



USAmeriBancorp, Inc.

2011

ANNUAL REPORT

WASHINGTON

USAmeriBancorp, Inc.

USAmeriBancorp, Inc. is a bank holding company with a wholly-owned subsidiary, USAmeriBank, based in Clearwater, Florida. Aliant Bank, a division of USAmeriBank operates 15 offices in Alabama. USAmeriBank and Aliant are focused on providing an exceedingly high level of customer service, knowing that they succeed by helping their customers succeed.

Mission

USAmeriBank is committed to be the leading independent bank in the markets we serve. Our foundation is built on providing value to our customers, employees, shareholders, and community. Our mission is to provide superior personalized financial solutions. Through our team of experienced relationship bankers, we will set the standard in financial performance and stability.

Vision

USAmeriBank is the bank of choice in the markets we serve, built on a foundation of professionalism, trust, honesty, and respect. We have the knowledge, services, technology, and capital to offer large-scale banking solutions. USAmeriBank is differentiated by our quality of service and our needs-driven approach for our customers, setting the standard for performance measures in the industry.



2007

- Received charter and opened February 2007
- Opened Flagship Branch in Largo, FL, with \$12 million in total assets and 11 employees
- Added second office in Downtown Tampa
- Achieved \$165 million in total assets
- Ended year with 33 employees

2008

- Opened third office in South Tampa
- Added fourth office in Brandon
- Surpassed \$500 million in total assets
- Ended year with 71 employees

2009

- Acquired Liberty Bank in Clearwater, establishing our fifth branch
- Surpassed \$750 million in total assets
- Completed initial \$25 million investment in ALIANT Financial Corporation
- Ended year with 109 employees

2010

- Opened sixth office in Carrollwood
- Acquired 32,000-square-foot Operations Center in Clearwater
- Finalist, Greater Clearwater Chamber “2010 Business of the Year”
- Named one of the “Top Work Places 2010” by the St. Petersburg Times
- Completed second \$10 million investment in ALIANT Financial Corporation
- Ended year with 144 employees

2011

- Opened offices in Belleair Bluffs, Clearwater, and St. Petersburg
- Surpassed \$1 billion in total assets
- Named one of the “Top Work Places 2011” by the St. Petersburg Times
- Completed full acquisition of ALIANT Financial Corporation and Aliant Bank
- Ended year with 474 employees

Founded in 1900, Aliant Bank was launched by the Russell family, based on Benjamin Russell’s guiding principles of innovation and hard work. Aliant provides a strong sense of stability for its customers with consistent service, familiar faces at neighborhood offices, and a local executive team.

With branch offices in Birmingham, Montgomery, and the Tallapoosa region, the bank’s goal, quite simply, is to help Alabama businesses and individuals. In fact, this focus goes back to how the bank decided on the Aliant name – it’s a combination of the words “alliance” and “reliant.” Our goal is to be a reliable partner for our customers.

Dear Fellow Shareholders:

At USAmeriBancorp, Inc., we posted another year of solid growth and financial performance in 2011, driven by our commitment to superior customer service delivered by experienced, talented bankers with in-depth local knowledge. It's what differentiates us from other banks, and it wouldn't be possible without the efforts of our employees and the support of our shareholders.

On December 30, 2011, we simultaneously merged the holding company of Aliant Financial Corporation into USAmeriBancorp, Inc., and Aliant Bank into USAmeriBank. Six of Aliant's board members (including our new Vice Chairman, John Russell Thomas, and Aliant CEO Harlan Parrish) joined the USAmeriBank board. In Alabama, we will continue to operate as Aliant Bank, a division of USAmeriBank. Our combined business model continues to work extremely well, as our 474 employees build close relationships with business and retail customers, growing the bank through our customers' success.

As we worked through a difficult economy, a changing industry landscape, and the meshing of USAmeriBank's operations with Aliant Bank in 2011, we continued to keep our utmost focus on building shareholder value. On a consolidated basis:

- Net income available to common shareholders grew from \$8.4 million in 2010 to \$9.4 million in 2011. On a per-share basis, earnings were up 6%, from \$1.15 to \$1.22.
- Book value per share increased by 18.7% from \$13.80 to \$16.38 per share, while tangible book value increased 28.8%, from \$11.21 to \$14.44 per share.
- Assets grew by a healthy \$255 million, or 13.6%, to \$2.124 billion.
- Deposits grew by \$240 million, or 16.2%, to \$1.7 billion.
- The bank experienced net loan growth of \$164 million, or 12.0%, to \$1.5 billion.

