# Fourth Quarter 2010 Earnings Conference Call

January 21, 2011


## Kelly S. King

Chairman and Chief Executive Officer

## Daryl N. Bible

Chief Financial Officer

## Clarke R. Starnes

Chief Risk Officer


# Forward-Looking Information

This presentation contains certain forward-looking statements with respect to the financial condition, results of operations and businesses of BB&T. Statements that are not historical or current to facts or statements about beliefs and expectations are forward-looking statements. Forward-looking statements involve certain risks and uncertainties and are based on the beliefs and assumptions of the management of BB&T, and the information available to management at the time that this presentation was prepared. Factors that may cause actual results to differ materially from those contemplated by such forward-looking statements include, among others, the following: (1) general economic or business conditions, either nationally or regionally, may be less favorable than expected, resulting in, among other things, a deterioration in credit quality and / or a reduced demand for credit or other services; (2) changes in the interest rate environment may reduce net interest margins and / or the volumes and values of loans made or held as well as the value of other financial assets held; (3) competitive pressures among depository and other financial institutions may increase significantly; (4) legislative or regulatory changes, including changes resulting from the adoption and implementation of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, and changes in accounting standards, may adversely affect the businesses in which BB&T is engaged; (5) local, state or federal taxing authorities may take tax positions that are adverse to BB&T; (6) reduction in credit ratings; (7) adverse changes may occur in the securities markets; (8) competitors of BB&T may have greater financial resources and develop products that enable them to compete more successfully than BB&T; (9) costs or difficulties related to the integration of the businesses of BB&T and its merger partners may be greater than expected; (10) unpredictable natural or other disasters could have an adverse effect on us in that such events could materially disrupt our operations or the ability or willingness of our customers to access the financial services we offer; (11) expected cost savings associated with completed mergers and acquisitions may not be fully realized or realized within the expected time frames; and (12) deposit attrition, customer loss or revenue loss following completed mergers and acquisitions, may be greater than expected. You should not place undue reliance on any forward-looking statement and should consider all of the foregoing uncertainties and risk, as well as those more fully discussed under Item 1A. “Risk Factors Related to BB&T’s Business” of BB&T’s 2009 Annual Report on Form 10-K and in any of BB&T’s subsequent SEC filings. Forward-looking statements speak only as of the date they are made, and BB&T undertakes no obligation to update any forward-looking statement to reflect the impact of circumstances or events that arise after the date the forward-looking statement was made.

# Non-GAAP Information

This presentation contains financial information determined by methods other than in accordance with accounting principles generally accepted in the United States of America (“GAAP”). BB&T’s management uses these “non-GAAP” measures in their analysis of the Corporation’s performance. BB&T’s management believes that these non-GAAP financial measures provide a greater understanding of ongoing operations and enhance comparability of results with prior periods as well as demonstrating the effects of significant gains and charges in the current period. The Company believes that a meaningful analysis of its financial performance requires an understanding of the factors underlying that performance. BB&T’s management believes that investors may use these non-GAAP financial measures to analyze financial performance without the impact of unusual items that may obscure trends in the Company’s underlying performance. These disclosures should not be viewed as a substitute for operating results determined in accordance with GAAP, nor are they necessarily comparable to non-GAAP performance measures that may be presented by other companies. BB&T’s management uses these measures to evaluate the underlying performance and efficiency of its operations. BB&T’s management believes these measures reflect core trends of the business, excluding purchase accounting amortization that will cease in the future, while the acquired business will remain. Tangible common equity and Tier 1 common equity ratios are Non-GAAP measures. BB&T uses the Tier 1 common equity definition used in the SCAP assessment to calculate these ratios. BB&T's management uses these measures to assess the quality of capital and believes that investors may find them useful in their analysis of the Corporation. These capital measures are not necessarily comparable to similar capital measures that may be presented by other companies. Asset quality ratios have been adjusted to remove the impact of acquired loans and foreclosed property covered by the FDIC loss sharing agreements as management believes their inclusion results in distortion of those ratios and may not be comparable to other periods presented or to other portfolios that were not impacted by purchase accounting. A reconciliation of these non-GAAP measures to the most directly comparable GAAP measure is included on the Investor Relations section of BB&T’s website (*www.bbt.com/investor*) and as an appendix to this presentation.

# 2010 Fourth Quarter Highlights

- **Record annual revenues**
- **Strong improvement in earnings**
  - 4Q10 net income available to common shareholders of $208 million, up 12.4% compared to 4Q09
  - 4Q10 EPS totals $.30, up 11.1% compared to 4Q09
  - 2010 net income available to common shareholders of $816 million, up 11.9%
- **Average loans grew annualized linked quarter**
  - 28.7% growth in Mortgage
  - 6.9% growth in C&I
  - 6.3% growth in Sales Finance
  - 7.4% growth in Revolving Credit
- **Low cost deposits increased substantially**
  - Noninterest-bearing deposits up 18.3% on an annualized linked quarter basis
  - Transaction account deposits up 19.0%
- **Credit metrics improved across the board**
  - Sold approximately $343 million in problem loans during the quarter
  - Sold approximately $249 million in OREO during the quarter
  - Approximately $125 million under contract to sell
  - OREO, NPLs, TDRs, delinquent loans, NPL inflows and watch list loans all declined this quarter

# Items Affecting Quarterly Earnings

$ in millions, except per share amounts

| | Pretax Income (Expense) | Per share Impact |
|---|---|---|
| Securities gains, net | $99[1] | $.09 |
| Merger-related charges | (4) | - |
| Losses and write-downs on loans sold or held for sale in connection with the NPA disposition strategy | (62) | (.06) |

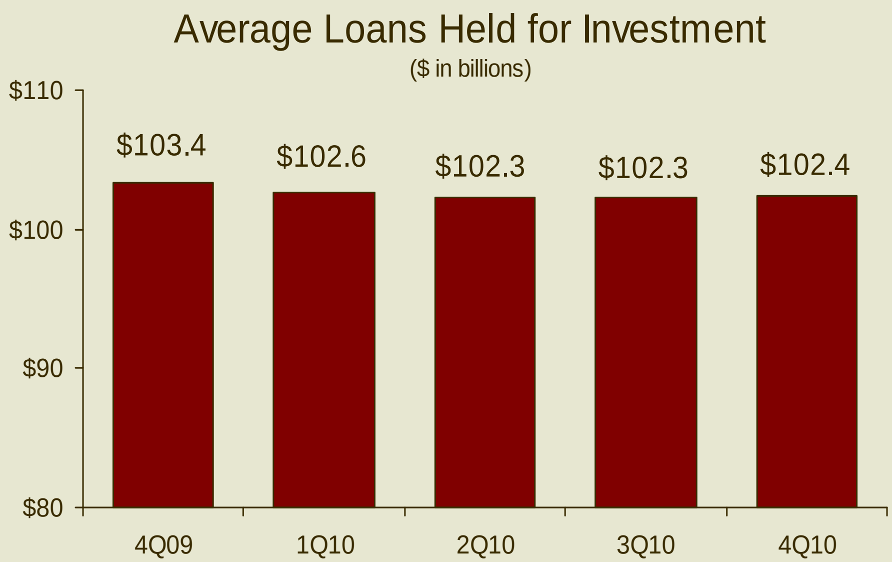
[1] Net of other than temporary impairment (OTTI)

