First Commonwealth®

NYSE: FCF

Supplemental Financial Information

First Quarter 2018

April 25, 2018

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.

1Q 2018 Highlights

	1Q18	4Q17	1Q17	Change from 4Q17	Change from 1Q17
Net interest income[1]	$60.2	$60.6	$52.8	*($0.4)*	*$7.4*
Provision for credit losses	6.9	2.3	3.2	*4.6*	*3.7*
Fee revenue	18.4	20.8	16.2	*(2.4)*	*2.2*
Gain on sale of securities	2.8	4.3	0.7	*(1.5)*	*2.1*
Derivative mark-to-market	0.8	(0.4)	0.0	*1.2*	*0.8*
Operating expense[2]	45.8	50.7	41.8	*(4.9)*	*4.0*
Other expense[2]	1.1	1.2	1.0	*(0.1)*	*0.1*
Income taxes[1]	5.1	27.1	7.8	*(22.0)*	*(2.7)*
Net income	**$23.3**	**$4.0**	**$15.9**	***$19.3***	***$7.4***
Core net income[2]	**$23.5**	**$20.6**	**$16.3**	***$2.9***	***$7.2***
Reported EPS	$0.24	$0.04	$0.18	*$0.20*	*$0.06*
Core EPS[2]	$0.24	$0.21	$0.18	*$0.03*	*$0.06*
Return on average assets	1.29%	0.21%	0.96%	*1.08%*	*0.33%*
Core return on average assets[2]	1.31%	1.11%	0.98%	*0.20%*	*0.33%*
Return on average equity	10.57%	1.75%	8.51%	*8.82%*	*2.06%*
Return on average tangible common equity[2]	15.56%	2.84%	11.80%	*12.72%*	*3.76%*
Core return on average tangible common equity[2]	15.73%	13.29%	12.08%	*2.44%*	*3.65%*
Core efficiency ratio[2]	58.21%	62.24%	60.49%	*(4.03%)*	*(2.28%)*
Net interest margin[1]	3.69%	3.61%	3.50%	*0.08%*	*0.19%*
Net Chargeoffs[3]	0.11%	0.16%	0.39%	*(0.05%)*	*(0.28%)*

- Core net income of $23.5 million increased by $2.9 million compared to linked quarter (LQ) and $7.2 million year-over-year (YoY)
- Net interest margin expansion of $7.4 million YoY was aided by improved loan yields as a result of the increase in short-term rates and the ability to pay down higher cost short-term borrowings following the FirstMerit branch acquisition in 4Q16
- Provision increased $4.6 million compared to LQ primarily due to the deterioration of two commercial loan relationships in 1Q18
- Fee income increased $2.2 million YOY largely driven by acquired customer relationships, higher gain on sale of mortgage loans and increased trust income
- Operating expense decreased $4.9 million compared to LQ primarily due to a $3.9 million decrease in salaries and benefits resulting from a one-time employee bonus of $1,500 per employee (other than named executive officers) totaling $2.5 million in 4Q17

(1) Taxable equivalent
(2) Please refer to pages 13 - 16 for disclosures regarding non-GAAP measures
(3) Quarter-to-date annualized

