



NEWS RELEASE

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INVESTAR BANK SIGNS DEFINITIVE AGREEMENT TO ACQUIRE HAMMOND-BASED FIRST COMMUNITY BANK

*Transaction Would Double Investar's Northshore and New Orleans-Area
Community Banking Presence*

BATON ROUGE – [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.

It is anticipated that no jobs will be eliminated as part of the transaction, which is expected to close in the second quarter of 2013. The two privately held companies chose not to disclose terms of the agreement.

Investar opened its first New Orleans-area presence in late August with a temporary location in Metairie, then its permanent office at 500 Veterans Blvd. on Dec. 18 and its second office on Dec. 20 at 2929 Highway 190 in Mandeville. Following completion of the First Community transaction, Investar will have four branches in the state's largest market, where it had no presence at all at the start of the 2012 holiday season. In total, Investar will have 9 branches with the addition of First Community: Hammond (1), Mandeville (2), Denham Springs (1), Baton Rouge (2), Port Allen (1), Prairieville (1) and Metairie (1). Pending regulatory approval, a 10th location is expected to open this year, in Lafayette.

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. Until operational conversion, which would not take place until the second quarter of 2013, following all required approvals and completion of the transaction, First Community customers will see no changes in their banking services and should continue to use

their checks, make loan payments, conduct online banking and take advantage of other First Community services as before.

“The northshore 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. He has worked at First Community for 10 years and has a total of almost 39 years in banking, including 14 on the northshore and in Tangipahoa Parish.

White explained why the combination with Investar is in the best interest of customers, employees and the communities that the 12-year-old bank serves.

“Through Investar, our customers will have far greater flexibility and convenience when they conduct their banking,” he said, “and serving customers will be an expanded team of some of the best bankers I’ve ever met. They and Investar Bank can help make our communities even stronger by investing in and living where our customers are.”

Leading the bank’s northshore market, which includes adjoining St. Tammany Parish and the Mandeville location of First Community as well as the rest of the New Orleans area, are career bankers Stephen E. Wessel as New Orleans regional president and Kevin J. Dobson as New Orleans chief lending officer.

[Investar Bank](#), which had total assets of \$375 million at Dec. 31, 2012, provides comprehensive products and services for [businesses and individuals](#). The bank is considered well-capitalized for regulatory purposes, with a Tier 1 Capital Ratio of 11.55%.

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INVESTAR AND FIRST COMMUNITY AT-A-GLANCE FACTS

	Investar	First Community	Combined[~]
Year founded	2006	2000	--
Number of branches	8 [#]	2	10 [#]
Parishes/cities served (number of branches)	<i>St. Tammany: Mandeville (1)</i> <i>Jefferson: Metairie (1)</i> <i>Livingston: Denham Springs (1)</i> <i>East Baton Rouge: Baton Rouge (2)</i> <i>West Baton Rouge: Port Allen (1)</i> <i>Ascension: Prairieville (1)</i> <i>Lafayette: Lafayette (1)[#]</i>	<i>St. Tammany: Mandeville (1)</i> <i>Tangipahoa: Hammond (1)</i>	<i>St. Tammany: Mandeville (2)</i> <i>Tangipahoa: Hammond (1)</i> <i>Jefferson: Metairie (1)</i> <i>Livingston: Denham Springs (1)</i> <i>East Baton Rouge: Baton Rouge (2)</i> <i>West Baton Rouge: Port Allen (1)</i> <i>Ascension: Prairieville (1)</i> <i>Lafayette: Lafayette (1)[#]</i>
Lines of business	Personal, small-business, commercial, mortgage, lending, Internet banking, wealth management	Commercial and consumer lending, construction lending, Internet banking and full deposit services	Personal, commercial, small-business and mortgage; construction lending; Internet banking; wealth management; and full deposit services
Assets[*]	\$375 million	\$107 million	\$482 million
Loans[*]	\$306 million	\$ 81 million	\$387 million
Deposits[*]	\$300 million	\$ 86 million	\$386 million
Number of associates	100	28	128

[~]Pro forma for completion of transaction

[#]Pending regulatory approval of Lafayette branch.

^{*}At Dec. 31, 2012