

## Community Bancshares, Inc. (McArthur, OH)

*has announced its intention to acquire*

## Salt Creek Valley Bancshares, Inc. (Laurelville, OH)

**Austin Associates has announced its 6th whole bank deal in 2007, ranking Austin Associates 5th nationally. Austin Associates served as financial advisor to Community Bancshares, Inc. with Craig Mancinotti serving as the lead banker.**

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### Transaction Summary

- McArthur, OH-based Community Bancshares, Inc. has expanded its footprint with the announced signing of a definitive agreement to acquire Laurelville, OH-based Salt Creek Valley Bancshares, Inc.
- Salt Creek operates two branches in Hocking County, OH and one branch in Pickaway County, OH through its subsidiary bank, Salt Creek Valley Bank.
- Deal terms and pricing have not been disclosed.

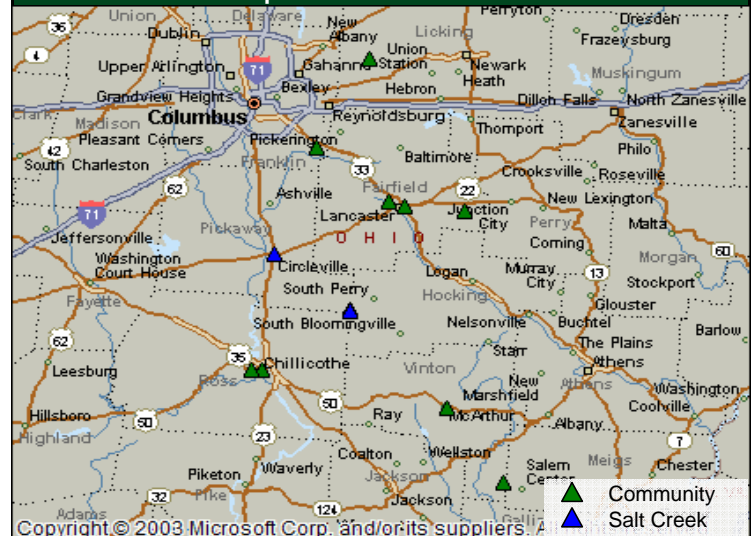
### Deal Terms

*Pricing Not Disclosed*

### Buyer and Seller Financial Profile as of 12/31/06

|                         | <u>Community</u> | <u>Salt Creek</u> |
|-------------------------|------------------|-------------------|
| Total Assets (\$000)    | \$581,045        | \$35,579          |
| Total Loans (\$000)     | \$426,129        | \$22,355          |
| Total Deposits (\$000)  | \$514,661        | \$29,858          |
| Total Equity (\$000)    | \$61,760         | \$5,599           |
| Tangible Equity (\$000) | \$61,760         | \$5,599           |
| Tg Equity/ Tg Assets    | 10.63%           | 15.74%            |
| 2006 Net Income (\$000) | \$4,870          | \$299             |
| 2006 ROAA               | 0.83%            | 0.86%             |
| 2006 ROAE               | 8.15%            | 5.43%             |
| NPAs/ Assets            | 0.84%            | 0.76%             |
| 2006 NCOs/ Avg Loans    | 0.24%            | 0.20%             |
| LLR/ Loans              | 1.14%            | 0.81%             |

### Pro Forma Branch Map



### Branch Information as of 12/31/06

|                         | <u>Community</u>  | <u>Salt Creek</u>                  |
|-------------------------|---|------------------------------------|
| Branch Offices (Active) | 8   | 3                                  |
| States of Operation     | OH  | OH                                 |
| Counties of Operation   | Vinton (2)<br>Ross (2)<br>Fairfield (3)<br>Franklin (1)<br>Licking (1)**  | Hocking (1)<br>Pickaway (2)        |
| Cities of Operation     | McArthur (1)<br>Chillicothe (2)<br>Wikesville (1)<br>Lancaster (2)<br>Bremen (1)<br>Canal Winchester (1)<br>Pataskala (1)** | Laurelville (2)<br>Circleville (1) |

\*\*Branch Opened 12/19/2006.

### Salt Creek Valley Bancshares - Market Share Information

|                                  |                           | Jun-06   | Jun-06          |
|----------------------------------|---------------------------|----------|-----------------|
|                                  |                           | Active   | Deposits        |
| Rank                             | Offices                   | (\$000)  | Market Share    |
| <b>Hocking County, OH</b>        |                           |          |                 |
| <b>Salt Creek (4 out of 6)</b>   |                           | <b>1</b> | <b>\$26,980</b> |
| <u>Market Leaders:</u>           |                           |          |                 |
| 1                                | Citizens Independent      | 4        | \$162,741       |
| 2                                | National City             | 1        | \$41,558        |
| 3                                | Park National             | 1        | \$29,110        |
| <b>Pickaway County, OH</b>       |                           |          |                 |
| <b>Salt Creek (10 out of 10)</b> |                           | <b>2</b> | <b>\$1,580</b>  |
| <u>Market Leaders:</u>           |                           |          |                 |
| 1                                | Savings Bancorp           | 4        | \$174,014       |
| 2                                | Citizens Bank of Ashville | 3        | \$67,042        |
| 3                                | JP Morgan                 | 1        | \$67,012        |