



Community Bancorp, Inc.

FOURTH QUARTER SHAREHOLDER UPDATE

The Board of Directors is pleased to declare a quarterly cash dividend of 18¢ per share and a special dividend of 10¢ per share payable January 22, 2010, to stockholders of record as of December 31, 2009.

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

- During 2009, the shareholders received a dividend payout of \$1,430,923. This represents 60% of net earnings for 2009.
- Fourth quarter net income was \$501,000, compared to a loss of \$481,000 for the fourth quarter of 2008.
- Earnings per share for the fourth quarter equaled 25¢, compared to a loss of 24¢ per share for the fourth quarter of 2008.
- 2009 full year net income is \$2,389,000 compared to \$1,531,000 for the same period last year.
- 2009 earnings per share equal \$1.20, an increase of 43¢ per share or 56%.
- Return on 2009 average equity is 8.11% compared to 2008 of 5.19%.
- Book value per share is now \$14.81, increasing 26¢ from the 12/31/08 book value per share of \$14.55.
- Core deposit increases fueled balance sheet growth of 9% allowing us to increase our investment portfolio, loan portfolio and improve an already solid liquidity position for the Bank.

Factors impacting earnings are higher FDIC insurance costs. For the year we have paid \$494,000 more in FDIC premiums than in 2008. We continue a strategy to bolster our loan loss provision account to be more in line with peer group Banks. For 2009 we have contributed \$918,000 more than in the same period last year. We feel this is prudent strategy given the recession and the difficulties Michigan's economy is experiencing.

Our loan portfolio is performing well in spite of considerable economic stress in Michigan. Our low net charge off (loan charge offs, net of recoveries) rate of .29% of total loans for the year is very good. This low net charge off has been achieved through the hard work of our talented lenders and the diligent efforts of our collections team. Rest assured that County National Bank and CNB Community Bancorp, Inc. continue to be considered well-capitalized with total capital to risk weighted assets equaling 11.49%. I want to again emphasize that we are not a TARP recipient Bank.

County National Bank has a seasoned management team and experienced Directors. Our dedicated employees and quality customers help to make us special in today's Banking business. We know how important the dividend is to our shareholders so we are very pleased to continue a strong dividend payout.

Again, we thank you for the continued support of your locally owned community bank.

Craig S. Connor
President & CEO



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Community Bancorp, Inc.
CONSOLIDATED BALANCE SHEET

<u>ASSETS</u>	December 31 <u>2009</u>	December 31 <u>2008*</u>	<u>LIABILITIES AND STOCKHOLDERS EQUITY</u>	December 31 <u>2009</u>	December 31 <u>2008*</u>
Cash and Due from Banks	\$32,810,000	\$17,308,000	Non-Interest Bearing Accounts	\$46,958,000	\$36,904,000
Investment Securities	23,835,000	18,748,000	Interest Bearing Accounts	<u>237,852,000</u>	<u>219,352,000</u>
Federal Funds Sold	322,000	879,000	Total Deposits	284,810,000	256,256,000
Net Loans	258,280,000	253,520,000	Federal Funds Purchased	- 0 -	- 0 -
Bank Premises	4,707,000	5,004,000	Other Borrowings	14,451,000	17,010,000
Other Assets	<u>10,567,000</u>	<u>7,681,000</u>	Other Liabilities	1,804,000	997,000
			Stockholders Equity	<u>29,456,000</u>	<u>28,877,000</u>
			TOTAL LIABILITIES AND STOCKHOLDERS EQUITY	\$330,521,000	\$303,140,000
TOTAL ASSETS	\$330,521,000	\$303,140,000	Shares Outstanding	1,989,263	1,984,043
			Book Value Per Share	\$14.81	\$14.55

*Adjusted to annual report and audit

CONSOLIDATED STATEMENT OF INCOME

	Twelve Months Ended		Three Months Ended	
	December 31 <u>2009</u>	December 31 <u>2008*</u>	December 31 <u>2009</u>	December 31 <u>2008*</u>
Interest Income	\$16,647,000	\$17,225,000	\$4,099,000	\$4,234,000
Interest Expense	<u>3,599,000</u>	<u>4,867,000</u>	<u>788,000</u>	<u>1,194,000</u>
Net Interest Income	13,048,000	12,358,000	3,311,000	3,040,000
Provision for Loan Losses	<u>1,579,000</u>	<u>661,000</u>	<u>445,000</u>	<u>267,000</u>
Net Interest Income after Provision	11,469,000	11,697,000	2,866,000	2,773,000
Other Income	4,942,000	3,826,000	1,119,000	841,000
Other Expense	<u>12,770,000</u>	<u>13,038,000</u>	<u>3,191,000</u>	<u>3,874,000</u>
Income before Federal Income Taxes	3,641,000	2,485,000	794,000	(260,000)
Federal Income Taxes	<u>1,252,000</u>	<u>954,000</u>	<u>293,000</u>	<u>221,000</u>
NET INCOME	\$2,389,000	\$1,531,000	\$501,000	(\$481,000)
Shares Outstanding	1,989,263	1,984,043	1,989,263	1,984,043
Net Income Per Share	\$1.20	\$0.77	\$0.25	(\$0.24)

*Adjusted to annual report and audit