2011 was a challenging but very rewarding year. Our merger with Aliant Bank creates opportunities for shared growth. However, the pace of the economic comeback in Alabama has proven slower than expected. As part of the merger, we took a substantial loan loss provision (which was factored into the acquisition pricing). This, we believe, positions us for a strong 2012. We remain very optimistic

about our leadership and potential for market-share growth in Alabama.

Concurrently, the economy in the Tampa Bay area, which for years was largely driven by construction and real estate, has trailed much of the country in terms of growth. Despite this phenomenon, our assets grew 24.2% in the Tampa Bay market and we are optimistic about maintaining double-digit growth in 2012.

That said, we have positioned USAmeriBank and Aliant Bank to succeed regardless of economic conditions. We know that based on our past performance we have a high level of skill in finding opportunities for growth and profitability that will carry an acceptable level of risk for us.

In discussing our performance, and our goals for the year ahead, we can categorize our priorities and focus into six areas of strategic commitment.

Customer Service

This is what our brand stands for. It's where everything starts, and it's how we provide consistency and external focus across our lines of business and our geographic locations. It comes from clear thinking by team members who, as we say, "act like owners."

This plays out every day in our business with experienced bankers exercising decisiveness and agility. Consider the story of Paradigm Learning, a St. Petersburg, Florida-based company that provides learning simulations for Fortune 500 companies. As Paradigm CEO Ray Green told the Tampa Bay Times, Paradigm had previously been with a bank "that didn't understand our business."

Enter USAmeriBank, which took the time to understand Paradigm's business, and how even though the company had relatively long lead times for accounts receivable, its high-quality clients always paid. The result: a relationship where Green was more than happy to tell the newspaper how much he values a local, independent bank that pays close attention to its customers.

Team Members

We build our bank around people. And as owners of the company, our employees are highly motivated to make a difference. USAmeriBank's growth and success has created opportunities for our people: Our morale is excellent, and our team is motivated and passionate. Ask our customers or visit any of our locations and you will see it for yourself.

Consider the impact of four employees who joined us last year:

- Harlan Parrish joined Aliant Bank (now a division of USAmeriBank) as CEO and quickly made a significant impact, addressing issues head-on while improving communications with employees and customers.
- Mauro Harto has helped grow our mortgage operations dramatically in Florida and Alabama.
- Manny Alvarez, who has 60 years of banking experience, has leveraged his deep ties to Tampa's Hispanic community to help our new USAmeriBank branch in Ybor City get off to a strong start.
- And Rob Hertenstein is a Montgomery banking veteran with a focus on business lending who's helping show how Aliant has an ongoing commitment to Alabama.

Our ability to consistently attract and retain the best and brightest bankers available is not only our greatest challenge, but also our greatest strength. Our key employees are all stockholders and work as a high-performing team each and every day.

Integration and Efficiency

We continue to invest in our technology and systems infrastructure in order to provide quality customer service. By this summer, both USAmeriBank and Aliant will share a new IT platform. As we integrate our Florida and Alabama operations, we are finding numerous opportunities to consolidate and standardize our operations, and for shared growth opportunities.

To better organize our sales efforts within the Florida commercial bank, in 2011 we created four distinct lines of business: Commercial & Industrial, Business Banking, Real Estate, and Professional & Executive. Each group is staffed with a strong leader and experienced bankers with a specific market focus.

Risk Management

As with any merger, the task of bringing together two separate cultures and governance structures is challenging. We have focused on managing the risk related to the merger by combining corporate governance and oversight functions, while developing action plans to capture the full spectrum of new and emerging risks across the Company.

As we grow, it's critical that we continue to have superior risk management and solid financial discipline. Our ability to manage risk has been a significant factor in our success. We are committed to maintaining strong capital ratios and appropriate reserves for losses. And we will continue to use our local knowledge and industry experience to make decisions that are in the best long-term interest of the organization.

Capital

In 2011, \$28 million of capital was raised from existing shareholders and clients. The stock issued, primarily for the acquisition of the remaining non-controlling interest in Aliant, has further strengthened our balance sheet. Thus we have the capital base to continue to expand our footprint in the Florida and Alabama regions.

