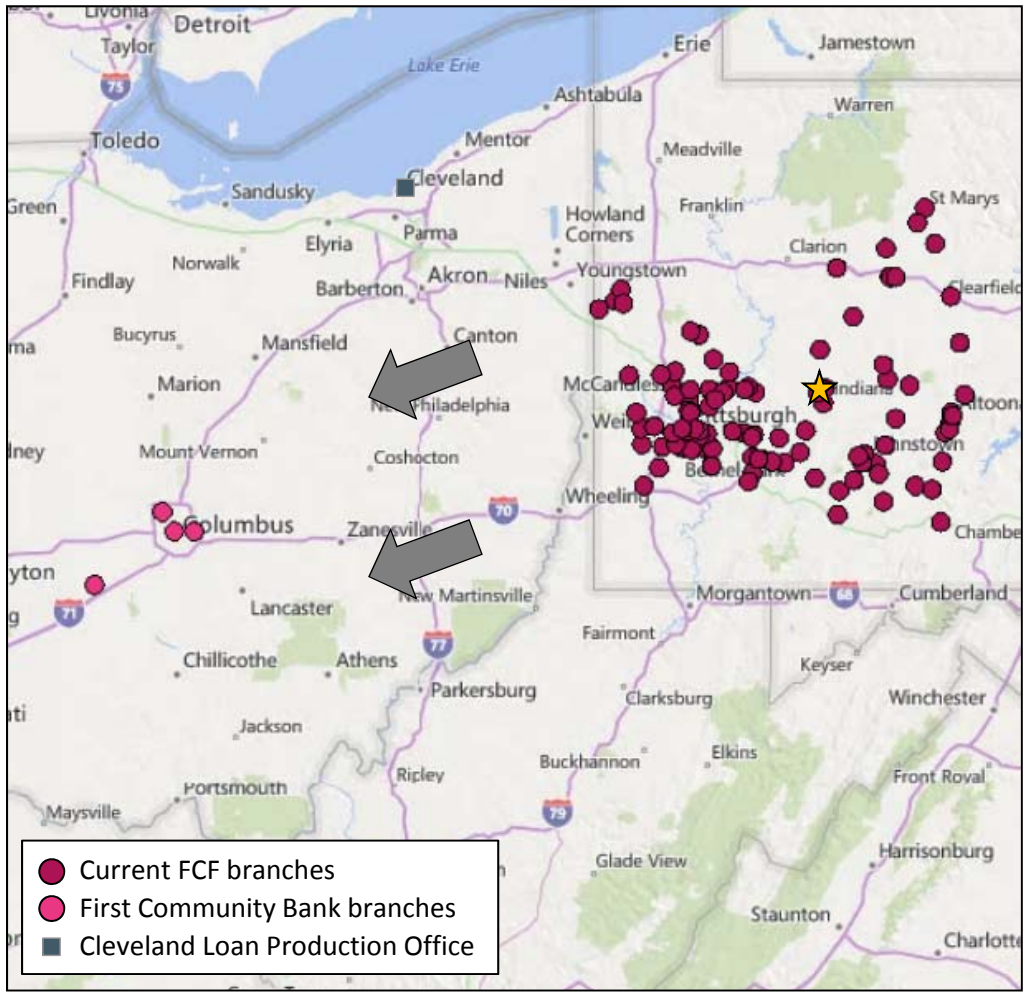
NYSE: FCF

First Commonwealth Financial Corporation Announces Agreement to Acquire First Community Bank in Columbus, Ohio

