



Tried and True.

Something of interest from your bank

CommunityBanc, Inc.

June 2012

Community Common Stock Offering

Common stock is currently being sold to new and existing shareholders per the offering circular. The historic average rate of return for CommunityBanc, Inc. common stock over the last five years has been 6.01%. This equates to a 1.12% average yearly dividend per share and 4.89% average yearly appreciation in the value of the shares. Please contact Greig McDonald at 800-224-1013 if you wish to buy additional shares. Management continues to request your referrals of family and friends as new shareholders and customers. Please send your new shareholder referrals to President Michael Steen at msteen@thecombank.com or interested individuals may contact Michael directly via email or by calling 740-454-1548.

Dividend Reinvestment Participants

For those shareholders who have elected to reinvest dividends, your certificates for new shares are enclosed. **If you have not yet signed up, we have enclosed a Dividend Reinvestment Plan** form to purchase additional shares of stock (stock dividends) in

lieu of receiving cash dividends. Please consider signing the Dividend Reinvestment Plan and mailing it back in the enclosed envelope. This helps retain working capital in our bank, with which we can achieve more growth and profit, as well as continue to increase your investment as a shareholder. **We strongly encourage you to take advantage of reinvesting your dividends to buy more shares. Twenty-five percent (25%) of our shareholders have already done so.**

Dividend Declared

Your Board of Directors are pleased to declare and issue a \$0.25 per share dividend for the Shareholders of Record as of June 1, 2012. Your check is enclosed. **If you are signed up for the Dividend Reinvestment Plan, the cash portion of the dividend for partial shares is enclosed, as well as a certificate for whole shares you requested be reinvested.**



CommunityBanc, Inc. Shareholders Meeting

On Thursday, April 19, 2012, over 150 CommunityBanc, Inc. Shareholders filled the auditorium at the Zanesville/Muskingum County Welcome Center for our Annual Shareholders Meeting. The evening included a short business meeting from Board Chairman Terry Goss and a presentation from President Michael Steen regarding our financial performance and the current stock offering. Shareholders gained valuable information and joined in the celebration of our bank's 110th Anniversary while enjoying the company of fellow Shareholders and hors d'oeuvres. Thank you to all who attended!

(Over)

Financial Results

We continue to produce extremely favorable financial results through May 31, 2012. The numbers discussed below are, of course, unaudited at this time.

Deposits continue to flow in and have increased 7.25% from December 31, 2011. This is very encouraging since a very high percentage of these deposits are what we consider to be "core", which means they are reasonably priced and are likely to stay with us for the long-term.

Our overall asset growth through May 31, 2012 is 6.50% above December 31, 2011 levels.

Earnings continue to be very strong, up roughly 13.35% for 2012 through May 31, 2012, and are well above budgeted amounts. This financial strength has allowed us to continue to beef up our Loan Loss Reserve, while our delinquency and non-performing loan totals remain significantly below peer bank levels. This is an excellent position for our bank in sluggish economic conditions.

New Concord Office Coming Soon...

Construction of our New Concord Banking Office is going well. The first floor block walls are up and the steel support for the second floor and drive thru canopy are in place. If the weather continues to cooperate, we anticipate completion by the end of September 2012.

Community Financial Advisors

Community Financial Advisors (CFA), the wealth management division of the bank, continues to show significant growth this year. Through May 31st, they have added 17 new client relationships, which accounts for nearly \$8 million in managed assets. CFA now manages nearly \$145 million in assets; representing clients in 8 states. The professionals at CFA, through a combined 97 years of experience, are being trusted with comprehensive retirement, trust and estate planning, as well as 401(k) plan design and management. For a "second opinion" on your financial planning, please consider one of our credentialed professionals! We invite your call at 740-453-0620.



SliceOfLife

The Community Bank invites you to "Bring your Community Bank Check Card to Life" by designing your very own SliceOfLife VISA Check Card. You pick the image or photo for the front of your Check Card! People, things and events in your daily life... all reminders of the precious moments that make you smile. Make your Check Card reflect your style and smile every time you use it.

Design your SliceOfLife Check Card today at www.thecombank.com.



OBL Lobbying Trip

Michael was photographed with members of the Ohio Banker's League on a recent lobbying trip to Washington D.C. The group was extremely successful and actually had a change in banking regulation introduced that day!

e-Statements

If you haven't switched your accounts to FREE "e-Statements" through our Online Banking, please consider doing so soon to help us cut costs and reduce paper in our ongoing efforts to be "green". You can find more information on our website www.thecombank.com and our customer service representatives are always available to assist you.

**It is a privilege to serve our
shareholders and customers,**

Terry L. Goss
Board Chairman

Michael R. Steen
President & CEO