



PARK STERLING BANK

## NEWS RELEASE

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### **Park Sterling Bank Seeks Stockholder Approval for Charter Amendments to Facilitate Changes in its Business Plan**

*Bank Proposes to Increase Common Stock Shares from 45 Million to 200 Million and Expand its Management Team*

**Charlotte, N.C., April 5, 2010** – [Park Sterling Bank](#) announced today that it is seeking the approval of its stockholders for amendments to its Articles of Incorporation to facilitate changes in its business plan that include a potential capital raise, expansion of management to include a team of former legacy-Wachovia bankers and pursuit of continued organic growth and potential acquisitions in the Mid-Atlantic and Southeastern United States.

In order to enable the Bank to proceed with the capital raise, a proposed amendment will increase the authorized number of shares of common stock from 45 million to 200 million. Following the increase in authorized shares, the Bank anticipates raising additional capital of approximately \$400 million. The Bank's capital raising efforts will be subject to market conditions and a number of other conditions, including the approval of certain regulatory filings by the Federal Deposit Insurance Corporation (FDIC) and the North Carolina Commissioner of Banks. A nationally recognized investment bank is expected to lead the Bank's capital raising efforts. The proposed capital raise will be made solely by means of an offering circular.

The Park Sterling Bank management team will be expanded to include a group of former legacy-Wachovia bankers, including James C. Cherry, David L. Gaines and Leonard R. Robinett, Jr. Cherry will become the Bank's Chief Executive Officer following completion of the capital raise. Current Bank President and Chief Executive Officer Bryan F. Kennedy III will serve as President. Gaines will assume responsibilities as Chief Financial Officer and Robinett as Head of Corporate Development. Stephen A. Arnall, currently Chief Financial Officer, will become Treasurer. These

additions to management are contingent on the successful completion of the proposed capital raise and regulatory approval of the Bank's revised business plan.

A second proposed amendment to the Bank's Articles of Incorporation will reduce the minimum number of directors and allow the Board of Directors to be reconstituted to include individuals with deep banking knowledge and experience. Serving as Chairman will be Leslie M. (Bud) Baker, Jr., who joined Wachovia Corporation in 1969 and retired as Chairman of its board in 2003. Larry W. Carroll, current Park Sterling Bank Chairman, and Thomas B. Henson will remain on the board. Walter C. Ayers, the retired President and Chief Executive Officer of the Virginia Bankers Association, and Jeffrey S. Kane, the retired Senior Vice President in charge of the Charlotte Office of the Federal Reserve Bank of Richmond, also will be appointed to the board. These changes to the board structure and composition are contingent on the successful completion of the proposed capital raise and regulatory approval of the Bank's revised business plan.

### **About Park Sterling Bank**

Park Sterling Bank, headquartered in Charlotte, N.C., is dedicated to providing personal, comfortable banking services tailored to the needs and goals of its customers and delivered by a remarkably experienced team of bankers. For more information, visit [www.parksterlingbank.com](http://www.parksterlingbank.com).

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*The information included in this press release related to the proposed capital raise does not constitute an offer to sell the securities of the Bank and the Bank is not soliciting an offer to buy such securities. Any such offer, if made, may only be made pursuant to an offering circular. Definitive proxy solicitation materials concerning the proposed amendments and other matters have been distributed to the stockholders of the Bank. Stockholders are encouraged to carefully review these materials in their entirety prior to completing their appointment of proxy or attending the annual meeting and casting a vote by ballot.*

*This press release contains forward-looking statements that are based on management's expectations. All statements in this communication, other than those relating to historical information or current condition, are forward-looking statements. These statements are not guarantees that events in the future will occur and involve certain risks and uncertainties including, without limitation, whether or not the stockholders of the Bank approve the proposed amendments to the Articles of Incorporation, market conditions and regulatory approvals required to proceed with the proposed capital raise and contemplated changes to management and the Board of Directors.*