

PROMISTAR FINANCIAL CORP
Form 425
June 14, 2001

F.N.B. Corporation

Pursuant to Rule 425 under the Securities Act
of 1933 and deemed filed pursuant to Rule 14a-12 under the
Securities Exchange Act of 1934

Subject Company: Promistar Financial Corporation
Commission File No. 0-12377

Date: June 14, 2001

Except for the historical and present factual information contained herein, the matters set forth in this filing, including statements as to the expected date of the closing of the merger between FNB and Promistar Financial Corporation, future financial and operating results, benefits and synergies of the merger, tax and accounting treatment of the merger, future opportunities and any other effect, result or aspect of the proposed transaction, and other statements identified by words such as believes, expects, projects, plans, and similar expressions, are forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such statements involve risks and uncertainties including, but not limited to, costs, delays, and any other difficulties related to the merger, failure of the parties to satisfy closing conditions, risks and effects of legal and administrative proceedings and governmental regulations, future financial and operating results, competition, general economic conditions, ability to manage and continue growth, and other risk factors relating to our industry as detailed from time to time in FNB's reports filed with the SEC. FNB disclaims any responsibility to update these forward-looking statements.

FNB will file with the SEC a Registration Statement on Form S-4, which will contain the prospectus of FNB relating to the shares to be issued in the merger, and the proxy statements of FNB and Promistar relating to the special meetings of shareholders of FNB and Promistar at which the merger agreement will be considered and voted upon by their respective shareholders, as well as other relevant documents concerning the proposed merger. Investors are urged to read the joint proxy statement/prospectus when it becomes available and any other relevant documents filed with the SEC because they will contain important information. You will be able to obtain the Form S-4 Registration Statement, including the exhibits filed therewith free of charge at the website maintained by the SEC at www.sec.gov. In addition, you may obtain documents filed with the SEC by FNB free of charge by requesting them in writing from FNB Corporation, 2150 Goodlette Road North, Naples, Florida 34102, Attention: Corporate Secretary, or by telephone at (800) 262-7600. You may obtain documents filed with the SEC by Promistar free of charge by requesting them in writing from Promistar, 551 Main Street, Post Office Box 1146, Johnstown, Pennsylvania 15901-1146, Attention: Corporate Secretary, or by telephone at (814) 532-3801.

FNB, and its directors and executive officers may be deemed to be participants in the solicitation of proxies from the shareholders of FNB in connection with the merger. Information about the directors and executive officers of FNB and their ownership of FNB stock is set forth in the proxy statement for FNB's 2001 annual meeting of shareholders which will be incorporated by reference in the Form S-4 Registration Statement to be filed with the SEC and in the proxy statement/prospectus to be mailed to FNB shareholders. Investors may obtain additional information regarding the interests of such participants by reading the proxy statement/prospectus when it becomes available.

Investors should read the proxy statement/prospectus carefully when it becomes available before making any voting or investment decisions.

Joint FNB/Promistar Press Release
Dated June 14, 2001

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PROMISTAR FINANCIAL CORPORATION

FOR IMMEDIATE RELEASE

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F.N.B. CORPORATION & PROMISTAR FINANCIAL ANNOUNCE MERGER

NAPLES, FL., and JOHNSTOWN, PA., June 14 F.N.B. Corporation (Nasdaq: FBAN) and Promistar Financial Corporation (Nasdaq: PRFC) today announced the signing of a definitive agreement in which Promistar will merge into F.N.B. This transaction is expected to be accretive to F.N.B.'s earnings by more than 4% in 2002 and 5% in 2003.

Under the terms of the definitive agreement, F.N.B. will exchange 0.926 shares of its common stock for each share of Promistar common stock. Based on F.N.B.'s June 13 closing price of \$26.74 per share, the transaction is valued at approximately \$427 million.

Due diligence on the transaction has been completed by both parties and completion of the transaction is subject to the normal regulatory approvals as well as the approval of F.N.B. and Promistar shareholders. The transaction is scheduled for completion in the first quarter of 2002 and is expected to be accounted for as a pooling of interests.

