

LandAmerica Financial Group has filed for
bankruptcy protection... let's see what the history
shows!

LandAmerica Financial Group, Inc.

Phone: (804) 267-8000 5600 Cox Road
Glen Allen, VA 23060 United States

Ticker: [LFG](#)

Filed for Bankruptcy on 11/26/2008
Case #08-35994, filed in the U.S. Bankruptcy Court for the Eastern District of Virginia

Latest Financial Statements as of 9/30/2008

Business Summary

LandAmerica Financial Group, Inc. (LandAmerica) is a holding company and operates through its subsidiaries. The Company's products and services facilitate the purchase, sale, transfer, and financing of residential and commercial real estate. These products and services are provided to a broad-based customer group, including residential and commercial property buyers and sellers, real estate agents and brokers, developers, attorneys, mortgage brokers and lenders and title insurance agents. The Company conducts business in Mexico, Canada, the Caribbean, Latin America, Europe and Asia. Its principal business operations are organized under three operating segments: Title Operations, Lender Services and Financial Services. In August 2007, LandAmerica announced the acquisition of Chisholm, Nurser & Partners Limited (CNP), a United Kingdom-based independent building and project consultant. In November 2008, the Company filed for bankruptcy protection.

Employees: 11,050 (as of 12/31/2007)

Federal Tax Id: 541589611

Auditor Information

Last Audit: 12/31/2007

Auditors: Ernst & Young LLP

Opinion: **Unqualified**

Agency Credit Ratings

Rating Agency	Long Term Rating	Outlook	Short Term Rating	Watch
S&P	D	NM		NM

Third Quarter and Year-to-Date Results

Sales for the 3 months ended 9/30/2008 decreased 30.33% to \$631.80 million from last year's comparable period amount of \$906.80 million. Sales for the 9 months ended 9/30/2008 decreased 29.01% to \$2.03 billion from \$2.86 billion for the same period last year.

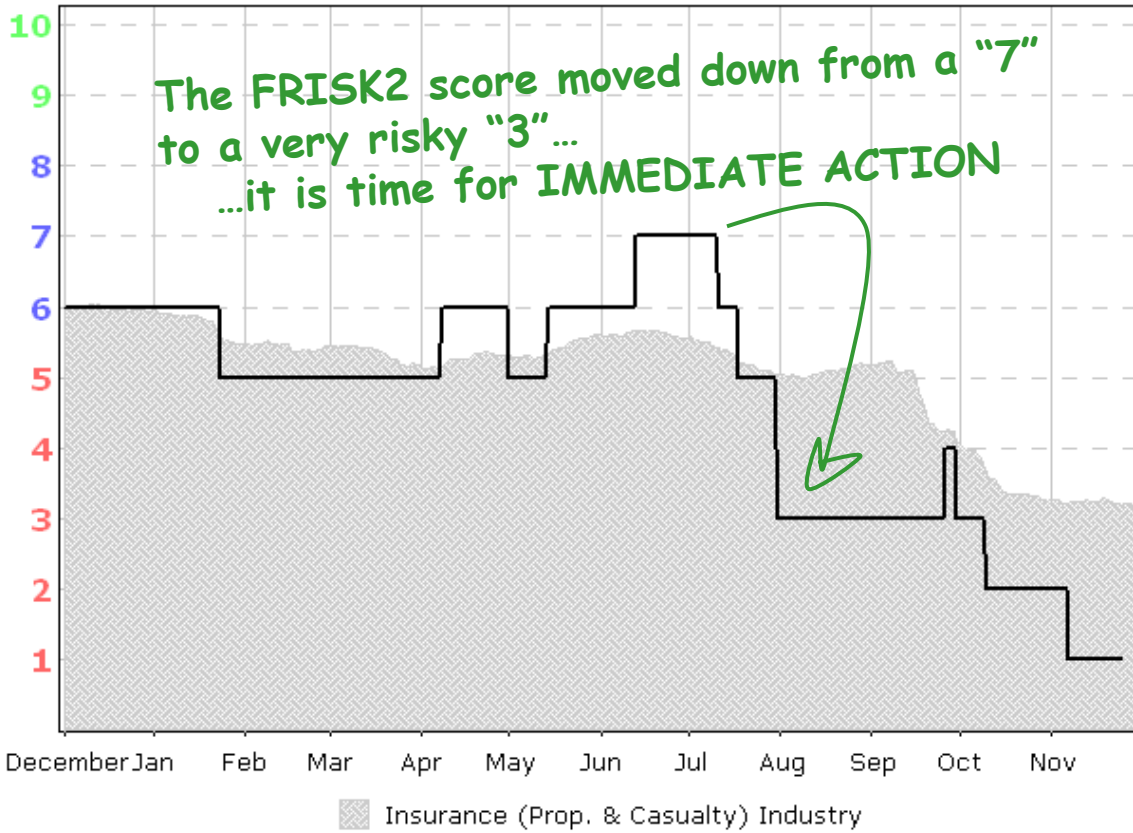
Gross profit margin decreased 52.75% for the period to \$221.60 million (35.07% of revenues) from \$469.00 million (51.72% of revenues) for the same period last year. Gross profit margin decreased 41.85% for the year-to-date period to \$916.60 million (45.14% of revenues) from \$1.58 billion (55.11% of revenues) for the comparable 9 month period last year.

