

TRANSACTION PROFILE: CITRUS & CHEMICAL/COLONIAL

Citrus & Chemical Bancorporation Sells for \$219 Million or 3.6x Book to Colonial BancGroup

Hovde Financial is pleased to announce its fourth Florida bank sale in 2007 and its eleventh in the last twelve months. Our client, Citrus & Chemical Bancorporation ("C&C"), headquartered in Bartow, Florida, has signed a definitive agreement to merge with Colonial BancGroup (NYSE: CNB), of Montgomery, Alabama, in a 50% stock/ 50% cash transaction valued at \$219 million (or \$39.02 per share based on Colonial's average trading price).

C&C has 10 branches located in the Lakeland MSA (Polk County) and is one of the premier central Florida community bank institutions as well as one of the oldest in the state. The long-term success of C&C is directly related to the efforts of the late George Harris Jr. and Doug Small (CEO), as well as his senior management team, who have keenly focused on building a dominant franchise in Polk County. This transaction moves Colonial up from the 7th market position to 4th in the Lakeland MSA in terms of deposits, with a pro forma deposit base in Polk County of over \$900 million and 14 branches. Colonial will also maintain its #6 deposit ranking in the State of Florida.

The aggregate deal value of \$219 million equates to 3.6x tangible book, 28x LTM earnings, 26x 2007E earnings, and a 26% premium-to-core deposits. The price-to-book multiple of 3.6x represents the highest premium ever recorded for a bank in central Florida (excluding Orange County). This transaction also represents the fourth Florida client that Hovde has sold to Colonial; other transactions include Commercial Bankshares - 3.6x book, Union Bank of Florida - 3.2x book, and PCB Bancorp - 4.3x book.

At a time when pricing is coming down in Florida (as well as across the country) and heading towards a five-year low, Hovde continues to announce premium-priced deals. There have been 12 deals announced so far in 2007 and the average price-to-book was only 2.6x. However, four of these 12 sales were Hovde clients with average pricing on our transactions of 3.7x book (C&C - 3.6x book, Commercial Bank - 3.6x book, BankFirst - 4.5x book, and People's Community - 3.2x book). Excluding our deals, the average price-to-book in Florida currently equates to only 2.1x book. Year-in and year-out we have been fortunate to consistently exceed our competitors in prices received for our clients.

Hovde Financial initiated the Citrus & Chemical transaction, served as exclusive financial advisor to Citrus & Chemical, and delivered a fairness opinion to their Board of Directors.

About Hovde Financial

Hovde Financial is a nationwide investment bank focused exclusively on the financial services industry, specializing in providing a variety of investment banking and financial advisory services to community banks and thrifts. Founded in 1987, the firm has been a financial advisor in 275 merger and acquisition transactions for an aggregate deal value of over \$20 billion. In addition, Hovde has advised on approximately \$5.5 billion in branch transactions. Client-driven and results-oriented, the firm's experienced principals and bankers are committed to providing superior, value-added advice.

TRANSACTION PROFILE

HOVDE FINANCIAL IS PLEASED TO ANNOUNCE

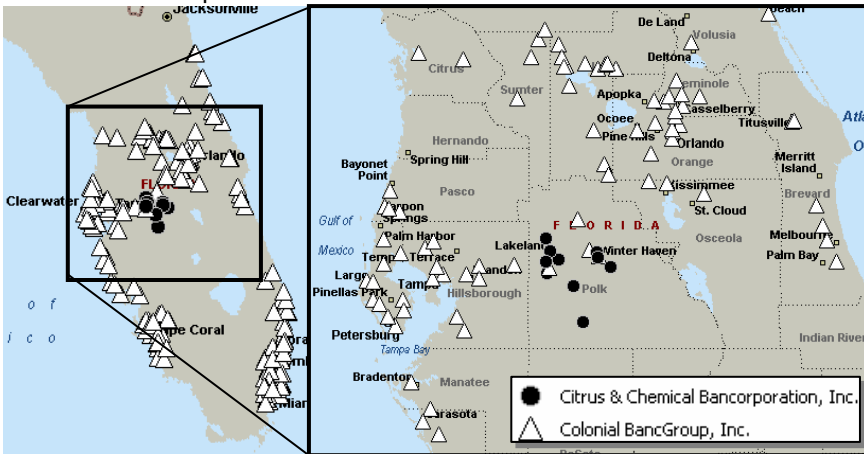
Citrus & Chemical Bancorporation, Inc. - Bartow, FL
has agreed to merge with
Colonial BancGroup, Inc. - Montgomery, AL

Hovde Financial both initiated this transaction and served as exclusive financial advisor to Citrus & Chemical Bancorporation, Inc.

