Table of Contents

As filed with the Securities and Exchange Commission on January 19, 2017

Registration No. 333-214703

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Amendment No. 2

to

FORM S-4

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

First Commonwealth Financial Corporation

(Exact name of registrant as specified in its charter)

Pennsylvania	**6021**	**25-1428528**
(State or other jurisdiction of incorporation or organization)	**(Primary standard industrial classification code number)**	**(I.R.S. Employer Identification Number)**

601 Philadelphia Street, Indiana, Pennsylvania 15701 (724) 349-7220

(Address, including zip code, and telephone number, including area code, of registrant s principal executive offices)

Matthew C. Tomb, Esq.

Executive Vice President,

General Counsel and Chief Risk Officer

First Commonwealth Financial Corporation

601 Philadelphia Street

Indiana, Pennsylvania 15701

(724) 463-2030

(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copy to:

James J. Barresi, Esq.

Squire Patton Boggs (US) LLP

221 E. Fourth Street,

Suite 2900

Cincinnati, Ohio

(513) 361-1260

Jeremy D. Siegfried, Esq.

Porter, Wright, Morris & Arthur LLP

41 South High Street

Suite 2800

Columbus, Ohio 43215

(614) 227-2181

Approximate date of commencement of proposed sale of the securities to the public: As soon as practicable after this Registration Statement becomes effective and upon the satisfaction or waiver of all other conditions under the merger agreement described herein.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act (Check one):

Large accelerated filer	Accelerated filer
Non-accelerated filer (Do not check if a smaller reporting company)	Smaller reporting company

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer)

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered[1]	Proposed Maximum Offering Price Per Share[2]	Proposed Maximum Aggregate Offering Price[2]	Amount of Registration Fee
Common Stock, no par value	8,443,187	N/A	$85,957,125	$9,962.43[3]

(1) This registration statement covers the estimated maximum number of shares of common stock of the Registrant which are expected to be issued in connection with completion of the merger described in this registration

statement.

The number of shares included in the registration fee table does not include the additional shares that could be issued, upon First Commonwealth s election, to avoid the termination of the merger agreement by DCB Financial due to a decrease below certain specified thresholds of the average closing price of First Commonwealth common stock over a specified period of time, pursuant to the merger agreement and described in more detail elsewhere in this proxy statement and prospectus. The shares that could be issued in that context cannot be determined at this time.

In the event that the exchange ratio is increased such that the number of shares of common stock of First Commonwealth is increased beyond the amount registered pursuant to this Registration Statement, First Commonwealth would file prior to consummation of the merger pursuant to Rule 462(b) a short-form registration statement provided that the additional amount of shares to be registered is within the limits and conditions provided for under Rule 462(b). Under Rule 462(b), a registration statement thereto shall become effective upon filing if, among other things: (i) the registration statement is for registering additional securities of the same class as were included in an earlier registration statement for the same offering and declared effective by the Securities and Exchange Commission; and (ii) the new registration statement registers additional securities in an amount and at a price that together represent no more than 20% of the maximum aggregate offering price set forth for each class of securities in the Calculation of Registration Fee table contained in such earlier registration statement. Alternatively, if First Commonwealth cannot avail itself of the provisions of Rule 462(b), it would pursue registering the additional shares under a new registration statement filed pursuant to Rule 429.

(2) Estimated solely for the purpose of calculating the amount of the registration fee pursuant to Rule 457(c) and Rule 457(f), based on $14.50 per share, the average of the high and low prices of a DCB Financial Corp (DCB Financial) common share as quoted on the OTC Pink marketplace on November 11, 2016 the latest practicable date prior to the date of filing this Registration Statement, multiplied by 7,395,924 DCB Financial common shares that may be received by the Registrant and/or cancelled upon consummation of the merger less $21,283,773, the estimated aggregate amount of cash expected to be paid by the Registrant in exchange for DCB Financial common shares, which equals $85,957,125.

(3) Previously paid.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

THE INFORMATION IN THIS PROXY STATEMENT AND PROSPECTUS IS NOT COMPLETE AND MAY BE CHANGED. A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION. WE MAY NOT ISSUE THESE SECURITIES UNTIL THE REGISTRATION STATEMENT IS EFFECTIVE. THIS PROXY STATEMENT AND PROSPECTUS IS NOT AN OFFER TO SELL THESE SECURITIES AND IT IS NOT SOLICITING AN OFFER TO BUY THESE SECURITIES IN ANY STATE WHERE THE OFFER OR SALE IS NOT PERMITTED.

PRELIMINARY PROXY STATEMENT AND PROSPECTUS

DATED JANUARY 19, 2017, SUBJECT TO COMPLETION

PROXY STATEMENT FOR THE SPECIAL MEETING OF

DCB FINANCIAL CORP SHAREHOLDERS

and

PROSPECTUS OF

FIRST COMMONWEALTH FINANCIAL CORPORATION

MERGER PROPOSED   YOUR VOTE IS VERY IMPORTANT

On October 2, 2016, DCB Financial Corp (DCB Financial) and First Commonwealth Financial Corporation (First Commonwealth) entered into an Agreement and Plan of Merger (which we refer to as the   Merger Agreement) that provides for the combination of the two companies. Pursuant to the Merger Agreement, DCB Financial will merge with and into First Commonwealth, with First Commonwealth remaining as the surviving company (the   Merger). The boards of directors of DCB Financial and First Commonwealth each have unanimously approved the Merger Agreement. If the Merger Agreement is approved and adopted by the shareholders of DCB Financial and the Merger is subsequently completed, each shareholder of DCB Financial will be entitled to receive, without interest, at the holder s election and subject to proration as set forth in the Merger Agreement, 1.427 shares of First Commonwealth common stock or $14.50 in cash for each DCB Financial common share owned before the Merger (collectively, the   Merger Consideration). The Merger Agreement includes allocation procedures designed to ensure that approximately 80% of the outstanding DCB Financial common shares will be converted into shares of First Commonwealth common stock and approximately 20% will be converted into cash. As a result of these limitations, regardless of your election, you may receive a combination of cash and shares of First Commonwealth common stock that is different than what you may have elected, depending on the elections made by other DCB Financial shareholders, and will not be known at the time DCB Financial shareholders vote on the Merger.

DCB Financial has the right to terminate the Merger Agreement if at any time during the five-day period starting on the date on which all required regulatory and shareholder approvals are obtained: (i) the average closing price of First Commonwealth common stock for the ten (10) trading days immediately preceding the date when all required regulatory approvals are obtained is below $8.07 per share and (ii) the average closing price of First Commonwealth common stock during such 10-day period underperforms the NASDAQ Bank Index by more than 20%. First Commonwealth has the right to prevent DCB Financial s termination by agreeing to increase the Exchange Ratio pursuant to the formula set forth in the Merger Agreement.

The DCB Financial board of directors unanimously determined that the Merger, on the terms set forth in the Merger Agreement, is in the best interests of DCB Financial and the DCB Financial shareholders.

The Merger is conditioned upon, among other things, the approval and adoption of the Merger Agreement by the DCB Financial shareholders. This document is a proxy statement that the DCB Financial board of directors is using to solicit proxies for use at a special meeting of shareholders to be held on Thursday, March 16, 2017. At the meeting, the DCB Financial shareholders will be asked (1) to approve and adopt the Merger Agreement, (2) to approve the Merger-Related Compensation, (3) to adjourn the meeting if necessary to solicit additional proxies, and (4) to transact such other business as may properly be brought before the meeting or any adjournment or postponement thereof.

This document is also a prospectus relating to First Commonwealth s issuance of up to 8,443,187 shares of First Commonwealth common stock in connection with completion of the Merger.

First Commonwealth common stock is listed on the New York Stock Exchange under the trading symbol FCF, and DCB Financial s common shares are quoted on the OTC Pink marketplace under the symbol DCBF. On September 30, 2016, the last trading day before the execution of the Merger Agreement, the closing price of a share of First Commonwealth common stock was $10.09 and the closing price of a DCB Financial common share was $7.65. On January 17, 2017, the closing price of a share of First Commonwealth common stock was 13.44 and the closing price of a DCB Financial common share was 18.10. We urge you to obtain current market quotations for both DCB Financial common shares and shares of First Commonwealth common stock.

For a discussion of certain risk factors relating to the Merger, see the section entitled Risk Factors beginning on page 18.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities to be issued under this proxy statement and prospectus or determined if this proxy statement and prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The securities to be issued in connection with completion of the Merger are not savings or deposit accounts or other obligations of any bank or non-bank subsidiary of any of the parties, and they are not insured by the Federal Deposit Insurance Corporation, the Deposit Insurance Fund or any other governmental agency.

This proxy statement and prospectus is dated , and it

is first being mailed to DCB Financial shareholders on or about .

Table of Contents

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

TO BE HELD ON MARCH 16, 2017

To the Shareholders of DCB Financial Corp:

We will hold a special meeting of the shareholders of DCB Financial Corp (DCB Financial) on Thursday, March 16, 2017, at 10:00 a.m., Eastern Time, at The Delaware County Bank and Trust Company Corporate Center, 110 Riverbend Avenue, Lewis Center, Ohio, 43035, to consider and vote upon:

1. *Merger Proposal*. A proposal to approve and adopt the Agreement and Plan of Merger, dated October 2, 2016, by and between First Commonwealth Financial Corporation (First Commonwealth) and DCB Financial (the Merger Agreement) pursuant to which DCB Financial will merge with and into First Commonwealth (the Merger).

2. *Non-Binding Advisory Vote on Merger-Related Compensation*. A proposal to approve, on a non-binding advisory basis, the compensation that may be paid or become payable to the named executive officers of DCB Financial that is based on or otherwise relates to completion of the Merger (the Merger-Related Compensation Proposal).

3. *Adjournment*. A proposal to approve one or more adjournments of the special meeting, if necessary, to permit further solicitation of additional proxies in the event there are not sufficient votes present at the special meeting in person or by proxy, or at any adjournment or postponement of that special meeting, to approve and adopt the Merger Agreement (the Adjournment Proposal).

4. *Other Matters*. Such other matters as may properly come before the special meeting or any adjournment of the special meeting. The DCB Financial board of directors is not aware of any such other matters as of the date of this proxy statement and prospectus.

The proxy statement and prospectus describes the Merger Agreement and the proposed Merger in detail and includes, as **Annex A**, the complete text of the Merger Agreement. We urge you to read these materials for a description of the Merger Agreement and the proposed Merger. **In particular, you should carefully read the section entitled *Risk Factors* beginning on page 18 of the enclosed proxy statement and prospectus for a discussion of certain risk factors relating to the Merger.**

The board of directors of DCB Financial fixed the close of business on January 23, 2017, as the record date for determining the shareholders entitled to notice of, and to vote at, the special meeting and any adjournments or postponements of the special meeting.

