

NYSE: FCF

Supplemental Financial Information

Fourth Quarter 2015

January 27, 2016

Forward-looking statements

This presentation contains forward-looking statements about First Commonwealth's future plans, strategies and financial performance. These statements can be identified by the fact that they do not relate strictly to historical or current facts and often include words such as "believe," "expect," "anticipate," "intend," "plan," "estimate" or words of similar meaning, or future or conditional verbs such as "will," "would," "should," "could" or "may." Such statements are based on assumptions and involve risks and uncertainties, many of which are beyond our control. Factors that could cause actual results, performance or achievements to differ from those discussed in the forward-looking statements include, but are not limited to:

- *Local, regional, national and international economic conditions and the impact they may have on First Commonwealth and its customers;*
- *volatility and disruption in national and international financial markets;*
- *the effects of and changes in trade and monetary and fiscal policies and laws, including the interest rate policies of the Federal Reserve Board;*
- *inflation, interest rate, commodity price, securities market and monetary fluctuations;*
- *the effect of changes in laws and regulations (including laws and regulations concerning taxes, banking, securities and insurance) with which First Commonwealth must comply;*
- *the soundness of other financial institutions;*
- *political instability;*
- *impairment of First Commonwealth's goodwill or other intangible assets;*
- *acts of God or of war or terrorism;*
- *the timely development and acceptance of new products and services and perceived overall value of these products and services by users;*
- *changes in consumer spending, borrowings and savings habits;*
- *changes in the financial performance and/or condition of First Commonwealth's borrowers;*
- *technological changes;*
- *acquisitions and integration of acquired businesses;*
- *First Commonwealth's ability to attract and retain qualified employees;*
- *changes in the competitive environment in First Commonwealth's markets and among banking organizations and other financial service providers;*
- *the ability to increase market share and control expenses;*
- *the effect of changes in accounting policies and practices, as may be adopted by the regulatory agencies, as well as the Public Company Accounting Oversight Board, the Financial Accounting Standards Board and other accounting standard setters;*
- *the reliability of First Commonwealth's vendors, internal control systems or information systems;*
- *the costs and effects of legal and regulatory developments, the resolution of legal proceedings or regulatory or other governmental inquiries, the results of regulatory examinations or reviews and the ability to obtain required regulatory approvals; and*
- *other risks and uncertainties described in the reports that First Commonwealth files with the Securities and Exchange Commission, including its most recent Annual Report on Form 10-K.*

Forward-looking statements speak only as of the date on which they are made. First Commonwealth undertakes no obligation to update any forward-looking statements to reflect circumstances or events that occur after the date the forward-looking statements are made.

4Q 2015 Highlights

	4Q15	3Q15	4Q14	Change from 3Q15	Change from 4Q14
Net interest income[1]	$49.2	$47.6	$47.0	*$1.6*	*$2.2*
Provision for credit losses	6.1	4.6	2.6	*1.5*	*3.5*
Fee revenue	15.0	15.9	13.8	*(0.9)*	*1.2*
Gain on sale of securities	(0.3)	0.0	0.5	*(0.3)*	*(0.8)*
Swap MV adjustment	0.2	(0.8)	(0.5)	*1.0*	*0.7*
Gain on sale of other assets	0.4	0.4	0.1	*0.0*	*0.3*
Operating expense[2]	38.5	39.2	39.1	*(0.7)*	*(0.6)*
Other expense[2]	4.6	1.1	8.3	*3.5*	*(3.7)*
Income taxes[1]	5.2	5.8	3.2	*(0.6)*	*2.0*
Net income	**$10.1**	**$12.4**	**$7.7**	***($2.3)***	***$2.4***
Reported EPS	$0.11	$0.14	$0.08	*($0.03)*	*$0.03*
Operating EPS[1]	$0.15	$0.15	$0.13	*$0.00*	*$0.02*
Return on average assets	0.61%	0.78%	0.48%	*(0.17%)*	*0.13%*
Return on average equity	5.50%	6.86%	4.26%	*(1.36%)*	*1.24%*
Return on average tangible common equity[2]	7.10%	8.87%	5.48%	*(1.77%)*	*1.62%*
Efficiency ratio[3]	66.62%	63.83%	78.45%	*2.79%*	*(11.83%)*
Net interest margin[1]	3.26%	3.25%	3.22%	*0.01%*	*0.04%*
Net Chargeoffs[4]	0.32%	0.13%	0.12%	*0.19%*	*0.20%*

