

# F.N.B. Corporation


## *Investor Presentation*

KBW U.S. Regional Bank Conference  
London, England  
*June 11, 2012*



Vincent J. Delie, Jr.  
President and Chief Executive Officer

Gary L. Guerrieri  
Chief Credit Officer



## Cautionary Statement Regarding Forward-Looking Information and Non-GAAP Financial Information

This presentation and the reports F.N.B. Corporation files with the Securities and Exchange Commission often contain “forward-looking statements” relating to present or future trends or factors affecting the banking industry and, specifically, the financial operations, markets and products of F.N.B. Corporation. These forward-looking statements involve certain risks and uncertainties. There are a number of important factors that could cause F.N.B. Corporation’s future results to differ materially from historical performance or projected performance. These factors include, but are not limited to: (1) a significant increase in competitive pressures among financial institutions; (2) changes in the interest rate environment that may reduce interest margins; (3) changes in prepayment speeds, loan sale volumes, charge-offs and loan loss provisions; (4) general economic conditions; (5) various monetary and fiscal policies and regulations of the U.S. government that may adversely affect the businesses in which F.N.B. Corporation is engaged; (6) technological issues which may adversely affect F.N.B. Corporation’s financial operations or customers; (7) changes in the securities markets; (8) risk factors mentioned in the reports and registration statements F.N.B. Corporation files with the Securities and Exchange Commission; (9) housing prices; (10) job market; (11) consumer confidence and spending habits; (12) estimates of fair value of certain F.N.B. Corporation assets and liabilities or (13) the effects of current, pending and future legislation, regulation and regulatory actions. F.N.B. Corporation undertakes no obligation to revise these forward-looking statements or to reflect events or circumstances after the date of this presentation.

To supplement its consolidated financial statements presented in accordance with Generally Accepted Accounting Principles (GAAP), the Corporation provides additional measures of operating results, net income and earnings per share (EPS) adjusted to exclude certain costs, expenses, and gains and losses. The Corporation believes that these non-GAAP financial measures are appropriate to enhance the understanding of its past performance as well as prospects for its future performance. In the event of such a disclosure or release, the Securities and Exchange Commission’s Regulation G requires: (i) the presentation of the most directly comparable financial measure calculated and presented in accordance with GAAP and (ii) a reconciliation of the differences between the non-GAAP financial measure presented and the most directly comparable financial measure calculated and presented in accordance with GAAP. The required presentations and reconciliations are contained herein and can be found at our website, [www.fnbcorporation.com](http://www.fnbcorporation.com), under “Shareholder and Investor Relations” by clicking on “Non-GAAP Reconciliation.”

The Appendix to this presentation contains non-GAAP financial measures used by the Corporation to provide information useful to investors in understanding the Corporation's operating performance and trends, and facilitate comparisons with the performance of the Corporation's peers. While the Corporation believes that these non-GAAP financial measures are useful in evaluating the Corporation, the information should be considered supplemental in nature and not as a substitute for or superior to the relevant financial information prepared in accordance with GAAP. The non-GAAP financial measures used by the Corporation may differ from the non-GAAP financial measures other financial institutions use to measure their results of operations. This information should be reviewed in conjunction with the Corporation’s financial results disclosed on April 24, 2012 and in its periodic filings with the Securities and Exchange Commission.

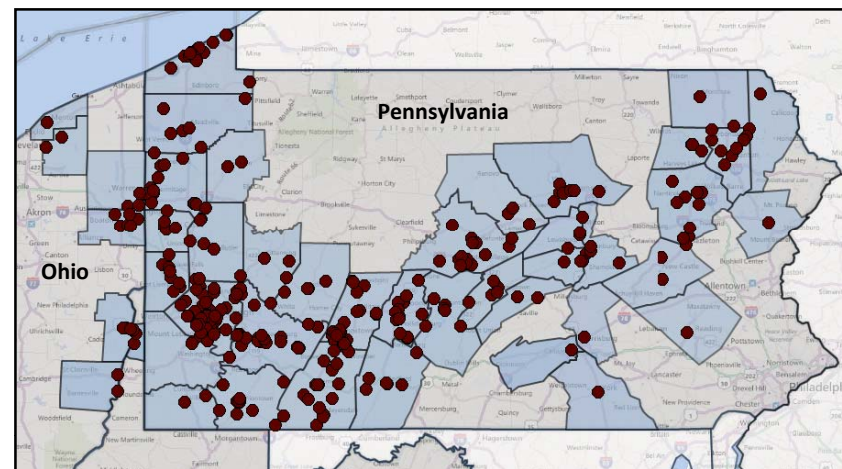


# F.N.B. Corporation

# Key Facts

## ➤ Fourth Largest Pennsylvania-Based Bank

-Assets	\$11.7 Billion
-Loans	\$7.8 Billion
-Deposits	\$9.8 Billion
-Banking Locations	266
-Consumer Finance Locations	65
-Headquarters	Hermitage, PA



• First National Bank Location

## ➤ Diverse Fee Income Sources with Complementary Business Lines

- Business and Personal Banking
- Wealth Management
- Insurance
- Commercial Equipment Leasing
- Merchant Banking

## ➤ Attractive Footprint

- #3 Market Share in the Pittsburgh MSA
- Banking locations network spanning 45 counties

## ➤ NYSE Listed

- Market Cap of \$1.5 Billion
- Member S&P SmallCap 600 Index

Diversified Financial Institution with a Network of Banking Locations  
Spanning 45 Counties in Pennsylvania, Northeastern Ohio and West Virginia



# Leadership

*Experienced and respected executive management team*

	Years of Banking Experience	Joined FNB	Prior Experience
<b>President and CEO</b>			
Vincent J. Delie, Jr.	25	2005	National City
<b>President, First National Bank</b>			
John C. Williams, Jr.	41	2008	National City, Mellon Bank
<b>Chief Financial Officer</b>			
Vincent J. Calabrese, Jr.	24	2007	People's United
<b>Chief Credit Officer</b>			
Gary L. Guerrieri	26	2002	FNB, Promistar

# Core Competencies

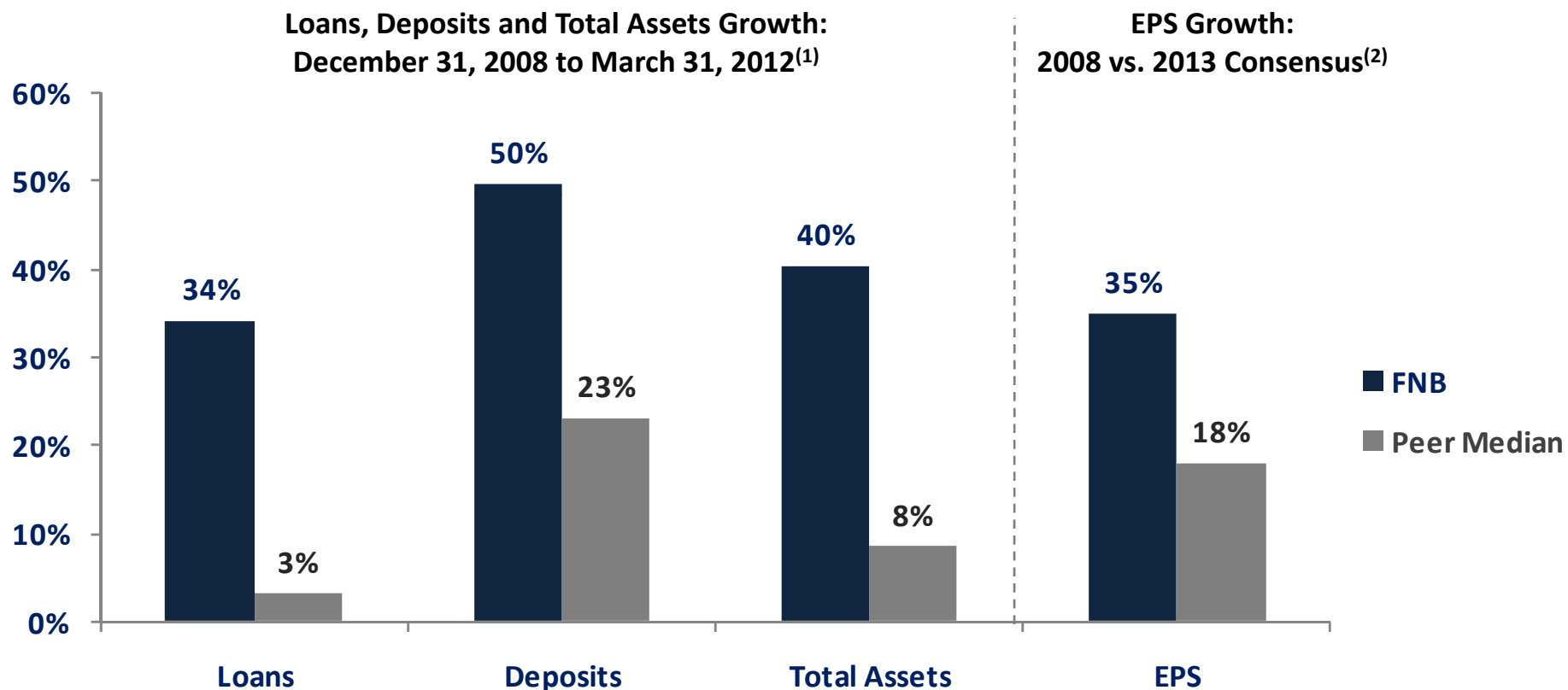
*Proven success and solid foundation for sustainable growth opportunities*

Core Competency	Proven	Sustainable
<b>Commercial Bank - Strong C&amp;I Focus</b>	<ul style="list-style-type: none"> <li>1Q12 marks twelve consecutive quarters of organic commercial loan growth<sup>(1)</sup></li> <li>C&amp;I loan portfolio comprises 19% of the total loan portfolio<sup>(2)</sup></li> </ul>	<ul style="list-style-type: none"> <li>✓ People: Experienced team of bankers built over the past several years</li> </ul>
<b>Consumer Product Distribution</b>	<ul style="list-style-type: none"> <li>Strong cross-functional and cross-sell focus</li> <li>Customer-based funding comprises 98% of total deposits and borrowings<sup>(2)</sup></li> </ul>	<ul style="list-style-type: none"> <li>✓ Process: Proprietary, cross-functional and enterprise-wide sales management process</li> </ul>
<b>Low Risk Profile Operating Strategy</b>	<ul style="list-style-type: none"> <li>Balance growth strategy with a low risk profile</li> <li>Consistent, better-than-peers asset quality results</li> <li>Stable net interest margin</li> </ul>	<ul style="list-style-type: none"> <li>✓ Positioning: Attractively positioned in markets with significant growth potential</li> </ul>
<b>Proven, Disciplined, Strategic Acquirer</b>	<ul style="list-style-type: none"> <li>Nine bank acquisitions completed since 2002 with two completed since the beginning of 2011</li> <li>Acquisition evaluation guided by disciplined capital recoupment and operating EPS accretion hurdles</li> <li>Well-positioned in strategically important markets</li> </ul>	<ul style="list-style-type: none"> <li>✓ Products: Unique ability to deliver a sophisticated product set while maintaining a local, community bank culture</li> </ul>

(1) Organic, linked-quarter growth for the Pennsylvania commercial portfolio; (2) As of March 31, 2012