YOUR VOTE IS VERY IMPORTANT. Please complete, sign and return the enclosed proxy card promptly in the enclosed postage-paid envelope or submit a proxy through the Internet or by telephone as described in the enclosed instructions. The affirmative vote of the holders of at least two-thirds of the outstanding DCB Financial common shares entitled to vote at the special meeting is required to approve and adopt the Merger Agreement. If you do not return your proxy or do not vote in person at the special meeting, the effect will be the same as a vote against the

Merger Agreement. Whether or not you plan to attend the special meeting in person, we urge you to date, sign and return promptly the enclosed proxy in the accompanying envelope. You may revoke your proxy at any time before the special meeting by sending a written notice of revocation, submitting a new proxy or by attending the special meeting and voting in person.

The board of directors of DCB Financial unanimously recommends that shareholders vote (1) *FOR* approval and adoption of the Merger Agreement, (2) *FOR* approval of the Merger-Related Compensation Proposal, and (3) *FOR* approval of the Adjournment Proposal.

If you have any questions or need assistance voting your shares, please contact our proxy solicitor, Regan & Associates, Inc., toll free at 1-800-737-3426.

By Order of the Board of Directors
Ronald J. Seiffert
Chairman, President, and Chief Executive Officer

Table of Contents

AVAILABLE INFORMATION

As permitted by Securities and Exchange Commission (SEC) rules, this document incorporates certain important business and financial information about First Commonwealth and DCB Financial from other documents that are not included in or delivered with this document. These documents are available to you without charge upon your written or oral request. Your requests for these documents should be directed to the following:

First Commonwealth Financial Corporation

601 Philadelphia Street

Indiana, Pennsylvania 15701

Attn: Matthew C. Tomb, Executive Vice President,

Chief Risk Officer and General Counsel

(724) 349-7220

DCB Financial Corp

110 Riverbend Avenue

Lewis Center, Ohio 43035

Attn: J. Daniel Mohr, Executive Vice President

and Chief Financial Officer

(740) 657-7000

In order to ensure timely delivery of these documents, you should make your request by March 9, 2017, to receive them before the special meeting.

You can also obtain documents incorporated by reference in this document through the SEC s website at www.sec.gov. See *Where You Can Find More Information* beginning on page 95.

Table of Contents

TABLE OF CONTENTS

Table of Contents

Table of Contents

QUESTIONS AND ANSWERS ABOUT THE MERGER AND THE SPECIAL MEETING

The following questions and answers are intended to address briefly some commonly asked questions regarding the Merger and the special meeting. These questions and answers may not address all questions that may be important to you as a shareholder. To better understand these matters, and for a description of the legal terms governing the Merger, you should carefully read this entire proxy statement and prospectus, including the annexes, as well as the documents that have been incorporated by reference in this proxy statement and prospectus.

Q: Why am I receiving this proxy statement and prospectus?

A: DCB Financial and First Commonwealth have agreed to the acquisition of DCB Financial by First Commonwealth under the terms of the Merger Agreement that is described in this proxy statement and prospectus. A copy of the Merger Agreement is attached to this proxy statement and prospectus as **Annex A**. In order to complete the Merger, DCB Financial shareholders must vote to approve and adopt the Merger Agreement. DCB Financial will hold a special meeting of shareholders to obtain this approval. This proxy statement and prospectus contains important information about the Merger, the Merger Agreement, the special meeting of DCB Financial, and other related matters, and you should read it carefully.

You are receiving this proxy statement and prospectus because you were a shareholder of DCB Financial as of January 23, 2017, the record date for the special meeting of DCB Financial. This proxy statement and prospectus is being used by the board of directors of DCB Financial to solicit your proxy for use at the special meeting. The enclosed voting materials will allow you to vote your DCB Financial common shares without attending the special meeting in person. This document also serves as the prospectus for shares of First Commonwealth common stock to be issued in exchange for DCB Financial common shares in the Merger.

Q: What am I voting on?

A: You are being asked to vote to approve and adopt the Merger Agreement, pursuant to which DCB Financial will merge with and into First Commonwealth. First Commonwealth would be the surviving entity in the Merger, and DCB Financial would no longer be a separate company.

Additionally, you are being asked to vote to approve (1) the advisory (non-binding) Merger-Related Compensation Proposal, and (2) the Adjournment Proposal.

Q: What vote does the DCB Financial board of directors recommend?

A: After careful consideration, the DCB Financial board of directors has determined that the Merger is in the best interests of DCB Financial s shareholders, has unanimously approved the Merger Agreement and recommends that DCB Financial s shareholders vote ***FOR*** the approval and adoption of the Merger Agreement and ***FOR*** the Adjournment Proposal, if necessary. The DCB Financial board of directors also recommends that shareholders vote ***FOR*** approval of, on an advisory (non-binding) basis, the Merger-Related Compensation Proposal.

Q: What risks should I consider before I vote on the Merger Agreement?

A: You should review the section entitled *Risk Factors* beginning on page 18.

Q: What will I receive in the Merger?

A: If the Merger is completed, each DCB Financial common share will be converted into the right to receive, at the holder s election and subject to proration as set forth in the Merger Agreement, 1.427 shares of First

Table of Contents

Commonwealth common stock or $14.50 in cash (collectively, the Merger Consideration). See *The Merger Agreement Merger Consideration* for a more complete discussion of the Merger Consideration to be paid in the Merger.

Q: How do I make an election to receive cash, First Commonwealth common stock or a combination of both?

A: An election form will be mailed to each holder of record of DCB Financial common shares as of the close of business on the record date for the DCB Financial special meeting. Each DCB Financial shareholder should complete and return the election form according to the instructions included with the form. The election form will be provided to DCB Financial shareholders under separate cover and is not being provided with this document. The election deadline will be 5:00 p.m., Eastern Time, on the date specified in the election form, which is expected to be one (1) business day preceding the closing date of the Merger. The election form must be received by Computershare Trust Company, N.A. (the exchange agent) by the election deadline.

If your DCB Financial common shares are held in street name, through a broker, bank or other nominee and you wish to make an election, you should seek instructions from the broker, bank or other nominee holding your shares concerning how to make an election. If you do not send in the election form by the election deadline, you will be treated as though you had not made an election.

Q: Will I receive the form of consideration I elect as a holder of DCB Financial common shares?

A: Each holder of DCB Financial common shares may not receive the form of consideration that such shareholder elects for each DCB Financial common share in the Merger due to the proration and adjustment procedures in the Merger Agreement.

The total cash consideration is fixed at $21,283,773, which is approximately 20% of the Merger Consideration, and the remaining approximately 80% of the Merger Consideration will be in the form of the stock consideration. As a result, if the aggregate number of shares with respect to which a valid cash or stock election has been made exceeds these limits, shareholders who elected the form of consideration that has been oversubscribed will receive a prorated election of both cash and stock consideration in accordance with the proration procedures set forth in the Merger Agreement and described in the section entitled *The Merger Agreement Merger Consideration*.

Q: What happens if I do not make a valid election to receive cash or First Commonwealth common stock?

A: If a DCB Financial shareholder does not return a properly completed election form by the election deadline specified in the election form, such shareholder s DCB Financial common shares will be considered non-election shares and will be converted into the right to receive the share consideration or the cash consideration according to the allocation procedures specified in the Merger Agreement. Generally, in the event one form of consideration (First Commonwealth common stock or cash) is undersubscribed in the Merger, DCB Financial common shares for which no election has been validly made will be allocated to that form of consideration before DCB Financial common shares electing the oversubscribed form will be switched to the other form of consideration pursuant to the proration and adjustment procedures. Accordingly, while electing one form of consideration will not guarantee you will receive that form for all of your DCB Financial common shares, in the event proration is necessary, shares for which an election has been timely returned will have a priority over non-election shares.

Q: Will I receive any fractional shares of First Commonwealth common stock as part of the Merger Consideration?

A: No. First Commonwealth will not issue any fractional shares of First Commonwealth common stock in the Merger. Instead, First Commonwealth will pay you the cash value of a fractional share measured by the average

Table of Contents

of the daily closing prices during the regular session of First Commonwealth common stock on the New York Stock Exchange, or NYSE, for the five consecutive trading days ending on the business day immediately prior to the closing date of the Merger, rounded to the nearest cent.

Q: What are the tax consequences of the Merger to me?

A: The Merger is intended to qualify as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code, as amended (the Code). As a result, the United States federal income tax consequences of the Merger to each DCB Financial shareholder will vary depending on whether the DCB Financial shareholder receives cash, shares of First Commonwealth common stock or a combination thereof in exchange for the shareholder s DCB Financial common shares pursuant to the Merger. DCB Financial shareholders generally will not recognize a gain or loss on shares of the First Commonwealth common stock received pursuant to the Merger, except to the extent that the DCB Financial shareholders receive cash in lieu of any fractional shares of First Commonwealth common stock. DCB Financial shareholders basis in and holding periods for shares of the First Commonwealth common stock received may vary among shares if blocks of DCB Financial common shares were acquired at different times or for different prices.

DCB Financial shareholders receiving solely cash for their DCB Financial common shares generally will recognize a gain or loss equal to the difference between the amount of cash received and their tax basis in their DCB Financial common shares, although it is possible in certain circumstances that the amount of cash received could be treated as a dividend. DCB Financial shareholders receiving both shares of First Commonwealth common stock and cash for their DCB Financial common shares generally will recognize a gain (but not a loss) or, in certain circumstances, dividend income in an amount equal to the lesser of (i) the holder s gain realized (i.e., the excess, if any, of the sum of the amount of cash and the fair market value of shares of the First Commonwealth common stock received over the holder s adjusted tax basis in its DCB Financial common shares surrendered) and (ii) the amount of cash received pursuant to the Merger.

As a condition to the closing, each of DCB Financial and First Commonwealth must receive an opinion from its respective counsel to the effect that the Merger will qualify as a reorganization within the meaning of Section 368(a) of the Code. See *United States Federal Income Tax Consequences* beginning on page 88 for a more complete discussion of the United States federal income tax consequences of the Merger. Your tax consequences will depend on your personal situation. You should consult your tax advisor for a full understanding of the tax consequences of the Merger to you.

Q: Will First Commonwealth shareholders receive any shares or cash as a result of the Merger?

A: No. First Commonwealth shareholders will continue to own the same number of First Commonwealth shares they owned before the effective time of the Merger.

Q: What shareholder approvals are required to complete the Merger?

A: The Merger cannot be completed unless two-thirds of the DCB Financial common shares outstanding and entitled to vote at the special meeting approve and adopt the Merger Agreement.

