

CENTRAL VIRGINIA BANKSHARES, INC
CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

	Three Months Ended				Twelve Months Ended			
	2008	2007	\$ Change	% Change	2008	2007	\$ Change	% Change
Interest and fees on loans	4,646,299	5,217,904	(571,605)	-11.0%	19,483,893	19,505,965	(22,072)	-0.1%
Interest on securities:								
U.S. Government agencies and corporations	1,282,111	1,461,409	(179,298)	-12.3%	5,301,067	5,741,234	(440,167)	-7.7%
U.S. Treasury securities	0	0	0		0	0	0	
States and political subdivisions	191,291	233,399	(42,108)	-18.0%	878,779	965,663	(86,884)	-9.0%
Other	716,918	1,007,202	(290,284)	-28.8%	3,848,290	3,887,347	(39,057)	-1.0%
Interest on federal funds sold	437	222	215	96.8%	2,186	513,162	(510,976)	-99.6%
Total Interest on Securities and Funds Sold	2,190,756	2,702,232	(511,475)	-18.9%	10,030,322	11,107,406	(1,077,084)	-9.7%
Total Interest Income	6,837,056	7,920,136	(1,083,080)	-13.7%	29,514,215	30,613,371	(1,099,156)	-3.6%
Interest on Deposits	2,773,018	3,320,971	(547,953)	-16.5%	11,807,972	13,387,997	(1,580,025)	-11.8%
Interest on federal funds purchased and securities sold under repurchase agreements	121,580	306,286	(184,706)	-60.3%	830,597	404,818	425,779	105.2%
Interest on FHLB borrowings:								
Overnight	49,723	1,754	47,969	2734.8%	280,348	1,754	278,594	15883.4%
Term	486,312	432,377	53,935	12.5%	1,875,391	1,593,054	282,337	17.7%
Interest on ST loan payable	111,724	0	111,724		112,875	0	112,875	
Interest on capital trust preferred	84,485	103,252	(18,767)	-18.2%	323,853	414,414	(90,561)	-21.9%
Total Interest on Borrowings	853,824	843,669	10,155	1.2%	3,423,064	2,414,040	1,009,024	41.8%
Total Interest Expense	3,626,842	4,164,640	(537,798)	-12.9%	15,231,036	15,802,037	(571,001)	-3.6%
Net interest income	3,210,214	3,755,496	(545,282)	-14.5%	14,283,179	14,811,334	(528,155)	-3.6%
Net Interest Income (FTE)	3,291,333	3,931,864	(640,530)	-16.3%	14,862,406	15,505,520	(643,114)	-4.1%
Provision for Loan Losses	370,000	180,000	190,000	105.6%	1,250,000	180,000	1,070,000	594.4%
Net interest income after provision for loan losses	2,840,214	3,575,496	(735,282)	-20.6%	13,033,179	14,631,334	(1,598,155)	-10.9%
Other income	472,812	519,049	(46,237)	-8.9%	1,883,144	1,852,956	30,188	1.6%
Deposit fees and charges	128,178	124,284	3,894	3.1%	513,000	471,160	41,840	8.9%
Bank card fees	95,670	98,266	(2,596)	-2.6%	388,696	360,385	28,311	7.9%
Increase in cash surrender value of life insurance	43,293	14,156	29,137	205.8%	107,393	128,451	(21,058)	-16.4%
Secondary mortgage market loan interest and fees	35,220	111,014	(75,794)	-68.3%	252,094	380,025	(127,931)	-33.7%
Investment and insurance commissions	23,246	104,560	(81,314)	-77.8%	161,929	109,548	52,381	47.8%
Realized gain on sale of securities available for sale	0	0	0		0	0	0	
Realized gain on sale of assets	53,488	49,207	4,281	8.7%	230,922	239,529	(8,607)	-3.6%