Overview of the Deal

- Montgomery, AL-based Colonial BancGroup, Inc. ("CNB") announced its second Florida transaction of 2007 with the signing of a definitive agreement to acquire Bartow, FL-based Citrus & Chemical Bancorporation and its wholly-owned subsidiary, Citrus & Chemical Bank, in a 50% stock / 50% cash transaction valued at \$219 million.
- Based on the total deal value of \$219 million, this price represents approximately 27.5x Citrus & Chemical's trailing twelve months earnings and 3.6x tangible book value.
- This transaction represents the fourth Florida transaction Hovde has announced in 2007. Furthermore, Hovde has now sold four Florida community banks to Colonial (Commercial Bankshares, Union Bank of Florida and PCB Bancorp).

Pro Forma Branch Map



Transaction Pricing

Aggregate Deal Price (\$million)	\$219.0
Announced Date	7/18/2007
Anticipated Closing Date	Q4 2007
Form of Consideration	50% Stock / 50% Cash
Consideration Structure	Fixed Exchange
Price-to-Tangible Book Value	3.6x
Price-to-12 Months Trailing Earnings	27.5x
Price-to-2007 Core Estimated Earnings	25.8x
Premium-to-Core Deposits	26.0%
Price-to-Total Assets	25.0%

Pro Forma Market Share - Lakeland MSA

Rank	Institution	Branch Count	Deposits in Market (\$000)	Market Share (%)
1	SunTrust Banks Inc. (GA)	25	1,391,482	24.3
2	Wachovia Corp. (NC)	30	1,254,836	21.9
3	Bank of America Corp. (NC)	15	1,029,003	18.0
4	Colonial BancGroup Inc. (AL) - Pro Forma	14	908,706	15.9
	Citrus & Chemical Bancorp. (FL)	10	731,620	12.8
5	CenterState Banks of Florida (FL)	12	314,598	5.5
6	Citizens Banking Corp (FL)	9	231,816	4.1
	Colonial BancGroup Inc. (AL)	4	177,086	3.1
7	Riverside Banking Company (FL)	6	134,850	2.4
8	Fifth Third Bancorp (OH)	5	124,749	2.2
9	Platinum Bank (FL)	2	91,437	1.6
10	Community One Bancshares Inc. (FL)	1	87,035	1.5
11	Regions Financial Corp. (AL)	10	66,706	1.2
12	Washington Mutual Inc. (WA)	7	50,761	0.9
13	Cmnty Bk of South FL Inc. (FL)	3	18,875	0.3
14	Providence Bank (FL)	1	10,701	0.2
15	Alabama National BanCorp. (AL)	1	5,171	0.1

Note: Deposit data as of 6/30/06.

Buyer and Seller Financial Information (as of 3/31/2007)

	<u>Colonial</u>	<u>Citrus & Chemical</u>
Headquarters	Montgomery, AL	Bartow, FL
Ticker	CNB	N/A
States of Operation	FL(183),AL(91),GA(19),TX(16),NV(15)	FL(10)
Total Branches	324	10
Total Assets (\$000)	23,071,902	875,587
Total Deposits (\$000)	16,382,723	750,615
Core Deposits (\$000)	12,678,589	607,848
Total Equity (\$000)	2,096,328	61,102
Tangible Equity (\$000)	1,425,046	61,102
LTM Net Income (\$000)	237,272	7,970
LTM ROAA (%)	1.05	0.91
LTM ROAE (%)	11.75	14.23
Efficiency Ratio (%)	58.58	63.88
Non-Interest Income /AA (%)	0.87	0.90
NPAs/ Assets	0.14	0.13
NCOs / Average Loans	0.05	0.07