Q: Are there any shareholders already committed to vote in favor of the Merger Agreement?

A: Yes. All of the members of DCB Financial s board of directors have entered into a Voting Agreement to vote certain common shares beneficially owned by them, or cause common shares held jointly with another person or by such director s spouse to be voted, in favor of approving the Merger Agreement. Those shareholders collectively own, either directly or indirectly, 1,671,182 common shares, or approximately 22.77% of the issued and outstanding DCB Financial common shares as of the record date.

Table of Contents

Q: When and where is the special meeting?

A: The special meeting of shareholders of DCB Financial will be held on Thursday, March 16, 2017, at 10:00 a.m., Eastern Time, at The Delaware County Bank and Trust Company Corporate Center, 110 Riverbend Avenue, Lewis Center, Ohio, 43035.

Q: What will happen at the special meeting?

A: At the special meeting, DCB Financial shareholders will consider and vote upon the proposal to approve and adopt the Merger Agreement. Additionally, DCB Financial shareholders will consider and vote upon the advisory (non-binding) Merger-Related Compensation Proposal. If, at the time of the special meeting, there are not sufficient votes for the shareholders to approve and adopt the Merger Agreement, you may be asked to consider and vote upon a proposal to adjourn the special meeting so that additional proxies may be collected.

Q: Who is entitled to vote at the special meeting?

A: All holders of DCB Financial common shares who held shares at the close of business on January 23, 2017, which is the record date for the special meeting of DCB Financial shareholders, are entitled to receive notice of and to vote at the DCB Financial special meeting. Each holder of DCB Financial common shares is entitled to vote their DCB Financial common shares owned as of the record date.

Q: What constitutes a quorum?

A: The holders of over 50% of the outstanding common shares as of the record date must be present in person or by proxy at the special meeting to constitute a quorum. In determining whether a quorum is present, shareholders who abstain and bank, broker or other nominee non-votes will be treated as present for determining the presence or absence of a quorum.

Q: Is completion of the Merger subject to any conditions besides shareholder approval?

A: Yes. The transaction must receive the required regulatory approvals, and there are other customary closing conditions that must be satisfied or waived. To review the conditions of the Merger in more detail, see *The Merger Agreement Conditions to Merger* on page 67.

Q: When is the Merger expected to be completed?

A: We are working to complete the Merger as quickly as possible. We first must obtain the necessary regulatory approvals and the approval and adoption of the Merger Agreement by DCB Financial shareholders at the special meeting. We currently expect to complete the Merger in the second quarter of 2017. Under the terms of the Merger Agreement, the closing date of the Merger cannot occur before April 1, 2017.

Q: What happens if the Merger is not completed?

A: If the Merger is not completed, DCB Financial shareholders will not receive any consideration for their DCB Financial common shares in connection with the Merger. Instead, DCB Financial will remain an independent public company and its common shares will continue to be quoted on the OTC Pink marketplace. Under specified circumstances, DCB Financial may be required to pay First Commonwealth a fee with respect to the Termination of the Merger Agreement, as described under *The Merger Agreement Termination* beginning on page 69.

Q: Why am I being asked to cast a non-binding advisory vote on the Merger-Related Compensation Proposal?

A: The Securities and Exchange Commission requires DCB Financial to seek a non-binding advisory vote on the Merger-Related Compensation Proposal.

Q: What will happen if DCB Financial shareholders do not approve the Merger-Related Compensation Proposal at the special meeting?

A: Approval of the Merger-Related Compensation Proposal is not a condition to completion of the Merger. The vote with respect to the Merger-Related Compensation Proposal is an advisory vote and will not be binding on DCB Financial (or First Commonwealth following the Merger). Accordingly, as such compensation is contractual, such compensation will become payable if the Merger is completed regardless of the outcome of the advisory vote.

Q: What do I need to do now?

A: You should carefully read and consider the information contained in or incorporated by reference into this proxy statement and prospectus, including its annexes. It contains important information about the Merger, the Merger agreement, DCB Financial and First Commonwealth. After you have read and considered this information, you should vote your shares as soon as possible in one of four ways: (1) by mail (by completing and signing the proxy that accompanies this proxy statement and prospectus); (2) by telephone; (3) by using the Internet; or (4) in person (by either delivering the completed proxy or by casting a ballot if attending the special meeting). In the event that you choose not to vote by telephone, internet or in person, you should mail your signed proxy in the accompanying pre-addressed, postage-paid envelope as soon as possible so that your shares can be voted at the March 16, 2017, DCB Financial special meeting.

The telephone and Internet voting procedures have been set up for your convenience and have been designed to authenticate your identity, to allow you to give voting instructions, and to confirm that those instructions have been properly recorded. If you would like to vote by telephone or by using the Internet, please refer to the specific instructions on the proxy. The deadline for voting by telephone or via the Internet is 11:59 p.m. Eastern Time on March 15, 2017.

Q: What happens if I do not return a proxy or otherwise do not vote?

A: Because the required vote of DCB Financial shareholders on the Merger Agreement is based upon the number of outstanding DCB Financial common shares entitled to vote rather than upon the number of shares actually voted, a failure to vote, abstentions and broker non-votes will have the same practical effect as a vote ***AGAINST*** approval and adoption of the Merger Agreement.

The advisory vote on the Merger-Related Compensation Proposal and the vote on the Adjournment Proposal each require more votes to be cast in favor of these proposals than against. A failure to vote, abstentions and broker non-votes will have no effect on these proposals.

If you properly complete and sign your proxy but do not indicate how your DCB Financial common shares should be voted on a proposal, the DCB Financial common shares represented by your proxy will be voted as the DCB Financial board of directors recommends and therefore, ***FOR*** approval and adoption of the Merger Agreement, ***FOR*** approval of the Merger-Related Compensation Proposal, and ***FOR*** approval of the Adjournment Proposal.

Q: If my shares are held in street name by my broker, will my broker vote my shares for me?

A: No. Your bank, broker or other nominee is not permitted to vote your shares on the Merger Agreement without instructions from you. Your bank, broker or other nominee will only vote your shares on the Merger Agreement if you provide instructions on how to vote. You should contact your bank, broker or other nominee and ask what directions your bank, broker or other nominee will need from you. If you do not provide instructions on how to vote on the

Merger Agreement, your bank, broker or other nominee will not be able to vote your shares, and this will have the effect of voting against the Merger Agreement.

Table of Contents

Similarly, your bank, broker or other nominee will vote your shares on the Merger-Related Compensation Proposal and the Adjournment Proposal, but only if you provide instructions on how to vote. If you do not submit voting instructions to your bank, broker or other nominee, your shares will not be counted in determining the outcome of those proposals.

Please instruct your bank, broker or other nominee how to vote your shares, following the directions that your bank, broker or nominee provides.

Q: Can I change my vote after I have mailed my signed proxy?

A: Yes. You can change your vote at any time before your proxy is voted at the special meeting. You can do this in one of three ways. First, you can send a written notice stating that you revoke your proxy. Second, you can complete and submit a new proxy, dated at a date later than your most recent proxy. Third, you can attend the special meeting and vote in person. Your attendance at the special meeting will not, however, by itself revoke your proxy. If you hold your shares in street name and have instructed your broker how to vote your shares, you must follow directions received from your broker to change those instructions. You should send any notice of revocation to:

DCB Financial Corp

110 Riverbend Avenue

Lewis Center, Ohio 43035

Attn: J. Daniel Mohr

Corporate Secretary

Q. What does it mean if I get more than one proxy card?

A. It means you have multiple accounts at the transfer agent and/or with brokers. Please sign and return all proxy cards to ensure that all of your shares are voted.

Q: Should I send in my stock certificates now?

A: No. As soon as practicable after the completion of the Merger, you will receive a letter of transmittal describing how you may exchange your shares for the Merger Consideration. At that time, you must send your completed letter of transmittal to First Commonwealth in order to receive the Merger Consideration. Please do not return stock certificates with your proxy cards.

Q: Am I entitled to exercise appraisal rights instead of receiving the per share Merger Consideration for my DCB Financial common shares?

A: Shareholders are entitled to appraisal rights under Section 1701.84 and 1701.85 of the Ohio General Corporation Law (the OGCL) provided they follow the procedures and satisfy the conditions set forth in Section 1701.85 of the OGCL. For more information regarding appraisal rights, see the section entitled *Dissenters Rights of DCB Financial Shareholders* beginning on page 72 of this proxy statement and prospectus.

In addition, a copy of Section 1701.85 of the OGCL is attached as **Annex C** to this proxy statement and prospectus. Failure to strictly comply with Section 1701.85 of the OGCL may result in your waiver of, or inability to, exercise appraisal rights.

Q: Will a proxy solicitor be used?

A: Yes. DCB Financial has engaged Regan & Associates, Inc. to assist in the solicitation of proxies for its special meeting. In addition, DCB Financial officers and employees may request the return of proxies by telephone or in person.

Table of Contents

Q: Whom should I contact if I have other questions about the Merger Agreement or the Merger?

A: If you have more questions about the Merger Agreement or the Merger, you should contact:

First Commonwealth Financial Corporation	Or	DCB Financial Corp
601 Philadelphia Street		110 Riverbend Avenue
Indiana, Pennsylvania 15701		Lewis Center, Ohio 43035
Attn: Matthew C. Tomb, Executive Vice President,		Attn: J. Daniel Mohr, Executive Vice President
Chief Risk Officer and General Counsel		and Chief Financial Officer
(724) 349-7220		(740) 657-7000
		or
		Regan & Associates, Inc.
		505 Eighth Avenue, Suite 800
		New York, New York 10018
		(800) 737-3426

Table of Contents

SUMMARY

This summary highlights selected information in this proxy statement and prospectus and may not contain all of the information important to you. To understand the Merger more fully, you should read this entire document carefully, including the annexes and the documents referred to in this proxy statement and prospectus. A list of the documents incorporated by reference appears under the caption Where You Can Find More Information on page 95.

The Companies (page 29)

First Commonwealth Financial Corporation

601 Philadelphia Street

Indiana, Pennsylvania 15701

(724) 349-7220

First Commonwealth, headquartered in Indiana, Pennsylvania, is a financial services company with $6.7 billion in total assets and 109 banking offices in 17 counties throughout western and central Pennsylvania and central Ohio, as well as a Corporate Banking Center in northeast Ohio and mortgage offices in Stow and Dublin, Ohio. First Commonwealth provides a full range of commercial banking, consumer banking, mortgage, wealth management and insurance products and services through its subsidiaries First Commonwealth Bank and First Commonwealth Insurance Agency, Inc. First Commonwealth s common stock is listed on the New York Stock Exchange under the symbol FCF.

