

F&M FINANCIAL CORPORATION

	CPP Disbursement Date 02/13/2009	RSSD (Holding Company) 1138450	Number of Insured Depository Institutions 1	
Selected balance and off-balance sheet items	2010 \$ millions	2011 \$ millions	%chg from prev	
Assets	\$790	\$791	0.0%	
Loans	\$640	\$633	-1.0%	
<i>Construction & development</i>	\$122	\$107	-12.8%	
<i>Closed-end 1-4 family residential</i>	\$137	\$148	7.6%	
<i>Home equity</i>	\$78	\$80	2.8%	
<i>Credit card</i>	\$0	\$0		
<i>Other consumer</i>	\$24	\$16	-32.8%	
<i>Commercial & Industrial</i>	\$42	\$43	2.8%	
<i>Commercial real estate</i>	\$169	\$160	-5.4%	
Unused commitments	\$120	\$116	-3.3%	
Securitization outstanding principal	\$0	\$0		
Mortgage-backed securities (GSE and private issue)	\$48	\$49	2.3%	
Asset-backed securities	\$0	\$0		
Other securities	\$29	\$32	12.5%	
Cash & balances due	\$11	\$14	20.6%	
Residential mortgage originations				
<i>Closed-end mortgage originated for sale (quarter)</i>	\$152	\$113	-25.9%	
<i>Open-end HELOC originated for sale (quarter)</i>	\$0	\$0		
<i>Closed-end mortgage originations sold (quarter)</i>	\$162	\$107	-33.9%	
<i>Open-end HELOC originations sold (quarter)</i>	\$0	\$0		
Liabilities	\$724	\$721	-0.4%	
Deposits	\$657	\$644	-1.8%	
Total other borrowings	\$60	\$67	11.8%	
FHLB advances	\$60	\$67	11.8%	
Equity				
Equity capital at quarter end	\$59	\$62	5.5%	
Stock sales and transactions with parent holding company (cumulative through calendar year)	\$0	\$0	NA	
Performance Ratios				
Tier 1 leverage ratio	8.2%	8.6%	--	
Tier 1 risk based capital ratio	10.8%	11.0%	--	
Total risk based capital ratio	11.8%	12.2%	--	
Return on equity ¹	5.2%	9.6%	--	
Return on assets ¹	0.4%	0.8%	--	
Net interest margin ¹	4.2%	4.1%	--	
Coverage ratio ((ALL+Alloc transfer risk)/Noncurrent loans)	60.1%	80.7%	--	
Loss provision to net charge-offs (qtr)	377.7%	-4.6%	--	
Net charge-offs to average loans and leases ¹	0.2%	-1.6%	--	
¹ Quarterly, annualized.				
	Noncurrent Loans		Gross Charge-Offs	
Asset Quality (% of Total Loan Type)	2010	2011	2010	2011
<i>Construction & development</i>	1.5%	4.6%	0.0%	0.2%
<i>Closed-end 1-4 family residential</i>	1.1%	2.1%	0.1%	0.1%
<i>Home equity</i>	1.3%	0.2%	0.0%	0.0%
<i>Credit card</i>	0.0%	0.0%	0.0%	0.0%
<i>Other consumer</i>	0.2%	0.0%	0.3%	0.0%
<i>Commercial & Industrial</i>	0.0%	0.4%	0.1%	0.3%
<i>Commercial real estate</i>	2.6%	0.2%	0.1%	0.0%
<i>Total loans</i>	1.5%	1.4%	0.1%	0.1%