

Fentura Financial Inc.
Consolidated Statement of Condition
(000's omitted except per share data)
Unaudited

ASSETS	March 31,	
	2009	2008
Cash and due from banks	\$ 26,643	\$ 16,986
Federal Funds Sold	-	1,950
Total cash and cash equivalents	<u>26,643</u>	<u>18,936</u>
Securities available for sale, at fair value	42,737	56,143
Securities held to maturity (fair value of \$7,769 at March 31, 2009 and \$8,214 at March 31, 2008)	6,563	8,207
Total securities	<u>49,300</u>	<u>64,350</u>
Loans held for sale	4,842	1,463
Commercial loans	282,184	286,863
Construction loans	51,001	59,426
Consumer loans	51,206	57,224
Real estate loans	36,235	33,736
Total loans	420,626	437,249
Less: Allowance for loan losses	(11,405)	(8,325)
Net loans	<u>409,221</u>	<u>428,924</u>
Bank premises and equipment	16,610	17,712
Accrued interest receivable	2,275	2,253
Bank-owned life insurance	7,034	7,087
Assets of held for sale operations	43,878	46,207
Goodwill	-	7,955
Other assets	17,531	14,825
Total assets	<u>\$ 577,334</u>	<u>\$ 609,712</u>
LIABILITIES		
Noninterest bearing deposits	\$ 65,668	\$ 62,991
Interest bearing deposits	409,224	420,271
Total deposits	<u>474,892</u>	<u>483,262</u>
Short-term borrowings	1,636	716
Other borrowings	10,007	17,031
Subordinated debt	14,000	14,000
Liabilities of held for sale operations	40,856	42,316
Accrued taxes, interest and other liabilities	2,090	3,009
Total liabilities	<u>543,481</u>	<u>560,334</u>
Common stock - 2,195,326 issued (2,171,681 in 2008)	42,814	42,649
Retained earnings	(6,336)	6,860
Accumulated other comprehensive income (loss)	(2,625)	(131)
Total stockholders' equity	<u>33,853</u>	<u>49,378</u>
Total liabilities and stockholders' equity	<u>\$ 577,334</u>	<u>\$ 609,712</u>

Fentura Financial Inc.
Consolidated Statement of Income
(000's omitted except per share data)
Unaudited

	Three Months Ended March 31,	
	2009	2008
INTEREST INCOME		
Interest and fees on loans	\$ 6,463	\$ 7,483
Interest and dividends on securities:		
Taxable	420	547
Tax-exempt	144	111
Interest on short-term securities	<u>-</u>	<u>93</u>
Total interest income	7,027	8,234
INTEREST EXPENSE		
Deposits	2,613	3,745
Borrowings	<u>311</u>	<u>486</u>
Total interest expense	<u>2,924</u>	<u>4,231</u>
NET INTEREST INCOME	4,103	4,003
Provision for loan losses	<u>1,655</u>	<u>980</u>
Net interest income after provision for loan losses	2,448	3,023
NONINTEREST INCOME		
Service charges on deposit accounts	436	623
Trust income	364	456
Gain on sale of loans	235	118
Other operating income	620	372
Income(loss) on equity investment	<u>(515)</u>	<u>(168)</u>
Total noninterest income	1,140	1,401
NONINTEREST EXPENSE		
Salaries and benefits	2,552	2,824
Occupancy of bank premises	503	505
Equipment expense	424	471
Loss impairment of held for sale operations	700	-
Other operating expenses	<u>1,657</u>	<u>1,606</u>
Total noninterest expense	<u>5,836</u>	<u>5,406</u>
NET INCOME (LOSS) BEFORE TAXES	(2,248)	(982)
Federal income taxes (benefit)	<u>(592)</u>	<u>(364)</u>
Net income (loss) from continuing operations	<u>(1,656)</u>	<u>(618)</u>
Net (loss) from held for sale operations, net of tax	<u>(3)</u>	<u>(10)</u>
NET INCOME (LOSS)	<u><u>\$ (1,659)</u></u>	<u><u>\$ (628)</u></u>
Per share amounts:		
Net income - basic	\$ (0.76)	\$ (0.29)
Net income - diluted	\$ (0.76)	\$ (0.29)

Fentura Financial Inc.**Financial Highlights***\$ in thousands except per share data***Unaudited**

	March 31,		
	2009	2008	% Change
Net Income	(\$1,659)	(\$628)	164.17 %
Return on average total equity	(18.36) %	(1.26) %	1357.14 %
Return on average assets	(1.17) %	(0.41) %	185.37 %
Net interest margin	3.52 %	3.14 %	12.10 %
Per Common Share:			
Net Income - basic	(\$0.76)	(\$0.29)	162.07 %
Net Income - diluted	(\$0.76)	(\$0.29)	162.07 %
Book value	\$15.42	\$22.81	(32.40) %
Market price (last trade)	\$4.50	\$17.75	(74.65) %