

# **Bucks County Bank to Merge Into First Bank**

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HAMILTON, N.J., March 29, 2017 (GLOBE NEWSWIRE) -- First Bank (Nasdaq:FRBA) announced today that it has entered into a definitive Agreement and Plan of Reorganization, or the Agreement, with Bucks County Bank (OTC Pink:BKCS) headquartered in Doylestown, Pennsylvania, whereby First Bank will acquire Bucks County Bank. The merger has been unanimously approved by the boards of directors of both institutions.

Bucks County Bank is a Pennsylvania, state-chartered bank, that serves its customers and communities through four full-service locations in Doylestown, Warminster, Bensalem and Levittown, Pennsylvania. Bucks County Bank serves small and mid-size businesses by offering an array of financial products and services. Bucks County Bank has assets of approximately \$198 million, loans of \$179 million and deposits of \$145 million as of December 31, 2016. Following the merger, the combined entity will have approximately \$1.3 billion in assets with 14 branches located throughout New Jersey and Pennsylvania.

"We are extremely excited about this combination with Bucks County Bank," stated First Bank President and CEO Patrick L. Ryan. "Bucks County Bank's focus on relationship lending to quality commercial borrowers, with a particular emphasis on commercial and industrial and owner occupied commercial real estate lending, fits perfectly with the First Bank model. Furthermore, the demographics of Bucks County Bank's markets are highly desirable to us. Bucks County, in which we already have a small presence, has strong income, growth, and density characteristics, and presents an attractive growth opportunity for us. Bucks County Bank has created a platform that can become a real engine for growth and profitability as we leverage the improved infrastructure and administration capabilities of the combined franchise. Growth in Bucks County has been an important strategic priority, and this merger creates immediate critical mass in the market."

John Harding, President and CEO of Bucks County Bank, will be joining First Bank as Market President and a Board member. One additional director from Bucks County Bank will be added to the First Bank Board of Directors. "First Bank is an ideal partner for us," Harding said. "We have similar business models, similar relationship-lending philosophies, and a similar emphasis on community relations in our markets. Plus, the enhanced risk diversification and larger lending limit will allow us to expand our coverage area and attract new customers."

According to terms of the Agreement, Bucks County Bank shareholders will receive 0.98 shares of First Bank common stock in an all-stock exchange. First Bank expects to issue approximately 2.4 million new shares of First Bank common stock to consummate this transaction. Based upon First Bank's March 28, 2017 closing price of \$11.30 per share, the transaction is valued at \$11.07 per share or approximately \$27.2 million in aggregate. This deal value equates to approximately 124% of Bucks County Bank's tangible book value and a core deposit premium of 5.2%. The transaction is expected to be completed in the third quarter of 2017 subject to closing conditions typical of merger transactions, including approval by the respective shareholders and bank regulatory authorities.

Sandler O'Neill + Partners, L.P. acted as financial advisor to First Bank and Hovde Group, LLC acted as financial advisor to Bucks County Bank. Covington & Burling LLP provided legal counsel to First Bank and Curtin & Heefner LLP provided legal counsel to Bucks County Bank.

## **About First Bank**

First Bank is a New Jersey state-chartered bank with ten full-service branches in Cranbury, Denville, Ewing, Flemington, Hamilton, Lawrence, Randolph, Somerset and Williamstown, New Jersey, and Treviso, Pennsylvania. With \$1.1 billion in assets as of December 31, 2016, First Bank offers a traditional range of deposit and loan products to individuals and businesses throughout the New York City to Philadelphia corridor. First Bank's common stock is listed on the Nasdaq Global Market under the symbol "FRBA".

## **About Bucks County Bank**

Bucks County Bank is a Pennsylvania, state-chartered bank, with four full-service locations in Doylestown, Warminster, Bensalem and Levittown, Pennsylvania. Bucks County Bank has assets of approximately \$198 million, loans of \$179 million and deposits of \$145 million as of December 31, 2016. Bucks County Bank's common stock is listed on the OTC Pink Marketplace under the symbol "BKCS".

## **Forward-Looking Statements**

Certain statements contained in this communication may not be based on historical facts and are “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements may be identified by reference to a future period(s) or by the use of forward-looking terminology, such as “anticipate,” “estimate,” “expect,” “foresee,” “may,” “might,” “will,” “would,” “could” or “intend,” future or conditional verb tenses, and variations or negatives of such terms. These forward-looking statements include, without limitation, those relating to First Bank’s and Bucks County Bank’s future growth and management’s outlook or expectations for revenue, assets, asset quality, profitability, business prospects, net interest margin, non-interest revenue, allowance for loan losses, the level of credit losses from lending, liquidity levels, capital levels, or other future financial or business performance strategies or expectations.