DCB Financial Corp

110 Riverbend Avenue

Lewis Center, Ohio 43035

(740) 657-7000

DCB Financial is a financial holding company formed under the laws of the State of Ohio. DCB Financial is the parent of The Delaware County Bank and Trust Company (DCB Bank), a state-chartered commercial bank, which conducts business from its main offices in Lewis Center, Ohio, and through its nine full-service and four limited-service branch offices located in Central Ohio. DCB Bank provides customary retail and commercial banking and cash management services to its customers. Its services include checking and savings accounts, time deposits, IRAs, safe deposit facilities, personal loans, commercial loans, commercial leases, SBA loans, real estate mortgage loans, night depository facilities and trust and personalized wealth management services. DCB Financial s common shares are quoted on the OTC Pink marketplace under the symbol DCBF.

Special Meeting of Shareholders; Required Vote (page 27)

The special meeting of DCB Financial shareholders is scheduled to be held on Thursday, March 16, 2017, at 10:00 a.m., Eastern Time, at The Delaware County Bank and Trust Company Corporate Center, 110 Riverbend Avenue, Lewis Center, Ohio, 43035. At the DCB Financial special meeting, you will be asked to vote to approve and adopt the Merger Agreement. You will also be asked to approve the Merger-Related Compensation Proposal and the

Adjournment Proposal. Only DCB Financial shareholders of record as of the close of business on January 23, 2017, are entitled to notice of, and to vote at, the DCB Financial special meeting and any adjournments or postponements of the DCB Financial special meeting.

As of the record date, there were 7,338,092 DCB Financial common shares outstanding. The directors and executive officers of DCB Financial (and their affiliates), as a group, beneficially owned 1,796,426 DCB Financial common shares representing approximately 24.48% of the outstanding DCB Financial common shares as of the record date.

Approval and adoption of the Merger Agreement requires the affirmative vote of holders of at least two-thirds of the outstanding DCB Financial common shares entitled to vote at the special meeting. The advisory vote on the Merger-Related Compensation Proposal and the vote on the Adjournment Proposal each require more votes cast in favor of the proposal than are cast against it. Abstentions and broker non-votes will have no effect on these proposals.

No approval by First Commonwealth shareholders is required.

The Merger and the Merger Agreement (pages 30 and 54)

The Merger Agreement provides that, if all of the conditions are satisfied or waived, DCB Financial will be merged with and into First Commonwealth, with First Commonwealth remaining as the surviving company. As soon as practicable after the consummation of the Merger, DCB Bank will be merged with and into First Commonwealth Bank, a wholly-owned subsidiary of First Commonwealth (the Bank Merger). The board of directors of First Commonwealth will be the board of directors of the surviving entity. At the time the Merger is completed, the boards of directors of First Commonwealth and First Commonwealth Bank will each be enlarged by one seat, and one DCB Financial director, as mutually agreed upon by First Commonwealth and DCB Financial, will be appointed to serve on the First Commonwealth and First Commonwealth Bank boards of directors. We encourage you to read the Merger Agreement, which is included as **Annex A** to this proxy statement and prospectus and is incorporated by reference herein.

Merger Consideration (page 55)

If the Merger is completed, each DCB Financial common share will be converted into the right to receive, at the holder s election and subject to proration as set forth in the Merger Agreement, either $14.50 in cash or 1.427 shares of First Commonwealth common stock. Aggregate cash consideration is fixed at $21,283,773, which is approximately 20% of the Merger Consideration, and the remaining Merger Consideration will be in the form of the stock consideration.

Treatment of DCB Financial s Equity-Based Compensation Awards (page 58)

Stock Options. Immediately prior to the effective time, each option to purchase DCB Financial common shares granted under a DCB Financial equity incentive plan that is outstanding, which we refer to as a DCB stock option, will fully vest and be cancelled and converted into the right to receive, as soon as reasonably practicable after the effective time of the Merger, an amount in cash, without interest, equal to the product of (i) the positive difference, if any, between the Per Share Cash Equivalent Consideration (as defined below) and the exercise price of such stock option and (ii) the number of DCB Financial common shares subject to such option. If the exercise price of an option exceeds the Per Share Cash Equivalent Consideration, then the option will be cancelled without any payment.

As used herein, Per Share Cash Equivalent Consideration means an amount equal to the amount in cash, without interest, rounded to the nearest cent, equal to the (i) Exchange Ratio multiplied by (ii) the average of the daily closing prices of First Commonwealth common stock on the New York Stock Exchange for the five (5) trading days ending on the business day prior to the completion of the Merger.

Restricted Shares. At the effective time of the Merger, each award of DCB Financial restricted common shares that is outstanding immediately prior to the effective time of the Merger shall fully vest and shall be converted automatically, in accordance with the procedures set forth in the Merger Agreement, into the right to receive the Merger Consideration.

Recommendations of DCB Financial Board of Directors; DCB Financial s Reasons for the Merger (page 35)

The DCB Financial board of directors unanimously determined that the Merger on the terms set forth in the Merger Agreement is in the best interests of DCB Financial and the DCB Financial shareholders. The DCB

Financial board of directors unanimously recommends that DCB Financial shareholders vote ***FOR*** approval and adoption of the Merger Agreement. In reaching its determination, the DCB Financial board of directors considered a number of factors, which are described in the section entitled *Proposal 1 The Merger DCB Financial s Reasons for the Merger and Recommendation of the Board of Directors* beginning on page 35. Because of the wide variety of factors considered, the DCB Financial board of directors did not believe it practicable, nor did it attempt, to quantify or otherwise assign relative weight to the specific factors it considered in reaching its decision.

The DCB Financial board of directors also unanimously recommends that you vote ***FOR*** approval of the Merger Related Compensation Proposal and ***FOR*** approval of the Adjournment Proposal.

Dissenters Rights of DCB Financial Shareholders (page 72)

DCB Financial shareholders of record, subject to the restrictions below, may exercise statutory appraisal rights under the OGCL in connection with the Merger.

DCB Financial shareholders who do not vote in favor of the approval and adoption of the Merger Agreement and who otherwise comply with applicable provisions of Sections 1701.84 and 1701.85 of the OGCL will be entitled to exercise appraisal rights thereunder and demand payment of the fair cash value of their shares. Any DCB Financial common shares held by a DCB Financial shareholder as of the record date who has not voted in favor of the approval and adoption of the Merger Agreement and who has demanded appraisal for such shares in accordance with the OGCL will not be converted into a right to receive the Merger Consideration. If, after the consummation of the Merger, such holder of DCB Financial common shares fails to perfect, withdraws or otherwise loses his, her or its appraisal rights, each such share will be treated as if it had been converted as of the consummation of the Merger into a right to receive the Merger Consideration. The relevant provisions of the OGCL are included as **Annex C** to this proxy statement and prospectus.

DCB Financial shareholders who are considering exercising their appraisal rights and seeking payment of fair cash value of their DCB Financial shares should be aware that the fair cash value of their shares as determined pursuant to Section 1701.85 of the OGCL could be more than, the same as, or less than the value of the Merger Consideration they would receive pursuant to the Merger if they did not seek payment of fair cash value of their shares.

You are encouraged to read these provisions carefully and in their entirety. Due to the complexity of the procedures for exercising your appraisal rights, DCB Financial shareholders who are considering exercising such rights are encouraged to seek the advice of legal counsel.

Failure to strictly comply with these provisions will result in the loss of appraisal rights. See the section entitled *Dissenters Rights of DCB Financial Shareholders* beginning on page 72 of this proxy statement and prospectus and the text of Section 1701.85 of the OGCL reproduced in its entirety as **Annex C** to this proxy statement and prospectus for additional information.

Voting Agreement (page 71)

As of the record date, the directors of DCB Financial beneficially owned 1,671,182 DCB Financial common shares. In connection with the execution of the Merger Agreement, First Commonwealth entered into voting agreements with all of the directors of DCB Financial pursuant to which they agreed to vote their shares, and to use reasonable efforts to cause all shares owned by such director jointly with another person or by such director s spouse to be voted, for approval and adoption of the Merger Agreement.

Opinion of DCB Financial s Financial Advisor (page 38)

In connection with the Merger, DCB Financial s financial advisor, Keefe, Bruyette & Woods, Inc. (KBW), delivered to the DCB Financial Board of Directors its opinion, dated October 2, 2016, to the effect

Table of Contents

that, as of the date of such opinion, the Merger Consideration in the proposed Merger was fair, from a financial point of view, to the holders of DCB Financial common shares, as more fully described under *The Merger Opinion of DCB Financial s Financial Advisor* beginning on page 38. The full text of the opinion, which describes the procedures followed, assumptions made, matters considered, and qualifications and limitations on the review undertaken by KBW in preparing the opinion, is attached as **Annex B** to this document. **The opinion was for the information of, and was directed to, the DCB Financial Board of Directors (in its capacity as such) in connection with its consideration of the financial terms of the Merger. The opinion did not address the underlying business decision of DCB Financial to engage in the Merger or enter into the Merger Agreement or constitute a recommendation to the DCB Financial Board of Directors in connection with the Merger, and it does not constitute a recommendation to any holder of DCB Financial common shares or any shareholder of any other entity as to how to vote in connection with the Merger or any other matter (including, with respect to holders of DCB Financial common shares, what election any such shareholder should make with respect to the cash consideration, the stock consideration or any combination thereof).**

Regulatory Approvals (page 71**)**

Under the terms of the Merger Agreement, the Merger cannot be completed until First Commonwealth receives necessary regulatory approvals, which include the approval of the Federal Deposit Insurance Corporation (FDIC), the Pennsylvania Department of Banking and Securities (PaDBS) and the Board of Governors of the Federal Reserve System (the Federal Reserve Board). First Commonwealth has filed applications with the FDIC and the PaDBS for approval, however, First Commonwealth cannot be certain when or if such approval will be obtained. The FDIC approved First Commonwealth s application on December 22, 2016, subject to receipt of all other regulatory approvals. On November 28, 2016, First Commonwealth received approval from the Federal Reserve Board for a waiver of the Federal Reserve s application requirements. In addition, the Bank Merger is also subject to the non-objection of the Ohio Department of Commerce, Division of Financial Institutions. Although First Commonwealth does not know of any reason why it cannot obtain these regulatory approvals in a timely manner, it cannot be certain when, or if, they will be obtained.

Issued First Commonwealth Shares Will be Eligible for Trading (page 71)

The shares of First Commonwealth common stock to be issued upon completion of the Merger will be eligible for trading on the New York Stock Exchange.

