

Investar Bank (Private; Baton Rouge, LA) Announces Agreement to Acquire First Community Holding Company (Private; Hammond, LA)

Deal Value: Not Disclosed

Sandler O'Neill provided a fairness opinion to Investar Bank in this transaction. This transaction is Sandler O'Neill's 87th bank or thrift transaction 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.¹

Investar Bank today announced that it has signed a definitive agreement to acquire the \$107-million asset First Community Bank headquartered in Hammond, La., a transaction that would double Investar's New Orleans-area franchise and further expand its franchise, which was founded in and increasingly serves the larger southeast Louisiana market.

The transaction is expected to close in the second quarter of 2013. The two privately held companies chose not to disclose terms of the agreement.

The First Community transaction requires approval from the Federal Deposit Insurance Corporation (FDIC), the Board of Governors of the Federal Reserve System, the Louisiana Office of Financial Institutions and shareholders of First Community Holding Company, the parent of First Community Bank.

"The north shore of Lake Pontchartrain and all of New Orleans are important regions for Investar Bank," said John D'Angelo, president and CEO of Investar. "We're excited to join with the outstanding team at First Community and look forward to growing together as Investar. With our exceptionally strong capital, which is always reassuring to customers but is even more so during today's economic challenges, we have the capacity to help small businesses grow and individuals and families prosper."

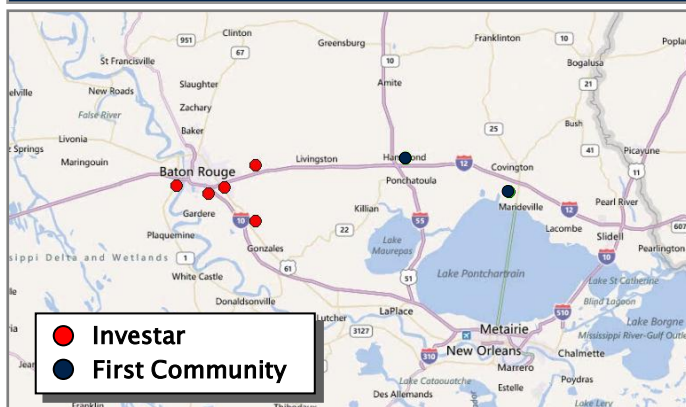
First Community has two locations, one each in Hammond and Mandeville. Cordell H. White, who is CEO of First Community, will serve as Investar Bank regional president for Livingston and Tangipahoa parishes after closing of the transaction.

Financial Highlights

<i>(Dollars in millions)</i>	Investar	First Community
Total Assets	\$342	\$107
Net Loans	\$252	\$79
Total Deposits	\$274	\$86
Total Equity	\$42	\$13
Tang. Comm. Equity / Tang. Assets	11.70%	12.20%

*(1) Includes bank or thrift transactions since 2010; excludes terminated transactions and self-advisory roles
 Note: Financial data as of 9/30/12 for Investar; financial data as of 12/31/12 for First Community Bank
 Source: SNL Financial*

Pro Forma Branch Map



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