

FULTON FINANCIAL CORP

Form S-4/A

October 31, 2005

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As filed with the Securities and Exchange Commission on October 31, 2005  
Registration Statement No. 333-128894

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
Amendment No. 1  
to  
FORM S-4  
REGISTRATION STATEMENT  
UNDER  
THE SECURITIES ACT OF 1933  
FULTON FINANCIAL CORPORATION  
(Exact name of registrant as specified in its charter)**

**Pennsylvania**  
(State or other jurisdiction of  
incorporation or organization)

**6720**  
(Primary Standard Industrial  
Classification Code Number)

**23-2195389**  
(I.R.S. Employer Identification No.)

**One Penn Square  
Lancaster, Pennsylvania 17602  
717-291-2411**

(Address, including zip code, and telephone number,  
including area code, of registrant's principal executive offices)

**Rufus A. Fulton, Jr.  
Chairman and Chief Executive Officer  
One Penn Square  
Lancaster, Pennsylvania 17602  
717-291-2411**

(Name, address, including zip code, and telephone number,  
including area code, of agent for service)

***Copies to:***

Paul G. Mattaini, Esquire  
Kimberly J. Decker, Esquire  
Barley Snyder LLC  
126 East King Street  
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R.W. Smith, Jr. Esquire  
Jason C. Harmon, Esquire  
DLA Piper Rudnick Gray Cary US LLP  
6225 Smith Avenue  
Baltimore, MD 21209-3600  
Telephone: (410) 580-3000

Approximate date of commencement of proposed sale of the securities to the public: As soon as practicable after this  
Registration Statement becomes effective.

If the securities being registered on this Form are to be offered in connection with the formation of a holding company  
and there is compliance with General Instruction G, check the following box:

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act,  
please check the following box and list the Securities Act registration statement number of the earlier registration  
statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following  
box, and list the Securities Act registration statement number of the earlier effective registration statement for the  
same offering.

**CALCULATION OF REGISTRATION FEE**

<b>Title of each class of securities to be registered</b>	<b>Amount to be registered (1)</b>	<b>Proposed maximum offering price per unit (2)</b>	<b>Proposed maximum aggregate offering price (2)(3)</b>	<b>Amount of registration fee (4)</b>
Common Stock, par value \$2.50 per share (and associated stock purchase rights)(3)	14,382,332	\$39.77	\$246,015,192	\$27,641(5)

(1) Based on maximum number of shares of the Registrant's common stock that may be issued in connection with the proposed merger of Columbia Bancorp with and into the Registrant. In accordance with Rule 416, this Registration Statement shall also register any additional shares of the Registrant's common stock which may become issuable to prevent dilution resulting from stock splits, stock dividends or similar transactions.

(2) Estimated solely for purposes of calculating the registration fee. Computed in accordance with Rule 457(f)(1),

on the basis of the average of the high and low prices reported by NASDAQ for the common stock of Columbia Bancorp on October 5, 2005 of \$39.77 and based on 5,550,621 shares of Columbia Bancorp common stock to be exchanged in the merger and unexercised options to purchase 635,328 shares of Columbia Bancorp common stock.

- (3) Prior to the occurrence of certain events, the stock purchase rights will not be evidenced separately from the common stock. Value attributable to these rights, if any, is reflected in the market price of the Registrant's common stock.
- (4) Pursuant to Rule 457(p), we are offsetting the filing fee with \$1,315 of filing fees which are associated with

\$11,177,765 of securities which remain unsold and were registered on Registration Statement No. 333-124053, filed by the Registrant on April 13, 2005.

(5) Previously paid.

