



# **F.N.B. Corporation**

**June 2009**

***Stephen J. Gurgovits***  
***Chairman, President & CEO***

***Brian F. Lilly***  
***Executive VP, CFO & COO***

***Gary L. Guerrieri***  
***Chief Credit Officer***



# Forward-Looking Statements

This presentation of F.N.B. Corporation 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) legislative or regulatory changes 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 or (8) risk factors mentioned in the reports and registration statements F.N.B. Corporation files with the Securities and Exchange Commission. 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.



# F.N.B. Corporation

Headquarters: Hermitage, PA

Bank Charter: 1864

Assets: \$8.5B (5<sup>th</sup> largest bank in PA)

Market Capitalization: \$605M

## Locations

Banking offices: 214 (PA), 11 (OH)

Loan Production Offices: 3 (FL), 1 (PA)

Consumer Finance Offices: 23 (PA), 17 (OH), 17 (TN)

## Business Lines

- Banking
- Wealth Management
- Insurance
- Consumer Finance (Regency)
- Merchant Banking



# Rationale For Offering

- Positions us to take advantage of current dislocation opportunities in the market
- Allows us to pursue future acquisition opportunities
- Strengthens tangible common equity ratio
- Provides us with flexibility to consider repayment of \$100.0 million CPP funds

# Organic Growth Opportunity

- Our markets are experiencing unprecedented levels of dislocation

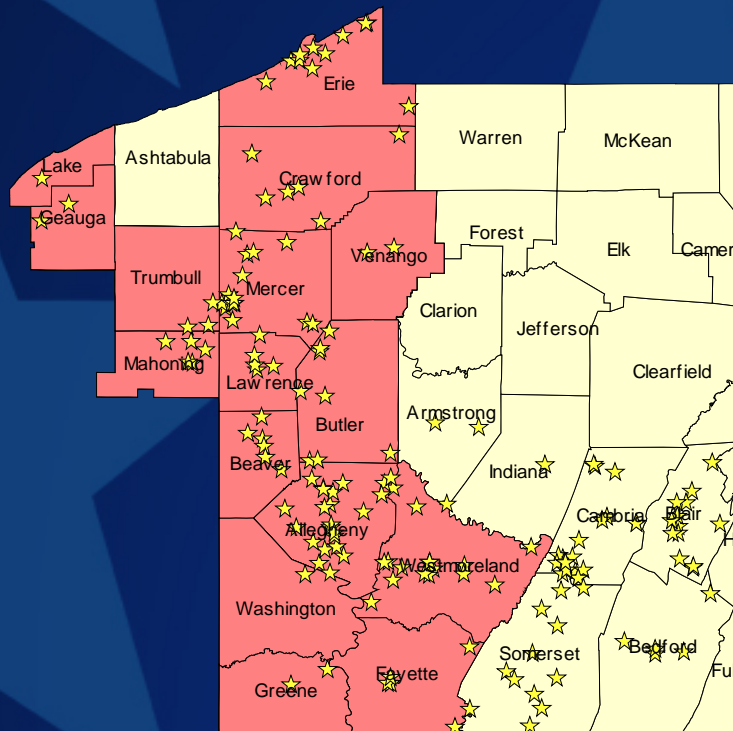
## Counties of Operation

Rank	Institution	Branch Count	Total Deposits in Market (\$000)	Total Market Share (%)
1	PNC Financial Services Group (PA)	341	40,805,686	35.56
2	Royal Bank of Scotland Group	204	8,469,396	7.38
<b>3</b>	<b>F.N.B. Corp. (PA)</b>	<b>225</b>	<b>6,099,880</b>	<b>5.32</b>
4	Huntington Bancshares Inc. (OH)	106	4,691,032	4.09
5	First Commonwealth Financial (PA)	105	3,799,279	3.31
6	M&T Bank Corp. (NY)	100	3,597,994	3.14
7	First Niagara Finl Group (NY)	56	3,520,797	3.07
8	Dollar Bank FSB (PA)	34	2,993,527	2.61
9	Northwest Bancorp Inc. (MHC) (PA)	86	2,737,649	2.39
10	S&T Bancorp Inc. (PA)	44	2,393,157	2.09
<b>Total (1-145)</b>		<b>2,301</b>	<b>114,737,023</b>	<b>100.00</b>

# Market Dislocation

- The PNC / NCC merger has created numerous organic growth opportunities in many of our core markets of operations
- Over 100 NCC branches were located within two miles of an FNB branch

## FNB Western Franchise



## FNB / NCC Branch Overlap

County	Overlapping Branches	Overlapping Deposits (\$M)
Allegheny, PA	43	\$4,430
Westmoreland, PA	9	604
Mercer, PA	9	429
Erie, PA	10	416
Mahoning, OH	7	255
Crawford, PA	4	252
Fayette, PA	4	214
Butler, PA	3	174
Lake, OH	2	150
Beaver, PA	3	149
Washington, PA	1	142
Venango, PA	3	129
Lawrence, PA	2	129
Trumbull, OH	3	100
Geauga, OH	1	63
Greene, PA	1	51
<b>Total</b>	<b>105</b>	<b>\$7,687</b>



# New Marketing Campaign

- The recent PNC / NCC merger and the subsequent branch divestitures will create opportunities for FNB to grow its Pittsburgh and Northwest markets
- Implementing a new multi-media branch advertising campaign in targeted markets that are currently experiencing market dislocation
  - Increased marketing budget to fund the campaign
  - 3-part calling program to increase business prospect appointments/sales (to take place this summer)
  - Prospect mailing initiative in targeted markets to increase consumer DDA accounts
- Additional market awareness support through other planned initiatives
  - Aim is to attract customers, not only dislocated customers