Selling, general and administrative expenses for the period decreased 12.09% to \$411.70 million compared with \$468.30 million for the same period last year. Selling, general and administrative expenses for the 9

CreditRiskMonitor

(845) 230-3000
info@crmz.com

The most recent FRISK2 score is 1 (probability of default* 21.0% - 50.0%), below its 12-month average and below its industry average.



	FRISK2	Probability of default within 12 months	
		From	To
Best	10	0%	0.3%
	9	0.3%	0.4%
	8	0.4%	0.9%
	7	0.9%	1.9%
	6	1.9%	3.7%
	5	3.7%	7.4%
	4	7.4%	10.1%
	3	10.1%	14.1%
	2	14.1%	21.0%
Worst	1	21.0%	50.0%

Want an automatic alert this is happening?

Try our Credit Limit Service.

(845) 230-3000
info@crmz.com

... plus, looking at our News Alerts you would have seen...

Bankruptcy
announcement...

Fidelity backs
out of merger
agreement...

Land America
stock to be
converted to
Fidelity
stock...

LFG signs
acquisition
deal with
Fidelity...

Continuing
losses
reported...

Losses
reported...

#	Date	Source	Headline
1	12/1/2008	CRM News Service	LandAmerica Enters Bankruptcy To Sell Units To Fidelity National
2	11/26/2008	CRMZ News Service	LandAmerica Financial Group, Inc. -- updated S&P ratings available
5	11/25/2008	Business Wire	Fitch Downgrades LandAmerica's IDR to 'D' on Bankruptcy Announcement
6	11/26/2008	PR Newswire	LandAmerica Signs Stock Purchase Agreement for Underwriters
7	11/25/2008	PR Newswire	Standard & Poor's Announces Changes to U.S. Indices
8	11/25/2008	CRMZ News Service	LandAmerica Financial Group, Inc. -- updated S&P ratings available
9	11/24/2008	CRMZ News Service	LANDAMERICA FINANCIAL GROUP INC FILES (8-K) Disclosing Termination of a Material Definitive Agreement, Regulation FD Disclosure
10	11/24/2008	Business Wire	Fitch Downgrades LandAmerica's IFS to 'BB' on Watch Negative
11	11/21/2008	PR Newswire	LandAmerica Moves Forward
12	11/13/2008	CRMZ News Service	LANDAMERICA FINANCIAL GROUP INC FILES (8-K) Disclosing Entry into a Material Definitive Agreement, Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of
13	11/11/2008	CRMZ News Service	LandAmerica Financial Group, Inc. -- updated financials available
14	11/10/2008	CRMZ News Service	LANDAMERICA FINANCIAL GROUP INC: a Form 10-Q has been Filed with the SEC
15	11/10/2008	CRMZ News Service	LANDAMERICA FINANCIAL GROUP INC FILES (8-K) Disclosing Results of Operations and Financial Condition, Financial Statements and Exhibits
16	11/10/2008	PR Newswire	LandAmerica Reports Third Quarter 2008 Results
17	11/8/2008	CRMZ News Service	LandAmerica Financial Group, Inc. -- updated S&P ratings available
18	11/7/2008	Business Wire	Fitch Places LandAmerica on Watch Positive Following Announced Acquisition by Fidelity National
19	11/7/2008	CRMZ News Service	LANDAMERICA FINANCIAL GROUP INC FILES (8-K) Disclosing Other Events
20	11/7/2008	CRMZ News Service	LANDAMERICA FINANCIAL GROUP INC FILES (8-K) Disclosing Amendments to Articles of Inc. or Bylaws; Change in Fiscal Year
21	11/7/2008	PR Newswire	Fidelity National Financial, Inc. and LandAmerica Financial Group, Inc. Announce the Signing of a Definitive Merger Agreement
22	11/5/2008	PR Newswire	LandAmerica to Delay Third Quarter Results Release
23	10/24/2008	PR Newswire	LandAmerica Announces Dates for Third Quarter 2008 Results and Conference Call
24	10/14/2008	PR Newswire	LandAmerica Participates in U.S. Treasury Department's \$700 Billion Rescue Program
25	10/1/2008	PR Newswire	LandAmerica Unifying United Title Company Operations Under LandAmerica Brand Name
26	9/24/2008	PR Newswire	LandAmerica Warranted Valuation Solution Selected by Flagstar Bank
27	8/8/2008	CRM News Service	LandAmerica Financial Group, Inc. -- updated S&P ratings available
28	8/1/2008	CRM News Service	LandAmerica Financial Group, Inc. -- updated financials available
29	7/30/2008	CRM News Service	LANDAMERICA FINANCIAL GROUP INC FILES (8-K) Disclosing Other Events, Financial Statements and Exhibits
30	7/30/2008	CRM News Service	LANDAMERICA FINANCIAL GROUP INC FILES (8-K) Disclosing Results of Operations and Financial Condition, Financial Statements and Exhibits
31	7/30/2008	CRM News Service	LANDAMERICA FINANCIAL GROUP INC: a Form 10-Q has been Filed with the SEC
32	7/26/2008	CRM News Service	LandAmerica Financial Group, Inc. -- updated S&P ratings available
35	7/9/2008	CRM News Service	LANDAMERICA FINANCIAL GROUP INC FILES (8-K/A) Disclosing Entry into a Material Definitive Agreement, Material Modification to Rights of Security Holders, Financial Statements and Exhibits
36	7/7/2008	CRM News Service	LANDAMERICA FINANCIAL GROUP INC FILES (8-K) Disclosing Entry into a Material Definitive Agreement, Material Modification to Rights of Security Holders, Financial Statements and Exhibits
37	5/16/2008	CRM News Service	LANDAMERICA FINANCIAL GROUP INC FILES (8-K) Disclosing Change in Directors or Principal Officers
38	5/1/2008	CRM News Service	LandAmerica Financial Group, Inc. -- updated financials available