**The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until the registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.**

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Proxy Statement/ Prospectus

COLUMBIA BANCORP  
PROXY STATEMENT  
FOR SPECIAL MEETING OF STOCKHOLDERS  
December 5, 2005

Nasdaq National Market Symbol: CBMD

FULTON FINANCIAL CORPORATION  
PROSPECTUS FOR  
14,382,332 SHARES OF FULTON FINANCIAL COMMON STOCK  
Nasdaq National Market Symbol: FULT

This document constitutes a proxy statement of Columbia Bancorp in connection with the solicitation of proxies by the board of directors of Columbia Bancorp for use at the special meeting of stockholders to be held at Historic Oakland, 5430 Vantage Point Road, Columbia, Maryland 21044, on Monday, December 5, 2005, at 10:00 a.m., local time. At the special meeting, Columbia Bancorp stockholders will be asked to consider and vote on the following proposals:

1. To approve and adopt the Agreement and Plan of Merger, dated July 26, 2005, between Columbia Bancorp and Fulton Financial Corporation ( Fulton ) which provides, among other things, for the merger of Columbia Bancorp with and into Fulton and the conversion of each share of common stock of Columbia Bancorp outstanding immediately prior to the merger into either: (i) 2.325 shares of Fulton common stock (subject to adjustment); or (ii) \$42.48 in cash, with stockholders being permitted to elect to receive all stock, all cash, or one of nine possible combinations of stock and cash, all of which are subject to proration;
2. To adjourn the special meeting if necessary to allow Columbia Bancorp time to solicit additional votes in favor of the merger agreement; and
3. To transact such other business as may properly be brought before the special meeting or any adjournment thereof.

This document also constitutes a prospectus of Fulton and is part of a registration statement filed by Fulton with the Securities and Exchange Commission relating to up to 14,382,332 shares of Fulton common stock being registered in connection with the merger. On October 24, 2005, the closing price of Fulton s common stock was \$16.42, making the value of 2.325 shares of Fulton common stock equal to \$38.18 on that date. The closing price of Columbia Bancorp s common stock on October 24, 2005 was \$40.00. These prices will fluctuate between now and the closing of the merger, but the exchange ratio in the merger and the cash consideration per share of Columbia Bancorp common stock will remain fixed despite these fluctuations. This document does not cover any resale of the Fulton common stock being registered for this transaction by any stockholders deemed to be affiliates of Fulton or Columbia Bancorp. Columbia Bancorp and Fulton have not authorized any person to make use of this document in connection with any such resale.

Columbia Bancorp and Fulton provided all information related to their respective companies.

***Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this document. Any representation to the contrary is a criminal offense.***

***These securities are not savings or deposit accounts or other obligations of any bank or nonbank subsidiary of any of the parties, and they are not insured by the Federal Deposit Insurance Corporation or any other governmental agency.***

***All investors should review the Risk Factors beginning on page 22.***

The date of this document is November 1, 2005. This document was first sent to stockholders on or about November 3, 2005.

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*You should rely only on the information contained in this document or to which this document has referred you. Columbia Bancorp and Fulton have not authorized anyone to provide you with information that is different. You should not assume that the information in this document is accurate as of any date other than the date on the front of the document.*

*This document may incorporate important business and financial information about Fulton and Columbia Bancorp that is not included in or delivered with the document. This information is available without charge to security holders upon written or oral request to the following persons at either Columbia Bancorp or Fulton:*

*George R. Barr, Jr., Secretary  
Fulton Financial Corporation  
One Penn Square  
Lancaster, PA 17602  
717-291-2411*

*Sibyl S. Malatras, Secretary  
Columbia Bancorp  
7162 Columbia Gateway Drive  
Columbia, MD 21046  
410-423-8000*

*To obtain timely delivery of requested documents, you must request the information no later than November 28, 2005.*

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**QUESTIONS AND ANSWERS ABOUT THE MERGER**

Q1: What will I be voting on at the stockholders meeting?

A: You will be voting on a merger transaction in which Fulton will acquire Columbia Bancorp.

Q2: What will happen in the merger?

A: In the merger, Columbia Bancorp will merge with and into Fulton, and The Columbia Bank, a subsidiary of Columbia Bancorp, will become a wholly owned subsidiary of Fulton. In the merger, you will receive either cash in the amount of \$42.48 per share, Fulton common stock at the rate of 2.325 shares of Fulton common stock for each share of Columbia Bancorp common stock owned or a combination of both. See answer to Q9.

Q3: When and where will the special stockholders meeting of Columbia Bancorp be held?

A: The special stockholders meeting of Columbia Bancorp is scheduled to take place at Historic Oakland, 5430 Vantage Point Road, Columbia, Maryland 21044 on December 5, 2005 at 10:00 a.m.

