

FARMERS NATIONAL BANC CORP /OH/

Form 10-Q

November 08, 2006

**Table of Contents**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549  
FORM 10-Q**

**Quarterly Report Under Section 13 or 15(d) of the Securities Exchange Act of 1934  
For the Quarter ended September 30, 2006**

**Commission file number 0-12055  
FARMERS NATIONAL BANC CORP.  
(Exact name of registrant as specified in its charter)**

OHIO

34-1371693

(State or other jurisdiction of  
incorporation or organization)

(I.R.S. Employer Identification No)

20 South Broad Street  
Canfield, OH 44406

44406

(Address of principal executive offices)

(Zip Code)

(330) 533-3341

(Registrant's telephone number, including area code)

Not applicable

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Securities Exchange Act.

Large accelerated filer  Accelerated filer  Non-accelerated filer

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes  No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class  
Common Stock, No Par Value

Outstanding at October 31, 2006  
13,036,262 shares

**PART I FINANCIAL INFORMATION**

Item 1. Financial Statements

Included in Part I of this report:

Farmers National Banc Corp. and Subsidiary

<u>Consolidated Balance Sheets</u>	1
<u>Consolidated Statements of Income and Comprehensive Income</u>	2
<u>Condensed Consolidated Statements of Cash Flows</u>	3
<u>Notes to Unaudited Consolidated Financial Statements</u>	4-8

<u>Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	8-16
------------------------------------------------------------------------------------------------------	------

<u>Item 3. Quantitative and Qualitative Disclosures About Market Risk</u>	16
---------------------------------------------------------------------------	----

<u>Item 4. Controls and Procedures</u>	16
----------------------------------------	----

**PART II OTHER INFORMATION**

<u>Item 1. Legal Proceedings</u>	17
----------------------------------	----

<u>Item 1A. Risk Factors</u>	17
------------------------------	----

<u>Item 2. Unregistered Sales of Equity Securities and Use of Proceeds</u>	17
----------------------------------------------------------------------------	----

<u>Item 3. Defaults Upon Senior Securities</u>	17
------------------------------------------------	----

<u>Item 4. Submission of Matters to a Vote of Security Holders</u>	17
--------------------------------------------------------------------	----

<u>Item 5. Other Information</u>	18
----------------------------------	----

<u>Item 6. Exhibits</u>	18
-------------------------	----

<b><u>SIGNATURES</u></b>	19
--------------------------	----

<b>10-Q Certifications</b>	20-21
----------------------------	-------

<b>Section 906 Certifications</b>	22-23
-----------------------------------	-------

<u>EX-31.1</u>	
<u>EX-31.2</u>	
<u>EX-32.1</u>	
<u>EX-32.2</u>	

**Table of Contents****CONSOLIDATED BALANCE SHEETS  
FARMERS NATIONAL BANC CORP. AND SUBSIDIARY  
(Unaudited)**

	(In Thousands of Dollars)	
	<b>September 30, 2006</b>	<b>December 31, 2005</b>
<b>ASSETS</b>		
Cash and due from banks	\$ 23,646	\$ 31,614
Federal funds sold	11,267	0
TOTAL CASH AND CASH EQUIVALENTS	34,913	31,614
Securities available for sale	243,164	259,485
Loans	511,597	511,914
Less allowance for loan losses	5,845	5,860
NET LOANS	505,752	506,054
Premises and equipment, net		