# Diverse Sources of Revenue and Loan Growth

- **C&I vs. CRE mix improvement**
  - Commercial lending produced a record $10.3 billion in the fourth quarter
  - December was the best closing month for commercial loans in our history
  - 2010 new production mix
    84% C&I, 16% CRE
  - New commercial commitments were up 89% on an annualized linked quarter basis
- **Deposit mix improvement**
  - Average DDA increased 18.3% annualized linked quarter
  - Net new transaction accounts up 95% compared to last year
- **Small Business**
  - 5% growth in total households compared to last year
  - Bundling sales efforts 25% more effective compared to last year
  - SBA most active lender in NC and Virginia
- **Mortgage Lending**
  - Strong 4Q originations of $8.4 billion
- **Corporate Banking**
  - 25% growth in large corporate banking compared to 4Q09
- **Growing Niche Lending Businesses**
  - Small ticket consumer, equipment finance, asset based lending
  - Automobile finance - enjoyed a record production year
- **Revenue per FTE increased 9.3% compared to year-end 2009**
- **Trust and Investment Advisory**
  - Trust and investment advisory revenues increased 10.5%
  - Wealth produced record revenues – up 29% compared to 4Q09
- **Investment Banking and Brokerage**
  - Record revenues
  - ECM and DCM record deal closings

**We plan to hire several hundred revenue producers in 2011**

# Overall Loan Growth Accelerated




- Total loan production for the fourth quarter was $20.9 billion, up an annualized 54% compared to 3Q10
- Continued linked quarter growth in niche lending
  - Nonprime auto up 9.2%
  - Equipment finance up 18.2%
  - Small ticket finance up 9.4%

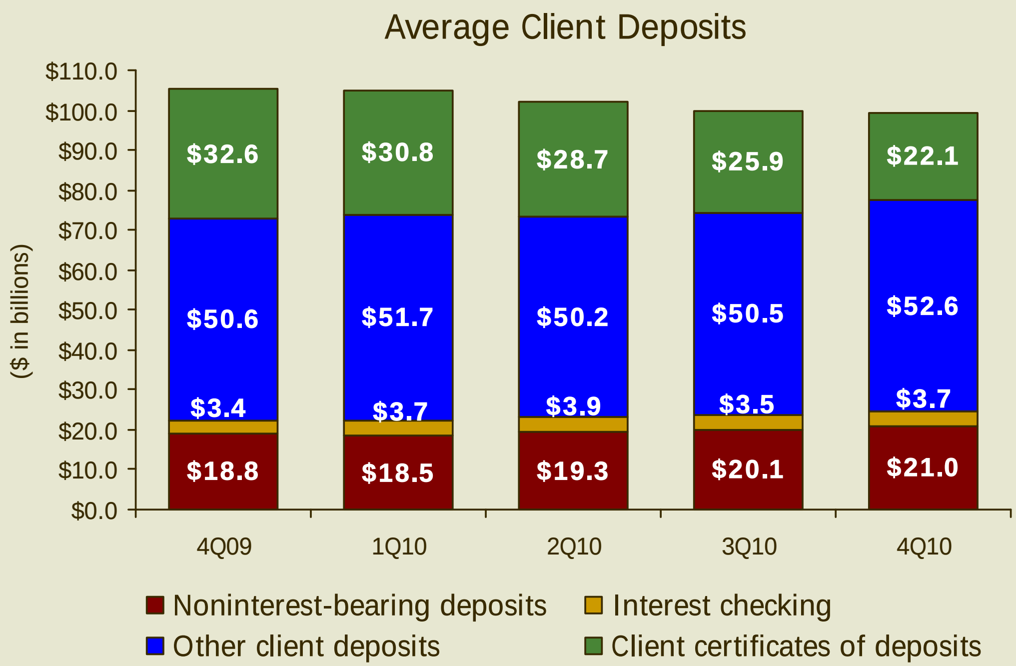
## Average Loan Growth Highlights[1]

**($ in millions)**

| | **4Q10 vs. 3Q10 $ Increase (Decrease)** | **4Q10 vs. 3Q10 Annualized % Increase (Decrease)** |
|---|---|---|
| C&I | $559 | 6.9% |
| Other CRE | (389) | (12.8) |
| Sales Finance (Automobile) | 109 | 6.3 |
| Revolving Credit | 38 | 7.4 |
| Mortgage | 1,146 | 28.7 |
| Specialized Lending | (109) | (5.4) |
| Direct Retail (Home equity) | (97) | (2.8) |
| **Subtotal** | **$1,257** | **5.5%** |
| ADC | $(746) | (67.3)% |
| Covered and other acquired loans | (479) | (27.0) |
| **Total** | **$32** | **0.1%** |
| **Excluding NPL Initiative** | **$1,021** | **4.0%** |

[1] Excludes Loans Held for Sale after date of transfer.

# Driving Positive Mix Change in Deposits




- Transaction account deposits are up 19% on an annualized linked quarter basis
- Increased net new transaction accounts by over 110,000 in 2010, a 95% increase over 2009
- Noninterest bearing deposits increased to 21% of client deposits in 4Q10 compared to 18% in 4Q09
- Interest bearing deposit cost decreased to .90% in 4Q10, compared to 1.23% in 4Q09

## Average Deposit Growth Highlights

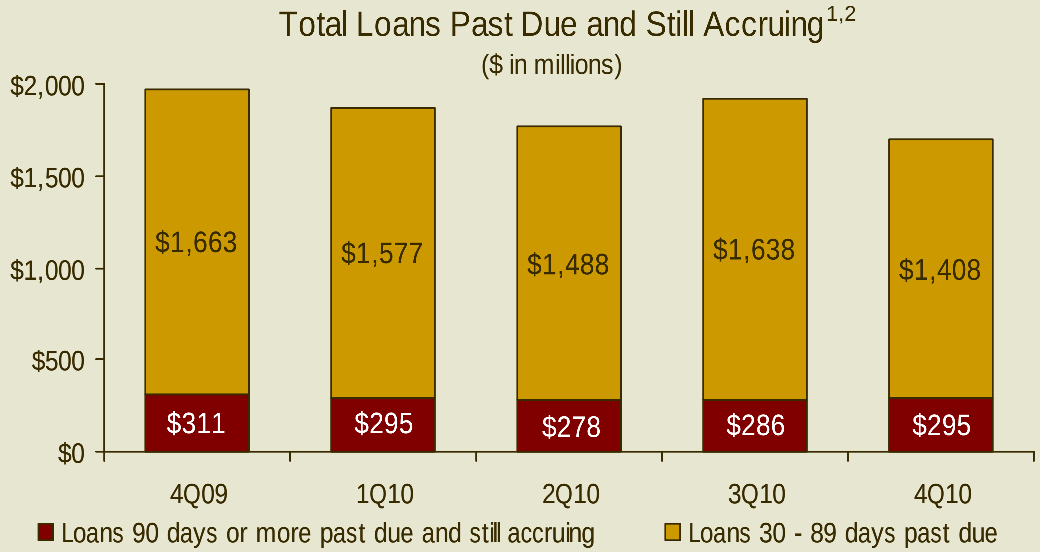
| | **4Q10 vs. 3Q10 Annualized % Increase (Decrease)** |
|---|---|
| Noninterest-bearing deposits | 18.3% |
| Interest checking | 22.8 |
| Other client deposits | 16.7 |
| Client certificates of deposits | (57.2) |
| **Total client deposits** | **(1.9)%** |
| **Total deposits** | **8.0%** |