$ in millions, except per share data

Balance Sheet

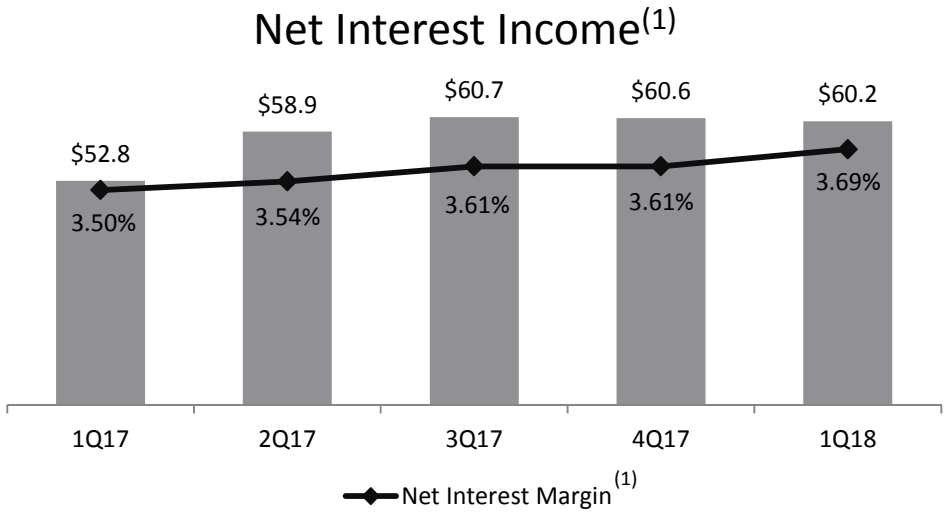
Period-end Balances	1Q18	4Q17	1Q17	Change From 4Q17	Change From 1Q17
Cash & securities	$1,323	$1,291	$1,381	*$32*	*($58)*
Loans held for sale	9	15	10	*(6)*	*(1)*
Commercial loans	3,406	3,431	3,150	*(25)*	*256*
Consumer loans	1,976	1,976	1,758	*0*	*218*
Allowance for credit losses	(54)	(48)	(49)	*(6)*	*(5)*
OREO	3	3	7	*0*	*(4)*
Goodwill & intangibles	269	270	198	*(1)*	*71*
Other	389	371	354	*18*	*35*
Total Assets	**$7,321**	**$7,309**	**$6,809**	***$12***	***$512***
Noninterest Bearing DDA	$1,444	$1,417	$1,270	*$27*	*$174*
Interest Bearing Savings & DDA	3,616	3,549	3,145	*67*	*471*
Time Deposits	629	600	554	*29*	*75*
Brokered Deposits	15	15	1	*0*	*14*
Short-term Borrowings	588	707	961	*(119)*	*(373)*
Long-term Debt	88	88	81	*0*	*7*
Other	42	45	36	*(3)*	*6*
Equity	899	888	761	*11*	*138*
Total Liabilities & Equity	**$7,321**	**$7,309**	**$6,809**	***$12***	***$512***

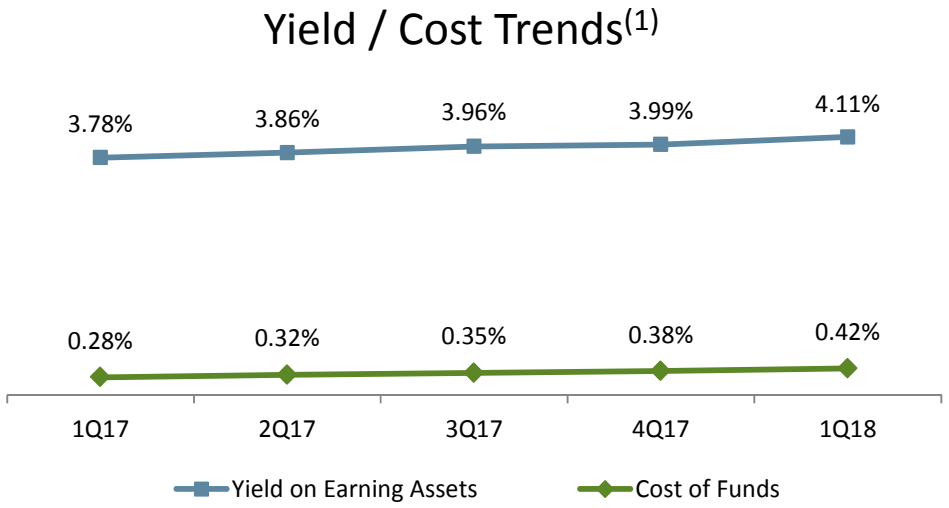
- Total asset growth of $512 million YoY driven by the acquisition of DCB Financial Corp. in 2Q17 along with organic growth
- Noninterest-bearing demand deposits increased $174 million, or 13.7% YoY, and now comprise 25.3% of total deposits
- Short-term borrowings decreased $119 million from LQ primarily due to core deposit growth

