2011 Annual Report

SCBT Financial Corporation

MISSION

Our mission is to build a high-performing Regional Bank based on a balance of soundness, profitability and growth. We will accomplish this through relationship banking, delivered by engaged employees with clear strategic goals, objectives, and community banking values.


SOUNDNESS
PROFITABILITY

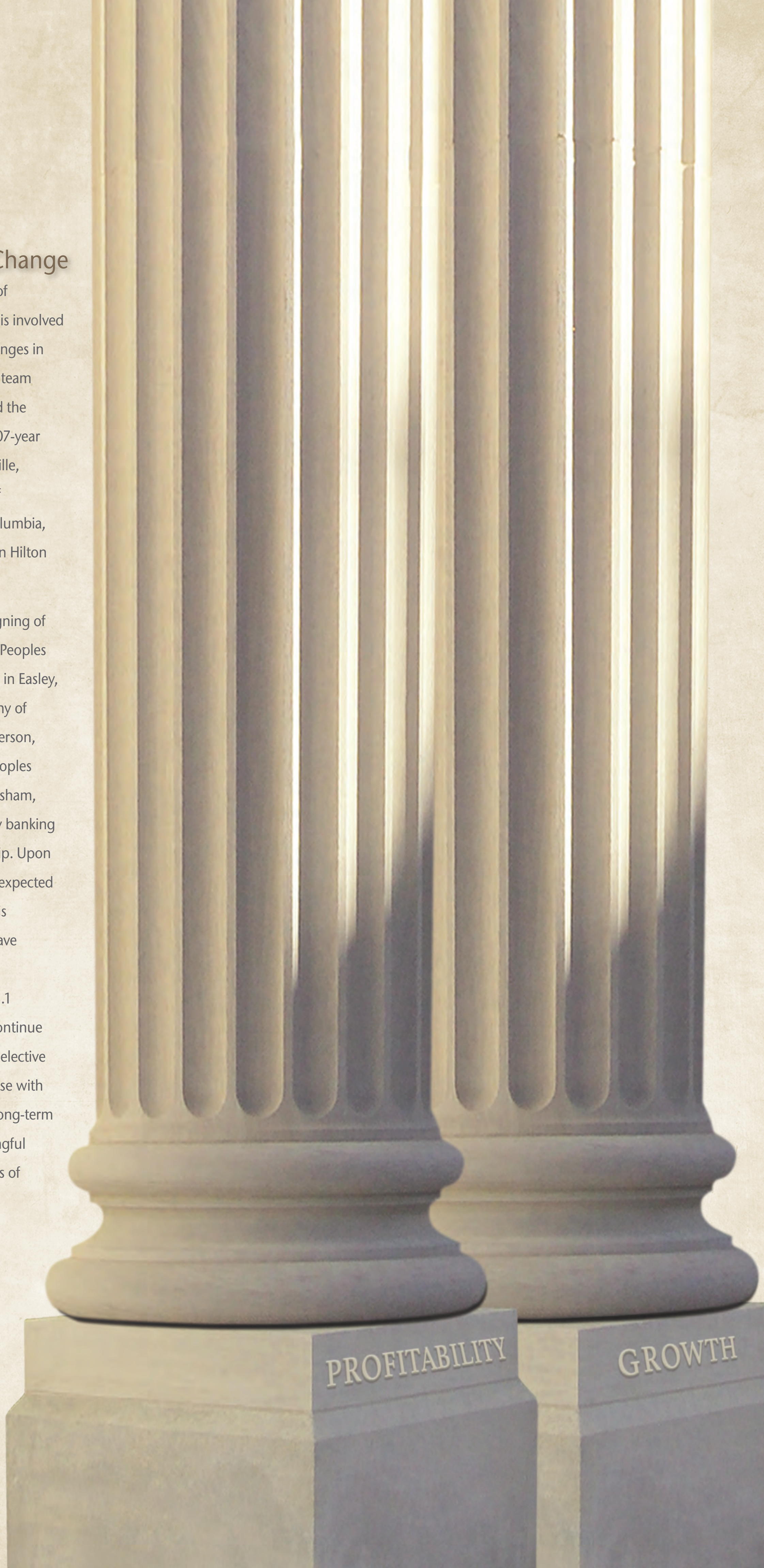
Shareholders, Customers & Friends,

SCBT experienced another year of significant growth in 2011. The year was highlighted by the continued integration of Community Bank & Trust (CBT), the addition of Habersham Bank in the first quarter, the acquisition of BankMeridian in the third quarter, and the announcement of the merger with Peoples Bancorporation in the fourth quarter. These acquisitions, along with substantial organic growth, have our team energized and in a position to drive our future earnings performance. These investments have added desirable locations and are a meaningful addition to our strong customer base. We have moved deliberately with our integration processes in order to ensure customer retention. With much of this integration behind us, our company is poised to begin to see the benefits of these mergers in 2012.