- Net income of $10.1 million decreased by $2.3 million compared to linked quarter (LQ) and increased $2.4 million year-over-year (YoY)
- Maintained positive operating leverage YoY in that revenue growth outstripped growth in operating expenses
- Net interest income increased by $1.6 million to LQ primarily as a result of a commercial loan growth and the acquisition of First Community Bank
- Fee income decreased $0.9 million to LQ due to lower mortgage banking revenue and wealth management sales

(1) Taxable equivalent
(2) Please refer to pages 12 - 14 for disclosures regarding non-GAAP measures
(3) Efficiency ratio is calculated as noninterest expense as a percentage of net interest income, on a fully taxable equivalent basis, and total noninterest income, excluding net securities gains and losses
(4) Quarter-to-date annualized

$ in millions, except per share data

Balance Sheet

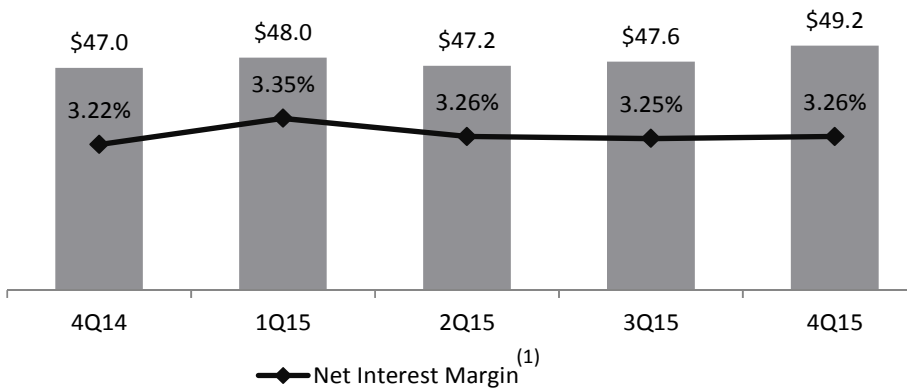
Period-end Balances	4Q15	3Q15	4Q14	Change From 3Q15	Change From 4Q14
Cash & securities	$1,403	$1,332	$1,429	*$71*	*($26)*
Loans held for sale	6	5	3	*1*	*3*
Commercial loans	2,851	2,743	2,578	*108*	*273*
Consumer loans	1,833	1,833	1,879	*0*	*(46)*
Allowance for credit losses	(51)	(49)	(52)	*(2)*	*1*
OREO	10	11	8	*(1)*	*2*
Goodwill & intangibles	166	163	163	*3*	*3*
Other	349	347	352	*2*	*(3)*
Total Assets	**$6,567**	**$6,385**	**$6,360**	***$182***	***$207***
Noninterest Bearing DDA	$1,117	$1,077	$989	*$40*	*$128*
Interest Bearing Savings & DDA	2,477	2,498	2,484	*(21)*	*(7)*
Time Deposits	598	582	692	*16*	*(94)*
Brokered Deposits	4	4	150	*0*	*(146)*
Short-term Borrowings	1,511	1,330	1,106	*181*	*405*
Long-term Debt	81	111	162	*(30)*	*(81)*
Other	59	60	61	*(1)*	*(2)*
Equity	720	723	716	*(3)*	*4*
Total Liabilities & Equity	**$6,567**	**$6,385**	**$6,360**	***$182***	***$207***

- End-of-period (EOP) loans increased $109 million compared to LQ primarily due to $84 million growth in Commercial Real Estate (CRE) and Construction as well as $24 million growth in Commercial and Industrial (C&I) balances
- Total deposits decreased $119 million YoY due primarily to an intentional shift from time and brokered deposits into short-term borrowings
- Noninterest bearing demand deposits increased $128 million, or 12.9%, YoY and currently comprise over 26% of total deposits

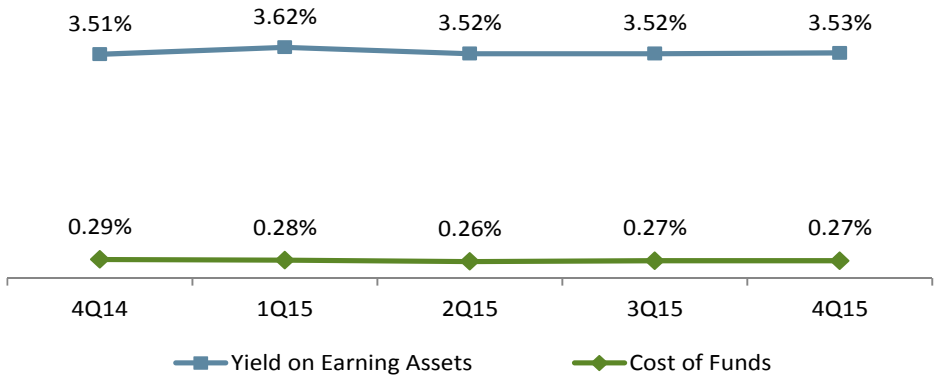
$ in millions

Net interest income and net interest margin

Net Interest Income(1)