(1) Balances as of the close of the northern Ohio branch acquisition

$ in millions

Net interest income and net interest margin





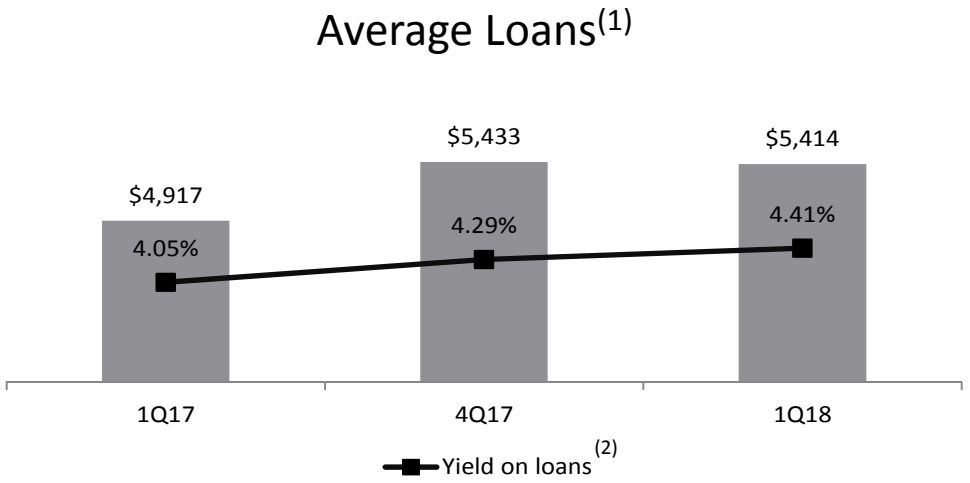
- Net interest income increased $7.4 million YoY primarily as a result of acquired average earning assets from the aforementioned DCB acquisition and improved yields on variable and adjustable loans following the Federal Reserve's decisions to increase short-term rates

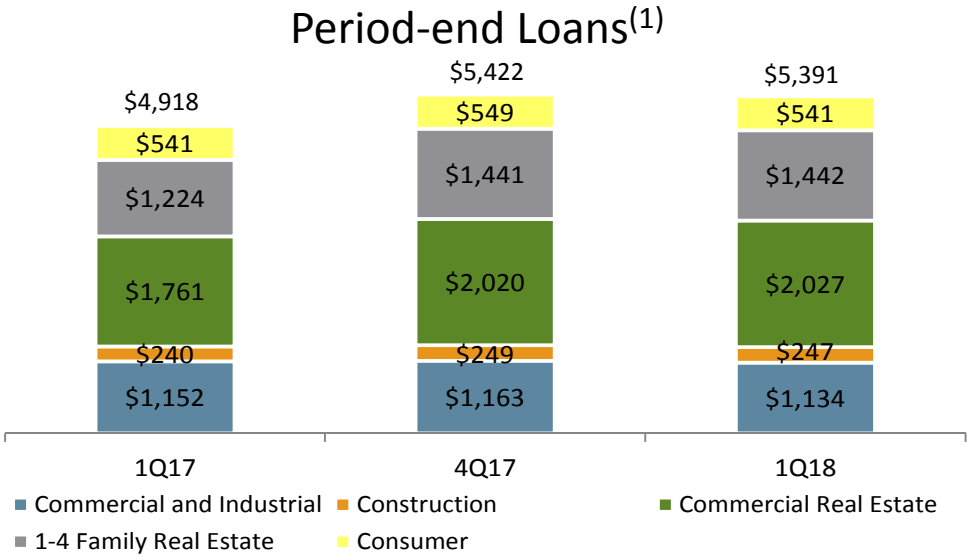
- Net interest margin of 3.69% increased 8bps over LQ due to:
  - Improved yields on variable and adjustable loans, as well as investment securities
  - Partially offset by higher borrowing costs

(1) Taxable equivalent

$ in millions

Loans





Average

- Average loans decreased $19 million from LQ, but increased $497 million YoY
- Yield on loans of 4.41% increased 12 basis points over LQ and 36 basis points YoY due to higher yields on variable rate loans following the Federal Reserve's decisions to increase short-term interest rates

