

# *Forward-Looking Statements and Non-GAAP Financial Information*

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The forward-looking statements, as defined in the applicable federal securities laws, being made today are subject to risks and uncertainties. TSFG's actual results may differ materially from those set forth in such forward-looking statements. These statements include, but are not limited to, factors that may affect TSFG's earnings, growth, strategic plans, return goals, financial results for mergers, merger synergies and merger-related charges, credit quality assessment, net interest margin, effectiveness of hedging strategies, risks of changes in interest rates, and effects of future economic conditions and market performance. Reference is made to TSFG's reports filed with the Securities and Exchange Commission for a discussion of factors that may cause such differences to occur. TSFG undertakes no obligation to release revisions to these forward-looking statements or reflect events or circumstances after today's presentation.

This presentation contains certain non-GAAP measures that exclude the impact of certain nonoperating items and including or excluding the net cash settlement of certain interest rate swaps as described in TSFG's 2006 10-K. TSFG management uses these non-GAAP, or operating measures, in its analysis of TSFG's performance. TSFG believes presentations of financial measures excluding the impact of certain items provide useful supplemental information and better reflect its core operating activities. Management uses operating measures, in particular, to analyze on a consistent basis and over a longer period of time, the performance of which it considers to be its core operations.

Operating measures adjust GAAP information to exclude the effects of nonoperating items, such as gains or losses on certain asset sales, changes in fair value of interest rate swaps, merger-related costs, early extinguishment of debt, employment contract buyouts, impairment charges, and nonoperating expenses. The limitations associated with utilizing operating measures are the risk that persons might disagree as to the appropriateness of items comprising these measures and different companies might calculate these measures differently. Management compensates for these limitations by providing detailed reconciliations between GAAP and operating measures. These disclosures should not be considered an alternative to GAAP results. A reconciliation of GAAP results and non-GAAP measures is provided in the Quarterly Financial Data Supplement on our web site, [www.thesouthgroup.com](http://www.thesouthgroup.com), in the Investor Relations section under Financial Information.