Management expects the combined company to achieve synergies of 18% of Promistar's non-interest expenses in 2002. On a fully phased-in basis, these synergies are projected to increase to approximately 25%.

The combined company expects to incur one-time, merger-related charges of approximately \$41 million, on a pre-tax basis, during 2002 related to staff retention and severance, systems integration, professional fees, investment portfolio restructuring, fixed asset disposals, and other miscellaneous items.

The combined company, headquartered in Naples, Florida, will have more than \$6.5 billion in assets, \$5.2 billion in deposits and 168 banking offices located in southwest Florida, western Pennsylvania and northeastern Ohio. F.N.B. is the largest independent bank holding company headquartered in Florida. As a result of this merger, F.N.B. will become the eighth largest bank holding company, based on total deposits, operating in the state of Pennsylvania and the 65th largest bank holding company in the United States.

This is a unique opportunity to merge with an organization that shares a similar culture and heritage, said Gary L. Tice, President and Chief Executive Officer of F.N.B. Corporation. Promistar is a strong and successful community banking organization that we've long admired. The combination of F.N.B. and Promistar will create a franchise that we believe will be the premier financial institution serving western Pennsylvania.

Promistar Bank currently operates 72 branches and will add another 10 locations upon the completion of its previously announced merger with First National Bank of Herminie in Herminie, Pennsylvania. F.N.B. currently operates 43 branches in western Pennsylvania. Once the merger is completed, all Promistar offices will operate under the First National Bank of Pennsylvania name. At least eight branch offices are expected to be consolidated.

We are excited about the opportunity to team up with F.N.B. said John H. Anderson, Chairman and Chief Executive Officer of Promistar Financial Corporation. Both our employees and customers will be well served by F.N.B.'s long-standing practice of operating with local decision-makers, local employees and local Boards of Directors.

This affiliation nearly triples the number of First National Bank offices and adds approximately 1.4 million households to the bank's market area, said Steve Gurgovits, President and Chief Executive Officer of First National Bank of Pennsylvania. We are pleased to be able to offer many new financial services such as life insurance, property and casualty insurance, title insurance and home mortgage lending. These services will be offered under our traditional community banking style that we call Personal Banking.

Steven C. Ackmann, who currently serves as President and Chief Operating Officer of Promistar, will join First National Bank of Pennsylvania as Senior Executive Vice President and Chief Operating Officer. I look forward to working with F.N.B. as we combine these two fine community banking organizations into what we believe will become the bank of choice for the citizens of western Pennsylvania, he said.

F.N.B. Corporation is a diversified financial services company with more than \$4.1 billion in total assets. The company currently owns and operates traditional community banks, insurance agencies, a consumer finance company and First National Trust Company with offices located in Florida, Pennsylvania, Ohio and Tennessee. The

company has increased cash dividends for 29 consecutive years and has been recognized as a Dividend Achiever by Mergent FIS, formerly known as Moody's Investors Service.

Promistar, headquartered in Johnstown, Pennsylvania, is a bank holding company with assets totaling \$2.4 billion. Promistar's lead banking affiliate is Promistar Bank, which serves 12 counties throughout southwestern Pennsylvania. Other affiliates include Promistar Trust Company, a state-chartered trust company; Promistar Investment Advisors Inc., a registered investment advisor; Promistar Community Development Corporation, which provides housing for low- to moderate-income citizens; Bedford Associates Inc., a real estate company; and Flex Financial Consumer Discount Company.

F.N.B. and Promistar will host a conference call to discuss the transaction at 10:00 a.m. (Eastern Daylight Time) on June 14. Investors, analysts and other interested parties may dial into the conference call at 1-800-388-8975. In addition, a live webcast and slide presentation containing information related to the transaction can be accessed and will be archived on F.N.B.'s web site at **www.fnbcorporation.com**. A replay of the conference call will be available until June 21, 2001, by dialing 1-800-428-6051 (passcode: 196083).

