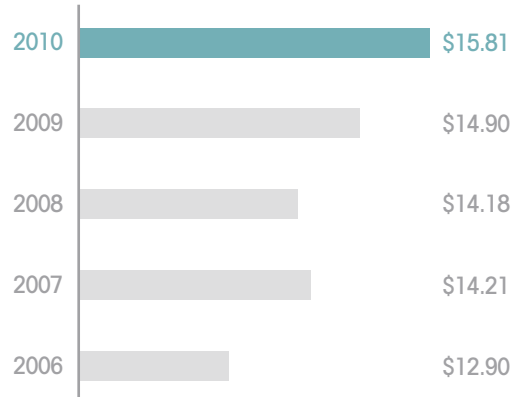
CASH DIVIDENDS PAID PER SHARE*

In dollars



BOOK VALUE PER SHARE*

In dollars



* As restated for the 5% common stock dividends distributed in December 2006 and 2007.

CONSOLIDATED STATEMENTS OF CONDITION

	DECEMBER 31	
	2010	2009
ASSETS <i>Dollars in thousands, except per share data</i>		
Cash and due from banks	\$ 14,091	\$ 17,875
Interest bearing deposits with banks	<u>10,082</u>	<u>6,263</u>
Cash and Cash Equivalents	24,173	24,138
Securities available for sale	190,730	209,872
Securities held to maturity (fair value \$10,671 in 2010 and \$10,334 in 2009)	10,044	10,057
Loans held for sale	3,068	145
Loans, net of allowance for loan losses (\$15,252 in 2010 and \$11,981 in 2009)	650,039	632,706
Premises and equipment	14,119	14,760
Restricted investment in bank stocks	8,420	9,170
Investment in bank-owned life insurance	27,443	26,408
Investments in low-income housing partnerships	4,124	4,391
Goodwill	5,972	5,972
Intangible assets	3,688	4,362
Foreclosed assets held for resale	7,859	6,046
Other assets	<u>18,988</u>	<u>13,877</u>
TOTAL ASSETS	<u>\$968,667</u>	<u>\$961,904</u>
LIABILITIES		
Deposits:		
Non-interest bearing	\$103,464	\$ 93,829
Interest bearing	<u>643,062</u>	<u>634,694</u>
TOTAL DEPOSITS	746,526	728,523
Short-term borrowings	39,086	55,291
Long-term borrowings	81,499	80,294
Other liabilities	<u>7,802</u>	<u>9,493</u>
TOTAL LIABILITIES	874,913	873,601
STOCKHOLDERS' EQUITY		
Common stock (par value \$2.50; 20,000,000 shares authorized; 5,990,943 shares issued; 5,928,343 shares outstanding for 2010 and 2009)	14,977	14,977
Treasury stock, at cost (62,600 shares in 2010 and 2009)	(728)	(728)
Additional paid-in capital	8,787	8,787
Retained earnings	69,536	65,623
Accumulated other comprehensive income (loss)	<u>1,182</u>	<u>(356)</u>
TOTAL STOCKHOLDERS' EQUITY	93,754	88,303
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$968,667</u>	<u>\$961,904</u>

See consolidated financial statements and accompanying notes presented in the Corporation's Annual Report on Form 10-K.

CONSOLIDATED STATEMENTS OF INCOME

	YEARS ENDED DECEMBER 31		
	2010	2009	2008
INTEREST INCOME <i>Dollars in thousands, except per share data</i>			
Loans, including fees	\$36,043	\$35,626	\$35,561
Securities:			
Taxable	7,181	8,620	10,286
Tax-exempt	1,308	1,488	1,790
Dividends	26	38	203
Other	82	40	81
TOTAL INTEREST INCOME	44,640	45,812	47,921
INTEREST EXPENSE			
Deposits	6,223	9,307	13,187
Short-term borrowings	119	331	714
Long-term borrowings	3,281	3,922	4,996
TOTAL INTEREST EXPENSE	9,623	13,560	18,897
NET INTEREST INCOME	35,017	32,252	29,024
PROVISION FOR LOAN LOSSES	6,410	4,750	5,570
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	28,607	27,502	23,454
OTHER INCOME			
Service charges on deposit accounts	2,415	2,402	2,284
Income from fiduciary activities	1,303	1,057	1,021
Earnings on investment in bank-owned life insurance	1,002	1,011	1,035
Gain on life insurance proceeds	78	—	—
Gains on sales of securities	72	17	159
Impairment charges on equity securities	—	(522)	—
Service charges on ATM and debit card transactions	1,124	1,002	950
Commissions from insurance sales	4,949	5,484	4,077
Other	1,229	1,252	912
TOTAL OTHER INCOME	12,172	11,703	10,438
OTHER EXPENSES			
Salaries and employee benefits	17,318	17,680	14,401
Net occupancy	2,197	2,281	2,186
Equipment	2,499	2,175	1,984
Professional services	1,116	860	944
Other tax	791	665	774
Supplies and postage	717	688	800
Marketing	458	430	933
FDIC and regulatory	1,434	1,958	303
Intangible assets amortization	641	638	430
Other operating	3,132	3,254	3,316
TOTAL OTHER EXPENSES	30,303	30,629	26,071
INCOME BEFORE INCOME TAXES	10,476	8,576	7,821
PROVISION FOR INCOME TAXES	2,057	1,357	1,077
NET INCOME	\$ 8,419	\$ 7,219	\$ 6,744
PER SHARE DATA			
Basic earnings	\$ 1.42	\$ 1.22	\$ 1.13
Cash dividends paid	\$ 0.76	\$ 0.76	\$ 0.76