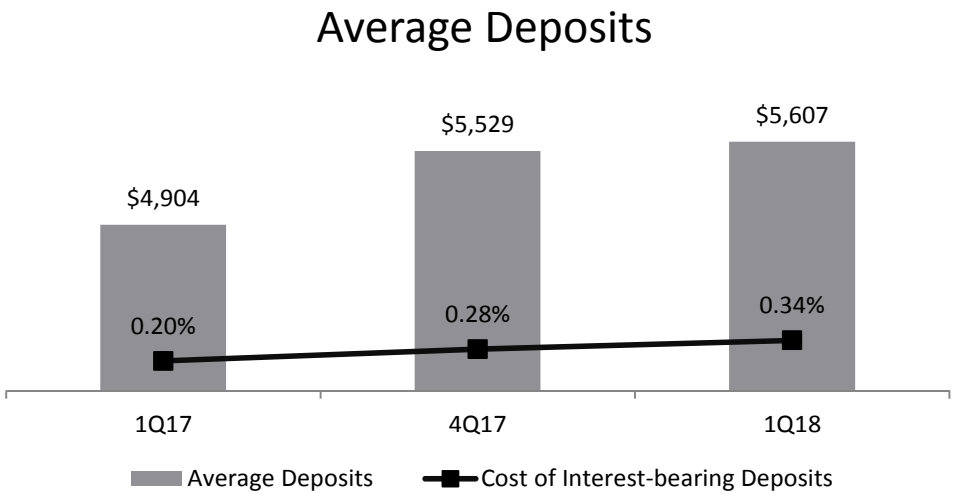
Period-end

- Loans decreased $31 million from LQ, but increased $473 million from the prior year
  - YoY growth includes $383 million(3) of loans acquired in the DCB Financial Corp. acquisition

(1) Includes loans held for sale
(2) Taxable equivalent yield
(3) Balances as of the close of the acquisition

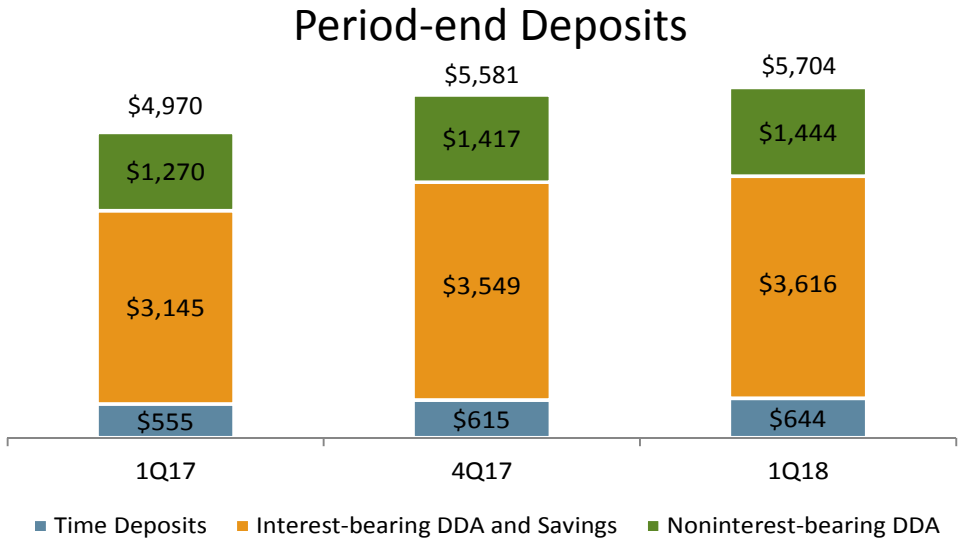
$ in millions

Deposits



Average

- Average deposits increased $78 million from LQ and $703 million YoY
- Cost of interest-bearing demand and savings deposits of 0.25% increased 5 basis points over LQ due to rate increases on public funds



Period-end

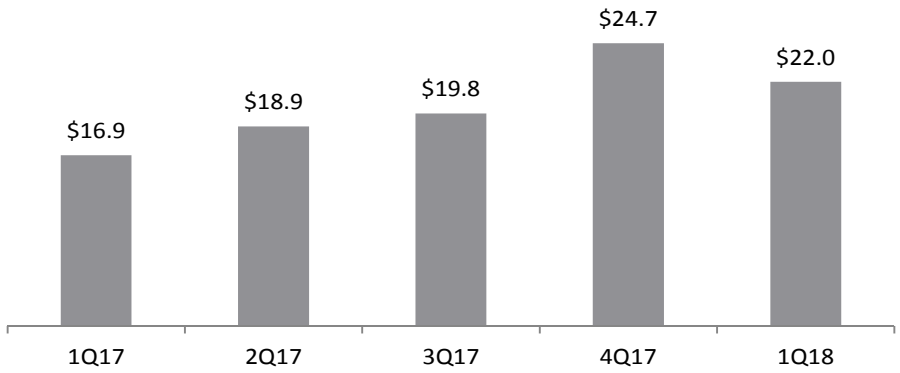
- Total deposits increased $123 million from LQ and increased $734 million from the prior year driven by the addition of $484 million(1) in deposits acquired in the DCB Financial acquisition
- Noninterest-bearing deposits currently comprise 25.3% of total deposits