Other	851,907	1,020,536	(168,629)	-16.5%	3,537,178	3,542,054	(4,876)	-0.1%
Total Other Income	851,907	1,020,536	(168,629)	-16.5%	3,537,178	3,542,054	(4,876)	-0.1%
Other expenses	1,268,149	1,398,489	(130,340)	-9.3%	5,411,947	5,513,696	(101,749)	-1.8%
Salaries and wages	289,949	427,554	(137,605)	-32.2%	1,765,902	1,973,184	(207,282)	-10.5%
Pensions and other employee benefits	1,558,098	1,826,043	(267,945)	-14.7%	7,177,849	7,486,880	(309,031)	-4.1%
Total Salaries and Benefits	1,558,098	1,826,043	(267,945)	-14.7%	7,177,849	7,486,880	(309,031)	-4.1%
Occupancy expense	166,160	152,062	14,098	9.3%	642,326	649,689	(7,363)	-1.1%
Equipment depreciation	154,391	167,323	(12,932)	-7.7%	646,152	643,395	2,757	0.4%
Equipment repairs and maintenance	82,097	100,058	(17,961)	-18.0%	370,213	408,127	(37,914)	-9.3%
Advertising and public relations	93,860	113,291	(19,431)	-17.2%	342,012	451,986	(109,974)	-24.3%
Federal insurance premiums	70,943	10,923	60,020	549.5%	219,920	42,312	177,608	419.8%
Office supplies, telephone, and postage	123,984	152,936	(28,952)	-18.9%	516,649	525,705	(9,056)	-1.7%
Taxes and licenses	76,425	73,046	3,379	4.6%	318,765	295,035	23,730	8.0%
Legal and professional fees	124,018	130,187	(6,169)	-4.7%	300,494	389,498	(89,004)	-22.9%
Consulting fees	97,638	70,649	26,989	38.2%	352,580	297,961	54,619	18.3%
OTTI losses on securities	1,049,050	0	1,049,050		18,899,900	0	18,899,900	
Other operating expenses	657,609	516,024	141,585	27.4%	2,155,921	1,947,771	208,150	10.7%
Total Other Expenses	2,696,175	1,486,499	1,209,676	81.4%	24,764,932	5,651,479	19,113,453	338.2%
Total Non-Interest Expense	4,254,273	3,312,542	941,731	28.4%	31,942,781	13,138,359	18,804,422	143.1%
Income before income taxes	3,205,223	3,312,542	(107,319)	-3.2%	(15,372,424)	5,035,029	(20,407,453)	-405.3%
Income taxes	(562,152)	1,283,490	(1,845,642)	-143.8%	(5,747,710)	1,046,318	(6,794,028)	-649.3%
Net Income (Loss)	5,464,045	1,009,539	4,454,506	441.2%	(9,624,714)	3,988,711	(13,613,425)	-341.3%
Earnings per share of common stock - Primary:								
Income before income taxes	(0.22)	0.50	(0.72)	-144.00%	(5.96)	1.97	1.97	-402.2%
Net income (loss) - Basic	2.11	0.39	1.72	441.03%	(3.73)	1.56	1.17	-338.9%
Earnings per share assuming dilution:								
Income before income taxes	(0.22)	0.50	(0.72)	-144.00%	(5.96)	1.95	1.95	-405.8%
Net income (loss) - Fully Diluted	2.11	0.39	1.72	441.03%	(3.73)	1.54	1.15	-341.7%
Dividends paid per share	0.105	0.18		-41.7%	0.645	0.72		-10.4%
Weighted average shares	2,589,444	2,561,108		1.11%	2,579,812	2,553,760		1.02%
Weighted average shares assuming dilution	2,589,444	2,591,150		-0.07%	2,579,812	2,583,652		-0.15%
Return on average assets	4.54%	0.85%	3.69%	435.20%	-1.95%	0.87%	0.65%	-325.3%
Return on average equity	142.45%	10.66%	131.79%	1236.46%	-32.45%	10.60%	7.92%	-406.2%
Average assets	481,887,763	476,510,323			492,698,431	460,124,824		
Average equity	15,343,058	37,885,904			29,657,054	37,631,824		