Yield / Cost Trends(1)

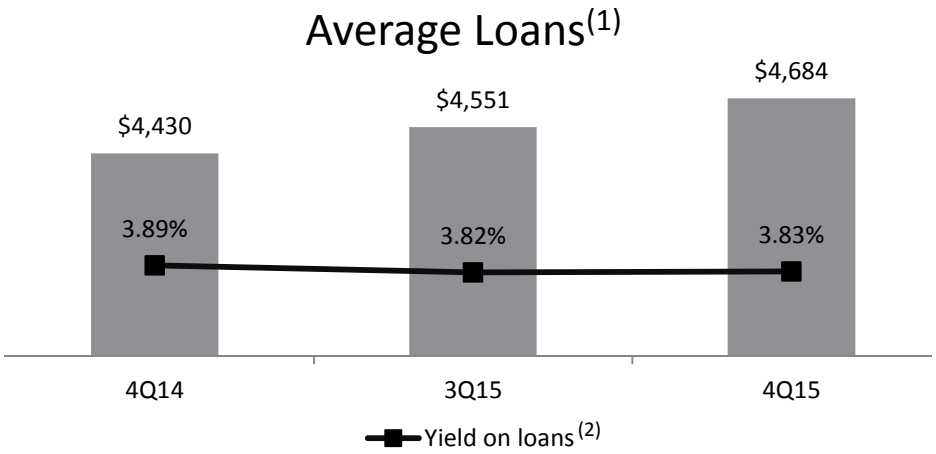


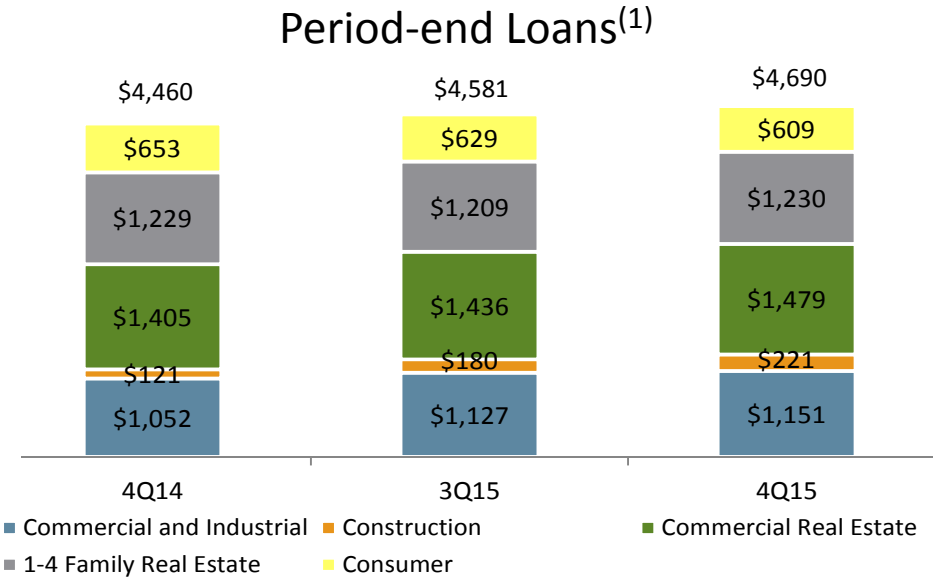
- Net interest income increased $1.6 million compared to LQ primarily as a result of commercial loan growth and the acquisition of First Community Bank
- NIM of 3.26% increased 1bps over LQ due to:
  - Higher balances and yield on investments
  - Higher loan balances offset by higher funding costs
- Average interest earning assets increased $181 million over LQ due to:
  - Average organic loan growth of $73 million
  - $60 million from the acquired First Community portfolio
  - $47 million in investment securities

(1) Taxable equivalent

$ in millions

Loans





Average

- Average organic loans grew $73 million to LQ, or 6.4% on an annualized basis
- Yield on loans of 3.83% increased 1bps from LQ
  - Primarily driven by higher balances