Q4: What do I need to do now?

A: After you have carefully read this document, indicate on your proxy card how you want your shares to be voted, then sign and mail the proxy card in the enclosed prepaid return envelope as soon as possible, so that your shares may be represented and voted at the special meeting of the stockholders of Columbia Bancorp to be held on December 5, 2005.

Q5: If my shares are held in street name by my broker, will my broker vote my shares for me?

A: Maybe. **Your broker will vote your shares only if you provide instructions on how to vote.** You should follow the directions provided by your broker. Without instructions, your shares will not be voted for the approval of the merger agreement.

Q6: If my shares are held in an IRA, who votes those shares?

A. You vote shares held by you in an IRA as though you held those shares directly.

Q7. If my shares are held in our 401(k) plan, who votes those shares?

A. Based on your instructions on how to vote the shares deemed to be held by you in our 401(k) plan, the trustees of the 401(k) plan will cast the actual vote. If you are deemed to hold shares in our 401(k) plan, you will receive a separate voting instruction form with respect to those shares.

Q8: Can I change my vote after I have mailed my signed proxy card?

A: Yes. There are three ways for you to revoke your proxy and change your vote. First, you may send a written notice to the person to whom you submitted your proxy stating that you would like to revoke your proxy. Second, you may complete and submit a new proxy card with a later date. Third, you may vote in person at the special meeting. If you have instructed a broker to vote your shares, you must follow directions received from your broker to change your vote.

Q9: What will Columbia Bancorp stockholders receive as a result of the merger?

A: As described in the following section entitled Summary and elsewhere in this document, if you are a Columbia Bancorp stockholder, in exchange for each share of your Columbia Bancorp common stock, you will be entitled to elect to receive merger consideration in the form of cash, shares of Fulton common stock,

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or a combination of cash and Fulton common stock as further described in this document. The actual form of merger consideration you receive will depend on your election and, in some circumstances, on the election made by other Columbia Bancorp stockholders. Although the merger agreement permits you to elect the form of consideration you want to receive in exchange for your Columbia Bancorp common stock, your election is subject to proration if the total number of shares for which cash is elected is less than 20% or more than 50% of the total number of Columbia Bancorp shares outstanding. If that occurs, all elections will be modified, on the same percentage basis, so that the total number of shares receiving cash consideration is equal to 20% (if too few elections were made for cash), or 50% (if too many elections were made for cash), as the case may be, of the total number of shares outstanding. If the total number of shares for which all Columbia Bancorp stockholders elect to receive cash is equal to or within the range of 20%-50% of the total number of shares of Columbia Bancorp outstanding, then all stockholders who made valid elections will receive the consideration that they elect. The consideration that you will receive for your shares of Columbia Bancorp common stock, including the exchange ratio for the shares of Fulton common stock, will not change even if the market prices of Columbia Bancorp or Fulton common stock fluctuate. However, if you elect to receive some or all of the merger consideration in the form of shares of Fulton common stock, the value of the shares of Fulton common stock will fluctuate up or down with fluctuations in the market price of Fulton common stock.

Q10. What is the value of merger consideration if I elect to receive all stock?

A. The value of the consideration you receive in the merger if you properly and timely elect to receive the stock consideration may be more or less than the \$42.48 that you would receive if you elect to receive the cash consideration. In addition, the trading price of Fulton common stock on the date you receive your merger consideration in exchange for your shares of Columbia common stock could be more or less than the trading price of Fulton common stock on the date you make your election to receive the merger consideration. This means that the then-current value of the stock consideration that you would receive for each share of Fulton common stock if you properly and timely elect to receive some or all of the merger consideration in Fulton common stock could be more or less than the value of the stock consideration on the date you make your election to receive the merger consideration. The following table illustrates the effect of changes in the value of Fulton common stock on the value of the consideration you may receive:

	<b>Common Stock</b>	<b>Stock Election</b>	<b>Cash Election</b>
\$ 16.00		\$ 37.20	\$ 42.48
\$ 16.42 <sup>(1)</sup>		\$ 38.18	\$ 42.48
\$ 17.00		\$ 39.53	\$ 42.48
\$18.271 <sup>(2)</sup>		\$ 42.48	\$ 42.48
\$ 20.00		\$ 46.50	\$ 42.48

(1) The closing price per share of Fulton common stock on The Nasdaq National Market on October 24, 2005.