Conditions to the Merger (page 67)

The respective obligations of First Commonwealth and DCB Financial to consummate the Merger are subject to the satisfaction or waiver, on or before the effective time of the Merger, of a number of conditions, including:

- approval of the Merger Agreement at the special meeting by holders of at least two-thirds of the outstanding DCB Financial common shares entitled to vote;

- approval of the Merger and the Bank Merger by the appropriate regulatory authorities without the imposition of any term, condition or restriction upon First Commonwealth that First Commonwealth reasonably determines is a burdensome condition;

the consummation of the Merger and the Bank Merger will not be illegal or otherwise prohibited and no order, injunction or other legal restraint preventing the consummation of the Merger or the Bank Merger is in effect;

the Registration Statement on Form S-4, of which this proxy statement and prospectus is a part, relating to the shares of First Commonwealth common stock to be issued pursuant to the Merger Agreement,

Table of Contents

must have become effective under the Securities Act of 1933, and no stop order suspending the effectiveness of the Registration Statement shall have been issued or threatened by the SEC;

the shares of First Commonwealth common stock to be issued upon completion of the Merger shall have been authorized for listing on the New York Stock Exchange;

the representations and warranties made by the parties in the Merger Agreement must be true and correct as of the date of the Merger Agreement and as of the closing date of the Merger or as otherwise required in the Merger Agreement, unless the inaccuracies do not or would not reasonably be expected to result in a material adverse effect;

the obligations of the parties in the Merger Agreement must have been performed in all material respects;

the parties must have received the respective closing deliverables of the other party to the Merger Agreement;

dissenting shares must represent no more than ten percent (10%) of the outstanding DCB Financial common shares;

DCB Financial must have received an opinion from Porter, Wright, Morris & Arthur LLP, counsel to DCB Financial, and First Commonwealth must have received an opinion from Squire Patton Boggs (US) LLP, counsel to First Commonwealth, each dated as of the closing date, to the effect that the Merger constitutes a reorganization within the meaning of Section 368(a) of the Code; and

there must not have occurred, on a consolidated basis, any change that individually or in the aggregate results in or is reasonably likely to result in a material adverse effect on DCB Financial or First Commonwealth.

We cannot be certain when, or if, the conditions to the Merger will be satisfied or waived, or that the Merger will be completed.

Termination (page 69)

First Commonwealth or DCB Financial may mutually agree at any time to terminate the Merger Agreement without completing the Merger, even if the DCB Financial shareholders have approved and adopted it. Also, either party may decide, without the consent of the other party, to terminate the Merger Agreement under specified circumstances, including (i) if the Merger is not consummated by October 2, 2017, (ii) if any governmental entity has issued a final and nonappealable order or taken any other action permanently enjoining, restraining or otherwise prohibiting the consummation of the Merger or (iii) if the DCB Financial shareholders do not approve and adopt the Merger Agreement at the DCB Financial special meeting. In addition, either party may terminate the Merger Agreement if there is a breach of the Merger Agreement by the other party that would cause the failure of conditions to the terminating party s obligation to close, unless the breach is capable of being cured and is cured by the earlier of

October 2, 2017, or the date that is thirty (30) days following written notice of the breach.

First Commonwealth has the right to terminate the Merger Agreement if the DCB Financial board (i) withdraws, qualifies, amends, modifies or withholds its recommendation that DCB Financial shareholders approve and adopt the Merger Agreement, fails reaffirm such recommendation within five (5) business days after First Commonwealth requests that such action be taken or fails to publicly recommend against a publicly announced acquisition proposal from another party within five (5) business days after the public announcement of such acquisition proposal; (ii) approves or recommends an alternative acquisition proposal; or (iii) breaches certain obligations, including with respect to the non-solicitation of alternative acquisition proposals or calling a meeting of its shareholders and recommending that they approve and adopt the Merger Agreement.

DCB Financial has the right to terminate the Merger Agreement if at any time during the five day period starting on the date on which all required regulatory and shareholder approvals are obtained, (i) the average closing price of First Commonwealth common stock for the ten (10) trading days immediately preceding the date when all required regulatory approvals are obtained is below $8.07 per share and (ii) the average closing price of First Commonwealth common stock during such 10-day period underperforms the NASDAQ Bank Index by more than 20%. First Commonwealth has the right to prevent DCB Financial s termination by agreeing to increase the Exchange Ratio pursuant to the formula set forth in the section entitled *The Merger Agreement Merger Consideration.*

Termination Fee (page 70)

DCB Financial is required to pay First Commonwealth a termination fee of approximately $5.3 million under certain circumstances, including circumstances involving alternative acquisition proposals with respect to DCB Financial, changes in the recommendation of the DCB Financial board, and certain breaches of the Merger Agreement by DCB Financial.

Interests of DCB Financial s Directors and Executive Officers in the Merger (page 73)

You should be aware that some of DCB Financial s directors and executive officers may have interests in the Merger that are different from, or in addition to, their interests as shareholders. These interests include certain payments and benefits that may be provided to directors and executive officers of DCB Financial upon completion of the Merger, including acceleration of restricted share awards and payment of discretionary bonuses, or upon termination of their employment under specified circumstances at the time of or following the completion of the Merger, including cash severance. The DCB Financial board of directors was aware of these interests and took them into account in approving and adopting the Merger Agreement.

Accounting Treatment of the Merger (page 71)

First Commonwealth will account for the Merger as an acquisition, as that term is used under U.S. generally accepted accounting principles, or GAAP.

Rights of Shareholders After the Merger (page 78)

When the Merger is completed, DCB Financial shareholders who receive stock will become First Commonwealth shareholders, and their rights as shareholders will then be governed by First Commonwealth s articles of incorporation and by-laws, which provide different rights than those provided by DCB Financial s articles of incorporation and code of regulations. First Commonwealth is organized under Pennsylvania law and DCB Financial is organized under Ohio law. To review the differences in the rights of shareholders under each company s governing documents, see *Comparison of the Rights of Shareholders* beginning on page 78.

United States Federal Income Tax Consequences of the Merger (page 88)

First Commonwealth and DCB Financial expect the Merger to qualify as a reorganization for United States federal income tax purposes. If the Merger so qualifies, DCB Financial shareholders will not recognize any gain or loss for United States federal income tax purposes on the exchange of DCB Financial shares solely for First Commonwealth shares in the Merger (except to the extent that the DCB Financial shareholders receive cash in lieu of any fractional shares of First Commonwealth common stock). DCB Financial shareholders exchanging DCB Financial shares solely for cash in the Merger will recognize gain or loss in an amount equal to the difference between the amount of cash received and the DCB Financial shareholder s aggregate tax basis in its DCB Financial common shares surrendered in exchange thereof, although it is possible in certain circumstances that the amount of cash received could be treated as a dividend. DCB Financial shareholders

13

receiving both shares of First Commonwealth common stock and cash for their DCB Financial common shares generally will recognize a gain (but not a loss) or, in certain circumstances, dividend income in an amount equal to the lesser of (i) the holder s gain realized (i.e., the excess, if any, of the sum of the amount of cash and the fair market value of shares of the First Commonwealth common stock received over the holder s adjusted tax basis in its DCB Financial common shares surrendered) and (ii) the amount of cash received pursuant to the Merger.

To review the tax consequences of the Merger to DCB Financial shareholders in greater detail, please see the section *United States Federal Income Tax Consequences* beginning on page 88.

Comparative Per Share Data

The following table shows information about First Commonwealth s and DCB Financial s book value per share, cash dividends per share, and diluted earnings per share, and similar information as if the Merger had occurred on the date indicated, all of which is referred to as pro forma information. In presenting the comparative pro forma information for certain time periods, it has been assumed that First Commonwealth and DCB Financial had been merged throughout those periods along with certain other assumptions.

The information listed as Pro Forma Equivalent DCB Financial Share was obtained by multiplying the Pro Forma Combined amounts by a fixed Exchange Ratio of 1.427. This information is presented to reflect the fact that DCB Financial shareholders will receive shares of First Commonwealth common stock for each DCB Financial common share exchanged in the Merger. It is also anticipated that the combined company will derive financial benefits from the Merger that include reduced operating expenses and the opportunity to earn more revenue. The pro forma information, while helpful in illustrating the financial characteristics of the merged company under one set of assumptions, does not reflect these benefits and, accordingly, does not attempt to predict or suggest future results. Further, the pro forma information below excludes one-time expenses related to the Merger. The pro forma information also does not necessarily reflect what the historical results of the combined company would have been had the companies been combined during these periods.

	First Commonwealth Historical	DCB Financial Historical	Pro Forma Combined	Pro Forma Equivalent DCB Financial Share
Book value per share:				
at September 30, 2016	$ 8.45	$ 8.09	$ 8.59	$ 12.26
at December 31, 2015	$ 8.09	$ 8.08	$ 8.17	$ 11.66
Cash dividends per share:				
Nine months ended September 30, 2016	$ 0.21		$ 0.21	$ 0.30
Year ended December 31, 2015	$ 0.28		$ 0.28	$ 0.40
Basic earnings per share:				
Nine Months ended September 30, 2016	$ 0.47	$	$ 0.43	$ 0.61
Year ended December 31, 2015	$ 0.56	$ 1.61	$ 0.63	$ 0.90
Diluted earnings per share:				

Nine months ended September 30, 2016	$ 0.47	$	$ 0.43	$ 0.61
Year ended December 31, 2015	$ 0.56	$ 1.61	$ 0.63	$ 0.90

Table of Contents

Market Prices and Share Information

The table below sets forth, for the calendar quarters indicated, the high and low sales price per share, as well as the cash dividends paid per share, of First Commonwealth common stock, which trades on the NYSE under the symbol FCF, and DCB Financial Corp common shares, which trades on the OTC Pink marketplace under the symbol DCBF.

	First Commonwealth Common Stock			DCB Financial Common Shares		
	High	Low	Dividend	High	Low	Dividend
Quarter Ended	(Dividends in Dollars per share)					
March 31, 2017 (as of January 17, 2017)	$ 14.43	$ 13.43	$ 0.07	$ 18.70	$ 17.45	
December 31, 2016	$ 14.34	$ 9.62	$ 0.07	$ 18.55	$ 13.32	
September 30, 2016	$ 10.36	$ 8.74	$ 0.07	$ 7.65	$ 7.05	
June 30, 2016	$ 9.44	$ 8.32	$ 0.07	$ 7.18	$ 6.81	
March 31, 2016	$ 9.28	$ 7.85	$ 0.07	$ 7.95	$ 6.72	
December 31, 2015	$ 9.95	$ 8.78	$ 0.07	$ 7.95	$ 6.50	
September 30, 2015	$ 9.93	$ 8.30	$ 0.07	$ 7.40	$ 6.70	
June 30, 2015	$ 9.88	$ 8.85	$ 0.07	$ 7.35	$ 6.85	
March 31, 2015	$ 9.32	$ 7.76	$ 0.07	$ 7.88	$ 7.00	
December 31, 2014	$ 9.56	$ 8.27	$ 0.07	$ 7.50	$ 6.86	

The following table presents quotation information for First Commonwealth stock on the New York Stock Exchange and DCB Financial stock on the OTC Pink marketplace on September 30, 2016, which was the last trading day prior to the announcement of the signing of the Merger Agreement and January 17, 2017, which was the last practicable trading day for which information was available prior to the date of this proxy statement and prospectus.