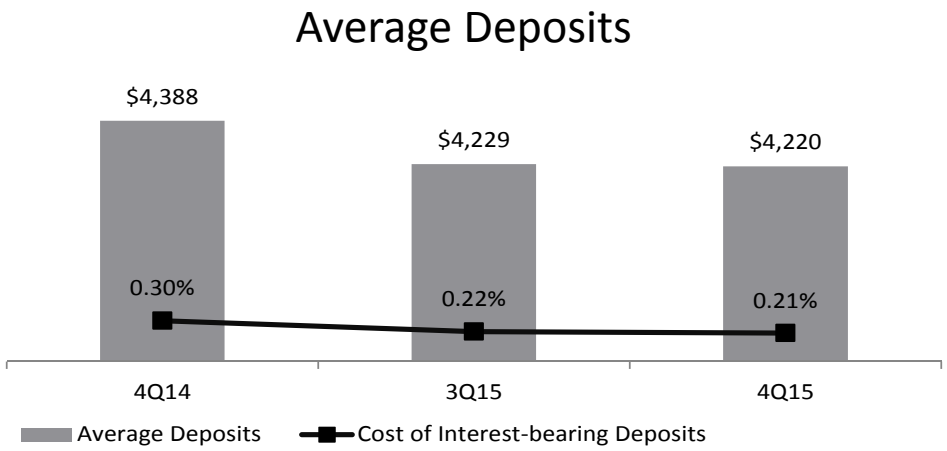
Period-end

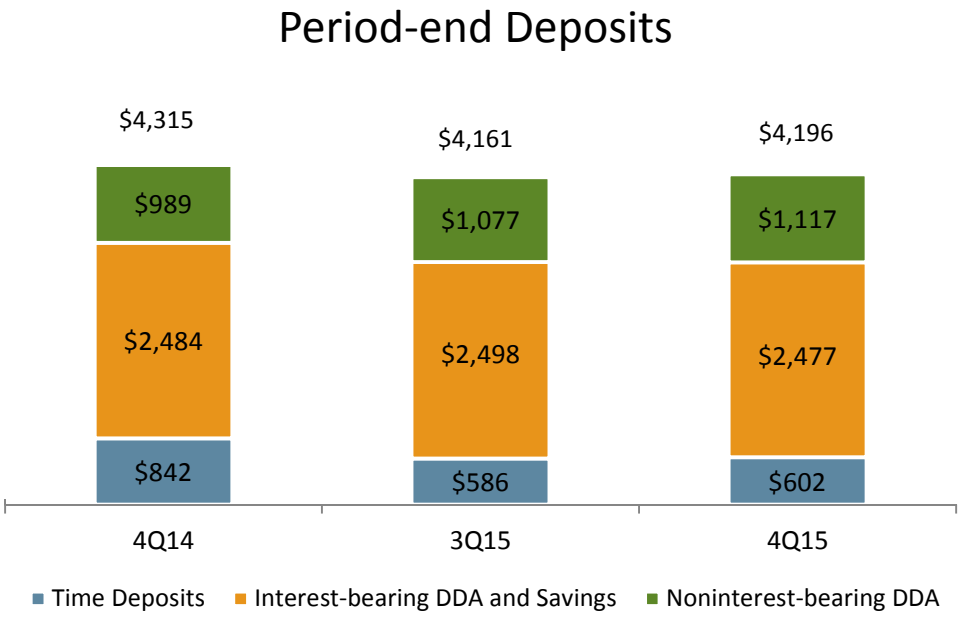
- Loans increased $109 million to LQ and $230 million from the prior year driven by:
  - $56 million organic commercial loan growth and $178 million YoY
  - $58 million total loans acquired through the First Community Bank acquisition

(1) Includes loans held for sale
(2) Taxable equivalent yield

$ in millions

Deposits





Average

- Average deposits decreased $9 million over LQ and $168 million YoY, including the addition of $90 million in deposits acquired through the First Community Bank Acquisition
- Average brokered deposits decreased $59 million to LQ and $198 million YoY
- Cost of interest-bearing deposits of 0.21% decreased 1bps over LQ