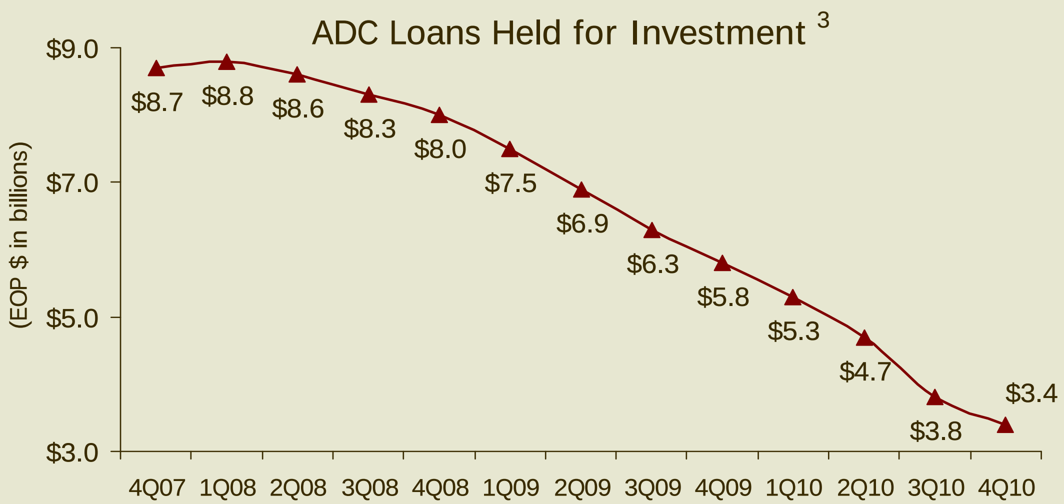
# Linked Quarter Credit Trends Improve Across the Board

| | |
|---|---|
| ↓ 7.2% Watch list | ↓ 4.6% NPLs |
| ↓ 11.5% Delinquencies | ↓ 3.5% OREO |
| ↓ 9.9% Performing TDRs | ↓ 4.2% NPAs |
| ↓ 10.2% NPL inflows | ↓ 38.4% Net charge-offs |

- **Credit trends improved for all metrics in the resolution cycle**

# Inflow of New Problems Clearly Improving

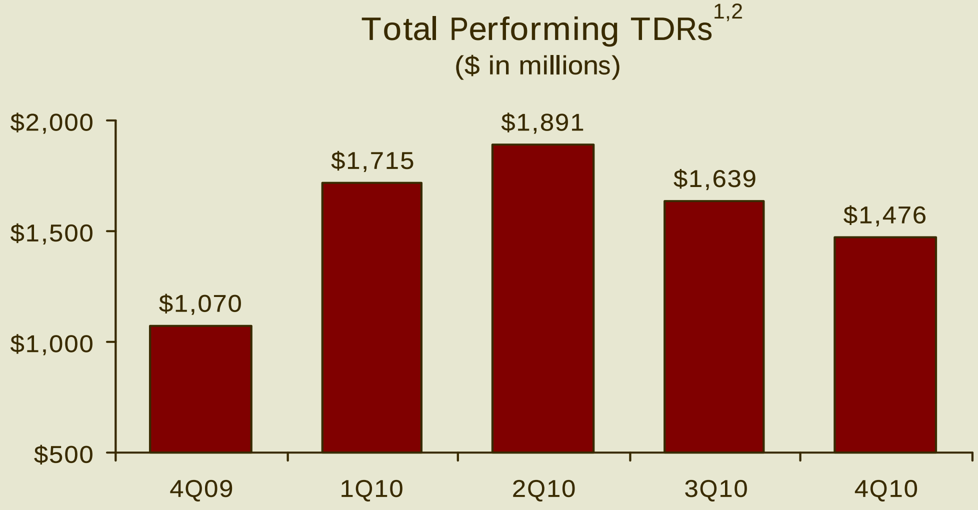


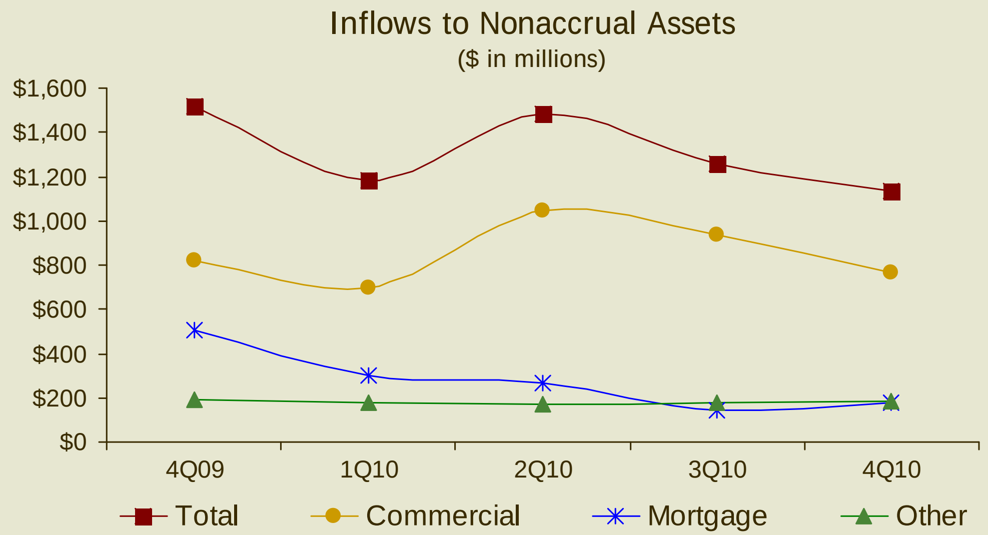

- 7.2% decrease in watch list credits
- Total delinquencies declined 11.5%
- We saw notable improvement in commercial delinquencies, which decreased 39.6%
- We also saw a flat trend in retail delinquencies third quarter to fourth quarter, when we normally observe a seasonal increase in delinquencies
- Loans past due 30-89 days and still accruing reached lowest level since 1Q08
- On track to "right size" our ADC exposure - $2 billion to $3 billion

1 Excludes covered and government guaranteed loans.
2 Excludes mortgage loans guaranteed by GNMA that BB&T does not have the obligation to repurchase.
3 As of December 31, 2010 there was $239 million in ADC loans held for sale.

