

Provident Community Bancshares, Inc. (OTCQB: PCBS; Rock Hill, SC) has agreed to merge with Park Sterling Corporation (NASDAQ: PSTB; Charlotte, NC)

Deal Value: \$6.5 Million

Sandler O'Neill served as financial advisor and rendered a fairness opinion to Provident Community Bancshares, Inc. in connection with the transaction. This transaction represents Sandler O'Neill's 120th bank or thrift transaction nationwide since January 1, 2011. 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 Sandler O'Neill has advised on 36 bank or thrift transactions in the Southeast since January 1, 2011, more than any other investment bank during that time period.¹

Park Sterling Corporation and Provident Community Bancshares, Inc. announced today the signing of a definitive merger agreement under which Park Sterling will acquire Provident Community for a total transaction value of approximately \$6.5 million.

Merger consideration will include: (i) \$0.78 per share, or approximately \$1.4 million, in cash to common stockholders for all of the outstanding common stock, and (ii) \$550 per share, or approximately \$5.1 million, in cash to the United States Department of the Treasury for all of the outstanding Fixed Rate Cumulative Perpetual Stock, Series A.

Upon completion of the transaction, the combined company will have approximately \$2.3 billion in total assets, \$1.9 billion in total deposits, \$1.4 billion in total loans, and a network of 54 offices in the Carolinas, Virginia and North Georgia.

Closing of the transaction is expected to occur in the second quarter of 2014.

Financial Highlights

	<u>PCBS</u>	<u>PSTB</u>
Total Assets	\$323	\$1,961
Net Loans	\$113	\$1,289
Deposits	\$263	\$1,600
Equity	\$0.6	\$262.1
TCE/TA (%)	(2.67%)	11.79%
NPAs / Assets (%)	5.55%	1.11%

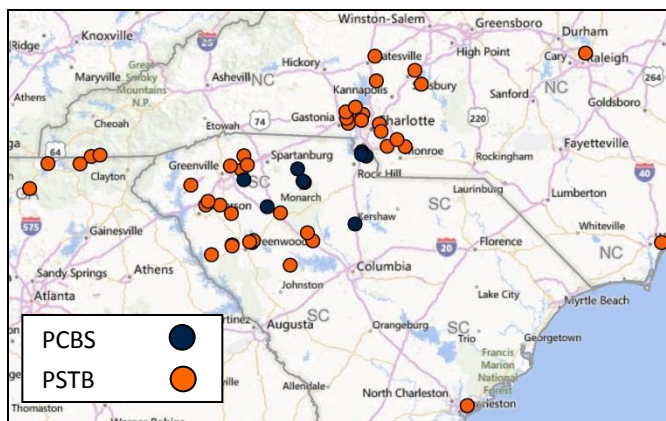
Notes:

Dollars in millions; financial data as of December 31, 2013

¹Excludes terminated transactions and self-advisory roles

Source: SNL Financial

Pro Forma Branch Network



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