May 11, 2015

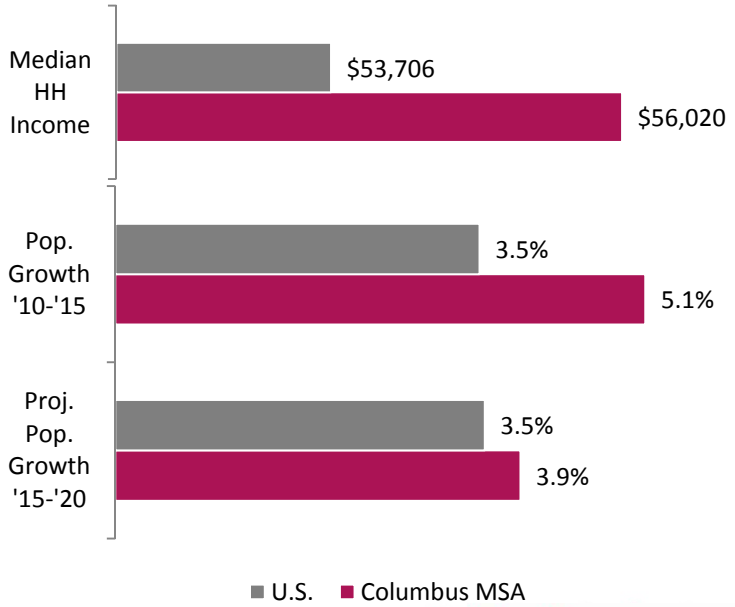
Westward Expansion



Source: SNL Financial

Strategic Rationale

- With the acquisition of First Community Bank, FCF will expand further into Ohio and the Columbus MSA
- The transaction will provide FCF with attractive new demographics
  - Higher median household income
  - Increased historic and projected population growth
- Augments FCF Cleveland Loan Production Office and senior staff with Ohio lending experience



Acquisition of First Community Bank

Purchase Price and Consideration

- FCF will pay $14.75 million in aggregate for First Community Bank in Columbus, OH
  - 100% cash consideration
  - Approximately 120% of First Community Bank's tangible book value as of 3/31/2015
  - Core deposit premium of approximately 3.6%

Financial Impact

- Expected cost savings of 40% of First Community Bank's non-interest expense, or approximately $875 thousand (after tax) expected to be fully achieved in 2016
- Anticipated earnings accretion of over 2% in 2016
- Tangible book value per share dilution of (0.6%) with an estimated earn back period of 3.5 years (crossover method)
- Estimated loan credit mark of 3.9%, or approximately $2.4 million

Required Approvals and Timing

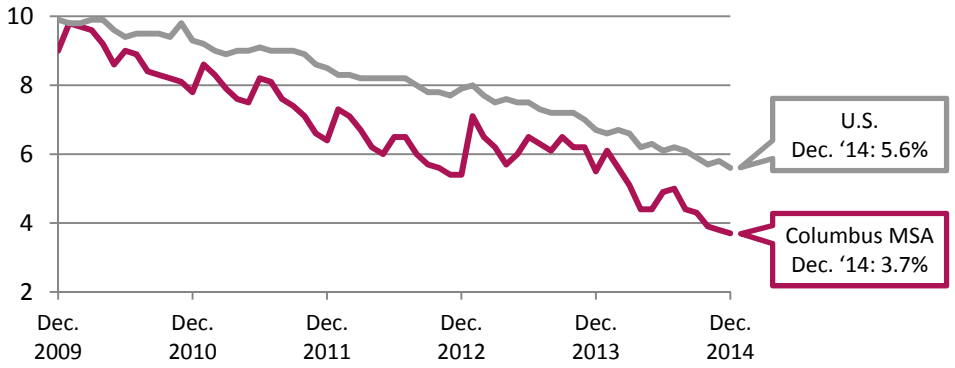
- Customary regulatory approvals
- Estimated close: 4Q 2015

Note: Management believes that it is standard practice in the banking industry to present these non-GAAP measures. These measures provide useful information to management and investors by allowing them to make peer comparisons.

