

February 18, 2010

Banks: Fourth Quarter 2009 Review and Industry Outlook

Company Name	Rating	Risk Profile	Projected EPS		Projected P/E		Dividend	
			Current	Next	Current	Next	Ind	Yield
BB&T Corp. (BBT-NYSE-\$27.22) S/C, A1	Neutral	Average	\$1.59	\$2.65	17.1x	10.3x	\$0.60	2.2%
Capital One Financial (COF-NYSE-\$36.85) None	Neutral	Above Average	\$1.83	\$3.65	20.1x	10.1x	\$0.20	0.5%
Cardinal Financial Corp. (CFNL-NASDAQ-\$9.41) I, I2, U	Buy	Average	\$0.55		17.1x		\$0.08	0.9%
First Community Bancshares (FCBC-NASDAQ-\$11.70) I2, S/C	Buy	Average	\$1.12		10.4x		\$0.40	3.4%
Fulton Financial Corporation (FULT-NASDAQ-\$8.95) None	Neutral	Average	\$0.55		16.3x		\$0.12	1.3%
StellarOne Corporation (STEL-NASDAQ-\$11.64) I2, S/C	Buy	Average	\$0.18		64.7x		\$0.16	1.4%
SunTrust Banks (STI-NYSE-\$22.60) S/C	Neutral	Above Average	(\$1.55)	\$1.05	NM	21.5x	\$0.04	0.2%
Union Bankshares Corp. (UBSH-NASDAQ-\$13.23) S/C, I2	Buy	Above Average	\$0.81		16.3x		\$0.24	1.8%
Virginia Commerce Bancorp (VCBI-NASDAQ-\$5.97) I2	Neutral	Above Average	(\$0.15)		NM		\$0.00	0.0%
Wilmington Trust Corporation (WL-NYSE-\$12.90) S/C	Buy	Above Average	\$0.60	\$1.60	21.5x	8.1x	\$0.04	0.3%

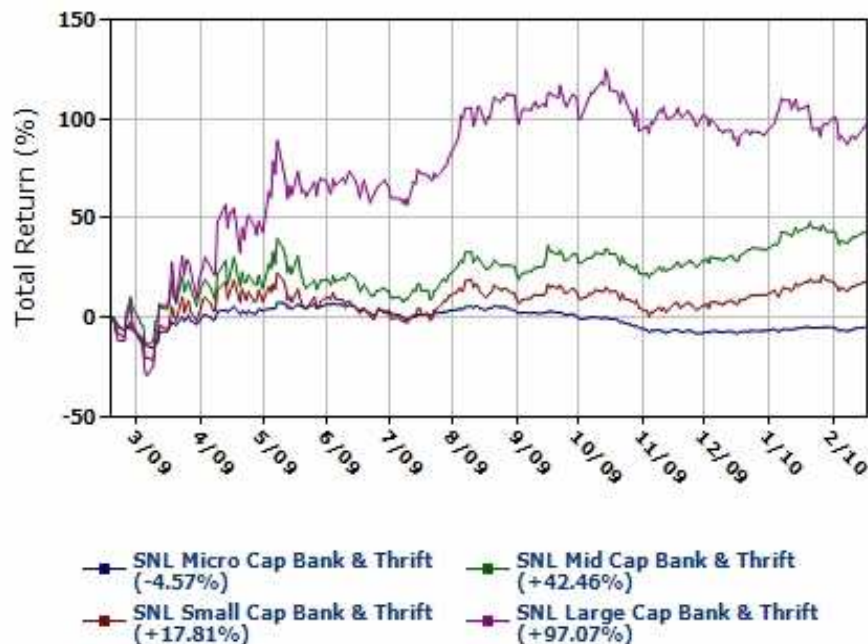
Important disclosures and analyst certifications are in the Disclosure Section.

(source: Baseline)

Performance and Valuation

Thus far, 2010 has brought a more rational reaction in the marketplace when compared to the wild fluctuations of last year. Bank stocks have modestly outperformed the broader equity market as indicated by the S&P 500 during the first six weeks of this year. Performance among banks has not been uniform as some of the nation's largest institutions have sold off previous highs primarily due to uncertainties interjected by regulatory and legislative proposals. Smaller institutions have started to perform better in relative terms after an abysmal 2009. The following graph highlights some of the trends over the past year among various bank asset categories:

2/09 - 2/10 Total Return Performance



When examining this chart, please remember the base! One year ago, the market was nearing the end of its massive sell-off in early March. Many bank valuations were at all-time lows under the weight of the economic uncertainty and the pending “stress tests” to be imposed by regulators. These concerns were particularly reflected in the most widely-traded bank equities and this group also rebounded to a much greater degree when the stress test was announced and subsequent capital raises allowed many to repay TARP. As illustrated in the prior graph, small-to-mid cap bank equities materially lagged their large cap brethren over the course of the past year.

The banking sector may well have turned the corner in terms of stock performance. The fear of a double-dip recession cannot be ignored, but seems less likely as many economic indicators show signs of improvement. Asset quality metrics are showing signs of stabilizing as unemployment trends improve and home prices bounce along a bottom. The nation’s largest institutions have demonstrated they have access to capital and the worst fears of shareholder dilution may be behind many of the larger cap institutions that have repaid their TARP obligations.

The “sweet spot” may now be small-to-mid-sized institutions that have ample capital and above average asset quality. Many of these institutions notably lagged in the market rally over the past year. While earnings at these banks remain depressed, patience is likely to be rewarded if a bank has a strong capital base and solid asset quality. These banks will fall into the “have” category, while some peers that are laboring under deteriorating asset quality, weak capital and bleak prospects for improved earnings are in the “have-not” camp and are likely to struggle in terms of price appreciation. We strongly advise investors to remain with the “haves” at this point of the cycle. While selling at higher relative valuations, the “haves” will come out of the current crisis as stronger companies, incur materially less dilution to their shareholders and be in a position to pursue alternative acquisition opportunities. In the near term, these M&A opportunities will remain focused on FDIC-assisted transactions. (See the Mergers and Acquisition section of this report.)

Asset Quality

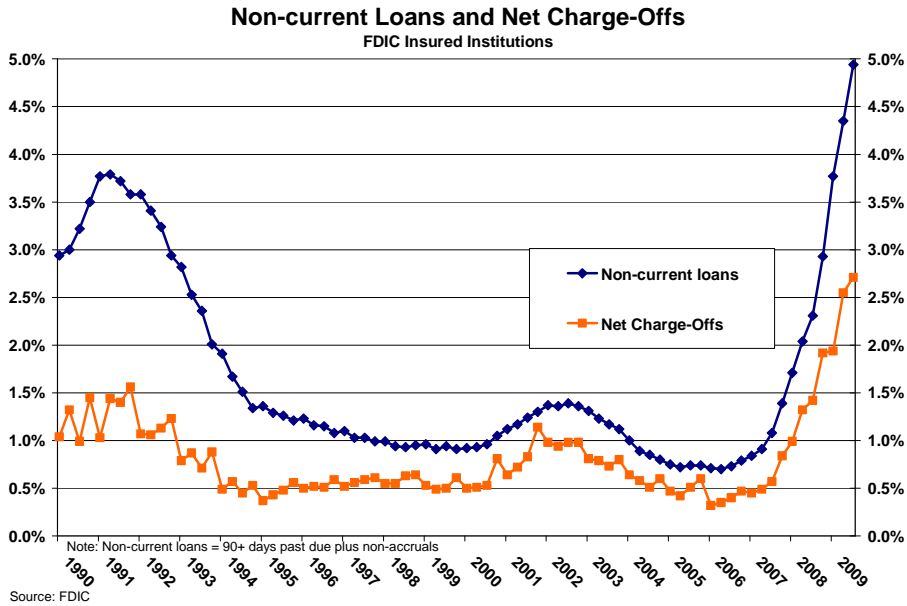
Asset quality remains the hot topic throughout the banking universe, although capital is a close second. Investors continue to work to obtain a sense of when nonperforming asset balances will peak, net charge-offs will begin to recede, and loan loss reserves will begin to release. Unfortunately, pegging the timing of these events is a tough assignment made more difficult by variances within each bank’s loan portfolio composition, geographic specifics and underwriting strength. What is beginning to shine through is a sense of each bank’s asset quality trends, which, in turn, provides either a sense of optimism or further apprehension and concern. Several external forces will ultimately determine the turning point for credit quality, but it is certainly worth noting that the line that separates what appears to be the “haves” from the “have-nots” is becoming better defined. While the “haves” may not be trading at deep valuation discounts to book value (in some cases 50% or worse) that the banks with lingering asset quality issues currently command, we feel they do offer greater risk-adjusted return potential over the next couple of years.

We expect the larger banking institutions to announce loan loss reserve releases sooner than the smaller community banks. Consumer credit weakened early on in the cycle; therefore the larger relative exposure to the consumer impacted the larger banks sooner. We suspect that consumer charge-offs will peak in the next quarter or two, setting up the larger banks to benefit from reserve releases while smaller banks continue to reserve for potential losses within commercial real estate portfolios. Earnings for larger banks will likely bounce in advance of the small banks in 2010 and 2011 due to this trend, but this seems reflected in current valuations.

Relative to recent quarters, the asset quality figures reported in the fourth quarter were, as a whole, much better than many had anticipated (or feared). Net charge-offs spiked for many community banks and nonaccrual loans did increase, but the pace of increase was much more subdued than in recent quarters. In fact, for the large banks included in this report, the median nonaccrual loans as a percentage of total loans ratio increased only 3% sequentially compared to a 24% increase in the third quarter and a 34% increase in the second quarter. For the small cap group, the median ratio actually declined in the fourth quarter.

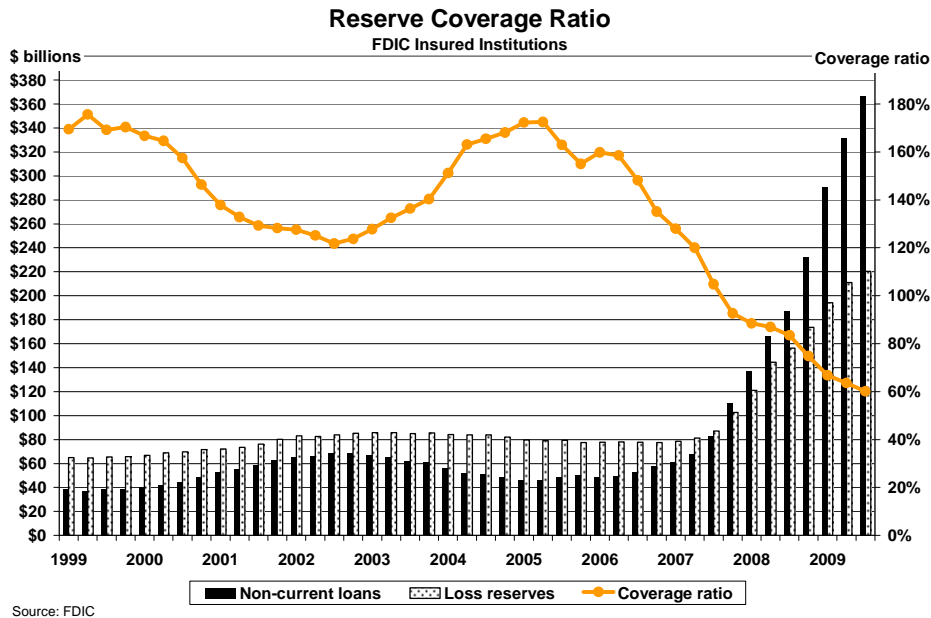
Ultimately, the broader economy will determine the timing and degree of any asset quality improvement for the sector. ADC (acquisition/development/construction) portfolios for community banks will continue to be a primary source of concern, although we suspect that many of the weaker borrowers have already been identified and dealt with and the success of the builders left standing will be subject to the strength/weakness of broader economic conditions. The state of the commercial real estate market remains a large variable that differs by market. The hobbled consumer will continue to weigh negatively on non owner-occupied commercial real estate assets while owner-occupied CRE loans stand a much better chance of maintaining performing status. No doubt the values of most commercial real estate assets built in recent years are worth considerably less than the loans that back them, but the property’s cash flow dynamics will determine the ultimate potential losses to the lenders. In an interesting statement released by the FDIC in early February, bank examiners were advised not to adversely classify loans solely due to a decline in the collateral value below the loan balance, provided the borrower has the ability to repay the loan.

The following chart illustrates the trends in non-current loans (non-accruals and 90 days past due and still accruing) and NCOs since 1990. While the data is through the third quarter, when the FDIC data for the fourth quarter becomes available it is likely to show a continued upward trend with a lower slope of increase.



We want to make several quick observations. First, the level of non-current loans already exceeds the peak of the cycle in the early 1990s and is still increasing. Secondly, NCOs are also well above the level of the last major real estate downturn as both residential and commercial properties have been materially impacted in this cycle. While smaller bank NCOs remain noticeably lower than their larger bank competitors, the core trend in NCOs is the same for institutions of all sizes.

Concurrent with the rapid rise in problem assets is a decline in the “coverage” ratio. This ratio equates the reserve for loan losses to non-current loans as a high level method of assessing the adequacy of loan loss reserves. While banks have actively build loan loss reserves, the following chart clearly shows they have not increased at the pace of non-current credits.



