

- COUNTY NATIONAL BANK OFFICERS -

Craig S. Connor Chairman & C.E.O.
 John R. Waldron President
 Erik A. Lawson Chief Financial Officer
 Christopher J. Clarke Regional Vice President - Commercial Loans
 Ronald J. Haber Vice President - Commercial Loans
 Lois E. Howard Regional Vice President - Commercial Loans
 Kelly D. Jensen Vice President - Branch Administrator
 William C. Jors Vice President - Business Development - Commercial Loans
 David J. Kreger Regional Vice President - Commercial Loans
 Karena A. Mills Vice President - Lending Officer
 Christopher A. Phillips Vice President - Senior Trust Officer
 Dorene M. Shaw Vice President - Chief Auditor
 Marcy L. Brown 2nd Vice President - Business Development
 Brenda L. Carpenter 2nd Vice President - Mortgage Origination
 L. Michelle Heminger 2nd Vice President - Administration
 Michael J. Jors 2nd Vice President - Private Banking
 Kelly L. Lantis 2nd Vice President - Commercial Credit
 Julie A. Miller 2nd Vice President - Private Banking
 Joyce E. Repasy 2nd Vice President - Loan Administration
 Chad E. Rumsey 2nd Vice President - Commercial Loans
 Timothy P. Sullivan 2nd Vice President - Trust
 Rebecca J. Wiley 2nd Vice President - Human Resources
 David J. Arnett Asst. Vice President - Cybersecurity
 Sandra K. Grimm Asst. Vice President - Data Processing
 Amber C. Kohler Asst. Vice President - Bank Operations
 Barry A. Malek Asst. Vice President - Trust
 Rae A. Organ Asst. Vice President - Bank Secrecy & Security
 Eric A. Potes Asst. Vice President - Commercial Loans
 Brian J. Powers Asst. Vice President - Internal Auditor
 Abba T. Reeve Asst. Vice President - Controller
 Melissa A. Stroede Asst. Vice President - Treasury Management
 Randall L. Tate Asst. Vice President - Loss Mitigation
 JoAn K. Bowman Associate Trust Officer
 Craig R. Burlingame Branch Officer - Homer
 Michelle L. Caldwell Branch Officer - Litchfield
 Suzanne L. Decker Mortgage Loan Officer
 Karla S. Enbody Consumer Loan Officer
 Donald W. Germann Branch Officer - Jonesville
 Kimberly R. Hedrick Branch Officer - Hudson
 Jeffrey S. Jackson Consumer Loan Officer
 Erica R. Johnson Branch Officer - Horton Road
 Lori A. Lemmon Mortgage Loan Officer
 Joshua J. Royal Compliance Officer
 Debra K. Storer Mortgage System Officer
 Stephanie K. Thomas Loan Operations Officer
 Brandy M. Titus Mortgage Loan Officer
 Robert J. Wrozek Commercial Loan Officer



**Consolidated
 Quarterly
 Financial
 Summary**

March 31, 2019

COUNTY NATIONAL BANK OFFICES

Main Office

One South Howell Street, Hillsdale, Michigan 49242

Phone: (517) 439-4300

Toll Free: (888) 322-1088

Trust Department

One South Howell Street

Hillsdale, MI 49242

Phone: (517) 437-3371

Lewis Street Office

150 Lewis Street

Hillsdale, MI 49242

Phone: (517) 437-3396

Adrian Office

1380 South Main Street

Adrian, MI 49221

Phone: (517) 902-0008

Hanover Office

125 West Main Street

Hanover, MI 49241

Phone: (517) 563-8332

Homer Office

109 West Main Street

Homer, MI 49245

Phone: (517) 568-4448

Hudson Office

325 Railroad Street

Hudson, MI 49247

Phone: (517) 448-8957

Jackson Office

1523 Horton Road

Jackson, MI 49203

Phone: (517) 782-2500

Jackson Office

1800 North Wisner Street

Jackson, MI 49202

Phone: (517) 783-1500

Jackson Office

215 South Jackson Street

Jackson, MI 49201

Phone: (517) 544-0902

Jonesville Office

228 East Chicago Street

Jonesville, MI 49250

Phone: (517) 849-9949

Litchfield Office

112 Jonesville Street

Litchfield, MI 49252

Phone: (517) 542-2932

Somerset Center Office

12641 East Chicago Road

Somerset Center, MI 49282

Phone: (517) 688-4433

Spring Arbor Office

119 West Main Street

Spring Arbor, MI 49283

Phone: (517) 750-4011

- DIRECTORS -

John E. Barrett President, *Eagle Funeral Homes, Inc.*
 Craig S. Connor Chairman & C.E.O., *County National Bank*
 Joseph B. Dunigan Retired President, *Dunigan Brothers, Inc.*
 Judy R. Gabriele Director of Development, *Hillsdale Hospital*
 John P. Lovinger Attorney, *Lovinger & Thompson, PC*
 Stephen J. Maddalena General Manager, *Kentwood Office Furniture*
 David W. Pope Chairman, *Powers Clothing, Inc.*
 Claude J. Rowley President, *Rowley, Inc.*
 John R. Waldron President, *County National Bank*
 Steven A. Wells President, *Wells Equipment Sales, Inc.*

