

# F.N.B. Corporation Announces Agreement to Acquire OBA Financial Services, Inc.

April 8, 2014



F.N.B. Corporation

**OBA** Financial Services, Inc. 



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

This presentation contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act, 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. Forward-looking statements are typically identified by words such as "believe", "plan", "expect", "anticipate", "intend", "outlook", "estimate", "forecast", "will", "should", "project", "goal", and other similar words and expressions. These forward-looking statements involve certain risks and uncertainties. In addition to factors previously disclosed in F.N.B. Corporation's reports filed with the SEC and those identified elsewhere in this presentation, the following factors among others, could cause actual results to differ materially from forward-looking statements or historical performance: ability to obtain regulatory approvals and meet other closing conditions to the Merger, including approval by OBA Financial Services, Inc. shareholders, on the expected terms and schedule; delay in closing the Merger; difficulties and delays in integrating the FNB and OBA Financial, Inc. businesses or fully realizing cost savings and other benefits; business disruption following the Merger; changes in asset quality and credit risk; the inability to sustain revenue and earnings growth; changes in interest rates and capital markets; inflation; customer acceptance of FNB products and services; customer borrowing, repayment, investment and deposit practices; customer disintermediation; the introduction, withdrawal, success and timing of business initiatives; competitive conditions; the inability to realize cost savings or revenues or to implement integration plans and other consequences associated with mergers, acquisitions and divestitures; economic conditions; and the impact, extent and timing of technological changes, capital management activities, and other actions of the Federal Reserve Board and legislative and regulatory actions and reforms. 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.

### ADDITIONAL INFORMATION ABOUT THE MERGER

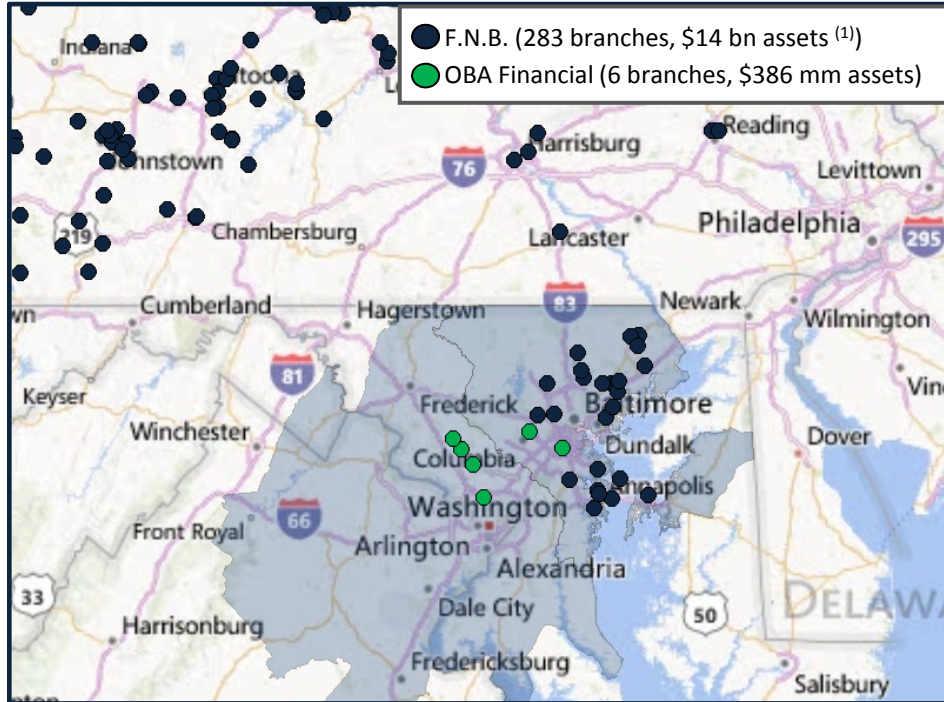
F.N.B. Corporation and OBA Financial Services, Inc. will file a proxy statement/prospectus and other relevant documents with the SEC in connection with the merger.

SHAREHOLDERS OF OBA FINANCIAL SERVICES, INC. ARE ADVISED TO READ THE PROXY STATEMENT/PROSPECTUS WHEN IT BECOMES AVAILABLE AND ANY OTHER RELEVANT DOCUMENTS FILED WITH THE SEC, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THOSE DOCUMENTS, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION.