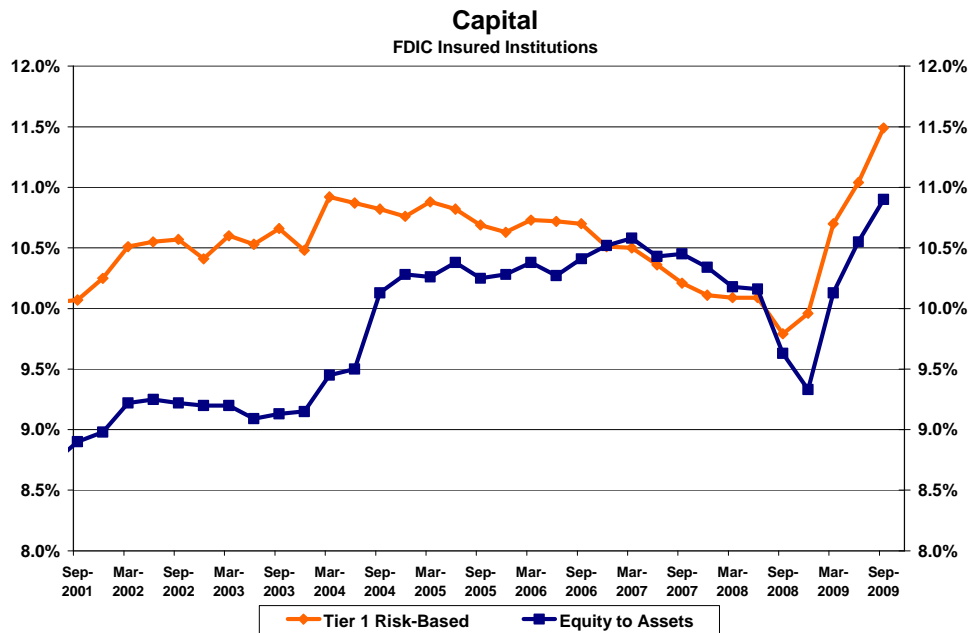
Please see the tables in the back of this report to see company specific asset quality metrics over the past five quarters.

Capital

The saying “between a rock and a hard place” aptly describes the position that many banks, particularly small banks, find themselves in regarding capital and potential capital raising efforts. Many large banks have been able to access capital, although in some cases at significantly dilutive prices. The market for smaller banks has been less accessible, although numerous community banks that boast healthier asset quality profiles have been successful. We suspect that many community banks that have TARP capital would like to repay the capital as soon as possible, but most will likely continue to hold onto it until the economic picture appears more stable and the market becomes less punitive. The option of gradual repayment is still a potentially viable alternative, although we have yet to learn of any institution undertaking this strategy. Finally, the regulatory winds continue to shift each week, keeping many capital decisions at bay until more definitive guidance is purveyed by the regulators. According to SNL Financial, 68 banks have redeemed \$173 billion in TARP preferred.

One final note: President Obama recently proposed a plan that would make \$30 billion in funds set aside for the TARP program available to community banks in an effort to stimulate small-business lending. Although the proposal would likely take on a name divorced from TARP due to the stigma associated with the program, we suspect many bankers would not find the strength to step-up and take on further government assistance after the political thrashing TARP acceptance dealt.

The following chart illustrates the trends since mid-2001 for total equity-to-assets and tier one risk-based capital:



The market continues to focus on tangible common equity (TCE) since it both ignores the impact of the TARP-related preferred stock and also eliminates intangible assets which have been subject to impairments and are excluded from regulatory capital standards. Bankers are clearly inferring that the regulators want capital in excess of the published “well capitalized” standards. While there is no regulatory standard for TCE specifically, investors should stay attuned to this metric to help evaluate an individual institution’s ability to repay TARP-related capital. The other critical factors are overall asset quality, loan loss reserve levels and the level of pretax pre-provision income.

Interest Rate and Margin Environment

Borrow short and lend long is the driving strategy behind an industry-wide improvement in interest margins. The positively sloped yield curve continues to support such activity, although we suspect many stronger institutions are seizing the opportunity by extending liabilities out a year or longer. The FOMC continues to state that economic conditions are likely to warrant a low targeted fed funds rate for an extended period. That said, speculation of when this strategy will end is building as economic conditions show some signs of stabilization.

One occurrence that will likely play out once rates do begin to rise will be the potential interest rate risk posed by rising deposit costs that may not be matched by rising loan yields. Many, if not most, banks instituted floors on loans that may not be met until LIBOR pushes up several hundred basis points from current levels. Once that threshold is met many deposits will have already begun to roll over at higher rates, squeezing spreads for a time. Those banks that are currently expanding the margin by going extremely short on the funding side will likely give back quite a bit of margin once rates begin to climb. As mentioned, some banks are extending liabilities out, which will reduce this risk.

Another variable will be deposit competition. In 2008 and early 2009 many banks suffered from irrational deposit pricing as troubled institutions forced rates to unreasonable levels and healthy institutions were forced to pay up in order to compete successfully for funds. In recent quarters, low-cost deposits have been readily available, helping to drive a strong rebound in net interest margins across the industry. In fact, the median net interest margin for our community banks under coverage has increased 33 basis points since the low in the first quarter of 2009 despite higher non-accrual loan balances. Going forward, once rates begin to increase will the long list of troubled banks still in operation begin another round of irrational deposit pricing? On the other hand, the lack of loan demand could help to keep deposit prices low, stemming some of the repricing risk. It is worth noting that the FDIC recently hosted an interest rate risk symposium that focused on these topics.

Fed fund futures are currently implying an approximately 100% probability that rates will remain unchanged through the FOMC's April 2010 meeting and an approximately 94% probability that rates will remain unchanged through the FOMC's June 2010 meeting.

Recent Regulatory Issues

Any investor in the nation's largest financial institutions felt like they had a target on their backs in the past month. First, a proposal has surfaced to assess a special tax on uninsured liabilities on companies that were deemed to be particular beneficiaries of the TARP program. The dividing line was chosen for institutions that have \$50 billion or more in assets. While I am sure many institutions falling into this category feel that TARP was more of a curse instead of a blessing, that is where the current proposal stands. The specific proposal would call for a 15 basis point "fee" to be assessed on market-related liabilities. This would roughly be determined by taking total assets and subtracting tier one capital and any insured deposits to determine the appropriate liability base for the fee. The Administration hopes to raise \$90 billion over a ten year period from this fee. The most heavily impacted companies are likely to be some of the investment banks and consumer finance companies that have relatively small banking/deposit franchises and are more dependent for wholesale funding.

The recent proposal now emerging is often referred to as the "Volcker Rule" since former Federal Reserve Chairman Paul Volcker is apparently the primary architect of the proposed legislation. This appears to be an attempt to move back toward Glass-Steagall days when investment banking and commercial banking were legally separate. The Volcker Rule particularly takes aim at "proprietary trading", while not providing much of a definition of this activity. The thrust of the proposal appears to center on separating corporate risk taking activities that may endanger the capital positions of federally insured depository institutions. Given that 181 banks have now failed since the end of 2007, it is understandable that such risk taking activities are under the microscope. The impact of such a rule could again be sufficient for investment bankers that are likely to be engaged in such trading activities for their own accounts. Recent headlines suggest the definition of proprietary trading may be broad enough to force relative little change at many commercial banks. Some key legislators have indicated that if adopted any such rule would be implemented over a multi-year transition time frame.

If adopted in current form, and this is far from certain, these proposals would most dramatically impact investment bankers **Goldman Sachs** and **Morgan Stanley**. These two companies have significant trading operations and insured deposits are a relatively small part of their liability structures. **JPMorgan Chase** could also be impacted by an eventual ban on proprietary trading, but it should be more manageable since this is a fairly small part of overall profitability.

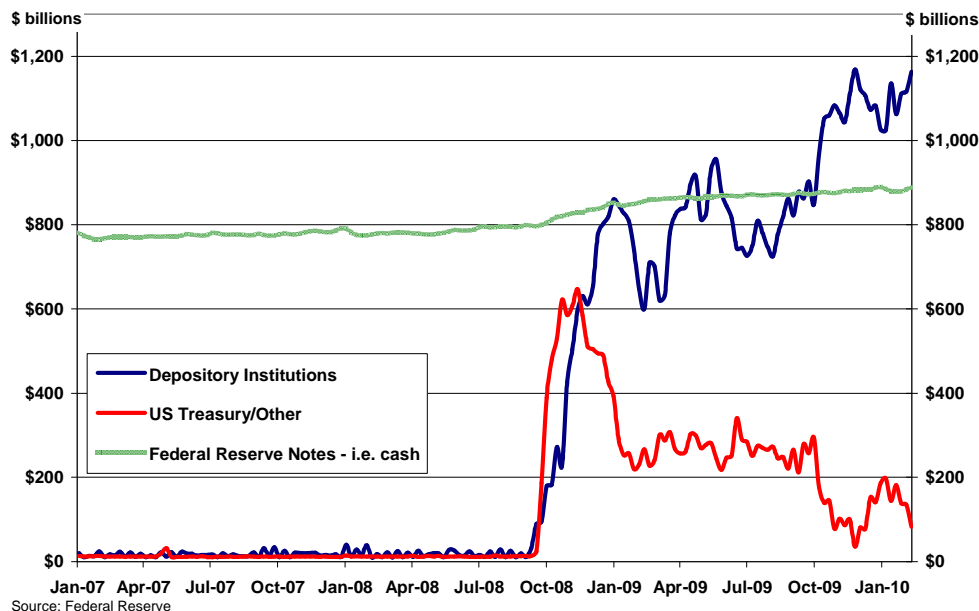
Another recent event of regulatory significance was the re-election of Ben Bernanke to a second term as Chairman of the Federal Reserve. While we do not claim to be monetary or political experts, we were surprised, and to some degree dismayed, at some of the populist grandstanding that appeared to take place during the confirmation hearings. While the final vote was a fairly decisive 70 to 30, many politicians appeared unwilling to commit themselves to this vote until approval was assured. We can understand some degree of frustration with the Fed due to recent government interventions and the massive level of liquidity that was pumped into the banking system, but what was the attractive alternative during the past year? We share the concerns of some observers that the Fed may come under increasing political scrutiny and that bothers us more than anything Mr. Bernanke did over the past four years.

Several months ago, it seemed highly likely a new federal agency christened the Consumer Financial Protection Agency would be created. It appears with Senator Dodd's (D-CT) announced intention not to seek re-election that the tide has turned. Recently, Senator Shelby (R-AL) has suggested creating a consumer protection division within a single regulator. While the CARD Act provisions and recent regulatory actions regarding overdrafts are still being implemented, it appears fee generation from certain consumer products will clearly become more uncertain in the near term.

The Fed is trying to be more transparent in its actions. The Fed has announced its intention to end large pre-announced purchases of agency mortgage-backed securities (MBS) by the end of this March. In the just released minutes of the Federal Open Market Committee (FOMC) of January 26-27, 2010, the gradual slowdown in the purchase of agency MBS was noted. The Fed's balance sheet remains massive at \$2.2 trillion as higher MBS holdings were offset by lower usage of the Fed's credit and liquidity facilities. Another topic of discussion is raising the rate at the discount window. During the crisis, the Fed encouraged the use of the window by lowering the spread to the targeted fed funds rate from a traditional 100 basis points to only 25 basis points. Since market borrowing capabilities have materially improved, it is very likely the discount rate will move higher in the future. The Term Auction Facility (TAF) has been utilized less as the funding crisis eased and the FOMC suggested eliminating this facility gradually in three planned stages over the next several months subject to market conditions. As a result, the TAF auctions were limited to \$50 billion on February 8th and will be capped at \$25 billion on March 8th.

The FOMC also discussed alternatives to reverse course on some of its past policy accommodations and these options included: (1) raising the rate paid on excess balances; (2) executing reverse repurchase agreements with primary dealers; (3) executing term reverse repos with a broader range of participants; (4) utilizing a term deposit facility (TDF); (5) redeeming maturing securities and not reinvesting the proceeds (as they have been); and (6) selling securities. All except the first option would reduce excess reserves, while the latter two alternatives would shrink the Fed's balance sheet. The TDF facility was proposed several months ago and the Fed indicated this facility could be in place by May. It is interesting to note in the FOMC minutes the wide range of opinions in regards to which options to use, and when to use them, in conjunction with an eventual increase in short-term rates. The following chart illustrates the dramatic growth in bank reserves since the financial meltdown in the fall of 2008.

Liabilities of Federal Reserve Banks



Mergers and Acquisitions

The M&A environment has almost entirely shifted to FDIC assisted deals as the sole avenue for acquirers. There are a few isolated non-FDIC assisted deals currently being completed or waiting on regulatory approval, but the vast majority of potential acquirers are patiently waiting for the right FDIC assisted deal to come along. Once the rate of bank failures begins to subside, which is likely at least 12 months or more out, we expect the pace of traditional acquisitions and mergers to pick up. Until then, the attractiveness of loss-sharing arrangements with the FDIC will likely result in healthy banks with excess capital in their coffers to hold off in anticipation of landing one of the prized FDIC assisted deals. In addition, the uncertain regulatory climate adds another dimension of confusion for potential acquirers, which could push the timetable for traditional deals out even further.

Selected Pending/Recently Completed Bank/Branch Acquisitions:

<u>Company</u>	<u>Target</u>	<u>Assets</u>	<u>Terms</u>	<u>Completion Date</u>
BB&T Corp.	Colonial Bank	\$21.8 Billion	FDIC Assisted	Completed
Carolina Trust Bank	Carolina Commerce Bank	\$104 Million	0.625 shares of CART per Carolina Comm.	Completed
Eastern Virginia Bankshares	First Capital Bancorp	\$432 Million	0.98 share of EVBS per FCVA	Terminated
First American Financial Mang.	Community Bank of Rowan	\$147 Million	Apprx. 1.4x TBV	Q1 2010
First Citizens BancShares	First Regional Bank	\$2.2 Billion	FDIC Assisted	Completed
First Citizens BancShares	Georgian Bank	\$2.0 Billion	FDIC Assisted	Completed
First Citizens BancShares	Temecula Valley Bank	\$1.3 Billion	FDIC Assisted	Completed
First Citizens BancShares	Venture Bank	\$874 Million	FDIC Assisted	Completed
First Sentry Bancshares	Guaranty Financial	\$138 Million	1.176 shares of FTSB per Guaranty	Completed
Four Oaks Fincorp	Nuestro Banco	\$17 Million	0.2697 shares of FOFN per Nuestro	Completed
M&T Bank Corporation	Bradford Bank	\$469 Million	FDIC Assisted	Completed
Premier Financial Bancorp	Abigail Adams National	\$436 Million	0.4461 shares of PFBI per AANB	Completed
SCBT Financial Corporation	Community Bank & Trust	\$1.2 Billion	FDIC Assisted	Completed
Southern National Bancorp	Greater Atlantic Bank	\$203 Million	FDIC Assisted	Completed
Union Bankshares	First Market Bank	\$1.3 Billion	6.7 million shares	Completed
US Bancorp	9 Banks	\$19.4 Billion	FDIC Assisted	Completed
Xenith Corporation	First Bankshares	\$174 Million	\$9.23 in cash or retain shares	Completed

Source: Bloomberg, SNL Financial LC and company reports.

