

Edgar Filing: BCSB Bancorp Inc. - Form 425

BCSB Bancorp Inc.
Form 425
November 06, 2013

Filed by F.N.B. Corporation

Pursuant to Rule 425 under the Securities Act of 1933

and deemed filed pursuant to Rule 14a-12 of the Securities Exchange Act of 1934

Subject Company: BCSB Bancorp, Inc.

(Commission File No. 0-53163)

Certain portions of the F.N.B. Corporation Third Quarter 2013 Investor Presentation, dated November 6, 2013, which relate to the proposed merger between F.N.B. Corporation and BCSB Bancorp, Inc. are furnished below.

Cautionary Statement Regarding Forward-Looking Information
and Non-GAAP Financial Information

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This presentation and the reports F.N.B. Corporation files with the Securities and Exchange Commission often contain forward-looking statements relating to present or future trends or factors affecting the banking industry and, specifically, the financial operations and products of F.N.B. Corporation. These forward-looking statements involve certain risks and uncertainties. There are a number of factors that could cause F.N.B. Corporation's future results to differ materially from historical performance or projected performance. These factors include, but are not limited to: (1) a significant increase in competitive pressures among financial institutions; (2) changes in the economic environment that may reduce interest margins; (3) changes in prepayment speeds, loan sale volumes, charge-offs and loan loss

general economic conditions; (5) various monetary and fiscal policies and regulations of the U.S. government that may adversely affect businesses in which F.N.B. Corporation is engaged; (6) technological issues which may adversely affect F.N.B. Corporation's products or customers; (7) changes in the securities markets; (8) risk factors mentioned in the reports and registration statements filed by F.N.B. Corporation with the Securities and Exchange Commission; (9) housing prices; (10) job market; (11) consumer confidence and spending habits; (12) the determination of fair value of certain F.N.B. Corporation assets and liabilities; (13) transaction risks associated with the pending merger of Bancorp with Bancorp and integration challenges related to the recently completed mergers with PVF Capital Corp. and Annapolis Bancorp, Inc. and other risks encountered in expanding into a new market and (14) the effects of current, pending and future legislation, regulation and regulatory actions. F.N.B. Corporation undertakes no obligation to revise these forward-looking statements or to reflect events or circumstances that may occur after the date of this presentation.

To supplement its consolidated financial statements presented in accordance with Generally Accepted Accounting Principles (GAAP), F.N.B. Corporation provides additional measures of operating results, net income and earnings per share (EPS) adjusted to exclude certain non-recurring expenses, and gains and losses. The Corporation believes that these non-GAAP financial measures are appropriate to enhance management's understanding of its past performance as well as prospects for its future performance. In the event of such a disclosure or release, the Securities and Exchange Commission's Regulation G requires: (i) the presentation of the most directly comparable financial measure calculated and presented in accordance with GAAP and (ii) a reconciliation of the differences between the non-GAAP financial measure presented and the most directly comparable financial measure calculated and presented in accordance with GAAP.

The Appendix to this presentation contains non-GAAP financial measures used by the Corporation to provide information useful in management's understanding the Corporation's operating performance and trends, and facilitate comparisons with the performance of the Corporation. While the Corporation believes that these non-GAAP financial measures are useful in evaluating the Corporation, the information is not to be considered supplemental in nature and not as a substitute for or superior to the relevant financial information prepared in accordance with GAAP. The non-GAAP financial measures used by the Corporation may differ from the non-GAAP financial measures used by other financial institutions to measure their results of operations. This information should be reviewed in conjunction with the Corporation's financial results for the period ended October 17, 2013 and in its periodic filings with the Securities and Exchange Commission.

Important Information About the Pending Mergers

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Merger
of
F.N.B.
and
BCSB
Bancorp.
In

connection
with
the
proposed
merger
between
F.N.B.
and
BCSB
Bancorp,
a
definitive
proxy
statement
of
BCSB

Bancorp and prospectus of F.N.B. will be filed with the SEC. SHAREHOLDERS OF BCSB BANCORP, INC. ARE URGED

PROXY
STATEMENT/PROSPECTUS

AND

ANY

OTHER

RELEVANT

DOCUMENTS

THAT

ARE

FILED

WITH

THE

SEC,

AS

WELL

AS

ANY

AMENDMENTS

OR SUPPLEMENTS TO THOSE DOCUMENTS, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION.