# Growth Results

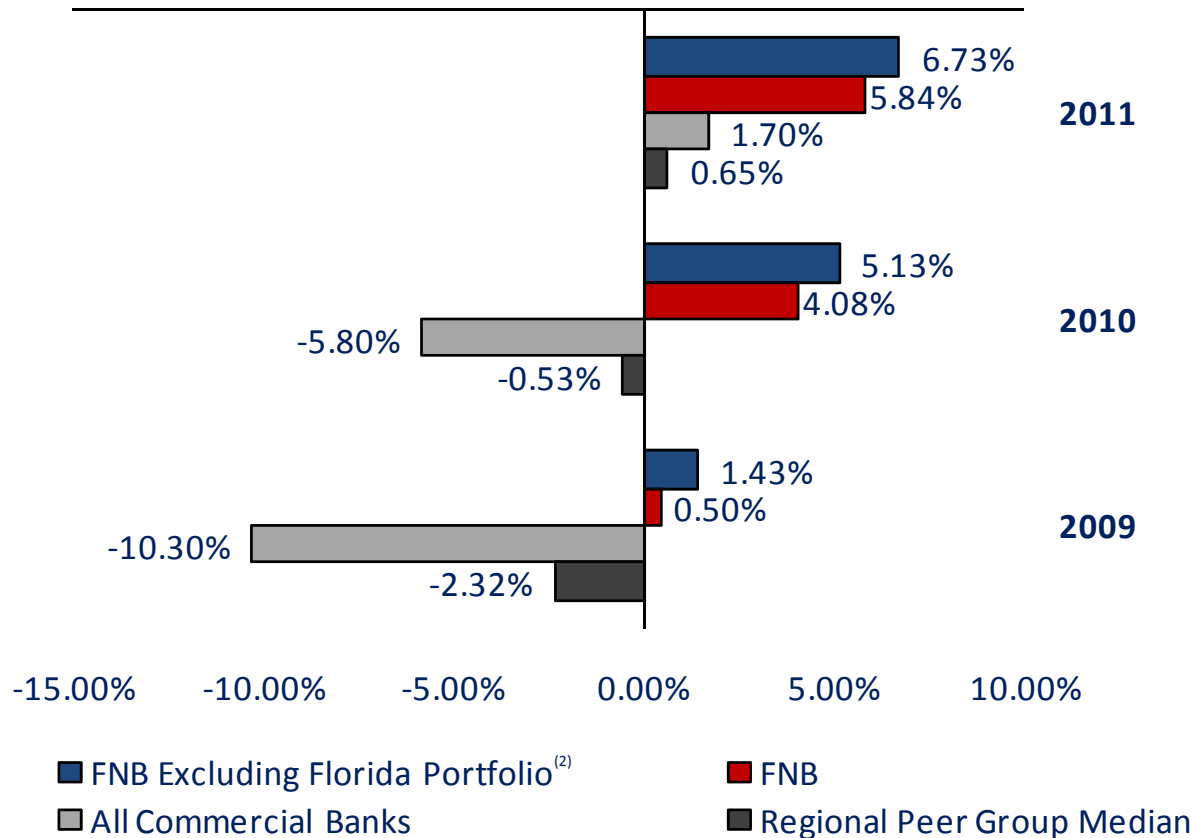
*As a result of successful organic and acquisition-related growth, FNB's growth since 2008 has far exceeded peer results*



(1) Data per SNL Financial, based on period-end balances; (2) FY 2008 EPS based on SNL Financial core EPS calculation, FY 2013 EPS based on consensus estimates as of May 30, 2012 (FNB=\$0.66/\$0.89).  
Regional peer group listing included in Supplemental Information.

# Industry Leading Loan Growth

## Annual Loan Growth<sup>(1)</sup> vs. Peers



## Sustainable, Industry Leading Growth

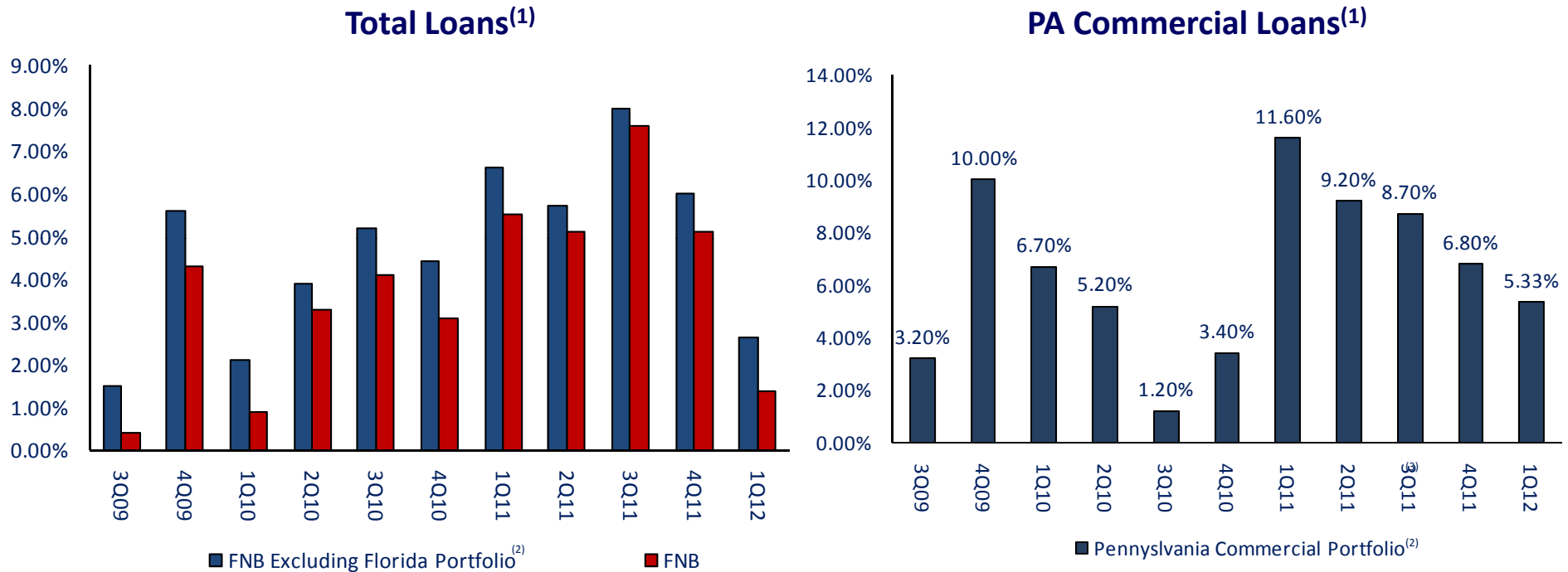
- Pipelines healthy, calling efforts robust and new relationships established
- Disciplined cross-functional sales management process and experienced teams in place
- Significant opportunities exist in FNB's markets for continued market share gains and client expansion

Peer Data Source: Regional Peer Group-SNL Financial, listing of regional peers included in appendix; All Commercial Banks-Federal Reserve H8 reports, seasonally adjusted annual growth rate; (1) FNB annual results reflect organic growth based on period-end balances; (2) FNB Excluding Florida Portfolio reflects growth excluding the Florida commercial portfolio



# Industry Leading Loan Growth

*Loan growth driven by consistent organic growth results achieved in the commercial portfolio*



➤ 11<sup>th</sup> consecutive quarter of total loan growth

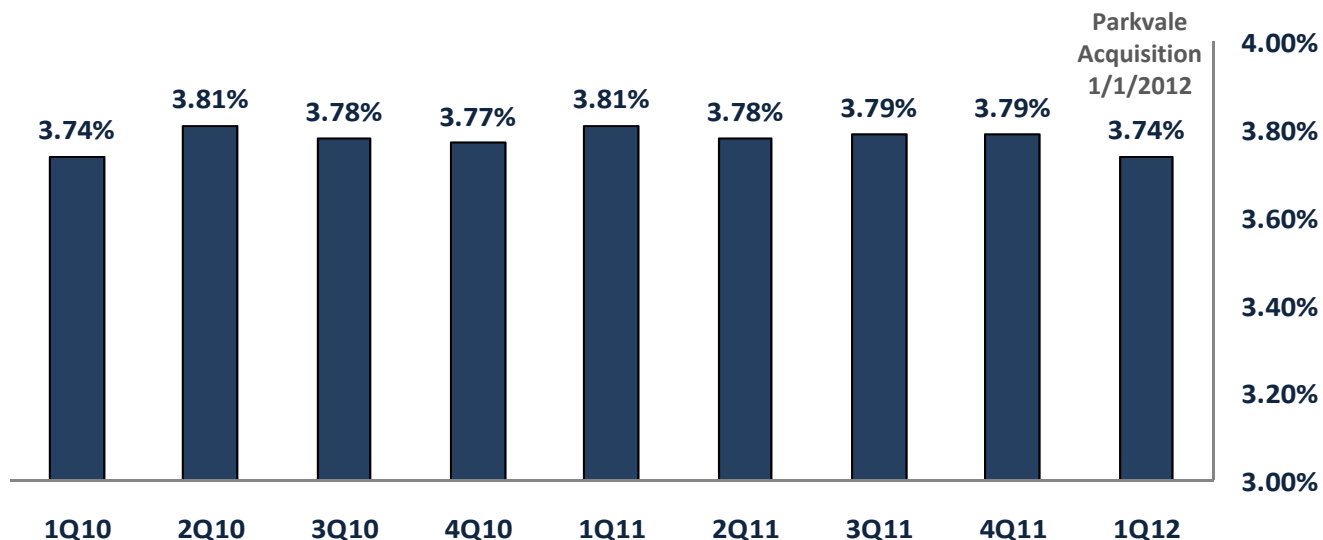
➤ 12<sup>th</sup> consecutive quarter of Pennsylvania commercial portfolio growth

(1) Reflects linked-quarter average organic loan growth results on an annualized basis; (2) Reflects growth excluding the Florida commercial portfolio

# Net Interest Margin Management

*Stable net interest margin reflects effective interest rate risk management*

## Quarterly Net Interest Margin Trend

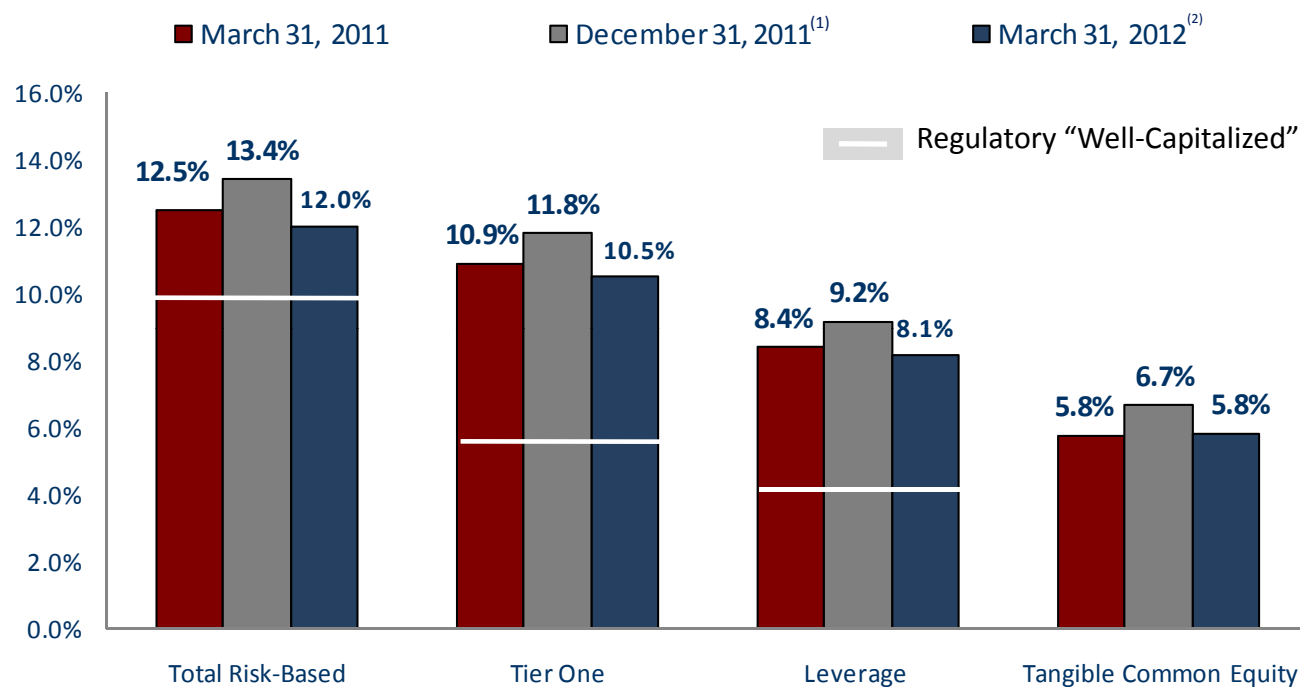


➤ Managing to a neutral interest rate risk position is a key operating strategy.

- The net interest margin remained stable in the 3.77% to 3.81% range for seven quarters (2Q10-4Q11) and 1Q12 results reflect the expected impact of the Parkvale acquisition.
- Consistent loan growth contributes to stability in the net interest margin
- Total variable and adjustable-rate loans total 59.4% of total loans at March 31, 2012, relatively stable following the Parkvale acquisition compared to 59.6% of total loans at December 31, 2011.
- Low investment portfolio duration of 2.4 years at March 31, 2012

# Well Capitalized

*Consistent capital management strategy focused on the efficient use of capital*



➤ Dividend levels significantly exceed peers.