Davenport Coverage Company Comments

BB&T Corporation (BBT-NYSE)

Rating: Neutral
Target: N/A
Basis of Target: N/A

Disclosures: A1, S/C
Risk Profile: Average
Most Recent Report: January 22, 2010

Fourth quarter results largely in-line with expectations. BBT reported earnings of \$.27 for the December period compared to the consensus of \$.21 and our internal forecast of \$.29. Results included a \$27 million gain from the sale of its payment business, a \$9 million benefit related to the finalized values of Colonial's loan portfolio, and a \$7 million tax benefit that was partly offset by \$9 million of merger-related charges and a \$1 million security loss. The net impact of these non-recurring items was a \$.03 benefit to reported results.

We are lowering our 2010 estimate, but it does include merger charges. We are lowering our 2010 estimate from \$2.00 to \$1.59 per share. Excluding an estimated \$.14 in merger costs associated with Colonial, our forecast would be \$1.73 per share. We are assuming the rest of the Colonial charges are incurred this year with nearly half in the second quarter when the final systems conversion is scheduled. We have not materially changed our provision assumptions, but have lowered our estimates of fee income due to the implementation of new consumer-oriented legislation and raised our outlook for operating expenses to better reflect the likelihood of continued high costs associated with foreclosed properties. Our initial forecast for 2011 is \$2.65.

Credit trends appear to be stabilizing. The growth in non-performing assets (NPAs) slowed to 7% in the quarter and these assets total \$4.2 billion at year-end. Non-accrual loans total \$2.7 billion and the reserve for loan losses has increased to \$2.6 billion. BBT provisioned \$725 million in the quarter, which covered net credit losses by \$237 million (\$.21/share). Net charge-offs were \$488 million, or 1.98% of average loans. This figure was 1.79% for the full year and management expects a similar level in 2010. Management also expressed the hope that stabilizing credit quality metrics would ease the pressure to further build loan loss reserves. During 2009, BBT increased its reserves by over \$1 billion, or approximately \$1.00 per share.

The Colonial deal appears to be on track and deposit growth is very encouraging. BBT reported management teams are now in place and customer reaction has been positive as evidenced by \$1.5 billion in deposit growth since the deal was completed. BBT lowered its estimate of merger costs by \$20 million to \$185 million, while estimated annual cost synergies remain at \$170 million which should be achieved by the fourth quarter of this year. In the current quarter, BBT sold Colonial's former Nevada franchise with \$850 million in deposits. The \$9 million favorable loan value adjustment added two basis points to BBT's net interest margin that increased to 3.80% in the quarter. We expect the margin to moderate from this level.

No change in our rating or general feelings toward the company. Our formal rating remains at Neutral, but we are favorably inclined toward this company over the long-term. Current Administration proposals should have little impact on BBT and credit remains the dominant issue. We firmly believe Colonial will be increasingly accretive to future results. On price weakness to the mid-\$20s, we would strongly consider upgrading these shares.

Capital One Financial (COF-NYSE)

Rating: Neutral
Target: N/A
Basis of Target: N/A

Disclosures: None
Risk Profile: Above Average
Most Recent Report: January 25, 2010

Reported number was well above expectations. COF announced fourth quarter earnings of \$.83 compared to our estimate of \$.46 which was close to consensus expectations. A \$386 million release of loan loss reserves was the reason for this substantial surprise to the upside. The reserve releases were in the credit card and auto portfolios and were partly offset by reserve builds in the commercial and consumer banking segments. Results also included \$32 million in restructuring charges and a \$55 million benefit from the upward revision in the value of retained securitization interests.

Consumer credit metrics were generally encouraging. The managed net charge-off rate was 6.33%, up 33 basis points (bp) on a sequential basis. Loans delinquent 30 days or more increased 18 bp to 4.73%. The loss rate for the domestic card portfolio declined by 5 bp to 9.59% for the quarter. Typically seasonal factors increase the loss rate in Q4, but a lower sequential impact (60 bp) from the implementation of OCC credit standards and an improvement in late stage delinquencies triggered this overall improvement. Management noted that the loss rate could cross 11% in Q1 due to higher early delinquencies and likely decreases in the size of the portfolio. Overall, management feels card losses are near a peak in dollar terms and further reserve releases are

possible in 2010. Commercial banking net credit losses surged from earlier levels and offset the positive news on the consumer front. COF's January credit metrics for its credit card and auto portfolios were generally in-line with market expectations.

Management provides more detail on a major accounting change. The adoption of FAS 166/167 at book value will materially alter the shape of the balance sheet. By bringing the credit card receivables and securitization liabilities on balance sheet, COF estimates it will roughly double its reserve for loan losses and this will decrease reported capital by a charge to retained earnings. This accounting implementation will also eliminate the value of the former interest-only securitization strips. On a pro forma basis, loans would be approximately \$138 billion, reserve for loan losses would be \$8.4 billion, shareholders equity would be about \$23.5 billion and total assets would approximate \$211 billion. This will lower reported regulatory capital ratios as illustrated by a projected decline in tangible common equity to managed assets ratios from 6.3% to 4.8% if done at year-end. Management estimates this ratio should climb to 5.0% by the end of the first quarter.

The current year will be a tough one from a revenue standpoint. The overall loan portfolio is expected to decline in 2010, but not at the pace seen last year. Total revenue is expected to decline due to stable margins, a smaller balance sheet and pressure on fee income due to recent legislative changes. Operating expenses are expected to be stable, while marketing expenses should increase as indicated above.

We are retaining our Neutral rating, but raising estimates. While relieved to hear the details of FAS 166/167 we feel the impact of the CARD ACT remains an uncertainty. We are revising our 2010 estimate from \$1.60 to \$1.83 which incorporates modest reserve releases and higher marketing expenses than our previous forecast. This estimate is below the current consensus and we feel current expectations for the first quarter may be optimistic. Our initial 2011 projection is \$3.65.

Cardinal Financial (CFNL-NYSE)

Rating: Buy

Target: \$10.50

Basis of Target: Approximately 1.6 Times Tangible Book Value

Disclosures: I, I2, U

Risk Profile: Average

Most Recent Report: January 28, 2010

Continue to Recommend Purchase. Although CFNL shares have strengthened recently, we continue to recommend purchase. We believe that the Cardinal franchise should enjoy further improvement in the coming years as the company's branch network matures and profitability is enhanced. The recent economic swoon has pushed the company's quest to realize its ultimate potential out, but we believe over the next two years we will see more dollars drop to the bottom line. The company's attractive market should help to support the stock, especially once traditional M&A activity resumes in 2011-2012.

Better Than Expected Fourth Quarter Results. Cardinal finished off 2009 with a bang, reporting fourth quarter earnings of \$0.12 versus our \$0.08 estimate and the consensus \$0.10. The out performance was almost entirely due to margin expansion above and beyond our estimates. Noninterest income and expenses came in roughly as expected.

Loan Portfolio Stays Clean. Cardinal's credit quality remains best-in-class as total nonaccrual loans amounted to only \$0.7 million at year-end, or 0.05% of total loans. Total nonperforming assets, as a percentage of total assets, amounted to just 0.30%, which is down from 0.51% at September 30th and flat versus year-end 2008. Net charge-offs for the entire year amounted to \$2.6 million, just 0.22% of average loans. We continue to believe that Cardinal will work through the cycle with minimal issues relative to peers.

Margin Improvement a Nice Surprise. A big surprise in the fourth quarter was the 35 basis point increase in the company's net interest margin. The 3.32% NIM reported was well ahead of our 3.01% estimate and much improved from the 2.61% reported in Q1. Much of the decline in funding costs has likely already been captured, therefore we see the margin moderating as 2010 unfolds.

Bumping Up Estimates. We are taking our 2010 EPS estimate up from \$0.42 to \$0.55 on higher net interest margin assumptions (3.31% versus prior estimate of 3.08%) and a slightly lower loan loss provision estimate.

Capital Position Remains Healthy. After the \$34 million in common equity raised earlier in 2009 Cardinal's capital position remains quite healthy. CFNL ended the year total risk based capital over 14.0% and a tangible common equity to tangible assets ratio north of 9.5%. Given the company's minimal credit issues, the current capital base should easily support balance sheet growth in the coming years.

Slight Dividend Increase. Cardinal also announced that its Board of Directors has increased its quarterly cash dividend to \$0.02 per share up from \$0.01 per share. This dividend will be paid on February 22, 2010 to shareholders of record as of the close of business on February 9, 2010.

First Community Bancshares (FCBC-NASDAQ)**Rating:** Buy**Target:** \$16.00**Basis of Target:** Approximately 1.75 Times Tangible Book Value**Disclosures:** I2, S/C**Risk Profile:** Average**Most Recent Report:** January 28, 2010

Messy Quarter. FCBC reported a mixed quarter as a larger than expected loan loss reserve build offset otherwise strong core earnings. FCBC has been battling issues in their securities portfolio, namely pooled trust preferreds, and this quarter they finally wrote them all down to essentially nothing. This charge created a nasty headline – a loss of (\$1.95) in the fourth quarter. Excluding the charge, EPS came in at \$0.13, which was below the \$0.24 consensus. Again, the discrepancy was due to the reserve build as their loan loss reserve went from 1.25% of loans in Q3 to 1.55%.

Distraction Removed. FCBC removed what had been a large distraction with the sale and write-down of certain pooled trust preferred securities. These actions resulted in a loss of (\$1.95) in the quarter, which dropped the Tier 1 leverage ratio roughly 150 basis points to 7.2%, but enhanced the risk-based capital ratios due to the removal of the higher risk securities. Tangible common equity stood at 7.45% at year-end.

Still One of the Better Credit Profiles in the Region. FCBC's asset quality profile remains one of the best in the region with a total NPA/Assets ratio of just 0.97% (up from 0.71% in Q3). As mentioned, FCBC's fourth quarter loan loss provision of \$7.0mn covered \$2.7mn of net charge-offs and built its loan loss reserve to 1.26% of loans. Fortunately, FCBC's exposure to two of the higher risk loan categories, construction and non-owner occupied commercial real estate, is fairly low at 9.0% and 11.5%, respectively. FCBC continues to reduce exposure to these two categories.

Margin Jumps Nicely. The company's fourth quarter net interest margin showed impressive improvement sequentially as deposit costs declined. Specifically, Q4 NIM of 3.92% was 24 basis points ahead of Q3 and exceeded our 3.75% estimate. We expect an addition few basis points of improvement in Q1 and an average NIM of 3.93% for the year, which would be 19bps ahead of 2009.

Adjusting Estimates. We are taking our 2010 EPS estimate down \$0.10 to \$1.12 as a result of a higher loan loss provision estimate (from \$11.5mn to \$14.3mn) and slightly higher expenses, offset by a higher margin estimate (from 3.81% to 3.93%). Although we have not published a 2011 EPS estimate, we believe earnings approaching \$1.50 is possible with ultimate normalized earnings north of \$2.00.

Remains a Top Pick. We believe that the combination of a lower-risk loan portfolio, lower-risk markets, sound capital position, no TARP, solid core earnings potential and an attractive valuation makes FCBC a stock to own over the next two years. With the securities issue behind them we believe investors will be able to focus on what we see as an increasingly valuable franchise that has historically generated industry leading returns. We are maintaining our Buy rating and \$16 price target.

Fulton Financial Corporation (FULT-NASDAQ)**Rating:** Neutral**Target:** N/A**Basis of Target:** N/A**Disclosures:** None**Risk Profile:** Average**Most Recent Report:** January 20, 2010

Fulton (FULT) reported fourth quarter results largely in-line with our expectations. FULT reported quarterly results of \$.11 per share, which was one cent below our estimate, but in-line with the consensus. Excluding net investment losses of \$1.9 million, reported results would have matched our forecast. The net security loss was derived from \$2.3 million in net realized gains on equities and debt securities which was more than offset by \$4.2 million in other-than-temporary impairment charges (OTTI). The OTTI charges were centered against the bank's pooled trust preferred securities and its bank equity portfolio. The quarter's results compared to a \$.58 loss in the prior year due to a \$90 million goodwill impairment expense. For the full year, FULT reported \$.31 compared to a loss of \$.03 in 2008.

Non-performing assets were stable on a sequential basis. FULT reported non-performing assets (including loans delinquent 90 days or more) of \$305 million, up slightly from \$301 million at September 30th. Non-accrual loans increased over \$10 million over these three months, while past due 90 days or more fell \$9.4 million. Other real estate owned increased over \$4 million during this timeframe. Within the non-performing category, construction credits improved and commercial/industrial and commercial mortgages both deteriorated modestly. FULT provisioned \$45 million in the quarter and this covered net credit losses by \$15.8 million. The quarter's provision was \$5 million higher than our forecast. While we feel net charge-offs may climb slightly

in percentage terms, we feel provision levels are likely to decline in 2010 as Fulton feels increasingly comfortable with its reserve position.

