

Grand Bank, National Association (Private; Hamilton Square, NJ) has agreed to merge with First Bank (NASDAQ: FRBA; Hamilton, NJ)

Deal Value: Approximately \$19.4 Million

Sandler O'Neill acted as sole financial advisor and rendered a fairness opinion to Grand Bank, National Association in this transaction. This represents Sandler O'Neill's 216th bank or thrift transaction nationwide since January 1, 2015 representing \$65.8 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 O'Neill has advised on 42 bank or thrift Mid-Atlantic deals, representing over \$9.0 billion in aggregate transaction value, more than any other investment bank during that time period.¹

HAMILTON, NJ -- March 19, 2019 -- First Bank (Nasdaq Global Market: FRBA) and Grand Bank, N.A. announced today that they have entered into a definitive merger agreement pursuant to which First Bank will acquire Grand Bank in a stock transaction valued at approximately \$19.4 million. The merger has been unanimously approved by the boards of directors of both institutions and is expected to be completed in the third quarter of 2019, subject to the approval of First Bank and Grand Bank shareholders, as well as customary regulatory approvals.

Grand Bank is headquartered in Hamilton, New Jersey, and serves its customers and communities through two full-service locations. Grand Bank had assets of approximately \$197 million, loans of approximately \$163 million and deposits of approximately \$162 million at December 31, 2018. Following the merger, First Bank will have approximately \$1.9 billion in assets with 18 branches located in seven New Jersey counties and two eastern Pennsylvania counties.

"This strategic transaction strengthens our market position and deposit share in our core Central New Jersey marketplace, while complementing our strong organic growth strategy," said Patrick L. Ryan, President and Chief Executive Officer of First Bank. "This merger is another example of the high-quality and low-risk transactions we are using to accelerate our growth rate, solidify market position and expand our service area. Grand Bank's organizational values and culture are a very good fit with ours, and we are delighted to welcome Grand Bank's employees to the First Bank team. In addition, this transaction further strengthens our balance sheet through loan portfolio diversification and provides expanded access to cost-effective retail deposit customers and funding. Importantly, we believe the transaction will be immediately accretive to First Bank earnings per share and we expect there to be minimal dilution to our tangible book value. First Bank's regulatory capital levels will remain very strong, enabling us to continue to evaluate all appropriate growth opportunities."

"The shareholders, customers and associates of Grand Bank will all benefit from our merger with First Bank, a financially strong and effectively managed institution," said Peter Pantages, Chairman, President and Chief Executive Officer of Grand Bank. "First Bank has a very good track record and is successfully executing upon its vision to be a premier multi-market community bank focused on high-touch customer service. Our customers will have access to an expanded set of products and services through the larger combined organization. At the same time, they will continue to receive the highly personalized service they expect. Our employees will benefit by becoming part of an organization which also values their commitment and contribution to the combined Company's growth and profitability. We view our combination with First Bank as a win for all of our stakeholders, and we look forward to working closely with their team to complete the transaction."

Financial Highlights

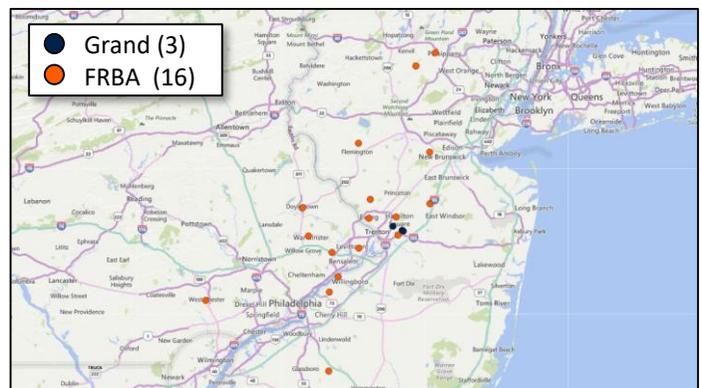
<i>(Dollars in millions)</i>	FRBA	Grand
Total Assets	\$1,711	\$197
Total Net Loans	\$1,447	\$161
Total Deposits	\$1,393	\$162
Total Equity	\$195	\$22
TCE / TA	10.47%	11.27%

Note: Financial data as of December 31, 2018

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

Source: S&P Global Market Intelligence, Company documents

Pro Forma Branch Map



Sandler O'Neill Contacts:

John Beckelman
Principal
(212) 466-7832

Derek Szot
Managing Director
(212) 466-7717

Matt Murray
Vice President
(212) 466-7726

Ryan Joyce
Analyst
(212) 466-7739