- (2) The price per share of Fulton common stock at which the value of the stock consideration is equal to the value of the cash consideration.

Q11: How do Columbia Bancorp stockholders elect the form of merger consideration they wish to receive?

A: An election form/letter of transmittal will be mailed to you shortly. You should complete the election form/letter of transmittal according to the instructions printed on the form. The form, together with the stock certificates representing your shares of Columbia Bancorp common stock, should be sent to the exchange agent, Fulton Financial Advisors, N.A., before the election deadline, which is December 15, 2005.

Q12: What if I do not complete and return the election form before the election deadline?

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A: If you do not submit a properly completed election form prior to the election deadline, you will receive cash consideration or Fulton stock consideration in exchange for your shares of Columbia Bancorp common stock as follows:

If proration is not required, you will receive cash consideration until 50% (the maximum cash percentage) of Columbia Bancorp's outstanding shares have been converted into cash. If and when the maximum cash percentage is reached, you will receive Fulton common stock consideration for your remaining shares.

If proration is required because the maximum cash percentage of 50% is exceeded, you will receive Fulton stock consideration.

If proration is required because less than 20% of Columbia Bancorp's outstanding shares (the minimum cash percentage) have been converted into cash, you will receive cash consideration.

In all other situations, you will receive cash consideration.

Q13. Can I change my election?

A. Yes. You can change or revoke your election at any time prior to December 15, 2005 by delivering a written notice of revocation to Columbia Bancorp, attending the special meeting and voting in person or delivering a new properly completed election form/letter of transmittal with Fulton Financial Advisors, N.A., the exchange agent, no later than December 15, 2005.

**Q14: Should I send in my stock certificates now?**

**A: No. You should send your Columbia Bancorp stock certificates to the exchange agent with the election form/letter of transmittal that will be mailed to you shortly. In order to make a valid election of the consideration you want to receive, you must return your certificates and the election form/letter of transmittal to the exchange agent no later than December 15, 2005.**

Q15. What does the board of directors of Columbia Bancorp recommend?

A: The board of directors of Columbia Bancorp has approved the merger, the merger agreement and the other transactions contemplated by the merger agreement and recommends that you vote FOR the merger and the merger agreement.

Q16. Am I entitled to dissenters' rights?

A. No. Under Maryland law, holders of Columbia Bancorp common stock are not entitled to dissenters' rights in connection with the merger.

Q17. Will I recognize gain or loss for federal income tax purposes?

A. Generally, you will not recognize gain or loss for federal income tax purposes of any shares of Fulton common stock that you receive in connection with the merger. You will, however, be taxed on cash you receive in the merger. See the section of this document titled "The Merger - Material Federal Income Tax Consequences" for a summary discussion of material U.S. federal income tax consequences to Columbia Bancorp stockholders in connection with the merger.

**You should consult your tax advisor about the particular tax consequences of the merger to you.**

Q18. Is Fulton shareholder approval required to complete the merger?

A. No.

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Q19. Will I be able to trade any Fulton common stock that I receive in the merger?

A. The Fulton common stock you receive if you properly make a timely election to receive some or all of the merger consideration in shares of Fulton common stock will be freely tradeable, unless you are an affiliate of Fulton or Columbia Bancorp. Fulton's common stock is traded on the Nasdaq National Market under the symbol FULT.

Q20: When do you expect to merge?

A: Fulton and Columbia Bancorp expect to complete the merger during the first quarter of 2006. In addition to the approval of Columbia Bancorp stockholders, Fulton must also obtain regulatory approvals. Fulton and Columbia Bancorp expect to receive all necessary approvals no later than December 31, 2005.

Q21: Who should I contact with questions or to obtain additional copies of this document?

A: You should call either:

George R. Barr, Jr., Secretary  
Fulton Financial Corporation  
One Penn Square  
Lancaster, PA 17602  
717-291-2411

Sibyl S. Malatras, Secretary  
Columbia Bancorp  
7162 Columbia Gateway Drive  
Columbia, MD 21046  
410-423-8000

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**Table of Contents****SUMMARY**

This summary highlights selected information from this document. Because this is a summary, it does not contain all of the information that may be important to you. To understand the merger fully, you should carefully read this entire document and the attached exhibits. See **Where You Can Find More Information** on page 67 for reference to additional information available to you regarding Fulton and Columbia Bancorp.