We know we need to achieve higher returns as the economy rebounds, and as we consider our options for deploying capital, much of our focus will be on investing in fee-income businesses, such as mortgage and insurance, which provide higher returns.

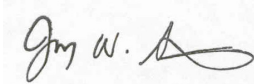
Growth and Performance

Our ultimate goal is organic growth. We have shown we can do it in Florida. Three new branches in Belleair, Clearwater, and Ybor City are off to great starts. Our next challenge is to develop this type of growth pattern in Alabama; we hope to open a branch in Auburn this year to augment our current loan production office.

Certainly, this doesn't get any easier as more banks regain their footing and raise the bar on competition.

But this brings us back to our core differentiator – customer service. And keeping that high level of quality service, even as we continue to grow, will be the ultimate key to our success.

We know that none of this success would be possible without the support and input we receive from our shareholders. On behalf of our Board of Directors, management, and employees, we thank you, and we look forward to another excellent year in 2012. If you have any questions, thoughts, or concerns about our business, please don't hesitate to contact us.



Jennifer W. Steans
Chairman of the Board



Joseph V. Chillura
Chief Executive Officer

US AmeriBancorp, Inc.

(Dollars in thousands, except per share amounts)

Year Ended December 31

	2011	2010	Percent Change
INCOME DATA			
Net interest income	\$77,236	\$31,696	144%
Provision for credit losses	(28,104)	(6,287)	347%
Non-interest income	13,925	3,046	357%
Gain on ALIANT acquisition	-	9,629	N/A
Equity in earnings (loss) of unconsolidated investee	-	(5,309)	N/A
Non-interest expense	(57,114)	(18,112)	215%
Income tax (expense) benefit	427	(5,159)	N/A
Net income*	6,370	9,504	(33%)
Less: Net (loss) attributable to non-controlling interest	(4,185)	-	N/A
Net income attributable to Company	\$10,555	\$9,504	11%
Net income to common shareholders	9,356	8,378	12%
Pre-tax pre-provision operating earnings	34,047	20,950	63%

* In 2010, 47% of Aliant Bank's net income was recorded in the Equity in earnings (loss) of unconsolidated investee line item. In 2011, Aliant's income flowed through every line item.

PERIOD-END BALANCE SHEET DATA

Loans	\$1,536,321	\$1,359,730	13%
Loans held for sale	15,529	7,703	102%
Securities	286,352	280,667	2%
Earning assets	1,950,675	1,750,522	11%
Total assets	2,124,138	1,865,609	14%
Non-interest-bearing deposits	438,739	281,757	56%
Total deposits	1,718,998	1,478,767	16%
Shareholders' equity	172,653	134,838	28%

COMMON SHARE DATA

Earnings per share:		
Basic	\$1.22	\$1.15
Diluted	1.21	1.14
Book value per common share	16.38	13.80
Tangible book value per common share	14.44	11.21

RATIOS

Return on average assets	0.30%	1.00%
Return on average common equity	4.62%	8.97%
Net interest margin	4.21%	3.79%
Efficiency ratio	62.65%	46.37%
Allowance for loan losses to loans	1.69%	0.90%
Non-performing assets to total loans	2.95%	1.69%
Tier 1 capital (to average assets)	7.30%	11.01%
Risk-based capital	13.15%	11.05%

(Dollars in thousands)

Year Ended December 31

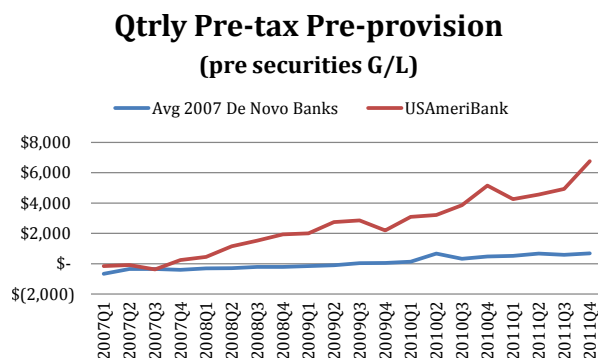
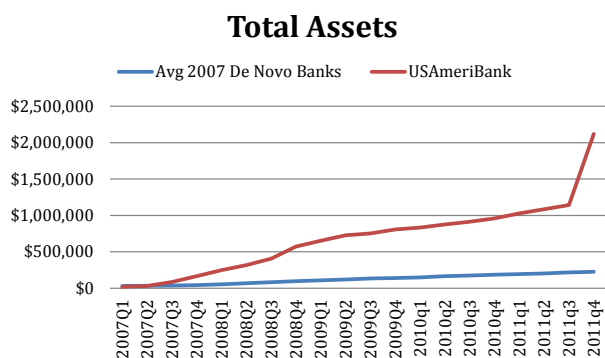
	2011	2010	Percent Change
INCOME DATA			
Net interest income	\$40,138	\$30,428	32%
Provision for credit losses	(8,313)	(6,289)	32%
Non-interest income	4,641	2,918	59%
Non-interest expense	(23,717)	(18,004)	32%
Income tax expense	<u>(4,827)</u>	<u>(3,314)</u>	46%
Net income	<u>\$7,922</u>	<u>\$5,739</u>	38%
Pre-tax pre-provision operating earnings	21,061	15,340	37%