Management intends to be “shareholder friendly” in regards to repaying the CPP preferred. While we sense management is increasingly comfortable with its asset quality and capital position, the regulators will need to sign-off on any plan to repay the \$376 million in CPP-related preferred stock. With the stock selling at a premium to book value, the alternatives are likely to become more attractive. We are very encouraged by management’s apparent concern toward long-term dilution. Short-term dilution should be avoidable as repayment could eliminate over \$20 million in annual after-tax dividends. Fulton currently has a tangible common ratio of 6.3%.

The margin increased more than we expected. Fulton’s net interest margin increased 12 basis points to 3.67% relative to the third period. In the short-term, this margin expansion should be sustainable in light of \$150 million on maturing FHLB advances and \$1.3 billion of maturing fixed rate certificates of deposit during the current quarter. These funds should be replaced at lower than existing rates

We missed this one with our initial rating. Fulton has performed extremely well in recent months as investors sensed its relatively superior credit quality metrics. That said, we will wait for a better entry relative to current prices. We will strongly consider upgrading these shares if they return to a discount to stated book value. We are making no changes to our 2010 estimate of \$.55 per share, but feel there is upside potential to this forecast.

StellarOne Corporation (STEL-NASDAQ)

Rating: Buy

Target: \$18.50

Basis of Target: Approximately 1.6 Times Tangible Book Value

Disclosures: I2, S/C

Risk Profile: Average

Most Recent Report: February 2, 2010

Continue to Recommend Purchase. StellarOne’s fourth quarter results did nothing to distract us from our Buy rating on STEL. The company continues to be flush with capital and asset quality trends showed some stabilization in the final quarter of the year. We believe that as credit costs eventually subside and STEL turns more to offense than the defense currently being utilized, we will see investor interest return to the stock. Therefore, we are retaining our Buy rating and \$18.50 price target, which is based on approximately 1.6 times the current tangible book value.

Asset Quality Stable in Q4. STEL reported a decline in nonaccrual loans (\$61.3mn to \$56.6mn) and other real estate owned (\$5.4mn to \$4.5mn), but troubled debt restructuring increased to \$20.7mn from \$11.5mn. Excluding the TDRs, NPAs/Assets dropped to 2.18% from 2.27%. If we include TDRs and 90 day past due loans, the ratio creeps up from 2.66% to 2.87%. We are pleased to see asset quality showing some stabilization in the quarter. The company reported a lower than expected loan loss provision of \$3.5 million (did not cover net charge-offs of \$4.4mn) and STEL recorded a \$1.8 million loss on the sale of foreclosed assets in the quarter. STEL’s loan loss reserve stood at 1.84% of loans at year-end, roughly flat versus September 30th.

Breakeven Fourth Quarter. STEL reported a breakeven fourth quarter compared to the consensus estimate of a loss of (\$0.11). We were looking for \$0.03. A lower than expected loan loss provision of \$3.5 million (did not cover net charge-offs of \$4.4mn) was offset by a \$1.8 million loss on the sale of foreclosed assets and higher expenses.

Margin Rebounds Nicely. The company’s net interest margin rebounded nicely in the quarter as nearly 30% of the CD portfolio rolled-over at lower rates, supporting a 15 basis point sequential improvement to 3.45%. We are modeling for a gradual improvement throughout 2010, which results in an average NIM of 3.55% compared to the 3.39% reported in 2009.

Expenses Up. Due to higher professional fees associated with problem loan workouts and higher salary expenses, STEL’s fourth quarter non-interest expenses increased \$2.1 million sequentially. The higher salary figure can be attributed to better than expected mortgage banking results and roughly \$1.1 million in non-recurring expenses. We feel that STEL can likely work total expenses down in 2010, although workout costs will likely remain elevated.

Estimates Update; Upside in Out Years. We continue to look for \$0.18 in earnings in 2010, compared to the loss of (\$0.46) in 2009. We assume credit costs remain high, but at a lower level than 2009. Ultimately, we believe StellarOne should earn north of \$1.00 in 2011 as reserve building declines (and possibly reverses), charge-offs recede and efficiencies improve.

SunTrust Banks (STI-NYSE)

Rating: Neutral
Target: N/A
Basis of Target: N/A

Disclosures: S/C
Risk Profile: Above Average
Most Recent Report: January 26, 2010

SunTrust's fourth quarter was broadly in-line with our expectations, but we are lowering our forecasts. STI reported a fourth quarter loss of \$.64 compared to our prior forecast of a loss of \$.70. A lower than expected provision for loan losses and a \$73 million security gain were largely offset by higher reserving for potential liability on mortgages previously sold into the secondary market. We are increasing our assumed loss for the current year from (\$.35) to (\$1.55) primarily due to higher loan loss provisions and lower fee revenues. The lower fee revenue assumption relates to new consumer legislation's impact on service charge income and lower mortgage-related assumptions. Our initial forecast for 2011 is a profit of \$1.05 per share.

Credit metrics show signs of stabilization. Early stage delinquencies and the net charge-off rates declined on a sequential basis. Net charge-offs totaled 2.83% in the quarter, down from 3.33%. Net credit losses were down or stable with the notable exception of construction loans that increased to an 11.38% loss rate in the period. This portfolio declined nearly 10% during the quarter to \$6.6 billion or 5.8% of loans. Non-accrual loans declined slightly on a sequential basis, while restructured credits and foreclosed property increased during the past three months.

The margin improved more than expected. The net interest margin rose 17 basis points to 3.27% from the third quarter. The primary reason for this improvement was strong growth in core transactional deposits that facilitated a 25 basis point decline in the average cost of interest-bearing deposits. STI expects the margin to compress in the current period due to its holding of Treasuries and seasonal deposit flows. Net interest income was flat on a sequential basis as the margin improvement was offset by a decline in average earning assets triggered by a 4% decrease in average loans.

Reserving for future mortgage repurchases hurt the results. STI provided \$220 million for estimated future losses on mortgages to the secondary market which the company continues to service. This action increased the reserve for these charges by \$77 million to \$200 million. Requests for remediation are shifting to more recent origination vintages that avoided Alt.-A, have higher FICO scores and are mostly fully documented originations.

We are retaining our Neutral rating. While we feel STI is trying to aggressively work through its problem credits, the prospects of further additional operating losses and the stock's modest premium to tangible book value keeps us on the sidelines. Either a pullback in price and/or a more optimistic view of future prospects could get us more interested in these shares. We like management's apparently disciplined approach to dealing with possible repayment of the CPP-related preferred stock. Capital ratios have actually improved despite recent losses due to the decrease in risk-weighted assets. STI expects FAS 166/167 to have little impact on the balance sheet.

Union Bankshares (UBSH-NASDAQ)

Rating: Buy
Target: \$18.00
Basis of Target: Approximately 1.5 Times Tangible Book Value

Disclosures: S/C, I2
Risk Profile: Above Average
Most Recent Report: January 28, 2010

Maintain Buy Rating. We continue to believe that the combination of Union Bankshares and First Market Bank, now named Union First Market Bankshares, has the opportunity to create a special franchise that should enjoy a strong presence in the state and further franchise enhancing opportunities. We think the stock should trend higher over the next two years as asset quality concerns slowly abate, earnings return to more normalized levels and traditional M&A activity eventually resumes. Therefore, we are maintaining our Buy rating at \$18 price target on UBSH, which is based on approximately 1.5x tangible book value. Union and First Market Bank closed their merger on February 1st, which has created a \$4.0 billion institution with 97 branches. The company expects about \$6.5 million in addition merger related expenses over the next two quarters, which is down about \$2.8mn from the original estimate.

Nice End to the Year. Union reported a strong finish to the year as earnings, ex. merger expenses and other items, came in at roughly \$0.17 versus the comparable consensus of approximately \$0.12. Including merger related expenses and the accelerated discount accretion on the TARP preferred stock, earnings came in at \$0.02. Union has repayed their TARP preferred and repurchased their warrants, which resulted in the charge.

Stable Credit Trends. Asset quality figures remained stable and actually improved a bit. Total nonperforming assets declined by \$2.5 million to \$52.1 million, or 2.02% of total assets. This is down from 2.12% at Sept. 30th and the peak of 2.49% at June 30th.

Union did charge-off \$8.2mn in loans (quarterly loan loss provision was \$5.7mn), which was well above the recent trend of \$1-2 million in quarterly charge-offs. The loan loss reserve declined to 1.58% of loans from 1.71% in Q3. It is a relief to see credit issues stabilize after the run-up in early 2009 and we suspect, while not out of the woods just yet, Union will likely experience lower credit losses through this cycle than many peers.

Capital Update. Capital is strong with a tangible common equity to tangible assets ratio of 8.64%. As mentioned, Unions has repayed the TARP capital, but note that First Market has \$34 million in TARP that the new company will likely look to replace when the time is right. The company has not provided pro-forma capital ratios for the combined company since the secondary offering, but we believe the tangible common equity/tangible assets ratio will likely fall in the 7.0-7.5% range.

Margin Pops Nicely. Union's fourth quarter net interest margin of 3.97% marks a 28 basis point improvement over Q3 and a 75bp increase over Q1. Excess liquidity being put to work along with lower cost of funds and a higher rate FHLB advance rolling off accounted for the improvement. We think the margin will stabilize from current levels with a bias towards further incremental enhancement.

Updating Estimates. We are introducing our 2010 estimate inclusive of First Market Bank of \$0.81, which excludes merger related expenses. Although we have not published a 2011 estimate, we peg 2011 earnings for the combined company in the \$1.20-\$1.40 range, although visibility is limited given the economic fog and merger variables.

Virginia Commerce Bancorp (VCBI-NASDAQ)

Rating: Neutral
Target: N/A
Basis of Target: N/A

Disclosures: 12
Risk Profile: Above Average
Most Recent Report: January 26, 2010

Stock Looks Fairly Valued. Virginia Commerce posted a very strong fourth quarter and made some favorable comments about the 2010 outlook. The fourth quarter positive results halted a trend of quarterly losses and also marked the second straight quarter that their nonperforming asset balance has declined. That said, with the recent strength in the stock we feel VCBI shares are fairly valued. Now trading at roughly 1.0x book value, VCBI shares reflect the improved outlook and, we feel, accurately discounts the potential risk that remains in the loan portfolio. In addition, with a tightening capital base, we do not feel that VCBI has much room for error and a potential capital raise could prove to be an overhang on the stock in 2010. All of that said, we believe that if credit can continue to trend in the right direction VCBI's ultimate franchise value can continue to increase over time.

Credit Quality Trends in the Right Direction. VCBI's total nonperforming assets plus 90 days past due balance declined by approximately \$25 million to \$98 million, or 3.60% of total assets, and marks a significant improvement relative to the 6.35% reported at June 30th. With the 30-89 day past due balance shrinking and net charge-offs dropping in the quarter management felt comfortable guiding towards year-end 2010 NPAs/Assets in the 1.50-2.00% range, which would be quite the turnaround from mid-2009 levels.

Core Earnings Improve. With a strong move in the net interest margin and the lower credit costs in the quarter, VCBI's earnings moved to positive territory in Q4 after three straight quarterly losses. Earnings of \$0.11 per share includes approximately \$0.05 of security losses and OREO write-downs and eclipsed our estimate for a loss of (\$0.19). The fourth quarter loan loss provision of \$1.1 million, which did not cover net charge-offs of \$6.1 million, was well below our \$18 million estimate and accounted for much of the out performance. In addition, VCBI's net interest margin of 3.78% marked a 26 basis point improvement sequentially and also exceeded our 3.55% estimate.

Capital Needs Could be an Overhang. With company level Tier 1 and tangible common equity ratios of 11.48% and 5.43%, respectively, VCBI will likely be forced to make some decisions concerning capital during the year. If the company is able to execute on its credit improvement plans it could go a long way when the need to tap the markets emerges. During the conference call, management indicated that a secondary offering is unlikely until late in 2010.

Adjusting Estimates. For 2010, we increased our EPS estimate slightly to (\$0.15) from (\$0.20), primarily a result of a higher NIM estimate which increases 10 basis points to 3.73%. This is above management's guidance of 3.50-3.70%, which we feel is conservative. We left our annual loan loss provision at roughly \$53 million, which is down from the \$82 million in 2009. If management is able to meet their goal of additional credit improvement, and the broader economy cooperates, our LLP estimate could prove conservative.

Wilmington Trust Corporation (WL-NYSE)**Rating:** Buy**Target:** \$18.50**Basis of Target:** Approximately 30% Premium to Book Value**Disclosures:** S/C**Risk Profile:** Above Average**Most Recent Report:** January 29, 2010

We are retaining our Buy rating despite a disappointing fourth quarter. WL reported a net loss available to common holders of \$.23 per share for the quarter. These results were well below our estimate and more modest consensus expectations. The downside surprise was largely due to a \$82.8MM loan loss provision that exceeded net credit losses by \$49.7MM. The reserve build lowered reported results by roughly \$.47 per share. Security losses of \$11.4MM put additional pressure on the bottom line and most of these charges were related to other-than-temporary impairments (OTTI) on pooled trust preferred securities. For the full year, WL reported a net loss available to common of \$.33, but an operating profit of \$.39 was earned if a total of \$.72 in OTTI charges are excluded from 2009 results.

Non-performing assets (NPAs) increased more than we expected, but reserves were materially increased. Non-accrual loans increased nearly 24% in the quarter to \$455.6MM, or 5.1% of loans. Commercial construction loans accounted for \$74.1MM or 74% of this increase. The majority of these loans are to residential developers for projects within Delaware. Increasing the total dollar level of NPAs were a \$26.3MM increase in restructured credits that were mostly on an accrual basis and a \$6.8MM increase in foreclosed properties. The substantial provision mentioned above facilitated a 556 basis point increase in the reserve to 2.80% of loans. Management mentioned it has been able to dispose of many NPAs by taking a 20% loss, which infers this reserving action may prove conservative over time.

We are revising our current estimate and introducing a 2011 forecast. Due primarily to the assumption of higher charge-offs and a larger provision, we are reducing our 2010 estimate from \$1.00 to \$0.60. Assuming a meaningful decline in net credit losses, but no assumed reserve releases, leads us to an initial forecast of \$1.60 for 2011. These projections underscore the sensitivity of future results and the level of the loan loss provision and the earnings leverage associated with fee revenues.