The proxy statement/prospectus and other relevant materials (when they become available), and any other documents F.N.B. Corporation and OBA Financial Services, Inc. have filed with the SEC, may be obtained free of charge at the SEC's website at [www.sec.gov](http://www.sec.gov). In addition, investors and security holders may obtain free copies of the documents F.N.B. Corporation has filed with the SEC by contacting James Orié, Chief Legal Officer, F.N.B. Corporation, One F.N.B. Boulevard, Hermitage, PA 16148, telephone: (724) 983-3317; and free copies of the documents OBA Financial Services, Inc. has filed with the SEC by contacting Charles E. Weller, President and Chief Executive Officer, OBA Financial Services, Inc., 20300 Seneca Meadows Parkway, Germantown, MD 20876, telephone: (301) 916-0742.

F.N.B. Corporation and OBA Financial Services, Inc. and certain of their directors and executive officers may be deemed to be participants in the solicitation of proxies from shareholders of OBA Financial Services, Inc. in connection with the proposed merger. Information concerning such participants' ownership of OBA Financial Services, Inc. common shares will be set forth in the proxy statement/prospectus relating to the merger when it becomes available. This communication does not constitute an offer of any securities for sale.

# Opportunity Overview



## Continues Successful Expansion in Maryland

- ✓ **Strategic expansion along vibrant I-270 corridor**
  - Significant commercial banking and retail opportunities
  - Expansion into Montgomery County provides access to over 4,500 additional commercial prospects<sup>(2)</sup>
- ✓ **Continues build out of distribution network in Maryland**
  - Pro forma \$1.5 billion in assets, \$1.2 billion in deposits and 31 branch locations
  - Strong momentum in the market from Annapolis Bancorp and BCSB Bancorp acquisitions
  - Leverages banking team and infrastructure established in the market
- ✓ **Adds deployable capital to support F.N.B. future growth**
  - OBA is significantly overcapitalized with TCE of 18.76%
  - Adds ~30bps to F.N.B. Pro Forma TCE/TA ratio
- ✓ **Low execution risk**
  - Experienced regional leadership in place
  - Experienced acquiror and integrator

County	Branches <sup>(3)</sup>	Deposits in Market <sup>(3)</sup> (\$000)	HH Income (\$ - 2013)
Baltimore	12	445,636	63,371
Anne Arundel	8	315,773	84,511
Montgomery	4	239,381	94,705
Harford	4	92,856	78,058
Howard	2	69,092	105,203
Queen Anne's	1	41,862	80,074
<i>FNB Total Franchise <sup>(4)</sup></i>			46,906

Source: Deposit and demographic data per SNL Financial; deposits as of June 30, 2013.

(1) Pro forma for completed BCSB Bancorp acquisition.

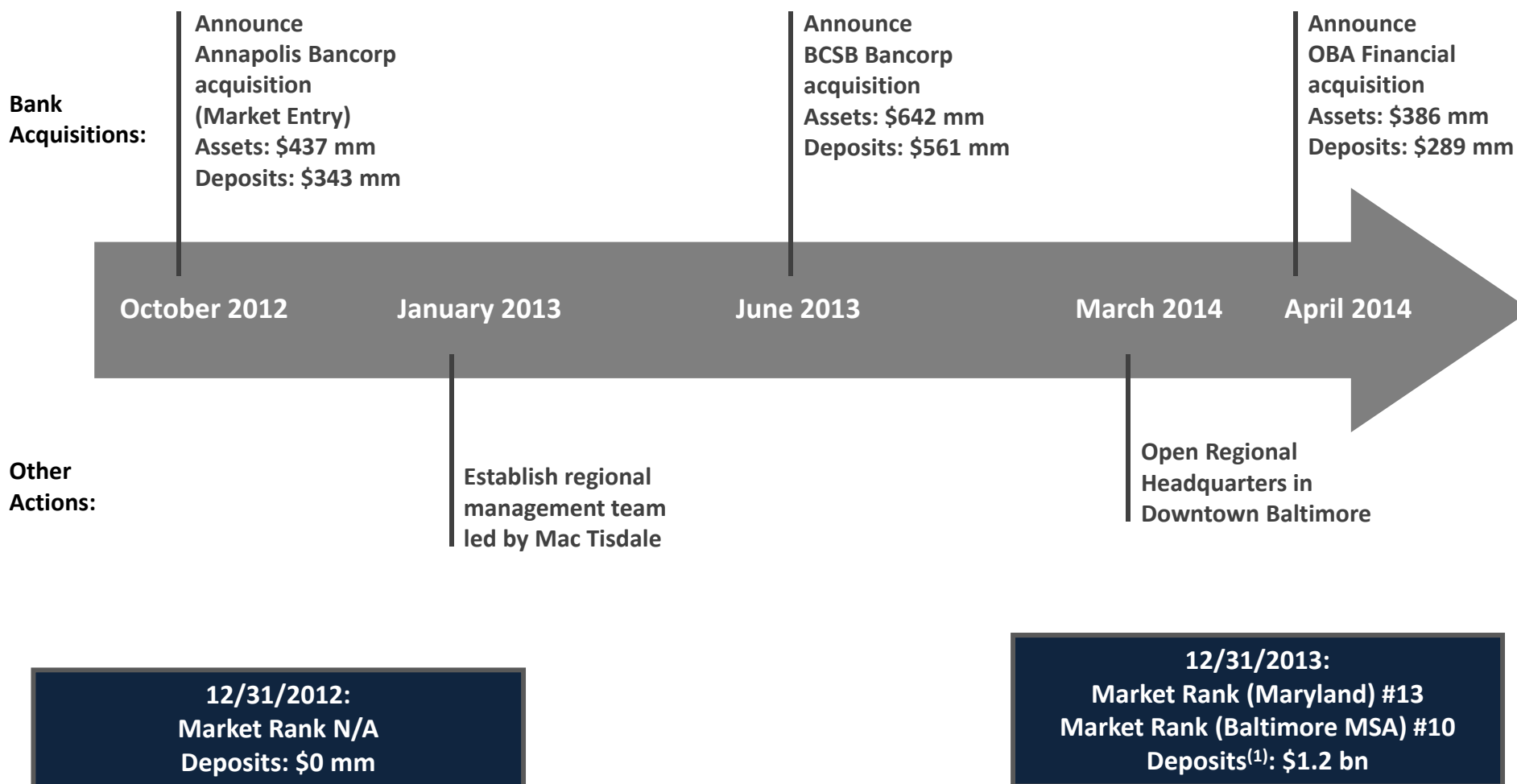
(2) Businesses with revenue greater than \$1 million. Data per Hoovers.