BOARDS OF DIRECTORS

ACNB CORPORATION AND ACNB BANK BOARDS OF DIRECTORS

Frank Elsner, III
President, Chief Executive Officer & Treasurer
Elsner Engineering Works, Inc.
Vice Chairman
ACNB Corporation & ACNB Bank

Ronald L. Hankey
Chairman
ACNB Corporation & ACNB Bank

James J. Lott
President
Bonnie Brae Fruit Farms, Inc.

Robert W. Miller
Vice President
Miller, Brown, Ohm & Associates, P.C.

Daniel W. Potts
Director of Business Development
Global Financial Services
Capgemini

Thomas A. Ritter
President & Chief Executive Officer
ACNB Corporation & ACNB Bank

Marian B. Schultz
Dean School of Academic Programs & Services/Library & Multi-Media Services
Shippensburg University

David L. Sites
Owner & Managing Partner
Realty Leasing & Management Co.

Alan J. Stock
Owner
Eicholtz Company

Jennifer L. Weaver
Vice President
Gettysburg Campus
Harrisburg Area
Community College

Harry L. Wheeler
Proprietor
Wheeler Drywall

James E. Williams
President
C.E. Williams Sons, Inc.

ACNB BANK DIRECTORS EMERITI

D. Richard Guise

Edgar S. Heberlig

Wayne E. Lau

ACNB BANK HONORARY DIRECTORS

Dana P. Brandt
J. Thomas Derick
Guy F. Donaldson
Frank C. Egger

Richard L. Galusha
Philip M. Jones
William B. Lower
Mervin J. Morrison

W. Irvin Nelson
Ralph S. Sandoe
L. Robert Snyder

RUSSELL INSURANCE GROUP, INC. BOARD OF DIRECTORS

Lynda L. Glass
Ronald L. Hankey

Daniel W. Potts
Thomas A. Ritter

Frank C. Russell, Jr.

OFFICERS

ACNB CORPORATION

Ronald L. Hankey <i>Chairman</i>	Thomas A. Ritter <i>President & Chief Executive Officer</i>	Lynda L. Glass <i>Executive Vice President & Secretary</i>	David W. Cathell <i>Executive Vice President, Treasurer & Chief Financial Officer</i>
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ACNB BANK

Ronald L. Hankey <i>Chairman</i>	James P. Helt <i>Executive Vice President Banking Services</i>	John M. Kiehl <i>Senior Vice President & Chief Risk Officer</i>	Carl L. Ricker <i>Senior Vice President Retail Lending</i>
Thomas A. Ritter <i>President & Chief Executive Officer</i>	Sandra A. Deaner <i>Senior Vice President Human Resources</i>	Laurie A. Laub <i>Senior Vice President & Chief Credit Officer</i>	Douglas A. Seibel <i>Senior Vice President Commercial Lending</i>
David W. Cathell <i>Executive Vice President, Treasurer & Chief Financial Officer</i>	Paul H. Ketterman, Jr. <i>Senior Vice President & Senior Trust Officer</i>	Dorothy K. Puhl <i>Senior Vice President Information Systems</i>	Thomas R. Stone <i>Senior Vice President Retail Banking</i>
Lynda L. Glass <i>Executive Vice President, Secretary & Chief Operating Officer</i>			

First Vice Presidents

Karen B. Arthur Barry C. Dillman	Kathy S. Hansel L. John Hicks	Dennis R. Hollinger R. Mark Purdy
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Vice Presidents

Timothy A. Berwager Cara Lynn Clabaugh Wayne G. Crum David W. Deaner Michael D. Farley	Ryan A. Fox Stephen C. Hawbaker Leslie R. Horn Helen A. Jahn John E. Kashner	William D. Kough, Jr. Beth W. Lesko Scott A. Miller Jeffrey A. Pottorff Gary W. Rappoldt	Wendy D. Roth James E. Showvaker Debra T. Sites Rhonda L. Winterstein Merle J. Zehr
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Assistant Vice Presidents

Kevin L. Cook Kim D. Elmo Kimberly S. Flickinger Carolyn E. Groff Barbara D. Guise	Jane E. Gwyn Scott E. Hartlaub Nancy E. Helwig Ginny L. Huntsberry William A. Kauffman	Douglas R. Lindsay George F. Marguglio Celeste M. Miller Shelby L. Pentz Karen J. Redding	Susan M. Saylor Christine R. Settle Lisa A. Smith Tina M. Steckler
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RUSSELL INSURANCE GROUP, INC.

