Why do so many middle market companies single us out?

Middle market companies shouldn't have to rely on banking services more fit for small businesses or Fortune 500 firms. With our lending expertise and services like treasury management, leasing, insurance and wealth management, our solutions fit perfectly to the size of your business now...and as it grows.

That's why middle market companies single us out as their bank of choice. First National Bank gives you all the financial expertise and solutions that your business needs, and the trusted relationship it deserves.

To learn more visit fnb-online.com





Relationships Built on Trust and Integrity

www.fnb-online.com

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Understanding Marcellus Shale Opportunities

A massive natural gas resource with great potential for our state, our residents and your business.



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Positioning for growth.

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What you need to know about Total Money Managemen

Marcellus Shale

The fuel behind the resurgence of the Pennsylvania economy.



hose of us who know Pennsylvania, Ohio and the surrounding region understand the ups and downs of industry and the overall economy. A general downturn occurred decades ago when the steel mills moved out, and the economies of some local communities never quite recovered. As business leaders, we have continued to experience challenges including high unemployment, difficult debt markets and the effects of trickle-down economics as businesses and families have struggled to regain momentum on the heels of a national recession.

Maybe that's one reason the Marcellus Shale gas field is generating so much excitement. Residents, state and local officials and business professionals recognize that the Marcellus Shale gas field has the potential to help our region reverse downward economic trends. As with most new developments, there are supporters and detractors. Many see the economic benefit for the region. Others are concerned about the environmental issues that could be associated with the drilling.

Regardless, the Marcellus Shale gas field will be developed, and businesses across our state and our country will benefit. Perhaps your business can tap directly into natural gas production, provide services to the direct players or meet the needs of those workers and residents across the

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region who are impacted by Marcellus Shale development. The common thread is that business potential



does await you. The question is this: Will you be among those business leaders who find an effective way to capitalize on the opportunities?

First National Bank of Pennsylvania has a 147-year history of serving the individuals and businesses of our region. We understand each local market, we have experts on the ground right where you need them, and we are committed to your business success. That's what has helped us carve out a well-recognized position as a financial institution that understands what's involved in Marcellus Shale development.

As you read through our special edition of Business Strategies Today, dedicated specifically to Marcellus Shale business opportunities, take a few moments to visualize what direction your business might take in regard to Marcellus Shale. Then contact the experts at First National Bank, and allow us to partner with you to help you achieve your business goals.

Best Regards,

Vincent J. Delie, Jr.

President, F.N.B. Corporation CEO, First National Bank of Pennsylvania

The First National Bank Difference

First National Bank, a subsidiary of F.N.B. Corporation (NYSE: FNB), is a local community-based institution that is dedicated to providing total money management solutions. We have a core business concentration on middle and upper-middle market companies and serve their needs as a value-added partner.

The Strength Local People When we focus our team's experience and expertise on your industry and your potential for growth,

we provide a valuable business resource.

Local Relationships As a community-based institution, we retain firsthand knowledge of market strengths and opportunities through our connection to local management, employees and decision making.

Local Commitment Our commitment to the success of our communitybased initiatives is demonstrated in volunteer hours and financial contributions to numerous non-profit organizations.

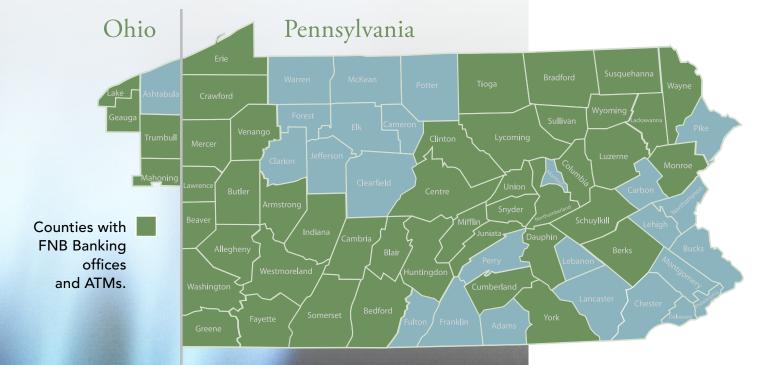
We Exist to Help Customers:

