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Southern Bank Announces Bath Branch Consolidation

Mount Olive, N.C. – Southern Bank and Trust Company, a wholly owned subsidiary of Southern BancShares (N.C.), Inc., has announced plans to consolidate its branch location in Bath into its Belhaven branch. The announcement was made by J. Grey Morgan, Chairman and Chief Executive Officer of Southern Bank, and Drew Covert, President and Chief Operating Officer of Southern Bank.

According to Morgan, the Bath branch consolidation is part of a larger effort aimed at maintaining a stable, profitably sustainable branch network under the new regulatory, economic and operating environment confronting the industry. The consolidation is scheduled for completion in June of this year.

“One of our main objectives is to continue serving the rural and low-to-moderate income areas surrounding our communities as efficiently as possible, while enhancing our ability to provide dependable banking services to our communities both now and in the long term,” said Morgan. “Making the difficult decision to consolidate a branch is never easy, but doing so will allow us to continue profitably serving the county and surrounding area in the long term, with minimal service disruption to our customers.”

According to Covert, the branch consolidation is in response to customers' continued migration to online and other self-service banking channels. “More and more of our customers' daily transactions with the bank occur outside of the branch,” said Covert. “Our objective remains to maintain a profitably sustainable branch network for the future, without inhibiting our ability to serve the banking needs of our customers in rural counties. The condition of the bank remains very strong and we remain among the safest, soundest banking institutions in the country.”

Covert added that customers in Bath will begin receiving mailed notices with details regarding the consolidation process by early March. Notices will also be posted prominently in the branch. The consolidation process will not affect any customer deposits or account numbers. Customers can continue to use their checks, credit, debit and ATM cards and will still have online and mobile access to their accounts.

Founded in 1901, Southern Bank has total assets approaching \$2.4 billion and provides a broad range of financial services to individuals, businesses, professionals and the medical community through a branch and ATM network spanning eastern North Carolina and southeastern Virginia. Southern Bank has received the five-star “Superior” ranking - the highest possible ranking - by independent bank rating firm Bauer Financial Inc. of Coral Gables, Fla. (Bauerfinancial.com). Member FDIC.

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