(1) Balances as of the close of the acquisition

$ in millions

Noninterest income

	1Q18	4Q17	1Q17	Change from 4Q17	Change from 1Q17
Service charges	$4.4	$4.7	$4.3	*($0.3)*	*$0.1*
Interchange	4.7	4.9	4.3	*(0.2)*	*0.4*
Trust	1.9	1.8	1.4	*0.1*	*0.5*
Insurance and retail brokerage	1.9	2.2	2.1	*(0.3)*	*(0.2)*
BOLI	1.5	1.5	1.3	*0.0*	*0.2*
SWAP fees	0.3	1.5	(0.1)	*(1.2)*	*0.4*
Gain on sale of mortgage loans	1.5	1.7	1.0	*(0.2)*	*0.5*
Other fees	2.2	2.5	1.9	*(0.3)*	*0.3*
Total fee income	**$18.4**	**$20.8**	**$16.2**	***($2.4)***	***$2.2***
Gain on sale of securities	2.8	4.3	0.7	*(1.5)*	*2.1*
Derivative mark-to-market	0.8	(0.4)	0.0	*1.2*	*0.8*
Total noninterest income	**$22.0**	**$24.7**	**$16.9**	***($2.7)***	***$5.1***

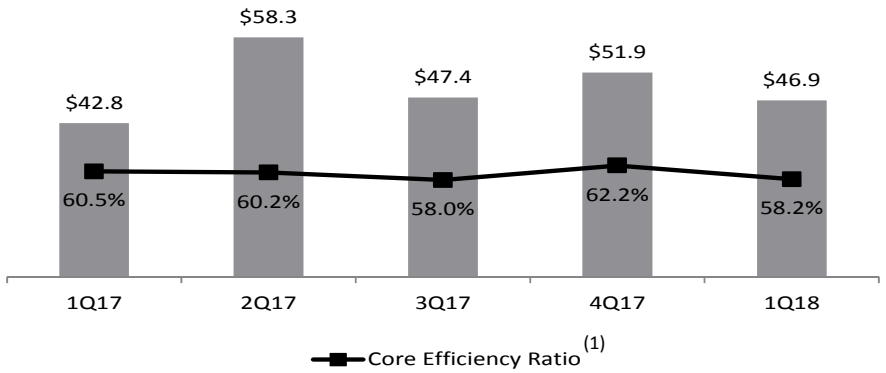


- Interchange and service charges increased $0.5 million YoY primarily due to the acquisition of DCB Financial Corp. in 2Q17 and 13 former FirstMerit branches in December 2016
- Trust increased $0.5 million YoY primarily due to an expanded customer base as a result of the aforementioned acquisitions
- Swap fee income decreased $1.2 million over LQ largely due to decreased commercial borrower swap activity
- Gain on sale of mortgage loans increased $0.5 million YoY primarily due to higher originations resulting from the expansion of our mortgage business into Ohio
- Gain on sale of securities decreased $1.5 million over LQ, but increased $2.1 million YoY primarily due to $2.8 million in net security gains in 1Q18 and $4.3 million in 4Q17 for successful auction calls of two of our pooled trust preferred securities