Signs Sales
Agreement
for its
strongest
subsidiaries...

Fitch rating
downgrade...

Quarterly
dividend
suspended,
60 offices
close...

Delayed
filings...

S&P
Ratings
reduced...

Quarterly
dividend
reduced...

CreditRiskMonitor

(845) 230-3000
info@crmz.com

...need more depth? Look at the Performance Ratios...

...Five consecutive quarters of negative Operating Margin and Net Income/Loss...

Performance Ratios - Sequential Quarters

(Thousands of U.S. Dollars)

Period Ended	3 mos 9/30/2008	3 mos 6/30/2008	3 mos 3/31/2008	3 mos 12/31/2007	3 mos 9/30/2007
Net sales \$	\$631,800	\$712,400	\$686,400	\$845,400	\$906,800
% change	-11.31%	3.79%	-18.81%	-6.77%	-9.77%
Gross margin \$	\$221,600	\$325,500	\$369,500	\$420,000	\$469,000
% change	-31.92%	-11.91%	-12.02%	-10.45%	-15.53%
% of sales	35.07%	45.69%	53.83%	49.68%	51.72%
SG&A \$	\$411,700	\$370,400	\$381,200	\$462,100	\$468,300
% change	11.15%	-2.83%	-17.51%	-1.32%	-8.77%
% of sales	65.16%	51.99%	55.54%	54.66%	51.64%
Operating margin \$	(\$443,900)	(\$72,300)	(\$40,000)	(\$72,200)	(\$28,400)
% change	-513.97%	-80.75%	44.60%	-154.23%	-342.74%
% of sales	-70.26%	-10.15%	-5.83%	-8.54%	-3.13%
EBITDA \$	(\$415,000)	(\$44,900)	(\$11,700)	(\$41,600)	\$700
% change	-824.28%	-283.76%	71.88%	-6042.86%	-98.33%
% of sales	-65.69%	-6.30%	-1.70%	-4.92%	0.08%
Pre-tax income \$	(\$443,900)	(\$72,300)	(\$40,000)	(\$72,200)	(\$28,400)
% change	-513.97%	-80.75%	44.60%	-154.23%	-342.74%
% of sales	-70.26%	-10.15%	-5.83%	-8.54%	-3.13%
Net income (loss) \$	(\$599,600)	(\$50,000)	(\$24,200)	(\$45,900)	(\$20,800)
% change	-1099.20%	-106.61%	47.28%	-120.67%	-363.29%
% of sales	-94.90%	-7.02%	-3.53%	-5.43%	-2.29%
Tax expense \$	\$155,700	(\$22,300)	(\$15,800)	(\$26,300)	(\$7,600)
Effective tax rate	-35.08%	30.84%	39.50%	36.43%	26.76%
Depreciation expense \$	\$15,800	\$15,400	\$16,000	\$11,400	\$16,500
% of sales	2.50%	2.16%	2.33%	1.35%	1.82%
% of capital expenses	329.17%	216.90%	470.59%	122.58%	660.00%
% of PP&E, net (annualized)	55.20%	50.24%	49.52%	32.46%	43.87%
Capital expenditures \$	\$4,800	\$7,100	\$3,400	\$9,300	\$2,500
% change	-32.39%	108.82%	-63.44%	272.00%	-59.68%
% of PP&E, net (annualized)	16.77%	23.16%	10.52%	26.48%	6.65%
Interest coverage ratio	(31.68)	(3.74)	(0.95)	(3.01)	0.06
% change	-746.67%	-293.35%	68.45%	-5526.09%	-98.51%
Free cash flow \$	(\$78,000)	(\$30,000)	(\$78,800)	\$20,900	(\$31,200)
% change	-160.00%	61.93%	-477.03%	166.99%	-145.67%
Source:	10-Q 11/10/2008	10-Q 7/30/2008	10-Q 4/29/2008	10-K 2/28/2008	10-Q 11/10/2008