Fee revenues were encouraging and are a major part of the story. Excluding the OTTI charges, fee revenues were over 58% of total revenues and covered nearly 84% of operating expenses. Fee revenues generally improved on a sequential basis and provide a major source of support to WL as it works its way through the credit cycle. It also underscores the desirability of the company's total franchise.

Management wants to repay TARP in a "shareholder friendly" fashion. This quarter's developments don't make this effort any easier from either a market or regulatory standpoint. That said, management indicated it is starting to develop plans to repay WL's \$330MM in CPP-related preferred stock. WL's tangible common equity ratio stood at 5.4% at year-end. This level of equity, combined with the level of NPAs, makes it questionable just how much and what type of capital would be needed to replace the TARP funds. If WL gets the go ahead in the short-term, we would view this as a strong regulatory endorsement of the company's underwriting and reserving policies. Currently, TARP preferred dividends lower quarterly results by \$.06 to \$.07 per share.

Davenport Bank Quarterly
Valuation Data - Banks

Major Regionals/Nationals	Symbol/ Market	Market Cap	Close 2/17/2009	12 Month		Book Value	Price/ Book	Tang. BV	Price/ TBV	Earnings/Share ¹		Price/Earnings		Dividend	Yield
				High	Low					2010E	2011E	2010E	2011E		
Bank of America	BAC-N	\$135,606	\$15.66	\$19.10	\$2.53	\$21.48	0.73x	\$11.94	1.31x	\$0.82	\$1.99	19.1x	7.9x	\$0.04	0.26%
BB&T Corporation*	BBT-N	\$18,775	\$27.22	\$29.85	\$12.90	\$23.47	1.16x	\$14.44	1.89x	\$1.59	\$2.65	17.1x	10.3x	\$0.60	2.20%
Capital One Financial*	COF-N	\$16,597	\$36.85	\$43.60	\$7.80	\$59.04	0.62x	\$27.72	1.33x	\$1.83	\$3.65	20.1x	10.1x	\$0.20	0.54%
Citigroup, Inc.	C-N	\$97,128	\$3.41	\$5.43	\$0.97	\$5.35	0.64x	\$4.15	0.82x	\$0.04	\$0.34	85.3x	10.0x	\$0.00	0.00%
Fifth Third Bancorp	FITB-OTC	\$9,581	\$12.05	\$12.87	\$1.01	\$12.44	0.97x	\$9.26	1.30x	(\$0.24)	\$0.85	-50.2x	14.2x	\$0.04	0.33%
First Horizon National Corporation	FHN-N	\$2,897	\$13.05	\$14.60	\$6.97	\$9.95	1.31x	\$9.03	1.45x	(\$0.20)	\$0.73	-65.3x	17.9x	\$0.00	0.00%
Huntington Bancshares	HBAN-OTC	\$3,410	\$4.76	\$6.18	\$1.00	\$5.10	0.93x	\$4.21	1.13x	(\$0.31)	\$0.34	-15.4x	14.0x	\$0.04	0.84%
J. P. Morgan Chase	JPM-N	\$157,838	\$40.04	\$47.47	\$14.96	\$39.88	1.00x	\$26.76	1.50x	\$3.04	\$4.79	13.2x	8.4x	\$0.20	0.50%
KeyCorp	KEY-N	\$6,000	\$6.83	\$9.82	\$4.40	\$9.04	0.76x	\$7.94	0.86x	(\$0.76)	\$0.30	-9.0x	22.8x	\$0.04	0.59%
M&T Bank Corporation	MTB-N	\$8,812	\$74.49	\$80.31	\$29.11	\$59.31	1.26x	\$28.27	2.63x	\$4.10	\$5.39	18.2x	13.8x	\$2.80	3.76%
Marshall & Ilsley Corporation	MI-N	\$3,436	\$6.54	\$10.79	\$2.98	\$10.21	0.64x	\$8.72	0.75x	(\$1.06)	\$0.10	-6.2x	65.4x	\$0.04	0.61%
PNC Financial Services	PNC-N	\$26,805	\$51.85	\$58.94	\$16.20	\$47.55	1.09x	\$24.34	2.13x	\$3.76	\$4.91	13.8x	10.6x	\$0.40	0.77%
Regions Financial Corp.	RF-N	\$7,707	\$6.46	\$7.60	\$2.35	\$11.97	0.54x	\$6.89	0.94x	(\$0.71)	\$0.29	-9.1x	22.3x	\$0.04	0.62%
SunTrust Banks*	STI-N	\$11,281	\$22.60	\$26.20	\$6.00	\$35.29	0.64x	\$22.59	1.00x	(\$1.55)	\$1.05	-14.6x	21.5x	\$0.04	0.18%
Synovus Financial	SNV-N	\$1,347	\$2.75	\$5.24	\$1.45	\$3.96	0.69x	\$3.88	0.71x	(\$1.10)	\$0.13	-2.5x	21.2x	\$0.04	1.45%
U.S. Bancorp	USB-N	\$45,395	\$23.73	\$26.84	\$8.06	\$12.79	1.86x	\$7.21	3.29x	\$1.61	\$2.33	14.7x	10.2x	\$0.20	0.84%
Wells Fargo	WFC-N	\$141,532	\$27.33	\$31.53	\$7.80	\$20.03	1.36x	\$12.40	2.20x	\$1.88	\$2.84	14.5x	9.6x	\$0.20	0.73%
Average	---	---	---	---	---	---	0.95x	1.48x	---	---	2.6x	17.1x	---	0.84%	
Median	---	---	---	---	---	---	0.93x	1.31x	---	---	13.2x	13.8x	---	0.61%	
Selected Mid-Cap															
First Citizens	FCNCA-OTC	\$1,838	\$175.43	\$183.97	\$73.48	\$149.35	1.17x	\$138.90	1.26x	\$7.38	\$10.73	23.8x	16.3x	\$1.20	0.68%
Fulton Financial Corporation*	FULT-OTC	\$1,578	\$8.95	\$10.12	\$4.72	\$8.88	1.01x	\$5.75	1.56x	\$0.55	NA	16.3x	NA	\$0.12	1.34%
Susquehanna Bancshares, Inc.	SUSQ-OTC	\$700	\$8.09	\$10.92	\$3.78	\$19.53	0.41x	\$7.25	1.12x	\$0.16	\$0.59	50.6x	13.7x	\$0.04	0.49%
The South Financial Group	TSGF-OTC	\$84	\$0.39	\$3.40	\$0.34	\$3.05	0.13x	\$1.98	0.20x	(\$1.21)	(\$0.06)	-0.3x	-6.5x	\$0.00	0.00%
United Bankshares	UBSI-OTC	\$1,076	\$24.76	\$27.75	\$13.15	\$17.53	1.41x	\$10.24	2.42x	\$1.66	\$1.78	14.9x	13.9x	\$1.20	4.85%
Wilmington Trust*	WL-N	\$895	\$12.90	\$18.66	\$6.76	\$14.17	0.91x	\$8.36	1.54x	\$0.60	\$1.60	21.5x	8.1x	\$0.04	0.31%
Average	---	---	---	---	---	---	0.84x	1.35x	---	---	21.1x	9.1x	---	1.28%	
Median	---	---	---	---	---	---	0.96x	1.40x	---	---	18.9x	13.7x	---	0.59%	
Small-Cap Under Coverage															
C&F Financial Corp.*	CBKN-OTC	\$61	\$20.00	\$21.45	\$10.30	\$22.45	0.89x	\$19.22	1.04x	\$1.40	NA	14.3x	NA	\$1.00	5.00%
Capital Bank*	CBKN-OTC	\$36	\$3.14	\$6.90	\$3.02	\$8.78	0.36x	\$8.54	0.37x	\$0.04	NA	78.5x	NA	\$0.00	0.00%
Cardinal Financial Corporation*	CFNL-OTC	\$270	\$9.41	\$9.60	\$4.98	\$7.12	1.32x	\$6.52	1.44x	\$0.55	NA	17.1x	NA	\$0.08	0.85%
Carolina Bank Holdings*	CLBH-OTC	\$13	\$3.90	\$5.65	\$2.95	\$9.88	0.39x	\$9.88	0.39x	\$0.75	NA	5.2x	NA	\$0.00	0.00%
Crescent Financial Corp.*	CRFN-OTC	\$32	\$3.32	\$4.95	\$2.80	\$6.92	0.48x	\$6.83	0.49x	\$0.31	NA	10.7x	NA	\$0.00	0.00%
Fauquier Bankshares Inc.*	FBSS-OTC	\$51	\$14.34	\$16.95	\$8.96	\$11.86	1.21x	\$11.86	1.21x	\$1.20	NA	12.0x	NA	\$0.80	5.58%
First Capital Bancorp Inc.*	FCVA-OTC	\$24	\$7.94	\$10.74	\$4.05	\$12.14	0.65x	\$12.14	0.65x	\$0.65	NA	12.2x	NA	\$0.00	0.00%
First Community Bancshares*	FCBC-OTC	\$208	\$11.70	\$17.55	\$7.90	\$14.29	0.82x	\$9.16	1.28x	\$1.12	NA	10.4x	NA	\$0.40	3.42%
First National Corp.*	FXNC-OTC	\$30	\$10.30	\$17.50	\$9.25	\$13.91	0.74x	\$13.80	0.75x	\$0.75	NA	13.7x	NA	\$0.56	5.44%
Middleburg Financial Corp.*	MBRG-OTC	\$93	\$13.42	\$15.78	\$10.51	\$14.52	0.92x	\$13.57	0.99x	\$0.55	NA	24.4x	NA	\$0.40	2.98%
National Bankshares Inc.*	NKSH-OTC	\$180	\$26.03	\$29.45	\$16.81	\$17.61	1.48x	\$15.79	1.65x	\$2.20	NA	11.8x	NA	\$0.86	3.30%
Old Point Financial Corp.*	OPOF-OTC	\$71	\$14.54	\$20.92	\$13.70	\$16.60	0.88x	\$16.60	0.88x	\$0.92	NA	15.8x	NA	\$0.40	2.75%
StellarOne Corp.*	STEL-OTC	\$264	\$11.64	\$15.76	\$8.18	\$17.32	0.67x	\$11.93	0.98x	\$0.18	NA	64.7x	NA	\$0.16	1.37%
Union Bankshares Corporation*	UBSH-OTC	\$244	\$13.23	\$20.93	\$9.00	\$15.34	0.86x	\$11.85	1.12x	\$0.81	NA	16.3x	NA	\$0.24	1.81%
Valley Financial Corp.*	VYFC-OTC	\$17	\$3.55	\$5.60	\$2.30	\$8.13	0.44x	\$8.13	0.44x	\$0.42	NA	8.5x	NA	\$0.00	0.00%
Virginia Commerce Bancorp, Inc.*	VCBI-OTC	\$160	\$5.97	\$6.30	\$2.27	\$5.79	1.03x	\$5.79	1.03x	(\$0.15)	NA	-39.8x	NA	\$0.00	0.00%
Average	---	---	---	---	---	---	0.82x	0.92x	---	---	17.2x	NA	---	2.03%	
Median	---	---	---	---	---	---	0.84x	0.98x	---	---	13.0x	NA	---	1.59%	