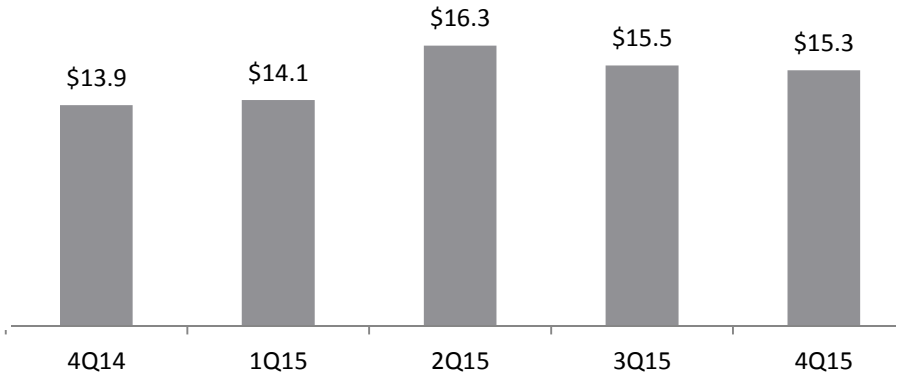
Period-end

- Total deposits increased $35 million over LQ and decreased $119 million YoY, including the addition of $89 million in deposits acquired through the First Community Bank Acquisition
- Organic noninterest bearing demand deposits increased $28 million, or 10.3% annualized, over LQ
- Noninterest-bearing DDA currently comprise over 26% of total deposits

$ in millions

Noninterest income

	4Q15	3Q15	4Q14	Change from 3Q15	Change from 4Q14
Service charges	$4.0	$4.1	$3.6	*($0.1)*	*$0.4*
Interchange	3.7	3.6	3.6	*0.1*	*0.1*
Trust	1.3	1.6	1.4	*(0.3)*	*(0.1)*
Retail brokerage	1.0	1.2	0.9	*(0.2)*	*0.1*
Insurance	1.0	1.0	0.9	*0.0*	*0.1*
BOLI	1.3	1.4	1.4	*(0.1)*	*(0.1)*
SWAP fees	0.1	0.1	0.0	*0.0*	*0.1*
Gain on sale of loans	0.6	1.2	0.4	*(0.6)*	*0.2*
Other fees	2.0	1.7	1.6	*0.3*	*0.4*
Total fee income	**$15.0**	**$15.9**	**$13.8**	***($0.9)***	***$1.2***
Gain on sale of securities	($0.3)	$0.0	$0.5	*($0.3)*	*($0.8)*
Swap MV adjustment	0.2	(0.8)	(0.5)	*1.0*	*0.7*
Gain on sale of assets	0.4	0.4	0.1	*0.0*	*0.3*
Total noninterest income	**$15.3**	**$15.5**	**$13.9**	***($0.2)***	***$1.4***

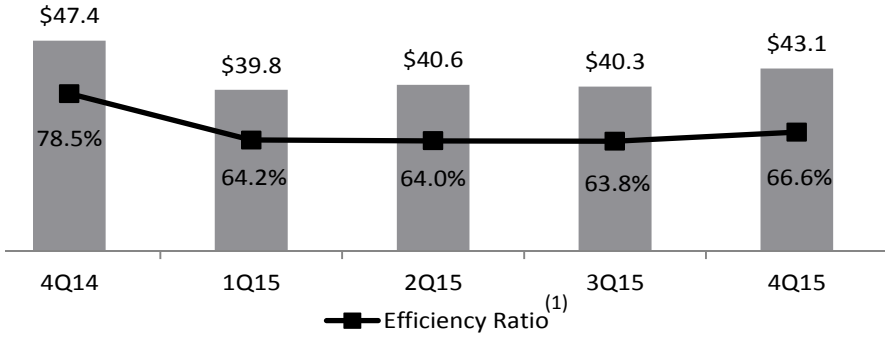


- Gain on sale of loans decreased $0.6 million over LQ driven by a $0.4 million gain on the sale of a commercial loan in 3Q15 and increased $0.2 million YoY as a result of the aforementioned commercial loan sale and our newly launched mortgage initiative
- Trust income decreased $0.3 million to LQ primarily due to seasonal tax preparation fees in 3Q15
- Swap activity increased $1.0 million due to a positive swing in the mark-to-market credit risk adjustment from the prior quarter