# Underlying Credit Trends Improved




- Performing TDRs decreased 9.9% linked quarter
  - Performing commercial TDRs decreased 25%
- 75% of TDRs are performing
- 87% of performing TDRs are current
- Only 26% of performing commercial TDRs are ADC loans

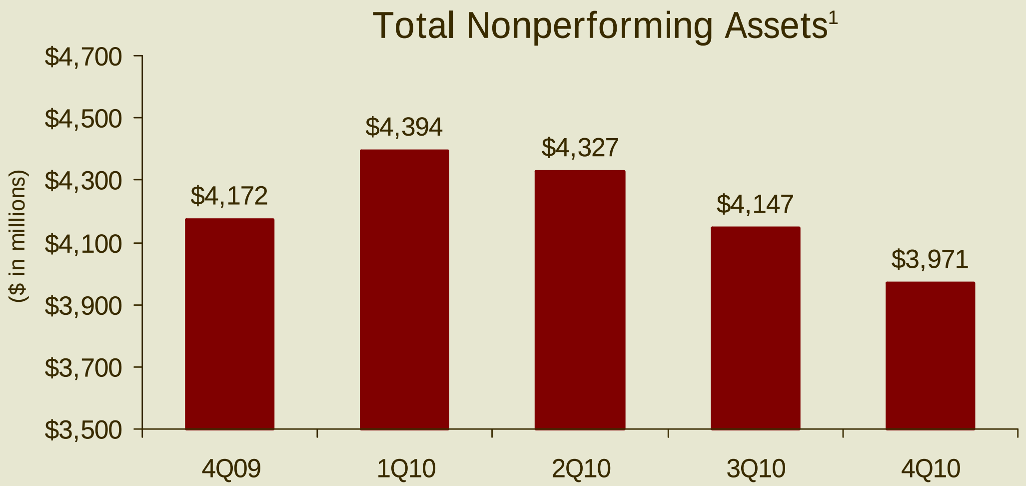


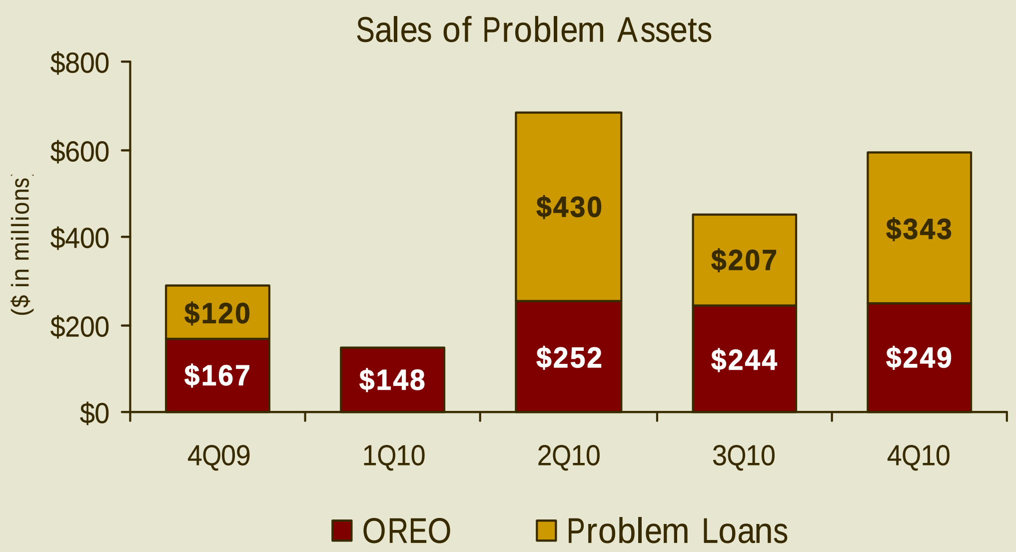

- Inflows decreased 10.2% in total compared to 3Q10
  - Commercial inflows decreased 18.1%
  - Commercial inflows reflect aggressive efforts to resolve existing watch list accounts

[1] Excludes TDRs that are nonperforming totaling $479 million, $489 million, $480 million, $333 million and $248 million at December 31, 2010, September 30, 2010, June 30, 2010, March 31, 2010 and December 31, 2009, respectively. These amounts are included in total nonperforming assets.

[2] Excludes covered and government guaranteed loans.

# NPAs Decrease for Third Consecutive Quarter

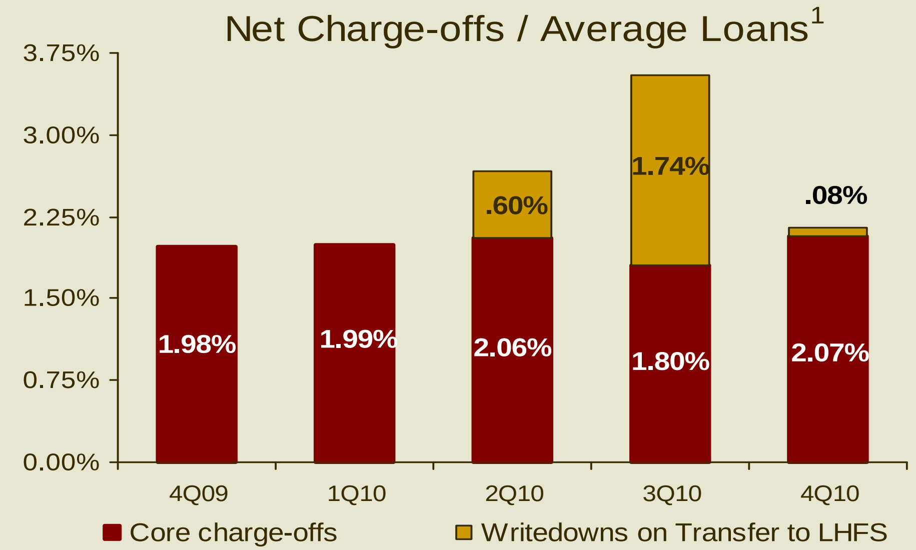


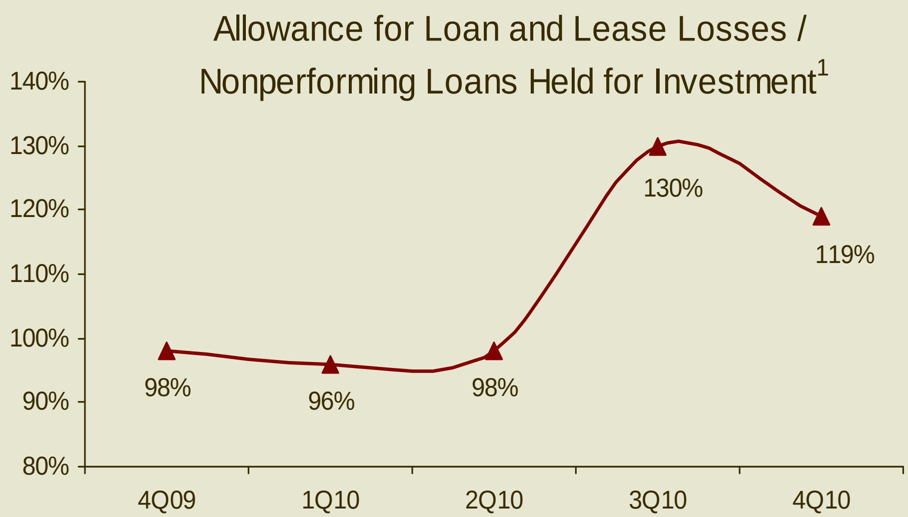




- Continued strong momentum in NPA disposition strategy
- Sold approximately $600 million of nonperforming assets this quarter
- Average sales price for commercial note sales generally consistent with our targets
- The held for sale portfolio is marked to an average price consistent with actual sales results
- Remain committed to a 4 pronged strategy:
  - Short sales
  - 3rd party direct sales
  - 3rd party bulk sales
  - Will consider auction sales

[1] Excludes covered and government guaranteed assets.