* Indicates Davenport & Co. estimates

Source: SNL Financial LC

Davenport Bank Quarterly
Fundamental Data
Fourth Quarter 2009

	Period End Assets (mil)	Profitability				Capital			Asset Quality ¹			
		Return on Avg Assets	Return on Avg Equity	Net Interest Margin	As Reported NIM	Efficiency Ratio	Tier I Ratio	Reserves/ Loans	TCE/ Tang. Assets	NonAccr/ Loans	Reserve/ Nonaccr	Net COs/ Avg Loans
Major Regionals/Nationals												
Bank of America	\$2,223,299	-0.03%	-0.31%	2.63%	2.62%	68.95%	10.40%	3.94%	5.57%	4.33%	91.08%	3.55%
BB&T Corporation	\$165,764	0.47%	4.75%	3.82%	3.80%	51.07%	11.50%	2.45%	5.97%	2.56%	95.66%	1.84%
Capital One Financial	\$169,400	0.95%	6.09%	5.44%	5.44%	56.92%	13.80%	4.54%	6.30%	NA	NA	4.99%
Citigroup, Inc.	\$1,856,164	-1.65%	-20.78%	2.71%	2.65%	70.86%	11.70%	6.09%	10.90%	5.44%	111.96%	4.60%
Fifth Third Bancorp	\$113,380	-0.35%	-2.86%	3.57%	3.55%	62.27%	13.31%	4.75%	6.64%	4.02%	118.23%	3.54%
First Horizon National Corporation	\$26,069	-0.77%	-6.06%	3.21%	3.19%	65.95%	16.28%	4.83%	7.75%	5.05%	95.65%	3.90%
Huntington Bancshares	\$51,555	-2.82%	-25.79%	3.22%	3.19%	46.02%	12.05%	3.98%	5.74%	5.15%	77.33%	4.74%
J. P. Morgan Chase	\$2,031,989	0.66%	7.96%	3.04%	3.02%	53.06%	11.10%	4.99%	5.33%	2.77%	179.92%	3.85%
KeyCorp	\$93,287	-0.75%	-6.54%	3.05%	3.04%	82.54%	12.68%	4.28%	7.56%	3.51%	121.94%	4.63%
M&T Bank Corporation	\$68,880	0.79%	7.12%	3.74%	3.71%	52.69%	NA	1.69%	5.09%	2.49%	67.90%	1.04%
Marshall & Isley Corporation	\$57,210	-1.60%	-13.35%	2.98%	2.95%	67.19%	11.10%	3.35%	8.20%	4.62%	72.40%	5.05%
PNC Financial Services	\$269,863	1.63%	13.69%	4.09%	4.05%	55.02%	11.50%	3.17%	3.54%	3.32%	96.96%	2.07%
Regions Financial Corp.	\$142,318	-1.54%	-11.90%	2.74%	2.72%	69.06%	11.60%	3.38%	6.03%	4.13%	81.84%	2.97%
SunTrust Banks	\$174,165	-0.56%	-4.39%	3.29%	3.27%	73.52%	12.90%	2.64%	5.77%	4.57%	57.75%	2.76%
Synovus Financial	\$32,850	-2.97%	-33.09%	3.18%	3.25%	59.01%	10.11%	3.69%	5.79%	6.23%	59.26%	5.55%
U.S. Bancorp	\$281,176	0.87%	9.17%	3.85%	3.83%	46.78%	9.60%	2.54%	5.10%	1.72%	147.86%	2.26%
Wells Fargo	\$1,243,646	0.97%	9.32%	4.30%	4.31%	50.39%	9.26%	2.96%	5.80%	2.95%	100.40%	2.60%
Average	\$529,471	-0.39%	-3.94%	3.46%	3.45%	60.66%	11.81%	3.72%	6.30%	3.93%	98.51%	3.53%
Median	\$165,764	-0.35%	-2.86%	3.22%	3.25%	59.01%	11.55%	3.69%	5.80%	4.08%	95.66%	3.55%
Selected Mid-Cap												
First Citizens	\$18,465	0.40%	4.77%	3.52%	3.49%	77.95%	13.34%	1.33%	NA	0.46%	290.64%	0.45%
Fulton Financial Corporation	\$16,636	0.59%	5.04%	3.68%	3.67%	54.61%	11.70%	2.13%	6.30%	1.98%	107.69%	0.97%
Susquehanna Bancshares, Inc.	\$13,689	0.22%	1.54%	3.80%	3.77%	59.61%	11.11%	1.75%	4.97%	2.23%	78.51%	2.08%
The South Financial Group	\$11,895	-6.17%	-64.95%	2.99%	2.97%	84.29%	9.93%	4.35%	3.67%	4.75%	91.63%	6.56%
United Bankshares	\$7,805	0.88%	8.99%	3.53%	3.55%	51.65%	11.00%	1.18%	5.94%	0.89%	133.42%	0.45%
Wilmington Trust	\$11,143	-0.38%	-3.12%	3.16%	3.12%	69.47%	9.85%	2.80%	5.40%	5.08%	55.20%	1.47%
Average	\$13,272	-0.74%	-7.96%	3.45%	3.43%	66.26%	11.16%	2.26%	5.26%	2.57%	126.18%	2.00%
Median	\$12,792	0.31%	3.16%	3.53%	3.52%	64.54%	11.06%	1.94%	5.40%	2.11%	99.66%	1.22%
Small-Cap Under Coverage												
C&F Financial Corp.	\$888	0.28%	2.77%	6.55%	6.55%	70.71%	NA	3.61%	6.71%	0.81%	444.70%	2.72%
Capital Bank	\$1,735	-1.67%	-19.32%	3.28%	3.25%	90.19%	NA	1.88%	5.60%	2.84%	66.01%	1.52%
Cardinal Financial Corporation	\$1,976	0.72%	6.60%	3.28%	3.32%	66.55%	12.97%	1.27%	9.71%	0.05%	NM	0.24%
Carolina Bank Holdings	\$697	-0.88%	-12.47%	3.40%	3.41%	61.83%	NA	1.80%	4.80%	2.53%	71.18%	1.79%
Crescent Financial Corp.	\$1,033	-12.09%	-104.43%	3.12%	3.21%	66.98%	11.37%	2.31%	6.37%	2.39%	96.87%	1.54%
Fauquier Bankshares Inc.	\$568	0.58%	7.65%	4.33%	4.33%	69.10%	10.91%	1.17%	7.50%	0.75%	156.49%	0.45%
First Capital Bancorp Inc.	\$530	0.41%	4.58%	3.08%	3.08%	67.92%	12.36%	1.63%	6.80%	0.89%	182.98%	0.31%
First Community Bancshares	\$2,275	-6.04%	-51.57%	3.95%	3.92%	61.19%	NA	1.55%	7.45%	1.25%	123.95%	0.77%
First National Corp.	\$552	0.76%	7.67%	3.86%	3.83%	69.72%	13.64%	1.60%	7.33%	1.87%	85.89%	0.29%
Middleburg Financial Corp.	\$976	0.54%	4.52%	3.86%	3.83%	83.80%	13.88%	1.30%	9.60%	1.25%	104.11%	0.71%
National Bankshares Inc.	\$982	1.57%	12.41%	4.54%	4.51%	44.16%	NA	1.17%	11.29%	0.69%	169.01%	0.14%
Old Point Financial Corp.	\$921	0.17%	1.84%	3.45%	3.45%	75.45%	NA	1.24%	8.86%	0.77%	159.93%	1.11%
StellarOne Corp.	\$3,033	0.07%	0.52%	3.48%	3.45%	77.56%	13.21%	1.80%	9.29%	2.70%	66.69%	0.78%
Union Bankshares Corporation	\$2,587	0.44%	3.64%	4.01%	3.97%	65.52%	NA	1.58%	8.64%	1.16%	136.41%	1.70%
Valley Financial Corp.	\$716	-0.51%	-6.73%	3.01%	3.01%	80.08%	12.00%	2.54%	5.31%	5.93%	42.90%	0.89%
Virginia Commerce Bancorp, Inc.	\$2,725	0.61%	7.60%	3.78%	3.78%	64.29%	11.48%	2.86%	5.68%	2.88%	99.00%	1.08%
Average	\$1,387	-0.94%	-8.42%	3.81%	3.81%	69.69%	12.42%	1.83%	7.56%	1.80%	133.74%	1.00%
Median	\$979	0.35%	3.21%	3.63%	3.62%	68.51%	12.36%	1.62%	7.39%	1.25%	104.11%	0.84%

¹ Non-performing assets exclude ninety-days delinquent and still accruing interest.

² Capital One numbers reflect only on-balance sheet reserves and 90 day plus delinquencies for non-performers.

Source: SNL Financial LC and company reports. Data may differ from reported figures.

**Davenport Bank Quarterly
Profitability Ratios
Fourth Quarter 2009**

Major Regionals/Nationals	Return on Average Equity					Return on Average Assets				
	12/31/2008	3/31/2009	6/30/2009	9/30/2009	12/31/2009	12/31/2008	3/31/2009	6/30/2009	9/30/2009	12/31/2009
Bank of America	-4.05%	7.43%	5.31%	-1.56%	-0.31%	-0.37%	0.67%	0.53%	-0.17%	-0.03%
BB&T Corporation	8.17%	7.75%	4.99%	4.04%	4.75%	0.86%	0.85%	0.56%	0.40%	0.47%
Capital One Financial	-20.95%	-1.29%	3.33%	7.22%	6.09%	-3.45%	-0.21%	0.52%	1.08%	0.95%
Citigroup, Inc.	-63.08%	4.49%	11.68%	1.63%	-20.78%	-4.23%	0.34%	0.94%	0.13%	-1.65%
Fifth Third Bancorp	-83.26%	1.66%	28.25%	-2.79%	-2.86%	-7.20%	0.17%	3.04%	-0.34%	-0.35%
First Horizon National Corporation	-7.18%	-7.27%	-12.32%	-2.91%	-6.06%	-0.72%	-0.85%	-1.47%	-0.37%	-0.77%
Huntington Bancshares	-23.78%	-134.72%	-10.15%	-12.58%	-25.79%	-3.06%	-17.97%	-0.97%	-1.29%	-2.82%
J. P. Morgan Chase	-1.52%	5.08%	6.43%	8.91%	7.96%	-0.11%	0.41%	0.53%	0.70%	0.66%
KeyCorp	-21.20%	-18.87%	-8.96%	-13.81%	-6.54%	-1.95%	-1.92%	-0.92%	-1.59%	-0.75%
M&T Bank Corporation	6.44%	3.79%	2.87%	6.79%	7.12%	0.63%	0.40%	0.31%	0.74%	0.79%
Marshall & Ilsley Corporation	-102.88%	-5.77%	-13.03%	-13.40%	-13.35%	-11.81%	-0.59%	-1.37%	-1.51%	-1.60%
PNC Financial Services	-7.75%	7.43%	2.79%	7.31%	13.69%	-0.69%	0.75%	0.29%	0.82%	1.63%
Regions Financial Corp.	-121.86%	1.85%	-4.30%	-8.10%	-11.90%	-16.80%	0.21%	-0.51%	-1.07%	-1.54%
SunTrust Banks	-7.03%	-14.52%	-3.28%	-5.59%	-4.39%	-0.79%	-1.82%	-0.41%	-0.73%	-0.56%
Synovus Financial	-70.94%	-14.60%	-69.49%	-56.49%	-33.09%	-7.25%	-1.56%	-6.78%	-5.10%	-2.97%
U.S. Bancorp	5.39%	7.91%	6.71%	9.53%	9.17%	0.52%	0.82%	0.73%	0.92%	0.87%
Wells Fargo	-15.63%	11.81%	11.52%	10.66%	9.32%	-1.73%	0.96%	1.02%	1.06%	0.97%
Median	-15.63%	1.85%	2.87%	-1.56%	-2.86%	-1.73%	0.21%	0.31%	-0.17%	-0.35%
Average	-31.24%	-8.11%	-2.21%	-3.60%	-3.94%	-3.42%	-1.14%	-0.23%	-0.37%	-0.39%
Selected Mid-Cap										
First Citizens	3.44%	2.41%	1.73%	22.63%	4.77%	0.31%	0.20%	0.14%	1.84%	0.40%
Fulton Financial Corporation	-25.03%	2.81%	2.81%	4.94%	5.04%	-2.53%	0.32%	0.32%	0.56%	0.59%
Susquehanna Bancshares, Inc.	4.40%	1.24%	-1.60%	1.39%	1.54%	0.56%	0.18%	-0.23%	0.20%	0.22%
The South Financial Group	-76.59%	-18.59%	-23.29%	-86.14%	-64.95%	-8.99%	-2.20%	-2.74%	-10.41%	-6.17%
United Bankshares	8.42%	16.09%	4.26%	6.30%	8.99%	0.82%	1.48%	0.41%	0.61%	0.88%
Wilmington Trust	-23.89%	6.60%	-2.68%	-1.75%	-3.12%	-2.23%	0.72%	-0.32%	-0.21%	-0.38%
Median	-10.23%	2.61%	0.06%	3.17%	3.16%	-0.96%	0.26%	-0.05%	0.38%	0.31%
Average	-18.21%	1.76%	-3.13%	-8.77%	-7.96%	-2.01%	0.12%	-0.40%	-1.24%	-0.74%
Small-Cap Under Coverage										
C&F Financial Corp.	6.43%	7.29%	8.09%	7.57%	2.77%	0.49%	0.69%	0.79%	0.76%	0.28%
Capital Bank	-145.02%	-11.96%	3.72%	9.74%	-19.32%	-15.32%	-1.08%	0.32%	0.83%	-1.67%
Cardinal Financial Corporation	4.56%	5.38%	4.82%	5.20%	6.60%	0.43%	0.50%	0.48%	0.56%	0.72%
Carolina Bank Holdings	2.33%	5.76%	2.76%	1.37%	-12.47%	0.12%	0.42%	0.20%	0.10%	-0.88%
Crescent Financial Corp.	-3.21%	2.05%	1.88%	2.08%	-104.43%	-0.32%	0.23%	0.21%	0.24%	-12.09%
Fauquier Bankshares Inc.	7.48%	8.77%	7.00%	8.95%	7.65%	0.60%	0.71%	0.55%	0.71%	0.58%
First Capital Bancorp Inc.	-1.92%	1.16%	-6.39%	3.56%	4.58%	-0.16%	0.09%	-0.60%	0.32%	0.41%
First Community Bancshares	-29.65%	9.52%	4.13%	-17.38%	-51.57%	-2.74%	0.96%	0.44%	-1.99%	-6.04%
First National Corp.	1.23%	0.34%	1.79%	6.16%	7.67%	0.09%	0.03%	0.17%	0.59%	0.76%
Middleburg Financial Corp.	2.67%	7.24%	5.64%	2.24%	4.52%	0.21%	0.67%	0.56%	0.25%	0.54%
National Bankshares Inc.	12.16%	11.98%	11.68%	12.83%	12.41%	1.46%	1.41%	1.37%	1.55%	1.57%
Old Point Financial Corp.	4.38%	3.71%	-3.01%	5.63%	1.84%	0.44%	0.36%	-0.29%	0.54%	0.17%
StellarOne Corp.	-0.92%	0.15%	-0.33%	-9.13%	0.52%	-0.11%	0.02%	-0.04%	-1.18%	0.07%
Union Bankshares Corporation	4.10%	2.54%	1.38%	3.91%	3.64%	0.37%	0.27%	0.15%	0.44%	0.44%
Valley Financial Corp.	-3.78%	1.00%	-31.44%	9.65%	-6.73%	-0.29%	0.09%	-2.55%	0.75%	-0.51%
Virginia Commerce Bancorp, Inc.	2.79%	-3.80%	-8.34%	-49.74%	7.60%	0.20%	-0.35%	-0.76%	-4.37%	0.61%
Median	2.50%	3.13%	2.32%	4.56%	3.21%	0.16%	0.32%	0.21%	0.49%	0.35%
Average	-8.52%	3.20%	0.21%	0.17%	-8.42%	-0.91%	0.31%	0.06%	0.01%	-0.94%

Source: SNL Financial LC * Capital One's numbers are on a reported basis.