	First Commonwealth Common Stock			DCB Financial Common Shares		
	High	Low	Close	High	Low	Close
	(Dollars per share)					
September 30, 2016	$ 10.17	$ 9.95	$ 10.09	$ 7.65	$ 7.55	$ 7.65
January 17, 2017	$ 14.02	$ 13.43	$ 13.44	$ 18.30	$ 18.10	$ 18.10

The market value of the First Commonwealth common stock to be issued in exchange for DCB Financial common shares upon the completion of the Merger will not be known at the time of the special meeting. The above tables show only historical comparisons. Because the market prices of the First Commonwealth and DCB Financial common shares will likely fluctuate prior to the Merger, these comparisons may not provide meaningful information for the DCB Financial shareholders in determining whether to approve and adopt the Merger Agreement. Shareholders are encouraged to obtain current market quotations and to carefully review the other information contained in this proxy statement and prospectus.

The holders of First Commonwealth common stock receive dividends as and when declared by First Commonwealth s board of directors out of statutory surplus or from net profits. Following the completion of the Merger, subject to approval and declaration by First Commonwealth s board of directors, First Commonwealth expects to continue paying quarterly cash dividends on a basis consistent with past practices. The current annualized rate of distribution on a share of First Commonwealth common stock is $0.28 per share as of November 10, 2016. However, payment of dividends by First Commonwealth is subject to numerous factors, and no assurance can be given that First Commonwealth will pay dividends following the completion of the Merger or that dividends will not be reduced in the future.

Table of Contents

SELECTED CONSOLIDATED FINANCIAL DATA OF FIRST COMMONWEALTH

The selected consolidated financial data presented below, as of and for the nine months ended September 30, 2016 and 2015, is unaudited. The selected consolidated financial data presented below, as of and for each of the years in the five-year period ended December 31, 2015, is derived from First Commonwealth s audited historical financial statements. First Commonwealth s management prepared the unaudited information on the same basis as it prepared First Commonwealth s audited consolidated financial statements. In the opinion of First Commonwealth s management, this information reflects all adjustments, consisting only of normal recurring adjustments, necessary for a fair presentation of this data for those dates. This information should be read in conjunction with Management s Discussion and Analysis of Financial Condition and Results of Operations and the consolidated financial statements and the notes thereto incorporated by reference in this proxy statement and prospectus that First Commonwealth has previously filed with the SEC. See the section entitled *Where You Can Find More Information* on page 95. Results for past periods are not necessarily indicative of results that may be expected for any future period.

	Nine Months Ended September 30, 2016	Nine Months Ended September 30, 2015	Year Ended December 31, 2015	2014	2013	2012	2011
	(dollars in thousands, except per share data)						
Summary of Earnings:							
Total interest income	$ 161,682	$ 151,736	$ 204,071	$ 202,181	$ 206,358	$ 219,075	$ 231,545
Total interest expense	14,166	11,509	15,595	18,501	21,707	30,146	41,678
Net interest income	147,516	140,227	188,476	183,680	184,651	188,929	189,867
Provision for credit losses	20,306	8,818	14,948	11,196	19,227	20,544	55,816
Net interest income after provision for loan losses	127,210	131,409	173,528	172,484	165,424	168,385	134,051
Total non-interest income	46,267	46,043	61,325	60,859	60,163	65,434	57,669
Total non-interest expense	114,250	120,745	163,874	171,210	168,824	177,207	176,826
Income before income taxes	59,227	56,707	70,979	62,133	56,763	56,612	14,894
Income taxes	17,551	16,625	20,836	17,680	15,281	14,658	(380)
Net income	41,676	40,082	50,143	44,453	41,482	41,954	15,274
Per Common Share:							
Basic earnings per share	$ 0.47	$ 0.45	$ 0.56	$ 0.48	$ 0.43	$ 0.40	$ 0.15
Diluted earnings per share	0.47	0.45	0.56	0.48	0.43	0.40	0.15
Cash dividends declared	0.21	0.21	0.28	0.28	0.23	0.18	0.12
Book value	8.45	8.12	8.09	7.81	7.47	7.49	7.23
Statement of Condition (at period							

end):							
Total assets	$ 6,666,483	$ 6,384,749	$ 6,566,890	$ 6,360,285	$ 6,214,861	$ 5,995,390	$ 5,841,122
Loans, net	4,805,918	4,527,217	4,632,938	4,405,257	4,229,608	4,137,517	3,982,409
Loans held for sale	7,855	4,986	5,763	2,502			13,412
Deposits	4,458,980	4,161,490	4,195,894	4,315,511	4,603,863	4,557,881	4,504,684
Short-term borrowings	1,330,327	1,329,794	1,510,825	1,105,876	626,615	356,227	312,777
Subordinated debentures	72,167	72,167	72,167	72,167	72,167	105,750	105,750
Long-term borrowings	8,892	39,052	9,314	89,459	144,385	174,471	101,664
Total shareholders equity	751,787	722,768	719,546	716,145	711,697	746,007	758,543
Significant Ratios:							
Return on average assets	0.83%	0.84%	0.78%	0.71%	0.68%	0.71%	0.27%
Return on average equity	7.53	7.48	6.98	6.18	5.70	5.46	2.00
Net interest margin	3.28	3.29	3.28	3.27	3.39	3.61	3.80
Dividend payout ratio	44.68	46.67	50.00	58.33	53.49	44.57	82.26
Capital Ratios:							
Tier 1 leverage ratio	9.98%	10.13%	9.85%	9.85%	10.00%	11.24%	11.91%
Tier 1 capital to risk-weighted assets	11.59	11.50	11.25	11.73	12.10	13.28	13.46
Total capital to risk-weighted assets	12.64	12.46	12.25	12.79	13.26	14.53	14.71
Average equity to average assets	11.09	11.27	11.23	11.45	11.87	12.95	13.33
Asset Quality Ratios:							
Non-performing / total loans	1.13%	0.89%	1.09%	1.24%	1.39%	2.56%	2.76%
Allowance for loan losses/total loans	1.13	1.06	1.08	1.17	1.27	1.60	1.51
Allowance for loan losses/non-performing loans	99.83	118.84	99.94	94.21	91.31	62.47	62.01
Net loan charge-offs/average loans (annualized)	0.46	0.37	0.36	0.31	0.76	0.35	1.62

Table of Contents

SELECTED CONSOLIDATED FINANCIAL DATA OF DCB FINANCIAL

The selected consolidated financial data presented below, as of and for the nine months ended September 30, 2016 and 2015, is unaudited. The selected consolidated financial data presented below, as of and for each of the years in the five-year period ended December 31, 2015, is derived from DCB Financial s audited historical financial statements. DCB Financial s management prepared the unaudited information on the same basis as it prepared DCB Financial s audited consolidated financial statements. In the opinion of DCB Financial s management, this information reflects all adjustments, consisting only of normal recurring adjustments, necessary for a fair presentation of this data for those dates. This information should be read in conjunction with Management s Discussion and Analysis of Financial Condition and Results of Operations and the consolidated financial statements and the notes thereto incorporated by reference in this proxy statement and prospectus. See the section entitled *Where You Can Find More Information* on page 95. Results for past periods are not necessarily indicative of results that may be expected for any future period.

	Nine Months Ended September 30,		Year Ended December 31,				
	2016	**2015**	**2015**	**2014**	**2013**	**2012**	**2011**
	(dollars in thousands, except per share data)						
Summary of Earnings:							
Total interest income	$ 13,742	$ 13,390	$ 17,890	$ 17,380	$ 17,079	$ 18,848	$ 22,732
Total interest expense	1,186	872	1,170	1,212	1,818	3,238	5,113
Net interest income	12,556	12,518	16,720	16,168	15,261	15,610	17,619
Provision for loan losses				150	2,417	495	5,436
Net interest income after provision for loan losses	12,556	12,518	16,720	16,018	12,844	15,115	12,183
Total non-interest income	4,841	3,561	4,822	4,460	4,967	5,024	6,358
Total non-interest expense	17,609	15,296	20,453	20,106	21,040	19,606	21,292
Income before income taxes	(212)	783	1,089	372	(3,229)	533	(2,751)
Income taxes	(233)	(10,688)	(10,655)		(298)	(69)	(13)
Net income	21	11,471	11,744	372	(2,931)	602	(2,738)
Per Common Share:							
Basic earnings per share	$ 0.00	$ 1.58	$ 1.61	$ 0.05	$ (0.41)	$ 0.15	$ (0.74)
Diluted earnings per share	0.00	1.58	1.61	0.05	(0.41)	0.15	(0.74)

Cash dividends declared							
Book value	8.09	8.05	8.08	6.53	6.29	6.73	9.33
Statement of Condition (at period end):							
Total assets	$ 565,417	$ 541,734	$ 541,264	$ 515,382	$ 502,419	$ 506,492	$ 522,881
Loans, net	386,158	376,084	374,180	381,208	349,324	310,623	350,183
Loans held for sale	755				7,806		
Deposits	489,548	474,907	474,537	453,192	426,859	448,290	445,428
Deposits held for sale					22,571		
Short-term borrowings	1,328	382	1,530	7,257		454	29,500
Subordinated debentures							
Long-term borrowings	2,965	4,329	2,990	4,551	4,838	7,044	10,536
Total shareholders equity	59,393	58,696	58,847	47,211	45,264	48,389	34,699
Significant Ratios:							
Return on average assets	0.01%	2.88%	2.19%	0.07%	(0.58)%	0.12%	(0.49)%
Return on average equity	0.05	32.82	23.71	0.82	(6.01)	1.73	(7.41)
Net interest margin	3.33	3.41	3.39	3.49	3.28	3.35	3.39
Dividend payout ratio							
Capital Ratios:							
Tier 1 leverage ratio	8.99%	9.33%	9.34%	9.21%	9.00%	9.79%	6.60%
Tier 1 capital to risk-weighted assets	13.33	13.28	13.44	12.72	12.56	12.25	8.80
Total capital to risk-weighted assets	14.58	14.43	14.62	13.88	13.82	13.46	10.10
Average equity to average assets	10.55	8.79	9.23	9.06	9.39	6.83	6.56
Asset Quality Ratios:							
Non-performing loans / total loans	2.51%	1.95%	1.92%	2.98%	5.91%	8.21%	9.34%
Allowance for loan losses / total loans	1.18	1.11	1.14	1.10	1.85	2.17	2.66
Allowance for loan losses / non-performing loans	46.87	56.63	59.65	36.84	31.98	26.41	28.52
Net loan charge-offs / average loans	(0.09)	0.01	(0.03)	0.70	0.18	0.97	2.05

Table of Contents

RISK FACTORS

In addition to the other information contained in or incorporated by reference into this proxy statement and prospectus (See *Where You Can Find More Information*), including the risk factors included in First Commonwealth s and DCB Financial s respective Annual Reports on Form 10-K for the year ended December 31, 2015, you should consider carefully the risk factors described below in deciding how to vote for the proposals presented in this proxy statement and prospectus. You should keep these risk factors in mind when you read forward-looking statements in this document and in the documents incorporated by reference into this document. Please refer to the section of this proxy statement and prospectus titled *Caution About Forward-Looking Statements*.

