

**HERITAGE BANKSHARES, INC.**

	CPP Disbursement Date 09/25/2009	RSSD (Holding Company) 1076178	Number of Insured Depository Institutions 1	
<b>Selected balance and off-balance sheet items</b>	<b>2008</b> \$ millions	<b>2009</b> \$ millions	%chg from prev	
<b>Assets</b>	\$265	\$272	2.5%	
Loans	\$178	\$183	2.9%	
<i>Construction &amp; development</i>	\$28	\$18	-34.4%	
<i>Closed-end 1-4 family residential</i>	\$31	\$37	20.7%	
<i>Home equity</i>	\$25	\$22	-10.6%	
<i>Credit card</i>	\$0	\$0		
<i>Other consumer</i>	\$3	\$2	-21.6%	
<i>Commercial &amp; Industrial</i>	\$30	\$30	0.6%	
<i>Commercial real estate</i>	\$52	\$65	24.6%	
Unused commitments	\$42	\$37	-12.3%	
Securitization outstanding principal	\$0	\$0		
Mortgage-backed securities (GSE and private issue)	\$59	\$45	-23.5%	
Asset-backed securities	\$0	\$0		
Other securities	\$2	\$5	180.4%	
Cash & balances due	\$9	\$24	160.3%	
<b>Residential mortgage originations</b>				
<i>Closed-end mortgage originated for sale (quarter)</i>	\$0	\$0		
<i>Open-end HELOC originated for sale (quarter)</i>	\$0	\$0		
<i>Closed-end mortgage originations sold (quarter)</i>	\$0	\$0		
<i>Open-end HELOC originations sold (quarter)</i>	\$0	\$0		
<b>Liabilities</b>	\$240	\$238	-0.7%	
Deposits	\$216	\$229	6.2%	
Total other borrowings	\$6	\$7	12.3%	
FHLB advances	\$5	\$5	0.0%	
<b>Equity</b>				
Equity capital at quarter end	\$25	\$34	33.4%	
Stock sales and transactions with parent holding company (cumulative through calendar year)	\$0	\$9	NA	
<b>Performance Ratios</b>				
Tier 1 leverage ratio	9.9%	12.1%	--	
Tier 1 risk based capital ratio	12.4%	16.1%	--	
Total risk based capital ratio	13.2%	17.0%	--	
Return on equity <sup>1</sup>	1.9%	5.9%	--	
Return on assets <sup>1</sup>	0.2%	0.7%	--	
Net interest margin <sup>1</sup>	3.7%	3.8%	--	
Coverage ratio ((ALL+Alloc transfer risk)/Noncurrent loans)	4026.8%	177300.0%	--	
Loss provision to net charge-offs (qtr)	116.7%	107.7%	--	
Net charge-offs to average loans and leases <sup>1</sup>	0.8%	0.1%	--	
<sup>1</sup> Quarterly, annualized.				
	<b>Noncurrent Loans</b>		<b>Gross Charge-Offs</b>	
<b>Asset Quality (% of Total Loan Type)</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>	<b>2009</b>
<i>Construction &amp; development</i>	0.0%	0.0%	0.7%	0.1%
<i>Closed-end 1-4 family residential</i>	0.0%	0.0%	0.0%	0.0%
<i>Home equity</i>	0.0%	0.0%	0.1%	0.0%
<i>Credit card</i>	0.0%	0.0%	0.0%	0.0%
<i>Other consumer</i>	0.9%	0.0%	0.2%	0.0%
<i>Commercial &amp; Industrial</i>	0.1%	0.0%	0.4%	0.0%
<i>Commercial real estate</i>	0.0%	0.0%	0.0%	0.0%
<i>Total loans</i>	0.0%	0.0%	0.2%	0.0%