

## COUNTY NATIONAL BANK OFFICERS

Craig S. Connor . . . . . President & C.E.O.  
 John R. Waldron . . . . . Senior Vice President - Senior Loan Officer  
 Diane K. Clow . . . . . Vice President - Director of Human Resources  
 Cindy Dwyer . . . . . Vice President - Technology  
 Scott E. Evans . . . . . Vice President - Senior Mortgage Officer  
 Lois E. Howard . . . . . Vice President - Commercial Loans  
 Mary P. Marshall . . . . . Vice President - Senior Trust Officer  
 Dorene M. Shaw . . . . . Vice President - Chief Auditor  
 Phyllis J. Brooks . . . . . 2nd Vice President - Consumer Loans  
 Sharon L. Burns . . . . . 2nd Vice President - C.F.O.  
 Luann J. Crowley . . . . . 2nd Vice President - Mortgage Loans  
 Ronald J. Haber . . . . . 2nd Vice President - Commercial Loans  
 L. Michelle Heminger . . . . . 2nd Vice President - Administration  
 Kelly D. Jensen . . . . . 2nd Vice President - Branch Administrator  
 William C. Jors . . . . . 2nd Vice President - Commercial Loan Officer - Jackson  
 Debra S. Smith . . . . . 2nd Vice President - Accounting  
 Stacey L. Clemens . . . . . Asst. Vice President - Compliance Officer  
 Sandra K. Grimm . . . . . Asst. Vice President - Data Processing  
 David J. Kreger . . . . . Asst. Vice President - Commercial Loan Officer - Jackson  
 Barry A. Malek . . . . . Asst. Vice President - Trust Officer  
 Rae A. Organ . . . . . Asst. Vice President - Bank Secrecy & Security Officer  
 Timothy P. Sullivan . . . . . Asst. Vice President - Trust Officer  
 Christine L. Walworth . . . . . Asst. Vice President - Trust Operations Officer  
 Wendora K. Broesamle . . . . . Branch Officer - Main Office  
 Craig R. Burlingame . . . . . Branch Officer - Homer  
 Michelle L. Caldwell . . . . . Branch Officer - Litchfield  
 Brenda L. Carpenter . . . . . Mortgage Loan Officer  
 Linda C. Cavasin . . . . . Branch Officer - Spring Arbor  
 Suzanne L. Decker . . . . . Mortgage Officer  
 Donald W. Germann . . . . . Branch Officer - Jonesville  
 Jeffrey S. Jackson . . . . . Consumer Loan Officer  
 Kelly L. Lantis . . . . . Commercial Credit Officer  
 Robin G. Pelham . . . . . Branch Officer - Somerset Center  
 Eric A. Potes . . . . . Commercial Loan Officer  
 Gwenda J. Ripley . . . . . Branch Officer - Cortland Office  
 Chad E. Rumsey . . . . . Commercial Loan Officer  
 Debra K. Storer . . . . . Underwriter Operations Officer  
 Craig D. Talbert . . . . . Mortgage Officer  
 Randall L. Tate . . . . . Loss Mitigation Officer  
 Jill A. Taylor . . . . . Marketing & Public Relations Officer  
 Rebecca J. Wiley . . . . . HR & Staff Development Officer

## DIRECTORS

John E. Barrett . . . . . President  
 Eagle Funeral Homes, Inc.  
 Craig S. Connor . . . . . President & C.E.O.  
 County National Bank  
 Judy R. Gabriele . . . . . Director of Development  
 Hillsdale Community Health Center  
 John P. Lovinger . . . . . Attorney  
 Parker, Hayes & Lovinger, PC  
 Stephen J. Maddalena . . . . . General Manager  
 Kentwood Office Furniture  
 David W. Pope . . . . . Chairman  
 Powers Clothing, Inc.  
 Claude J. Rowley . . . . . President  
 Rowley, Inc.  
 Steven A. Wells . . . . . President  
 Wells Equipment Sales, Inc.

**LOCALLY OWNED TO  
 SERVE LOCAL NEEDS**



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**100%**  
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 Paper

