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FOR IMMEDIATE RELEASE

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**BB&T reports record net income of \$458 million;  
*Earnings per share total \$.83 for the 2<sup>nd</sup> quarter***

WINSTON-SALEM, N.C. -- BB&T Corporation (NYSE: BBT) reported today record net income for the second quarter of 2007 totaling \$458 million, or \$.83 per diluted share, compared with \$429 million, or \$.79 per diluted share, earned during the second quarter of 2006. These results reflect increases of 6.8% and 5.1%, respectively, compared to the same quarter last year.

BB&T's second quarter net income produced annualized returns on average assets and average shareholders' equity of 1.47% and 15.18%, respectively, compared to prior year returns of 1.53% and 15.34%, respectively.

Operating earnings for the second quarter of 2007 totaled \$461 million, or \$.83 per diluted share, compared to \$430 million, or \$.79 per diluted share, earned during the second quarter of 2006. Operating earnings exclude \$3 million and \$1 million in net after-tax merger-related and restructuring charges from 2007 and 2006, respectively.

Cash basis operating results exclude the unamortized balances of intangibles from assets and shareholders' equity and exclude the amortization of intangibles, the net amortization of purchase accounting mark-to-market adjustments, merger-related and restructuring charges or credits and nonrecurring items from earnings. Cash basis operating earnings totaled \$477 million for the second quarter of 2007, an increase of 6.2% compared to \$449 million earned in the second quarter of 2006. Cash basis operating diluted earnings per share totaled \$.86 for the second quarter of 2007, an increase of 3.6% compared to \$.83 earned during the same period in 2006. Cash basis operating earnings for the second quarter of 2007 produced annualized returns on average tangible assets and average tangible shareholders' equity of 1.61% and 28.48%, respectively, compared to prior year returns of 1.67% and 27.90%, respectively.

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“I am pleased to report record earnings and solid overall performance for the second quarter,” said Chairman and Chief Executive Officer John A. Allison. “We have made substantial progress on a number of key objectives for 2007. In particular, this quarter represents the third consecutive quarter we generated positive operating leverage and improved operating efficiency through a greater emphasis on controlling expenses. We also experienced strong loan and deposit growth during the quarter. While nonperforming assets and net charge-offs increased somewhat this quarter, we continue to have healthy asset quality. On balance, I am pleased with the company’s momentum and we remain on track to meet our financial goals for the year.”

For the first six months of 2007, BB&T’s net income was \$879 million compared to \$860 million earned in the first six months of 2006. Diluted earnings per share for the first half of 2007 totaled \$1.60 compared to \$1.59 earned during the same period in 2006. Excluding merger-related and restructuring charges or credits and nonrecurring items, operating earnings for the first half of 2007 totaled \$886 million, or \$1.61 per diluted share, reflecting increases of 5.4% and 3.9%, respectively, compared to \$841 million, or \$1.55 per diluted share, earned during the first six months of 2006.

### **BB&T’s Fee-Based Businesses Produce Record Revenues**

BB&T’s noninterest income generating businesses produced strong growth rates during the second quarter of 2007 compared to 2006. Total noninterest income increased 12.0% to a record \$729 million for the current quarter compared with the same period in 2006. Revenue increased across all of BB&T’s fee-based businesses, including record revenues generated by BB&T’s insurance operations and investment banking and brokerage operations.

Commissions from BB&T’s insurance operations increased 7.0% to a record \$229 million in the current quarter compared with \$214 million earned during the second quarter last year. This increase resulted primarily from growth in market share in the commercial property and casualty, and employee benefits product lines. In particular, large account property and casualty commissions increased significantly in the second quarter compared to prior periods.

BB&T’s investment banking and brokerage operations generated record revenues of \$89 million in the current quarter, an increase of 12.7% compared to \$79 million earned in the second quarter of 2006. The increase includes growth in underwriting fees and corporate banking revenues at BB&T Capital Markets, and increased fees and commissions from Scott & Stringfellow.

Service charges on deposit accounts totaled \$151 million for the second quarter of 2007, an increase of 9.4% compared to \$138 million earned in the same quarter last year. This increase was primarily attributable to growth in revenues from overdraft items.

Other nondeposit fees and commissions totaled \$127 million for the second quarter of 2007, an increase of 14.4% compared to the second quarter of 2006. This increase was generated primarily by growth in card-related services.

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## **Core Asset Quality Remains Healthy**

BB&T's asset quality remained healthy during the second quarter of 2007. Nonperforming assets, as a percentage of total assets, were .33% at June 30 compared to .30% at March 31 and .27% at June 30, 2006. Annualized net charge-offs were .35% of average loans and leases for the second quarter of 2007, up from .29% in the first quarter this year. This charge-off rate includes an external fraud-related charge-off totaling \$9 million. Excluding losses incurred by BB&T's specialized lending subsidiaries, annualized net charge-offs were .20% of average loans and leases for the current quarter compared with .12% in the second quarter last year.