PERIOD-END BALANCE SHEET DATA

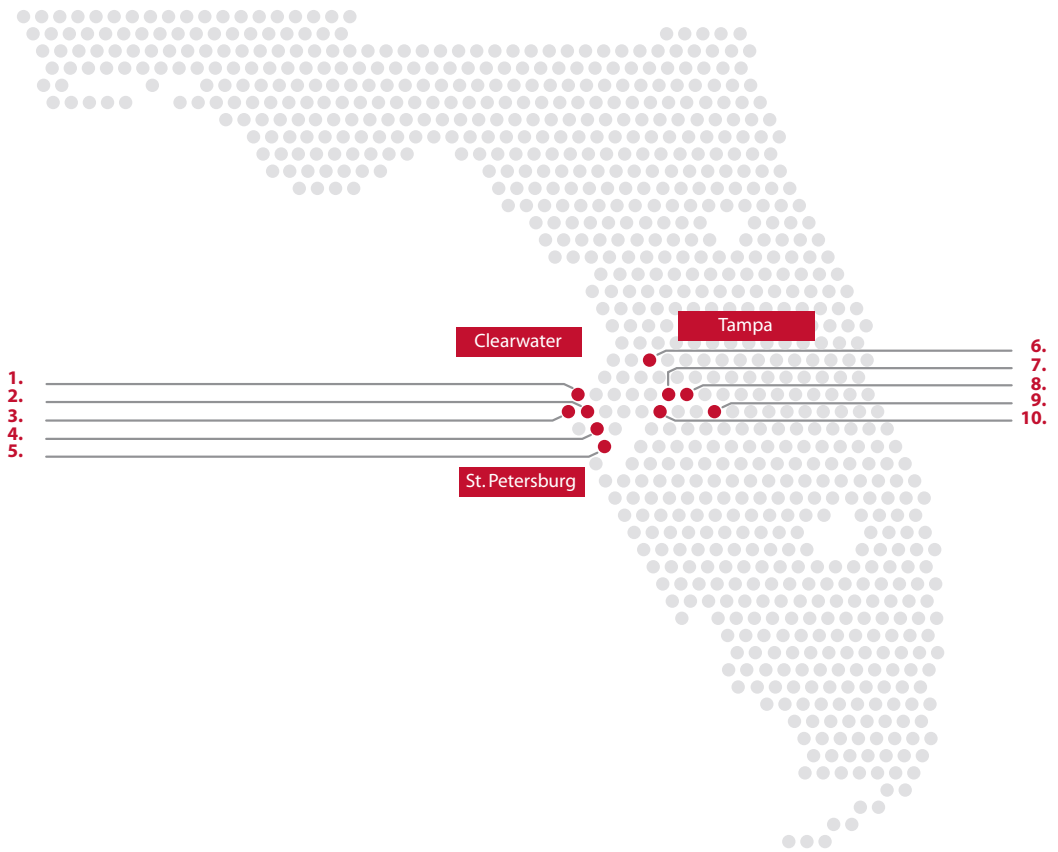
	2011	2010	Percent Change
Loans	\$1,535,572	\$772,600	99%
Loans held for sale	15,529	-	N/A
Securities	283,728	97,294	192%
Earning assets	1,945,933	887,592	119%
Total assets	2,120,645	959,829	121%
Non-interest-bearing deposits	441,714	117,480	276%
Total deposits	1,721,975	760,463	126%
Shareholders' equity	202,019	76,593	164%

