

**Central Virginia Bankshares, Inc.**  
**CONSOLIDATED STATEMENTS OF INCOME**

(Unaudited)

	Three Months Ended				Nine Months Ended			
	September 30				September 30			
	2008	2007	\$ Change	% Change	2008	2007	\$ Change	% Change
<b>Interest and fees on loans</b>	4,867,173	5,182,185	(315,012)	-6.1%	14,837,593	14,288,061	549,532	3.8%
Interest on securities:								
U.S. Government agencies and corporations	1,301,214	1,465,377	(164,163)	-11.2%	4,018,956	4,279,825	(260,869)	-6.1%
U.S. Treasury securities	0	0	0		0	0	0	
States and political subdivisions	212,047	234,777	(22,730)	-9.7%	687,489	732,264	(44,775)	-6.1%
Other	924,942	976,787	(51,845)	-5.3%	3,131,372	2,880,145	251,227	8.7%
Interest on federal funds sold	145	4,901	(4,756)	-97.0%	1,749	512,940	(511,191)	-99.7%
<b>Total Interest on Securities and Funds Sold</b>	2,438,348	2,681,842	(243,494)	-9.1%	7,839,566	8,405,174	(565,608)	-6.7%
<b>Total Interest Income</b>	7,305,521	7,864,027	(558,506)	-7.1%	22,677,159	22,693,235	(16,076)	-0.1%
<b>Interest on Deposits</b>	2,842,022	3,443,004	(600,982)	-17.5%	9,034,954	10,067,025	(1,032,071)	-10.3%
Interest on federal funds purchased and securities sold under repurchase agreements	259,550	85,337	174,213	204.1%	709,017	98,533	610,484	619.6%
Interest on FHLB borrowings:								
Overnight	89,306	0	89,306		230,626	0	230,626	
Term	477,681	388,189	89,492	23.1%	1,389,079	1,160,677	228,402	19.7%
Interest on ST loan payable	1,151	0	1,151		1,151	0	1,151	
Interest on capital trust preferred	72,202	104,906	(32,704)	-31.2%	239,367	311,162	(71,795)	-23.1%
<b>Total Interest on Borrowings</b>	899,890	578,432	321,458	55.6%	2,569,240	1,570,372	998,868	63.6%
<b>Total Interest Expense</b>	3,741,912	4,021,436	(279,524)	-7.0%	11,604,194	11,637,397	(33,203)	-0.3%
Net interest income	3,563,609	3,842,591	(278,982)	-7.3%	11,072,965	11,055,838	17,127	0.2%
<b>Net Interest Income (FTE)</b>	3,697,739	4,015,905	(318,166)	-7.9%	11,571,072	11,573,656	(2,584)	0.0%
<b>Provision for Loan Losses</b>	300,000	0	300,000		880,000	0	880,000	
<b>Net interest income after provision for loan losses</b>	3,263,609	3,842,591	(578,982)	-15.1%	10,192,965	11,055,838	(862,873)	-7.8%
<b>Other income</b>	477,632	504,024	(26,392)	-5.2%	1,410,332	1,333,907	76,425	5.7%
Bank card fees	129,714	123,062	6,652	5.4%	384,822	346,876	37,946	10.9%
Increase in cash surrender value of life insurance	95,670	125,012	(29,342)	-23.5%	293,026	262,120	30,906	11.8%
Secondary mortgage market loan interest and fees	22,564	7,581	14,983	197.6%	64,100	114,295	(50,195)	-43.9%
Investment and insurance commissions	94,881	94,039	842	0.9%	216,873	269,011	(52,138)	-19.4%
Realized gain on sale of securities available for sale	21,747	(17,406)	39,153	-224.9%	138,684	4,987	133,697	2680.9%
Realized gain on sale of assets	0	0	0		0	0	0	