Because the market price of First Commonwealth common stock will fluctuate, DCB Financial shareholders cannot be certain of the market value of the First Commonwealth common stock that they will receive upon completion of the Merger.

Upon completion of the Merger, each DCB Financial common share will be converted to the right to receive 1.427 shares of First Commonwealth common stock or $14.50 in cash at the election of the shareholder and subject to proration as provided in the Merger Agreement. Any change in the price of First Commonwealth common stock prior to the Merger will affect the market value of the First Commonwealth common stock that you will receive upon completion of the Merger. Stock price changes may result from a variety of factors, including general market and economic conditions, changes in First Commonwealth s businesses, operations, prospects and regulatory considerations. Many of these factors are beyond the control of First Commonwealth and DCB Financial.

The prices of First Commonwealth common stock and DCB Financial common shares at the completion of the Merger may vary from their respective prices on the date the Merger Agreement was executed, on the date of this proxy statement and prospectus and on the date of our special meeting. As a result, the value represented by the exchange ratio will also vary. For example, based on the range of closing prices of First Commonwealth common stock during the period from September 30, 2016, the last trading day before public announcement of the Merger, through January 17, 2017, the last practicable trading day prior to the date we printed and mailed this proxy statement and prospectus, the exchange ratio represented a value ranging from a high of $20.59 on January 3, 2017 to a low of $13.73 on October 13, 2016 for each DCB Financial common share. Because the date on which we expect to complete the Merger will be later than the date of our special meeting, at the time of our special meeting our shareholders will not know what the market value of First Commonwealth s common stock will be upon completion of the Merger.

DCB Financial shareholders may receive a form of consideration different from what they elect.

Although each holder of DCB Financial common shares may elect to receive as consideration only shares of First Commonwealth common stock or only cash in the Merger, or shares of First Commonwealth common stock for certain shares and cash for other shares the total cash consideration is fixed at $21,283,773, which is approximately 20% of the Merger Consideration, and the remaining Merger Consideration will be in the form of First Commonwealth common stock. The cash consideration is fixed. Therefore, if DCB Financial shareholders elect more cash or stock than is available under the Merger Agreement, elections for the over-subscribed form of Merger Consideration will be prorated. As a result, if either the aggregate cash elections or stock elections exceed the maximum availability, and you choose the consideration election that exceeds the maximum availability, some of your consideration will be in a form that you did not choose.

The combined company that results from the Merger will have incurred significant transaction- and merger-related costs in connection with the Merger.

First Commonwealth and DCB Financial each expect to incur substantial costs in connection with the Merger and combining the businesses and operations of the two companies. First Commonwealth and DCB

Table of Contents

Financial have begun collecting information in order to formulate detailed integration plans to deliver planned synergies. However, additional unanticipated costs may be incurred during the integration process. Whether or not the Merger is consummated, First Commonwealth and DCB Financial will incur substantial expenses, such as legal, accounting, printing and financial advisory fees. Although First Commonwealth and DCB Financial expect that the elimination of duplicative costs, as well as the realization of other efficiencies related to the integration of the businesses, may offset incremental transaction and merger-related costs over time, this net benefit may not be achieved in the near-term, or at all.

The combined company that results from the Merger may encounter integration difficulties that may prevent it from realizing the anticipated benefits of the Merger.

The success of the Merger will depend on, among other things, First Commonwealth s ability to combine the businesses of First Commonwealth Bank and DCB Bank within First Commonwealth s projected timeframe without materially disrupting the existing customer relationships of DCB Bank and suffering decreased revenues as a result of the loss of those customers. If First Commonwealth is not able to successfully achieve these objectives, the anticipated benefits of the Merger may not be realized fully, or at all, or may take longer to realize than expected.

A number of factors could affect the integration process. The success of the Merger will depend upon the integration of employees, systems, operating procedures and information technologies, as well as the retention of key employees. First Commonwealth and DCB Financial have operated and, until the completion of the Merger, will continue to operate, independently from each other. Key employees of DCB Financial may elect to terminate their employment as a result of, or in anticipation of, the Merger. It will be important for First Commonwealth to attract and retain talented employees to complete the integration process. It is possible that the integration process could result in the disruption of First Commonwealth s or DCB Financial s ongoing businesses or cause inconsistencies in standards, controls, procedures and policies that adversely affect the ability of First Commonwealth or DCB Financial to maintain relationships with customers and employees or to achieve the anticipated benefits of the Merger.

First Commonwealth believes the combined company will achieve enhanced earnings due to, among other things, reduction of duplicate costs, improved efficiency and cross-marketing opportunities. If completion of the Merger is delayed or First Commonwealth experiences integration difficulties, including those discussed in the paragraphs above, First Commonwealth may not realize the anticipated benefits of the Merger at all, or the benefits of the Merger may take longer to realize than anticipated. Failure to achieve the anticipated benefits of the Merger in the timeframes projected by First Commonwealth could result in increased costs and decreased revenues. This could have a dilutive effect on the combined company s earnings per share.

First Commonwealth has limited operating experience in Ohio, which may adversely impact First Commonwealth s ability to compete successfully in this market area.

First Commonwealth first entered the Ohio market in 2014 with the opening of a loan production office in Cleveland. In August 2015, First Commonwealth expanded its presence in Ohio through its acquisition of First Community Bank. On December 5, 2016, First Commonwealth completed the acquisition of 13 branches in Canton and Ashtabula from The Huntington National Bank. First Commonwealth may not be able to retain existing customers of DCB Financial, or adequately address the Ohio market in terms of the products and services that First Commonwealth proposes to offer, or otherwise compete successfully against institutions already established within this market area. First Commonwealth s success in the Ohio market will depend, in large part, on the ability of First Commonwealth to identify, attract and retain qualified and experienced personnel with local expertise and relationships in the Ohio market to supplement the existing DCB Financial and First Commonwealth team. Such qualified personnel may be inexperienced in working with First Commonwealth, which could affect First Commonwealth s ability to attract and retain qualified personnel. The newness of the First Commonwealth brand in the Ohio market may adversely affect First Commonwealth s overall ability to compete for customers in this market area.

Table of Contents

The market price for First Commonwealth common stock may be affected by factors different from those that historically have affected DCB Financial common shares.

Upon completion of the Merger, certain holders of DCB Financial common shares will become holders of First Commonwealth common stock. First Commonwealth s businesses differ from those of DCB Financial, and accordingly, the results of operations of First Commonwealth will be affected by some factors that are different from those currently affecting the results of operations of DCB Financial. For a discussion of the businesses of First Commonwealth and DCB Financial and some of the important factors to consider in connection with those businesses, see the documents incorporated by reference in this proxy statement and prospectus and referred to under *Where You Can Find More Information* beginning on page 95 and the information concerning DCB Financial and its subsidiaries contained elsewhere in this proxy statement and prospectus.

First Commonwealth s decisions regarding the credit risk associated with DCB Bank s loan portfolio could be incorrect and its credit mark may be inadequate, which may adversely affect the financial condition and results of operations of the combined company after the completion of the Merger.

Before signing the Merger Agreement, First Commonwealth conducted extensive due diligence on a significant portion of DCB Bank s loan portfolio. However, First Commonwealth s review did not encompass each and every loan in the DCB Bank loan portfolio. In accordance with customary industry practices, First Commonwealth evaluated the loan portfolio based on various factors including, among other things, historical loss experience, economic risks associated with each loan category, volume and types of loans, trends in classification, volume and trends in delinquencies and nonaccruals, and general economic conditions, both local and national. In this process, First Commonwealth s management made various assumptions and judgments about the collectability of the loan portfolio, including the creditworthiness and financial condition of the borrowers, the value of the real estate, which is obtained from independent appraisers, other assets serving as collateral for the repayment of the loans, the existence of any guarantees and the economic environment in which the borrowers operate. If First Commonwealth s assumptions and judgments turn out to be incorrect, including as a result of the fact that its due diligence review did not cover each individual loan, First Commonwealth s estimated credit mark against the loan portfolio in total may be insufficient to cover actual loan losses after the Merger closes, and adjustments may be necessary to allow for different economic conditions or adverse developments in the loan portfolio. Additionally, deterioration in economic conditions affecting borrowers, new information regarding existing loans, identification of additional problem loans and other factors, both within and outside management s control, may require an increase in the provision for loan losses. Material additions to the credit mark and/or allowance for loan losses would materially decrease First Commonwealth s net income.

The Merger cannot be completed unless a number of conditions in the Merger Agreement are satisfied or waived.

The Merger Agreement contains a number of conditions that must be satisfied or waived in order to complete the Merger. Those conditions include: approval of the Merger by DCB Financial shareholders, receipt of all required regulatory approvals, absence of any law, statute or regulation, or any order, injunction or other legal restraint or prohibition preventing the completion of the Merger, effectiveness of the registration statement of which this proxy statement and prospectus is a part, the accuracy of the representations and warranties of both parties, the performance by both parties of their respective covenants and agreements, and the receipt by both parties of legal opinions from their respective tax counsels. There can be no assurance that the conditions to closing of the Merger will be fulfilled or that the Merger will be completed. See the section entitled *The Merger Agreement Conditions to the Merger* on page 67.

Regulatory approvals may not be received, may take longer than expected or may impose conditions that are not presently anticipated or cannot be met.