**Davenport Bank Quarterly
Profitability Ratios
Fourth Quarter 2009**

Major Regionals/Nationals	Net Interest Margin (%) as Reported					Efficiency Ratio				
	12/31/2008	3/31/2009	6/30/2009	9/30/2009	12/31/2009	12/31/2008	3/31/2009	6/30/2009	9/30/2009	12/31/2009
Bank of America	3.31%	2.70%	2.64%	2.61%	2.62%	59.27%	47.08%	63.58%	62.14%	68.95%
BB&T Corporation	3.47%	3.57%	3.56%	3.68%	3.80%	51.78%	48.47%	47.97%	53.22%	51.07%
Capital One Financial	5.23%	4.92%	5.14%	5.64%	5.44%	58.11%	58.30%	56.50%	49.68%	56.92%
Citigroup, Inc.	3.22%	3.30%	3.24%	2.95%	2.65%	105.26%	62.89%	64.78%	63.14%	70.86%
Fifth Third Bancorp	3.46%	3.06%	3.26%	3.43%	3.55%	68.64%	63.07%	58.57%	62.36%	62.27%
First Horizon National Corporation	2.96%	2.89%	3.05%	3.14%	3.19%	60.27%	64.34%	70.47%	62.02%	65.95%
Huntington Bancshares	3.18%	2.97%	3.10%	3.20%	3.19%	63.80%	58.68%	45.41%	55.17%	46.02%
J. P. Morgan Chase	3.28%	3.29%	3.07%	3.10%	3.02%	60.55%	51.19%	49.35%	50.05%	53.06%
KeyCorp	2.76%	2.77%	2.67%	2.80%	3.04%	77.10%	68.62%	69.79%	81.64%	82.54%
M&T Bank Corporation	3.37%	3.19%	3.43%	3.61%	3.71%	57.03%	58.68%	55.92%	55.21%	52.69%
Marshall & Ilsley Corporation	3.18%	2.82%	2.79%	2.82%	2.95%	56.46%	52.67%	59.30%	56.00%	67.19%
PNC Financial Services	3.37%	3.81%	3.60%	3.76%	4.05%	60.71%	55.38%	58.40%	57.32%	55.02%
Regions Financial Corp.	2.96%	2.64%	2.62%	2.73%	2.72%	75.07%	56.26%	58.02%	72.73%	69.06%
SunTrust Banks	3.14%	2.87%	2.94%	3.10%	3.27%	102.13%	60.64%	65.53%	69.96%	73.52%
Synovus Financial	3.20%	3.05%	3.23%	3.22%	3.25%	61.53%	62.87%	58.92%	65.34%	59.01%
U.S. Bancorp	3.81%	3.59%	3.60%	3.67%	3.83%	48.90%	43.62%	45.74%	45.70%	46.78%
Wells Fargo	4.90%	4.16%	4.30%	4.36%	4.31%	59.87%	49.93%	48.66%	46.79%	50.39%
Median	3.28%	3.06%	3.23%	3.20%	3.25%	60.55%	58.30%	58.40%	57.32%	59.01%
Average	3.46%	3.27%	3.31%	3.40%	3.45%	66.26%	56.63%	57.47%	59.32%	60.66%
Selected Mid-Cap										
First Citizens	3.28%	3.09%	3.02%	3.41%	3.49%	81.67%	81.66%	78.79%	73.46%	77.95%
Fulton Financial Corporation	3.68%	3.45%	3.43%	3.55%	3.67%	58.16%	60.24%	54.93%	54.88%	54.61%
Susquehanna Bancshares, Inc.	3.52%	3.40%	3.52%	3.64%	3.77%	61.38%	68.69%	68.04%	62.14%	59.61%
The South Financial Group	2.97%	2.83%	2.96%	2.93%	2.97%	85.19%	78.67%	99.20%	77.93%	84.29%
United Bankshares	3.63%	3.56%	3.67%	3.60%	3.55%	51.79%	50.34%	48.11%	50.94%	51.65%
Wilmington Trust	3.34%	2.91%	3.16%	3.23%	3.12%	64.39%	68.00%	64.35%	66.27%	69.47%
Median	3.43%	3.25%	3.30%	3.48%	3.52%	62.89%	68.35%	66.20%	64.21%	64.54%
Average	3.40%	3.21%	3.29%	3.39%	3.43%	67.10%	67.93%	68.90%	64.27%	66.26%
Small-Cap Under Coverage										
C&F Financial Corp.	5.81%	5.77%	6.15%	6.71%	6.55%	66.93%	68.95%	65.86%	66.67%	70.71%
Capital Bank	2.75%	2.72%	3.17%	3.41%	3.25%	85.49%	86.73%	76.02%	65.93%	90.19%
Cardinal Financial Corporation	2.62%	2.61%	2.84%	2.97%	3.32%	76.85%	75.12%	69.79%	68.52%	66.55%
Carolina Bank Holdings	2.86%	2.96%	3.15%	3.25%	3.41%	79.64%	64.73%	62.16%	68.91%	61.83%
Crescent Financial Corp.	2.82%	3.05%	3.00%	3.08%	3.21%	65.89%	64.78%	69.78%	69.36%	66.98%
Fauquier Bankshares Inc.	4.04%	4.12%	4.21%	4.35%	4.33%	61.10%	74.17%	73.07%	72.31%	69.10%
First Capital Bancorp Inc.	2.59%	2.38%	2.51%	2.71%	3.08%	77.70%	85.77%	79.29%	69.67%	67.92%
First Community Bancshares	3.93%	3.73%	3.62%	3.68%	3.92%	58.88%	58.46%	59.74%	60.39%	61.19%
First National Corp.	3.38%	3.38%	3.53%	3.73%	3.83%	74.34%	76.45%	71.91%	70.67%	69.72%
Middleburg Financial Corp.	4.00%	4.45%	4.36%	4.13%	3.83%	81.97%	73.82%	75.16%	79.31%	83.80%
National Bankshares Inc.	4.20%	4.08%	4.10%	4.26%	4.51%	49.00%	47.56%	50.65%	46.57%	44.16%
Old Point Financial Corp.	3.63%	3.35%	3.37%	3.58%	3.45%	72.86%	76.88%	75.16%	74.31%	75.45%
StellarOne Corp.	3.80%	3.52%	3.34%	3.30%	3.45%	67.68%	71.77%	72.52%	73.30%	77.56%
Union Bankshares Corporation	3.52%	3.22%	3.30%	3.69%	3.97%	72.17%	73.79%	70.14%	68.62%	65.52%
Valley Financial Corp.	2.93%	2.89%	3.08%	3.00%	3.01%	70.30%	71.90%	68.03%	69.51%	80.08%
Virginia Commerce Bancorp, Inc.	3.19%	3.15%	3.35%	3.52%	3.78%	51.37%	57.61%	51.49%	51.29%	64.29%
Median	3.45%	3.29%	3.35%	3.55%	3.62%	71.24%	72.85%	69.97%	69.14%	68.51%
Average	3.50%	3.46%	3.57%	3.71%	3.81%	69.51%	70.53%	68.17%	67.21%	69.69%

Source: SNL Financial LC * Capital One's numbers are on a reported basis.

**Davenport Bank Quarterly
Asset Quality Ratios
Fourth Quarter 2009**

Major Regionals/Nationals	Nonaccrual Loans/Loans (%)					NCOs/Avg Loans (%)				
	12/31/2008	3/31/2009	6/30/2009	9/30/2009	12/31/2009	12/31/2008	3/31/2009	6/30/2009	9/30/2009	12/31/2009
Bank of America	2.12%	2.84%	3.53%	3.99%	4.33%	2.28%	2.70%	3.44%	3.95%	3.55%
BB&T Corporation	1.43%	1.72%	2.08%	2.40%	2.56%	1.29%	1.56%	1.81%	1.73%	1.84%
Capital One Financial	0.80%	0.90%	1.18%	1.38%	NA	4.21%	4.39%	4.24%	4.52%	4.99%
Citigroup, Inc.	3.17%	3.97%	4.31%	5.17%	5.44%	3.42%	4.34%	5.09%	4.99%	4.60%
Fifth Third Bancorp	2.63%	3.29%	3.47%	4.02%	4.02%	7.44%	2.28%	2.95%	3.65%	3.54%
First Horizon National Corporation	4.82%	5.34%	5.62%	5.88%	5.05%	3.50%	3.86%	4.62%	4.14%	3.90%
Huntington Bancshares	3.62%	3.88%	4.66%	5.76%	5.15%	5.37%	3.29%	3.37%	3.71%	4.74%
J. P. Morgan Chase	1.20%	1.61%	2.17%	2.72%	2.77%	1.76%	2.42%	3.45%	3.83%	3.85%
KeyCorp	1.70%	2.42%	3.25%	4.12%	3.51%	1.74%	2.57%	2.93%	3.59%	4.63%
M&T Bank Corporation	1.48%	1.97%	2.04%	2.28%	2.49%	1.18%	0.82%	1.09%	1.08%	1.04%
Marshall & Ilsley Corporation	3.05%	4.21%	5.01%	4.88%	4.62%	5.41%	2.63%	4.94%	4.52%	5.05%
PNC Financial Services	0.96%	1.72%	2.48%	3.05%	3.32%	1.07%	0.97%	1.83%	1.57%	2.07%
Regions Financial Corp.	1.49%	2.08%	3.05%	3.82%	4.13%	3.19%	1.58%	2.02%	2.84%	2.97%
SunTrust Banks	3.01%	3.55%	4.21%	4.50%	4.57%	1.68%	1.87%	2.45%	3.22%	2.76%
Synovus Financial	3.29%	5.14%	5.40%	5.88%	6.23%	3.24%	3.50%	5.04%	7.27%	5.55%
U.S. Bancorp	0.94%	1.28%	1.59%	1.75%	1.72%	1.40%	1.65%	1.96%	2.20%	2.26%
Wells Fargo	0.76%	1.18%	1.82%	2.48%	2.95%	2.56%	1.46%	1.98%	2.39%	2.60%
Median	1.70%	2.42%	3.25%	3.99%	4.08%	2.56%	2.42%	2.95%	3.65%	3.55%
Average	2.15%	2.77%	3.29%	3.77%	3.93%	2.98%	2.46%	3.13%	3.48%	3.53%
Selected Mid-Cap										
First Citizens	0.34%	0.54%	0.55%	0.44%	0.46%	0.62%	0.48%	0.72%	0.51%	0.45%
Fulton Financial Corporation	1.33%	1.64%	1.88%	1.90%	1.98%	0.89%	0.99%	0.96%	0.81%	0.97%
Susquehanna Bancshares, Inc.	1.09%	1.57%	2.01%	2.28%	2.23%	0.60%	0.69%	1.00%	1.50%	2.08%
The South Financial Group	3.58%	4.35%	4.97%	4.86%	4.75%	2.94%	4.28%	4.89%	7.36%	6.56%
United Bankshares	0.70%	0.67%	0.73%	0.83%	0.89%	0.54%	0.46%	1.44%	0.33%	0.45%
Wilmington Trust	2.04%	2.45%	3.27%	4.07%	5.08%	1.05%	0.89%	1.54%	0.96%	1.47%
Median	1.21%	1.61%	1.95%	2.09%	2.11%	0.76%	0.79%	1.22%	0.89%	1.22%
Average	1.51%	1.87%	2.24%	2.40%	2.57%	1.11%	1.30%	1.76%	1.91%	2.00%
Small-Cap Under Coverage										
C&F Financial Corp.	2.82%	2.97%	1.59%	1.29%	0.81%	1.95%	2.02%	1.79%	1.74%	2.72%
Capital Bank	0.73%	1.33%	1.43%	1.36%	2.84%	0.58%	0.73%	0.49%	0.80%	1.52%
Cardinal Financial Corporation	0.36%	0.41%	0.53%	0.67%	0.05%	0.50%	0.13%	0.18%	0.22%	0.24%
Carolina Bank Holdings	1.09%	2.24%	2.95%	2.59%	2.53%	0.32%	0.15%	0.88%	1.65%	1.79%
Crescent Financial Corp.	1.67%	2.08%	1.72%	2.14%	2.39%	0.69%	0.22%	0.94%	0.68%	1.54%
Fauquier Bankshares Inc.	0.27%	0.35%	0.25%	0.94%	0.75%	1.30%	0.10%	0.13%	0.20%	0.45%
First Capital Bancorp Inc.	1.18%	1.04%	0.75%	0.99%	0.89%	0.25%	0.21%	0.14%	0.11%	0.31%
First Community Bancshares	0.98%	0.83%	0.92%	0.88%	1.25%	0.78%	0.47%	0.77%	0.78%	0.77%
First National Corp.	2.23%	2.79%	2.79%	2.38%	1.87%	0.38%	0.23%	0.02%	0.21%	0.29%
Middleburg Financial Corp.	0.97%	1.22%	2.41%	1.65%	1.25%	0.19%	0.75%	1.02%	0.67%	0.71%
National Bankshares Inc.	0.23%	0.23%	0.47%	0.67%	0.69%	0.13%	0.08%	0.08%	0.09%	0.14%
Old Point Financial Corp.	0.16%	1.51%	0.94%	0.84%	0.77%	0.11%	0.25%	1.73%	0.33%	1.11%
StellarOne Corp.	1.95%	2.90%	3.18%	2.70%	2.70%	2.22%	0.51%	1.20%	2.47%	0.78%
Union Bankshares Corporation	0.76%	1.63%	1.94%	1.54%	1.16%	0.42%	0.19%	0.61%	0.26%	1.70%
Valley Financial Corp.	1.72%	1.00%	3.92%	2.94%	5.93%	0.00%	1.02%	1.64%	0.23%	0.89%
Virginia Commerce Bancorp, Inc.	4.80%	5.50%	4.68%	3.83%	2.88%	0.96%	2.14%	2.95%	3.15%	1.08%
Median	1.04%	1.42%	1.66%	1.45%	1.25%	0.46%	0.24%	0.83%	0.50%	0.84%
Average	1.37%	1.75%	1.90%	1.71%	1.80%	0.67%	0.58%	0.91%	0.85%	1.00%

Source: SNL Financial LC * Capital One's numbers are on a reported basis.

