

COUNTY NATIONAL BANK OFFICERS

Craig S. Connor President & C.E.O.
John R. Waldron Senior Vice President - Senior Loan Officer
Sharon L. Burns Vice President - C.F.O.
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
Kelly D. Jensen Vice President - Branch Administrator
Mary P. Marshall Vice President - Senior Trust Officer
Dorene M. Shaw Vice President - Chief Auditor
Phyllis J. Brooks 2nd Vice President - Consumer Loans
Luann J. Crowley 2nd Vice President - Mortgage Loans
Ronald J. Haber 2nd Vice President - Commercial Loans
L. Michelle Heminger 2nd Vice President - Administration
William C. Jors 2nd Vice President - Commercial Loans
Debra S. Smith 2nd Vice President - Accounting
Stacey L. Clemens Asst. Vice President - Compliance
Sandra K. Grimm Asst. Vice President - Data Processing
David J. Kreger Asst. Vice President - Commercial Loans
Barry A. Malek Asst. Vice President - Trust
Rae A. Organ Asst. Vice President - Bank Secrecy & Security
Timothy P. Sullivan Asst. Vice President - Trust
Christine L. Walworth Asst. Vice President - Trust Operations
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. Cavin Branch Officer - Spring Arbor
Suzanne L. Decker Mortgage Loan 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 - Wisner
Chad E. Rumsey Commercial Loan Officer
Debra K. Storer Underwriter Operations Officer
Craig D. Talbert Mortgage Loan Officer
Randall L. Tate Loss Mitigation Officer
Rebecca J. Wiley HR & Staff Development Officer
Robert J. Wrozek Branch Officer - Cortland

DIRECTORS

John E. Barrett President
Eagle Funeral Homes, Inc.
Craig S. Connor President & C.E.O.
County National Bank
Joseph B. Dunigan President
Dunigan Brothers, Inc.
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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CNB Community Bancorp, Inc.

Consolidated Quarterly Financial Summary

March 31, 2014

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.

CONSOLIDATED BALANCE SHEET

ASSETS	March 31 2014	December 31 2013*	LIABILITIES AND STOCKHOLDERS EQUITY	March 31 2014	December 31 2013*
Cash and Due from Banks	\$76,130,000	\$51,127,000	Non-Interest Bearing Accounts	\$70,314,000	\$74,122,000
Investment Securities	39,222,000	40,285,000	Interest Bearing Accounts	<u>354,278,000</u>	<u>323,229,000</u>
Federal Funds Sold	490,000	906,000	Total Deposits	424,592,000	397,351,000
Net Loans	345,271,000	340,796,000	Federal Funds Purchased	- 0 -	- 0 -
Bank Premises	4,419,000	4,439,000	Other Borrowings	15,025,000	15,200,000
Other Assets	<u>13,270,000</u>	<u>13,587,000</u>	Other Liabilities	933,000	1,408,000
			Stockholders Equity	<u>38,252,000</u>	<u>37,181,000</u>
TOTAL ASSETS	\$478,802,000	\$451,140,000	TOTAL LIABILITIES AND STOCKHOLDERS EQUITY	\$478,802,000	\$451,140,000
			Shares Outstanding	2,031,561	2,031,561
			Book Value Per Share	\$18.83	\$18.30

* Adjusted to annual report and audit

CONSOLIDATED STATEMENT OF INCOME

	Three Months Ended	
	March 31 2014	March 31 2013
Interest Income	\$4,643,000	\$4,531,000
Interest Expense	<u>293,000</u>	<u>379,000</u>
Net Interest Income	4,350,000	4,152,000
Provision for Loan Losses	<u>173,000</u>	<u>232,000</u>
Net Interest Income after Provision	4,177,000	3,920,000
Other Income	1,141,000	1,462,000
Other Expense	<u>3,909,000</u>	<u>3,925,000</u>
Income before Federal Income Taxes	1,409,000	1,457,000
Federal Income Taxes	<u>367,000</u>	<u>436,000</u>
NET INCOME	\$1,042,000	\$1,021,000
Shares Outstanding	2,031,561	2,017,428
Net Income Per Share	\$0.51	\$0.51



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 18, 2014 to stockholders of record as of March 31, 2014.

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

- First quarter net income was \$1,042,000, a \$21,000 increase from our first quarter earnings one year ago.
- Earnings per share for the first quarter were 51¢ per share, equaling the first quarter of 2013.
- The last twelve-month earnings per share were \$1.96, up 15¢ when compared to \$1.81 from the previous twelve-month period.
- Return on average equity for the first quarter is 11%, compared to 11.5%, for the first quarter of 2013.
- Book value per share now stands at \$18.83, increasing 98¢ from the first quarter of 2013, a 5.5% increase.

Our very good first quarter earnings were attributable to having a \$198,000 improvement in net interest income. Loan portfolio and investment portfolio growth helped fuel this increase and an \$86,000 reduction in interest expense also contributed to the increased net interest income. Other income was down by \$321,000 as mortgage activity slowed due to fewer borrowers refinancing. However, we are now seeing more home purchase activity, which is a sign our economy is doing better. We controlled other expenses and were able to reduce our income tax expense by \$69,000.

The balance sheet reflects substantial deposit growth of \$27 million from year ending 12/31/2013. Our equity continues to build increasing by \$2,239,000 over 3/31/2013. County National Bank and CNB Community Bancorp, Inc. continue to be considered well capitalized with total risk-based capital to risk-weighted assets equaling 12.58%.

Our loan portfolio had moderate growth during the first quarter. Net loans grew \$4,475,000, slightly over 5% annualized. The portfolio is performing well with lower loan losses. This is a credit to our lenders, managers and our customers. Net charge-offs were \$30,000, or .01% annualized of average loans outstanding. We expensed \$173,000 for loan losses compared to \$232,000 in the first quarter 2013. Even though we expensed \$59,000 less than last year, our provision for loan losses account grew and now stands at \$5,884,000, or 1.68% of total loans outstanding.

Our annual meeting held April 9, 2014 went well with the Board being elected for the 2014-2015 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 as we have a great deal of momentum building new customer relationships.

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