RATIOS

	2011	2010
Net interest margin	4.03%	3.80%
Efficiency ratio	52.96%	53.99%
Allowance for loan losses to loans (excluding loans held for sale)	1.68%	1.59%
Non-performing assets to total loans	3.01%	0.98%
Tier 1 capital (to average assets)	15.25%	7.54%
Risk-based capital	12.35%	10.66%

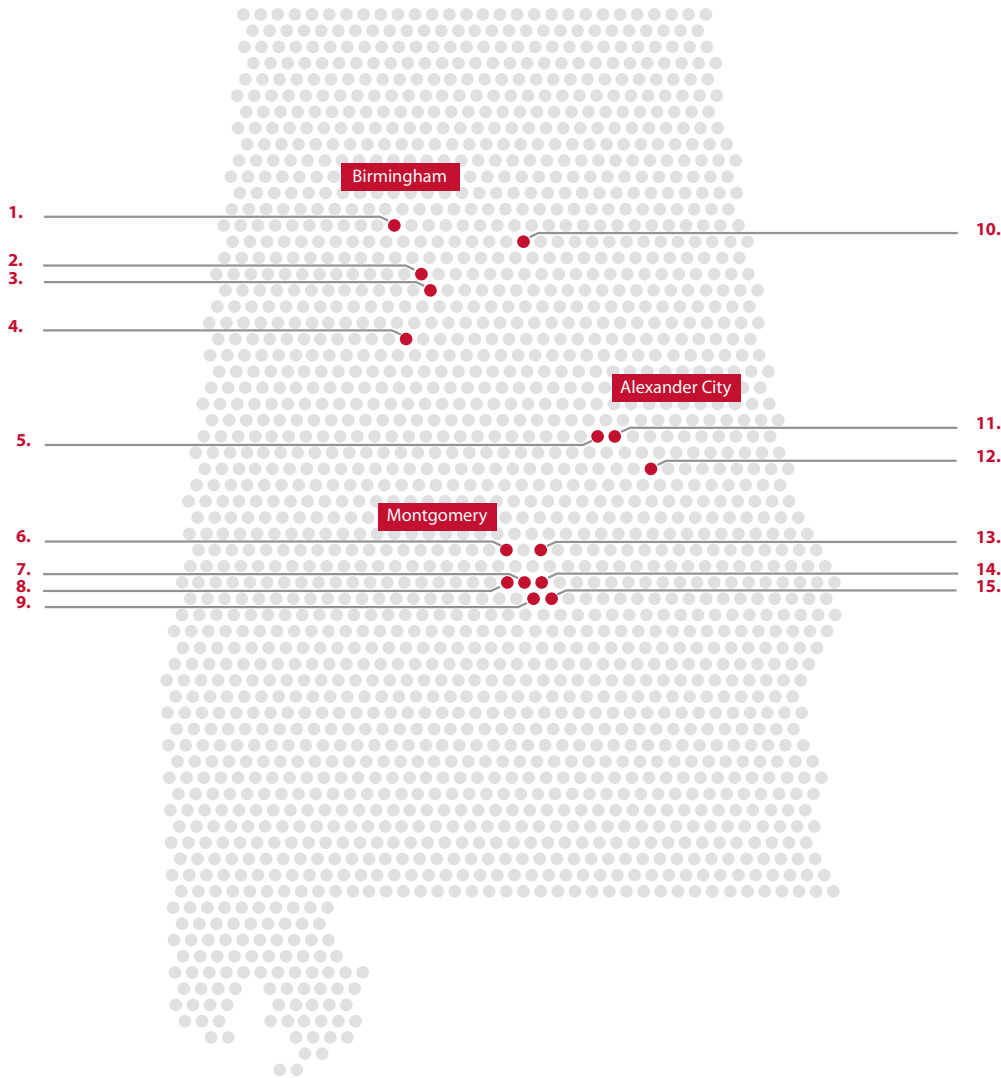


LOCATIONS FLORIDA



- | | | |
|---|---|--|
| 1. Clearwater
1617 Gulf to Bay Blvd
Clearwater, FL 33755 | 4. 49th Street
4770 140th Ave N
Clearwater, FL 33762 | 7. Downtown Tampa
113 E Whiting St
Tampa, FL 33602 |
| 2. East Bay
1125 E Bay Dr
Largo, FL 33770 | 5. 4th Street
1840 4th St N
Saint Petersburg, FL 33704 | 8. Ybor City
2028 E 7th Ave
Tampa, FL 33605 |
| 3. Belleair
2781 W Bay Dr
Belleair Bluffs, FL 33770 | 6. Carrollwood
3702 W Bearss Ave
Tampa, FL 33618 | 9. Brandon
668 Oakfield Dr
Brandon, FL 33511 |
| | | 10. South Tampa
1921 S Dale Mabry Hwy
Tampa, FL 33629 |