$ in millions

Noninterest expense

	4Q15	3Q15	4Q14	Change from 3Q15	Change from 4Q14
Salaries and benefits	$20.7	$22.4	$22.0	*($1.7)*	*($1.3)*
Occupancy	3.2	3.3	3.2	*(0.1)*	*0.0*
Furniture and equipment	2.8	2.7	2.8	*0.1*	*0.0*
PA shares tax	1.1	1.0	1.0	*0.1*	*0.1*
Data processing	1.6	1.6	1.5	*0.0*	*0.1*
Collection and repo	0.6	0.8	0.8	*(0.2)*	*(0.2)*
Professional fees	1.2	1.0	1.1	*0.2*	*0.1*
FDIC insurance	1.0	1.0	1.0	*0.0*	*0.0*
Unfunded commitments	0.6	0.0	0.2	*0.6*	*0.4*
Other operating expenses	5.7	5.4	5.4	*0.3*	*0.3*
Total operating expense	**$38.5**	**$39.2**	**$39.0**	***($0.7)***	***($0.5)***
Operational losses	$0.5	$0.3	($1.5)	*$0.2*	*$2.0*
Shares tax settlement	0.0	0.7	8.6	*(0.7)*	*(8.6)*
Write-down of assets	1.1	0.1	0.4	*1.0*	*0.7*
Building donation	0.0	0.0	0.7	*0.0*	*(0.7)*
Acquisition expenses	0.9	0.0	0.0	*0.9*	*0.9*
Restructuring	2.1	0.0	0.0	*2.1*	*2.1*
Conversion related	0.0	0.0	0.1	*0.0*	*(0.1)*
Total noninterest expense	**$43.1**	**$40.3**	**$47.3**	***$2.8***	***($4.2)***



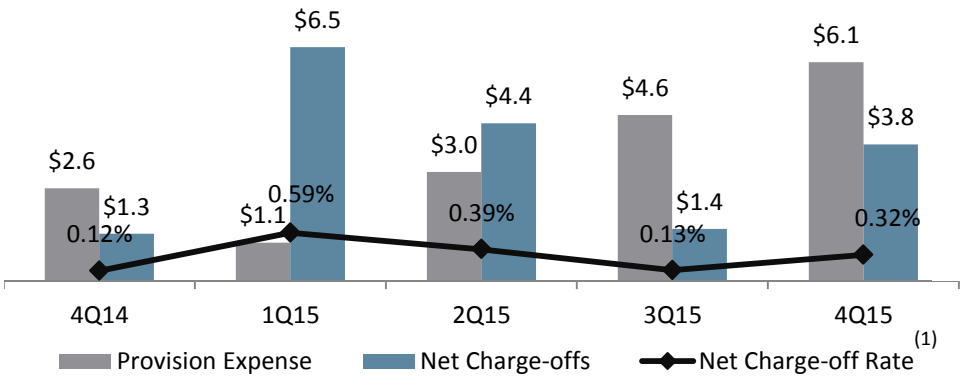
- Total noninterest expense increased $2.8 million to LQ driven by restructuring and First Community acquisition expenses
- Salaries and benefits decreased $1.7 million to LQ and $1.3 million YoY due to a decrease in accrued incentive payouts
- Non-operating expenses included a $2.1 million restructuring expense due to the realignment of our consumer businesses

$ in millions

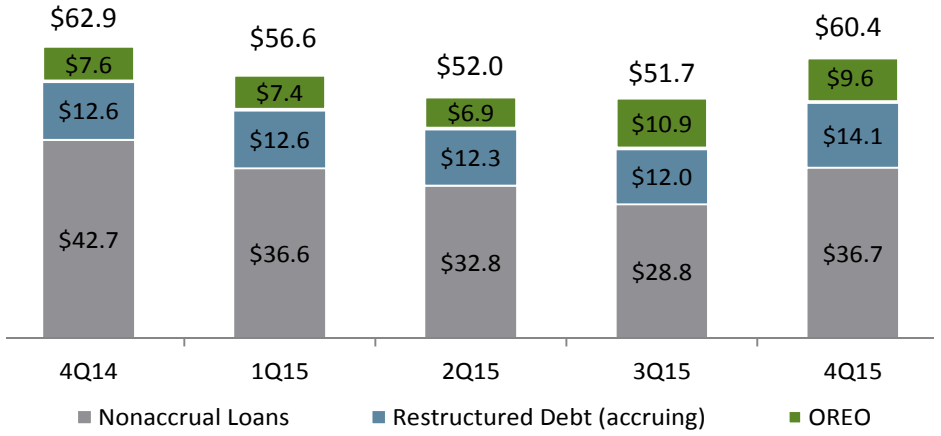
(1) Efficiency ratio is calculated as noninterest expense as a percentage of net interest income, on a fully taxable equivalent basis, and total noninterest income, excluding net securities gains and losses