**CNB** Community Bancorp, Inc.

# Consolidated Quarterly Financial Summary

March 31, 2013

## COUNTY NATIONAL BANK OFFICES

### HILLSDALE OFFICE

One South Howell Street, Hillsdale, Michigan 49242  
 Phone: (517) 439-4300

### TRUST OFFICE

One South Howell Street  
 Hillsdale, Michigan 49242  
 Phone: (517) 437-3371

### JACKSON OFFICE

1800 N. Wisner Street  
 Jackson, Michigan 49202  
 Phone: (517) 783-1500

### LEWIS STREET OFFICE

150 Lewis Street  
 Hillsdale, Michigan 49242  
 Phone: (517) 437-3396

### JACKSON OFFICE

1523 Horton Road  
 Jackson, Michigan 49203  
 Phone: (517) 782-2500

### HANOVER OFFICE

125 West Main Street  
 Hanover, Michigan 49241  
 Phone: (517) 563-8332

### JONESVILLE OFFICE

228 E. Chicago Street  
 Jonesville, Michigan 49250  
 Phone: (517) 849-9949

### HOMER OFFICE

109 West Main Street  
 Homer, Michigan 49245  
 Phone: (517) 568-4448

### LITCHFIELD OFFICE

112 Jonesville Street  
 Litchfield, Michigan 49252  
 Phone: (517) 542-2932

### HUDSON OFFICE

325 Railroad Street  
 Hudson, Michigan 49247  
 Phone: (517) 448-8957

### SOMERSET CENTER OFFICE

12641 East Chicago Road  
 Somerset Center, Michigan 49282  
 Phone: (517) 688-4433

### JACKSON OFFICE

270 West Cortland Street  
 Jackson, Michigan 49201  
 Phone: (517) 768-7200

### SPRING ARBOR OFFICE

119 West Main Street  
 Spring Arbor, Michigan 49283  
 Phone: (517) 750-4011



## 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 19, 2013, to stockholders of record as of March 31, 2013.

We are pleased to announce the following quarterly results for CNB Community Bancorp, Inc.:

- First quarter net income is \$1,021,000, a slight decrease from our record quarterly earnings of one year ago.
- Earnings per share for the first quarter equaled 51¢, compared to 54¢ per share for the first quarter of 2012.
- The last twelve-month earnings per share are \$1.81, compared to \$1.85 from the previous twelve-month period.
- Return on average equity for the first quarter is 11.5%, compared to 13% for the first quarter of 2012.
- Book value per share now stands at \$17.85, increasing 94¢ from the first quarter of 2012, a 5.6% increase.

Our very good first quarter earnings were attributable to several factors: a \$21,000 improvement in net interest income, as loan portfolio and investment portfolio growth helped fuel this increase; a \$72,000 reduction in interest expense also contributed to the increased net interest income. Very strong mortgage activity helped to increase other income by \$362,000.

The balance sheet reflects stable deposit totals and a \$7 million increase in loan balances from year ending 12/31/2012. This growth is notable as many banks are struggling to find good loan demand. County National Bank and CNB Community Bancorp, Inc. continue to be considered well-capitalized with total risk-based capital to risk-weighted assets equaling 12.50%.

Our loan portfolio continues to perform well. This is a credit to our lenders, managers and customers. Through the first quarter, net loan charge-offs were \$198,000, or .06% annualized of average loans outstanding. This is near the budget, which projects full year net charge-offs to be less than that of 2012. The provision for loan loss account now stands at \$5,537,000 or 1.67% of total loans outstanding.

Our annual meeting held April 10, 2013, went well with the current Board being elected for another term. Our stock continues to be an attractive investment for those looking for dividend income and growth in book value. We are optimistic about the future of your bank. We are seeing many opportunities for loan and deposit growth in the markets we serve. We approach these opportunities cautiously, while being mindful of the capital needed to fund growth.

Our employees, managers and Directors continue to work hard 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



CONSOLIDATED BALANCE SHEET

ASSETS	March 31 2013	December 31 2012*	March 31 2013	December 31 2012*
Cash and Due from Banks	\$63,154,000	\$70,298,000	\$64,532,000	\$72,323,000
Investment Securities	38,173,000	35,432,000	<u>327,840,000</u>	<u>318,923,000</u>
Federal Funds Sold	279,000	440,000	392,372,000	391,246,000
Net Loans	325,076,000	318,024,000	- 0 -	- 0 -
Bank Premises	4,625,000	4,631,000	15,995,000	16,145,000
Other Assets	<u>14,230,000</u>	<u>14,388,000</u>	1,157,000	868,000
			<u>36,013,000</u>	<u>34,954,000</u>
<b>TOTAL ASSETS</b>	<b>\$445,537,000</b>	<b>\$443,213,000</b>	<b>\$445,537,000</b>	<b>\$443,213,000</b>
			2,017,428	2,018,703
			\$17.85	\$17.31

\*Adjusted to annual report and audit

CONSOLIDATED STATEMENT OF INCOME

	Three Months Ended	
	March 31 2013	March 31 2012
Interest Income	\$4,531,000	\$4,586,000
Interest Expense	<u>379,000</u>	<u>451,000</u>
Net Interest Income	4,152,000	4,135,000
Provision for Loan Losses	<u>232,000</u>	<u>236,000</u>
Net Interest Income after Provision	3,920,000	3,899,000
Other Income	1,462,000	1,100,000
Other Expense	<u>3,925,000</u>	<u>3,451,000</u>
Income before Federal Income Taxes	1,457,000	1,548,000
Federal Income Taxes	<u>436,000</u>	<u>464,000</u>
NET INCOME	\$1,021,000	\$1,084,000
Shares Outstanding	2,017,428	2,004,003
Net Income Per Share	\$0.51	\$0.54