**LOCALLY OWNED TO
 SERVE LOCAL NEEDS**



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CONSOLIDATED BALANCE SHEET

<u>ASSETS</u>	March 31, <u>2019*</u>	December 31, <u>2018</u>	<u>LIABILITIES AND STOCKHOLDERS EQUITY</u>	March 31, <u>2019*</u>	December 31, <u>2018</u>
Cash and Due from Banks	\$68,598,000	\$44,011,000	Total Deposits	\$607,044,000	\$578,864,000
Investment Securities	27,925,000	28,560,000	Other Borrowings	23,603,000	23,881,000
Net Loans	572,959,000	567,554,000	Other Liabilities	2,764,000	2,783,000
Bank Premises	5,935,000	5,782,000	Stockholders Equity	<u>58,314,000</u>	<u>56,539,000</u>
Other Assets	<u>16,308,000</u>	<u>16,160,000</u>	TOTAL LIABILITIES AND STOCKHOLDERS EQUITY	\$691,725,000	\$662,067,000
TOTAL ASSETS	\$691,725,000	\$662,067,000	Total Shares Outstanding**	2,096,671	2,096,671
			Book Value Per Share**	\$27.81	\$26.97

*Unaudited

**Includes only vested stock

CONSOLIDATED STATEMENT OF INCOME

	Three Months Ended	
	March 31, <u>2019*</u>	March 31, <u>2018*</u>
Interest Income	\$7,800,000	\$6,617,000
Interest Expense	<u>873,000</u>	<u>593,000</u>
Net Interest Income	6,927,000	6,024,000
Provision for Loan Losses	<u>101,000</u>	<u>38,000</u>
Net Interest Income after Provision	6,826,000	5,986,000
Other Income	1,656,000	1,395,000
Other Expense	<u>5,626,000</u>	<u>5,144,000</u>
Income before Federal Income Taxes	2,856,000	2,237,000
Federal Income Taxes	<u>597,000</u>	<u>444,000</u>
NET INCOME	\$2,259,000	\$1,793,000
Total Shares Outstanding	2,124,751	2,099,531
Basic Earnings Per Share**	\$1.08	\$0.86

*Unaudited

**Includes only vested stock



Community Bancorp, Inc.

FIRST QUARTER SHAREHOLDER UPDATE

The Board of Directors declared a quarterly cash dividend of \$0.25 per share payable April 19, 2019 to stockholders of record as of March 31, 2019. This represents a \$0.03 per share increase over the 2018 first quarter dividend.

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

- First quarter net income was \$2,259,000 an increase of \$466,000 or 26% from our first quarter earnings one year ago.
- Earnings per share for the first quarter were \$1.08, an increase of 22¢ over the first quarter of 2018.
- The last twelve months (LTM) earnings per share were \$4.27 compared to the March 2018 LTM earnings per share of \$3.06.
- Return on average equity for the first quarter was 16.01%, compared to 14.25% for the first quarter of 2018.
- Book value per share is now \$27.81, increasing \$3.06 from the first quarter of 2018, a 12.4% increase.
- Overall equity for CNB Community Bancorp, Inc. is \$58,314,000 increasing \$6,966,000 or 13.6% since the first quarter of 2018.

The strong first quarter earnings were attributable to growth in the loan portfolio, improvement in the net interest margin, increased net interest income and very good Trust and Investments Department income.

The loan portfolio is performing well as the overall yield on loans increases and we see very low loan losses. Net charge-offs for the quarter were \$149,000, or .03% of average loans outstanding. We expensed \$101,000 to allowance for loan losses compared to \$38,000 in the first quarter 2018. Our allowance for loan loss account now stands at \$7,021,000 or 1.21% of total loans outstanding.

The balance sheet reflects solid growth in deposits of \$28,180,000 through the first three months of 2019. This increase is a key to funding the many quality loan opportunities we are seeing. Even more impressive is the year-over-year deposits growth of \$53,024,000, or 9.6%. County National Bank and CNB Community Bancorp, Inc. continue to be considered well capitalized. Total risk-based capital to risk-weighted assets is 12.97% at the bank level and 11.61% at the consolidated Bancorp level.

Our annual meeting held April 10, 2019 went well with the entire Board of Directors slate being elected for the 2019-2020 term. We regret that David Pope has reached the mandatory retirement age and has retired from the Board after 38 years of distinguished service to the stakeholders of CNB. We thank David for his many years of outstanding contributions and wise counsel as the Bank grew successfully from 3 offices and \$68,000,000 in assets to 13 offices and \$692,000,000 in assets.

Our stock is now being traded on the OTC market under the symbol CNBB. Since we began trading on the OTC market in late 2017 the stock has moved up roughly 55% and the volume of shares being traded has substantially increased. We are very pleased to announce that the weighted average trading price for the month of March 2019 was \$34.45.

We're off to a very good start for 2019. It's rewarding to see the earnings and growth momentum we experienced during 2018 carry over into the first quarter of 2019. All of us are working 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
Chairman & CEO

John R. Waldron
President

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