- Achieve economic success and financial security by building enduring relationships based on trust and integrity
- Build a workplace where employees can learn, grow, and prosper as contributing members of a winning team
- Create long-term value for our shareholders
- Improve the quality of life in the communities we serve

IN THIS ISSUE

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- **Understanding the Opportunities**
- **Tapping the Potential**
- **Partnering with Experts**
- **Financial Considerations**



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Understanding Marcellus Shale Opportunities

The primary

question is how

can you harness

the tremendous

potential of

Marcellus Shale

development for

the good of your

company

HE MENTION OF MARCELLUS SHALE GENERATES a great deal of discussion these days. Geologists, government officials, university professors, business leaders and community activists all have something to say.

Let's start with a quick recap of the facts. Buried up to depths of 9,000 feet and beneath approximately 60 percent of Pennsylvania's total land mass, into eastern Ohio and beyond, sits the largest onshore

reserve of natural gas in the world. Estimates indicate the existence of 500 trillion cubic feet of natural gas. If even 10% is recoverable, the entire United States would have a sufficient supply of natural gas for several years. In 2009 alone, the Pennsylvania economy was stimulated by the creation of 29,000 jobs and the generation of \$2.3 billion due to natural gas production.

Advances in extracting natural gas

Pennsylvania, and the largest land

grab ever is underway. Companies are

paying thousands of dollars per acre

drilling possibilities. If drilling occurs,

royalties. Suddenly, these landowners

are faced with complicated financial

2009 alone were estimated at nearly

decisions and technical land lease

questions. Royalty payments in

\$1.8 billion. Servicing these

business potential.

landowners is another area of

to lease properties just to explore

landowners are paid significant

have given the largest energy

companies reason to rush to

What does this mean to your business? Economic impact related to Marcellus Shale is typically divided into three categories: direct, indirect and induced economic impact. If your company is involved in drilling, excavation, production equipment, pipeline installation, exploration activities, water transport, supplying workers or providing legal, royalty or tax revenue services, you stand to benefit from direct Marcellus Shale play.

If your company provides goods and services to the natural gas extraction companies, you are in the circle referred to as

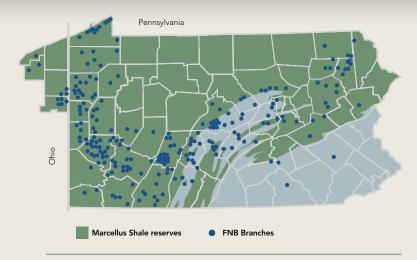
indirect economic impact. These industries include service companies such as local contractors, surveyors, attorneys, fuel providers, maintenance and repair, construction, hospitality, stone workers and cement suppliers.

When it comes to Marcellus Shale, it is important to remember that your business may have no direct involvement in drilling and still be in line to take advantage of the financial windfall associated with natural gas

> development. You might touch the lives of workers who are relocating to the area or those who are going back to work after a period of unemployment. You stand to benefit from the induced economic impact associated with the food and drink, utilities, travel, higher education, housing and entertainment providers who benefit when increased spending results from increased earnings.

As a business leader, the primary question is how can you harness the tremendous potential of Marcellus Shale development for the good of your company. The opportunities are expansive. Creating a partnership with a full-service financial institution that understands the region and the explosive business potential of Marcellus Shale is a good start. First National Bank of Pennsylvania has the experts in place to meet every business and personal financial need that you or your clients might experience.

* From "The Economic Impacts of the Pennsylvania Marcellus Shale Natural Gas Play: An Update" May 24, 2010 - Pennsylvania State University



Tapping Marcellus **Shale Potential**

The business potential associated with Marcellus Shale is a given. The role your company plays could be a matter of vision and positioning. Many companies have tapped into the workflow and profit by adapting their products and services to

aid in the drilling, production and delivery of natural gas.