Frank C. Russell, Jr. <i>President & Chief Executive Officer</i>	Daniel J. Coughlin <i>Vice President</i>	David W. Cathell <i>Vice President & Treasurer</i>	Lynda L. Glass <i>Vice President & Secretary</i>
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OFFICE LOCATIONS

ACNB BANK

Arendtsville

*Arendtsville Office
101 Main Street
Arendtsville, PA 17303*

Bendersville

*Bendersville Office
101 North Main Street
Bendersville, PA 17306*

Biglerville

*Biglerville Office
3459 Biglerville Road
Biglerville, PA 17307*

Cashtown

*Franklin Township Drive-Up
10 High Street
Cashtown, PA 17310*

Chambersburg

*Chambersburg Loan Office
946 Lincoln Way East
Chambersburg, PA 17201*

Dillsburg

*Dillsburg Office
3 Tristan Drive
Dillsburg, PA 17019*

East Berlin

*East Berlin Office
1677 Route 194 North
East Berlin, PA 17316*

Fairfield and Carroll Valley

*Fairfield/Carroll Valley Office
4910 Fairfield Road
Fairfield, PA 17320*

Gettysburg

*Adams Commerce Center Office
100 V-Twin Drive
Gettysburg, PA 17325*

Lincoln Square Office

*2 Chambersburg Street
Gettysburg, PA 17325*

North Gettysburg Office

*675 Old Harrisburg Road
Gettysburg, PA 17325*

West Gettysburg Office

*545 West Middle Street
Gettysburg, PA 17325*

Hanover

*Hanover Loan Office
100 West Eisenhower Drive
Hanover, PA 17331*

North Hanover Office

*1127 Eichelberger Street
Hanover, PA 17331*

South Hanover Office

*865 Baltimore Street
Hanover, PA 17331*

Littlestown

*Littlestown Office
444 West King Street
Littlestown, PA 17340*

McSherrystown

*McSherrystown Office
369 Main Street
McSherrystown, PA 17344*

New Oxford

*New Oxford Office
318 Lincoln Way East
New Oxford, PA 17350*

Newville

*Big Spring Office
39 Carlisle Road
Newville, PA 17241*

York Springs

*York Springs Office
202 Main Street
York Springs, PA 17372*

RUSSELL INSURANCE GROUP, INC.

Westminster Office

*2526 West Liberty Road
Westminster, MD 21157*

Germantown Office

*12321 Middlebrook Road, Suite 110
Germantown, MD 20874*

CONTACT INFORMATION

ACNB Bank

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Russell Insurance Group, Inc.

*riginsurance.com
Toll Free 1.800.289.4097*

Customer Contact Center

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24-Hour Telephone Banking Line

Toll Free 1.888.338.ACNB (2262)

Forward-Looking Statements

In addition to historical information, this document may contain forward-looking statements. Examples of forward-looking statements include, but are not limited to, (a) projections or statements regarding future earnings, expenses, net interest income, other income, earnings or loss per share, asset mix and quality, growth prospects, capital structure, and other financial terms, (b) statements of plans and objectives of management or the Board of Directors, and (c) statements of assumptions, such as economic conditions in the Corporation's market areas. Such forward-looking statements can be identified by the use of forward-looking terminology such as "believes", "expects", "may", "intends", "will", "should", "anticipates", or the negative of any of the foregoing or other variations thereon or comparable terminology, or by discussion of strategy. Forward-looking statements are subject to certain risks and uncertainties such as local economic conditions, competitive factors, and regulatory limitations. Actual results may differ materially from those projected in the forward-looking statements. We caution readers not to place undue reliance on these forward-looking statements. They only reflect management's analysis as of this date. Such risks, uncertainties and other factors that could cause actual results and experience to differ from those projected include, but are not limited to, the following: the effects of new laws and regulations, specifically the impact of the Dodd-Frank Wall Street Reform and Consumer Protection Act; ineffectiveness of the business strategy due to changes in current or future market conditions; the effects and unanticipated expenses related to the charter conversion of our banking subsidiary from a federal to a state charter; the effects of economic deterioration on current customers, specifically the effect of the economy on loan customers' ability to repay loans; the effects of competition, and of changes in laws and regulations on competition, including industry consolidation and development of competing financial products and services; interest rate movements; the inability to achieve acquisition-related synergies; difficulties in integrating distinct business operations, including information technology difficulties; disruption from the transaction making it more difficult to maintain relationships with customers and employees, and challenges in establishing and maintaining operations in new markets; volatilities in the securities markets; and, deteriorating economic conditions. The Corporation does not revise or update these forward-looking statements to reflect events or changed circumstances. Please carefully review the risk factors described in other documents the Corporation files from time to time with the Securities and Exchange Commission, including the Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q. Please also carefully review any Current Reports on Form 8-K filed by the Corporation with the Securities and Exchange Commission.

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