

Community Bankshares, Inc.

5690 DTC Blvd., Suite 460
Greenwood Village, CO 80111

Phone 720-529-3333 Facsimile 720-529-3343
www.cobnks.com

Banks

Community Banks of Colorado

Alamosa:
2061 Main Street, Alamosa, CO 81101

Antonito:
604 Main, Antonito, CO 81120

Aspen:
210 North Mill Street, Aspen, CO 81611

Avon:
70 Benchmark Road, Avon, CO 81620

Baker Commons:
277 Broadway, Denver, CO 80203

Basalt:
255 Gold Rivers Court #140, Basalt, CO 81621

Buena Vista:
520 Highway 24 South, Buena Vista, CO 81211

Center:
215 South Worth, Center, CO 81125

Cortez:
1438 East Main, Cortez, CO 81321

Crested Butte:
503 6th Street, Crested Butte, CO 81224

Cripple Creek:
101 East Warren Avenue, Cripple Creek, CO 80813

Del Norte:
595 Grand Avenue, Del Norte, CO 81132

Dove Creek:
305 South Guyrene, Dove Creek, CO 81324

Durango:
848 East Second Avenue, Durango, CO 81301

Eagle:
313 Chambers Avenue, Suite A, Eagle
CO 81631

Edwards:
280 Main Street, Edwards, CO 81632

Glenwood Springs:
1810 Grand Avenue, Glenwood Springs, CO 81601

Grand Junction:
2460 F Road, Unit #2, Grand Junction, CO 81505

Greenwood Village:
5690 DTC Blvd., Suite 450, Greenwood Village,
CO 80111

Gunnison:
1100 North Main Street, Gunnison, CO 81230

Highland:
3473 West 32nd Avenue, Denver, CO 80211

La Jara:
501 Main, La Jara, CO 81140

La Veta:
401 South Main, La Veta, CO 81055

Lowry:
7900 East First Ave, Denver, CO 80230

Monte Vista:
59 North Broadway, Monte Vista, CO 81144

Montrose:
330 South 12th Street, Unit B, Suite 1,
Montrose, CO 81401

Mt. Crested Butte:
620 Gothic Road, Unit C120,
Mt. Crested Butte, CO 81225

Pagosa Springs:
262 Pagosa Street, Suite B, Pagosa Springs, CO 81147

Pueblo:
121 West First Street, Pueblo, CO 81003

Rifle:
707 Wapiti Avenue, Suite 101, Rifle, CO 81650

Riverfront Park:
2100 16th Street, Suite 140, Denver, CO 80202

Rocky Ford:
201 North Main Street, Rocky Ford, CO 81067

Salida:
7480 West Highway 50, Salida, CO 81201

San Luis:
401 Church Place, San Luis, CO 81152

South Fork:
29889 West Highway 160, South Fork, CO 81154

Telluride:
100 W. Colorado Avenue, Unit C,
Telluride, CO 81435

Walsenburg:
501 Main Street, Walsenburg, CO 81089

Community Banks of Northern California

Castro Valley:
3895 East Castro Valley Blvd., Suite A,
Castro Valley, CA 94552

Lathrop:
210 Towne Centre Drive, Lathrop, CA 95330

Tracy:
1003 Central Avenue, Tracy, CA 95376
2140 West Grant Line Road, Tracy, CA 95377

Sacramento:
802 J Street, Sacramento, CA 95814

Citizens State Bank of Cortez

77 West Main, Cortez, CO 81321
1835 East Main, Cortez, CO 81321

Future Locations

Cherry Creek (2008)
Cherry Hills (2008)

Mortgage Divisions

Affiliated Financial Group, Inc.
5690 DTC Blvd., Suite 400
Greenwood Village, CO 80111

Banker's Mortgage Corporation
1810 Airport Road, Suite A-3
Breckenridge, CO 80424



COMMUNITY BANKSHARES, INC.



2008 First Quarter Report



Doing Business Differently
Bringing Together People, Places, and Performance.