# Proven Merger Integrator

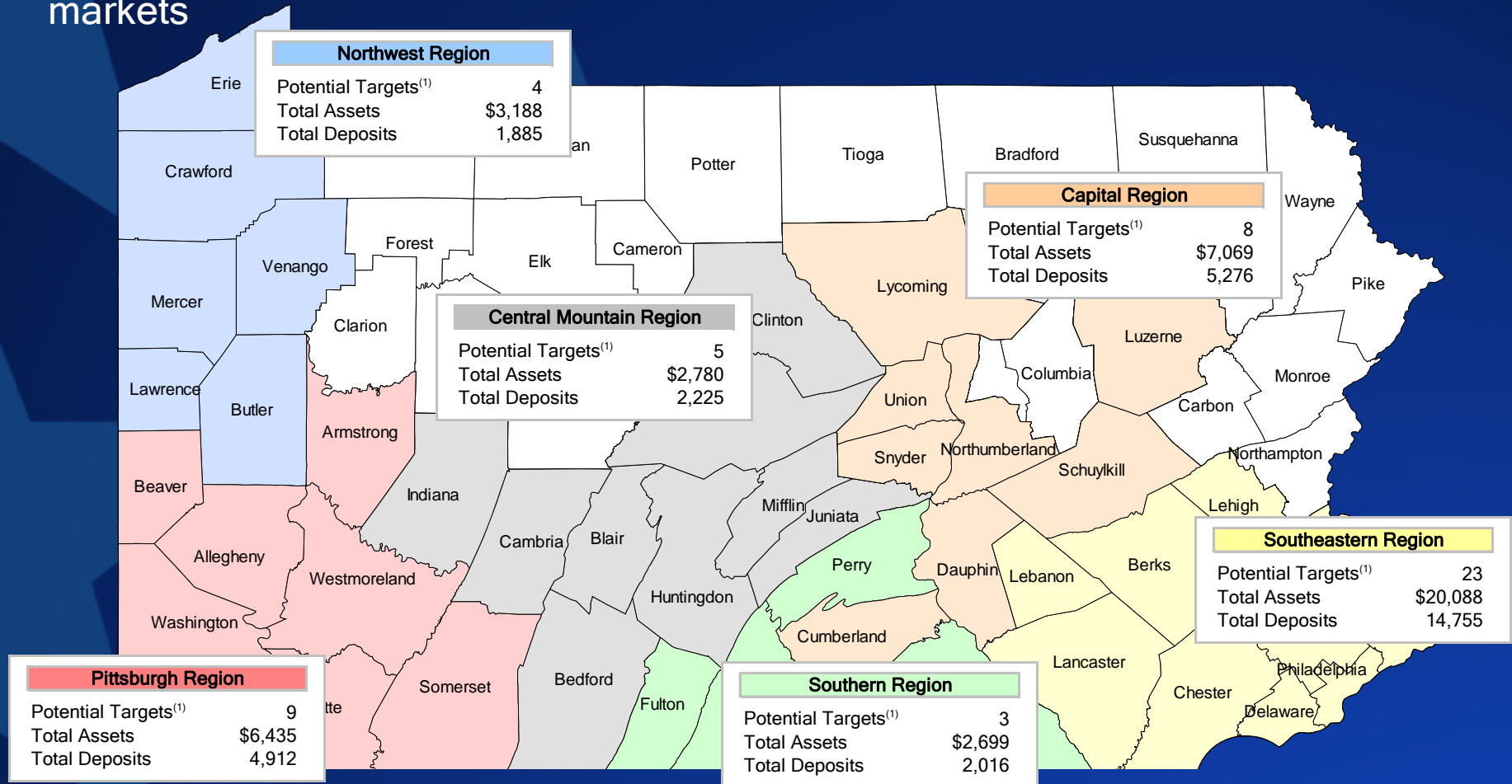
- FNB's management team is well seasoned with significant acquisition/integration experience
- Since 2004, FNB has completed six bank acquisitions (\$3.4B Assets), two insurance acquisitions and one consumer finance acquisition





# Acquisition Based Opportunities

- There are over 50 acquisition based opportunities in our footprint and contiguous markets



Source: SNL Financial and MapInfo; Financial data in thousands

(1) Includes all banks and thrifts headquartered in the region with assets between \$300 million and \$3.0 billion; Excludes mutuals and MHCs

# Pro Forma Capital Ratios

	<u>3/31/2009</u>	<u>Common Equity Raise</u>	
		<u>With CPP</u>	<u>CPP Redemption*</u>
TCE / TA	4.5%	6.0%	6.0%
TE / TA	5.7%	7.2%	6.0%
Leverage Ratio	8.7%	10.1%	9.0%
Tier 1 Ratio	11.1%	13.1%	11.5%
Total Capital Ratio	12.5%	14.5%	12.9%

Assumptions

Common equity offering of \$115 million; 15% overallotment is subsequently exercised

Net proceeds assume underwriting spread and estimated expenses

\*Assumes \$100.0 million in preferred stock issued under CPP is redeemed



# Experienced Management Team

<u>Name</u>	<u>Position</u>	<u>Years of Banking Experience</u>	<u>Years With F.N.B. Corp.</u>
Steve Gurgovits	Chairman, President and CEO	48	48
Brian Lilly	EVP, Chief Operating Officer and Chief Financial Officer	29	6
Vince Delie	EVP, Chief Revenue Officer	22	4
Gary Guerrieri	Chief Credit Officer	25	23
Louise Lowrey	Group Executive, Technology & Operations	35	32

# Board Leadership

- Fourteen Independent Directors
- Seven Former Financial Services Executives
- Three Involved as Financial Services Investors



# Established Board of Directors

Name	Age	Director Since	Biography
Stephen J. Gurgovits	65	1981	Chairman, President and CEO. Joined F.N.B. in 1961.
William B. Campbell	70	1975	Retired Businessman.
Henry M. Ekker	70	1994	Partner with Ekker, Kuster, McConnell & Epstein, LLP.
Philip E. Gingerich	71	2008	Director of Omega from 1994 to 2008; Retired Real Estate Appraiser and Consultant.
Robert B. Goldstein	68	2003	Principal of CapGen Financial Advisors LLC since 2007; Former Chairman of Bay View Capital.
Dawne S. Hickton	51	2006	Vice Chairman and CEO of RTI International Metals, Inc. since 2007.
David J. Malone	54	2005	President and CEO of Gateway Financial since 2004.
D. Stephen Martz	66	2008	Former Director, President, COO and Business Development Officer of Omega.
Peter Mortensen	73	1974	Chairman of F.N.B. from 1988 to 2007.
Harry F. Radcliffe	58	2002	Investment Manager.
Arthur J. Rooney II	56	2006	President, Pittsburgh Steelers Sports, Inc.; Of Counsel with Buchanan, Ingersoll & Rooney LLP.
John W. Rose	60	2003	Principal of CapGen Financial Advisors LLC since 2007; President of McAllen Capital Partners, Inc. since 1991.
Stanton R. Sheetz	53	2008	CEO and Director of Sheetz, Inc.; Director of Omega from 1994 to 2008; Director of Quaker Steak and Lube Restaurant, Inc.
William J. Strimbu	48	1995	President of Nick Strimbu, Inc. since 1994.
Earl K. Wahl Jr.	68	2002	Owner, J.E.D. Corporation.