**LOCATIONS
ALABAMA**



- | | | |
|--|---|---|
| 1. Gardendale
210 Fieldstown Rd, Suite 142
Gardendale, AL 35071 | 6. Millbrook
3740 Hwy 14
Millbrook, AL 36054 | 11. Main Office
200 Aliant Pkwy
Alexander City, AL 35010 |
| 2. Crestline
92 Euclid Ave
Birmingham, AL 35213 | 7. Zelda Road
2740 Zelda Rd
Montgomery, AL 36106 | 12. Dadeville
391 North Broadnax St
Dadeville, AL 36853 |
| 3. Meadowbrook
1100 Corporate Pkwy
Birmingham, AL 35242 | 8. Bibb Street
500 Bibb St
Montgomery, AL 36104 | 13. Wetumpka
5236 U.S. Hwy 231
Wetumpka, AL 36092 |
| 4. Alabaster
50 Jimmy Gould Dr
Alabaster, AL 35007 | 9. Southeast
2843 East South Blvd
Montgomery, AL 36116 | 14. Eastmont
5400 Atlanta Hwy
Montgomery, AL 36109 |
| 5. Mill Square
1154 Lee St
Alexander City, AL 35010 | 10. Pell City
1930 Martin St S
Pell City, AL 35128 | 15. Festival Plaza
7911 Vaughn Rd
Montgomery, AL 36117 |

USAmeriBank Board of Directors

Jennifer W. Steans
Founding Director and Chairman of the Board
CEO, Financial Investments Corporation

John Russell Thomas^{*}
Director and Vice Chairman of the Board

Joseph V. Chillura
Director and Chief Executive Officer

Thomas B. (Brad) McMurtrey, III
Founding Director and President

James T. Ayers
Founding Director
President, Ayers, Saclarides & Company

George P. Bauer
Founding Director
Owner, GPBGroup

Michael L. Benstock
Founding Director
CEO, Superior Uniform Group, Inc.

John P. Connelly
Founding Director
Managing Partner, Connelly, Carlisle, Fields & Nichols

Robert C. George
Founding Director
Retired Banker

Richard E. Hanan^{*}
Director
Real Estate Investor

Mark S. Klein
Founding Director
President, Klein and Heuchan, Inc.

Jerry C. Kyser^{*}
Director
CEO, Jerry Kyser Builder, Inc.

M. Barnett Lawley^{*}
Director
President, Lawley Resource Management

Larry C. Morgan
Director
CEO, Morgan Auto Group

Dan L. Moultrie^{*}
Director
President, Summerfield LLC

John E. Oliva
Director
President & CEO, Oliva Tobacco Company

Harlan C. Parrish^{*}
Chief Executive Officer -
Aliant Bank, a division of USAmeriBank

Andy Joe Scaglione
Director
Commercial Real Estate Investor

Dawn Siler-Nixon
Director
Partner, Ford & Harrison LLP

Harrison I. Steans
Founding Director
*Chairman, Executive Committee of
Financial Investments Corporation*

William I. Sultenfuss, II
Director
President, WISCO Holdings Inc.

William B. Tiller
Director
President, Southeast Dairy Processors Inc.

USAmeriBank Executive Management

Joseph V. Chillura
Chief Executive Officer

Thomas B. (Brad) McMurtrey, III
President

Harlan C. Parrish
Chief Executive Officer - Aliant Bank, a division of USAmeriBank

Victoria A. Alderman
Executive Vice President and Chief Loan Administration Officer

Christina (Tina) E. Ford
Executive Vice President and Chief Operations Officer

Thomas E. Kelley
Executive Vice President and Chief Credit Officer

Alfred T. Rogers, Jr.
Executive Vice President and Chief Lending Officer

Amanda J. Stevens
Senior Vice President and Chief Financial Officer





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States.