Dividend Payout Ratio	1Q12	2011	2010
<b>FNB</b>	<b>78.1%</b>	<b>69.7%</b>	<b>74.0%</b>
Regional Peer Group Median	30.2%	31.1%	40.0%

(1) Capital ratios at December 31, 2011 reflect the offering completed May 2011 of 6.0 million shares with net proceeds of \$63 million; (2) Capital ratios at March 31, 2012 reflect the impact of deploying the May 2011 capital raise for the Parkvale acquisition completed January 1, 2012



# Sustainable Business Model

## Sustainable Business Model

Disciplined Risk Management	Growth Orientated	FNB Culture	Shareholder Value
<ul style="list-style-type: none"> <li>✓ Maintain low risk profile</li> <li>✓ Target neutral interest rate risk position</li> <li>✓ Fund loan growth with deposits</li> <li>✓ Adhere to consistent underwriting and pricing standards</li> <li>✓ Maintain rigid expense control</li> <li>✓ Efficient capital management</li> </ul>	<ul style="list-style-type: none"> <li>✓ Organic growth driven by:               <ul style="list-style-type: none"> <li>• Best-in-class, enterprise-wide sales management</li> <li>• Deep product set</li> </ul> </li> <li>✓ Investments in people, product development, high-growth potential segments and markets</li> <li>✓ Acquisition-related growth:               <ul style="list-style-type: none"> <li>• Disciplined, strategic, accretive</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>✓ Attract, retain and develop top talent</li> <li>✓ Foster a strong cross-sell environment</li> <li>✓ Holistic incentive compensation structure supports cross-functional focus</li> <li>✓ Regularly monitor external and internal service excellence, quality and satisfaction</li> <li>✓ Recognize accomplishments and innovation</li> </ul>	<ul style="list-style-type: none"> <li>✓ Disciplined, growth oriented focus guided by commitment to shareholder value</li> <li>✓ Long-term investment thesis centered on:               <ul style="list-style-type: none"> <li>• Targeted EPS growth</li> <li>• Strong dividend</li> </ul> </li> </ul>



# Market Position and Opportunity



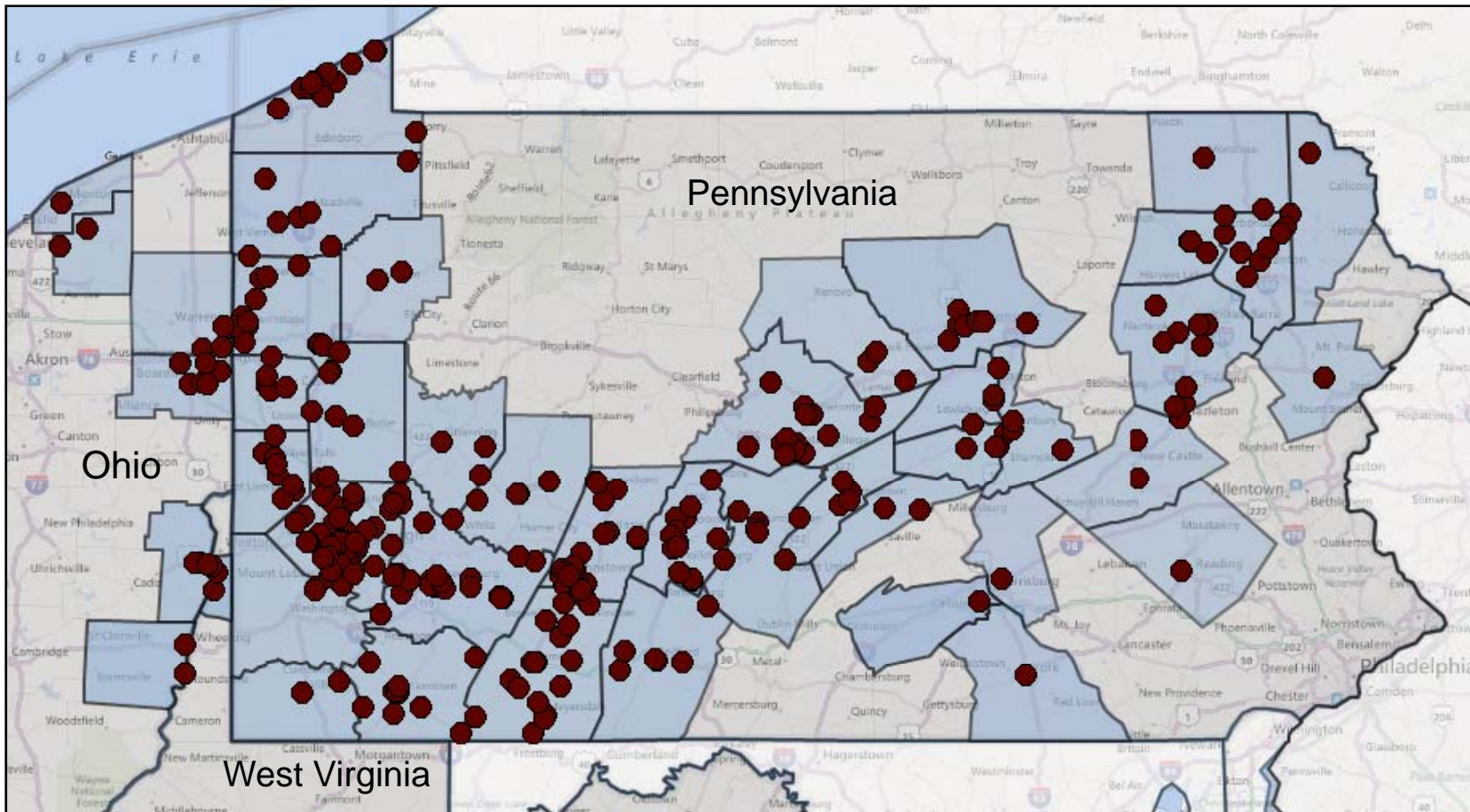
# Market Position and Opportunity

- Attractive overall market position
  - FNB's banking network spans 45 counties across Pennsylvania, Ohio and West Virginia.
  - FNB holds a strong #3 market share for all counties operation.
  - FNB benefits from a stable Pennsylvania economy that has outperformed much of the nation through the recent economic cycle.
    - Pennsylvania's unemployment rate has been below the U.S. rate for 48 consecutive months.<sup>(1)</sup>
  
- Strong Pittsburgh MSA market position
  - #3 market share for the Pittsburgh MSA, the nation's 22nd largest based on population and 16<sup>th</sup> largest based on deposits.
  - A growth strategy was successfully executed in this market with positive results reflecting team additions and organic and acquisition-related growth.
  - The Pittsburgh market offers significant business banking opportunities due to a concentration of middle market prospects that exceeds the national and Pennsylvania average.
  - A strong presence and the quality team of FNB bankers assembled in the market along with favorable competitive and economic indicators present unique growth opportunities.
  
- Marcellus and Utica Shale Exposure
  - FNB is attractively positioned to benefit from positive regional economic lift associated with the Marcellus and Utica Shale.

(1) Pennsylvania's April 2012 seasonally adjusted rate=7.4% compared to the U.S. rate of 8.1%.

# Banking Footprint

*First National Bank locations span 45 counties across Pennsylvania, Ohio and West Virginia*



● FNB Banking Location

# Attractive Market Position

*FNB holds the #3 overall market position for all counties of operation – with significant opportunities present for continued market share gains*

## FNB Counties of Operation

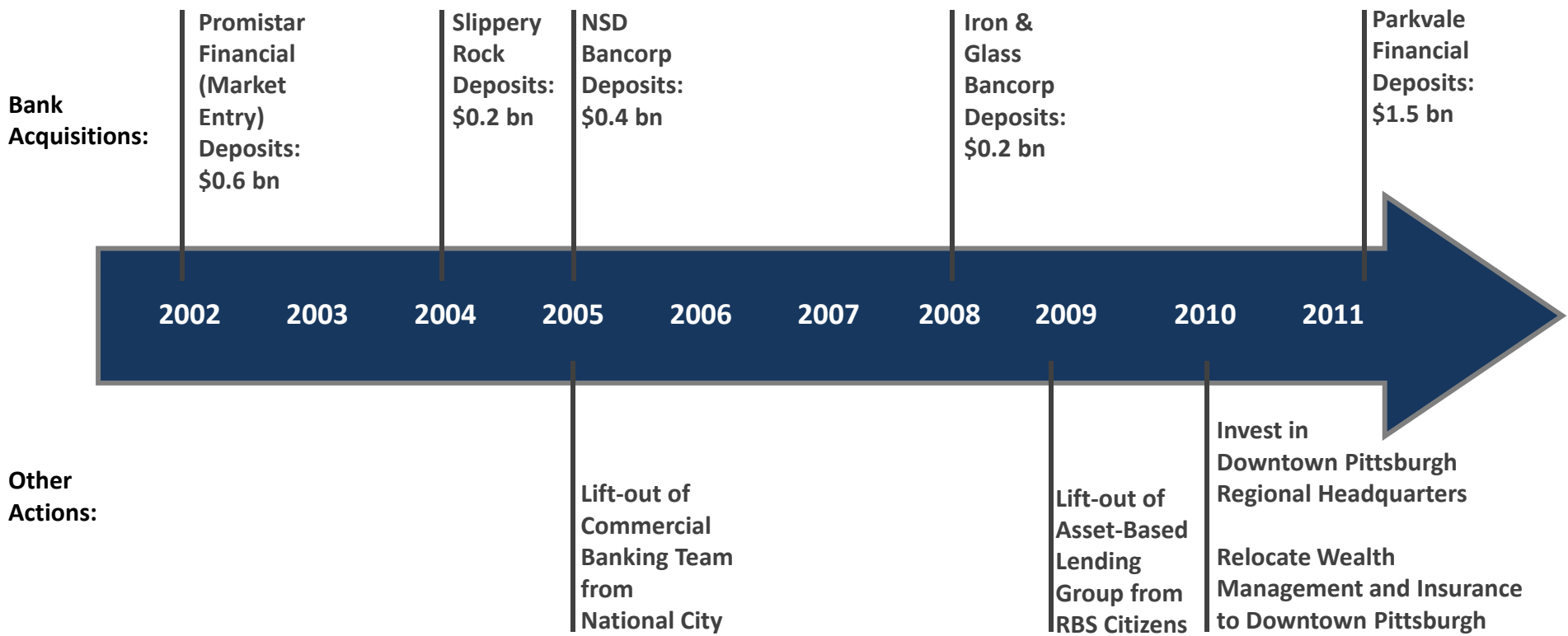
Rank	Institution	Branch Count	Total Market Deposits (\$ 000)	Total Market Share (%)
1	PNC Financial Services Group	345	48,750,897	30.7%
2	Royal Bank of Scotland Group, PLC	227	10,272,385	6.5%
<b>3</b>	<b>F.N.B. Corporation</b>	<b>266</b>	<b>8,901,081</b>	<b>5.6%</b>
4	M&T Bank Corp.	132	6,364,401	4.0%
5	Huntington Bancshares, Inc.	129	5,838,885	3.7%
6	Wells Fargo & Co.	64	4,830,011	3.0%
7	Banco Santander SA	75	4,770,823	3.0%
8	First Commonwealth Financial Corp.	101	4,010,036	2.5%
9	Dollar Bank Federal Savings Bank	40	3,415,130	2.1%
10	Susquehanna Bancshares	81	3,368,690	2.1%
	Total (1-164)	2,825	159,009,116	100.00%

Source: SNL Financial, deposit data as of June 30, 2011, pro-forma as of May 31, 2012, excludes custodian bank



# Pittsburgh Growth Strategy

*Successful execution of an organic and acquisition growth strategy in the Pittsburgh market*



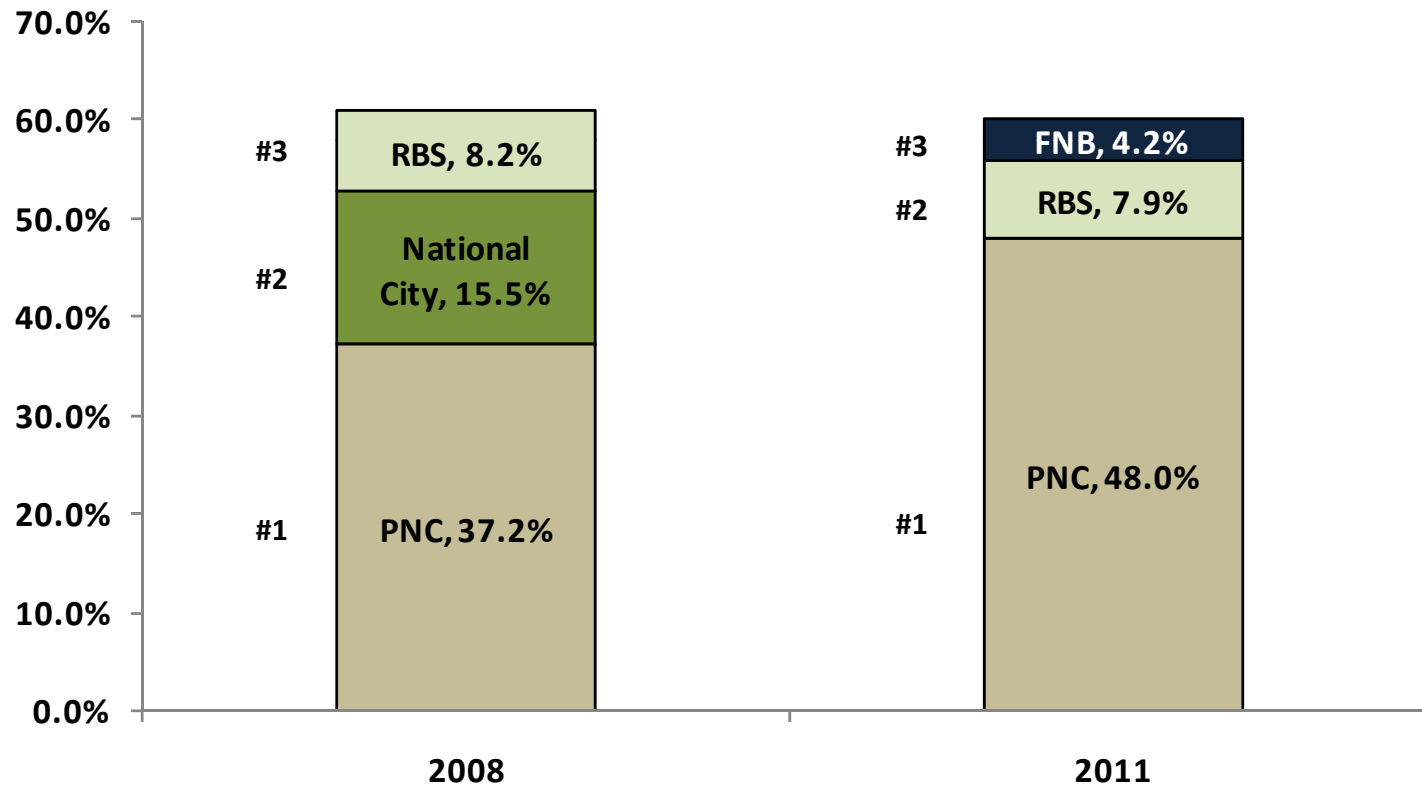
**12/31/2001:**  
**Market Rank: #34**  
**Loans: \$93 mm**  
**Employees (FTE): 40**