A Year of Growth & Change

The year began with the challenge of finalizing the integration of CBT. This involved completing many infrastructure changes in our company, and as expected, our team delivered. Our team also completed the acquisition of Habersham Bank, a 107-year old bank headquartered in Clarkesville, Georgia, and then the acquisition of BankMeridian, headquartered in Columbia, South Carolina with branch offices in Hilton Head and Spartanburg.

In December, we announced the signing of a definitive merger agreement with Peoples Bancorporation, Inc. headquartered in Easley, South Carolina, the holding company of Peoples National Bank, Bank of Anderson, N.A., and Seneca National Bank. Peoples Bancorporation, like CBT and Habersham, has long been a pillar of community banking and we anticipate a great partnership. Upon completion of the merger, which is expected to occur in the second quarter of this year, the combined company will have approximately $4.4 billion in assets, $3.7 billion in total deposits, and $3.1 billion in loans. Our industry will continue to consolidate and we will look for selective opportunities to expand our franchise with banking partners that have similar long-term views and which can deliver meaningful financial benefits to the shareholders of both companies.

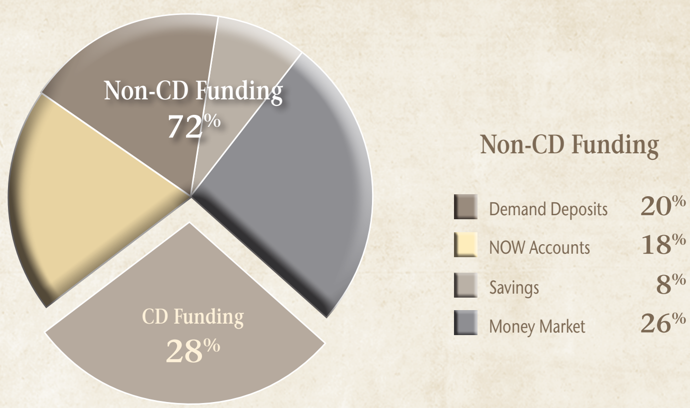


SCBT has not only experienced a significant expansion of our footprint in the last few years, but also significant improvement in the makeup of our balance sheet. We have seen improvement in our capital position, liquidity, and liability structure. In connection with the Habersham transaction, we completed a capital raise of $35 million. This additional capital, together with capital retained through our earnings and prudent balance sheet management, provides us with a very strong capital base. In 2011, shareholders' equity increased by $52 million and the tangible book value per share increased by $1.77, an 8.8% increase. From this strong base, we are in a fortunate position to act upon selected future opportunities that may arise. The continued turbulence and change with many of our competitors also created an opportunity for our team to grow our customer base organically. Core deposits increased by 17% year-over-year, excluding CDs and acquired deposits. Our balance sheet is stronger today than it has been in a number of years. Our strong core deposit base and ample liquidity give us a significant opportunity to prudently leverage this capital and deploy assets over time to enhance our future earnings.

Credit Headwinds Persist

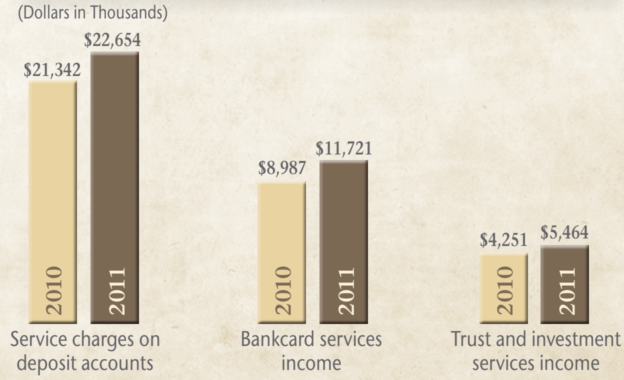
While classified asset levels have improved during the year, asset quality challenges still persist. Our provision for loan losses for 2011 totaled $30.2 million compared to $54.3 million in 2010, a decrease of over $24 million. This is substantial improvement, but more improvement is needed. Our non-performing assets, excluding acquired assets, totaled 2.44% of total assets at year-end. This level is relatively stable from 2010, but needs to be reduced in 2012. Many of the markets we serve showed signs of recovery, though some coastal areas were slower to experience economic improvement. We will continue to work diligently to improve our asset quality metrics.

Deposit Mix



Fee Income

(Dollars in Thousands)



For the year, our company earned net income of $22.6 million or diluted earnings per share of $1.63. Bargain purchase gains associated with the FDIC-assisted transactions contributed $10.2 million to net income. Significant organic growth the past few years, fee income, improved credit costs, and M&A activity all helped improve our earnings performance.

