

**First Bank (NASDAQ: FRBA; Hamilton, NJ) has agreed to acquire Bucks County Bank (OTC Pink: BKCS; Doylestown, PA)**

**Deal Value: Approximately \$27.2 million**

Sandler O'Neill acted as exclusive financial advisor to First Bank in this transaction. This transaction represents Sandler O'Neill's 115<sup>th</sup> bank or thrift transaction nationwide since January 1, 2015 representing \$35.6 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.<sup>1</sup>

Since January 1, 2015, Sandler O'Neill has advised on 27 bank or thrift transactions in the Mid Atlantic Region for an aggregate transaction value of \$6.0 billion, more than any other investment bank during that time period.<sup>1</sup>

HAMILTON, NJ—March 29, 2017 – First Bank (Nasdaq Global Market: 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.

**Financial Highlights**

(\$ in thousands)

	<b>FRBA</b>	<b>BKCS</b>
Total Assets	\$ 1,073,294	\$ 197,771
Total Net Loans	888,603	176,832
Total Deposits	894,934	145,327
Total Equity	88,806	21,833
TCE/TA	8.26%	11.04%

1) Source: SNL Financial; excludes terminated transactions and self-advisory roles  
Note: Financial data as of 12/31/2016

**Pro Forma U.S. Branch Map**



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