Readers are cautioned not to place undue reliance on the forward-looking statements contained in this document in that actual results could differ materially from those indicated in such forward-looking statements, due to a variety of factors. In addition to factors previously disclosed in First Bank’s reports filed with the Federal Deposit Insurance Corporation (the “FDIC”) and those identified elsewhere in this document, the following factors among others, could cause actual results to differ materially from forward-looking statements or historical performance: changes in First Bank’s operating or expansion strategy, availability of and costs associated with obtaining adequate and timely sources of liquidity, the ability to maintain credit quality, possible adverse rulings, judgments, settlements and other outcomes of pending litigation, the ability of First Bank and Bucks County Bank to collect amounts due under loan agreements, changes in consumer preferences, effectiveness of First Bank’s interest rate risk management strategies, laws and regulations affecting financial institutions in general or relating to taxes, the effect of pending or future legislation, the ability to obtain regulatory approvals and meet other closing conditions to the Merger, including approval by Bucks County Bank’s and First Bank’s respective shareholders on the expected terms and schedule, delay in closing the Merger, difficulties and delays in integrating the Bucks County Bank business or fully realizing cost savings and other benefits of the Merger, business disruption following the Merger, changes in interest rates and capital markets, inflation, customer acceptance of First Bank’s products and services, customer borrowing, repayment, investment and deposit practices; customer disintermediation; the introduction, withdrawal, success and timing of business initiatives; competitive conditions and other risk factors. Any forward-looking statement speaks only as of the date of this Report, and we undertake no obligation to update these forward-looking statements to reflect events or circumstances that occur after the date of this Report.

Annualized, pro forma, projected and estimated numbers are used for illustrative purpose only, are not forecasts, and may not reflect actual results.

### **Important Additional Information and Where to Find It**

In connection with the proposed merger, First Bank will file with the FDIC an offering circular that will include a joint proxy statement/prospectus of Bucks County Bank and First Bank and a prospectus of First Bank, as well as other relevant documents concerning the proposed transaction. This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval. **SHAREHOLDERS OF BUCKS COUNTY BANK AND FIRST BANK ARE URGED TO READ THE OFFERING CIRCULAR AND THE JOINT PROXY STATEMENT/PROSPECTUS REGARDING THE MERGER WHEN IT BECOMES AVAILABLE AND ANY OTHER RELEVANT DOCUMENTS FILED WITH THE FDIC BY FIRST BANK, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THOSE DOCUMENTS, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION.**

A free copy of the joint proxy statement/prospectus, as well as other filings containing information about First Bank, may be obtained at the FDIC’s Internet site (<https://efr.fdic.gov/fcxweb/efr/index.html>), when they are filed by First Bank. You will also be able to obtain the offering circular which will include the joint proxy statement/prospectus, when it is filed, free of charge, from First Bank at [www.firstbanknj.com](http://www.firstbanknj.com) under the heading “Investor Relations.” Copies of the joint proxy statement/prospectus can also be obtained, when it becomes available, free of charge, by directing a request to First Bank, 2465 Kuser Road, Hamilton, NJ 08690, Attention: Patrick L. Ryan, President and CEO, Telephone: (609) 643-0168 or to Bucks County Bank, 200 S. Main Street, Doylestown, PA 18901, Attention: John Harding, Telephone: (215) 230-7533.

First Bank, Bucks County Bank, and certain of their respective directors and executive officers may be deemed to be participants in the solicitation of proxies from the shareholders of First Bank and Bucks County Bank, respectively, in connection with the proposed merger. Information about the directors and executive officers of First Bank, and their respective ownership of First Bank common stock, is set forth in the proxy statement for First Bank’s 2017 annual meeting of shareholders, to be filed with the FDIC on Schedule 14A on or about March 30, 2017. Additional information regarding all of the participants in the solicitation may be obtained by reading the joint proxy

statement/prospectus regarding the proposed merger when it becomes available. Free copies of this document may be obtained as described in the preceding paragraph.

<http://www.globenewswire.com/NewsRoom/AttachmentNg/f43dbaee-b7c1-42c9-a933-07ce926c7386>

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