

May 11, 2009

To Our Shareholders:

Federal banking regulators announced on May 7 that BB&T has more than sufficient capital, following a very rigorous stress test of our loan portfolios and other operating results. The findings of the regulatory examination stated that BB&T is not required to raise additional capital to remain well capitalized even under the severe economic assumptions used in the exam. We believe the results confirm BB&T's strength considering the number of institutions that did not fare as well in the exam.

Following receipt of these results, we announced on May 11 a comprehensive capital plan to raise common equity, temporarily reduce the cash dividend and, following consultation with our regulators, repay the government's investment in BB&T related to the TARP Capital Purchase Program. Our capital plan is designed to accomplish three critical objectives that I shared at our annual meeting. First and foremost, we must maintain a very strong capital position throughout this economic downturn. Second, we have taken steps to repay the government's investment in BB&T because the board of directors firmly believes that the investment is fundamentally destructive to shareholder value over the long term because it allows the government to dictate business decisions that are not necessarily in the best interest of the shareholders. Third, we have positioned the company to benefit from opportunities we predict will be available to stronger financial institutions as we emerge from this recession.

The most difficult component of this plan for the board and for me personally is the necessary, and I believe prudent decision to temporarily reduce the cash dividend to \$.15 per share. We carefully considered many factors in making this decision. We have a long and proud history of paying and increasing dividends and understand how important the dividend is to our shareholders. This is why BB&T is the last large financial institution to reduce its regular dividend, and even following the reduction, we continue to pay a premium compared to all other large banks.

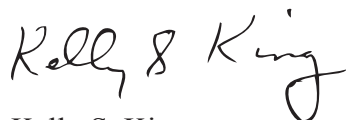
On a personal note, the necessity of reducing our dividend marks the worst day in my 37 year career. I remain extremely proud of our company's performance and believe that this reduction in the dividend will be temporary. We made this decision because we firmly believe it is in the long-term best interests of our shareholders and our company because of the risk and uncertainty associated with being a TARP participant. In addition, our current earnings, while superior to our peers, are not likely to justify our \$.47 dividend in the near term. Credit costs associated with this recession are significant and increasing. When economic conditions improve and our earnings provide for an increase in the dividend, we are committed to increasing it accordingly.

Many of you have asked why we agreed to participate in the Capital Purchase Program last November. Frankly, we did not need or want the investment, but our regulators urged us along with other healthy banks to participate for the purpose of increasing lending to improve economic conditions. In the original spirit of the program, BB&T took steps to accelerate lending programs, particularly in markets that were hardest hit by tighter credit standards. BB&T continues to originate more than \$6 billion in loans per month in total and has made more than \$2 billion in incremental loans and commitments to lend since receiving the government investment.

However, the rules have changed. Congress has attached an ever-growing number of restrictions and regulations to TARP banks and public sentiment has turned negative as the investments are inaccurately viewed as bailouts, even for healthy banks. For these reasons, and the potential for additional Congressional action that may be very destructive to our franchise, we have taken the steps I outlined to protect and enhance the long-term value of BB&T.

In closing, I am very grateful for your patience and support as a BB&T shareholder. Even though these are remarkably challenging times, BB&T truly stands out as one of the nation's strongest banks. I firmly believe that our best days are ahead.

Kind regards,

A handwritten signature in black ink that reads "Kelly S. King". The signature is written in a cursive, flowing style.

Kelly S. King
President and Chief Executive Officer