

FULTON FINANCIAL

CORPORATION

November 10, 2011

I am pleased to report that Fulton Financial Corporation's earnings continued to improve in the third quarter of 2011. We reported net income of \$39.3 million, or 20 cents per diluted share, an increase of 11% over the second quarter of 2011 and a 25% increase over the third quarter of 2010.

A number of factors and trends contributed to our solid results. These included a further decrease in the provision for credit losses, a reduction in funding costs, and strong non-interest income from mortgage sales gains. The persistently low interest rate environment, along with our excellent reputation as a residential mortgage lender in our markets, resulted in an increase in the volume of new mortgage loan commitments.

The weekend of October 22, our two New Jersey affiliates, The Bank and Skylands Community Bank, merged to become one bank: Fulton Bank of New Jersey, which is now the third largest commercial bank headquartered in that state. Our entire New Jersey team is excited about the prospects of competing under the highly regarded Fulton Bank brand.

Beginning in April 2012, we will make a change to our quarterly reports to shareholders. My quarterly messages to you will no longer be mailed in paper form; rather, they will be available online on our website at www.fult.com. You will be able to find the information you need easily from our home page by clicking on "From the Chairman." In fact, the message you are reading right now is already posted there. In January, we will do our final printed quarterly report, which will again be posted online, and in April, we will move forward with the online version only. This change to online reporting is consistent with the actions of many other publicly held companies and will enable us to provide you with information more quickly while helping your company keep expenses in line.

On a sad note, John O. Shirk, a member of the boards of directors of both Fulton Financial Corporation and Fulton Bank, passed away on November 8. John, an attorney with Barley Snyder, joined our company's boards in September of 1983. During his more than 28 years of service, John's legal experience, coupled with his considerable expertise in corporate finance, mergers and acquisitions, and strategic business planning, have been tremendous assets to our company. He will be missed.

I will conclude by summarizing the corporate priorities on which your board and senior management remain focused:

- Improving our return on assets (ROA)
- Monitoring and responding to pressure on our net interest margin
- Seeking opportunities to increase our base of relationship customers
- Managing our asset quality to reduce credit costs
- Building on our strong capital base while remaining poised to deploy that capital profitably
- Growing our earnings per share.

Thank you for your investment in Fulton Financial Corporation and for your support as we work to continually improve our performance and our total return to shareholders.



R. Scott Smith, Jr.
Chairman and Chief Executive Officer

[Click here](#) to view News from our company, including our most recent earnings press release and accompanying financial tables.