F.N.B. and BCSB Bancorp and certain of their directors and executive officers may be deemed to be participants in the solicitation

Bancorp

shareholders

in

connection

with

the

proposed

merger.

Information

concerning

such

participants

ownership

of
BCSB
Bancorp
common
stock
will
be

set forth in the definitive proxy statement/prospectus.

Where to Find Additional Information. A free copy of the definitive proxy statement/prospectus for each pending merger (where documents containing information about F.N.B. Corporation and BCSB Bancorp, Inc., may be obtained at the SEC's Internet addition, investors and security holders may obtain free copies of the documents that F.N.B. and BCSB Bancorp have filed with the following persons at each corporation:

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BCSB

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and

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About F.N.B. Corporation

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(1) Pro-forma for the recently completed PVFC acquisition, which closed October 12, 2013 with assets of approximately \$0.7 billion, deposits of \$0.6 billion and 16 banking locations and the pending acquisition of BCSB Bancorp, expected to close 1Q14 with assets of approximately \$0.7 billion, loans of \$0.3 billion, deposits of \$0.6 billion and 16 banking locations (2) SNL Financial, Pro-forma for PVFC & BCSB Bancorp, expected to close November 1, 2013

Fourth Largest

Pennsylvania-Based Bank

Positioned for Sustained Growth

Consistent, Strong Operating Results

Operating Strategy

Assets:\$14.1 billion

(1)

Loans:\$9.6 billion

(1)

Deposits:\$11.8 billion

(1)

Banking locations:282

(1)

Consumer finance locations:72

Attractive and expanding footprint: PA/OH/MD/WV: Banking locations span 56 counties and four states

(1)

Leading market position (Pro-Forma)

(2)

#3 market share in the Pittsburgh MSA

#10 market share in the Baltimore MSA

#6 overall market position for all counties of operation

Top quartile profitability performance

Deliver consistent, solid results

Industry-leading, consistent loan growth through recent economic cycle

Strong

performance:3-year

total

shareholder

return

of

73%

(3)

Reposition

and

reinvest

for

sustained

growth;

maintain

low

risk

profile

Reposition and reinvest for sustained growth

Maintain disciplined expense control

Expanding market share potential and growth opportunities

Maintain low-risk profile

Reposition
and
Reinvest

Actions
Drive
Long-Term
Performance
9

2009

2010

2011

2012

2013 YTD

PEOPLE

Talent Management

Strengthened team through key hires; Continuous team development

Attract, retain, develop best talent

Geographic Segmentation

Regional model

Regional

Realignment

Created 5

&

6

Regions

PROCESS

Sales Management/Cross Sell

Proprietary sales management

system developed and

implemented: Balanced

scorecards, cross-functional

alignment

Consumer

Banking

Scorecards

Consumer Banking Refinement/Daily Monitoring

Continued

Utilization

Commercial

Banking Sales

Management

Expansion to additional lines of business

Private Banking,

Insurance,

Wealth

Management

PRODUCT

Product Development

Deepened product set and niche

areas allow FNB to successfully

compete with larger banks and

gain share

Private Banking

Capital Markets

Online and mobile banking investment

/implementation

Online banking enhancements, mobile

banking and app

Online/mobile

banking

infrastructure

complete with

mobile remote

deposit capture

and online

budgeting tools

Asset Based

Lending

Small Business

Realignment

Treasury

Management

PRODUCTIVITY

Branch Optimization

Continuous evolution of branch

network to optimize profitability

and growth prospects

De-Novo Expansion 11 Locations

Consolidate 2

Locations

Consolidate 6

Locations

Consolidate 37

Locations

Consolidate 6

Locations

Acquisitions

Opportunistically expand

presence in attractive markets

CB&T

Parkvale

ANNB Closed 4/13

PVFC Closed 10/13

BCSB 1Q14

th

th

17

Source: SNL Financial, deposit data as of June 30, 2013, pro-forma as of October 22, 2013, excludes custodial bank (Pittsburgh)

All Other MSA's represent MSA's with FNB presence excluding Pittsburgh, Cleveland and Baltimore MSA's.

Baltimore-Towson, MD MSA

Rank

Institution

Total Deposits

(\$000)

Market

Share (%)

1

Bank of America Corp.

16,078,490

25.1

2

M&T Bank Corp.

14,292,887

22.3

3

PNC Financial Services Group Inc.

6,789,660

10.6

4

Wells Fargo & Co.

6,049,235

9.5

5

BB&T Corp.

3,909,353

6.1

6

SunTrust Banks Inc.