# Total Charge-offs Decrease Substantially

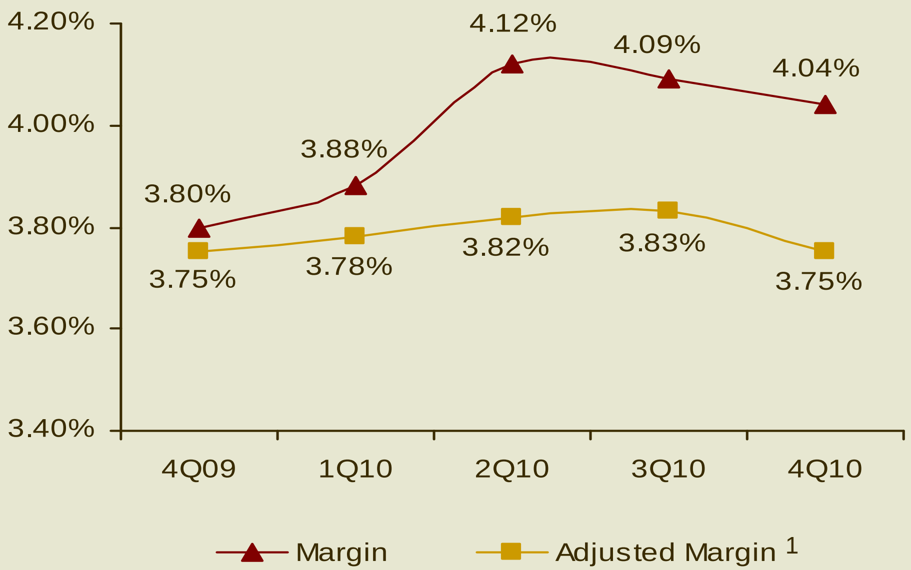



- Total charge-offs decreased 38.4% compared to 3Q10
- The quarterly provision essentially covered charge-offs in the non-covered portfolio
- Maintained strong NPL coverage at 119%.  Allocated reserves for ADC at 14%
- 4Q10 includes $100 million in provision for loan and lease losses related to the 03-3 review of cash flows in the covered loan portfolio
- Continued improvement in credit quality trends should allow reductions in provisions in future quarters

[1] Excludes covered loans.

# Net Interest Margin




- Margin is benefiting from a more favorable asset and funding mix and a lower cost of funds
- Credit spreads are improving, and funding spreads remain stable
- The adjusted margin declined due to the securities de-risking strategy, while the GAAP margin remained more stable because of the positive impact from Colonial

- The impact on net interest income related to assets acquired in the Colonial transaction was a positive $42 million compared to last quarter
- We also identified additional impairment in certain loan pools resulting in a $100 million loan loss provision this quarter
- This provision is 80% offset under the terms of the loss sharing agreements, resulting in an $80 million increase in noninterest income
- The net positive impact on revenues was $12 million compared to last quarter

[1] Adjusted to reflect FDIC loss share asset as an earning asset. Adjusted margin is a non-GAAP measure used by management to calculate the margin assuming the FDIC indemnification asset was accounted for as an earning asset. Management believes this presentation is meaningful because it provides comparability with certain peers who have chosen this alternative presentation for the FDIC loss share asset.

# De-Risking of Securities Produces Gains

| Securities | Book Value | Net Gains | Yield |
|---|---|---|---|
| 4Q10 Purchases | $7.6 billion | - | 1.35% |
| 4Q10 Sales | $6.5 billion | $99 million[1] | 3.68% |

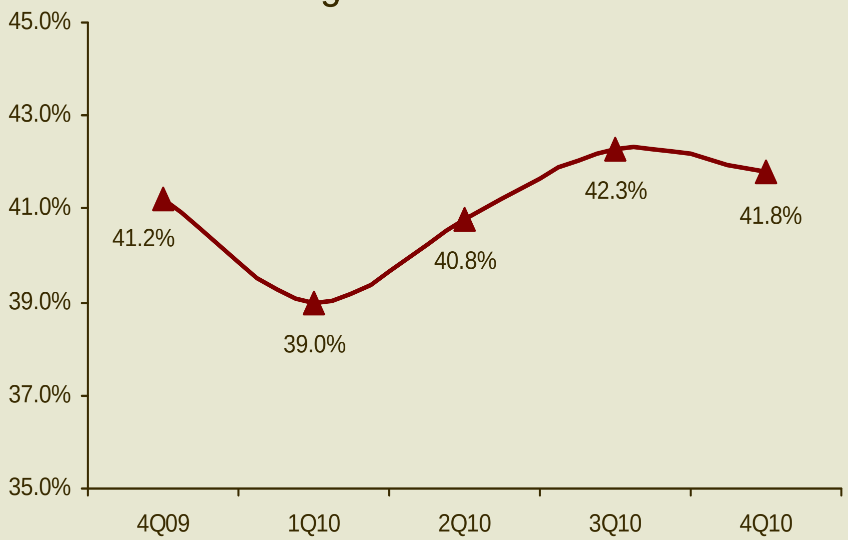
- We have completed a strategic de-risking of the investment portfolio
- We significantly reduced OCI risk in light of the new Basel III capital rules
- Added a significant amount of floating rate securities to increase asset sensitivity and reduce OCI risk
- Floating rate securities composed 21.6% of the portfolio at year-end
- Included in the portfolio sales were $400 in non-agency MBS
- We became more asset sensitive due to our balance sheet actions


[1] Net of other than temporary impairment (OTTI)

# Fee Income

$ in millions

Strong Fee Income Ratio[1]




- Service charges on deposits declined due to regulatory changes, although we have performed better than original expectations
- Mortgage banking income decreased due to a lower gains on loan sales and lower income from the MSR valuations
- Investment banking produced a record quarter due to an increase in equity and fixed income offerings
- Checkcard fees and bankcard fees increased due to stronger activity and account penetration
- FDIC loss share income reflects the offset of additional provision resulting from the impairment identified during the cash flow reassessment and negative accretion due to higher net interest income