$ in millions

Noninterest expense

	1Q18	4Q17	1Q17	Change from 4Q17	Change from 1Q17
Salaries and benefits	$24.9	$28.8	$23.5	*($3.9)*	*$1.4*
Occupancy	4.4	4.1	3.8	*0.3*	*0.6*
Furniture and equipment	3.5	3.8	3.1	*(0.3)*	*0.4*
PA shares tax	0.9	1.1	0.8	*(0.2)*	*0.1*
Data processing	2.4	2.4	2.1	*0.0*	*0.3*
Collection and repo	0.8	0.6	0.5	*0.2*	*0.3*
Professional fees	1.0	1.4	1.0	*(0.4)*	*0.0*
FDIC insurance	0.8	0.7	0.8	*0.1*	*0.0*
Operational losses	0.2	0.9	0.2	*(0.7)*	*0.0*
Other operating expenses	6.9	6.9	6.0	*0.0*	*0.9*
Total operating expense	**$45.8**	**$50.7**	**$41.8**	***($4.9)***	***$4.0***
Unfunded commitments	0.0	0.6	(0.2)	*(0.6)*	*0.2*
Intangible amortization	0.8	0.8	0.6	*0.0*	*0.2*
Acquisition expenses	0.3	(0.2)	0.6	*0.5*	*(0.3)*
Total noninterest expense	**$46.9**	**$51.9**	**$42.8**	***($5.0)***	***$4.1***



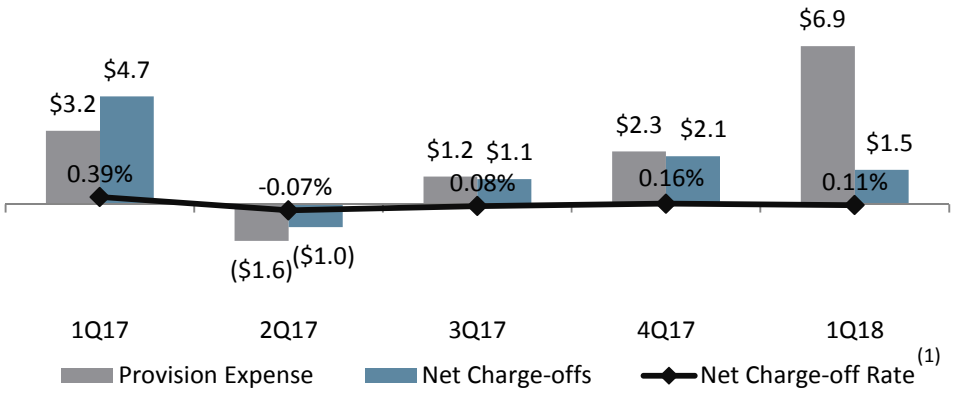
$ in millions

- Operating expense decreased $4.9 million to LQ primarily due to a one-time $2.5 million expense in 4Q17 for a one-time bonus of $1,500 paid to all employees following the passage of the Tax Cuts and Jobs Act, but increased $4.0 million YoY in part due to recent acquisitions and expansion efforts into Northern and Central Ohio
- Salaries and benefits decreased $3.9 million to LQ largely due to the aforementioned one-time employee bonus, but increased $1.4 million YoY primarily due to the addition of acquired staff and the continued expansion in Ohio
  - FTEs increased 94 YoY
- Unfunded commitment expense decreased $0.6 million to LQ due to lower commercial and commercial construction commitments

(1) Please refer to pages 13 – 16 for disclosures regarding non-GAAP measures

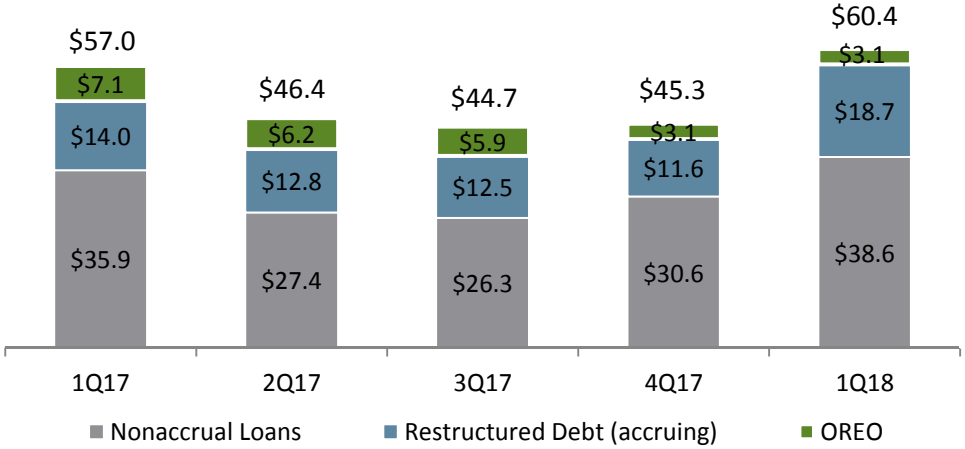
Credit quality

Provision Expense and Net Charge-offs



- Provision expense of $6.9 million increased $4.6 million from LQ and $3.7 million YoY due to an increase of $7.7 million in specific reserves primarily related to the deterioration of two commercial loan relationships

