



## *News Release*

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## **AMERIS BANCORP REPORTS THIRD QUARTER 2009 RESULTS**

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**AMERIS BANCORP (NASDAQ-GS: ABCB), Moultrie, Georgia,** today reported a net loss available to common shareholders of \$791,000, or \$0.06 per diluted share, for the quarter ended September 30, 2009, compared to net income of \$366,000, or \$0.03 per diluted share, for the third quarter of 2008. For the year to date period ended September 30, 2009, Ameris Bancorp reported a net loss available to common shareholders of \$5.4 million, or \$0.40 per diluted share, compared to net income of \$6.5 million, or \$0.48 per diluted share, for the same period in 2008.

### ***Strong Capital Levels and Balance Sheet Trends***

Total assets for the Company declined during the current quarter, ending at \$2.21 billion compared to \$2.29 billion at the end of the second quarter of 2009. The decrease of approximately \$77.8 million was mostly attributed to planned declines in low yielding short-term assets (federal funds sold and interest bearing deposits in other banks). These assets, yielding less than 0.25%, have declined \$30.0 million or 20.8% since December 31, 2008. Loans outstanding at September 30, 2009 were \$1.65 billion, a decline of only 2.5% when compared to balances at the beginning of the year.

The Company's deposit mix continued to improve in the third quarter of 2009. Demand deposits increased during the quarter to \$1.09 billion compared to \$825.3 million at the beginning of 2009. Time deposits, during the same period, have declined \$400.5 million to \$734.7 million as the Company's strong liquidity position and increased levels of demand deposits have allowed for more conservative pricing on time deposits.

Tangible common equity as a percentage of tangible assets (excluding preferred stock) increased during the third quarter of 2009 to 5.84% compared to 5.65% at the end of the second quarter of 2009. Lower levels of assets and improved operating results were the primary drivers behind improved capital ratios. In addition, the Company's shift from cash to stock dividends preserves capital while providing investors an equivalent return. Regulatory capital at the Company's banking subsidiary, Ameris Bank, remained very strong with Tier 1 capital and total risk-based capital of approximately 8.69% and 12.57%, respectively.

### ***Net Interest Margin and Net Interest Income***

For the third quarter of 2009, the Company reported net interest income of \$18.8 million and a net interest margin of 3.65%, compared to \$18.5 million and 3.59%, respectively, for the second quarter of 2009 and \$19.2 million and 3.88%, respectively, for the third quarter of 2008. Continued reduction in the Company's cost of funds has been the principal factor in maintaining strong net interest margins despite increasing levels of non-performing assets and interest reversals on new non-accrual loans.

Yields on average earning assets during the third quarter of 2009 were affected by \$1.2 million of accrued interest reversals, declining in the quarter to 5.42%, compared to 5.60% in the second quarter of 2009 and 6.39% in the third quarter of 2008. The accrued interest reversals were more than offset by decreases in interest expense realized during the third quarter of 2009. Interest expense fell during the third quarter of 2009 to \$9.2 million compared to \$10.6 million in the prior quarter and \$12.9 million in the same quarter in 2008. Decreases in average deposit costs accounted for most of the improvement, falling to 1.78% in the current quarter compared to 2.04% in the second quarter of 2009 and 2.60% in the third quarter of 2008. The Company's deposit mix continues to improve such that demand deposits (interest bearing and non-interest bearing) comprised 58.0% of total deposits at the end of the third quarter of 2009 compared to 44.3% of total deposits at the end of the same quarter in 2008.

### ***Non-Interest Income***

Non-interest income during the current quarter totaled \$4.5 million, a decrease of 2.44% from the same quarter in 2008. Service charges on deposit accounts were \$3.5 million during the third quarter of 2009, a decline of approximately 4.02% when compared to the same quarter in 2008. Mortgage revenue during the third quarter of 2009 totaled \$692,000, compared to \$745,000 during the same quarter in 2008.

### ***Non-Interest Expense***

Operating expenses totaled \$15.4 million for the quarter, an increase over the same quarter in 2008 when the Company reported \$14.8 million in total non-interest expense. Salaries and benefits in the current quarter increased slightly to \$7.4 million compared to \$7.1 million in the third quarter of 2008. Other operating expenses increased from \$2.9 million in the third quarter of 2008 to \$3.6 million in the third quarter of 2009. This increase relates primarily to higher levels of problem loan and OREO expenses which increased to \$993,000 million in the third quarter of 2009 compared to \$373,000 in the same quarter of 2008.

### ***Credit Quality***

The Company's efforts to identify and fully reserve for problem loans continued in the third quarter of 2009. The provision for loan losses during the third quarter amounted to \$8.3 million compared to \$8.2 million in the same quarter in 2008. Non-performing assets increased by \$17.8 million during the most recent quarter when compared to the second quarter of 2009. At September 30, 2009, non-performing assets as a percentage of loans and OREO increased to 6.32% compared to 5.19% at June 30, 2009 and 4.13% at December 31, 2008. The Company's loan loss reserve as a percentage of loans was 2.54% at the end of September 30, 2009 compared to 2.34% at December 31, 2008. Edwin W. Hortman, Jr., President and CEO, commented on the Company's efforts with regards to credit quality, saying "Our Company continues to work non-performing assets aggressively in this challenging economic environment, fully reserving for problem loans as we identify them. Thankfully, our core earnings have improved at a healthy pace and allowed us to manage higher capital ratios through this downturn."

Ameris Bancorp is headquartered in Moultrie, Georgia, and at the end of the most recent quarter, had 50 locations in Georgia, Alabama, northern Florida and South Carolina.

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*Ameris Bancorp Common Stock is quoted on the NASDAQ Global Select Market under the symbol "ABCB". The preceding release contains statements that constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. The words "believe", "estimate", "expect", "intend", "anticipate" and similar expressions and variations thereof identify certain of such forward-looking statements, which speak only as of the dates which they were made. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. Readers are cautioned that any such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and that actual results may differ materially from those indicated in the forward-looking statements as a result of various factors. Readers are cautioned not to place undue reliance on these forward-looking statements.*