Consolidated Balance Sheets
March 31

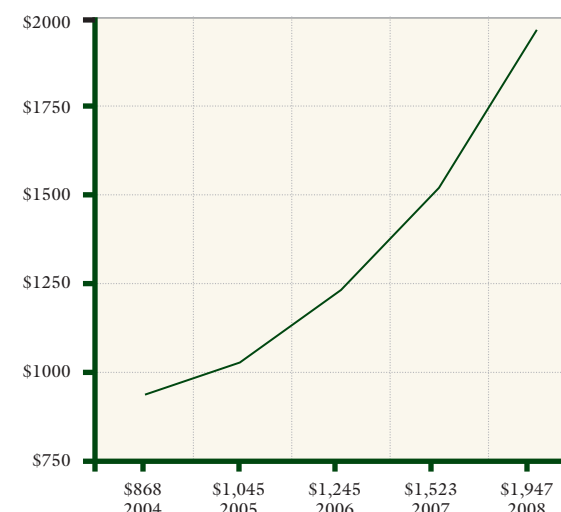
Assets	2008	2007	% Change
Cash and due from banks	\$ 48,806,589	\$ 54,343,817	-10.19%
Federal funds sold	31,715,000	72,800,000	-56.44%
Investment securities	59,143,622	44,509,068	32.88%
Total Cash and Investments	139,665,211	171,652,885	-18.64%
Loans	1,655,611,591	1,230,258,461	34.57%
Loans — held for sale	53,117,432	54,082,625	- 1.78%
Less: Allowance for Loan Losses	(18,244,092)	(9,107,071)	100.33%
Net Loans	1,690,484,931	1,275,234,015	32.56%
Premises and equipment	68,677,677	41,829,813	64.18%
Accrued income receivable	11,261,601	9,870,686	14.09%
Other Real Estate Owned	2,281,134	1,948,807	17.05%
Goodwill	21,571,359	11,922,009	80.94%
Trust preferred securities issuance costs, net	257,046	333,834	- 23.00%
Other assets	13,039,859	10,543,614	23.68%
Total Fixed Assets and Other Assets	117,088,676	76,448,763	53.16%
Total Assets	\$1,947,238,818	\$1,523,335,663	27.83%

Liabilities			
Deposits			
Non-interest bearing demand	\$200,932,131	\$163,002,407	23.27%
Interest bearing demand	743,652,613	674,226,544	10.30%
Savings	41,854,784	31,519,721	32.79%
Other time deposits	671,840,510	451,216,648	48.90%
Total Deposits	1,658,280,038	1,319,965,320	25.63%
Federal funds purchased/overnight borrowings	0	5,150,000	- 100.00%
FHLB advances	58,754,343	26,500,000	121.71%
Securities sold under repurchase agreements	2,399,792	0	—
Notes payable	15,340,000	3,700,000	314.59%
Other liabilities	9,871,523	8,214,152	20.18%
Company obligated mandatorily redeemable preferred securities of subsidiary trust holding solely junior subordinated debentures	44,337,000	39,182,000	13.16%
Unaccreted premium trust preferred	140,328	152,104	- 7.74%
Total Liabilities	\$1,789,123,024	\$1,402,863,576	27.53%

Stockholders' Equity			
Common stock — 5,107,954 and 4,400,919 issued and outstanding at March 31, 2008 and 2007, respectively	103,193,821	72,298,371	42.73%
Retained earnings	54,797,618	45,166,434	21.32%
Current year net income	469,004	3,029,512	- 84.52%
Other comprehensive income	(450,192)	0	—
Net unrealized gain on available for sale securities and securities subsequently transferred to held to maturity, net of tax	105,543	(22,230)	- 574.78%
Total Stockholders' Equity	158,115,794	120,472,087	31.25%
Total Liabilities and Stockholders' Equity	\$1,947,238,818	\$1,523,335,663	27.83%
Net Book Value per Share <i>Note 1</i>	\$30.95	\$27.37	13.08%

Note 1 — Book Value calculated on a fully diluted basis is \$29.73 and \$26.86 as of March 31, 2008 and 2007, respectively.

Total Assets (in millions)
As of March 31



Doing Business Differently

Lifestyle Banking: A Three-legged Stool

Bringing Together People, Places, and Performance. Each of these depends on the others like the legs of a stool. If any one leg is out of balance, the others are adversely affected. Lifestyle Banking is the phrase we use to remind ourselves of this interdependence.

We support and cultivate the strong economic development of our communities. We work with the business leaders, proprietors and entrepreneurs, ranchers and farmers, educators, public servants, who are all working hard to create the economic foundations and infrastructure to improve the lifestyles of their families and communities.

We strive to nurture and develop the social networks in our communities by supporting education, the arts, affordable home ownership, responsible land development, and the values that draw and hold people to the places we call home.

We believe in the sensible use and development of our environment. Our communities are in several of the highest producing agricultural areas in the country, in thriving and growing metropolitan areas, in beautiful and pristine wilderness areas. Each of these communities has their own unique challenges related to sustained economic growth, population density, and the shortage of natural resources and capital.

But, as the local bank, we also need to perform. We understand that businesses must remain profitable and competitive to survive. We understand that we can be a catalyst for economic growth and a source of desperately needed capital and financial expertise. We understand the requirement that we need to be a key participant in building the economic future for our communities – we cannot stand by and be a spectator, we must be a leader. But, we also understand that in order for our communities to thrive for the next hundred years, we must build upon a framework of long-term sustainability – not short-term gains. With this in mind, we try to help our communities create and promote legacy businesses that will be part of the local business environment for many years to come.

The stronger our understanding and belief that our jobs, our education systems, our parks and natural resources, will survive and thrive in the future, the less concerned we are about exploiting the here and now – and this benefits us all.

We do understand the critical relationship of economic, social, and environmental factors and will do our part to help them stay in balance. We are deeply committed to doing all that we can to improve the places we live – here and now, and for the future generations.

Visit www.cobnks.com to learn more about how we are doing business differently.