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Copies of this news release are available over the Internet at **www.fnbcorporation.com** or by contacting F.N.B.'s Corporate Affairs Department at 1-800-262-7600, extension 1676.

This release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements include, but are not limited to, (i) statements about the potential or expected benefits of a merger between F.N.B. Corporation and Promistar Financial Corporation, including future financial and operating results, cost savings and affect on earnings per share that may be realized from the merger; (ii) statements with respect to F.N.B.'s plans, objectives and intentions for the merger and for the operation of the combined company; and (iii) other statements identified by words such as believes, expects, anticipates, estimates, intends, plans, targets, projects, and similar expressions. These statements are based upon the current beliefs and expectations of the management of F.N.B. Corporation and Promistar Financial Corporation and are subject to significant risks and uncertainties. Actual results may differ from those set forth in the forward-looking statements.

The following factors, among others, could cause actual results to differ materially from the anticipated results or other expectations expressed in the forward-looking statements: (1) the businesses of F.N.B. or Promistar may not be integrated successfully or such integration may be more difficult, time-consuming or costly than expected; (2) Promistar

has not yet consummated its acquisition of FNB Corporation and such acquisition may experience delays or integration problems; (3) expected revenue synergies and cost savings from the merger may not be fully realized within the expected time frame or at all; (4) revenues following the merger may be lower than expected; (5) deposit attrition, operating costs, customer loss and business disruption, including, without limitation, difficulties in maintaining relationships with employees, customers, clients or suppliers, may be greater than expected following the merger; (6) the regulatory approvals required for the merger may not be obtained on the proposed terms or on the anticipated schedule; (7) the failure of F.N.B.'s or Promistar's shareholders to approve the merger; (8) competitive pressures among depository and other financial institutions may increase significantly and may have an effect on pricing, spending, third-party relationships and revenues; (9) the strength of the United States economy in general and the strength of the local economies in which the combined company will conduct operations may be different than expected, resulting in, among other things, a deterioration in credit quality or a reduced demand for credit, including the resultant effect on the combined company's loan portfolio and allowance for loan losses; and (10) changes in the United States and foreign legal and regulatory framework.

F.N.B. will file with the SEC a Registration Statement on Form S-4, which will contain the prospectus of F.N.B. relating to the shares to be issued in the merger, and the proxy statements of F.N.B. and Promistar relating to the special meetings of shareholders of F.N.B. and Promistar at which the merger agreement will be considered and voted upon by their respective shareholders, as well as other relevant documents concerning the proposed merger. Investors are urged to read the joint proxy statement/prospectus when it becomes available and any other relevant documents filed with the SEC because they will contain important information. You will be able to obtain the Form S-4 Registration Statement, including the exhibits filed therewith free of charge at the website maintained by the SEC at www.sec.gov. In addition, you may obtain documents filed with the SEC by F.N.B. free of charge by requesting them in writing from F.N.B. Corporation, 2150 Goodlette Road North, Naples, Florida 34102, Attention: Corporate Secretary, or by telephone at (800) 262-7600. You may obtain documents filed with the SEC by Promistar free of charge by requesting them in writing from Promistar, 551 Main Street, Post Office Box 1146, Johnstown, Pennsylvania 15901-1146, Attention: Corporate Secretary, or by telephone at (814) 532-3801.

F.N.B., Promistar and their directors and executive officers may be deemed to be participants in the solicitation of proxies from their respective shareholders in connection with the merger. Information about such directors and executive officers and their ownership of F.N.B. and Promistar stock is set forth in the proxy statements for each company's 2001 annual meeting of shareholders which will be incorporated by reference in the Form S-4 Registration Statement to be filed with the SEC and in the joint proxy

statement/prospectus to be mailed to F.N.B. and Promistar shareholders. Investors may obtain additional information regarding the interests of such participants by reading the proxy statement/prospectus when it becomes available.

Investors should read the proxy statement/prospectus carefully when it becomes available before making any voting or investment decisions.

[Presentation Materials for Analysts' Conference call June 14, 2001]