Nonperforming Assets

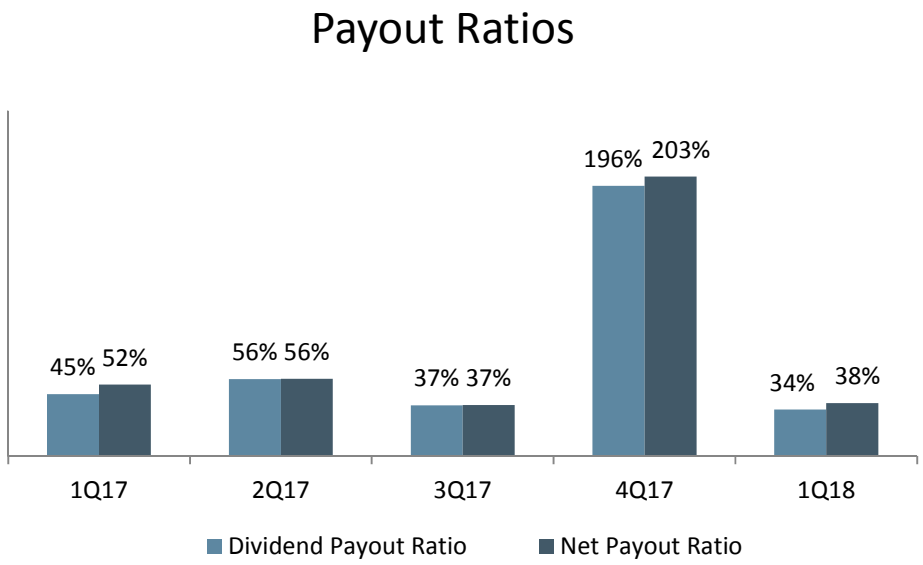


- Nonperforming assets increased $15.1 million over LQ and increased $3.4 million YoY, reflecting the two aforementioned commercial relationships

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

$ in millions

Capital Return



- Strong capital levels allow us to continue to return capital to shareholders
  - Increase the quarterly dividend by 12.5% from $0.08 to $0.09 per share
  - Dividend payout ratio expected to remain in the 30%-60% range

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

Appendix



Non-GAAP Measures

Non-GAAP measures

Operating Revenue	1Q18	4Q17	3Q17	2Q17	1Q17
Net Interest Income	$59.7	$59.6	$59.6	$57.8	$51.8
Tax equivalent adjustment	0.5	1.0	1.1	1.1	1.0
Net Interest Income (FTE)	60.2	60.6	60.7	58.9	52.8
Noninterest Income (Reported)	22.0	24.7	19.8	18.9	16.9
Less: Realized gains / (losses) on securities	2.8	4.3	0.1	0.0	0.7
Less: Derivative mark-to-market	0.8	(0.4)	0.0	0.0	0.0
Total Noninterest Income (Operating)	$18.4	$20.8	$19.7	$18.9	$16.2
Total Operating Revenue	$78.6	$81.4	$80.4	$77.8	$69.0
Average Assets	7,300	7,365	7,377	7,382	6,709
Operating Revenue / Average Assets (%)	**4.31%**	**4.42%**	**4.36%**	**4.22%**	**4.11%**

Operating Expense	1Q18	4Q17	3Q17	2Q17	1Q17
Noninterest Expense	$46.9	$51.9	$47.4	$58.3	$42.8
Less: Unfunded commitment reserve	0.0	0.6	0.0	0.7	(0.2)
Less: Intangible amortization	0.8	0.8	0.8	0.8	0.6
Less: Merger and acquisition related	0.3	(0.2)	(0.1)	9.9	0.6
Total Operating Expense	$45.8	$50.7	$46.7	$46.9	$41.8
Average Assets	7,300	7,365	7,377	7,382	6,709
Operating Expense / Average Assets (%)	**2.51%**	**2.75%**	**2.53%**	**2.54%**	**2.49%**
Core Efficiency Ratio[1]	**58.2%**	**62.2%**	**58.0%**	**60.2%**	**60.5%**