# Operating Strategy

- Manage our business for profitability and growth
- Operate in markets we know and understand
- Maintain a low-risk profile
- Drive growth through relationship banking
- Fund loan growth through core deposits
- Target neutral asset / liability posture to manage interest rate risk
- Build fee income sources
- Maintain rigid expense controls



# Market Characteristics

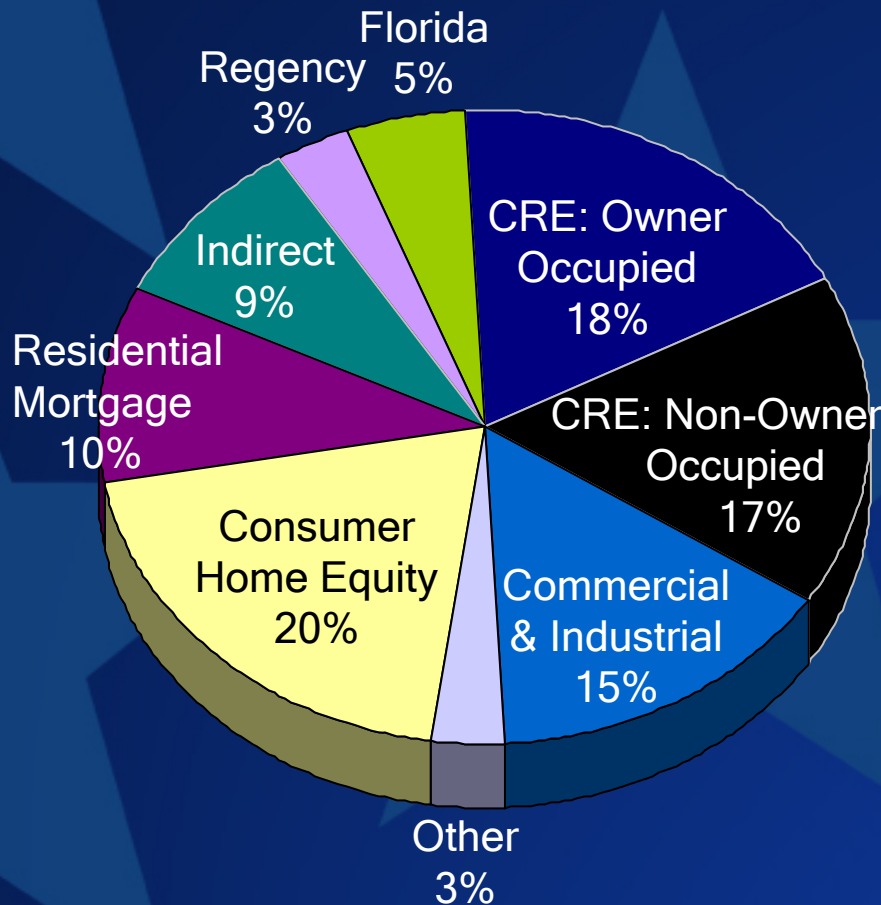
<u>FNB Region</u>	<u>Market Size Deposits <sup>(1)</sup></u>	<u>FNB Deposit Ranking <sup>(1)</sup></u>	<u>FNB Branches</u>
Pittsburgh	\$69.8B	7th	70
Northwest	\$23.5B	3rd	55
Capital	\$19.2B	9th	25
Central Mountain	\$10.8B	1st	75

- Stable Markets
- Modest Growth
- #1 Ranking in State College
- #7 Ranking in Pittsburgh
- Regional Management
- Local Advisory Boards

<sup>(1)</sup> Source: SNL as of June 30, 2008

# Diversified Loan Portfolio

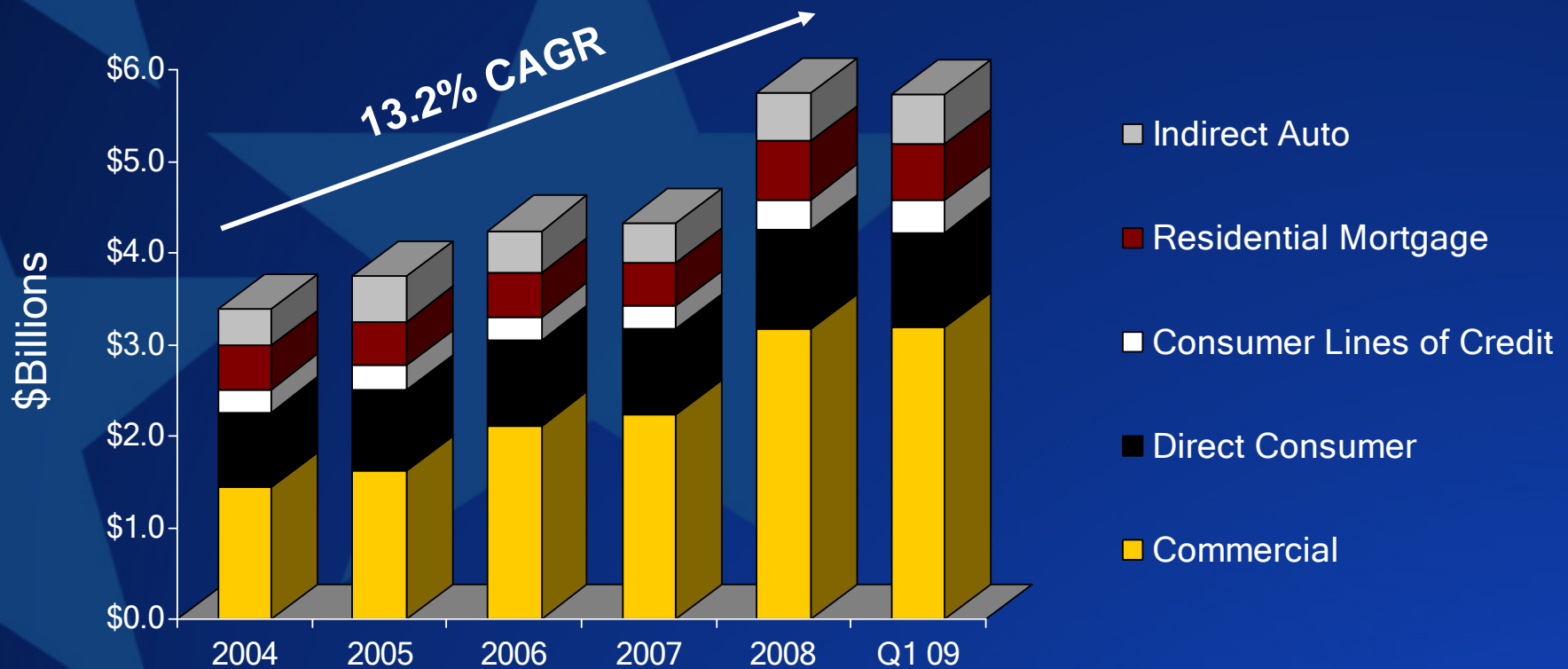
\$5.8 Billion Outstanding



- Shared National Credits
  - 3% of loan portfolio
  - In market customers and prospects
- Avoided subprime and Alt-A mortgages
- Construction and land development total only 3% and 1%, respectively, of FNB's total loan portfolio