**3/31/2012:**  
**Market Rank #3**  
**Loans: \$2.6 bn**  
**Employees (FTE): 635**

# Pittsburgh Market Disruption = Opportunity


*The Pittsburgh MSA competitive environment rapidly evolved, presenting significant opportunity for market share gains and talent additions for FNB*

2008 Top 3 Market Share → 2011 Top 3 Market Share



Data per SNL, represents Pittsburgh MSA market share rank and percentage of total market deposits, rank excludes custodian bank.

## # 3 Deposit Market Share in a Top 25 U.S. MSA Presents Opportunity

Rank	MSA	Population (000's)	Top 3 Banks in MSA by Deposit Market Share		
			#1	#2	#3
1	New York <sup>(1)</sup>	18,897	JPM	BofA	Citi
2	Los Angeles	12,829	BofA	Wells Fargo	Mitsubishi UFJ
3	Chicago	9,461	JPM	BMO	BofA
4	Dallas	6,372	BofA	JPM	Wells Fargo
5	Philadelphia	5,965	TD	Wells Fargo	PNC
6	Houston	5,947	JPM	Wells Fargo	BofA
7	Washington	5,582	Capital One	Wells Fargo	BofA
8	Miami	5,565	Wells Fargo	BofA	Citi
9	Atlanta	5,269	SunTrust	Wells Fargo	BofA
10	Boston	4,552	BofA	RBS	Banco Santander
11	San Francisco	4,335	BofA	Wells Fargo	Citi
12	Detroit	4,296	JPM	Comerica	BofA
13	Riverside	4,225	BofA	Wells Fargo	JPM
14	Phoenix	4,193	Wells Fargo	JPM	BofA
15	Seattle	3,440	BofA	Wells Fargo	U.S. Bancorp
16	Minneapolis	3,280	Wells Fargo	U.S. Bancorp	TCF
17	San Diego	3,095	Wells Fargo	BofA	Mitsubishi UFJ
18	St. Louis <sup>(1)</sup>	3,813	U.S. Bancorp	BofA	Commerce
19	Tampa	2,783	BofA	Wells Fargo	SunTrust
20	Baltimore	2,710	BofA	M&T	PNC
21	Denver	2,543	Wells Fargo	FirstBank	JPM
<b>22</b>	<b>Pittsburgh<sup>(1)</sup></b>	<b>2,356</b>	<b>PNC</b>	<b>RBS</b>	 <b>F.N.B. Corporation</b>
23	Portland	2,226	BofA	U.S. Bancorp	Wells Fargo
24	Sacramento	2,149	Wells Fargo	BofA	U.S. Bancorp
25	San Antonio	2,143	Cullen/Frost	BofA	Wells Fargo

FNB is uniquely positioned as one of only very few community banks to hold a Top 3 deposit market rank in one of the nation's 25 largest metropolitan statistical areas.

Source: MSA population per U.S. Census Bureau 2010 data; Deposit market share per SNL Financial as of June 30, 2011, pro-forma as of May 31, 2012;

(1) Excludes custodian bank

# Pittsburgh Market Opportunity

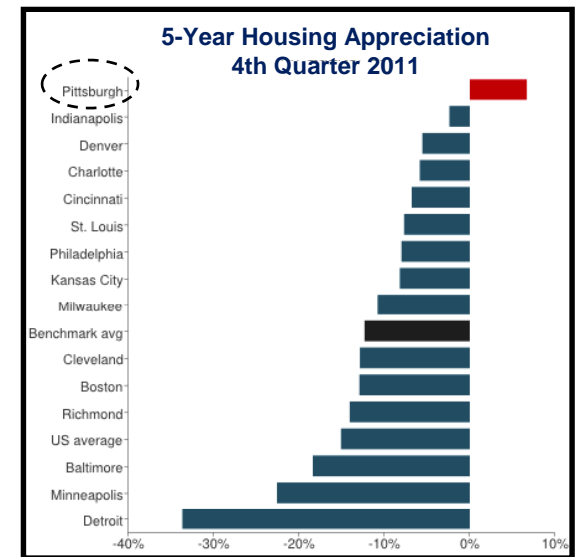
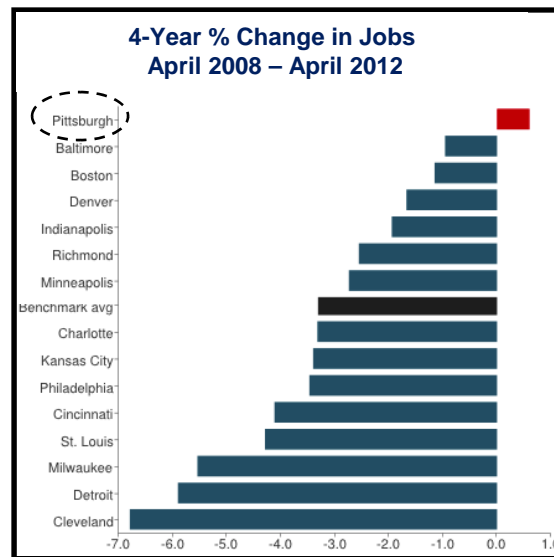
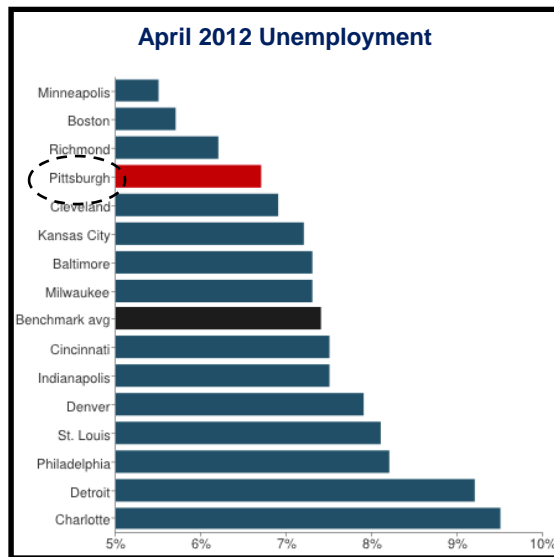
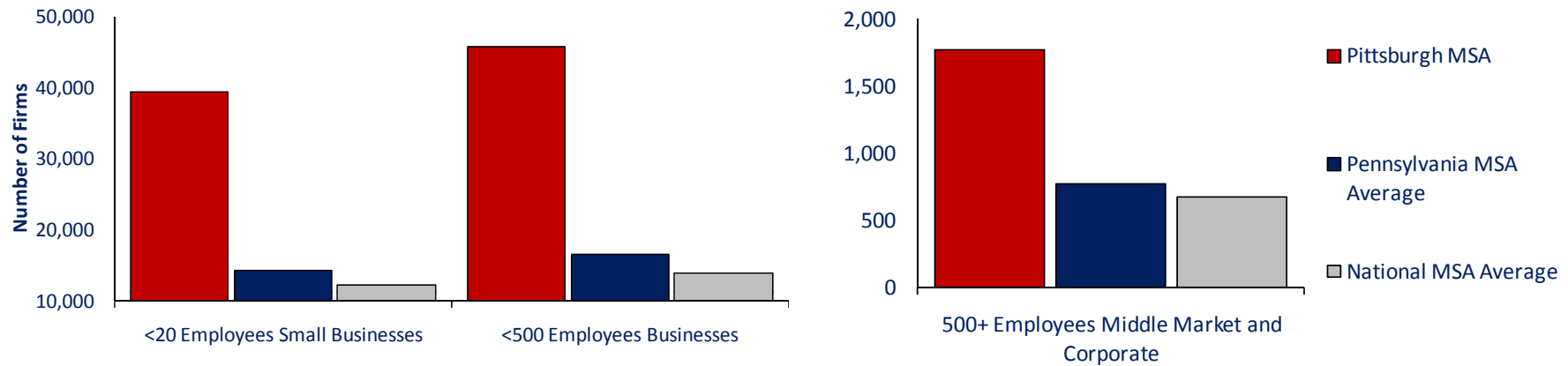
	Pittsburgh, PA	
<b>FNB Presence</b>		➤ <b>FNB Presence</b>
Deposits <sup>(1)</sup>	\$3.4 billion	– Significantly increased FNB presence
% of FNB Total Deposits <sup>(1)</sup>	38%	– #3 market rank following the Parkvale acquisition
Deposit Market Share <sup>(1) (2)</sup>	4.2%	– Regional headquarters accommodating all lines of business
Deposit Market Rank <sup>(1) (2)</sup>	3	– Deposits increased 126% since 2005
Commercial Middle Market Share <sup>(3)</sup>	12%	– Branches increased 59% since 2005
<b>Market</b>		➤ <b>Pittsburgh MSA Market</b>
Deposits <sup>(2)</sup>	\$81.1 billion	– Stable market that has outperformed much of the nation during the recession
Population <sup>(2)</sup>	2.4 million	– Four-year job growth (April 2008-April 2012) comparatively stronger than other regions
Households <sup>(2)</sup>	1.0 million	– Number of businesses located in the MSA significantly exceeds the national and Pennsylvania MSA average, presenting opportunity for additional market share gains
Projected 5-Yr Population Growth <sup>(2)</sup>	-0.84%	
Projected 5-Yr Household Income Growth <sup>(2)</sup>	22.6%	
Number of Firms with <500 Employees <sup>(4)</sup>	45,000	
Number of Firms with >500 Employees <sup>(4)</sup>	1,800	
4-Year Job Growth (4/2008 – 4/2012) <sup>(5)</sup>	0.60%	

(1) Pro-forma as of June 30, 2011; (2) Data per SNL; (3) Per 2010 Greenwich Associates Market Tracking Program, % of respondents with revenue between \$15 and \$500 million that reported a relationship with FNB; (4) Firms and Employment by MSA, U.S. Census Bureau; (5) PittsburghToday.org