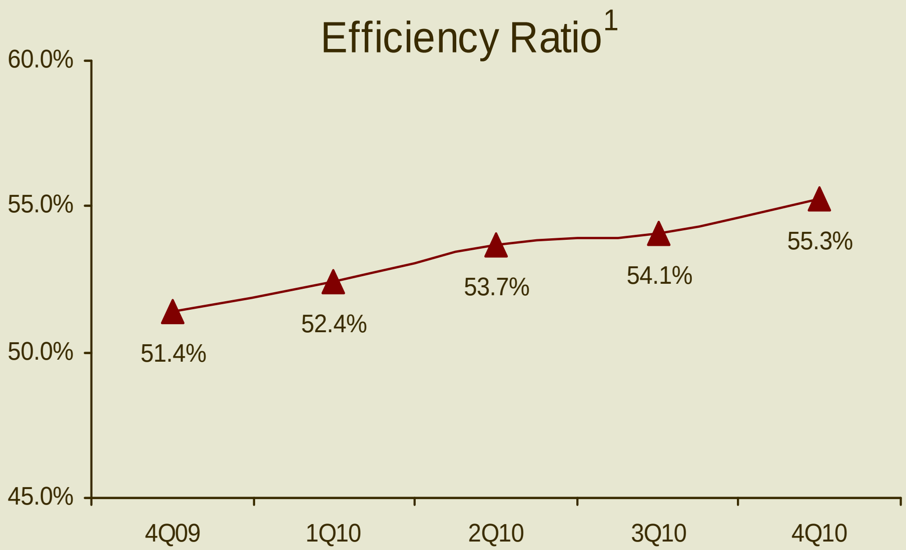
| | | 4Q10 | 4Q10 v. 4Q09 Increase (Decrease) | 4Q10 v. 3Q10[2] Increase (Decrease) |
|---|---|---|---|---|
| **Noninterest Income** | | | | |
| Insurance income | $ | 249 | (4.2)% | (4.7)% |
| Service charges on deposits | | 143 | (23.1) | (10.8) |
| Mortgage banking income | | 138 | (2.8) | (99.2) |
| Investment banking and brokerage fees and commissions | | 97 | 16.9 | 56.0 |
| Other nondeposit fees and commissions | | 68 | 6.3 | (32.2) |
| Checkcard fees | | 73 | 17.7 | 17.0 |
| Bankcard fees and merchant discounts | | 47 | 14.6 | 17.6 |
| Trust and investment advisory revenues | | 42 | 10.5 | 19.8 |
| Income from bank-owned life insurance | | 31 | 24.0 | 13.2 |
| FDIC loss share income, net | | - | (100.0) | NM |
| Securities (losses) gains, net | | 99 | NM | NM |
| Other income, net | | (23) | (139.0) | NM |
| **Total noninterest income** | **$** | **964** | **(0.6)%** | **(52.2)%** |

[1] Excludes securities gains (losses), foreclosed property expense, amortization of intangible assets, merger-related and restructuring charges, the impacts of FDIC loss share accounting, and other selected items. See Non-GAAP Reconciliations included in the attached Appendix.

[2] Linked quarter percentages are annualized.

# Noninterest Expenses and Efficiency

$ in millions



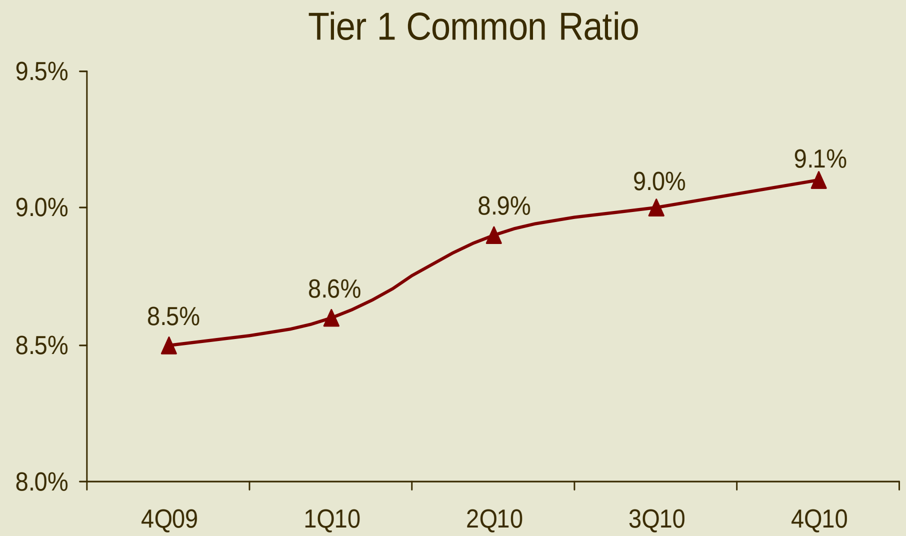

| | | 4Q10 | 4Q10 v. 4Q09 Increase (Decrease) | 4Q10 v. 3Q10[2] Increase (Decrease) |
|---|---|---|---|---|
| **Noninterest Expense** | | | | |
| Personnel expense | $ | 679 | 4.5% | 22.9% |
| Foreclosed property expense | | 162 | 14.1 | (11.9) |
| Occupancy and equipment expense | | 155 | (10.4) | (5.1) |
| Professional services | | 92 | 19.5 | 37.8 |
| Regulatory charges | | 59 | 25.5 | (13.0) |
| Loan processing charges | | 45 | 32.4 | (59.9) |
| Amortization of intangibles | | 28 | (22.2) | (26.4) |
| Merger-related and restructuring changes, net | | 4 | (55.6) | NM |
| Other noninterest expenses | | 197 | 2.1 | (13.6) |
| **Total noninterest expense** | **$** | **1,421** | **4.4%** | **3.7%** |

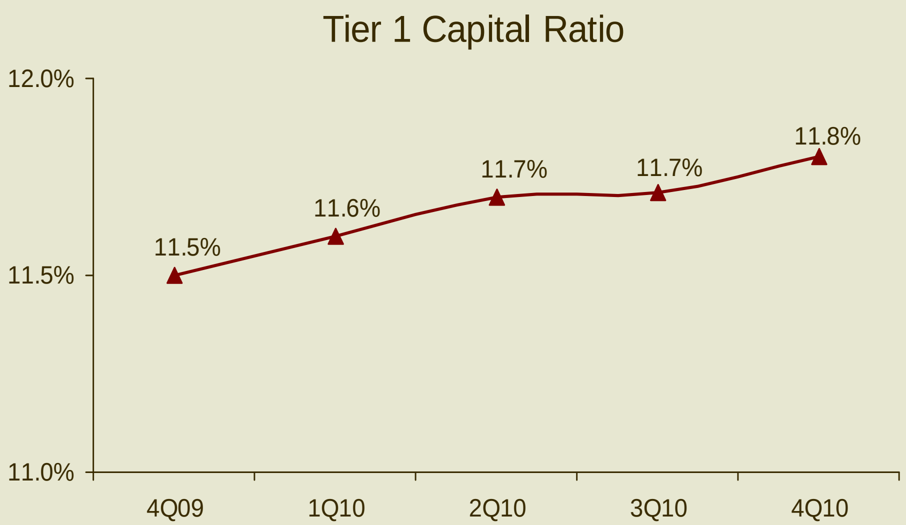
- FTE employees decreased 1,040 compared to 4Q09 and increased 23 compared to 3Q10
- Personnel expense increased due to higher production-related incentive compensation and post-employment benefits during the fourth quarter
- Foreclosed property expense declined for the second consecutive quarter as we had fewer write-downs than prior quarters
- Occupancy expense decreased due to branch consolidation following the Colonial integration
- The effective tax rate was lower in the fourth quarter to produce the annual rate of 12%, consistent with our level of pretax earnings, tax-exempt income and tax credits

1 Excludes securities gains (losses), foreclosed property expense, amortization of intangible assets, merger-related and restructuring charges, the impacts of FDIC loss share accounting, and other selected items. See Non-GAAP Reconciliations included in the attached Appendix.

