



## **PRESS RELEASE**

FOR IMMEDIATE RELEASE  
June 27, 2006

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### **JAMES A. BECK & T. STEPHEN JOHNSON ANNOUNCE FORMATION OF TRUSTATLANTIC FINANCIAL CORPORATION AND AGREEMENT TO ACQUIRE MILLENNIA COMMUNITY BANK**

RALEIGH, N.C., GREENVILLE, N.C. and ATLANTA, Ga. – Veteran North Carolina banker, James A. Beck, and leading bank consultant, T. Stephen Johnson, announced today that they have joined forces to build a new banking company in North Carolina, which will be headquartered in Raleigh. They also announced that the new company, TrustAtlantic Financial Corporation, has entered into a definitive agreement to acquire Millennia Community Bank in Greenville, North Carolina, subject to regulatory and shareholder approvals. Following the acquisition, which is expected to occur later this year, Millennia will become TrustAtlantic Bank.

Jim Beck, President and Chief Executive Officer of TrustAtlantic Financial, has previously led the formation and growth of two successful bank start-ups based in Raleigh and has rich industry experience spanning more than 30 years. As President and Chief Executive Officer from its founding in 1997 until leaving in 2003, Beck built Capital Bank Corporation into a banking company with over \$900 million in total assets and 21 branches in central and western North Carolina. Under his leadership, the company raised \$27 million in capital in its initial public offering, a record at that time for a new bank in North Carolina, and was named the 64<sup>th</sup> Fastest Growing Small Public Company by *Fortune Small Business* magazine. In 1991, as President and Chief Executive Officer of SouthTrust Bank of North Carolina, N.A., Mr. Beck led the first entry of a major out-of-state bank holding company into North Carolina. SouthTrust in North Carolina grew through internal growth and acquisitions to more than \$1 billion in total assets during his six year tenure. Mr. Beck established J. Beck & Company in 2003, a financial services and advisory firm, which provides specialized services to businesses and their owners, including selected banking industry clients. In addition, he is an active community leader, having served in key leadership roles in a number of organizations, including current board positions with the Greater Raleigh Chamber of Commerce and North Carolina State University.

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Steve Johnson, who will serve on the board of directors of TrustAtlantic, has been deeply involved in the banking industry for his entire professional career. He founded T. Stephen Johnson and Associates in 1986 and has helped over 100 organizing groups start new banks throughout the United States, predominantly in the Southeast. He was the founder and is Chairman Emeritus of NetBank, which has raised \$300 million in capital and grown to \$4.5 billion in total assets since 1996. He was founder and Vice Chairman of Florida Banks, Inc., which raised \$50 million in initial capital and grew to a billion dollars in assets in four years. Florida Banks, Inc. was acquired by the South Financial Group in 2004. Along with a group of Atlanta business leaders, Mr. Johnson recently founded Bank of Atlanta and its parent company, Atlanta Bancorporation, Inc. Following the successful completion of a \$60 million private equity offering, Atlanta Bancorporation acquired Gibsonville Community Bank, relocated its headquarters from Gibsonville, North Carolina, and renamed it Bank of Atlanta. Mr. Johnson is Chairman of Bank of Atlanta.

Millennia Community Bank is a state chartered commercial bank, which was founded in 2000, and is based in Greenville, North Carolina. Millennia has total assets of approximately \$30 million and 19 employees. The bank has its main office on Arlington Boulevard and one branch location. TrustAtlantic expects to retain Millennia's employees and plans further expansion in the Greenville market. It is anticipated that TrustAtlantic Financial will energize the bank with \$75-\$100 million in new capital through a private placement equity offering to be conducted later this year.

In the proposed transaction, Millennia shareholders will receive cash in exchange for their shares of common stock. TrustAtlantic will pay Millennia shareholders of common stock and holders of "in-the-money" warrants an aggregate amount equal to Millennia's book value (subject to certain adjustments) at the month-end immediately prior to the closing of the transaction plus \$3,000,000. Based on Millennia's book value at March 31, 2006, this transaction would be valued at approximately \$8.1 million and each share of common stock would be exchanged for approximately \$5.36.

Commenting on the announcement, Laurence J. Trapp, President and Chief Executive Officer of Millennia Community Bank said, "We are very excited and believe this to be in the best interests of our shareholders, customers and employees. The additional capital that will come with this transaction will give us substantially greater lending capacity, provide for additional branch expansion and allow us to better serve the Greenville market."

Mr. Johnson said, "We became interested in this area of the country when we started spending time here with the people in Gibsonville. North Carolina enjoys a robust and diversified economy and, in particular, the incredible growth in the greater Raleigh area is unparalleled in most places around the country. Of course, Greenville is one of the most dynamic markets in the eastern part of the state. This economic vitality, along with strong leadership in the business community and a progressive bank regulatory environment, make this region an ideal location for a super-community bank. We are very pleased that we were able to come together with Jim Beck and Millennia Community Bank to work as partners on this endeavor."

Mr. Beck added, "I have been studying customer financial needs and exploring market opportunities in the banking industry for more than two years now to determine the best means to build a successful banking franchise that will excel at helping its customers achieve their financial goals. During this process, I was fortunate to be introduced to Steve Johnson, who has an impressive track record in developing high performing banks in growth markets. Steve and I share a belief that transforming an existing community bank by injecting substantial new financial and human capital and implementing a well-conceived strategy is the ideal way to build a high performing banking organization. We are excited that Millennia Community Bank will form the foundation for our new venture and are looking forward to serving its many customers."

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Mr. Beck is currently assembling his top management team and, along with Mr. Johnson, is organizing the board of directors, which will be made up of prominent business and community leaders primarily in central and eastern North Carolina. TrustAtlantic's primary competitive focus will be to build broad financial relationships with mid market businesses and their owners, professionals and other individuals who desire value-added service. The company anticipates ultimately having eight to ten banking offices in the Raleigh-Cary Metro area, three to four offices in Greenville, and may consider expansion into other growth areas of the state in the future.

The acquisition of Millennia is expected to be completed by the end of the year. TrustAtlantic is engaged in discussions with two prominent investment banking firms regarding the private placement equity offering. Howe Barnes Investments, Inc. acted as an advisor to TrustAtlantic in its transaction with Millennia Community Bank.

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