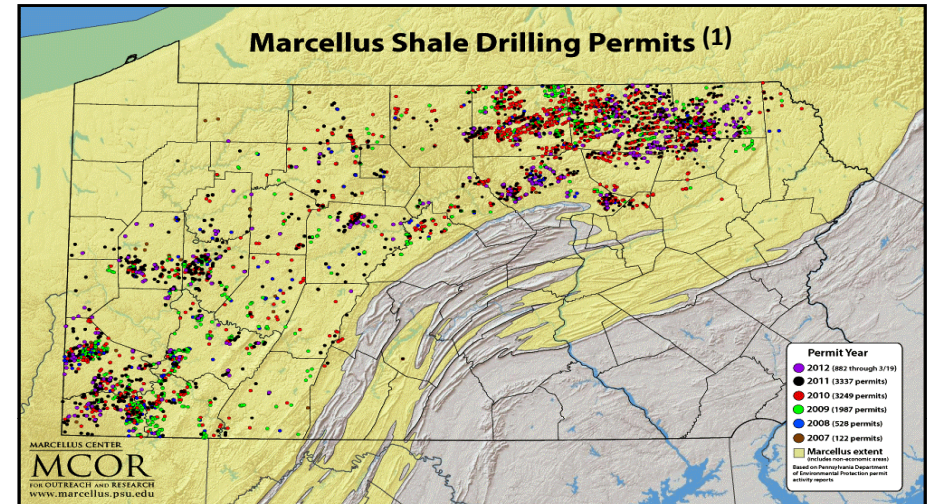
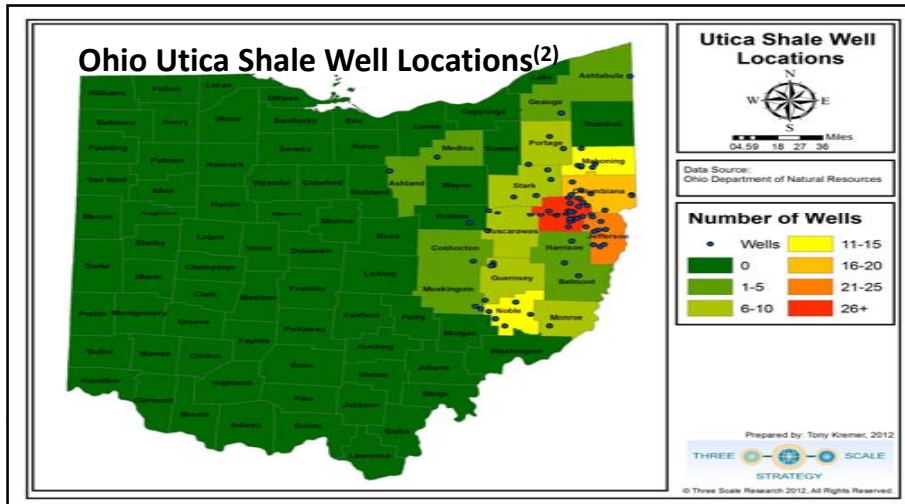
# Pittsburgh Market Opportunity

## Pittsburgh MSA Commercial Market Opportunity<sup>(1)</sup> and Economic Indicators<sup>(2)</sup>

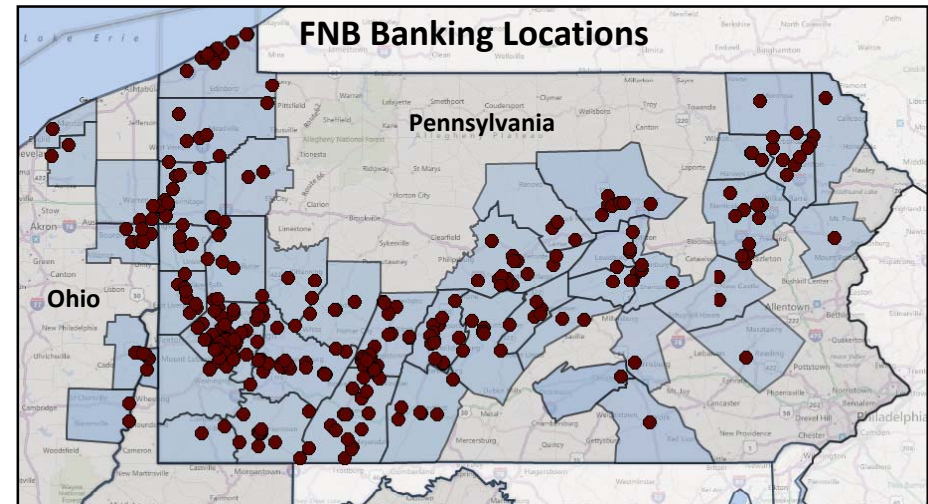


(1) Pittsburgh MSA Commercial Market Opportunity, Number of Firms and Employment by MSA sourced from U.S. Census Bureau; (2) Economic Indicators sourced from PittsburghToday.org database

# Marcellus and Utica Shale



- ✓ FNB is well-positioned in the Marcellus Shale and Utica Shale regions with a Pennsylvania footprint that closely aligns with the Marcellus Shale concentration and exposure to the Utica Shale region in Ohio.
- ✓ FNB has been noted by analysts as being one of the best geographically positioned banks to benefit from the Marcellus Shale.<sup>(3)</sup>
- ✓ This presents opportunity for FNB given the expected positive economic lift across much of FNB's footprint.

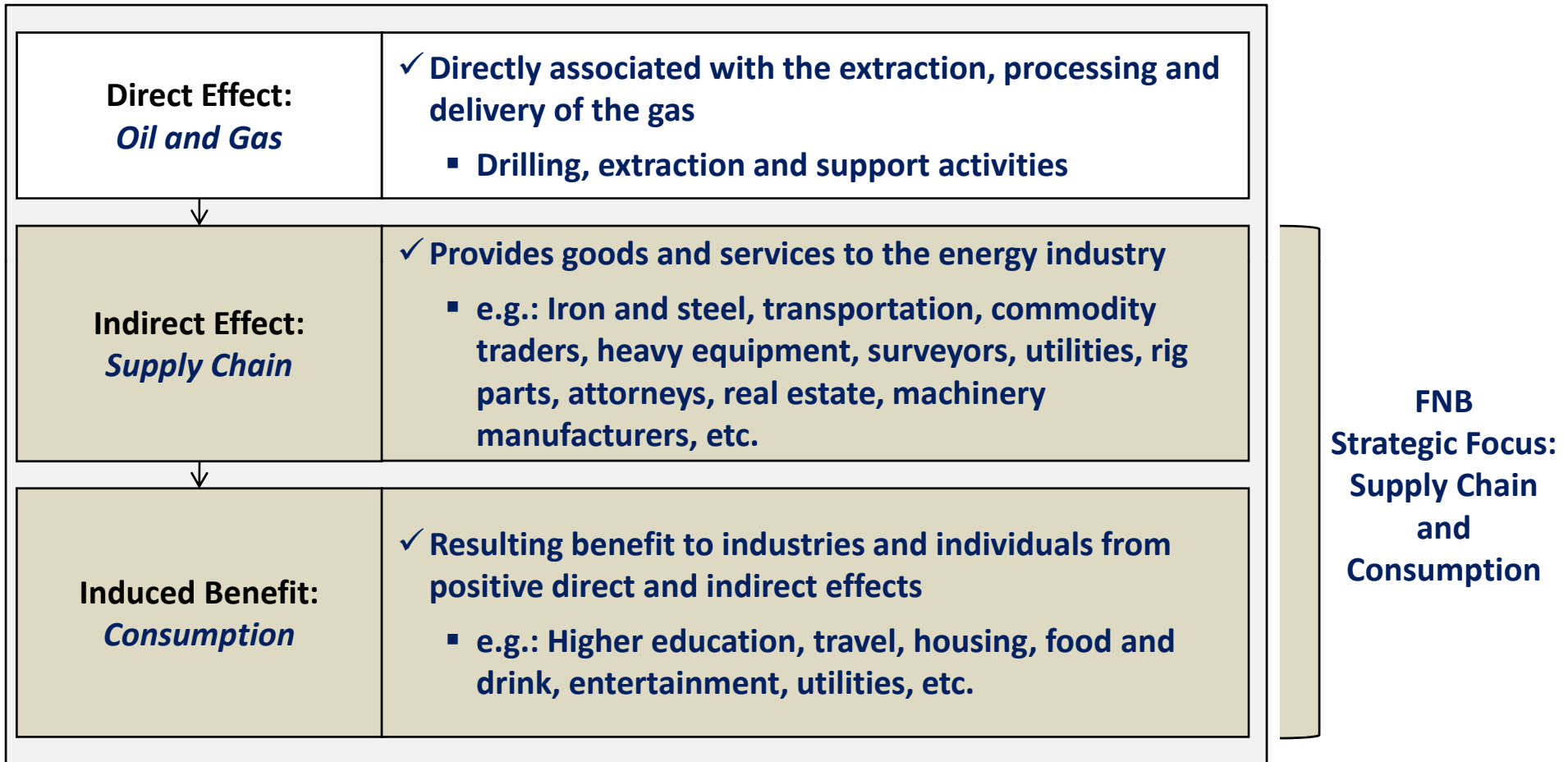


(1) Sources: www.marcellus.psu.edu, retrieved May 31, 2012; (2) www.dnr.state.oh.us, retrieved May 31, 2012; (3) Sterne Agee June 7, 2010 and FBR Capital Markets, March 2, 2011.



# Marcellus and Utica Shale Economic Effect

*Opportunity for FNB relates to potential indirect and induced economic benefits across footprint*



# E-Delivery Channel Initiative

*Using leading edge technology to enhance client value, leading to further client acquisition, supporting client retention and generating related revenue opportunities*

## Best-in-Class Platforms



### ✓ Online Bill Pay

- **Status:** Available 1Q12
- **Client Benefits:** First National Bank offers online Bill Pay services through CheckFree, the world's leading provider of financial services technology, including person to person payments, eBills, and the ability to transfer funds between financial institutions.

### ✓ Mobile Banking

- **Status:** Available June 2012
- **Client Benefits:** Retail customers can view their account balances and history, transfer funds, pay bills, and find ATM and branch locations on their mobile phone. Mobile Banking services are offered via text banking, mobile browser, and downloadable app for smart phones.

### ✓ Online Banking

- **Status:** Available 4Q12
- **Client Benefits:** First National Bank will introduce an online banking product that will provide best-in-class capabilities. At the same time, the bank will enhance its mobile banking offering with advanced features such as remote deposit capture that will position First National Bank as a leader in the industry.





# Acquisition Strategy



# Acquisition Strategy

## ➤ Strategy

- Focus on strategically important markets with growth potential.
- Acquisition-related expansion has historically been focused on enhancing presence in the Pittsburgh market and eastern and central Pennsylvania.
- Consideration given to additional attractive markets contiguous to existing footprint with concentrated commercial and industrial business prospect opportunities.

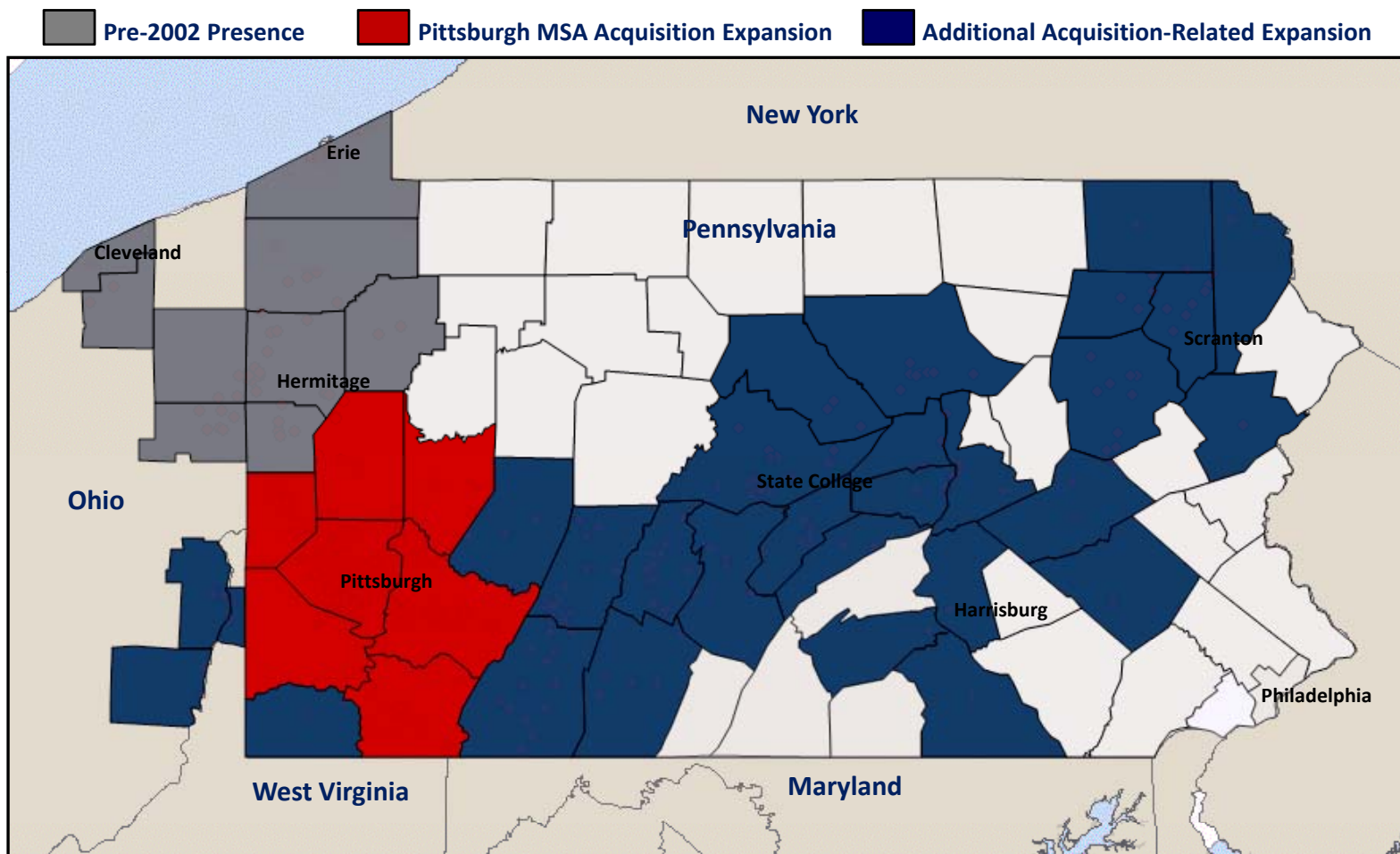
## ➤ Acquisition Criteria/Evaluation

- Proficient due diligence and integration team in place
- Disciplined approach to identifying and selecting targets
- Targeted financial hurdles taken into consideration
  - Accretive to operating earnings per share the first full year following close.
  - Recoup diminution of capital within a relatively short time-period (target 12-18 months).