Fee Income Increased 30% for Bankcard Services and 28% for Investment Services

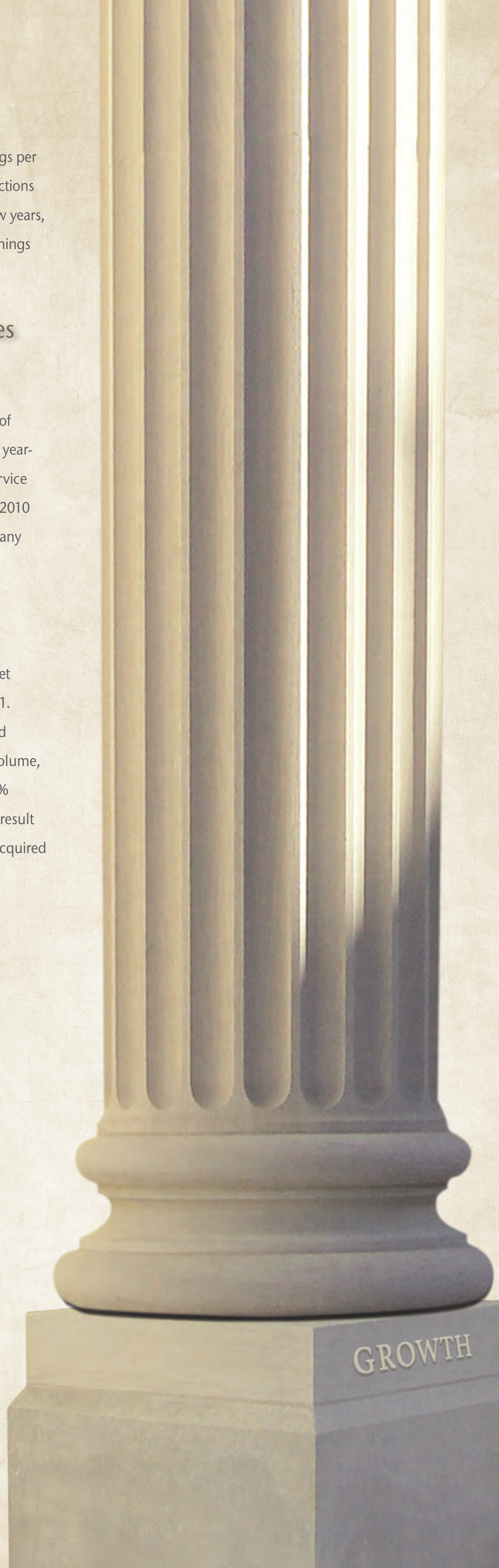
During the year, we increased our customer base by over 25,000 through a combination of organic and acquired growth. We also increased the number of transaction accounts by 20,000 during the year. This growth contributed to a year-over-year increase of over 30% in bankcard services income and over 6% in service charge fee income. Investments services income increased by over 28% from 2010 levels. We often say in our company that customers vote with their feet and many customers have certainly been voting for SCBT over the last few years. We are fortunate today to serve over 300,000 customers.