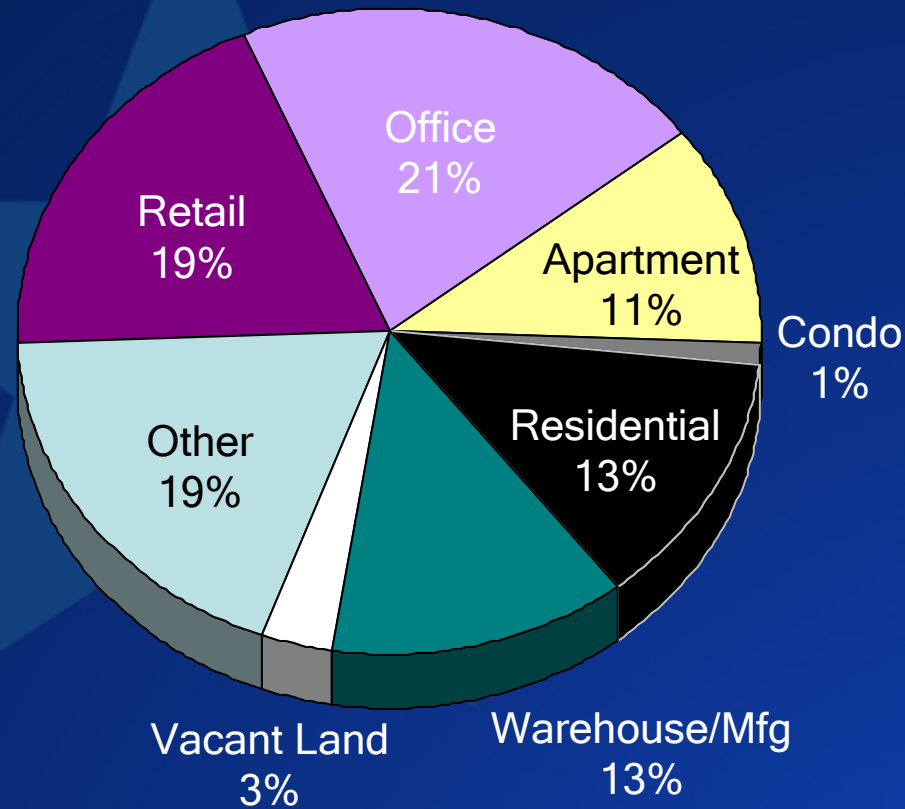
# Loan Composition

1Q09 YOY Organic Loan Growth of 2.6%



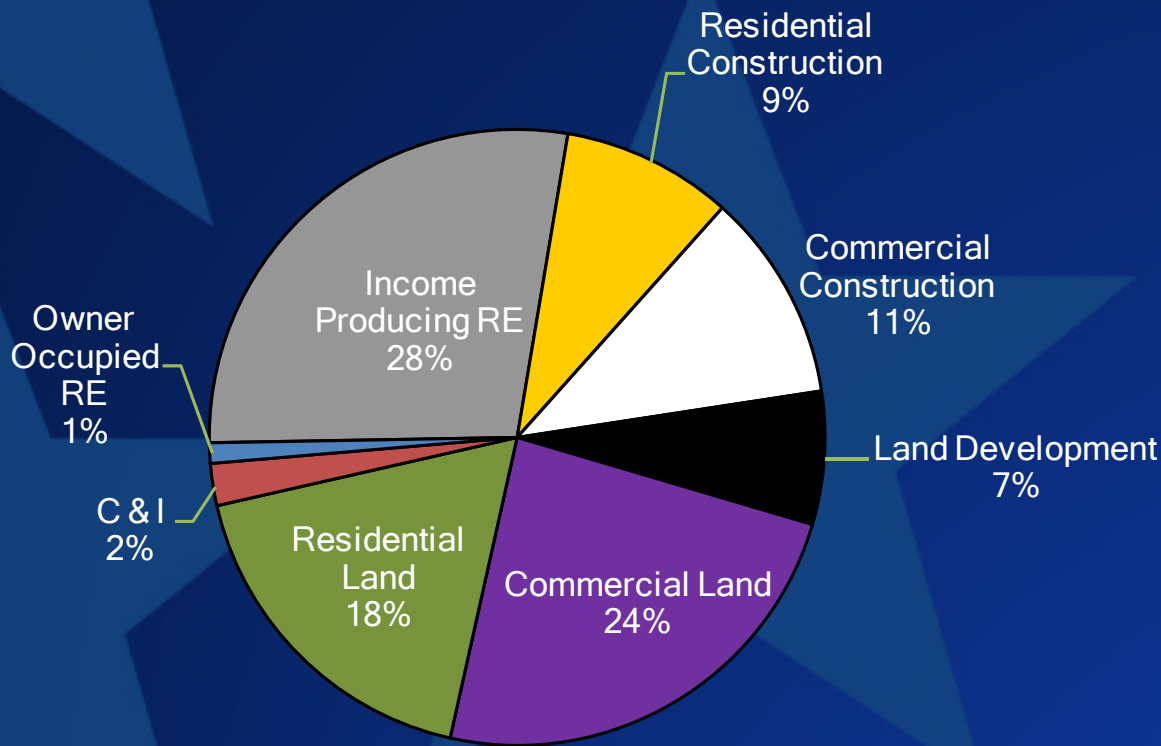
# Commercial Real Estate

\$1.0 Billion CRE Non-Owner Occupied  
(excluding Florida)



