

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.
 Christopher J. Clarke Vice President - Commercial Loans
 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
 William C. Jors Vice President - Business Development - 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
 Luann J. Crowley 2nd Vice President - Mortgage Loans
 Ronald J. Haber 2nd Vice President - Commercial Loans
 L. Michelle Heminger 2nd Vice President - Administration
 David J. Kreger 2nd Vice President - Commercial Loans
 Debra S. Smith 2nd Vice President - Accounting
 Timothy P. Sullivan 2nd Vice President - Trust
 Brenda L. Carpenter Asst. Vice President - Mortgage Origination
 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
 Randall L. Tate Asst. Vice President - Loss Mitigation
 Rebecca J. Wiley Asst. Vice President - HR & Staff Development
 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
 Kimberly R. Hedrick Branch Officer - Hudson
 Jeffrey S. Jackson Consumer Loan Officer
 Gwenda J. Kelly Branch Officer - Wisner
 Amber C. Kohler Bank Operations Officer
 Kelly L. Lantis Commercial Credit Officer
 Robin G. Pelham Branch Officer - Somerset Center
 Debra K. Storer Mortgage Operations Officer
 Melissa A. Stroede Branch Officer - Horton Road
 Craig D. Talbert Mortgage Loan 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**



CNB Community Bancorp, Inc.

Consolidated Quarterly Financial Summary

June 30, 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



Community Bancorp, Inc.

CONSOLIDATED BALANCE SHEET

	June 30 2015	December 31 2014*	June 30 2015	December 31 2014*
ASSETS				
Cash and Due from Banks	\$24,281,000	\$45,087,000	\$94,552,000	\$95,972,000
Investment Securities	37,179,000	36,317,000	<u>330,828,000</u>	<u>330,515,000</u>
Federal Funds Sold	517,000	1,989,000	425,380,000	426,487,000
Net Loans	402,738,000	380,528,000	-	-
Bank Premises	4,121,000	4,313,000	14,850,000	15,025,000
Other Assets	<u>13,685,000</u>	<u>14,011,000</u>	930,000	1,088,000
TOTAL ASSETS	\$482,521,000	\$482,245,000	\$482,521,000	\$482,245,000
			2,063,701	2,046,981
			\$20.04	\$19.37

*Adjusted to annual report and audit

CONSOLIDATED STATEMENT OF INCOME

	Three Months Ended		Six Months Ended	
	June 30 2015	June 30 2014	June 30 2015	June 30 2014
Interest Income	\$4,905,000	\$4,657,000	\$9,791,000	\$9,301,000
Interest Expense	<u>266,000</u>	<u>270,000</u>	<u>522,000</u>	<u>564,000</u>
Net Interest Income	4,639,000	4,387,000	9,269,000	8,737,000
Provision for Loan Losses	<u>259,000</u>	<u>213,000</u>	<u>513,000</u>	<u>385,000</u>
Net Interest Income after Provision	4,380,000	4,174,000	8,756,000	8,352,000
Other Income	1,321,000	1,175,000	2,462,000	2,315,000
Other Expense	<u>4,148,000</u>	<u>3,939,000</u>	<u>8,205,000</u>	<u>7,848,000</u>
Income before Federal Income Taxes	1,553,000	1,410,000	3,013,000	2,819,000
Federal Income Taxes	<u>486,000</u>	<u>335,000</u>	<u>900,000</u>	<u>702,000</u>
NET INCOME	\$1,067,000	\$1,075,000	\$2,113,000	\$2,117,000
Shares Outstanding	2,063,701	2,046,981	2,063,701	2,046,981
Net Income Per Share	\$0.52	\$0.53	\$1.02	\$1.03



Community Bancorp, Inc.

SECOND QUARTER SHAREHOLDER UPDATE

The Board of Directors is pleased to declare a quarterly cash dividend of 18¢ per share payable July 17, 2015, to stockholders of record as of June 30, 2015.

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

- Second quarter net income was \$1,067,000, on par with net income of \$1,075,000 for the second quarter of 2014.
- Earnings per share for the second quarter equaled 52¢, compared to 53¢ per share for the second quarter of 2014.
- Year to date net income was \$2,113,000, compared to \$2,117,000 for the same period last year.
- Return on period ending equity for the first six months of 2015 is 10.2%, compared to 10.8% for the same period in 2014.
- Book value per share is \$20.04, increasing 67¢ from \$19.37 as of December 31, 2014.

This quarter's strong earnings are being driven by good mortgage loan activity and overall very good growth in the entire loan portfolio. This helped produce a \$252,000 improvement in net interest income for the quarter and a \$532,000 increase for the six month period.

Other income has increased \$146,000 due to improved revenue from our Trust and Investment Department and again good mortgage loan activity. Mortgages for home purchases continue to pick up, reflecting an improved local economic environment.

Our reserve for loan loss account is now at \$5,926,000, or 1.45% of loans outstanding. The 1.45% coverage continues to rank well with other peer banks. With the economy gaining strength in Michigan, we are projecting fewer loan write-offs in the coming months.

CNB continues to find growth opportunities for loans in the local markets. Our well respected and dedicated lending team produced a \$22,210,000 increase in loans since year-end 2014. Deposits have increased substantially; however, we have strategically sourced the new dollars off balance sheet to help maintain higher capital ratios. CNB's equity has increased by \$2,305,000, or \$1.12 per share when compared to June of 2014. This strong equity position continues to earn us the regulatory definition of "well capitalized".

Our strategic decision to expand our presence in Lenawee County is going well. We have hired a respected Lenawee County commercial lender, Chris Clarke, and are working on plans to locate an office in Adrian. That market has recently lost a popular community bank due to a merger with a larger out-of-state bank, so we feel there is an opportunity for a community bank such as ours, to grow and fill the banking needs of that market. I look forward to reporting the progress we make over the coming months.

The staff, management and the Board deserve credit for producing strong core earnings, good balance sheet growth and continued shareholder dividends. We are fortunate to provide banking services to great customers and communities. Again, we thank you for the continued support of your locally-owned community bank.

Craig S. Connor
President & CEO