Credit quality

Provision Expense and Net Charge-offs



Nonperforming Assets

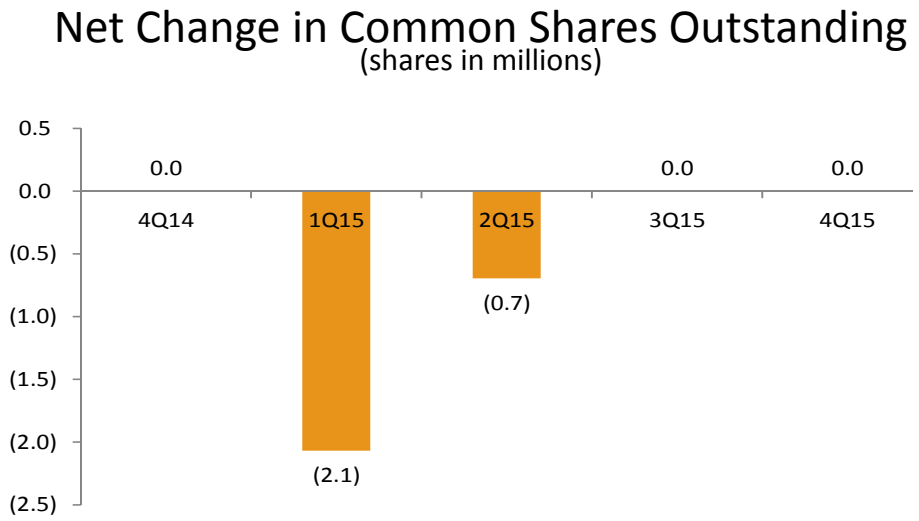


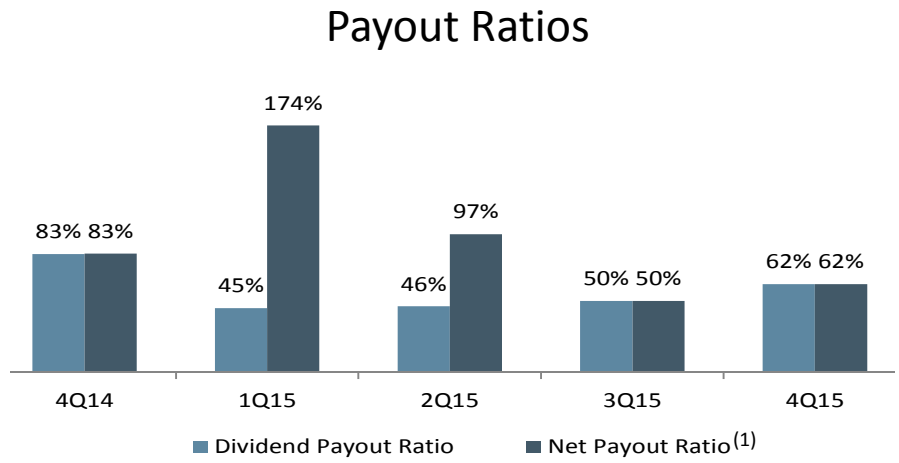
- Provision expense of $6.1 million increased $1.5 million to LQ due to the establishment of $5.4 million in specific reserves for two commercial credits
- Net charge-offs increased $2.4 to LQ due primarily to the $2.0 million charge-off of a $5.9 million loan to a manufacturer for the steel and mining industries that was moved to nonaccrual in 3Q15 with a specific reserve of $2.0 million
- Nonperforming loans increased $10.0 million to LQ primarily as a result of two commercial credits; a $7.5 million loan to a supplier to oil & gas well drillers and a $3.9 million loan to a manufacturer in the sporting goods industry

(1) Net charge-offs as a percentage of period-to-date average loans, annualized

$ in millions

Capital Return





- Average shares outstanding were relatively unchanged compared to LQ
  - Completed $25 million buyback program in 2Q15
  - Do not currently have an authorized buyback program

- Strong capital levels allow us to continue to return capital to shareholders
  - Returned $25.0 million in share buybacks to shareholders in 2015
  - Returned $18.9 million in dividends to shareholders in 2015
  - Dividend payout ratio expected to remain in the 40%-60% range

(1) Net payout ratio represents common stock dividends and share repurchases less share issuances and stock compensation-related items, divided by net income attributable to common stock.