# Profile of Florida Loans

\$302 Million in Total Outstandings as of March 31, 2009



➤ Team of former FNB lenders

➤ Underwriting

- Weighted-average loan to value of 71%
- Most with personal guarantees

➤ Credit Quality

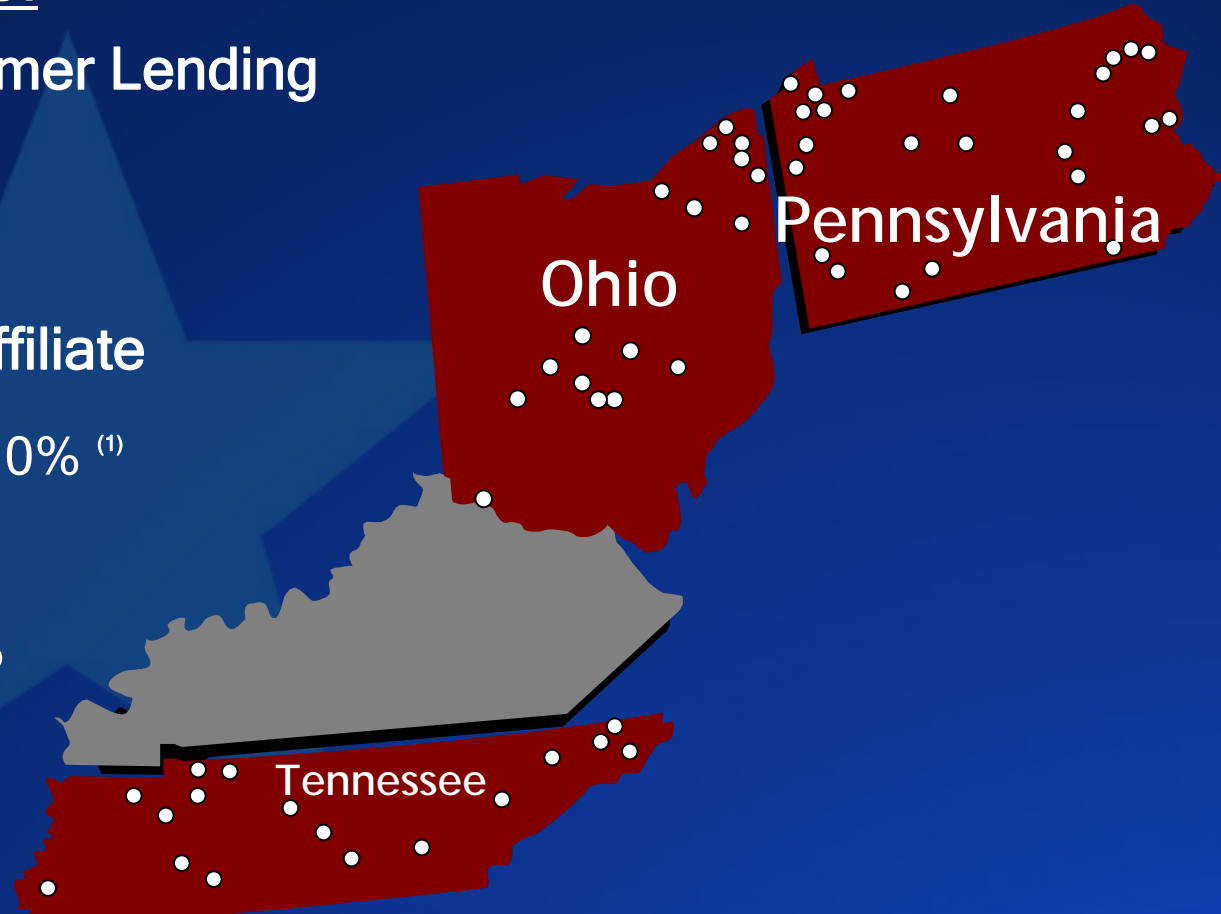
- 32% Non-performing loans/total loans
- 9% Allowance for loan losses/loans

➤ 5% of Total Loan Portfolio

# Consumer Finance

## Regency Finance Co.

- 80 Years of Consumer Lending Experience
- 57 Offices
- High-Performing Affiliate
  - 1Q09 ROTCE 37.0% <sup>(1)</sup>
  - 1Q09 ROA 2.9%
  - 1Q09 ROE 32.3%

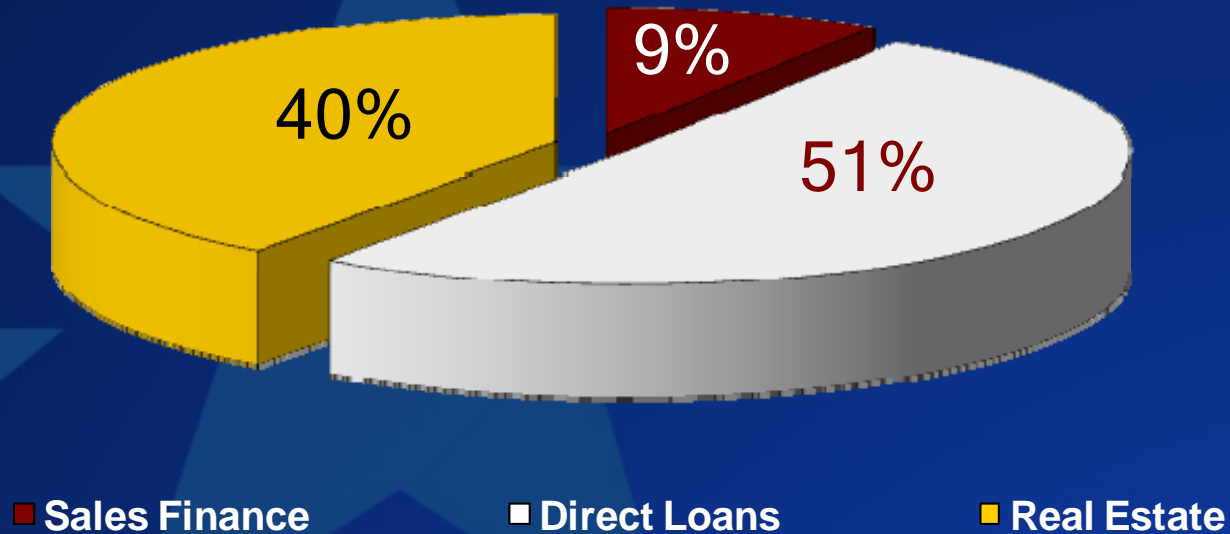


(1) Return on average tangible common equity (ROTCE) is calculated by dividing net income less amortization of intangibles by average common equity less average intangibles.



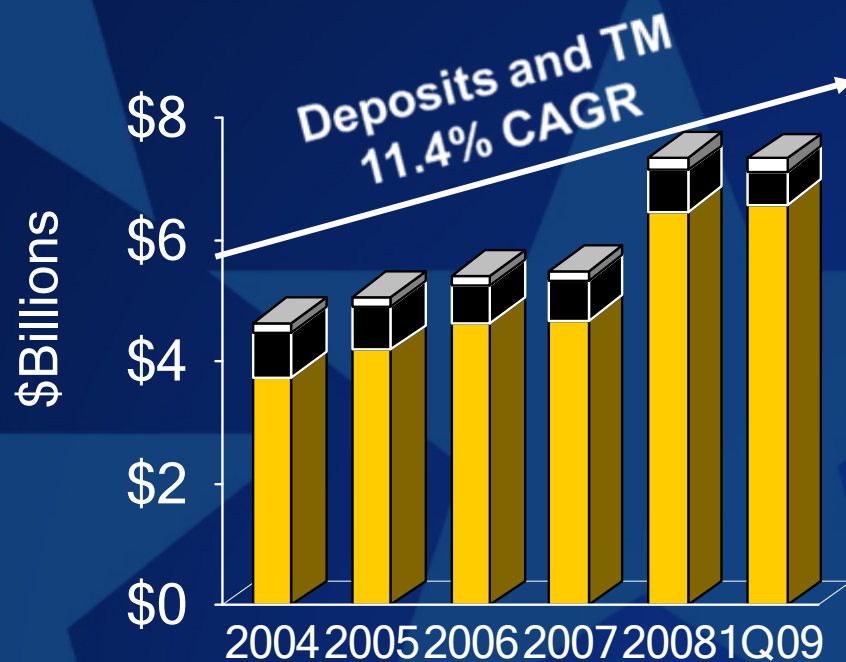
# Consumer Finance

Regency Finance Co. Loan Portfolio – \$153 Million  
85% of Real Estate Loans are First Mortgages