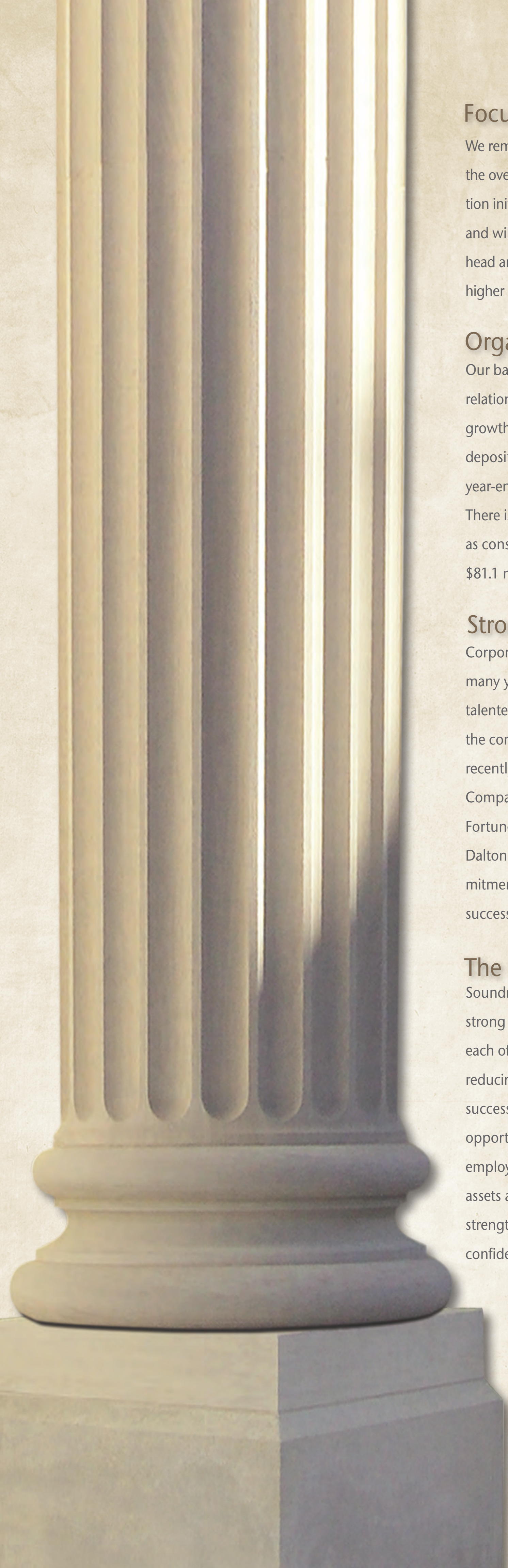
Net Interest Income Drives Earnings

The most significant driver of our earnings is net interest income. Balance sheet growth and margin expansion both helped expand net interest income in 2011. Our net interest margin improved significantly during the year, as we benefited from higher yields on the acquired loan portfolio, an increase in legacy loan volume, and lower rates on all of our deposit products. The margin for 2011 was 4.66% compared to 4.00% for 2010. The increase in the acquired loan yield was the result of better than expected cash flows and interest income accretion on the CBT acquired portfolio.

Core Deposit Growth

Pre-tax, Pre-provision Income[1]





Focus on Expense Management

We remain focused on ensuring that our non-interest expense levels are in line with the overall size of our company. Early in 2011 we announced a branch consolidation initiative, which reduced our operating costs beginning in the fourth quarter and will have a further impact in 2012. We are working diligently to reduce overhead and credit costs. Our success in these areas will be instrumental in achieving higher EPS levels.

Organic Growth

Our bankers were very successful during 2011 in establishing new customer relationships and growing existing ones. We experienced organic core deposit growth, excluding all CDs and acquired deposits, of $315 million or 17%. Core deposits now represent 72% of our total deposit base, compared to 62% as of year-end 2010. We also achieved overall growth of $174 million in organic loans. There is also a continued decline in the higher risk areas of the loan portfolio such as construction and development loans. This portion of the portfolio declined by $81.1 million, or 21%, in 2011.

Strong Corporate Governance

Corporate Governance has been a fundamental strength of our company for many years. We are fortunate to continue to be able to strengthen our board with talented people who are committed to the financial strength and performance of the company. In 2011, we appointed Cindy Hartley as a new director. Cindy most recently was Senior Vice President of Human Resources with Sonoco Products Company in Hartsville, South Carolina. We believe that Cindy's experience with a Fortune 500 company will be valuable to our board and company. We also thank Dalton Floyd, who retired from the board in 2011, for his years of service and commitment. The quality and commitment of our directors are primary factors in our success, as the focus on adding shareholder value is paramount.

The Path Ahead

Soundness, profitability and growth have been the pillars of our company's strong foundation for over 78 years. In order to improve our performance in each of these areas in 2012, our efforts will be to improve our efficiency ratio by reducing overhead costs and controlling credit costs. We will also work to successfully integrate Peoples Bancorporation as we evaluate other M&A opportunities that can be beneficial to our shareholders, customers and employees. We believe our team is well prepared to restore SCBT's return on assets and return on equity to higher levels, while continuing to build on our strengths as the economy improves. We appreciate your continued trust and confidence in our company.

Robert R. Horger
Chairman of the Board

Robert R. Hill, Jr.
President and CEO

2011 Highlights

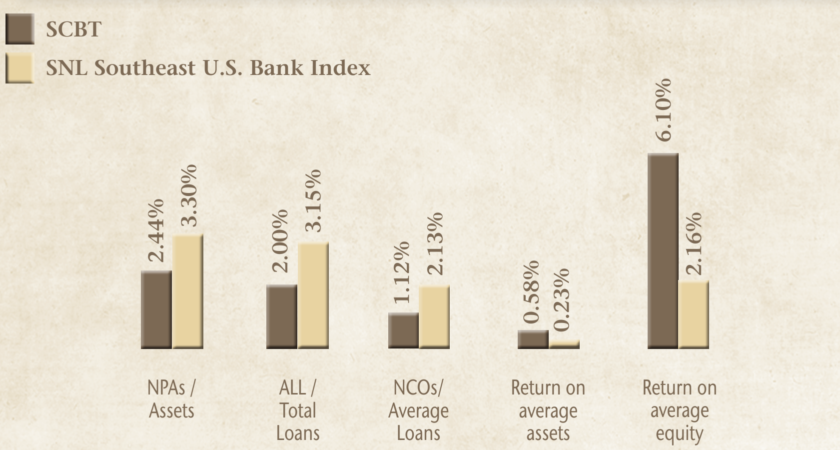
- Acquisition of Habersham Bank in the first quarter
- Acquisition of BankMeridian in the third quarter
- Fee Income Increase of 30% in Bankcard Services and 28% in Investment Services
- Organic Loan Growth of 8%
- Organic Core Deposit Growth of 17%
- Organic Checking Account Growth of 10%
- Announced Merger with Peoples Bancorporation in fourth quarter