CreditRiskMonitor

(845) 230-3000
info@crmz.com

...In the MD&A section, the CEO and CFO tell us of the current hardships they are facing due to the failing housing and mortgage markets...

CreditRiskMonitor [\(CRMZ\)](#)

[Site Map](#) [About Us](#) [Directory](#) [Lookup](#) [Portfolio](#) [News](#) [Account](#) [Help](#) [Sign Off](#) [Back](#)

Report

[Overview](#)

[Company News](#)

[Risk Ratings](#)

[Annual Financials](#)

[Year/Year Interim](#)

[Sequential Quarters](#)

[Liquidity \(MD&A\)](#)

[Liquidity \(MD&A\) History](#)

[SEC Filings](#)

[Peer Analysis](#)

[Payments](#)

[Public Filings](#)

[General Info](#)

[Access History](#)

[Credit Limit](#)

[Add To My Portfolio](#)

[Print/Save Report](#)

[Currency Converter](#)

[Send This to a Colleague](#)

From MD&A section, period 6/28/2008, filed 8/7/2008:

LIQUIDITY AND CAPITAL RESOURCES

The severe downturn in the housing and mortgage markets and the general credit crisis has placed a significant strain on our liquidity and capital resources to the point that it has become increasingly difficult for us to remain an independent public company.

We conduct all of our operations through our operating subsidiaries and our ability to meet current and future obligations is dependent upon our ability to generate positive cash flows from operations and to upstream funds from our operating subsidiaries to our holding company. ...For the three and nine months ended September 30, 2008, net cash used in operating activities was \$(73.2) million and \$(171.5) million, respectively.

...The effects of the severe downturn in the housing and mortgage markets also caused us to violate the financial debt covenants of our Note Purchase Agreement and our Credit Agreement as of September 30, 2008. We do not have access to the undrawn \$50.0 million commitment amount remaining under the Credit Agreement as long as an event of default has occurred and is continuing. In addition, based on current projections, we are likely to not be in compliance with the financial covenants of these agreements as of December 31, 2008. The covenant violations, unless waived by the lenders, constitute an event of default under the agreements, giving the lenders the right to declare all principal and accrued interest payable immediately, and exercise other rights and remedies granted under the agreements. A declaration for immediate payment under either of these agreements also would constitute an event of default under our convertible note obligations, enabling the holders of such indebtedness to require the immediate payment of such obligations.

We are currently in discussions with our lenders to obtain waivers and amendments to the Note Purchase Agreement and Credit Agreement. Any agreement reached with our lenders could result in new terms which are less favorable than current terms under our existing agreements and could involve a reduction in availability of funds, an increase in interest rates and shorter maturities, among other things. If we are not successful in securing waivers and amendments, we may need to seek new financing arrangements from other lenders. Such alternative financing arrangements may be unavailable to us or available on terms substantially less favorable than our existing credit facilities.

CreditRiskMonitor

(845) 230-3000
info@crmz.com