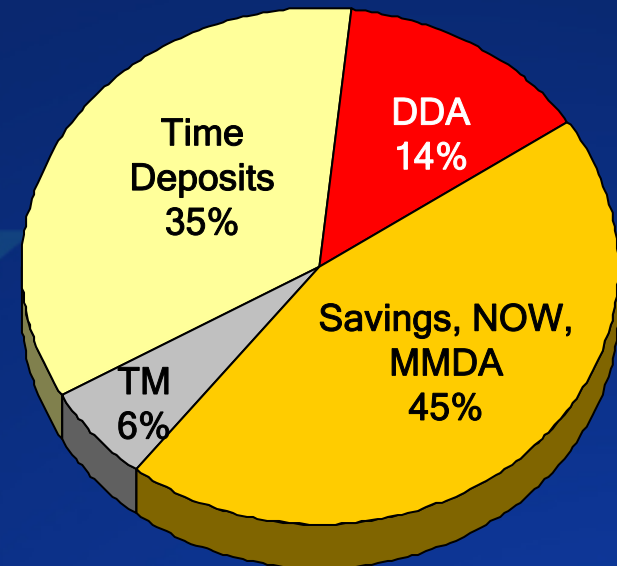
As of March 31, 2009

1Q09 YOY Organic Deposit  
and TM Growth of 6.3%



- Trust Preferred
- Total Borrowings
- Deposits and Treasury Management (TM)

Deposits and TM: \$6.6 Billion <sup>(1)</sup>



Note: Strong loan to deposits and  
TM ratio of 88% <sup>(1)</sup>

<sup>(1)</sup> As of March 31, 2009

# Well Diversified Business

## Wealth Management

- Trust, Fiduciary and Institutional Investment Services
  - Over 70 Years Managing Wealth
  - \$2.0 Billion Under Management at March 31, 2009
- Individual Investment Services
  - Brokerage, Mutual Funds and Annuities
  - Life and Long-Term Care Insurance Planning

## Insurance

- Property, Casualty, Life and Employee Benefits
- Risk Management, Risk Transfer and Cost Containment Services
- Nine offices, located in Central and Western PA
- 81% Property & Casualty
  - 70% Commercial
  - 30% Personal
- 19% Life and Benefits
- Annual premiums of \$93.6 Million



F.N.B. Corporation

# FINANCIALS

# Earning Assets-Investments



Investment	Ratings	Amount <sup>(1)</sup> (in \$Millions)
Agency (MBS)	AAA	\$ 841
Agency Senior Notes	AAA	\$ 218
Municipals	AA = 65% A = 31% BBB = 4%	\$ 176
Private Label CMO's	AAA = 59% AA = 11% B = 30%	\$ 61
Trust Preferred <sup>(2)</sup> (Pools and Single Issuer)	A = 15% C = 85%	\$ 24
Bank Stocks <sup>(3)</sup>		\$ 3
<b>TOTAL</b>		<b>\$1,323</b>

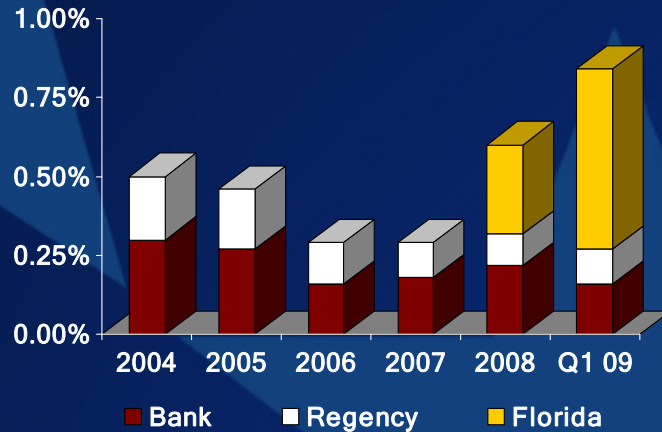
(1) Investment amounts are shown in accordance with GAAP as of March 31, 2009

(2) Cost of \$55 million

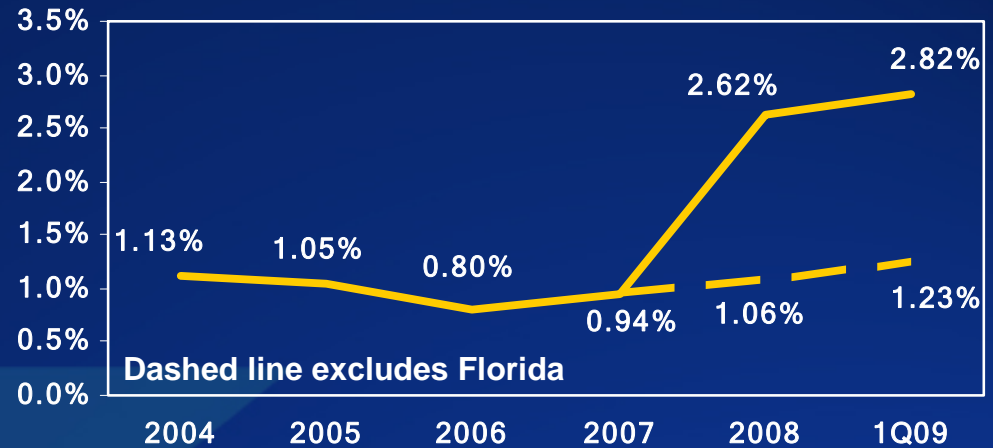
(3) Excludes Federal Reserve Bank Stock of \$30 million and FHLB Stock of \$28 million.