2011 Financial Summary

(Dollars in thousands, except per share)

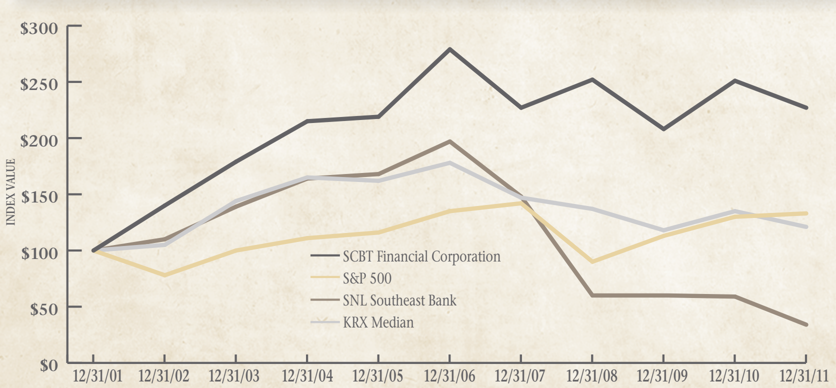
	2011	2010
Acquired loans	$ 402,201	$ 321,038
Non-acquired loans	2,470,565	2,296,200
Total loans, net of unearned income	2,872,766	2,617,238
Total assets	3,896,557	3,594,791
Total deposits	3,254,472	3,004,148
Shareholders' equity	381,780	329,957
Net income	22,595	51,882
Diluted EPS	$ 1.63	$ 4.08
Return on average assets	0.58%	1.43 %
Return on average equity	6.10%	15.45 %

