

**First Financial Holdings, Inc. (NASDAQ: FFCH) Announces Agreement to Merge with SCBT Financial Corporation (NASDAQ: SCBT)**

**Deal Value: Approximately \$302 million**

Sandler O'Neill served as financial advisor to First Financial Holdings, Inc. in this transaction. This transaction is Sandler O'Neill's 92<sup>nd</sup> bank or thrift transaction nationwide and 26<sup>th</sup> in the Southeast region since January 1, 2010. Sandler O'Neill has served as a financial advisor on more bank and thrift transactions than any other investment bank during that time period both nationwide and in the Southeast region.<sup>1</sup>

SCBT Financial Corporation and First Financial Holdings, Inc. jointly announced today the signing of a definitive merger agreement under which SCBT and First Financial will merge to position the combined company to become a premier regional bank.

Founded in 1934, First Financial operates First Federal Bank ("First Federal"), which has 66 locations in the Carolinas and is the third largest financial institution headquartered in South Carolina, ranking 8th in deposit market share.

Upon completion of the transaction, the combined company will have approximately \$8.3 billion in total assets, \$6.9 billion in total deposits and \$6.1 billion in total loans. On a pro forma basis, the company will rank 5th in deposit market share in South Carolina. Together the two companies operate a network of 148 branches in the Carolinas and generate over \$2 billion in mortgage loans, ranking 4th in mortgage market share. First Financial's Wealth Management Division when combined with SCBT's Wealth Management Group will have total assets under management of approximately \$2.35 billion.

The merger agreement has been unanimously approved by the board of directors of each company. The transaction is expected to close in the third quarter of 2013 and is subject to customary conditions, including approval by both SCBT and First Financial shareholders. At closing and upon shareholder approval, the proposed holding company name will be First Financial Holdings, Inc.

Under the terms of the agreement, SCBT Financial Corporation will add five First Financial board members to the combined company's board. R. Wayne Hall, President and CEO of First Financial, will be named President of SCBT Financial Corporation and Paula Harper Bethea, the current chair of First Financial, will assume the role of vice chair of the board. Robert R. Hill, Jr., President and CEO of SCBT Financial Corporation, will continue to serve as CEO and Robert R. Horger will remain chairman of the board.

Under the terms of the agreement, shareholders of First Financial will receive 0.4237 shares of SCBT common stock for each share of FFCH common stock, which equates to a deal value of \$18.30 per share based on SCBT's closing stock price of \$43.18 on February 19, 2013. The stock issuance is valued at approximately \$302.4 million in the aggregate, based on 16,526,752 shares of FFCH common stock outstanding.

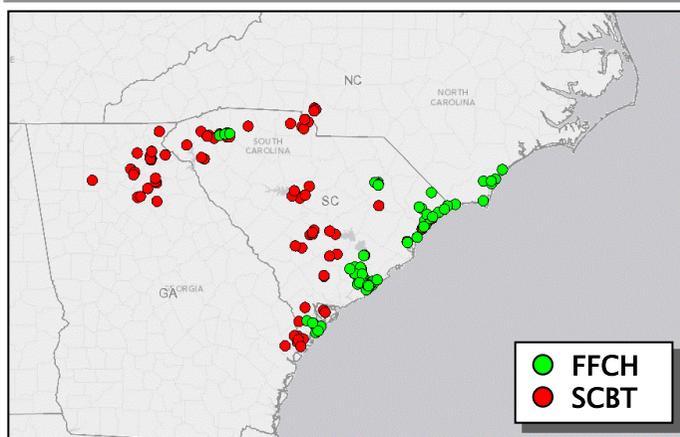
**Financial Highlights**

*(Dollars in millions)*

	<b>SCBT</b>	<b>FFCH</b>
Total Assets	\$5,136	\$3,216
Net Loans	\$3,635	\$2,506
Total Deposits	\$4,298	\$2,595
Total Equity	\$508	\$300
Tier 1 Leverage Ratio	9.8%	10.5%
Branches	82	66

(1) Includes bank or thrift transactions since 2010; excludes terminated transactions, self-advisory roles and does not combine the results of advisors which have merged until the date such merger was completed  
Note: Financial data as of 12/31/12  
Source: SNL Financial

**Pro Forma Branch Map**



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