# Credit Quality

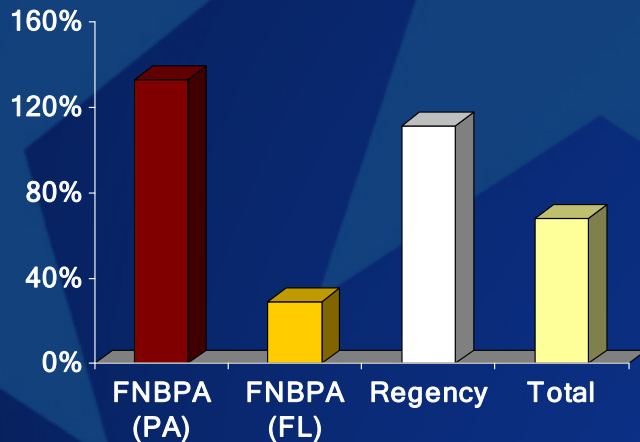
### NCOs % of Average Loans



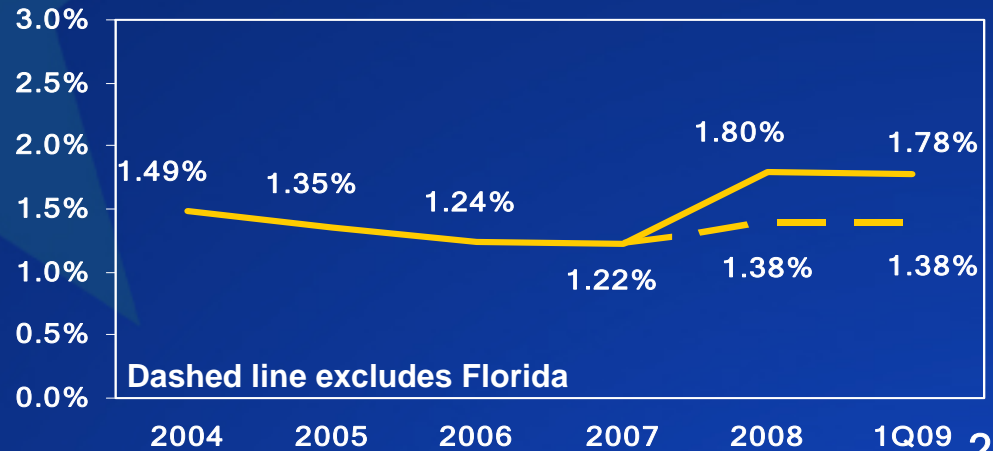
### NPAs <sup>(1)</sup> % of Total Loans + OREO



### Reserves % of Non-Performing Loans



### Reserves % of Total Loans



(1) Excludes non-performing investments



# First Quarter Results

	1Q09	1Q08
<b>Profitability:</b>		
Earnings per Common Share	\$0.16	\$0.27
Return on Tangible Common Equity <sup>(1)</sup>	17.48%	24.24%
Return on Tangible Assets <sup>(2)</sup>	0.87%	1.18%
<b>Operating:</b>		
Loan Growth--Reported	32.2%	3.6%
Loan Growth--Organic Y/Y	2.6%	3.6%
Deposit Growth--Reported <sup>(3)</sup>	39.4%	1.7%
Deposit Growth--Organic Y/Y <sup>(3)</sup>	6.3%	1.7%
Net Interest Margin	3.70%	3.73%
Efficiency Ratio	63.06%	59.79%

- (1) Return on average tangible common equity (ROTCE) is calculated by dividing net income less amortization of intangibles by average common equity less average intangibles.
- (2) Return on average tangible assets is calculated by dividing net income less amortization of intangibles by average assets less average intangibles.
- (3) Includes Treasury Management Accounts.

# EPS Analysis

(Pre-Credit and Run Rate Adjusted)

	<u>1Q09</u>	<u>1Q08</u>
Earnings per Share - Reported	\$0.16	\$0.27
Adjustments (After Tax):		
Credit-Related Costs <sup>(1)</sup>	0.10	0.04
Other Non-Recurring <sup>(2)</sup>	0.00	(0.01)
Pre-Credit Cost / Run Rate Earnings per Share	<u>\$0.26</u>	<u>\$0.30</u>

Analysis: Higher FDIC, Pension = (\$0.02) CPP Capital = \$(0.02)

(1) Includes Provision, OREO and NPA Carrying Costs.

(2) Includes VISA gain in 1Q08.

# Pre-Credit Costs

	<u>2008</u>	<u>2007</u>
Earnings per Share - Reported	\$0.44	\$1.15
Adjustments (After Tax):		
Credit Related Costs <sup>(1)</sup>	0.64	0.16
Impairment Charges <sup>(2)</sup>	0.16	--
Merger Related	0.04	--
Other Non-Recurring <sup>(3)</sup>	0.01	(0.06)
Pre-Credit Cost Earnings per Share	<u>\$1.29<sup>(4)</sup></u>	<u>\$1.25</u>

3.2% Increase

(1) Includes OREO, Provision and NPA Carrying Costs

(2) TRUPS, F.N.B. Capital Corporation, Bank Stock

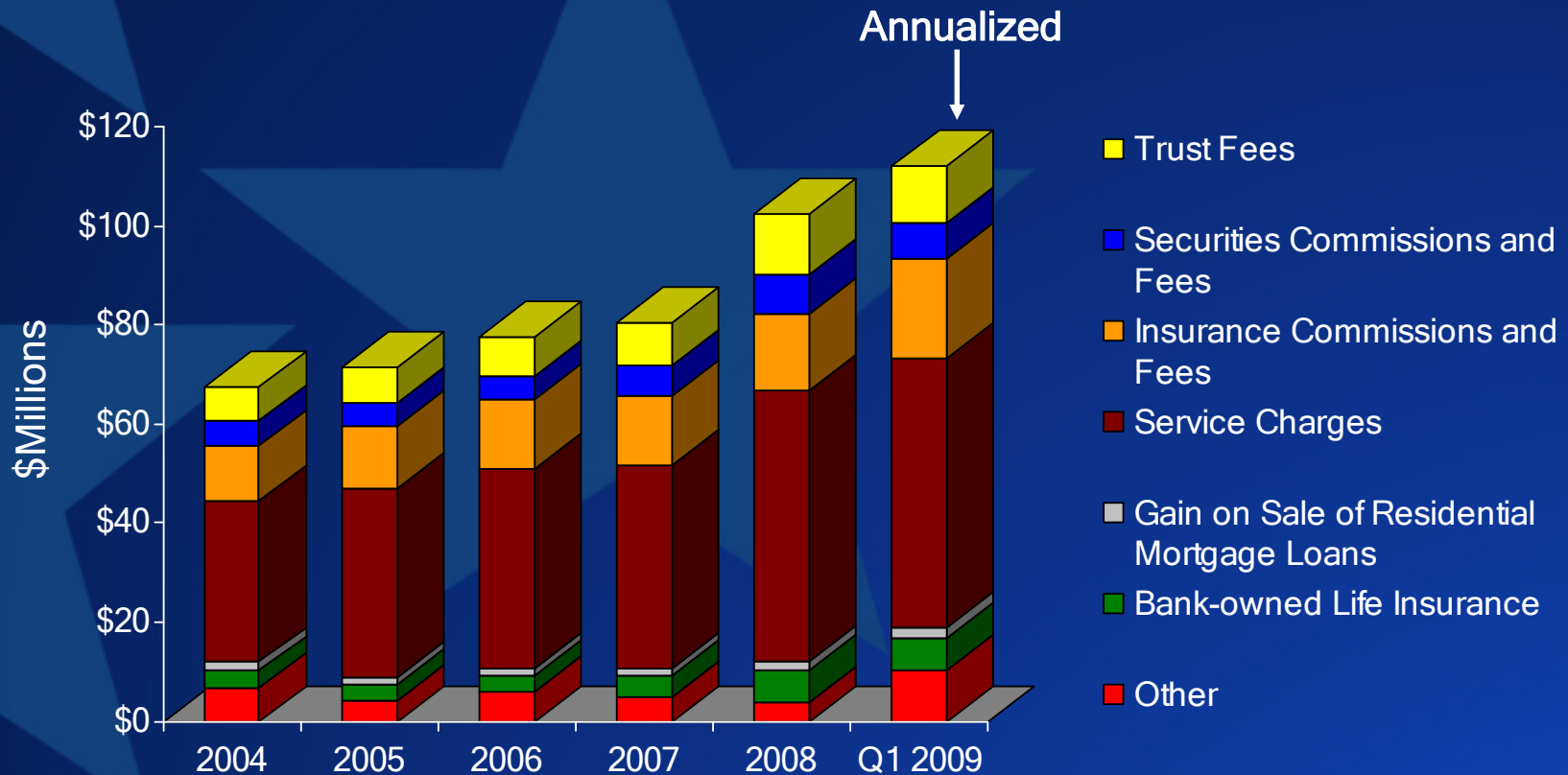
(3) Tax Reserves Reversal, Post Retirement Credit, Bank Stock Gains, Non-Accrual Reversal and Executive Retirement Costs

