



News Release

FOR IMMEDIATE RELEASE

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CHARTER FINANCIAL REMAINS WELL CAPITALIZED

- ***CharterBank core capital twice well capitalized level***
- ***Sold all remaining Freddie Mac common stock***

WEST POINT, Georgia, September 8, 2008—Charter Financial Corporation (OTC:CHF.N.OB) today reported that it sold its remaining shares of Freddie Mac common stock at an average price of \$1.27 which provides cash proceeds of \$2.79 million. This sale results in a pre-tax loss of \$591,563. For all sales of Freddie Mac common stock during this quarter, the Company will report a pre-tax gain of \$5.95 million. CharterBank's core capital as of August 31, 2008, as adjusted to reflect the sale of Freddie Mac common stock, would be 10.05% which is more than twice its regulatory well capitalized requirement.

Charter Financial Corporation is a savings and loan holding company and the parent company of CharterBank, a full-service community bank and a federal savings institution. Charter Financial Corporation and CharterBank are in a mutual holding company structure. CharterBank is headquartered in West Point, Georgia, and operates ten branches on the I-85 corridor from LaGrange, Georgia to Auburn, Alabama. CharterBank's deposits are insured by the Federal Deposit Insurance Corporation.

Forward-Looking Statements

This release may contain "forward-looking statements" that may be identified by use of such words as "believe," "expect," "anticipate," "should," "planned," "estimated," and "potential." Examples of forward-looking statements include, but are not limited to, estimates with respect to our financial condition and results of operation and business that are subject to various factors that could cause actual results to differ materially from these estimates. These factors include but are not limited to general and local economic conditions; changes in interest rates, deposit flows, demand for mortgages and other loans, real estate values, and competition; changes in accounting principles, policies, or guidelines; changes in legislation or regulation; and other economic, competitive, governmental, regulatory, and technological factors affecting our operations, pricing, products, and services. Any or all forward-looking statements in this release and in any other public statements we make may turn out to be wrong. They can be affected by inaccurate assumptions we might make or known or unknown risks and uncertainties. Consequently, no forward-looking statements can be guaranteed. The Company disclaims any obligation to subsequently revise or update any forward-looking statements to reflect events or circumstances after the date of such statements or to reflect the occurrence of anticipated or unanticipated events.

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