2011 Performance

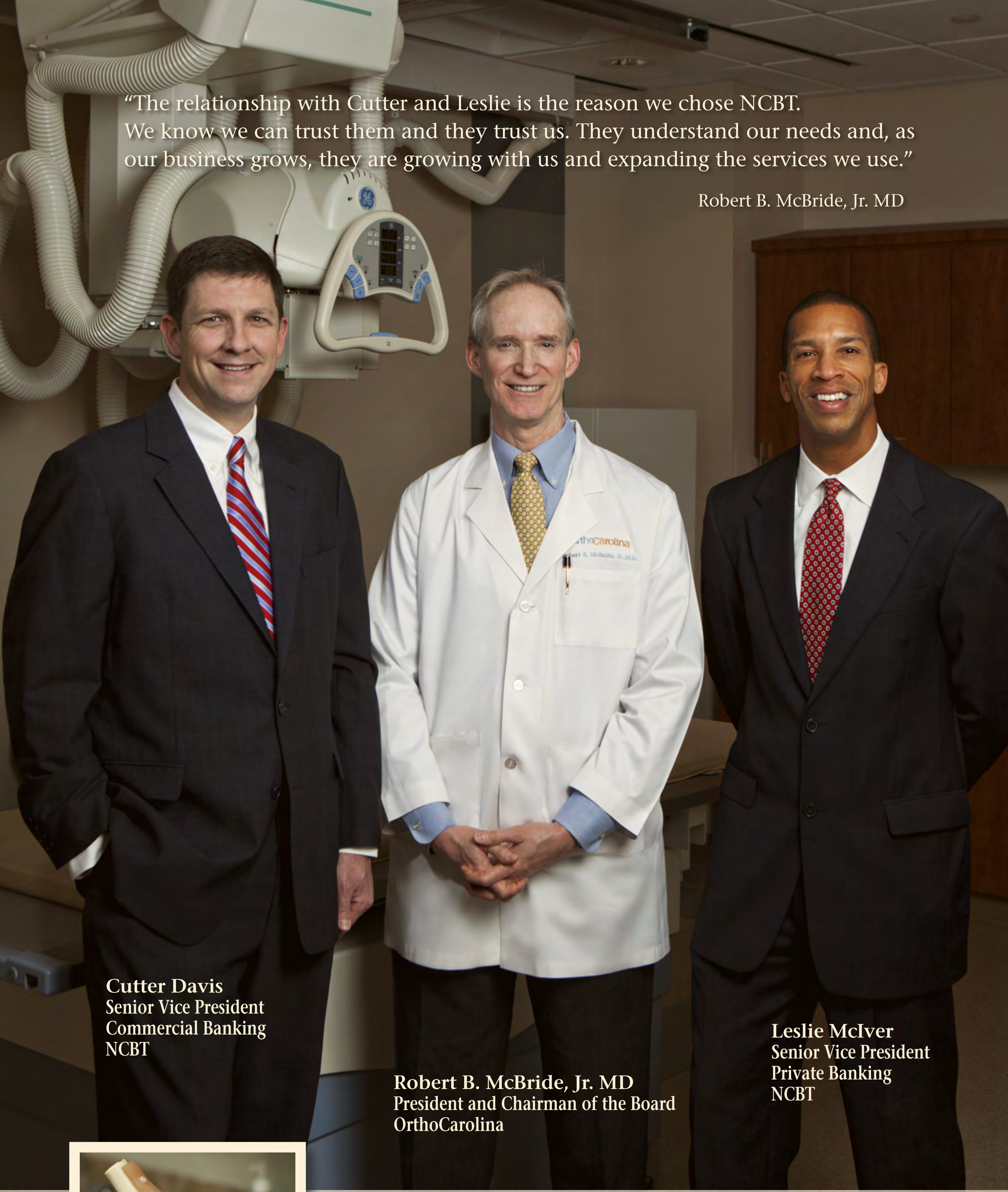


The SNL Southeast U.S. Bank Index is a banking industry performance index for the Southeastern United States.
Source: SNL Financial LLC, Charlottesville, VA © 2012

Total Return Performance



The performance graph above compares SCBT's cumulative total return over the most recent ten-year period with the S&P 500, the SNL Southeast U.S. Bank Index, a banking industry performance index for the Southeastern United States, and the KRX Median Index, a composition of 50 regionally diversified mid & small-cap banking institutions in the U.S (the index is calculated using an equal weighted method and components comply with GICS and ICS classification standards). Returns are shown on a total return basis, assuming the reinvestment of dividends and a beginning stock index value of $100 per share. The value of SCBT's stock as shown in the graph is based on published prices for transactions in SCBT's stock.
Sources: SNL Financial LLC, Charlottesville, VA © 2012 and Keefe, Bruyette, & Woods, Richmond, VA © 2012



"The relationship with Cutter and Leslie is the reason we chose NCBT. We know we can trust them and they trust us. They understand our needs and, as our business grows, they are growing with us and expanding the services we use."

Robert B. McBride, Jr. MD

Cutter Davis
Senior Vice President
Commercial Banking
NCBT

Robert B. McBride, Jr. MD
President and Chairman of the Board
OrthoCarolina

Leslie McIver
Senior Vice President
Private Banking
NCBT

OrthoCarolina is one of the nation's leading physician-owned orthopedic practices with 24 offices across the region, 109 physicians (78 of whom are shareholders), 800 employees and serving over 611,000 patients in 2011.

Stock Performance and Statistics

	2011	2010	2009	2008	2007
STOCK PERFORMANCE					
Dividends per share	$ 0.68	$ 0.68	$ 0.68	$ 0.68	$ 0.68
Dividend payout ratio	51.92%	16.43%	74.66%	40.93%	29.17%
Dividend yield (based on the average of the high and low for the year)	2.26%	1.98%	2.67%	1.90%	1.94%
Price/earnings ratio (based on the year-end price and diluted earnings per share)	17.80 x	8.03 x	37.42 x	22.70 x	13.65 x
COMMON STOCK STATISTICS					
Stock price ranges:					
High	$ 36.18	$ 41.03	$ 34.37	$ 45.24	$ 40.84
Low	$ 24.02	$ 27.59	$ 16.53	$ 26.25	$ 28.29
Close	$ 29.01	$ 32.75	$27.69	$ 34.50	$31.67
Volume traded on exchanges	8,048,600	9,948,300	11,219,700	8,098,600	4,359,700
As a percentage of average shares outstanding	58.16%	77.91%	92.07%	75.65%	42.91%
Earnings per share, basic	$ 1.65	$ 4.11	$ 0.74	$ 1.53	$ 2.33
Earnings per share, diluted	$ 1.63	$ 4.08	$ 0.74	$ 1.52	$ 2.32
Tangible book value per share[1]	$ 21.89	$ 20.12	$ 17.04	$ 15.88	$ 14.71

Quarterly Common Stock Price Ranges and Dividends

	2011			2010			2009		
Quarter	High	Low	Dividend	High	Low	Dividend	High	Low	Dividend
1st	$34.00	$30.10	$0.17	$38.78	$27.59	$0.17	$34.37	$16.53	$0.17
2nd	$36.18	$27.10	$0.17	$41.03	$32.78	$0.17	$26.76	$19.68	$0.17
3rd	$31.00	$24.54	$0.17	$35.36	$28.28	$0.17	$28.83	$20.58	$0.17
4th	$30.82	$24.02	$0.17	$32.86	$29.84	$0.17	$28.36	$25.14	$0.17

The financial information should be read in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations and is qualified in its entirety by reference to the more detailed financial statements and the notes thereto, all of which are contained in SCBT Financial Corporation's 2011 Annual Report on Form 10-K.

"CBT is solution oriented. They offer alternatives that could be a fit for our needs so we can choose the best option. Sometimes they come up with something that we had not thought of doing. As our company grows, our needs change and we like having a bank that can find solutions to help us keep up with the growth."