(3) FNB pro forma with OBA Financial.

(4) Weighted average by county, standalone excluding OBA

# Maryland Market Growth Timeline

*Successful acquisition strategy provides a platform for organic growth*



(1) Source: SNL Financial as of June 30, 2013, pro forma for OBA Financial.



# Transaction Overview

<b>Consideration</b>	<ul style="list-style-type: none"><li>➤ \$23.56 <sup>(1)</sup> per OBA Financial Services share</li><li>➤ Fixed 1.781x exchange ratio</li><li>➤ 100% stock</li></ul>
<b>Gross Credit Mark</b>	<ul style="list-style-type: none"><li>➤ 3% of loans (diligence covered over 90% of commercial portfolio)</li></ul>
<b>Detailed Due Diligence</b>	<ul style="list-style-type: none"><li>➤ Completed</li></ul>
<b>Required Approvals</b>	<ul style="list-style-type: none"><li>➤ Customary regulatory and OBA Financial Services shareholders</li></ul>
<b>Expected Closing</b>	<ul style="list-style-type: none"><li>➤ Q3 2014</li></ul>
<b>Key Assumptions</b>	<ul style="list-style-type: none"><li>➤ Cost savings estimated at 40% of OBAF's expense base, incl. non-cash items</li><li>➤ One-time transaction expenses of approximately \$9.5 million, pre-tax</li></ul>
<b>Financial Impact</b>	<ul style="list-style-type: none"><li>➤ Meaningful accretion to capital in an EPS-friendly way<ul style="list-style-type: none"><li>▪ ~2.5% accretive to tangible book value per share</li><li>▪ ~30bps accretive to F.N.B. Pro Forma TCE/TA</li><li>▪ Accretive on a marginal basis to earnings per share</li><li>▪ Slightly dilutive to total F.N.B. earnings per share in Q4 2014<sup>(2)</sup></li><li>▪ Neutral to total F.N.B. earnings per share in the first full year and accretive thereafter</li></ul></li></ul>

(1) Based on FNB 20 day average closing stock price as of Monday, April 7, 2014 of \$13.23.

(2) Excluding one-time costs.

# Overview of OBA Financial Services

- Headquartered in Germantown, Maryland
- Founded in 1861; one of the oldest financial institutions in the country
- Operates 6 branches in Montgomery, Howard and Anne Arundel Counties
- Completed demutualization / IPO in 2010 (Ticker: OBAF)
  - Completed \$46 million capital raise in January 2010
  - Successfully transitioned to a more commercial orientation
- Market Capitalization: \$74 million
- Balance sheet as of December 31, 2013
  - \$386 million in assets
  - \$300 million in net loans
  - \$289 million in deposits
  - TCE / TA: 18.76%
- Well-run institution in one of the most dynamic markets in the U.S.

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