## ➤ Superior post-acquisition execution

# Acquisition-Related Expansion

*FNB is a proven merger integrator with nine bank acquisitions, totaling \$7.9 billion in assets, completed since 2002*





# Investment Thesis



# Long-Term Investment Thesis

*FNB's long-term investment thesis reflects a commitment to efficient capital management and creating value for our shareholders*

## Long-Term Investment Thesis:

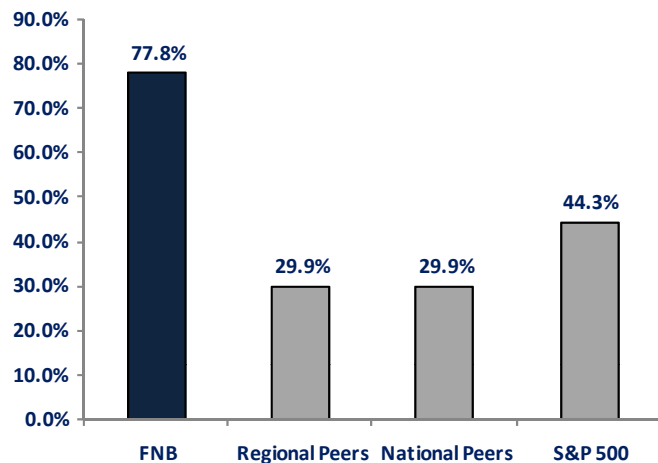
**Targeted EPS Growth** **5-6%**

**Expected Dividend Yield** **4-6%**  
*(Targeted Payout Ratio 60-70%)*

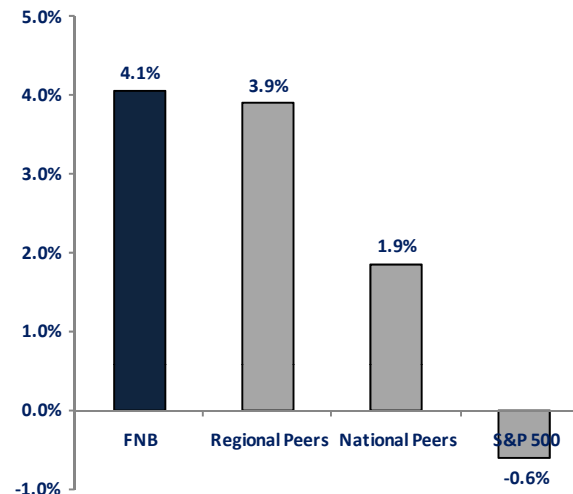
**Total Shareholder Return** **9-12%**

# Total Shareholder Return and Dividend Yield

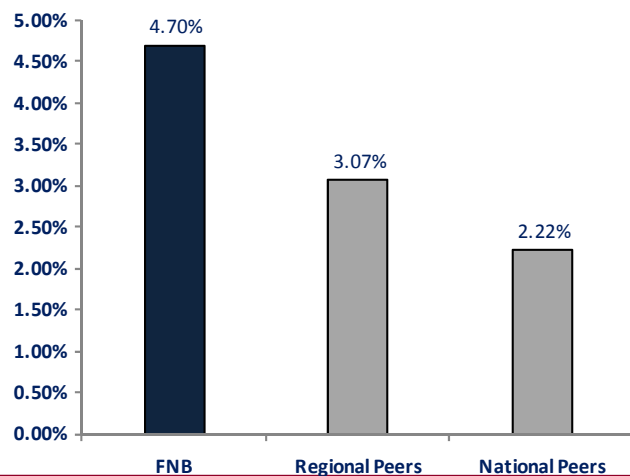
## 3-Year Total Shareholder Return<sup>(1)</sup>



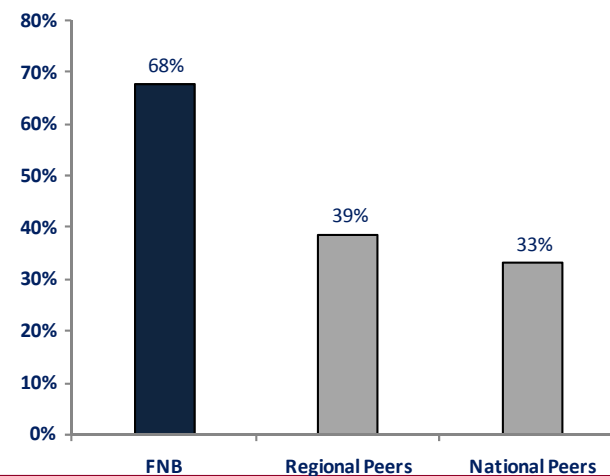
## 1-Year Total Shareholder Return<sup>(1)</sup>



## Current Dividend Yield<sup>(1)</sup>



## Last Twelve Months Dividend Payout Ratio



Data per SNL Financial; Regional peer group listing included in Supplemental Information; National peer group consists of banks with assets between \$5 and \$25 billion; (1) As of June 1, 2012

# Relative Valuation Multiples

*FNB has a modest P/E valuation relative to peers given its higher-quality earnings stream, stronger dividend yield and future growth potential*

	<b>FNB</b>	<b>Regional Peer Group Median</b>	<b>National Peer Group Median<sup>(1)</sup></b>
<b>Price/Earnings Ratio<sup>(2)</sup></b>			
FY13 Consensus EPS (FNB=\$0.89)	<b>11.5x</b>	11.6x	11.6x
<b>Price/Tangible Book Value<sup>(2)</sup></b>	<b>2.2x</b>	1.4x	1.4x
<b>Price/Book Value<sup>(2)</sup></b>	<b>1.1x</b>	1.0x	1.1x
<b>Dividend Yield<sup>(2)</sup></b>	<b>4.7%</b>	3.1%	2.2%

Data per SNL Financial: Price/Earnings Ratio based on analyst consensus estimates for FNB and peers; (1) National peer group consists of banks with assets between \$5 and \$25 billion; (2) As of June 1, 2012 closing prices (FNB=\$10.21)



# Summary: Key Investment Considerations

**With compelling core competencies, strong performance proof points and a sustainable business model, FNB is well-positioned to benefit from:**

## **1. People**

- ✓ Significant investments made in personnel
- ✓ Continued ability to attract top talent

## **2. Markets**

- ✓ Leading share in markets characterized with a high density of commercial business prospects and significant competitive disruption
- ✓ A stable and improving economy that has performed relatively better than similar regions and national averages
- ✓ Increased capital spending in the commercial and industrial sector, an FNB core competency, as the economy improves
- ✓ The Marcellus and Utica Shale, through projected benefits to the regional economy

## **3. Process and Products**

- ✓ Enterprise-wide, excellent proprietary sales management process
- ✓ Incentive compensation structure aligned with annual corporate operating objectives
- ✓ Deep product set with a strong cross-sell culture





# First Quarter 2012 Operating Results



# First Quarter 2012

## Strong First Quarter 2012

- **Financial Results:** Operating EPS of \$0.19 represents a 19% year-over-year increase
- **Industry-Leading Loan Growth:** Eleventh consecutive quarter of organic growth for total loans
- **Strong Transaction Deposit Growth:** Organic linked-quarter growth in transaction accounts and customer repurchase agreements of 8.9%
- **Net Interest Margin:** Net interest margin of 3.74%, consistent with management expectations following the Parkvale acquisition
- **Consistent Good Credit Quality Results:** Net charge-offs of 0.32%, annualized, of average originated loans
- **Completed Acquisition:** Parkvale Financial acquisition completed on January 1, 2012, enhancing market share in the Pittsburgh MSA to 3<sup>rd</sup> from 7<sup>th</sup> (\$1.8 billion in assets)
- **Capital Raise Deployed:** The \$63 million capital raise, completed in May 2011 following FNB's inclusion in the S&P 600, was efficiently deployed for the Parkvale acquisition

# Key Operating Highlights – First Quarter 2012

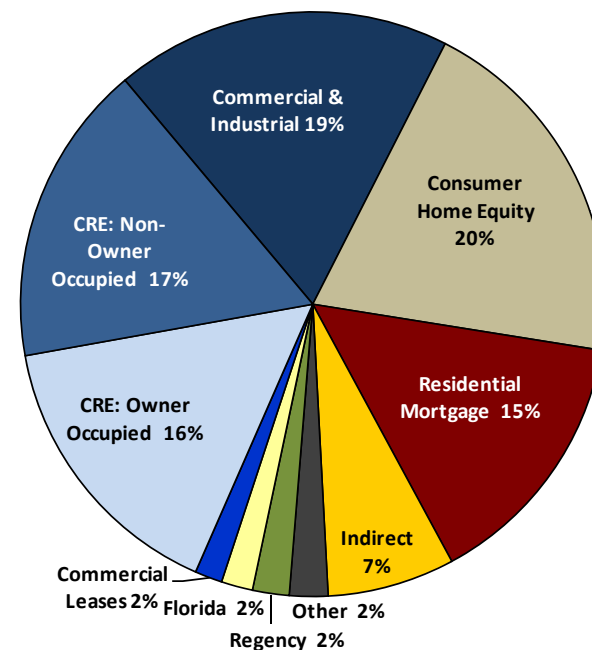
	1Q12	4Q11	1Q11	1Q12 Highlights
Operating EPS <sup>(1)</sup>	\$0.19	\$0.19	\$0.16	➤ Strong start to 2012
Operating Return on Tangible Equity <sup>(1)</sup>	17.79%	16.10%	15.97%	➤ Closed Parkvale acquisition
Operating Return on Tangible Assets <sup>(1)</sup>	1.04%	1.07%	0.94%	▪ On track to achieve planned accretion
Pre-tax, Pre-provision Earnings <sup>(1)</sup>	\$45,390	\$43,298	\$37,215	
Net Interest Margin (FTE)	3.74%	3.79%	3.81%	➤ Net interest margin results reflect impact of Parkvale acquisition, in line with expectations
Efficiency Ratio <sup>(2)</sup>	60.4%	59.3%	62.3%	
Total Organic Loan Growth <sup>(3)</sup>	1.4%	5.1%	5.5%	➤ Continued to focus on expense control, while investing for growth
PA Commercial Organic Loan Growth <sup>(3) (4)</sup>	5.3%	6.8%	10.7%	
Transaction Deposit and Customer Repo Organic Growth <sup>(3)(5)</sup>	8.9%	2.8%	4.3%	➤ Solid organic loan growth continues
				▪ 11 <sup>th</sup> consecutive quarter of total loan growth
Net Charge-Offs to Average Originated Loans	0.32%	1.01%	0.45%	▪ 12 <sup>th</sup> consecutive quarter of Pennsylvania commercial portfolio growth
NPL's+OREO to Total Originated Loans+OREO	2.22%	2.15%	2.71%	
Tangible Common Equity/Tangible Assets	5.82%	6.65%	5.76%	➤ Good credit quality results

(1) Non-GAAP financial measure, excluding merger costs and certain other items, refer to Non-GAAP reconciliation included in the Appendix; (2) Refer to Appendix for items included in calculation; (3) Organic growth based on average balances (4) Represents commercial organic growth excluding the Florida portfolio; (5) Transaction deposits include all deposits other than time deposits

# Diversified Loan Portfolio

(\$ in millions)	3/31/12	CAGR	% of Portfolio	
	Balance	12/08-3/12	12/31/08	3/31/12
C&I	\$1,451	14.1%	16%	19%
CRE: Non-Owner Occupied	1,304	10.9%	16%	16%
CRE: Owner Occupied	1,218	6.2%	17%	16%
Commercial Leases	118	42.9%	1%	2%
<b>Total Commercial</b>	<b>\$4,082</b>	<b>11.0%</b>	50%	52%
Consumer Home Equity	1,564	8.2%	21%	20%
Residential Mortgage	1,138	23.2%	10%	15%
Indirect	550	2.4%	9%	7%
Other	166	1.9%	3%	2%
Regency	158	0.0%	3%	2%
Florida	136	-21.1%	5%	2%
<b>Total Loan Portfolio</b>	<b>\$7,803</b>	<b>9.4%</b>	100%	100%