**Agreement to Merge (See page 29)**

Fulton and Columbia Bancorp entered into a merger agreement on July 26, 2005. The merger agreement provides that Columbia Bancorp will merge with and into Fulton and that each share of Columbia Bancorp common stock outstanding on the effective date of the merger will be exchanged for either: (i) 2.325 shares of Fulton common stock (subject to adjustment); (ii) \$42.48 in cash; or (iii) a combination of cash and Fulton common stock with a stockholder being permitted to elect one of nine permitted combinations of stock and cash for their shares. The permitted cash/stock combinations which Columbia Bancorp stockholders may elect are as follows:

§ 90% cash and 10% stock	§ 40% cash and 60% stock
§ 80% cash and 20% stock	§ 30% cash and 70% stock
§ 70% cash and 30% stock	§ 20% cash and 80% stock
§ 60% cash and 40% stock	§ 10% cash and 90% stock
§ 50% cash and 50% stock	

See **The Merger Effect of the Merger** on Page 38.

Stockholder consideration elections are subject to proration, as described below. A copy of the merger agreement is attached to this document as Exhibit A and is incorporated herein by reference.

**Columbia Bancorp Stockholders may Elect their Form of Consideration (See page 39)**

Shortly after you receive this document, you will receive an election form on which you may indicate your election regarding the form of merger consideration you wish to receive. Election forms must be returned to Fulton Financial Advisors, N.A., Fulton's transfer agent, no later than December 15, 2005. Any Columbia Bancorp stockholder who has not returned an election form by the indicated deadline will have all of his, her or its Columbia Bancorp shares of common stock exchanged for Fulton common stock or cash in the merger, depending on whether proration is necessary and whether it is the cash consideration or the stock consideration that must be prorated. See **The Merger Election Procedures** on page 39.

**Stockholder Elections may be Subject to Proration (See page 39)**

Although the merger agreement permits each Columbia Bancorp stockholder to elect the form of consideration he, she or it wants to receive in exchange for his, her or its shares of Columbia Bancorp common stock, all stockholder elections are subject to proration if the total number of shares for which cash is elected is less than 20% or more than 50% of the total number of Columbia Bancorp shares of common stock outstanding. If proration is necessary, each Columbia Bancorp stockholder's election will be modified, on the same percentage basis, so that the total number of shares receiving cash consideration is equal to 20% (if too few elections were made for cash), or 50% (if too many elections were made for cash), as the case may be, of the total number of shares outstanding. If the total number of shares for which Columbia Bancorp stockholders elect to receive cash is equal to or within the range of 20%-50% of the total number of shares of Columbia Bancorp outstanding, then all stockholders who made valid elections will receive the consideration that they elect.

With respect to options to purchase shares of Columbia Bancorp's common stock, option holders may elect to receive Fulton options based on the 2.325 exchange rate or cash equal to the difference between the exercise price of their option shares and \$42.48. In the absence of an election by the holder, all Columbia Bancorp options shall be converted to cash. The election by option holders is not subject to proration.

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**Columbia Bancorp Consideration (See page 38)**

If the merger is completed, you will receive in exchange for each share of Columbia Bancorp common stock you own, at your election, and subject to proration as explained above, either: (i) 2.325 shares of Fulton common stock (subject to adjustment); or (ii) \$42.48 in cash. A Columbia Bancorp stockholder may elect to receive all cash, all stock or a combination of cash and stock in one of nine permissible combinations. See *The Merger Effect of the Merger* on page 38. Fulton will not issue any fractional shares and, therefore, you will receive a cash payment for any fractional shares based on the \$42.48 per share cash consideration. On October 24, 2005, the closing price of Fulton common stock was \$16.42, making the value of 2.325 shares of Fulton common stock equal to \$38.18 on that date. The closing price of Columbia Bancorp's common stock on October 24, 2005, was \$40.00. Because the market price of Fulton stock fluctuates, you will not know when you vote at the special meeting what Fulton shares will be worth when issued in the merger. The market prices of both Fulton and Columbia Bancorp common stock will fluctuate prior to the merger, but the exchange ratio in the merger will remain fixed despite these fluctuations. The cash consideration of \$42.48 per share will also remain fixed. You should obtain current market quotations for Fulton common stock and Columbia Bancorp common stock before making your election and voting on the merger.