Your company possesses some viable product, service or industry-specific knowledge. The key now is to deter-

By 2020, an estimated 212,000 new jobs will be created due to Marcellus Shale development.*



Are you already experiencing business growth associated with Marcellus Shale? If so, increased business demands could be creating challenges that make you a candidate for additional capital. Now could be the right time to grow your business by purchasing new equipment, expanding your facility or hiring more workers so you can make the most of the new opportunities coming your way.

mine how to make that expertise work for you. Consider what makes your business unique and what

makes the most sense given the current stage of your business lifecycle. The experts at First National Bank

of Pennsylvania will partner with you to develop the financial solutions that will help you achieve your unique

Do you provide services to landowners who might eventually benefit from Marcellus Shale play? If so, you have a network of relationships that could serve you well. For most landowners who sign a lease with a

drilling company, the experience is comparable to winning the lottery. Land that has been in the family for generations may suddenly yield hundreds of thousands of dollars in natural gas production. Landowners become inundated with lease legalities, land interests and how to best manage newfound wealth. Your existing relationship and history of trust places you in a unique position to assist these clients with their rapidly developing needs.

Perhaps you feel far removed from Marcellus Shale opportunities, and you are uncertain how to maximize your business potential. The first fact to understand is that Marcellus Shale is not a fleeting opportunity. The business impact will be long-lasting. For every 100 wells in production, 17 full-time jobs will be created, and other jobs will evolve. By 2020, an estimated 212,000 new jobs will be created due to Marcellus Shale development.

Envision where you want your business to be in the next decade, and then partner with a trusted financial institution who can help you achieve your business goals. First National Bank of Pennsylvania understands the Marcellus Shale region, the industries that drive the local economy and the communities where you do business. Our experts are prepared to help you find ways to capitalize on Marcellus Shale business opportunities.

The experts at First National Bank of Pennsylvania work together across all lines of business to tailor the financial solutions that will meet your unique business needs. We can assist with many opportunities that could help you reach the next level of Marcellus Shale involvement.

business objectives.

- Do you need capital to give your company a competitive edge?
- Would you be better able to attract experienced employees by offering a more comprehensive employee benefits package?
- Do you have the right comprehensive insurance package to protect your company and your workers?
- Would you benefit from expert investment advice that will help protect your company assets?
- Do you have clients who need assistance with royalty payments, investment strategies or estate planning?

Call a member of our Marcellus Shale Team today at 866.362.4602 and take one more step toward achieving your business goals.

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Partnering with Experienced Financial Experts



FNB is

identified as

well-positioned to

serve the needs

associated with

Marcellus Shale

loan portfolio

alignment of

and permitted

RBC Capital Markets December 2010

wells.

concentration and

branches with rigs

based on

clients tackle
all the financial
implications
associated
with the
development
of coal,
wind, water
and natural gas
resources.

Helping

XPERIENCE, EXPERTISE AND LOCATION make First National Bank of Pennsylvania the prime choice for clients engaged in natural gas leases and related financial decisions. Our community banking network is established right where the Marcellus Shale action is occurring, and our 238 convenient banking offices allow us to serve you wherever you do business.

We have been serving

our local communities for 147 years, so we have first-hand knowledge of the communities, the local industries and the rapidly developing opportunities associated with natural gas development. That's why we have developed a unique full-service response team to help you capitalize on Marcellus Shale opportunities.

For clients engaged in Marcellus Shale activities,

First National Bank commits a specialized team of professionals. Each Marcellus Shale Team is lead by a Business Banker who can understand the full scope of your business needs. Then, dependent on those specific needs, we will involve our Wealth Management, Private Banking and/or Insurance experts. This is an effective approach that helps clients tackle all of the financial implications associated with the development of natural gas resources.

Estate and wealth management expertise is a primary need during the initial stage of establishing a lease agreement. You might benefit, personally or professionally, from

direction on property valuation, tax considerations and the use of trusts to structure and protect your land holdings or newfound wealth. An experienced Wealth Management Advisor will assist you each step of the way.

A Private Banker can ensure that you have initiated banking solutions that will help you achieve your goals. One benefit of First National Bank's Private Banking services is the opportunity to have banking services provided on a personalized, flexible schedule that allows you to focus on your core business.