$ in millions

(1) Core Efficiency Ratio is calculated as Operating Expense as a percentage of Operating Revenue

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

Core Earnings per Share	1Q18	4Q17	3Q17	2Q17	1Q17
Net Income (GAAP)	$23.3	$4.0	$21.3	$14.0	$15.9
Less: Merger and acquisition related *(after tax)*	0.2	(0.1)	(0.1)	6.4	0.4
Less: Deferred tax asset writedown	0.0	16.7	0.0	0.0	0.0
Core Net Income (Non-GAAP)	**$23.5**	**$20.6**	**$21.2**	**$20.4**	**$16.3**
Average Diluted Shares Outstanding	97.6	97.5	97.5	97.2	89.0
Core Earnings per Share (Non-GAAP)	**$0.24**	**$0.21**	**$0.22**	**$0.21**	**$0.18**

Core Return on Average Assets (%)	1Q18	4Q17	3Q17	2Q17	1Q17
Net Income (GAAP)	$23.3	$4.0	$21.3	$14.0	$15.9
Less: Merger and acquisition related *(after tax)*	0.2	(0.1)	(0.1)	6.4	0.4
Less: Deferred tax asset writedown	0.0	16.7	0.0	0.0	0.0
Core Net Income (Non-GAAP)	**$23.5**	**$20.6**	**$21.2**	**$20.4**	**$16.3**
Average Assets	7,300	7,365	7,377	7,382	6,709
Core Return on Average Assets (Non-GAAP)	**1.31%**	**1.11%**	**1.14%**	**1.11%**	**0.98%**

$ 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 (%)	1Q18	4Q17	3Q17	2Q17	1Q17
Average Equity	$893	$901	$889	$872	$757
Less: Average intangible assets	270	271	272	272	198
Less: Average preferred stock	0	0	0	0	0
Average Tangible Common Equity	$623	$630	$617	$600	$559
Net Income (GAAP)	$23.3	$4.0	$21.3	$14.0	$15.9
Less: Intangible amortization *(after tax)*	0.6	0.5	0.5	0.6	0.4
Net Income Adjusted for Intangible Amortization (Non-GAAP)	$23.9	$4.5	$21.8	$14.6	$16.3
Return on Average Tangible Common Equity	**15.6%**	**2.8%**	**14.0%**	**9.7%**	**11.8%**

Core Return on Average Tangible Common Equity (%)	1Q18	4Q17	3Q17	2Q17	1Q17
Average Equity	$893	$901	$889	$872	$757
Less: Average intangible assets	270	271	272	272	198
Less: Average preferred stock	0	0	0	0	0
Average Tangible Common Equity	$623	$630	$617	$600	$559
Net Income (GAAP)	$23.3	$4.0	$21.3	$14.0	$15.9
Less: Merger and acquisition related *(after tax)*	0.2	(0.1)	(0.1)	6.4	0.4
Less: Deferred tax asset writedown	0.0	16.7	0.0	0.0	0.0
Core Net Income (Non-GAAP)	$23.5	$20.6	$21.2	$20.4	$16.3
Less: Intangible amortization *(after tax)*	0.6	0.5	0.5	0.6	0.4
Core Net Income Adjusted for Intangible Amortization (Non-GAAP)	$24.1	$21.1	$21.7	$21.0	$16.7
Core Return on Average Tangible Common Equity	**15.7%**	**13.3%**	**14.0%**	**14.0%**	**12.1%**

$ 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

Tangible Common Equity / Tangible Assets (Tangible Common Equity Ratio)	1Q18	4Q17	3Q17	2Q17	1Q17
Total Equity	$899	$888	$894	$879	$761
Less: Intangible assets	269	270	271	272	198
Less: Preferred stock	0	0	0	0	0
Tangible Common Equity	$630	$618	$623	$607	$563
Total Assets	$7,321	$7,309	$7,384	$7,383	$6,809
Less: Intangible assets	269	270	271	272	198
Tangible Assets	$7,052	$7,039	$7,113	$7,111	$6,611
Tangible Common Equity / Tangible Assets	**8.9%**	**8.8%**	**8.8%**	**8.5%**	**8.5%**

$ 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