## **BB&T Produces Positive Operating Leverage Driven By Improved Revenues, Stronger Expense Control**

BB&T produced positive operating leverage of 5.8% on an annualized basis during the second quarter of 2007 compared to the first quarter of 2007. These results were driven primarily by higher revenues, which increased 24.6% on an annualized basis, compared to the first quarter 2007. BB&T also improved operating efficiency during the quarter, reflected in a cash basis efficiency ratio of 51.7% compared to 52.1% in the first quarter this year. Excluding merger-related and restructuring charges or credits, nonrecurring items and growth resulting from purchase acquisitions, noninterest expenses increased 2.9% compared to the second quarter of 2006 and are up 1.1% comparing the first six months of 2007 with the same period last year.

## **Combined Loan and Deposit Growth Remains Strong**

Average loans and leases totaled \$86.9 billion for the second quarter of 2007, reflecting an increase of \$9.0 billion, or 11.5%, compared to the second quarter of 2006. This increase was composed of growth in average commercial loans and leases, which increased \$3.8 billion, or 9.8%; average mortgage loans, which increased \$1.9 billion, or 12.2%; average consumer loans, which increased \$1.4 billion, or 6.6%; and growth in average loans originated by BB&T's specialized lending subsidiaries, which increased \$1.9 billion, or 60.0%, compared to the second quarter last year. The growth in loans originated by BB&T's specialized lending subsidiaries includes the acquisition of AFCO Credit Corporation. Excluding the impact of this acquisition, average loans in BB&T's specialized lending group increased 22.9% compared to the second quarter last year.

Average deposits totaled \$82.0 billion for the second quarter of 2007, an increase of 8.4% compared to \$75.6 billion for the second quarter of 2006. Average client deposits totaled \$75.6 billion for the second quarter of 2007, an increase of 11.4% compared to \$67.9 billion for the second quarter of 2006. Average retail deposit growth was led by client certificates of deposit, which increased \$4.3 billion, or 19.8%, and other client deposits, which increased \$3.1 billion, or 9.9%. During the second quarter of 2007, BB&T's banking network generated approximately 28,000 net new transaction accounts.

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## **BB&T Increases Quarterly Cash Dividend 9.5%**

On June 26, BB&T's Board of Directors approved a 9.5% increase in the quarterly cash dividend paid to shareholders. The increase, to \$.46 per share, marks the 36<sup>th</sup> consecutive year that BB&T has raised its cash dividend to shareholders. BB&T has paid a cash dividend to shareholders every year since 1903. The dividend will be paid on Aug. 1 to shareholders of record on July 13. Based on the closing price of BB&T's common stock on June 30, BB&T's dividend yield was 4.5%.

## **BB&T Completes Acquisition of Coastal Financial and Two Insurance Agencies**

On May 1, BB&T completed its merger with Coastal Financial Corporation, of Myrtle Beach, S.C. Coastal Financial operates 24 banking offices in high-growth markets in the Myrtle Beach, S.C., and the Wilmington, N.C., areas. Coastal's offices will continue to operate under the Coastal brand until the systems conversion, which is scheduled for August.

BB&T Insurance Services also expanded through the acquisition of two high-quality insurance agencies. On June 1, Reese Insurance Associates Inc., of metro Atlanta, Ga., was acquired and, on July 2, Carswell Insurance Services, of Hilton Head Island, S.C., was acquired. Both agencies are strong performers in excellent markets.

At June 30, BB&T had \$127.6 billion in assets and operated 1,507 banking offices in the Carolinas, Virginia, West Virginia, Kentucky, Georgia, Maryland, Tennessee, Florida, Alabama, Indiana and Washington, D.C. BB&T's common stock is traded on the New York Stock Exchange under the trading symbol BBT. The closing price of BB&T's common stock on July 18 was \$40.61 per share.

For additional information about BB&T's financial performance, company news, products and services, please visit our Web site at [www.BBT.com](http://www.BBT.com).

## **Earnings Webcast**

To hear a live webcast of BB&T's second quarter 2007 earnings conference call at 11:00 a.m. (EDT) today, please visit our Web site at [www.BBT.com](http://www.BBT.com). Replays of the conference call will be available through our Web site until 5 p.m. (EDT) on Friday, Aug. 3.

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*Prior period operating and cash basis results have been revised to include equity-based compensation expense to be comparable with the 2007 results presented herein.*

*This press release 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. Non-GAAP measures typically adjust GAAP performance measures to exclude the effects of charges, expenses and gains related to the consummation of mergers and acquisitions, and costs related to the integration of merged entities, as well as the amortization of intangibles and purchase accounting mark-to-market adjustments in the case of "cash basis" performance measures. These non-GAAP measures may also exclude other significant gains, losses or expenses that are unusual in nature and not expected to recur. Since these items and their impact on BB&T's performance are difficult to predict, management believes presentations of financial measures excluding the impact of these items provide useful supplemental information that is important for a proper understanding of the operating results of BB&T's core businesses. 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.*

*This press release contains certain forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. These statements may address issues that involve significant risks, uncertainties, estimates and assumptions made by management. Actual results may differ materially from current projections. Please refer to BB&T's filings with the Securities and Exchange Commission for a summary of important factors that may affect BB&T's forward-looking statements. BB&T undertakes no obligation to revise these statements following the date of this press release.*