Other	47,606	43,908	3,698	8.4%	177,434	190,321	(12,887)	-6.8%
<b>Total Other Income</b>	889,814	880,220	9,594	1.1%	2,685,271	2,521,517	163,754	6.5%
Other expenses								
Salaries and wages	1,400,993	1,452,837	(51,844)	-3.6%	4,143,798	4,115,207	28,591	0.7%
Pensions and other employee benefits	493,446	494,656	(1,210)	-0.2%	1,475,953	1,545,630	(69,677)	-4.5%
<b>Total Salaries and Benefits</b>	1,894,439	1,947,493	(53,054)	-2.7%	5,619,751	5,660,837	(41,086)	-0.7%
Occupancy expense	159,551	152,658	6,893	4.5%	476,166	497,627	(21,461)	-4.3%
Equipment depreciation	155,803	160,636	(4,833)	-3.0%	491,761	476,072	15,689	3.3%
Equipment repairs and maintenance	101,842	89,107	12,735	14.3%	288,116	308,069	(19,953)	-6.5%
Advertising and public relations	91,698	84,685	7,013	8.3%	248,152	338,695	(90,543)	-26.7%
Federal insurance premiums	73,401	10,808	62,593	579.1%	148,977	31,389	117,588	374.6%
Office supplies, telephone, and postage	125,580	140,391	(14,811)	-10.5%	392,666	372,769	19,897	5.3%
Taxes and licenses	77,255	72,894	4,361	6.0%	242,340	221,989	20,351	9.2%
Legal and professional fees	67,300	89,924	(22,624)	-25.2%	176,476	259,311	(82,835)	-31.9%
Consulting fees	92,954	77,272	15,682	20.3%	254,942	227,311	27,631	12.2%
OTTI losses on securities	17,850,850	0	17,850,850		17,850,850	0	17,850,850	
Other operating expenses	552,911	486,580	66,331	13.6%	1,498,311	1,431,747	66,564	4.6%
<b>Total Other Expenses</b>	19,349,145	1,364,955	17,984,190	1317.6%	22,068,757	4,164,979	17,903,778	429.9%
<b>Total Non-Interest Expense</b>	21,243,584	3,312,450	17,931,136	541.3%	27,688,508	9,825,816	17,862,692	181.8%
Income before income taxes	(17,090,161)	1,410,361	(18,500,524)	-1311.8%	(14,810,272)	3,751,539	(18,561,811)	-494.8%
Income taxes	(196,320)	303,847	(500,167)	-164.6%	278,487	772,367	(493,880)	-63.9%
<b>Net Income</b>	(16,893,841)	1,106,514	(18,000,355)	-1626.8%	(15,088,759)	2,979,172	(18,067,931)	-606.5%
Earnings per share of common stock - Basic:								
Income before income taxes	(6.64)	0.55	-7.19	-1307.27%	(5.75)	1.47	-7.22	-490.9%
Net income - Basic	(6.56)	0.44	-7.00	-1590.91%	(5.86)	1.17	-7.02	-601.5%
Earnings per share assuming dilution:								
Income before income taxes	(6.57)	0.54	-7.11	-1316.67%	(5.69)	1.45	-7.14	-491.3%
<b>Net income - Fully Diluted</b>	(6.48)	0.42	-6.90	-1642.86%	(5.79)	1.15	-6.95	-602.0%
Dividends paid per share	0.18	0.18		0.0%	0.54	0.54		0.0%
Weighted average shares	2,581,760	2,556,772			2,576,578	2,551,283		
Weighted average shares assuming dilution	2,611,609	2,587,388			2,604,385	2,581,126		
Return on average assets	-13.59%	0.96%	-14.55%	-1514.70%	-4.05%	0.87%	-4.93%	-563.9%
Return on average equity	-227.11%	11.92%	-239.03%	-2005.32%	-58.38%	10.58%	-68.96%	-651.8%
Average assets	497,318,977	460,816,896			496,328,290	454,602,971		
Average equity	29,754,279	37,131,866			34,463,213	37,546,200		