

## Fentura to Expand with Community Bancorp Acquisition

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FENTON, Mich. and ST. CHARLES, Mich., March 24, 2016 (GLOBE NEWSWIRE) -- The boards of directors of Fentura Financial, Inc. (OTCQX:FETM), the holding company for The State Bank, and Community Bancorp, Inc., the holding company for Community State Bank, today announced the execution of a definitive agreement by which Fentura Financial, Inc. ("Fentura") will acquire Community Bancorp, Inc. ("Community") in an all cash transaction. Shareholders of Community will receive cash consideration of \$68.75 per share, or approximately \$21.6 million in aggregate.

The Boards of Directors of both financial institutions have unanimously approved the purchase, which will include the acquisition of all Community's stock by Fentura. Fentura expects the transaction to be significantly accretive to earnings in year one, and anticipates earn back of the tangible book value dilution in less than three years. As is typical in transactions of this type, the sale is contingent on approval by the shareholders of Community Bancorp, Inc., the Federal Reserve Bank of Chicago, the Federal Deposit Insurance Corporation, and the Michigan Department of Insurance and Financial Services. It is anticipated that the transaction will occur during the third quarter of 2016.

Based on the companies' balance sheets as of December 31, 2015, following completion of the transaction the combined organization will have approximately \$620 million in assets, \$461 million in loans and \$550 million in deposits. The State Bank's branch offices will double to 16 locations, predominately serving mid-Michigan markets. The transaction will strengthen The State Bank's foothold as the largest Bank headquartered in Genesee County. Fentura believes the transaction will allow the combined company to operate more efficiently and create growth opportunities based on the resulting scale in our broader market, which includes Oakland and Livingston Counties.

Upon completion of the transaction, Ronald L. Justice will continue to serve as President and CEO and of Fentura Financial, Inc. and The State Bank. John C. Wendling, Community's President and CEO is expected to serve as a Senior Officer of The State Bank.

"We are excited for the opportunity to partner with an organization that believes, as we do, in the power of true community banking. The combined solid core deposit base allows us to take advantage of asset growth opportunities in both the acquired markets and our broader market areas," said Ronald Justice. Additionally, Justice added "We look forward to the opportunities this transaction creates to enhance shareholder value."

John Wendling commented, "We are very pleased to be joining with a larger community bank that is committed to delivering a high level of customer service. We believe that this transaction will be beneficial to our shareholders, customers and employees. We will now be able to make larger loans and offer additional services to our customers."

Fentura is being advised by the investment banking firm Donnelly Penman & Partners and the law firm Howard & Howard. Community is being advised by the investment banking firm Boenning & Scattergood and the law firm Bodman, PLC.

### About Fentura Financial and The State Bank

Fentura Financial is the holding company for The State Bank. It was formed in 1987 and is traded on the OTCQX exchange under the symbol FETM, and was recognized as one of the Top 50 performing stocks for 2015 on that exchange.

The State Bank is a full-service, 5-Star Bauer Financial rated commercial, retail and trust bank headquartered in Fenton, Michigan. It has assets of approximately \$422 million. It currently operates eight full-service branches located in Genesee, Livingston and Oakland Counties and one loan production office in Washtenaw County. The State Bank's commercial department provides a complete array of products including lines of credit, term loans, commercial mortgages, SBA loans and a full-suite of cash management products. The retail department offers personal checking, savings, time and IRA deposit accounts and all types of loan products including home equity, auto and personal loans. The residential loan department offers construction, purchase and refinance residential mortgage loans. The wealth management department offers a full-service suite of trust and portfolio management services. The aim of The State Bank is to become and remain "Your Financial Partner for Life." More information can be found at [www.thestatebank.com](http://www.thestatebank.com).

### About Community State Bank

Community State Bank is a full-service commercial, retail and agribusiness bank headquartered in St. Charles, Michigan. It has assets of approximately \$189 million and currently operates seven branches and a loan production office throughout Saginaw, Genesee and Shiawassee Counties. Community State Bank's commercial department provides a complete array of products including lines of credit, term loans, commercial mortgages and a full-suite of cash management products. The retail department offers personal checking, savings, time and IRA deposit accounts and all types of loan products including home equity, auto and personal loans. The residential loan department offers construction, purchase and refinance

residential mortgage loans. The agribusiness department offers loans, lines of credit and deposit products to serve the needs of the agricultural community. More information can be found at [www.gotocsb.com](http://www.gotocsb.com).

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