**Adoption of SFAS 123R (See page 54)**

In December 2004, the Financial Accounting Standards Board ( FASB ) issued Statement of Financial Accounting Standards No. 123R, *Share-Based Payments* . Statement 123R is a revision to the original Statement 123 which disallows the APB 25 method of accounting for stock options and requires public companies to recognize compensation expense related to stock-based compensation in their income statements. Companies can adopt Statement 123R using either *modified prospective application* or *modified retrospective application* . Modified retrospective application also results in restatement of prior period results, based on the amounts previously disclosed in prior period financial statements.

The effective date of Statement 123R was originally the beginning of the first fiscal quarter after June 15, 2005. In April 2005, the Securities and Exchange Commission (SEC) delayed the effective date to the beginning of the first fiscal year after June 15, 2005, or January 1, 2006 for Fulton. Early adoption is permissible. Fulton expects to adopt the provisions of Statement 123R in 2005, using modified retrospective application.

The financial information presented in this Registration Statement and incorporated by reference to previous filings with the SEC has not been restated for SFAS 123R. It has not been restated as Fulton's first filing subsequent to adoption of SFAS 123R under the 1934 Act is not expected to be made until subsequent to the effective date of this Registration Statement.

To understand the expected impact of restatement for SFAS 123R, the reader should reference the footnotes to consolidated financial statements for Fulton's 2004 Form 10-K, which is incorporated by reference. For 2004, the impact on diluted net income per share was a reduction of approximately \$0.02 (restated for the impact of the stock dividend issued in 2005). Implementation of SFAS 123R is a complex process and the actual impact of a restatement may vary.

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Fulton and Columbia Bancorp have summarized below the per share information for each company on an historical, pro forma combined and equivalent basis. You should read this information in conjunction with the historical financial statements and the related notes contained in the annual and quarterly reports and other documents Fulton and Columbia Bancorp have filed with the SEC. See *Where You Can Find More Information* on page 67. The Fulton pro forma information gives effect to the merger, assuming that 2.325 shares of Fulton common stock are issued for 50% of the outstanding shares of Columbia Bancorp common stock.

**Selected Historical and Pro Forma  
Combined Per Share Data (A)**

	<b>As of or for the six months ended June 30, 2005</b>	<b>As of or for the year ended December 31, 2004</b>
Fulton		
Historical Per Common Share:		
Average Shares Outstanding (Basic)	155,922,000	149,294,000
Average Shares Outstanding (Diluted)	157,750,000	150,801,000
Book Value	\$ 7.81	7.91
Cash Dividends	\$ 0.277	0.518
Net Income (Basic)	\$ 0.53	1.02
Net Income (Diluted)	\$ 0.53	1.01
Fulton and Columbia Bancorp Combined Pro Forma Per Common Share:		
Average Shares Outstanding (Basic)	164,006,025	157,603,550
Average Shares Outstanding (Diluted)	166,130,463	159,393,038
Book Value	\$ 8.33	8.40
Cash Dividends	\$ 0.277	0.518
Net Income (Basic)	\$ 0.52	0.99
Net Income (Diluted)	\$ 0.51	0.98

(A) The pro forma per share equivalent information is based on average shares outstanding during the periods except that the book value per share which is based on period end shares outstanding.

The number of shares in each case has been adjusted for stock dividends and stock splits by each institution through the periods. The equivalent pro forma per common share information is derived by applying the exchange ratio of 2.325 shares of Fulton common stock, for each share of Columbia Bancorp common stock to the Fulton, Columbia Bancorp, combined pro forma per common share information. The combined pro forma financial information assumes that the holders of 50% of Columbia Bancorp's shares elect to receive the cash consideration of \$42.48. It is assumed that the funding for this cash portion of the consideration is obtained at a rate of 6.00%. The pro forma

numbers do not reflect operating cost reductions or revenue enhancements that are expected to be realized after the acquisition. The pro forma numbers do not reflect the acquisition, by Fulton, of SVB Financial Services, Inc. that occurred on July 1, 2005 or the impact of the 2004 acquisitions of certain banks for the periods prior to the date on which the business combinations were consummated.

