

**SOUTHERN COMMUNITY FINANCIAL CORPORATION**

	CPP Disbursement Date 12/05/2008	RSSD (Holding Company) 2981831	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>	\$1,800	\$1,725	-4.2%	
Loans	\$1,315	\$1,233	-6.2%	
Construction & development	\$261	\$178	-31.6%	
Closed-end 1-4 family residential	\$283	\$288	1.7%	
Home equity	\$111	\$111	0.2%	
Credit card	\$0	\$0		
Other consumer	\$14	\$11	-17.9%	
Commercial & Industrial	\$221	\$183	-17.1%	
Commercial real estate	\$377	\$408	8.1%	
Unused commitments	\$308	\$276	-10.3%	
Securitization outstanding principal	\$0	\$0		
Mortgage-backed securities (GSE and private issue)	\$202	\$183	-9.4%	
Asset-backed securities	\$0	\$0		
Other securities	\$121	\$139	15.2%	
Cash & balances due	\$25	\$30	19.7%	
<b>Residential mortgage originations</b>				
Closed-end mortgage originated for sale (quarter)	\$12	\$40	233.9%	
Open-end HELOC originated for sale (quarter)	\$0	\$0		
Closed-end mortgage originations sold (quarter)	\$12	\$39	214.0%	
Open-end HELOC originations sold (quarter)	\$0	\$0		
<b>Liabilities</b>	\$1,599	\$1,575	-1.5%	
Deposits	\$1,260	\$1,329	5.5%	
Total other borrowings	\$330	\$239	-27.6%	
FHLB advances	\$154	\$104	-32.2%	
<b>Equity</b>				
Equity capital at quarter end	\$201	\$149	-25.7%	
Stock sales and transactions with parent holding company (cumulative through calendar year)	\$15	\$9	NA	
<b>Performance Ratios</b>				
Tier 1 leverage ratio	8.4%	8.4%	--	
Tier 1 risk based capital ratio	10.3%	10.4%	--	
Total risk based capital ratio	11.5%	11.6%	--	
Return on equity <sup>1</sup>	4.6%	-26.9%	--	
Return on assets <sup>1</sup>	0.5%	-2.3%	--	
Net interest margin <sup>1</sup>	3.4%	3.6%	--	
Coverage ratio ((ALL+Alloc transfer risk)/Noncurrent loans)	130.6%	78.5%	--	
Loss provision to net charge-offs (qtr)	164.1%	196.3%	--	
Net charge-offs to average loans and leases <sup>1</sup>	0.4%	3.0%	--	
<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>
Construction & development	3.8%	6.6%	0.2%	1.5%
Closed-end 1-4 family residential	0.4%	3.4%	0.1%	1.2%
Home equity	0.4%	0.4%	0.1%	0.4%
Credit card	0.0%	0.0%	0.0%	0.0%
Other consumer	0.1%	0.8%	0.8%	3.2%
Commercial & Industrial	0.3%	1.9%	0.2%	1.5%
Commercial real estate	0.6%	3.0%	0.0%	0.0%
Total loans	1.1%	3.1%	0.1%	0.8%