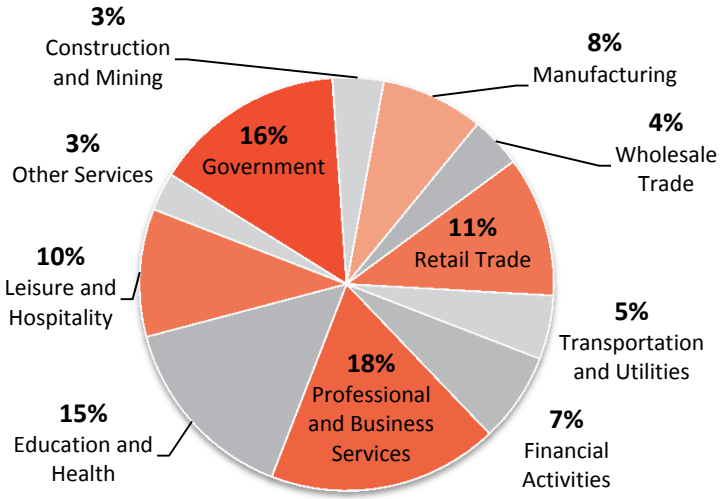
Columbus MSA Market Characteristics

- **High-growth market with attractive employment characteristics**

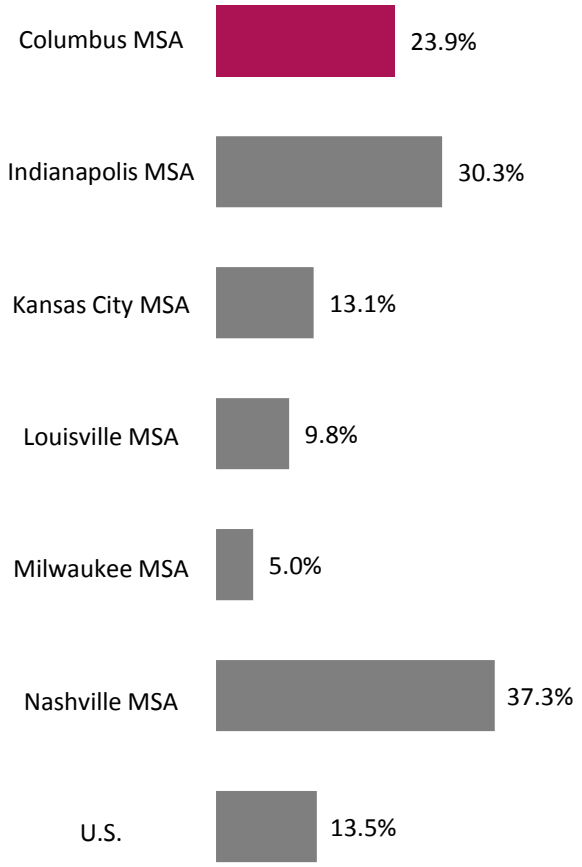
Consistently Low Unemployment Rate (%)



Diverse Economy by Employment



Robust Population Growth, 2000-2015 (%)



Source: US Bureau of Labor Statistics; The Columbus Region Factbook 2015; American Community Survey, 2013

Experience in Ohio

Senior Management Experience

- **Thomas Michael Price,** *President & CEO*
  - Previously CEO for National City Corporation in the Cincinnati market
  - Received his MBA from Cleveland State University
- **Jane Grebenc,** *EVP & Chief Revenue Officer*
  - Previously in an executive leadership position at PVF Capital Corporation in Solon, Ohio
  - Experience with National City Corporation and KeyBank NA in Cleveland, Ohio
  - Received her bachelor's degree from John Carroll University in University Heights, Ohio
- **I. Robert Emmerich,** *EVP & Chief Credit Officer*
  - Previously EVP & Chief Credit Officer for consumer lending at National City Corporation in Cleveland, Ohio for 31 years
  - Received his MBA from Cleveland State University
- **James R. Reske,** *EVP, CFO & Treasurer*
  - Previously EVP, CFO & Treasurer at United Community Financial Corporation in Youngstown, Ohio
  - Experience with KeyBanc Capital Markets, Inc. investment banking in Cleveland, Ohio
  - Received his master's degree and a combined bachelor's/master's degree from The Ohio State University in Columbus, Ohio

Existing Presence in the Region

- 59 commercial relationships in Ohio totaling $232 million in loans outstanding
- Five commercial relationships in the Columbus MSA totaling $50 million in loans outstanding
- First Commonwealth Business Center in downtown Cleveland opened in April 2014



NYSE: FCF

For more information, please contact:

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