## \$7.8 Billion Loan Portfolio March 31, 2012



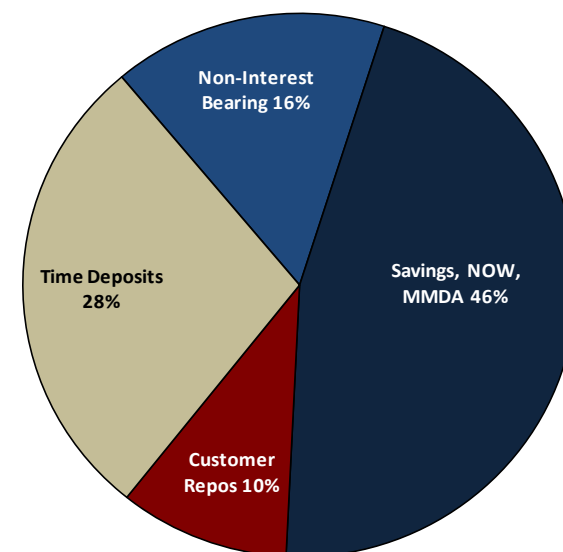
- Well diversified portfolio
- Strong growth results driven by commercial loan growth

Note: Balance, CAGR and % of Portfolio based on period-end balances

# Deposits and Customer Repurchase Agreements

(\$ in millions)	3/31/12	CAGR	Mix %	
	Balance	12/08-3/12	12/31/08	12/31/12
Savings, NOW, MMDA	\$4,508	15.6%	44%	46%
Time Deposits	2,769	5.6%	36%	28%
Non-Interest Bearing	1,579	18.1%	14%	16%
Customer Repos	929	28.1%	6%	10%
<b>Total Deposits and Customer Repo Agreements</b>	<b>\$9,785</b>	<b>13.6%</b>	<b>100%</b>	<b>100%</b>
<b>Transaction Deposits<sup>(1)</sup> and Customer Repo Agreements</b>	<b>\$7,016</b>	<b>17.5%</b>	<b>64%</b>	<b>72%</b>

## \$9.8 Billion Deposits and Customer Repo Agreements March 31, 2012



**Loans to Deposits and Customer Repo Agreements Ratio =  
80% at March 31, 2012**

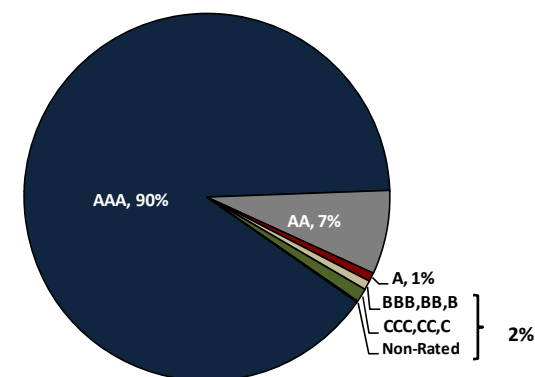
- Focus on new client acquisition and growing lower cost relationship-based deposits
  - 17.5% average growth for transaction deposits and customer repo agreements<sup>(2)</sup>
  - Improved funding mix

Note: Balance, CAGR and % of Portfolio based on period-end balances; (1) Transaction deposits include savings, NOW, MMDA and non-interest bearing deposits; (2) December 31, 2008 through March 31, 2012

# Investment Portfolio

(\$ in millions <sup>(1)</sup> )		%		Ratings	
		Portfolio	Investment %		
Agency MBS	\$1,231	52%	AAA	100%	
CMO Agency	417	18%	AAA	100%	
Agency Senior Notes	370	16%	AAA	100%	
Municipals	183	8%	AAA	2%	
			AA	90%	
			A	8%	
Short-Term	72	3%	AAA	100%	
Trust Preferred <sup>(2)</sup>	32	1%	BBB	19%	
			BB	21%	
			CCC	50%	
			C		
CMO Private Label	24	1%	AAA	43%	
			AA	9%	
			A	4%	
			BBB	21%	
			CCC	23%	
Corporate	17	1%	AA	60%	
			A	12%	
			BBB	28%	
Bank Stocks	2	-	Non-Rated		
<b>Total Investment Portfolio</b>	<b>\$2,348</b>	<b>100%</b>			

## Highly Rated \$2.3 Billion Investment Portfolio March 31, 2012

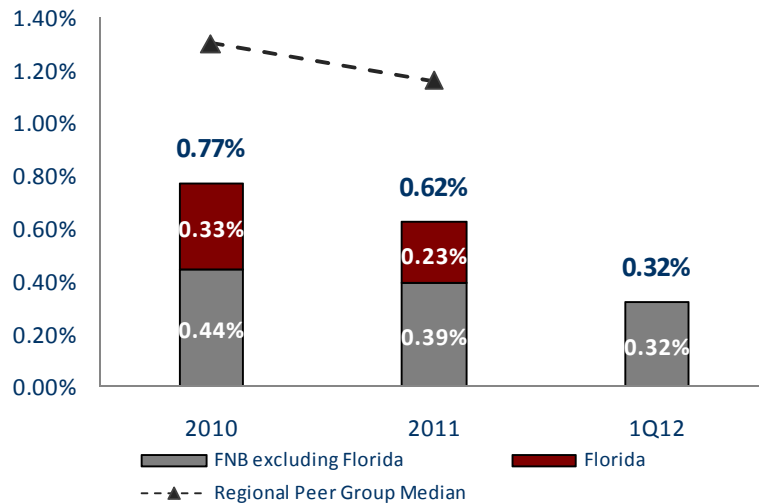


- 97% of total portfolio rated AA or better
- Low duration of 2.4 years
- Municipal bond portfolio
  - Highly rated with an average rating of AA and 99.8% of the portfolio rated A or better
  - General obligation bonds = 99.5% of portfolio
  - 76.8% from municipalities located throughout Pennsylvania

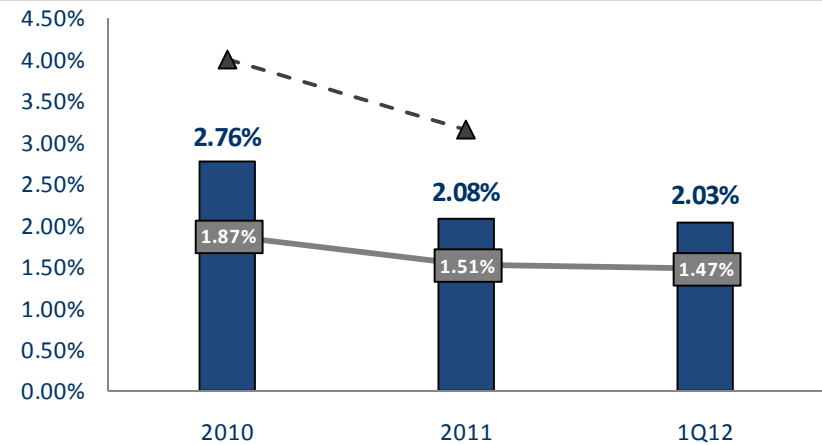
(1) Amounts reflect GAAP; (2) Original cost of \$114 million, adjusted cost of \$47 million, fair value of \$32 million

# Positive Credit Trends

## Originated Portfolio: NCO's to Average Loans<sup>(2)</sup>

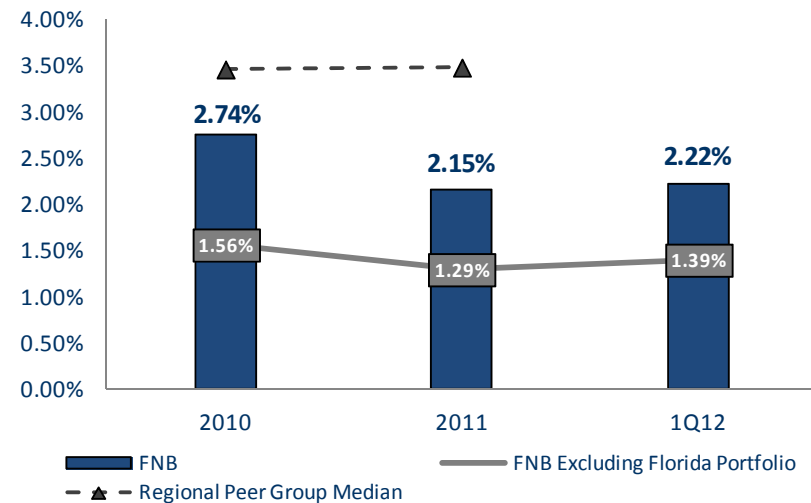


## Originated Portfolio: Past Due+Non-Accrual to Loans<sup>(1)(2)</sup>



- Solid performance with improving trends
  - Better-than-expected 1Q12 net charge-off results
  - Improvements in delinquency
  - 1Q12 slight increase in NPL's+OREO to Originated Loans+OREO primarily reflects the addition of \$6.1 million in OREO from the Parkvale acquisition

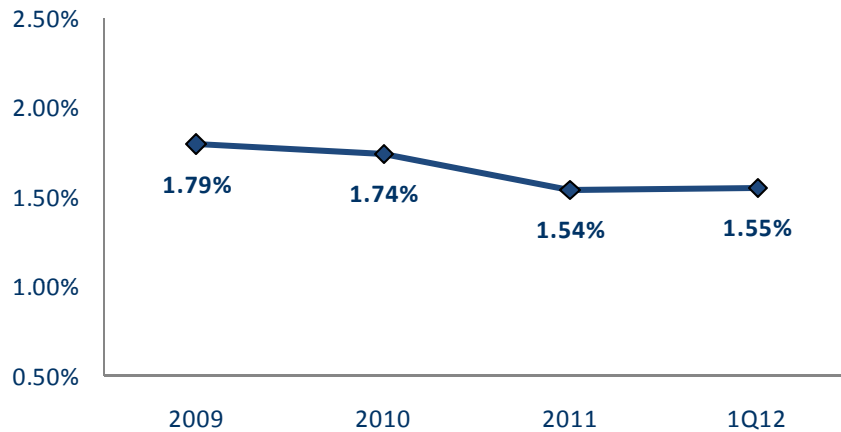
## NPL's+OREO to Originated Loans+OREO<sup>(1)(2)(3)</sup>



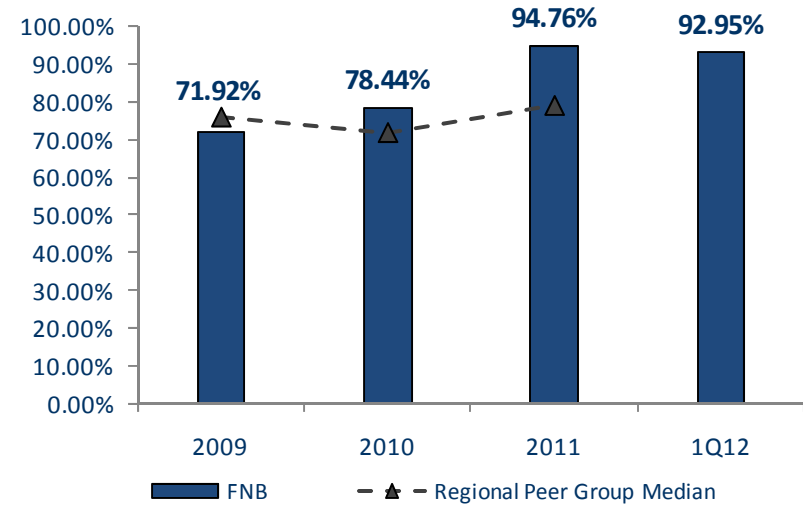
(1) Based on balances at year-end and quarter-end for each period presented; (2) The "Originated Portfolio" or "Originated Loans" excludes loans acquired at fair value and accounted for in accordance with ASC 805 (effective January 1, 2009), as the risk of credit loss has been considered by virtue of the Corporation's estimate of acquisition-date fair value; (3) OREO includes all other real estate owned, including balances acquired through business combinations that were in acquired loans prior to foreclosure.

# Positive Credit Trends

## Reserves to Total Originated Loans<sup>(1)(2)</sup>



## Reserves to NPL's<sup>(1)</sup>



➤ March 31, 2012 reserve levels consistent with December 31, 2011 levels

(1) Based on year-end balances for each period presented; (2) The "Originated Portfolio" or "Originated Loans" excludes the "Acquired Portfolio" or loans acquired at fair value and accounted for in accordance with ASC 805 (effective January 1, 2009), as the risk of credit loss has been considered by virtue of the Corporation's estimate of acquisition-date fair value. As of March 31, 2012, there have not been any reserves established for the acquired portfolio.