Your growing and evolving business will also benefit from a comprehensive assessment by an Insurance Specialist. It is best to ensure that the risks associated with your company, your executives and your workers are all well-managed before you engage in natural gas-related projects. Our Insurance Specialist can help you determine appropriate levels for property and casualty insurance, general liability coverage, automobile coverage for your growing fleet, workers' compensation needs and ways to minimize catastrophic exposure.

Your Wealth Management Advisor will continue to work in conjunction with your banking professional to help you accomplish your financial objectives. Some clients take steps to structure a retirement plan to maximize savings and investment opportunities at a time when income is at its peak. Others choose to add WorkPlace Banking or a 401(k) plan to their employee offerings. The possibilities are many, and your dedicated Marcellus Shale Team will work together with you to create financial solutions that meet your unique goals.

FINANCIAL CONSIDERATIONS

Marcellus Shale Team in Action

One outcome of Marcellus Shale development is the significant wealth generated among landowners throughout the region. In 2009, nearly \$1.8 billion was paid to landowners in royalties and bonuses. Based on average natural gas prices, a typical landowner could earn royalty payments worth \$3 million for one well. Unfortunately, many landowners are unfamiliar with the tax planning, estate planning, wealth distribution and wealth preservation strategies that would protect these earnings.

When royalty payments begin rolling in, a landowner can suddenly have more money than he ever thought possible. Lack of tax planning can be detrimental for this landowner. Tax considerations are complex, and tax consequences can be severe. Landowners are not always equipped to wade through tax issues such as lump-sum payments, depletion percentages, capitalization of expenses or Safe Harbor rules. Failure to plan means that the federal and state governments claim a greater percentage of earnings in the form of taxes. You may be in a position to advise your clients or direct them to the financial professionals at First National Bank who can provide sound guidance.

Estate planning addresses the landowner's need to determine the best vehicles to preserve and transfer wealth to the next generation. Without estate planning, the landowner's wealth is susceptible to lawsuits, long-term health care expenses and reduced spending capacity over the lifetime of the well. Unforeseen family situations can also impact the estate, but landowners rarely consider occurrences such as the divorce or death of a child or a spouse who remarries. Effective estate planning ensures that the landowner's estate is structured according to his desires, rather than relying on interpretation of those desires when the estate is distributed.

Your clients may appreciate your trusted input. Whether you can address their needs or point them to the professionals at First National Bank, the key to remember is that

estate planning is essential for landowners involved in Marcellus Shale development.

The first step for the experts who comprise the Marcellus Shale Team at First National Bank is to understand the unique objectives of each client. Our professionals look at the big picture to help each client determine the most suitable combination of services including tax planning, estate planning, investment strategies, insurance solutions and private banking. Our goal is always to provide tailored services so that our clients can achieve their business objectives.

The Marcellus Shale Team of experts at First National Bank is well-versed in the financial considerations associated with Marcellus Shale development.

Whether you need to investigate financial solutions as a landowner, a business owner or a client representative, you can count on our experts to help you realize your financial goals.

CASE STUDY

THE ORGANIZATION

A private drilling company in business locally for 13 years, now capitalizing on Marcellus Shale drilling opportunities.

THE CHALLENGE

In the last two to three years, the company has been inundated with Marcellus Shale drilling opportunities. Income increased rapidly, tax rates shot up and the details of managing the newfound wealth became cumbersome for the company owner.



THE SOLUTION
A First National Bank business relationship manager recognized large balances in accounts earning a minimal return.
She recommended a meeting with an F.N.B. Wealth Manager

ment Advisor who immediately focused on understanding the client's key long-term financial objectives. The Wealth Management Advisor recommended a blended solution that included tax planning, estate planning and targeted investment strategies to help the client achieve his current and future goals.

THE RESULTS

Today the client is able to focus on his own core business while the professionals at F.N.B. Wealth Management oversee the details that ensure the integrity of his financial objectives. For this client, the multi-faceted solution included the establishment of lifetime trusts, retirement plan modifications to capitalize on increased income, an investment mix that satisfies existing risk tolerance and education planning for the children. Advisors proactively monitor account progress to ensure that additional Marcellus Shale proceeds are immediately pulled into the protective net of existing wealth management strategies.

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