(4) Includes approximately 3 cents dilution for Omega and Iron & Glass acquisitions

## Net Interest Margin



- Fee income was over 30% of operating revenue during Q1 2009





F.N.B. Corporation

# INVESTMENT THESIS



# Long-Term Investment Thesis

Targeted EPS Growth 5-6%

Expected Dividend 4-6%

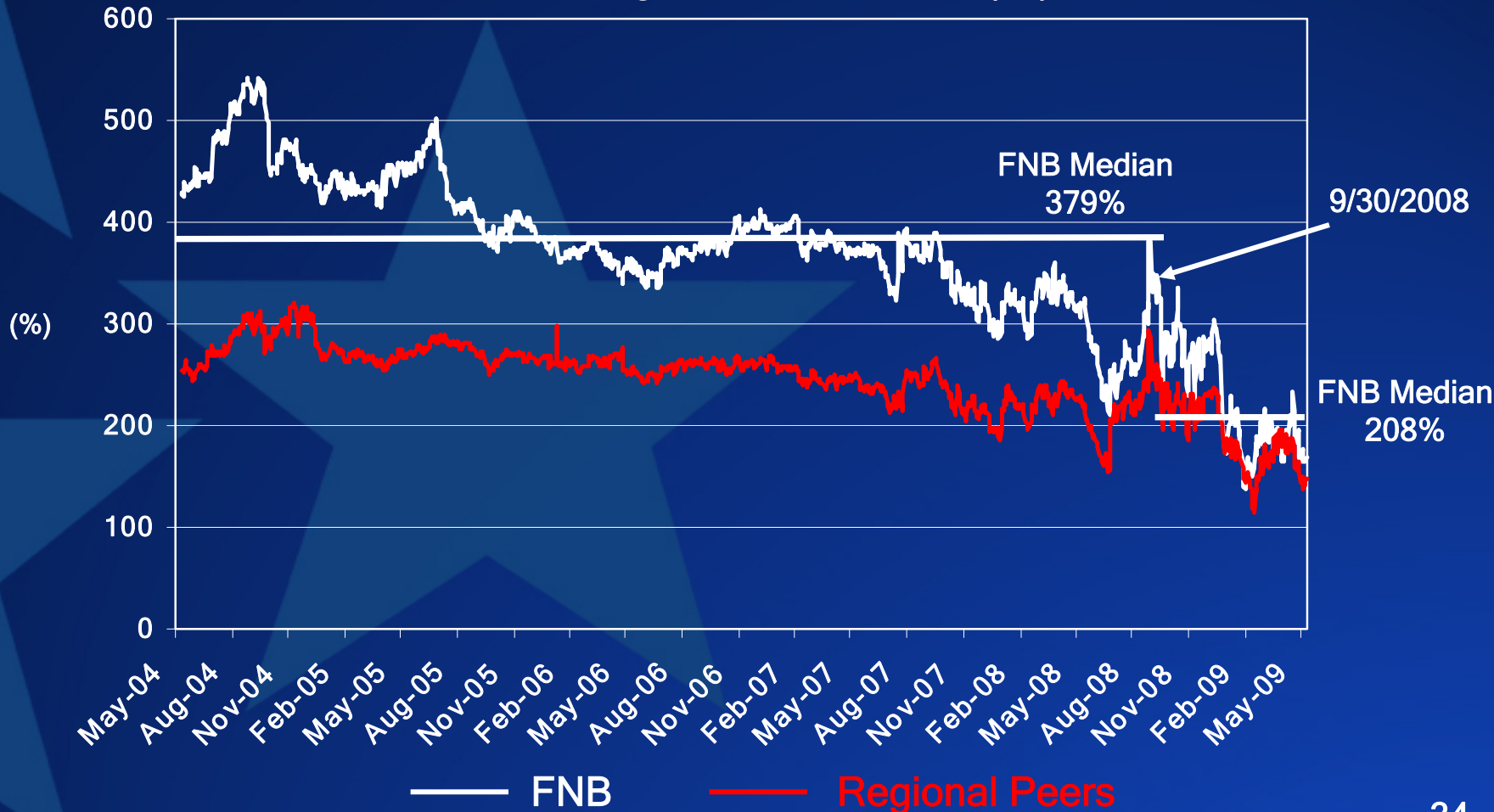
Payout Ratio 60-70%

= Total Shareholder Return 9-12%



# Historical Valuation Over Time

Price / Tangible Book Value (%)



Source: SNL Financial

Regional peers include FULT, FNFG, SUSQ, FMER, NPBC, UBSI, PRK, FCF, WSBC, HNBC and STBA

- Leading market share among community banks in Central and Western PA
- Unprecedented opportunity in markets of operation to create shareholder value
- Experienced management team with proven ability to integrate acquisitions
- Diversified revenue stream