2 Linked quarter percentages are annualized.

# Capital Among Industry Leaders[1]




- Capital levels increased during the fourth quarter
- Upon assessment of preliminary Basel III requirements, we believe that BB&T will meet the required capital levels
- BB&T's current projection of Tier 1 common under Basel III is 7.5%
- We believe internal capital generation provides flexibility to meet capital targets
- Management does not expect to issue common equity to comply with the new capital rules

1 Current quarter regulatory capital information is preliminary. Risk-weighted assets are determined based on regulatory capital requirements. Under the regulatory framework for determining risk-weighted assets each asset class is assigned a risk-weighting of 0%, 20%, 50% or 100% based on the underlying risk of the specific asset class. In addition, off balance sheet exposures are first converted to a balance sheet equivalent amount and subsequently assigned to one of the four risk-weightings. Tangible common equity and Tier 1 common equity ratios are Non-GAAP measures. BB&T uses the Tier 1 common equity definition used in the SCAP assessment to calculate these ratios. BB&T's management uses these measures to assess the quality of capital and believes that investors may find them useful in their analysis of the Corporation. These capital measures are not necessarily comparable to similar capital measures that may be presented by other companies.

# 2011 Key Drivers

- **Loans**
  - We expect a faster pace of growth in non-real estate loan portfolios with continued declines in commercial real estate, with overall growth of 3%-5% in loans held for investment
- **Deposits**
  - Deposits up 1%-3% in total, with double-digit growth in transaction account deposits
- **Margin**
  - In the high 390s for the year +/- 5 bps
- **Noninterest income**
  - Relatively flat excluding securities gains
- **Noninterest expense**
  - Flat to slightly down
- **Taxes**
  - Full year effective tax rate expected to be approximately 20%
- **Net charge-offs**
  - Trending down throughout 2011; through 1.50% late in the year

# BB&T is Well-Positioned for the Future

- The underlying performance of our businesses is strong
- Our client service metrics are at historic highs
- C&I loan growth accelerated this quarter
- Maintaining positive revenue growth in a very challenging environment
- We expect meaningful declines in credit costs in coming quarters
  - Inflows - We expect continued steady declines in inflows, with more significant decreases in the second half of 2011
  - NPAs – We expect continued declines in NPAs as we complete the disposition strategy
  - TDRs – We expect decreases in TDRs including some cures next quarter
- Strengths
  - Re-intermediation
  - Merger Opportunities
  - Growing Markets
  - Significant Investment in Revenue Growth Strategies
  - Community Banking
  - Best Team

# Comments Regarding Disclosure

BB&T Corporation does not provide earnings guidance, but does discuss trends regarding the factors that influence potential future performance in both its quarterly earnings release and its quarterly earnings conference call.

These statements constitute “forward-looking statements,” as defined in the Private Securities Litigation Reform Act of 1995. Please refer to the slide entitled “Forward Looking Information” for important cautionary information regarding forward-looking statements. BB&T undertakes no obligation to revise these statements following the date of this presentation.

# Appendix

# Non-GAAP Capital Measures

| (Dollars in millions) | As of / Quarter Ended | | | | |
|---|---|---|---|---|---|
| | Dec. 31 2010 | Sept. 30 2010 | June 30 2010 | March 31 2010 | Dec. 31 2009 |
| **Selected Capital Information [1]** | | | | | |
| Risk-based capital | | | | | |
| Tier 1 | $13,959 | $13,828 | $13,594 | $13,657 | $13,456 |
| Total | 18,319 | 18,465 | 18,327 | 18,658 | 18,470 |
| Risk-weighted assets [2] | 118,169 | 117,894 | 116,073 | 117,410 | 117,167 |
| Average quarterly tangible assets | 153,349 | 149,253 | 153,399 | 157,603 | 158,061 |
| Risk-based capital ratios | | | | | |
| Tier 1 | 11.8% | 11.7% | 11.7% | 11.6% | 11.5% |
| Total | 15.5 | 15.7 | 15.8 | 15.9 | 15.8 |
| Leverage capital ratio | 9.1 | 9.3 | 8.9 | 8.7 | 8.5 |
| Equity as a percentage of total assets | 10.5 | 10.7 | 10.8 | 10.1 | 9.8 |
| Book value per common share | $23.67 | $24.11 | $24.07 | $23.80 | $23.47 |
| **Selected Non-GAAP Capital Information [3]** | | | | | |
| Tangible common equity as a percentage of tangible assets | 7.1% | 7.0% | 7.0% | 6.4% | 6.2% |
| Tier 1 common equity as a percentage of risk-weighted assets | 9.1 | 9.0 | 8.9 | 8.6 | 8.5 |
| Tangible book value per common share | $15.43 | $15.25 | $14.93 | $14.67 | $14.44 |

1 Current quarter regulatory capital information is preliminary.

2 Risk-weighted assets are determined based on regulatory capital requirements. Under the regulatory framework for determining risk-weighted assets each asset class is assigned a risk-weighting of 0%, 20%, 50% or 100% based on the underlying risk of the specific asset class. In addition, off balance sheet exposures are first converted to a balance sheet equivalent amount and subsequently assigned to one of the four risk-weightings.

3 Tangible common equity and Tier 1 common equity ratios are Non-GAAP measures. BB&T uses the Tier 1 common equity definition used in the SCAP assessment to calculate these ratios. BB&T's management uses these measures to assess the quality of capital and believes that investors may find them useful in their analysis of the Corporation. These capital measures are not necessarily comparable to similar capital measures that may be presented by other companies.

# Non-GAAP Capital Measures

| (Dollars in millions) | As of / Quarter Ended | | | | |
|---|---|---|---|---|---|
| | Dec. 31 2010 | Sept. 30 2010 | June 30 2010 | March 31 2010 | Dec. 31 2009 |
| **Calculations of Tier 1 common equity and tangible assets and related measures:** | | | | | |
| Tier 1 equity | $ 13,959 | $ 13,828 | $ 13,594 | $ 13,657 | $ 13,456 |
| Less: | | | | | |
| Qualifying restricted core capital elements | 3,248 | 3,255 | 3,254 | 3,508 | 3,497 |
| Tier 1 common equity | 10,711 | 10,573 | 10,340 | 10,149 | 9,959 |
| Total assets | $157,081 | $157,230 | $155,083 | $163,700 | $165,764 |
| Less: | | | | | |
| Intangible assets, net of deferred taxes | 6,391 | 6,419 | 6,502 | 6,519 | 6,553 |
| Plus: | | | | | |
| Regulatory adjustments, net of deferred taxes | 636 | 207 | 187 | 493 | 806 |
| Tangible assets | 151,326 | 151,018 | 148,768 | 157,674 | 160,017 |
| Total risk-weighted assets [1] | $118,169 | $117,894 | $116,073 | $117,410 | $117,167 |
| **Tangible common equity as a percentage of tangible assets** | 7.1% | 7.0% | 7.0% | 6.4% | 6.2% |
| **Tier 1 common equity as a percentage of risk-weighted assets** | 9.1 | 9.0 | 8.9 | 8.6 | 8.5 |
| Tier 1 common equity | $ 10,711 | $ 10,573 | $ 10,340 | $ 10,149 | $ 9,959 |
| Outstanding shares at end of period (in thousands) | 694,381 | 693,560 | 692,777 | 691,869 | 689,750 |
| **Tangible book value per common share** | $ 15.43 | $ 15.25 | $ 14.93 | $ 14.67 | $ 14.44 |

[1] Risk-weighted assets are determined based on regulatory capital requirements. Under the regulatory framework for determining risk-weighted assets each asset class is assigned a risk-weighting of 0%, 20%, 50% or 100% based on the underlying risk of the specific asset class. In addition, off balance sheet exposures are first converted to a balance sheet equivalent amount and subsequently assigned to one of the four risk-weightings.

