



# *Tried and True.*

*Something of interest from your bank*

CommunityBanc, Inc.

January 2011

*Once again,  
it was a  
Very Good year!*

The Board of Directors and management are very pleased to report to you that your bank and affiliates of the holding company have once again experienced RECORD EARNINGS!

Unaudited 2010 year-end financials are as follows:

**Total Holding Company Assets**

\$249 million (up 24% in 2 years)

**Total Bank Assets**

\$241 million (up 35% in 2 years)

**Total Bank Deposits**

\$219 million (up 50% in 2 years)

**Total Bank Loans**

\$165 million (up 26% in 2 years)

**Bank Net Income**

\$1,260,128 (up 26% in 2010)

**Consolidated Holding Company Income**

\$1,173,774 (up 39% in 2010)

We will send our 2010 Annual Report to you in late March along with our Annual Shareholder's meeting information.

**Dividend Declared**

Your Board of Directors is pleased to declare and issue a \$0.23 per share dividend for the Shareholders of Record on December 31, 2010. The cash portion of the dividend is enclosed.

We have prudently maintained the stock dividend; while maintaining required capital levels; we did not increase it due to the uncertainty of required capital levels for all banks in the future. The "big bank" sins have created this uncertainty for all banks.

**Dividend Reinvestment Participants**

For those shareholders who have elected to reinvest dividends, your certificates for new shares will be mailed to you by the end of January. The cash portion equivalent for fractional shares is enclosed. **If you have not yet signed up**, please consider filling out the enclosed Dividend Reinvestment Plan form to purchase additional shares of stock (stock dividends)

in lieu of receiving cash dividends. This helps retain working capital in our bank, with which we can gain more growth and profit, as well as continue to increase your investment as a shareholder.

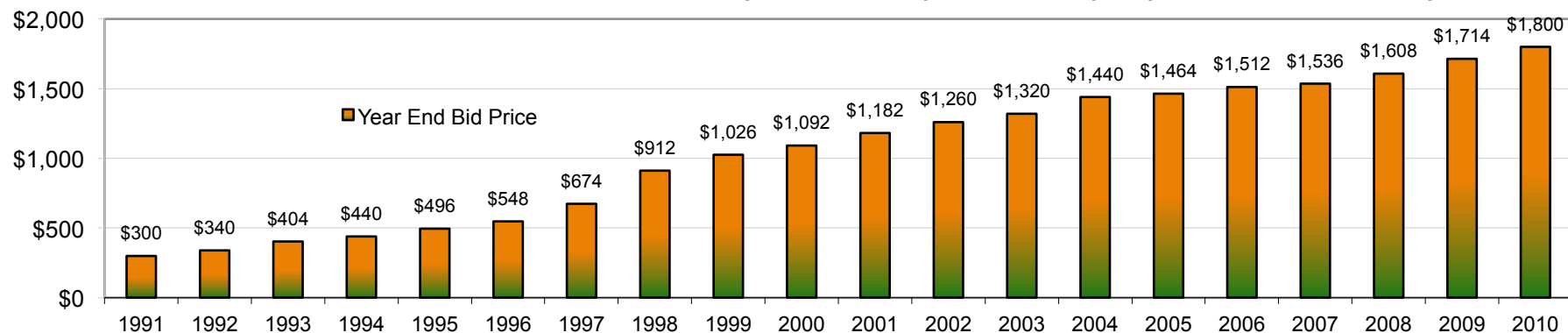
**Successful Offering**

We are pleased to announce that \$4 million of new common stock was sold during our offering. A very strong finish took us over that threshold and based upon similar offerings at banks our size, this can be considered extremely successful. *We want to thank our current shareholders for their continuing support, as well as welcome our new shareholders!!*

**Current Stock Price**

Our common stock is currently priced at \$37.50. Due to regulations on active offering circulars this price remained unchanged during the 18 months of our stock offering. Based upon our record earnings and strong growth, we would expect (*no guarantee*) our market maker to increase that price soon after fully audited financials are available.

## 20 Year Stock Performance of CommunityBanc, Inc., parent company of The Community Bank



Price adjustments from the following stock splits are not reflected in the above pricing, 2/1-1986, 2/1-1990, 50%-1998, 2/1-2000, 2/1-2002, 2/1-2009. One share of stock at the bid price of \$85.00 in 1981 split as mentioned above into 48 shares at the bid price of \$37.50 per share. This is the increase in market value of Community Banc, Inc. It does not include cash dividends paid to shareholders. This is a reflection of past performance of Community Banc, Inc. and should not be considered a projection of future performance. Funds held in corporate stock are not insured by the F.D.I.C. or any other government agency. Investments involve varying degrees of risk, including loss of principal. Prepared by: CommunityBanc Investments, Inc. January 1, 2011.

### Banking Office Growth

We are very proud of our employees and wish to point out key milestones that were reached in deposit totals for several offices. These year-end milestones were made possible due to the hard work of all our employees.

Office	Year-End Deposit Total	2010 Growth %
Frazeysburg . . . .	\$10 mil +	127%
East Zanesville . . .	\$20 mil +	18%
Downtown . . . . .	\$35 mil +	51%
Zanesville		
North Zanesville . . .	\$50 mil +	16%

### Annual Meeting Set

Our Annual Shareholders Meeting will be held Thursday, April 21<sup>st</sup>, at the Welcome Center in Downtown Zanesville at 6:00 pm. We welcome you to join us for great food and good fellowship! *More information forthcoming in March.*

### E-Statements and Mobile Banking

If you haven't switched your online banking accounts to "e-Statements" please consider doing so soon to help us cut costs and reduce paper in our ongoing efforts to be "green". Community Mobile Banking is another online banking enhancement that is very convenient and "cool". You can find more information on our website [www.thecombank.com](http://www.thecombank.com) and our customer service representatives are always available to assist you with e-Statements and Community Mobile Banking sign up.

### Community Financial Advisors

2010 was another successful year for Community Financial Advisors, our trust and investment management division. In 2010, CFA grew assets under management by 18% and has nearly 400 clients. The New Year brings new opportunities to all of us; might 2011 be a good time for a second opinion of your financial situation? We invite you to schedule a time to meet with one of our professionals: 453-0620.

Bill H. Moore  
Board Chairman

Michael R. Steen  
President & CEO