Rush Mauney
James L. Bruce, Jr.

Founded in 1995, GlobalTech Industries, Inc. is a customer-focused contract manufacturer of highly scented candle and home fragrance products, which provides a complete range of services including innovative concept and design, technical development, and execution through final production and shipment. Established on the principles of providing meticulous quality and exceptional service, GlobalTech's focus on partnership, honesty and integrity with a commitment to caring has made them a leader in their industry.

Selected Consolidated Financial and Quantitative Data

	Years ended December 31,				
(Dollars in thousands, except per share)	**2011**	**2010**	**2009**	**2008**	**2007**
BALANCE SHEET DATA PERIOD END					
Assets	$ 3,896,557	$ 3,594,791	$ 2,702,188	$ 2,766,710	$ 2,597,183
Acquired loans	402,201	321,038	—	—	—
Non-acquired loans	2,470,565	2,296,200	2,203,238	2,316,076	2,083,047
Loans, net of unearned income*	2,872,766	2,617,238	2,203,238	2,316,076	2,083,047
Investment securities	324,056	237,912	211,112	222,227	258,309
Goodwill and other intangible assets	74,426	72,605	65,696	66,221	65,618
Deposits	3,254,472	3,004,148	2,104,639	2,153,274	1,927,889
Non deposit borrowings	227,119	237,995	306,139	349,870	440,046
Shareholders' equity	$ 381,780	$ 329,957	$ 282,819	$ 244,928	$ 215,065
Number of common shares outstanding	14,039,422	12,793,823	12,739,533	11,250,603	10,160,432
ANNUALIZED PERFORMANCE RATIOS					
Return on average assets	0.58 %	1.43%	0.48%	0.58%	0.95 %
Return on average equity	6.10	15.45	4.66	7.00	12.42
Return on average tangible equity[1]	8.10	20.12	6.18	10.13	16.15
Net interest margin (taxable equivalent)	4.66	4.00	4.05	3.83	3.85
Efficiency ratio	68.77	46.68	61.17	63.17	65.31
ASSET QUALITY RATIOS					
Allowance for loan losses to period end loans**	2.00 %	2.07%	1.70%	1.36%	1.28 %
Allowance for loan losses to period end nonperforming loans**	64.19	68.71	75.38	211.34	419.22
Nonperforming assets to period end loans and repossessed assets**	3.82	3.74	2.40	0.91	0.33
Nonperforming assets to period end total assets**	2.44	2.41	1.96	0.76	0.27
Net charge-offs to average loans**	1.12	1.99	0.92	0.26	0.13
CAPITAL RATIOS					
Equity to assets	9.80 %	9.18%	10.47%	8.85%	8.28 %
Tangible equity to tangible assets[1]	8.04	7.31	8.24	6.62	5.90
Tier 1 leverage	9.12	8.48	9.89	8.54	8.42
Tier 1 risk-based capital	14.09	13.34	12.47	10.42	9.64
Total risk-based capital	15.36	14.60	14.42	12.34	10.89
OTHER DATA					
Number of locations	70	76	48	50	50
Number of employees (full-time equivalent)	1,071	1,015	700	692	701

* Excludes loans held for sale.

** Excludes acquired assets.

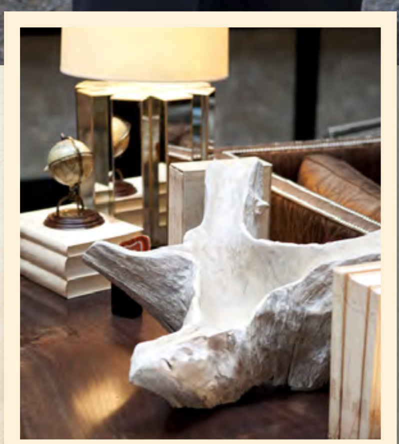
"Relationships are the most important thing. I like being able to pick up the phone and talk to someone who understands me and my business. There are no surprises – for them or me. I feel that they want me to succeed and the community to succeed. When business is better and the community is better, we all benefit. In this economy, it is nice to have a bank that you know is secure and that you can trust."

Joni Vanderslice, ASID

John Boretti
Southern Beaufort City Executive
SCBT

Joni Vanderslice, ASID
President
J Banks Design Group, Inc.

Jennifer Bach
Branch Manager Hilton Head Office
SCBT



A full scale interior design firm with a staff of 35, J Banks Design's success lies in their ability to cultivate strong customer relationships while delivering outstanding design and exceptional client interaction. With a design portfolio that spans the globe from Cabo San Lucas to Tuscany, Italy and from Ireland to St. Thomas, the design team at J Banks has been trusted to provide visionary direction for their homes and commercial projects for over 25 years.

