

Frederick County Bancorp, Inc. (OTC Pink: FCBI; Frederick, MD) has agreed to merge with ACNB Corporation (NASDAQ: ACNB; Gettysburg, PA)

Deal Value: Approximately \$60 Million

Sandler O'Neill served as financial advisor and provided a fairness opinion to Frederick County Bancorp, Inc. in this transaction. This represents Sandler O'Neill's 225th bank or thrift transaction since January 1, 2015, representing approximately \$67.1 billion in aggregate transaction value. Sandler O'Neill has served as a financial advisor on more bank and thrift transactions and for a greater aggregate deal value than any other investment bank during that time period.¹

Since January 1, 2015, Sandler has advised on 44 deals involving bank and thrifts based in the Mid-Atlantic, representing approximately \$9.2 billion in aggregate deal value, more than any other investment bank during that time period.¹

GETTYSBURG, PA, July 2, 2019 -- ACNB Corporation (NASDAQ: ACNB) ("ACNB"), the parent financial holding company of ACNB Bank, a Pennsylvania state-chartered, FDIC insured community bank headquartered in Gettysburg, PA, announced today the execution of a definitive agreement whereby Frederick County Bancorp, Inc. (OTC Pink: FCBI) ("FCBI"), headquartered in Frederick, MD, will be merged with and into an ACNB acquisition subsidiary and, as soon as possible thereafter, Frederick County Bank, FCBI's wholly-owned subsidiary, will merge with and into ACNB Bank. With the consummation of the acquisition, ACNB Bank will operate former Frederick County Bank locations in the Frederick County market as "FCB Bank, A Division of ACNB Bank". Pursuant to the terms of the definitive agreement, FCBI shareholders will receive 0.9900 shares of ACNB common stock for each share of FCBI common stock that they own as of the closing date. Based on the market close on July 1, 2019, the transaction is valued at \$60 million or \$38.20 per share.

James P. Helt, ACNB Corporation President & Chief Executive Officer, stated, "We are excited to welcome FCBI as ACNB Corporation expands its presence in the Maryland market. Frederick is a growing, vibrant market for community banking, which is at the core of ACNB Corporation's success for more than 160 years. Strategically, this acquisition is intended to complement our operations branded as NWSB Bank in Carroll County, Maryland, with profitable growth opportunities adjacent to our current footprint, while contributing to the Corporation's established tradition of enhancing long-term shareholder value. We certainly look forward to sharing our commitment to community banking with customers and other stakeholders in the Frederick County market."

Speaking on behalf of FCBI, William R. Talley, Jr., Frederick County Bancorp, Inc. President & Chief Executive Officer, said, "We are pleased to join forces with a company that has laid a clear course for the future, and one in which we believe meets the objectives of our stakeholders due to its rich history and strong financial performance. ACNB Corporation provides the opportunity to continue the community banking vision upon which Frederick County Bank was founded with greater resources to serve the Frederick community into the future."

The transaction has been unanimously approved by the boards of directors of both companies. It is subject to FCBI shareholder approval, ACNB shareholder approval, regulatory approvals, and other customary closing conditions. Currently, the transaction is expected to close in the fourth quarter of 2019 or the first quarter of 2020, after all such conditions are met.

Financial Highlights

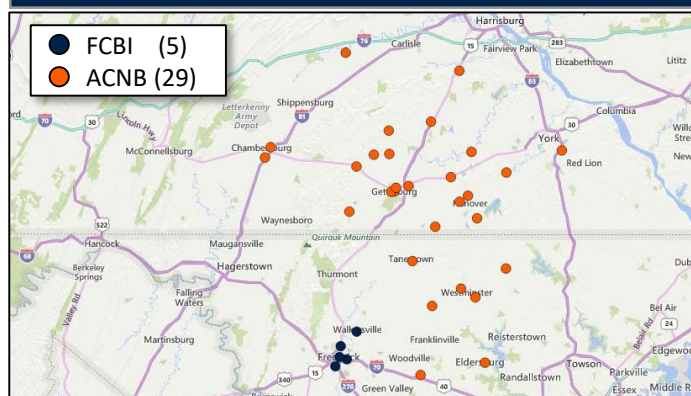
(Dollars in millions)	ACNB	FCBI
Total Assets	\$1,671	\$442
Total Net Loans	\$1,288	\$339
Total Deposits	\$1,367	\$372
Total Equity	\$174	\$36
TCE / TA	9.10%	8.18%

Note: Financial data as of March 31, 2019

(1) Majority and minority transactions; Excludes terminated transactions and self-advisory roles

Source: S&P Global Market Intelligence, Company documents, Press Release

Pro Forma Branch Map



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