

## 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  
 David J. Kreger . . . . . 2nd Vice President - Commercial Loans  
 Debra S. Smith . . . . . 2nd Vice President - Accounting  
 Brenda L. Carpenter . . . . . Asst. Vice President - Mortgage Origination  
 Stacey L. Clemens . . . . . Asst. Vice President - Compliance  
 Sandra K. Grimm . . . . . Asst. Vice President - Data Processing  
 Barry A. Malek . . . . . Asst. Vice President - Trust  
 Rae A. Organ . . . . . Asst. Vice President - Bank Secrecy & Security  
 Eric A. Potes . . . . . Asst. Vice President - Commercial Loans  
 Chad E. Rumsey . . . . . Asst. Vice President - Commercial Loans  
 Timothy P. Sullivan . . . . . Asst. Vice President - Trust  
 Christine L. Walworth . . . . . Asst. Vice President - Trust Operations  
 Craig R. Burlingame . . . . . Branch Officer - Homer  
 Michelle L. Caldwell . . . . . Branch Officer - Litchfield  
 Linda C. Cavasin . . . . . Branch Officer - Spring Arbor  
 Suzanne L. Decker . . . . . Mortgage Loan Officer  
 Donald W. Germann . . . . . Branch Officer - Jonesville  
 Jeffrey S. Jackson . . . . . Consumer Loan Officer  
 Gwenda J. Kelly . . . . . Branch Officer - Wisner  
 Kelly L. Lantis . . . . . Commercial Credit Officer  
 Robin G. Pelham . . . . . Branch Officer - Somerset Center  
 Debra K. Storer . . . . . Mortgage 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.



# Consolidated Quarterly Financial Summary

March 31, 2015

## 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

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CONSOLIDATED BALANCE SHEET

ASSETS	March 31 2015	December 31 2014*	LIABILITIES AND STOCKHOLDERS EQUITY	March 31 2015	December 31 2014*
Cash and Due from Banks	\$88,612,000	\$45,087,000	Non-Interest Bearing Accounts	\$92,120,000	\$95,972,000
Investment Securities	35,709,000	36,317,000	Interest Bearing Accounts	<u>376,227,000</u>	<u>330,515,000</u>
Federal Funds Sold	516,000	1,989,000	Total Deposits	468,347,000	426,487,000
Net Loans	381,914,000	380,528,000	Federal Funds Purchased	- 0 -	- 0 -
Bank Premises	4,186,000	4,313,000	Other Borrowings	14,850,000	15,025,000
Other Assets	<u>13,874,000</u>	<u>14,011,000</u>	Other Liabilities	903,000	1,088,000
			Stockholders Equity	<u>40,711,000</u>	<u>39,645,000</u>
TOTAL ASSETS	\$524,811,000	\$482,245,000	TOTAL LIABILITIES AND STOCKHOLDERS EQUITY	\$524,811,000	\$482,245,000
			Shares Outstanding	2,046,981	2,046,981
			Book Value Per Share	\$19.89	\$19.37

\*Adjusted to annual report and audit

CONSOLIDATED STATEMENT OF INCOME

	Three Months Ended	
	March 31 2015	March 31 2014
Interest Income	\$4,886,000	\$4,643,000
Interest Expense	<u>257,000</u>	<u>293,000</u>
Net Interest Income	4,629,000	4,350,000
Provision for Loan Losses	<u>253,000</u>	<u>173,000</u>
Net Interest Income after Provision	4,376,000	4,177,000
Other Income	1,140,000	1,141,000
Other Expense	<u>4,056,000</u>	<u>3,909,000</u>
Income before Federal Income Taxes	1,460,000	1,409,000
Federal Income Taxes	<u>413,000</u>	<u>367,000</u>
NET INCOME	\$1,047,000	\$1,042,000
Shares Outstanding	2,046,981	2,031,561
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 17, 2015 to stockholders of record as of March 31, 2015.

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

- First quarter net income was \$1,047,000, a \$5,000 increase from our first quarter earnings one year ago.
- Earnings per share for the first quarter were 51¢, equaling the first quarter of 2014.
- The last twelve-month earnings per share were \$1.95.
- Return on average equity for the first quarter was 10.4%, compared to 11%, for the first quarter of 2014.
- Book value per share now stands at \$19.89, increasing \$1.06¢ from the first quarter of 2014, a 5.6% increase.

Our very good first quarter earnings were attributable to having a \$279,000 improvement in net interest income. Loan portfolio growth helped fuel this increase and a \$36,000 reduction in interest expense also contributed to the increased net interest income. Other income was virtually equal to last year first quarter and was buoyed by good mortgage lending activity and Trust & Investment Department income.

The balance sheet reflects substantial deposit growth of \$42 million from year ending 12/31/2014. This growth was mainly due to a handful of large deposits that will be on our balance sheet temporarily. Our equity continues to build, increasing by \$2,459,000 over 3/31/2014. County National Bank and CNB Community Bancorp, Inc. continue to be considered well capitalized with total risk-based capital to risk-weighted assets equaling 12.15%.

Our loan portfolio had moderate growth during the first quarter. Net loans grew \$1,386,000, or 1.5% annualized. The portfolio is performing well with manageable loan losses. This is a credit to our lenders, managers and our customers. Net charge-offs for the quarter were \$236,793, or .06% annualized of average loans outstanding. We expensed \$253,000 for loan losses compared to \$173,000 in the first quarter 2014. Our provision for loan losses account now stands at \$5,818,000, or 1.50% of total loans outstanding.

Our annual meeting held April 8, 2015 went well with the Board being elected for the 2015-2016 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 have good growth opportunities to build new customer relationships and also expand existing account 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

