



## *News Release*

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### **AMERIS BANCORP REPORTS RECORD NET INCOME FOR 2006**

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AMERIS BANCORP (NasdaqGS: ABCB), Moultrie, Georgia, reported record net income of \$22.1 million, or \$1.67 per diluted share, for the year ended December 31, 2006, compared to net income in 2005 of \$13.7 million, or \$1.14 per diluted share. Net income for the fourth quarter of 2006 was \$5.8 million or \$0.43 per diluted share compared to \$2.7 million or \$0.22 per diluted share in the fourth quarter of 2005.

Ameris Bancorp's quarterly and yearly performance were highlighted by the following significant items:

- Sustained balance sheet growth from existing markets during the year with total assets at year's end of \$2.04 billion.
- Record net income of \$22.1 million or \$1.67 per diluted share, an increase of \$8.4 million.
- Substantially improved credit quality ratios, with total non-performing assets at December 31, 2006 of 0.60%, a decrease of 33.3% during 2006.
- Completed purchase of Islands Bancorp on December 31, 2006, and recruited a visible and successful management team to quickly build a meaningful franchise in South Carolina.
- Closed 2006 as one bank with a single, recognizable brand.

#### ***Record level of total assets from sustained growth in existing markets***

Total assets at December 31, 2006 were \$2.04 billion, an increase of 20.3%, or \$345.6 million, from December 31, 2005. Of the increase reported in total assets, approximately \$92 million was related to the acquisition of Islands Bancorp that was consummated on December 31, 2006.

Loans outstanding increased to \$1.44 billion at the end of 2006, an increase of 21.6% or \$256.4 million compared to levels reported at the end of 2005. Of this increase in loans outstanding, \$63.4 million related to the acquisition of Islands Bancorp. Internal growth in loans from the Company's existing markets was \$193.0 million, an increase of 16.3% from December 2005. Stronger sales efforts, additional producers in many of the Company's markets and momentum from the single bank and brand strategies were the major reasons behind the Company's second consecutive year of improved growth rates.

Total deposits at year-end were \$1.71 billion, an increase of \$338.1 million, or 24.6% from balances at December 2005. Internal growth rates in deposits accounted for \$271.6 million in growth, or 19.8%, while the Islands Bancorp transaction added approximately \$66.5 million in total deposits. Aggressive marketing of interest-bearing and non-interest-bearing demand deposits, together with intense training and sales efforts, yielded improved results across the Company's markets, both in growth markets and in the legacy markets. Several markets, including Jacksonville, Florida and Gainesville, Florida reported growth rates in core deposits in excess of 20% for the year.

### ***Record levels of net income***

The Company reported net income for 2006 of \$22.1 million, or \$1.67 per share. This level of net income included some core and non-core amounts, including:

- Three bank charter sales totaling \$1.9 million after tax or \$0.14 per diluted share. Total assets, loans and deposits disposed of during these sales amounted to \$11.3 million, \$1.0 million and \$7.3 million, respectively. Two of the charter sales totaling approximately \$1.2 million or \$0.09 per share were recorded during the fourth quarter of 2006.
- Charges taken during 2006 associated with the Company's conversion to a single bank with a recognizable brand, including costs to complete data and process re-engineering totaled approximately \$900,000, or \$0.07 per diluted share. Of these charges, approximately \$750,000 after tax, or \$0.06 per diluted share, was recorded during the fourth quarter of 2006. Total costs incurred to date, including amounts booked in 2005, associated with the Company's restructuring efforts amount to approximately \$2.5 million after tax or \$0.19 per diluted share.
- Losses on the sale of investment securities amounting to \$308,000 before tax, or \$0.01 per diluted share, taken during the second quarter of 2006.

Net income for the fourth quarter of 2006 was \$5.8 million or \$0.43 per diluted share, compared to \$2.7 million, or \$0.21 per diluted share, for the same quarter in 2005. Results for the fourth quarter of 2005 included a special charge to earnings of approximately \$1.8 million after tax, or \$0.14 per diluted share. Operating net income for the fourth quarter of 2006 amounted to \$5.3 million or \$0.40 per diluted share, an increase of 16% when compared to operating net income of \$4.5 million, or \$0.36 per diluted share, for the fourth quarter of 2005. Operating net income excludes income associated with the sales of banking charters and the charges associated with the Company's restructuring efforts.

### ***Improvement in credit quality***

Ameris concentrated significant efforts during 2006 on improving credit quality, capitalizing on each opportunity to reduce exposure to credits that the Company did not believe met its desired risk profile. Non-performing assets at December 31, 2006 were 0.60% of total loans, representing a reduction in problem loans of 33.3% from the levels reported at December 31, 2005. The Company also continued an important trend related to peer level or better losses on its loan portfolio. Net charge-offs for 2006 were 0.10% of total loans, compared to 0.04% for 2005.

The Company's loan loss reserve at December 31, 2006 amounted to \$24.9 million or 1.72% of total loans outstanding. This compares to a loan loss reserve equal to 1.88% of loans outstanding at December 31, 2005. The Company's provision for loan losses increased \$1.2 million in 2006 to \$2.8 million, due primarily to continued growth in loans outstanding.

### ***Recruited successful management team in efforts to expand franchise to South Carolina***

Efforts to expand the franchise to additional growth markets led Ameris to several experienced bankers in South Carolina. With the completion of its acquisition of Islands Bancorp on December 31, 2006, Ameris began official banking operations in South Carolina and expects to continue recruiting talented and successful decision makers to build a meaningful franchise in South Carolina's larger markets.

Branching and staff expansion efforts are currently underway in Beaufort, Charleston and Columbia, as well as in the mortgage and private banking lines of business, across the Company's footprint.

Edwin W. Hortman, Jr., President and CEO, commented on the record year for Ameris Bancorp and said, "2006 was a year of many accomplishments in our Company. Many distractions existed with our efforts to build a single bank, but our employees focused intensely on our customers and on our bottom line, producing a memorable year for our shareholders. I am thankful for the decision makers at every level in Ameris that understand our vision and share our passion for being a company of distinction."

Ameris Bancorp is headquartered in Moultrie, Georgia, and has 44 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.*