2,094,589

3.3

7

Susquehanna Bancshares Inc.

1,258,598

2.0

8

First Mariner Bancorp

1,109,454

1.7

9

Capital One Financial Corp.

976,432

1.5

10

F.N.B. Corporation

914,733

1.4

Cleveland-Elyria-Mentor, OH MSA

Rank

Institution

Total Deposits

(\$000)

Market

Share (%)

1

KeyCorp

11,363,682
21.8
2
PNC Financial Services Group Inc.
6,382,510
12.2
3
TFS Financial Corp. (MHC)
5,425,587
10.4
4
Huntington Bancshares Inc.
4,261,126
8.2
5
Royal Bank of Scotland Group Plc
4,104,874
7.9
6
FirstMerit Corp.
3,522,009
6.8
7
Fifth Third Bancorp
3,384,743
6.5
8
JPMorgan Chase & Co.
2,939,452
5.6
9
U.S. Bancorp
2,032,321
3.9
10
Dollar Bank Federal Savings Bank
1,701,264
3.3
14
F.N.B. Corporation
623,947
1.2
Pittsburgh, PA MSA
Rank
Institution
Total Deposits
(\$000)
Market
Share (%)
1

PNC Financial Services Group Inc.
47,062,720
56.5
2
Royal Bank of Scotland Group Plc
7,129,530
8.6
3
F.N.B. Corporation
3,867,847
4.6
4
Dollar Bank Federal Savings Bank
3,556,646
4.3
5
First Niagara Financial Group Inc.
2,762,262
3.3
6
Huntington Bancshares Inc.
2,512,422
3.0
7
First Commonwealth Financial Corp.
2,465,101
3.0
8
TriState Capital Holdings Inc.
1,940,243
2.3
9
S&T Bancorp Inc.
1,685,131
2.0
10
Northwest Bancshares Inc.
1,045,914
1.3
All Other FNB MSA's (excludes Pittsburgh, Baltimore, Cleveland)
Rank
Institution
Total Deposits
(\$000)
Market
Share (%)
1
PNC Financial Services Group Inc.
11,180,309
11.7

2

M&T Bank Corp.

7,288,461

7.6

3

F.N.B. Corporation

5,175,196

5.4

4

Wells Fargo & Co.

4,861,113

5.1

5

Banco Santander SA

4,056,694

4.2

6

Huntington Bancshares Inc.

3,875,653

4.0

7

Royal Bank of Scotland Group Plc

3,667,677

3.8

8

FirstMerit Corp.

3,419,084

3.6

9

Susquehanna Bancshares Inc.

2,947,480

3.1

10

JPMorgan Chase & Co.

2,631,476

2.7

MSA Market Share - Proven Success, Opportunity For Growth

Established MSA Markets Proven Success, Leading Share Position Achieved

Recent Expansion MSA Markets Opportunity for Growth

Significant Commercial Prospects

19

Note: Above metrics at the MSA level

(1)

Data per U.S. Census Bureau

(2)

Data per Hoover's as of October 21, 2013

Significant Commercial Prospects Concentrated in Pittsburgh, Baltimore & Cleveland

Opportunity to Leverage Core Competency and Drive Sustained Organic Growth

(1)

(2)

Strong Concentration of Commercial Prospects
Over 175,000 Total Businesses

(1)

1,904

1,987

2,094

8,857

9,621

10,106

12,851

13,345

13,410

52,149

59,240

65,169

Youngstown MSA

Scranton MSA

Harrisburg MSA

Cleveland MSA

Pittsburgh MSA

Baltimore MSA

of Business with Revenue >\$1M

Total Businesses

Acquisition Strategy

21

Disciplined and Consistent Acquisition Strategy
Strategy

Disciplined identification and focus on markets that offer potential to leverage core competencies and growth opportunities

Criteria

Create shareholder value

Meet strategic vision

Fit culturally

Evaluation

Targeted financial and capital recoupment hurdles

Proficient and experienced due diligence team

Extensive and detailed due diligence process

Execution

Superior post-acquisition execution

Execute FNB's proven, scalable, business model

Proven success assimilating FNB's strong sales culture

Experienced Acquirer

12th bank acquisition since 2002 announced June 2013 (BCSB)

Fourth consecutive acquisition in a major MSA

Five acquisitions since 2010

Ten acquisitions since 2005

Execution

Execution

Criteria

Criteria

Evaluation

Evaluation

Strategy

Strategy