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For Immediate Release

FENTURA ANNOUNCES 3RD QUARTER RESULTS

Fentura Financial, Inc. a Fenton based community bank holding company has announced earnings of \$295,000 or \$0.14 per share for the third quarter of 2008. For the third quarter of 2007, the company reported a loss of \$2,107,000 or \$0.98 per diluted share. The improvement in earnings compared to same quarter in 2007 was primarily a result of a \$4,408,000 reduction in the provision for loan losses. According to Fentura CEO Donald L. Grill, "While non-performing loan totals remain well above historical levels, the pace of encountering newly troubled borrowers has slowed noticeably during the past few months."

Through September 30, 2008, the company reported a loss of \$2,501,000 compared to a loss of \$315,000 through the third quarter 2007. Net interest income declined \$2,167,000 due to margin compression and the year to date impact of non-accrual loans. Non-interest income declined \$1,261,000 due to the write down of inventory properties, decreased rental income and start up losses in connection with the company's Arizona bank investment. Non-interest expense through September was up slightly over the prior year quarter due principally to troubled loan related expenses and the elimination of the carrying value of a De Novo Bank investment.

Assets totaled \$587,358,000 at September 30, 2008, a decline of \$32,188,000 when compared with September 30, 2007. Total loans declined \$8,243,000 as construction and land development loans declined from \$62,787,000 to \$54,730,000. According to CEO Grill, “Our bankers have made good progress during the past year in reducing our exposure to construction and land development lending. Such loans currently comprise about 50% of our non-performing loan totals.” Total stockholders equity declined \$3,862,000 from the level reported at September 30, 2007 due primarily to the 2008 year-to-date operating loss and adjustments to other comprehensive income.

Regarding the examination of strategic initiatives, CEO Grill indicated that “The Board of Directors continues to examine various strategic alternatives to address capital adequacy and organizational structure to improve overall financial performance. In connection with this planning process, an application was submitted in November to the U.S. Department of Treasury for participation in the TARP Capital Purchase Program. Under this program, Fentura may receive up to ten million dollars of additional capital through the issuance of preferred stock to be purchased by the Department of Treasury. Board deliberations continue regarding other strategic alternatives to assist in strengthening the capital position of the company.

Fentura Financial, Inc. is a bank holding company headquartered in Fenton, Michigan. Subsidiary banks include The State Bank also headquartered in Fenton with offices serving Fenton, Linden, Holly, and Grand Blanc; Davison State Bank headquartered in Davison; West Michigan Community Bank headquartered in Hudsonville with offices serving Hudsonville, Holland and Jenison; and Livingston Community Bank a division of The State Bank, headquartered in Brighton. Fentura Financial, Inc. shares are traded over the counter under the FETM trading symbol.

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CAUTIONARY STATEMENT: *This press release contains certain forward-looking statements that involve risks and uncertainties. Forward-looking statements include, but are not limited to, statements concerning future growth in earning assets and net income. Such statements are subject to certain risks and uncertainties which could cause actual results to differ materially from those expressed or implied by such forward-looking statements, including, but not limited to, economic, competitive, governmental and technological factors affecting the Company's operations, markets, products, services, interest rates and fees for services. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release. Further information concerning our business, including additional factors that could materially affect our financial results, is included in our filings with the Securities and Exchange Commission.*