

## 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  
 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  
 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  
 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

September 30, 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

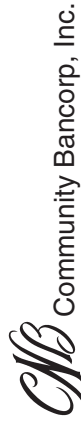
### SPRING ARBOR OFFICE

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

**LOCALLY OWNED TO  
 SERVE LOCAL NEEDS**



Printed on  
**100%**  
 Recycled Paper



Community Bancorp, Inc.

CONSOLIDATED BALANCE SHEET

ASSETS	September 30 2014	December 31 2013*	September 30 2014	December 31 2013*
Cash and Due from Banks	\$46,964,000	\$51,127,000	\$73,135,000	\$74,122,000
Investment Securities	38,301,000	40,285,000	<u>343,889,000</u>	<u>323,229,000</u>
Federal Funds Sold	655,000	906,000	417,024,000	397,351,000
Net Loans	368,745,000	340,796,000	- 0 -	- 0 -
Bank Premises	4,451,000	4,439,000	15,025,000	15,200,000
Other Assets	<u>13,829,000</u>	<u>13,587,000</u>	1,205,000	1,408,000
			<u>39,691,000</u>	<u>37,181,000</u>
<b>TOTAL ASSETS</b>	<b>\$472,945,000</b>	<b>\$451,140,000</b>	<b>\$472,945,000</b>	<b>\$451,140,000</b>
			2,046,981	2,031,561
			\$19.39	\$18.30

\* Adjusted to annual report and audit

CONSOLIDATED STATEMENT OF INCOME

	Three Months Ended		Nine Months Ended	
	September 30 2014	September 30 2013	September 30 2014	September 30 2013
Interest Income	\$4,730,000	\$4,574,000	\$14,031,000	\$13,668,000
Interest Expense	<u>270,000</u>	<u>343,000</u>	<u>833,000</u>	<u>1,081,000</u>
Net Interest Income	4,460,000	4,231,000	13,198,000	12,587,000
Provision for Loan Losses	<u>212,000</u>	<u>108,000</u>	<u>598,000</u>	<u>520,000</u>
Net Interest Income after Provision	4,248,000	4,123,000	12,600,000	12,067,000
Other Income	1,228,000	1,208,000	3,543,000	4,055,000
Other Expense	<u>4,030,000</u>	<u>3,892,000</u>	<u>11,878,000</u>	<u>11,743,000</u>
Income before Federal Income Taxes	1,446,000	1,439,000	4,265,000	4,379,000
Federal Income Taxes	<u>432,000</u>	<u>433,000</u>	<u>1,134,000</u>	<u>1,321,000</u>
NET INCOME	\$1,014,000	\$1,006,000	\$3,131,000	\$3,058,000
Shares Outstanding	2,046,981	2,031,648	2,046,981	2,031,648
Net Income Per Share	\$0.50	\$0.50	\$1.53	\$1.51



## Community Bancorp, Inc.

### THIRD QUARTER SHAREHOLDER UPDATE

The Board of Directors is pleased to declare a quarterly cash dividend of 18¢ per share payable October 17, 2014, to shareholders of record as of September 30, 2014.

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

- Third quarter net income was \$1,014,000, compared to \$1,006,000 for the third quarter of 2013.
- Year-to-date net income was \$3,131,000, compared to \$3,058,000 for the same period last year, a \$73,000 increase.
- Earnings per share for the third quarter of 2014 were 50¢, equaling the third quarter 2013.
- Year-to-date earnings per share were \$1.53, up 2¢ per share compared to nine months' earnings per share of 2013.
- Return on quarter ending equity for nine months of 2014 was 10.5%.
- Book value per share is now \$19.39, increasing \$1.09 from the December 31, 2013 book value of \$18.30.

Net earnings for the third quarter of 2014, as well as the nine month year to date period, were the best in bank history. The strong earnings can be attributed to increased net interest income due to loan growth and reduced interest expense. Additional contributing factors were prudent cost control and good other income.

Interest income rose \$156,000 for the quarter and \$363,000 year-to-date, while interest expense was down \$73,000 for the quarter and \$248,000 year-to-date. This equated to net interest income increasing \$229,000 for the quarter and \$611,000 year-to-date.

Successful efforts by our lending staff have increased the loan portfolio by \$27.9 million, or 8.2% through the first nine months of 2014. Deposits are up 5%, or \$19.6 million, helping us to maintain strong liquidity ratios. Total equity increased \$2,510,000 through nine months, increasing the book value of your stock by \$1.09. Rest assured that County National Bank and CNB Community Bancorp, Inc. continue to be considered well-capitalized with total risk-based capital to risk-weighted assets equaling 12.32%.

Through nine months, we have expensed \$598,000 to provision for loan losses. The provision for loan loss reserve account now stands at 1.61% of loans, well within peer averages. Net loan write-offs for the nine-month period were \$316,000; this equates to .09% of the 2014 average loan portfolio.

I thank our seasoned management team, experienced Directors, our dedicated employees and quality customers. This team helps make our strong financial performance possible.

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

Craig S. Connor  
President & CEO