# Supplemental Information



# Supplemental Information Index

- Loan Risk Profile
- Regency Finance Company Profile
- Regional Peer Group Listing
- Board of Directors
- GAAP to Non-GAAP Reconciliation

# Loan Risk Profile

## Loan Risk Profile – March 31, 2012

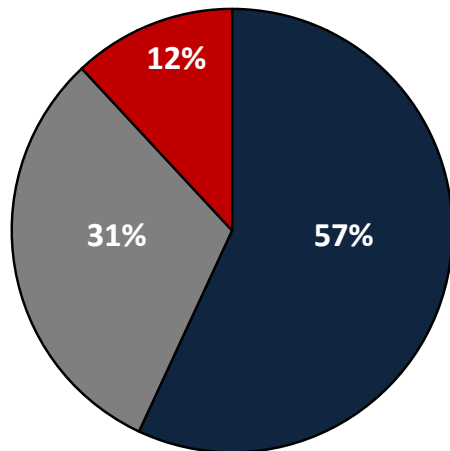
<i>\$ in millions</i>	<b>Balance 3/31/2012</b>	<b>% of Loans</b>	<b>NPL's/Loans<sup>(1)</sup></b>	<b>Net Charge- Offs/Loans<sup>(1)</sup></b>	<b>Total Past Due/Loans<sup>(1)</sup></b>
Commercial and Industrial	\$1,451,144	18.6%	0.55%	0.29%	0.71%
CRE: Non-Owner Occupied	1,303,765	16.7%	1.32%	0.04%	1.61%
CRE: Owner Occupied	1,217,806	15.6%	2.35%	0.43%	2.68%
Home Equity and Other Consumer	1,693,134	21.7%	0.25%	0.20%	0.71%
Residential Mortgage	1,138,220	14.6%	0.81%	0.03%	2.07%
Indirect Consumer	549,875	7.0%	0.72%	0.41%	0.78%
Regency Finance	157,885	2.0%	4.42%	3.56%	3.68%
Florida	135,547	1.7%	28.79%	-0.02%	28.79%
Commercial Leases	118,050	1.5%	1.00%	0.24%	2.69%
Other	37,365	0.5%	10.23%	1.87%	10.36%
<b>Total</b>	<b>\$7,802,791</b>	<b>100.0%</b>	<b>1.67%</b>	<b>0.32%</b>	<b>2.03%</b>

(1) Represents metrics for the originated portfolio which excludes the acquired portfolio or loans acquired at fair value and accounted for in accordance with ASC 805 (effective January 1, 2009) as the risk of credit loss has been considered by virtue of the Corporation's estimate of acquisition-date fair value.

# Regency Finance Company Profile

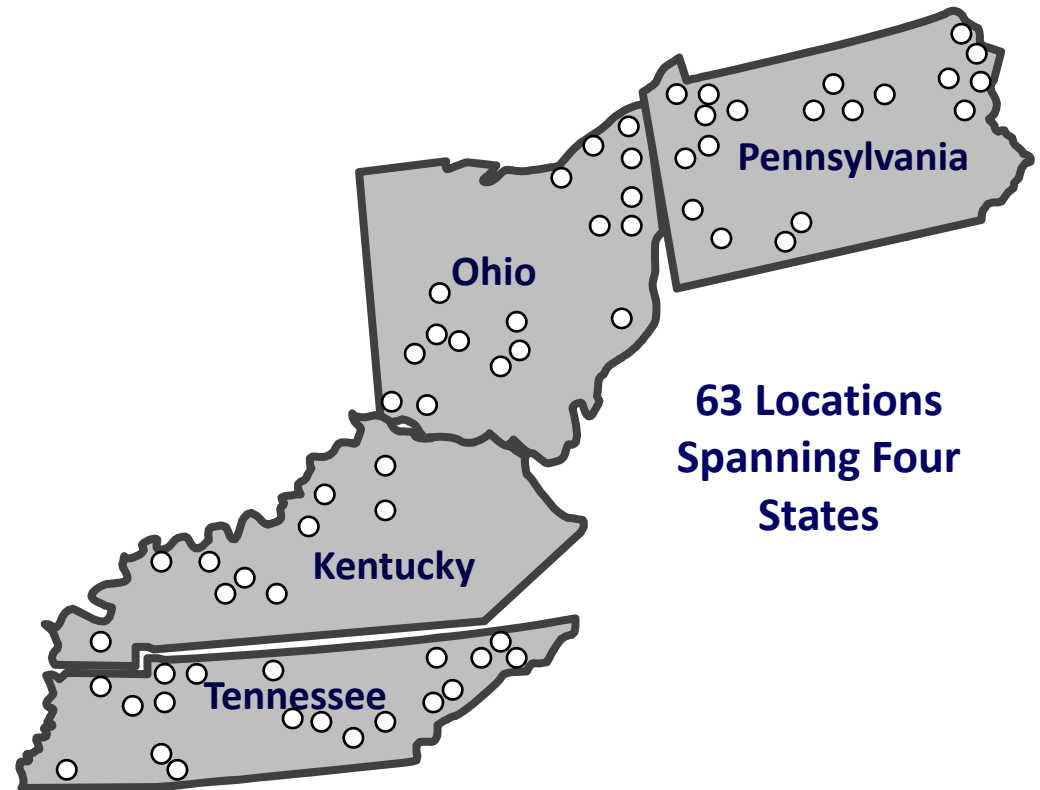
- Conservatively run consumer finance business with over 80 years of consumer lending experience
- Good credit quality: First quarter 2012 net charge-offs to average loans of 3.56%
- Strong returns: First Quarter 2012: ROA 3.18%, ROE 33.53%, ROTE 37.77%

## Regency Finance Company \$158 Million Loan Portfolio



■ Direct ■ Real Estate ■ Sales Finance

*87% of Real Estate Loans are First Mortgages*





# Regional Peer Group Listing

## Regional Peer Group

ASBC	Associated Bancorp	NPBC	National Penn Bancshares, Inc.
CBSH	Commerce Bancshares, Inc.	ONB	Old National Bancorp
CBU	Community Bank Systems, Inc.	PRK	Park National Corp
CHFC	Chemical Financial Corp.	PVTB	Private Bancorp, Inc.
CRBC	Citizens Republic Bancorp, Inc.	SBNY	Signature Bank
CSE	CapitalSource, Inc.	SUSQ	Susquehanna Bancshares, Inc.
FCF	First Commonwealth Financial	TCB	TCF Financial Corp.
FFBC	First Financial Bancorp, Inc.	UBSI	United Bankshares, inc.
FMBI	First Midwest Bancorp, Inc.	UMBF	UMB Financial Corp.
FMER	First Merit Corp.	VLY	Valley National Bancorp
FULT	Fulton Financial	WSBC	WesBanco, Inc.
MBFI	MB Financial, Inc.	WTFC	Wintrust Financial Corp.
NBTB	NBT Bancorp, Inc.		

# Board of Directors

## Board of Directors

Name	Age	Director Since	Biography
Stephen J. Gurgovits	68	1981	Chairman of the Board effective January 2012; former Chief Executive Officer of F.N.B. Corporation
Vincent J. Delie, Jr.	47	2012	President and Chief Executive Officer effective January 2012
William B. Campbell	73	1975	Former Chairman of the Board; More than 30 years executive experience in the manufacturing, steel, commercial development and construction industries, including ownership of Shenango Steel Erectors, Inc. and partner for the commercial lease and development firm, Campbell-Kirila Realty.
Philip E. Gingerich	74	2008	Director of Omega Financial Corporation from 1994 to 2008; retired real estate appraiser, broker and consultant.
Robert R. Goldstein	72	2003	Over 46 years experience in the financial services industry; principal of CapGen Financial Advisors LLC since 2007; Former Chairman of Bay View Capital Corporation.
Dawne S. Hickton	54	2006	Vice Chairman, president and chief executive officer of RTI International Metals, Inc. based in Pittsburgh, Pennsylvania.
David J. Malone	57	2005	President and Chief Executive Officer of Gateway Financial Group, Inc., a financial services firm located in Pittsburgh, Pennsylvania.
D. Stephen Martz	69	2008	Over 45 years experience in the banking and financial services industry; former director, president and chief operating officer of Omega Financial Corporation.
Robert J. McCarthy	69	2012	Previously President and CEO of Parkvale Bank and Parkvale Financial Corporation and Vice Chairman of Parkvale Financial Corporation's Board of Directors.
Harry F. Radcliffe	61	2002	Investment manager with extensive prior experience in the financial services industry.
Arthur J. Rooney, II	59	2006	President of Pittsburgh Steelers Sports, Inc.; of counsel with Buchanan, Ingersoll & Rooney, P.C.
John W. Rose	62	2003	Has served on the boards of 25 separate banks or bank holding companies; currently principal of CapGen Financial Advisors LLC.
Stanton R. Sheetz	56	2008	Co-owner and Chief Executive Officer of Sheetz, Inc.; director of Omega Financial Corporation from 1994 to 2008.
William J. Strimbu	51	1995	President of Nick Strimbu, Inc. since 1994, a trucking company with common carrier authority.
Earl K. Wahl	71	2002	Over 36 years executive experience, owning and operating various businesses involving mining, drilling, industrial contracting, restaurant, municipal and environmental services, including prior ownership of J.E.D. Corporation, an environmental consulting firm.

# GAAP to Non-GAAP Reconciliation

*\$ in thousands*

	2012	2011	
	First Quarter	Fourth Quarter	First Quarter
<b><u>Operating net income:</u></b>			
Net income	\$21,582	\$23,737	\$17,175
Merger and severance costs, net of tax	4,943	255	2,695
Operating net income	<u>\$26,525</u>	<u>\$23,992</u>	<u>\$19,870</u>
<b><u>Operating diluted earnings per share:</u></b>			
Diluted earnings per share	\$0.15	\$0.19	\$0.14
Effect of merger-related costs, net of tax	0.04	0.00	0.02
Operating diluted earnings per share	<u>\$0.19</u>	<u>\$0.19</u>	<u>\$0.16</u>
<b><u>Operating return on average tangible equity:</u></b>			
Operating net income (annualized)	\$106,683	\$95,186	\$80,584
Amortization of intangibles, net of tax (annualized)	5,964	4,692	4,734
	<u>112,647</u>	<u>99,878</u>	<u>85,318</u>
Average total shareholders' equity	1,352,569	1,219,575	1,129,622
Less: Average intangibles	<u>(719,195)</u>	<u>(599,352)</u>	<u>(595,436)</u>
	633,374	620,223	534,186
Operating return on average tangible equity	<u>17.79%</u>	<u>16.10%</u>	<u>15.97%</u>

# GAAP to Non-GAAP Reconciliation

*\$ in thousands*

	2012	2011	
	First Quarter	Fourth Quarter	First Quarter
<b><u>Operating return on average tangible assets:</u></b>			
Operating net income (annualized)	\$106,683	\$95,188	\$80,584
Amortization of intangibles, net of tax (annualized)	5,964	4,692	4,734
	<u>112,647</u>	<u>99,881</u>	<u>85,318</u>
Average total assets	11,563,665	9,947,884	9,695,015
Less: Average intangibles	<u>(719,195)</u>	<u>(599,352)</u>	<u>(595,436)</u>
	10,844,470	9,348,532	9,099,579
Operating return on average tangible assets	<u>1.04%</u>	<u>1.07%</u>	<u>0.94%</u>
<b><u>Pre-tax, pre-provision earnings:</u></b>			
Net interest income (FTE)	\$92,822	\$82,051	\$79,248
Non-interest income	31,745	32,598	28,432
Non-interest expense	<u>86,673</u>	<u>71,591</u>	<u>74,557</u>
Pre-tax, pre-provision earnings	37,894	43,058	33,123
Adjustments:			
Net impairment losses on securities	-	(29)	-
Gain on sale of securities	108	3,511	54
FHLB prepayment penalty	-	3,328	-
Merger and severance costs	7,604	393	4,146
Pre-tax, pre-provision earnings	<u>\$ 45,390</u>	<u>\$ 43,298</u>	<u>\$ 37,215</u>



# GAAP to Non-GAAP Reconciliation

*\$ in thousands*

	2012	2011	
	First Quarter	Fourth Quarter	First Quarter
<b><u>Tangible book value per share:</u></b>			
Total shareholders' equity	\$1,354,699	\$1,210,199	\$1,128,414
Less: intangibles	(714,177)	(599,414)	(601,475)
	640,522	610,785	526,939
Ending shares outstanding	139,501,039	127,220,759	120,871,383
Tangible book value per share	<u>\$4.59</u>	<u>\$4.80</u>	<u>\$4.36</u>
<b><u>Tangible equity / tangible assets (period end):</u></b>			
Total shareholders' equity	\$1,354,699	\$1,210,199	\$1,128,414
Less: intangibles	(714,177)	(599,414)	(601,475)
	640,522	610,785	526,939
Total assets	11,726,063	9,786,483	9,755,281
Less: intangibles	(714,177)	(599,414)	(601,475)
	11,011,886	9,187,069	9,153,806
Tangible equity / tangible assets (period end)	<u>5.82%</u>	<u>6.65%</u>	<u>5.76%</u>

**Efficiency ratio calculation:**

The efficiency ratio calculation excludes securities gains and net impairment losses on securities, amortization of intangibles, other real estate owned expense, FHLB pre-payment penalties and merger and severance costs.