SCBT Financial Corporation Locations

Locations as of February 28, 2012

SOUTH CAROLINA

BAMBERG
BEAUFORT
BLUFFTON
CAYCE
CHARLESTON
COLUMBIA
DENMARK
ELLOREE
FLORENCE
FORT MILL
GEORGETOWN
GREENVILLE
HARDEEVILLE
HARLEYVILLE
HILTON HEAD
IRMO
JAMES ISLAND
LADY'S ISLAND
LAKE CITY
LEXINGTON
MONCKS CORNER
MOUNT PLEASANT
MURRELLS INLET
MYRTLE BEACH
NORWAY
ORANGEBURG
RIDGELAND
ROCK HILL
SANTEE
SIMPSONVILLE
SPARTANBURG
ST. GEORGE
SUMMERVILLE
WALTERBORO
YORK

GEORGIA

ATHENS
BALDWIN
CANTON
CLARKESVILLE
CLAYTON
CLEVELAND
COMMERCE
CORNELIA
GAINESVILLE
JEFFERSON
TOCCOA
WINDER

NORTH CAROLINA

CHARLOTTE

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Chairman of the Board
Attorney
Horger, Barnwell & Reid
Orangeburg, SC

Jimmy E. Addison
Executive Vice President
and Chief Financial Officer
SCANA Corporation
Columbia, SC

Luther J. Battiste, III
Attorney and Managing Shareholder
Johnson, Toal & Battiste, PA
Columbia and Orangeburg, SC

M. Oswald Fogle
Industrial Consultant
Orangeburg, SC

Dwight W. Frierson
Vice Chairman of the Board
Vice President and
General Manager
Coca-Cola Bottling Company
Orangeburg, SC

Herbert G. Gray
President and
Chief Executive Officer
GRAYCO
Beaufort, SC

Cynthia A. Hartley
Senior Vice President (retired)
Sonoco Products Company
Hartsville, SC

Robert R. Hill, Jr.
President and
Chief Executive Officer
SCBT Financial Corporation
Columbia, SC

Harry M. Mims, Jr.
President
J.F. Cleckley & Company
Orangeburg, SC

Ralph W. Norman, Jr.
President
Warren Norman Co., Inc.
Rock Hill, SC

Alton C. Phillips
President
Carolina Eastern, Inc.
Charleston, SC

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Chief Executive Officer
Patten Seed Company, Inc.
Lakeland, GA
General Manager
Super-Sod/Carolina
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Chief Executive Officer
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Columbia, SC

Susie H. VanHuss, Ph.D.
Professor Emeritus
University of South Carolina
Columbia, SC

Kevin P. Walker
Founding Partner
Greer & Walker, LLP
Charlotte, NC

J.W. Williamson, III
President
J.W. Williamson Ginnery, Inc.
Denmark, SC

Management Operating Committee

Robert R. Hill, Jr.
Chief Executive Officer

John F. Windley
President and
Chief Banking Officer

John C. Pollok
Chief Operating Officer

Joseph E. Burns
Chief Risk Officer

Donald E. Pickett
Chief Financial Officer

Renee R. Brooks
Chief Administrative Officer

John S. Goettee
Southern Banking Group President

Greg A. Lapointe
Western Banking Group President

Thomas S. Camp
Northern Banking Group President

Dane H. Murray
Lowcountry and Orangeburg Regions
Division Head

GENERAL OFFICE

SCBT Financial Corporation

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Columbia, SC 29201

ANALYST CONTACT

John C. Pollok

Chief Operating Officer

SCBT Financial Corporation

Post Office Box 1030

Columbia, SC 29202

(803) 765-4628

STOCK INFORMATION

The Company's Common

Stock is listed on the NASDAQ

Global Select Market[SM]

under the trading symbol SCBT.

www.scbtonline.com

Please read the following disclosure along with the annual shareholder letter.

[1]Non-GAAP Measurements

Management believes that non-GAAP measures provide additional useful information, particularly these measures have become widely accepted as meaningful measures during the current economic crisis impacting financial institutions. Non-GAAP measures should not be considered as an alternative to any measure of performance or financial condition as promulgated under GAAP, and investors should consider the company's performance and financial condition as reported under GAAP and all other relevant information when assessing the performance or financial condition of the company. Non-GAAP measures have limitations as analytical tools, and investors should not consider them in isolation or as a substitute for analysis of the company's results or financial condition as reported under GAAP. Such information should be read in conjunction with the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission.

Forward Looking Statement

This Report contains certain forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. These statements may address issues that involve significant risks and uncertainties. Although we believe that the expectations reflected in this discussion are reasonable, actual results may be materially different. Please refer to the Company's Annual Report on Form 10-K for the year-ended December 31, 2011, for a more thorough description of the types of risks and uncertainties that may affect management's forward looking statements.

SCBT FINANCIAL CORPORATION

SOUTH CAROLINA • GEORGIA • NORTH CAROLINA