Non-GAAP measures

Operating Revenue	4Q15	3Q15	2Q15	1Q15	4Q14
Net Interest Income	$48.3	$46.7	$46.4	$47.2	$46.2
Tax equivalent adjustment	0.9	0.9	0.8	0.8	0.8
Net Interest Income (FTE)	49.2	47.6	47.2	48.0	47.0
Noninterest Income (Reported)	15.3	15.5	16.3	14.1	13.9
Less: Realized gains/ (losses) on securities	(0.3)	0.0	0.0	0.1	0.5
Less: Market value adjustment on Swaps	0.2	(0.8)	0.6	(0.2)	(0.5)
Less: Gain on sale of other assets	0.4	0.4	0.4	0.2	0.1
Total Noninterest Income (Operating)	$15.0	$15.9	$15.3	$14.0	$13.8
Total Operating Revenue	$64.2	$63.5	$62.5	$62.0	$60.8
Average Assets	6,531	6,343	6,361	6,358	6,343
Operating Revenue/ Average Assets (%)	**0.98%**	**1.00%**	**0.98%**	**0.98%**	**0.96%**

Operating Expense	4Q15	3Q15	2Q15	1Q15	4Q14
Noninterest Expense	$43.1	$40.3	$40.6	$39.8	$47.4
Less: Acquisition / conversion-related expenses	0.9	0.0	0.0	0.0	0.1
Less: Restructuring	2.1	0.0	0.0	0.0	0.0
Less: Loss on sale or writedown of other assets	1.1	0.1	1.6	0.3	0.4
Less: Building donation	0.0	0.0	0.0	0.0	0.7
Less: Tax settlement / legal contingnecy reserve	0.0	0.7	0.0	0.0	8.6
Less: Operational losses/(recoveries)	0.5	0.3	0.3	1.0	(1.5)
Total Operating Expense	$38.5	$39.2	$38.7	$38.5	$39.1
Average Assets	6,531	6,343	6,361	6,358	6,343
Operating Expense/ Average Assets (%)	**0.59%**	**0.62%**	**0.61%**	**0.61%**	**0.62%**

$ in millions

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.

Non-GAAP measures

Operating Earnings per Share	4Q15	3Q15	2Q15	1Q15	4Q14
Net Income (GAAP)	$10.1	$12.4	$13.4	$14.2	$7.7
Average Diluted Shares Outstanding	88.8	88.8	88.9	90.9	91.6
Earnings per Share (GAAP)	**$0.11**	**$0.14**	**$0.15**	**$0.16**	**$0.08**
(after tax)					
Less: Net security (losses) / gains	0.00	0.00	0.00	0.00	0.00
Less: Market value adjustment on Swaps	0.00	(0.01)	0.00	0.00	0.00
Less: Gain on sale of other assets	0.00	0.00	0.00	0.00	0.00
Add: Acquisition / conversion-related expenses	0.01	0.00	0.00	0.00	0.00
Add: Restructuring	0.02	0.00	0.00	0.00	0.00
Add: Loss on sale or writedown of other assets	0.01	0.00	0.01	0.00	0.00
Add: Building donation	0.00	0.00	0.00	0.00	0.01
Add: Tax settlement / legal contingnecy reserve	0.00	0.00	0.00	0.00	0.06
Add: Operational losses/(recoveries)	0.00	0.00	0.00	0.00	(0.02)
Operating Earnings per Share (Non-GAAP)	**$0.15**	**$0.15**	**$0.16**	**$0.16**	**$0.13**

Tangible Common Equity/ Tangible Assets (Tangible Common Equity Ratio)	4Q15	3Q15	2Q15	1Q15	4Q14
Total Equity	$720	$723	$711	$713	$716
Less: Intangible assets	166	163	163	163	163
Less: Preferred stock	0	0	0	0	0
Tangible Common Equity	$554	$560	$548	$550	$553
Total Assets	$6,567	$6,385	$6,317	$6,332	$6,360
Less: Intangible assets	166	163	163	163	163
Tangible Assets	$6,401	$6,222	$6,154	$6,169	$6,197
Tangible Common Equity/ Tangible Assets	**8.7%**	**9.0%**	**8.9%**	**8.9%**	**8.9%**

$ in millions, except per share data

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.

Non-GAAP measures

Return on Average Tangible Common Equity (%)	4Q15	3Q15	2Q15	1Q15	4Q14
Average Equity	$726	$718	$712	$718	$720
Less: Average Intangible assets	164	163	163	163	161
Less: Average Preferred stock	0	0	0	0	0
Average Tangible Common Equity	$562	$555	$549	$555	$559
Net Income (GAAP)	$10.1	$12.4	$13.4	$14.2	$7.7
Return on Average Tangble Common Equity	**7.1%**	**8.9%**	**9.8%**	**10.4%**	**5.5%**

$ in millions, except per share data

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.



NYSE: FCF

For more information, please contact:

Ryan M. Thomas
Vice President / Finance & Investor Relations
First Commonwealth Financial Corporation
654 Philadelphia Street
Indiana, Pennsylvania 15701
(724) 463-1690
InvestorRelations@fcbanking.com