# Non-GAAP Reconciliations

| | Quarter Ended | | | | |
|---|---|---|---|---|---|
| | Dec. 31 2010 | Sept. 30 2010 | June 30 2010 | March 31 2010 | Dec. 31 2009 |
| **Efficiency ratio – GAAP** | 60.9% | 57.3% | 61.7% | 61.2% | 58.5% |
| Effect of securities gains (losses), net | 2.4 | 5.6 | 5.1 | (.1) | - |
| Effect of merger-related and restructuring charges, net | (.2) | (.4) | (1.6) | (.7) | (.4) |
| Effect of contingency reserve | - | - | - | .5 | - |
| Effect of losses/writedowns on NPA disposition loans | (1.5) | (.6) | - | - | - |
| Effect of payroll services gain | - | - | - | - | .7 |
| Effect of Colonial revaluation adjustments | - | - | - | - | .3 |
| Effect of Colonial premises and equipment adjustments | - | - | - | .8 | - |
| Effect of FDIC loss share accounting | 2.0 | .6 | - | .3 | - |
| Effect of foreclosed property expense | (7.1) | (7.1) | (10.1) | (8.1) | (6.2) |
| Effect of amortization of intangibles | (1.2) | (1.3) | (1.4) | (1.5) | (1.5) |
| **Efficiency ratio – reported** | 55.3 | 54.1 | 53.7 | 52.4 | 51.4 |
| **Fee income ratio – GAAP** | 41.3% | 45.2% | 42.7% | 38.5% | 41.7% |
| Effect of securities gains (losses), net | (2.5) | (5.8) | (5.5) | .1 | - |
| Effect of payroll services gain | - | - | - | - | (.7) |
| Effect of losses/writedowns on NPA disposition loans | 1.6 | .6 | - | - | - |
| Effect of FDIC loss share accounting | 1.4 | 2.3 | 3.6 | .4 | - |
| Effect of Colonial revaluation adjustments | - | - | - | - | .2 |
| **Fee income ratio – reported** | 41.8 | 42.3 | 40.8 | 39.0 | 41.2 |

# Non-GAAP Reconciliations

| | As of / For the Quarter Ended | | | | |
|---|---|---|---|---|---|
| | Dec. 31 2010 | Sept. 30 2010 | June 30 2010 | March 31 2010 | Dec. 31 2009 |
| **Asset Quality Ratios (including amounts related to covered loans and covered foreclosed property)[1,2]** | | | | | |
| Loans 30-89 days past due and still accruing as a percentage of total loans and leases | 1.65% | 1.86% | 1.83% | 1.85% | 1.93% |
| Loans 90 days or more past due and still accruing as a percentage of total loans and leases | 1.34 | 1.53 | 1.74 | 1.66 | 1.60 |
| Nonperforming loans and leases as a percentage of total loans and leases | 2.49 | 2.64 | 2.77 | 2.71 | 2.51 |
| Nonperforming assets as a percentage of: | | | | | |
| Total assets | 2.73 | 2.81 | 2.90 | 2.79 | 2.61 |
| Loans and leases plus foreclosed property | 3.94 | 4.11 | 4.24 | 4.31 | 4.02 |
| Net charge-offs as a percentage of average loans and leases | 2.02 | 3.31 | 2.48 | 1.84 | 1.83 |
| Allowances for loan and lease losses as a percentage of loans and leases held for investment | 2.62 | 2.56 | 2.66 | 2.65 | 2.51 |
| Ratio of allowance for loans and lease losses to: | | | | | |
| Net charge-offs | 1.27 X | .75 X | 1.06 X | 1.41 X | 1.34 X |
| Nonperforming loans and leases held for investment | 1.26 | 1.32 | .98 | .96 | .98 |

Applicable ratios are annualized.

1 Excludes mortgage loans guaranteed by GNMA that BB&T does not have the obligation to repurchase.

2 Excludes mortgage loans guaranteed by the government.

# Non-GAAP Reconciliations

| | As of / For the Quarter Ended | | | | |
|---|---|---|---|---|---|
| | Dec. 31 2010 | Sept. 30 2010 | June 30 2010 | March 31 2010 | Dec. 31 2009 |
| **Asset Quality Ratios (excluding amounts related to covered loans and covered foreclosed property)[1,2,3]** | | | | | |
| Loans 30-89 days past due and still accruing as a percentage of total loans and leases | 1.39% | 1.65% | 1.53% | 1.63% | 1.69% |
| Loans 90 days or more past due and still accruing as a percentage of total loans and leases | .29 | .29 | .28 | .30 | .32 |
| Nonperforming loans and leases as a percentage of total loans and leases | 2.64 | 2.82 | 2.97 | 2.91 | 2.71 |
| Nonperforming assets as a percentage of: | | | | | |
| Total assets | 2.64 | 2.76 | 2.93 | 2.82 | 2.65 |
| Loans and leases plus foreclosed property | 3.88 | 4.12 | 4.37 | 4.46 | 4.18 |
| Net charge-offs as a percentage of average loans and leases[4] | 2.15 | 3.54 | 2.66 | 1.99 | 1.98 |
| Allowances for loan and lease losses as a percentage of loans and leases held for investment | 2.63 | 2.69 | 2.84 | 2.84 | 2.72 |
| Ratio of allowance for loans and lease losses to: | | | | | |
| Net charge-offs | 1.20 X | .74 X | 1.05 X | 1.40 X | 1.34 X |
| Nonperforming loans and leases held for investment | 1.19 | 1.30 | .98 | .96 | .98 |

Applicable ratios are annualized.

1 Excludes mortgage loans guaranteed by GNMA that BB&T does not have the obligation to repurchase.

2 Excludes mortgage loans guaranteed by the government.

3 These asset quality ratios have been adjusted to remove the impact of covered loans and covered foreclosed property. Appropriate adjustments to the numerator and denominator have been reflected in the calculation of these ratios. Management believes the inclusion of acquired loans in certain asset quality ratios that include nonperforming assets, past due loans or net charge-offs in the numerator or denominator results in distortion of these ratios and they may not be comparable to other periods presented or to other portfolios that were not impacted by purchase accounting.

4 Excluding the impact of losses and balances associated with BB&T's NPA disposition strategy, the adjusted net charge-offs ratio would have been 2.07%, 1.80%, and 2.06% for the fourth quarter of 2010, third quarter of 2010 and second quarter of 2010, respectively.

Best Bank In Town
Since 1872

# BB&T Corporation