**Table of Contents****Selected Historical and Pro Forma  
Per Share Equivalent Data (A)**

	<b>As of or for the six months ended June 30, 2005 (share amounts in thousands)</b>	<b>As of or for the year ended December 31, 2004</b>
Columbia		
Historical Per Common Share:		
Average Shares Outstanding (Basic)	6,954	7,148
Average Shares Outstanding (Diluted)	7,209	7,391
Book Value	\$ 13.17	\$ 12.98
Cash Dividends (Declared)	.34	\$ .62
Net Income (Basic)	\$ 1.10	\$ 1.86
Net Income (Diluted)	\$ 1.06	\$ 1.80
Equivalent Pro Forma Per Common Share:		
Book Value	\$ 19.37	\$ 19.53
Cash Dividends	\$ 0.644	\$ 1.204
Net Income (Basic)	\$ 1.21	\$ 2.29
Net Income (Diluted)	\$ 1.20	\$ 2.27

(A) The pro forma per share equivalent information is based on average shares outstanding during the periods except that the book value per share, which is based on period end shares outstanding. The number of shares in each case has been adjusted for stock dividends and stock splits by each

institution through the periods. The equivalent pro forma per common share information is derived by applying the exchange ratio of 2.325 shares of Fulton common stock for each share of Columbia Bancorp common stock to the Fulton, Columbia Bancorp, combined pro forma per common share information. The combined pro forma financial information assumes that 50% of Columbia Bancorp's shares elect to receive the cash consideration of \$42.48. It is assumed that the funding for this cash portion of the consideration is obtained at a rate of 6.00%. The pro forma numbers do not reflect operating cost reductions or revenue enhancements that are expected to be

realized after the acquisition. The pro forma numbers do not reflect the acquisition, by Fulton, of SVB Financial Services, Inc. that occurred on July 1, 2005 or the impact of the 2004 acquisitions of certain banks for the periods prior to the date on which the business combinations were consummated.



**Table of Contents****Selected Financial Data**

The following tables show selected historical consolidated summary financial data for both Fulton and Columbia Bancorp. This information is derived from the consolidated financial statements of Fulton and Columbia Bancorp incorporated by reference in this document. See *Where You Can Find More Information* on page 67.

**Fulton Financial Corporation**  
**Selected Historical Financial Data**  
(In thousands, except per share data) (A)

<b>FOR THE SIX MONTHS AND YEAR ENDED</b>	<b>June 30</b>		<b>December 31</b>				
	<b>2005</b>	<b>2004</b>	<b>2004</b>	<b>2003</b>	<b>2002</b>	<b>2001</b>	<b>2000</b>
Interest income	\$ 289,421	\$ 235,960	\$ 493,643	\$ 435,531	\$ 469,288	\$ 518,680	\$ 519,661
Interest expense	91,248	64,287	135,994	131,094	158,219	227,962	243,874
Net interest income	198,173	171,673	357,649	304,437	311,069	290,718	275,787
Provision for loan losses	1,525	2,540	4,717	9,705	11,900	14,585	15,024
Other income	74,168	68,700	138,864	134,370	114,012	102,057	76,717
Other expenses	151,837	132,809	273,615	231,559	223,765	218,234	186,209
Income before income taxes	118,979	105,024	218,181	197,543	189,416	159,956	151,271
Income taxes	35,868	31,314	65,264	59,363	56,468	46,367	44,437
Net income	\$ 83,111	\$ 73,710	\$ 152,917	\$ 138,180	\$ 132,948	\$ 113,589	\$ 106,834
 <b>PER SHARE DATA</b>							
Net income (basic)	\$ 0.53	\$ 0.50	\$ 1.28	\$ 1.23	\$ 1.17	\$ 1.00	\$ 0.95
Net income (diluted)	0.53	0.50	1.27	1.22	1.17		