



## Community Bancorp, Inc.

### FIRST QUARTER SHAREHOLDER UPDATE

The Board of Directors is pleased to declare a quarterly cash dividend of 18¢ per share payable April 17, 2009, to stockholders of record as of March 31, 2009.

We are pleased to announce the following positive financial highlights for CNB Community Bancorp, Inc.:

- First quarter net income was \$689,000, an increase of \$15,000 or 2% from the first quarter of 2008.
- Earnings per share for the first quarter equaled 35¢, an increase of 1¢ per share from the first quarter of 2008.
- Return on average equity for the first quarter of 2009 is 9.5%; an improvement over 8.8% ROE for the first quarter of 2008.
- Book value per share now stands at \$14.72 increasing 17¢ from year-end 2008.

Our very good first quarter earnings were attributable to excellent mortgage refinancing activity, stable net interest margins and manageable credit losses. The balance sheet reflects a \$13 million increase in deposits and flat loan growth from year ending 12/31/2008. County National Bank and CNB Community Bancorp, Inc. continue to be considered well capitalized with total capital to risk weighted assets equaling 12%.

Our loan portfolio continues to perform well even with the additional stress of a shrinking economy, high unemployment and falling real estate values. Through the first quarter, net loan charge offs were .02% or \$56,000 and the provision for loan loss expense was \$282,500 and the provision for loss on foreclosed assets was \$90,375.

I am pleased to announce your company decided to turn down the approved Troubled Asset Relief Program (TARP) Capital Purchase Program funds. Our stakeholders would derive very few benefits from taking TARP funds. Over time the costs both financially and philosophically associated with the Government "bailout" have grown substantially. Government ownership, even if partial, has far more consequences than Government oversight. After careful consideration, your Board voted on April 8, 2009 not to accept TARP funds.

We continue to face a very challenging and uncertain economic landscape. This economic backdrop emphasizes the need to conserve capital. Consequently, your Board has decided to continue suspension of the measured pace stock repurchase program. Many Banks in the State continue to report lower earnings and some are cutting their dividends to preserve capital. I am happy to report CNB Community Bancorp, Inc. is maintaining its quarterly dividend level and is well positioned to face the challenges ahead.

We are optimistic about the future of CNB Community Bancorp, Inc. Our employees, managers and directors continue to work harder than ever to produce solid returns for our shareholders and positive economic results for the communities we service. Again, we thank you for the continued support of your locally owned community bank.

Craig S. Connor  
President & CEO


**Community Bancorp, Inc.**
**CONSOLIDATED BALANCE SHEET**

<u>ASSETS</u>	March 31 <u>2009</u>	December 31 <u>2008*</u>	<u>LIABILITIES AND STOCKHOLDERS EQUITY</u>	March 31 <u>2009</u>	December 31 <u>2008*</u>
Cash and Due from Banks	\$21,045,000	\$17,308,000	Non-Interest Bearing Accounts	\$37,948,000	\$36,904,000
Investment Securities	30,433,000	18,748,000	Interest Bearing Accounts	<u>231,625,000</u>	<u>219,352,000</u>
Federal Funds Sold	719,000	879,000	Total Deposits	269,573,000	256,256,000
Net Loans	252,279,000	253,520,000	Federal Funds Purchased	- 0 -	- 0 -
Bank Premises	5,057,000	5,004,000	Other Borrowings	17,010,000	17,010,000
Other Assets	<u>7,600,000</u>	<u>7,681,000</u>	Other Liabilities	1,348,000	997,000
			Stockholders Equity	<u>29,202,000</u>	<u>28,877,000</u>
			TOTAL LIABILITIES AND STOCKHOLDERS EQUITY	\$317,133,000	\$303,140,000
<b>TOTAL ASSETS</b>	<b>\$317,133,000</b>	<b>\$303,140,000</b>	Shares Outstanding	1,984,043	1,984,043
			Book Value Per Share	\$14.72	\$14.55

\*Adjusted to annual report and audit

**CONSOLIDATED STATEMENT OF INCOME**

	Three Months Ended	
	March 31 <u>2009</u>	March 31 <u>2008</u>
Interest Income	\$4,187,000	\$4,525,000
Interest Expense	<u>1,049,000</u>	<u>1,370,000</u>
Net Interest Income	3,138,000	3,155,000
Provision for Loan Losses	<u>283,000</u>	<u>284,000</u>
Net Interest Income after Provision	2,855,000	2,871,000
Other Income	1,217,000	1,020,000
Other Expense	<u>3,069,000</u>	<u>2,973,000</u>
Income before Federal Income Taxes	1,003,000	918,000
Federal Income Taxes	<u>314,000</u>	<u>244,000</u>
NET INCOME	\$689,000	\$674,000
Shares Outstanding	1,984,043	2,007,476
Net Income Per Share	\$0.35	\$0.34