**Davenport Bank Quarterly
Asset Quality Ratios
Fourth Quarter 2009**

Major Regionals/Nationals	Reserves/Nonaccrual Loans (%)					Reserves/ Loans (%)				
	12/31/2008	3/31/2009	6/30/2009	9/30/2009	12/31/2009	12/31/2008	3/31/2009	6/30/2009	9/30/2009	12/31/2009
Bank of America	112.89%	100.50%	96.31%	94.01%	91.08%	2.40%	2.86%	3.40%	3.75%	3.94%
BB&T Corporation	111.39%	108.22%	100.91%	92.46%	95.66%	1.60%	1.86%	2.10%	2.22%	2.45%
Capital One Financial	562.44%	487.18%	374.44%	338.28%	NA	4.48%	4.39%	4.42%	4.66%	4.54%
Citigroup, Inc.	132.83%	121.42%	127.24%	111.42%	111.96%	4.22%	4.82%	5.49%	5.76%	6.09%
Fifth Third Bancorp	123.92%	109.68%	118.58%	113.79%	118.23%	3.26%	3.60%	4.11%	4.57%	4.75%
First Horizon National Corporation	80.60%	83.04%	85.32%	84.38%	95.65%	3.89%	4.44%	4.79%	4.97%	4.83%
Huntington Bancshares	59.93%	53.99%	50.47%	47.32%	77.33%	2.17%	2.09%	2.35%	2.73%	3.98%
J. P. Morgan Chase	258.73%	240.16%	196.63%	172.42%	179.92%	3.11%	3.87%	4.27%	4.69%	4.99%
KeyCorp	124.26%	120.97%	100.39%	95.80%	121.94%	2.33%	2.92%	3.48%	3.95%	4.28%
M&T Bank Corporation	108.99%	87.62%	79.69%	72.95%	67.90%	1.61%	1.73%	1.62%	1.66%	1.69%
Marshall & Ilsley Corporation	78.73%	65.18%	56.61%	62.83%	72.40%	2.41%	2.75%	2.84%	3.07%	3.35%
PNC Financial Services	225.09%	142.40%	108.44%	98.24%	96.96%	2.18%	2.45%	2.69%	2.93%	3.17%
Regions Financial Corp.	123.80%	91.49%	76.35%	73.05%	81.84%	1.85%	1.91%	2.33%	2.79%	3.38%
SunTrust Banks	59.67%	58.93%	52.62%	55.54%	57.75%	1.79%	2.09%	2.21%	2.50%	2.64%
Synovus Financial	64.75%	44.67%	60.96%	58.88%	59.26%	2.13%	2.30%	3.29%	3.46%	3.69%
U.S. Bancorp	198.76%	162.90%	145.22%	145.51%	147.86%	1.86%	2.09%	2.31%	2.55%	2.54%
Wells Fargo	309.01%	211.88%	145.81%	115.14%	100.40%	2.36%	2.51%	2.65%	2.86%	2.96%
Median	123.80%	108.22%	100.39%	94.01%	95.66%	2.33%	2.51%	2.84%	3.07%	3.69%
Average	160.93%	134.72%	116.23%	107.76%	98.51%	2.57%	2.86%	3.20%	3.48%	3.72%
Selected Mid-Cap										
First Citizens	400.32%	256.86%	254.54%	291.87%	290.64%	1.34%	1.39%	1.39%	1.29%	1.33%
Fulton Financial Corporation	107.40%	96.80%	93.88%	102.42%	107.69%	1.43%	1.59%	1.77%	1.95%	2.13%
Susquehanna Bancshares, Inc.	108.01%	86.09%	79.01%	74.81%	78.51%	1.18%	1.35%	1.59%	1.71%	1.75%
The South Financial Group	67.57%	64.30%	61.36%	78.63%	91.63%	2.42%	2.80%	3.05%	3.82%	4.35%
United Bankshares	145.32%	155.09%	149.96%	142.04%	133.42%	1.02%	1.04%	1.09%	1.17%	1.18%
Wilmington Trust	79.99%	72.54%	61.55%	54.91%	55.20%	1.63%	1.78%	2.02%	2.24%	2.80%
Median	107.70%	91.44%	86.45%	90.53%	99.66%	1.39%	1.49%	1.68%	1.83%	1.94%
Average	151.43%	121.95%	116.72%	124.11%	126.18%	1.50%	1.66%	1.82%	2.03%	2.26%
Small-Cap Under Coverage										
C&F Financial Corp.	101.67%	97.13%	194.28%	258.32%	444.70%	2.87%	2.88%	3.08%	3.32%	3.61%
Capital Bank	162.31%	108.65%	100.39%	105.34%	66.01%	1.18%	1.45%	1.44%	1.44%	1.88%
Cardinal Financial Corporation	310.81%	271.43%	213.43%	184.82%	NM	1.12%	1.11%	1.13%	1.23%	1.27%
Carolina Bank Holdings	101.84%	55.31%	44.92%	48.85%	71.18%	1.11%	1.24%	1.33%	1.27%	1.80%
Crescent Financial Corp.	96.11%	84.37%	98.57%	83.33%	96.87%	1.60%	1.76%	1.70%	1.79%	2.31%
Fauquier Bankshares Inc.	395.70%	309.79%	446.97%	120.52%	156.49%	1.09%	1.09%	1.11%	1.13%	1.17%
First Capital Bancorp Inc.	114.71%	128.90%	205.75%	160.49%	182.98%	1.36%	1.34%	1.55%	1.59%	1.63%
First Community Bancshares	125.19%	155.77%	143.22%	142.08%	123.95%	1.23%	1.30%	1.31%	1.25%	1.55%
First National Corp.	56.17%	52.19%	56.39%	66.99%	85.89%	1.25%	1.46%	1.57%	1.60%	1.60%
Middleburg Financial Corp.	145.43%	109.21%	53.89%	80.94%	104.11%	1.41%	1.34%	1.30%	1.34%	1.30%
National Bankshares Inc.	439.46%	457.59%	230.27%	165.97%	169.01%	1.02%	1.06%	1.09%	1.11%	1.17%
Old Point Financial Corp.	613.01%	73.61%	122.78%	146.05%	159.93%	1.00%	1.11%	1.15%	1.22%	1.24%
StellarOne Corp.	68.47%	52.94%	47.84%	66.96%	66.69%	1.34%	1.53%	1.52%	1.81%	1.80%
Union Bankshares Corporation	176.91%	89.26%	78.80%	111.05%	136.41%	1.34%	1.46%	1.53%	1.71%	1.58%
Valley Financial Corp.	79.65%	133.86%	57.27%	77.07%	42.90%	1.37%	1.34%	2.25%	2.27%	2.54%
Virginia Commerce Bancorp, Inc.	32.79%	29.80%	36.72%	82.30%	99.00%	1.58%	1.64%	1.72%	3.15%	2.86%
Median	119.95%	102.89%	99.48%	108.20%	104.11%	1.30%	1.34%	1.48%	1.52%	1.62%
Average	188.77%	138.11%	133.22%	118.82%	133.74%	1.37%	1.44%	1.55%	1.70%	1.83%

Source: SNL Financial LC * Capital One's numbers are on a reported basis.

*Nonaccrual loans do not include TDRs

To receive price charts on the companies mentioned in this report, please contact Davenport & Company LLC at (800) 846-6666.

Disclosure Section

As of 12/30/09, Davenport's ratings of covered companies were distributed as follows: 49.3% Buy, 47.7% Neutral, 3.0% Sell
As of 12/30/09, Davenport's percentages of covered companies that were investment banking clients within the past 12 months by rating were: 14.3% Buy, 10.5% Neutral, 0.0% Sell

Companies Mentioned in this Report and Associated Disclosures

BB&T Corp. (BBT - NYSE): S/C, A1
Capital One Financial (COF - NYSE): None
Cardinal Financial Corp. (CFNL - NASDAQ): I, I2, U
First Community Bancshares, Inc. (FCBC - NASDAQ): I2, S/C
Fulton Financial Corporation (FULT - NASDAQ): None
StellarOne Corporation (STEL - NASDAQ): I2, S/C
SunTrust Banks (STI - NYSE): S/C
Union Bankshares Corp. (UBSH - NASDAQ): S/C, I2
Virginia Commerce Bancorp Inc. (VCBI - NASDAQ): I2
Wilmington Trust Corporation (WL - NYSE): S/C

C&F Financial Corp. (CFFI-NASDAQ): I2, I
Carolina Bank Holdings (CLBH - NASDAQ): I2
Capital Bank (CBKN - NASDAQ) I2, O
Crescent Financial (CRFN - NASDAQ) I2
Fauquier Bankshares Inc. (FBSS - NASDAQ) I2, S/C
First Capital Bancorp Inc. (FCVA - NASDAQ) I2, O, I
First National Corp. (FXNC - OTCBB) I, I2, S/C
Middleburg Financial Corp. (MBRG - NASDAQ) I, I2
National Bankshares Inc. (NKSH - NASDAQ) I, I2
Old Point Financial Corp. (OPOF - NASDAQ) I2, S/C
Valley Financial Corp. (VYFC - NASDAQ) I, I2, O

Carolina Trust Bank (CART - NASDAQ): N/A
Eastern Virginia Bankshares (EVBS-NASDAQ): N/A
First Citizens BancShares (FCNCA-NASDAQ): N/A
First Sentry Bancshares (FTSB - Pink): N/A
Four Oaks (FOFN-OTCBB): N/A
M&T Bank Corporation (MTB - NYSE): N/A
Premier Financial Bancorp (PFBI - NASDAQ): N/A
SCBT Financial Corp. (SCBT-NASDAQ): N/A
Southern National Bancorp of Virginia (SONA-NASDAQ): N/A
Xenith Corporation (XBKS-NASDAQ): N/A
U.S. Bancorp (USB-NYSE): N/A

Goldman Sachs Group (GS-NYSE): N/A
Morgan Stanley (MS-NYSE): N/A

Bank of America (BAC - NYSE): N/A
Citigroup, Inc. (C-NYSE): N/A
Fifth Third Bancorp (FITB - NASDAQ): N/A
First Horizon National Corporation (FHN - NYSE): N/A
Huntington Bancshares (HBAN - NASDAQ): N/A
J. P. Morgan Chase (JPM - NYSE): N/A
KeyCorp (KEY - NYSE): N/A
Marshall & Ilsley Corporation (MI - NYSE): N/A
PNC Financial Services (PNC - NYSE): N/A
Regions Financial Corp. (RF - NYSE): N/A
Synovus Financial (SNV - NYSE): N/A
Wells Fargo (WFC - NYSE): N/A
Susquehanna Bancshares, Inc. (SUSQ - NASDAQ): N/A
The South Financial Group (TSFG - NASDAQ): N/A
United Bankshares (UBSI - NASDAQ): N/A

Description of Rating System

- Strong Buy** These shares are viewed as compelling short and long-term investment opportunities. We expect these shares to materially outperform the market over the next 12 months. Aggressive purchase is recommended at current prices.
- Buy** These shares offer attractive long-term appreciation potential from current prices. We would expect these shares to outperform the market over a longer-term horizon and long-term investors can buy at current prices.
- Neutral** These shares should perform roughly in-line with the current market. We neither encourage the purchase nor the sale of these securities at current prices.
- Reduce/Sell** These shares have more downside risk than upside potential at current prices. We expect these shares to underperform the market at current prices.

Risk Profile Considerations

This risk classification has been determined primarily from considering the level and predictability of earnings, the volatility of the stock relative to the market, applicable debt ratings, the composition and level of the company's capital structure, the dependence on key customers, and other relevant risk considerations.

Description of Possible Disclosure Codes

- A1** The Research Analyst or a member of the Analyst's household owns common stock of the subject company.
- A2** The Research Analyst or a member of the Analyst's household owns preferred stock of the subject company.
- A3** The Research Analyst or a member of the Analyst's household has options on the common stock of the subject company.
- A4** The Research Analyst or a member of the Analyst's household owns rights for the securities of the subject company.
- A5** The Research Analyst or a member of the Analyst's household owns warrants for the securities of the subject company.
- A6** The Research Analyst or a member of the Analyst's household has futures contracts on the securities of the subject company.
- A7** The Research Analyst or a member of the Analyst's household has a short position in the common stock of the subject company.
- A8** The Research Analyst or a member of the Analyst's household owns a debt security issued by the subject company.
- B** The Research Analyst or a member of the Analyst's household serves as an officer, director, or advisory board member of the subject company.
- I** Davenport or its affiliates received compensation for investment banking services from the subject company in the past 12 months.
- I2** Davenport or its affiliates expects to receive or intends to seek compensation for investment banking services from the subject company in the next 3 months.
- I/F** Davenport or its affiliates received fixed income investment banking fees from this company within the past 12 months.
- S/C** The subject company was a non-investment banking – securities related services client of Davenport or its affiliates for which compensation was received during the past 12-months.
- N/C** The subject company was a non-securities services client of Davenport or its affiliates for which compensation was received during the past 12-months.
- O** As of the end of the month immediately preceding the date of this report (or the end of the second most recent month if the report date is less than 10 calendar days after the end of the most recent month), Davenport or its affiliates beneficially owned 1% or more of any class of common equity securities of the subject company calculated in accordance with Section 13(d) of the Securities Exchange Act of 1934.
- SCC** The Research Analyst received non-investment banking related compensation from the subject company in the past 12 months.
- U** Davenport or its affiliates managed or co-managed a public offering of securities for the subject company in the past 12 months.
- C** Any other actual, material conflict of interest of the Research Analyst or Davenport and its affiliates, of which Davenport and its affiliates or the Research Analyst knows, or has reason to know, at the time of this report.

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As the primary author of this report, I hereby certify that the views and opinions expressed herein accurately reflect my personal views and opinions about the principal subject(s) of this report. Further, I hereby certify that no part of my compensation was, is, or will be directly or indirectly related to the specific recommendations or personal views expressed here.

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