Before the Merger and the Bank Merger may be completed, various approvals must be obtained from bank regulatory agencies and other governmental authorities. These governmental entities may not grant approval of either the Merger or the Bank Merger, or may impose conditions on the granting of their approvals. The conditions or changes they impose, as well as the process of obtaining regulatory approvals, could have the effect of delaying completion of the Merger or of imposing additional costs or limitations on First Commonwealth following the Merger. First Commonwealth may elect not to consummate the Merger if, in connection with any regulatory approval needed for the Merger, any governmental or regulatory entity imposes a restriction, requirement or condition on First Commonwealth that, individually or in the aggregate, would be reasonably likely to have a material and adverse effect on First Commonwealth and its subsidiaries, taken as a whole, after giving effect to the Merger. As a result, there can be no assurance that the desired regulatory approvals for the Merger will be obtained or that the Merger will be completed. See the section entitled *The Merger Agreement Regulatory Approvals for the Merger* on page 71.

Termination of the Merger Agreement could negatively affect DCB Financial s businesses and the market price of its common shares.

If the Merger Agreement is terminated, there may be various consequences, including:

- DCB Financial s businesses may have been adversely impacted by the failure to pursue other beneficial opportunities due to the focus of management on the Merger, without realizing any of the anticipated benefits of completing the Merger; and

- the market price of DCB Financial common shares may decline to the extent that the current market price reflects a market assumption that the Merger will be completed.

If the Merger Agreement is terminated and the DCB Financial board of directors seeks another merger or business combination, DCB Financial shareholders cannot be certain that DCB Financial will be able to find a party willing to offer equivalent or more attractive consideration than the consideration First Commonwealth has agreed to pay in the Merger.

If the Merger Agreement is terminated under certain circumstances, DCB Financial may be required to pay First Commonwealth a termination fee of $5.3 million. See *The Merger Agreement Termination Fee* on page 70.

If the Merger is not completed, DCB Financial will have incurred substantial expenses without its shareholders realizing the expected benefits of the Merger.

DCB Financial has already incurred, and will continue to incur, substantial expenses in connection with the transactions described in this proxy statement and prospectus, which are charged to earnings as incurred. If the Merger is not completed, these expenses will have a material adverse impact on the operating results of DCB Financial even though it will not have realized the expected benefits of the Merger. There can be no assurance that the Merger will be completed.

The Merger Agreement limits DCB Financial s ability to pursue alternatives to the Merger with First Commonwealth.

The Merger Agreement contains provisions that restrict DCB Financial s ability to discuss, facilitate or enter into agreements with third parties to acquire DCB Financial. DCB Financial is not required to comply with this restriction if compliance would reasonably be expected to cause DCB Financial s board of directors to breach its fiduciary duties. Even if DCB Financial were to avail itself of that limited exception, it could be obligated to pay First Commonwealth a termination fee of $5.3 million if either First Commonwealth or DCB Financial terminates the Merger Agreement under specified circumstances. In any event, the presence of those restrictions in the Merger Agreement could discourage a potential competing acquiror that may have an interest in acquiring DCB Financial from proposing or considering an acquisition even if that potential acquiror were prepared to pay a higher price to DCB Financial shareholders than the Merger Consideration offered by First Commonwealth.

Table of Contents

DCB Financial will be subject to business uncertainties and contractual restrictions while the Merger is pending.

Uncertainties about the effect of the Merger on employees and customers may have an adverse effect on DCB Financial and consequently on First Commonwealth. These uncertainties may impair DCB Financial s ability to attract, retain and motivate key personnel until the Merger is completed, and could cause customers and others who deal with DCB Financial to consider changing existing business relationships with DCB Financial. Retention of certain employees may be challenging during the pendency of the Merger, as certain employees may experience uncertainty about their future roles with the combined company. If key employees depart because of issues relating to the uncertainty and difficulty of integration or a desire not to remain with the business, DCB Financial s business prior to the Merger and First Commonwealth s business following the Merger could be negatively impacted.

The pursuit of the Merger and the preparation for the integration may place a significant burden on management and internal resources. Any significant diversion of management attention away from the ongoing business and any difficulties encountered in the transition and integration process could affect the financial results of DCB Financial and, following the Merger, the combined company.

In addition, the Merger Agreement restricts DCB Financial from taking specified actions relative to its business without the prior consent of First Commonwealth. These restrictions may prevent DCB Financial from pursuing attractive business opportunities that may arise prior to the completion of the Merger. See *The Merger Agreement Covenants* beginning on page 63 for a description of the restrictive covenants applicable to DCB Financial.

Some of DCB Financial s directors and executive officers have interests in the Merger that may differ from the interests of DCB Financial s shareholders including, if the Merger is completed, the receipt of financial and other benefits.

You should be aware that DCB Financial s directors and executive officers may have economic interests in the Merger that are different from, or in addition to, the interests of DCB Financial shareholders generally. For example, once the Merger is completed, it is expected that each DCB Financial executive officer will be entitled to change-in-control payments and accelerated vesting of equity-based compensation under the compensation programs put in place by DCB Financial. In addition, the executive officers may receive stay bonuses if they remain employed by DCB Financial through the closing date of the Merger.

Directors of DCB Financial will receive, once the Merger is completed, accelerated vesting of equity-based compensation. Additionally, following completion of the Merger, the First Commonwealth and First Commonwealth Bank boards of directors will each be enlarged by one seat, and one DCB Financial director, as mutually agreed upon by First Commonwealth and DCB Financial, will be appointed to serve on the First Commonwealth and First Commonwealth Bank boards of directors. The Merger Agreement also provides for the continued indemnification of DCB Financial s current and former directors and executive officers following the Merger and for the continuation of directors and officers insurance for these individuals for six years after the Merger. See *Interests of DCB Financial s Directors and Executive Officers in the Merger* on page 73.

DCB Financial shareholders will have a reduced ownership and voting interest after the Merger and will exercise less influence over management.

Following the Merger, former DCB Financial shareholders are expected to hold approximately 9% of the outstanding shares of First Commonwealth common stock. As a result, former DCB Financial shareholders will have only limited ability to influence First Commonwealth s business. Former DCB Financial shareholders will not have separate approval rights with respect to any actions or decisions of First Commonwealth or have separate representation on First Commonwealth s or First Commonwealth Bank s board of directors.

Table of Contents

The Merger may fail to qualify as a reorganization for federal tax purposes, resulting in your recognition of taxable gain or loss in respect of your DCB Financial common shares and DCB Financial may be subject to significant tax liability at the corporate level.

First Commonwealth and DCB Financial intend the Merger to qualify as a reorganization within the meaning of Section 368(a) of the Code. First Commonwealth and DCB Financial will, as a condition to closing, each obtain an opinion from their respective legal counsel that the Merger will constitute a reorganization for federal tax purposes. These opinions do not bind the Internal Revenue Service (the IRS) or prevent the IRS from adopting a contrary position. If the Merger fails to qualify as a reorganization, you generally would recognize gain or loss on each DCB Financial common share surrendered in an amount equal to the difference between your adjusted tax basis in that common share and the fair market value of the Merger Consideration received in exchange for that common share upon completion of the Merger. Furthermore, if the Merger fails to qualify as a reorganization, First Commonwealth, as successor to DCB Financial, may incur a significant tax liability resulting from a taxable sale of DCB Financial s assets for United States federal income tax purposes. See *United States Federal Income Tax* on page 88.

The shares of First Commonwealth common stock to be received by DCB Financial shareholders as consideration in the Merger will have different rights from the DCB Financial common shares currently held by them.

The rights associated with DCB Financial common shares are different from the rights associated with First Commonwealth common stock in certain significant respects. Upon completion of the Merger, DCB Financial shareholders who receive shares of First Commonwealth common stock as consideration in the Merger will become First Commonwealth shareholders and their rights as shareholders will be governed by the articles of incorporation and by-laws of First Commonwealth and provisions of Pennsylvania law applicable to companies formed in Pennsylvania, like First Commonwealth.

Please see *Comparison of the Rights of Shareholders* beginning on page 78 for a discussion of the different rights associated with First Commonwealth common stock.

The fairness opinion delivered by DCB Financial s financial advisor to the DCB Financial board of directors prior to the execution of the Merger Agreement will not reflect changes in circumstances subsequent to the date of the fairness opinion.

KBW, DCB Financial s financial advisor in connection with the proposed Merger, delivered to the DCB Financial Board of Directors on October 2, 2016, its opinion, dated October 2, 2016, to the effect that, as of the date of such opinion, the Merger Consideration in the proposed Merger was fair, from a financial point of view to the holders of DCB Financial common shares, as more fully described under *The Merger Opinion of DCB Financial s Financial Advisor* beginning on page 38. KBW s opinion speaks only as of the date of the opinion. The opinion does not reflect changes that may occur or may have occurred after the date of the opinion, including changes to the operations and prospects of First Commonwealth or DCB Financial, changes in general market and economic conditions or regulatory or other factors. Any such changes, or changes in other factors on which the opinion is based, may materially alter or affect the relative values of First Commonwealth and DCB Financial.

Table of Contents

CAUTION ABOUT FORWARD-LOOKING STATEMENTS

This document, and the documents incorporated by reference into it, may contain forward-looking statements, including statements about First Commonwealth s and DCB Financial s financial condition, results of operations, earnings outlook, asset quality trends and profitability. Forward-looking statements express management s current expectations or forecasts of future events and, by their nature, are subject to assumptions, risks and uncertainties. Certain statements contained in this filing that are not statements of historical fact constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, or the Reform Act, notwithstanding that such statements are not specifically identified.

In addition, certain statements may be contained in the future filings of First Commonwealth and DCB Financial with the SEC, in press releases and in oral and written statements made by or with the approval of First Commonwealth that are not statements of historical fact and constitute forward-looking statements within the meaning of the Reform Act. Examples of forward-looking statements include, but are not limited to:

- statements about the benefits of the Merger between First Commonwealth and DCB Financial, including future financial and operating results, cost savings, enhanced revenues and accretion to reported earnings that may be realized from the Merger;
- statements of plans, objectives and expectations of First Commonwealth or DCB Financial or their managements or boards of directors;
- statements of future economic performance; and
- statements of assumptions underlying such statements.

Words such as believes, anticipates, expects, intends, targeted, continue, remain, will, should, may expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements.

Forward-looking statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions which are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements. Factors that could cause actual results to differ from those discussed in the forward-looking statements include, but are not limited to:

- the failure of the parties to satisfy or waive the closing conditions in the Merger Agreement in a timely manner or at all;
- the failure of the DCB Financial shareholders to approve and adopt the Merger Agreement;

the inability to obtain governmental approvals of the Merger on the proposed terms and schedule;

the risk that the businesses of First Commonwealth and DCB Financial will not be integrated successfully or such integration may be more difficult, time-consuming or costly than expected;

expected revenue synergies and cost savings from the Merger may not be fully realized or realized within the expected time frame;

business disruption following the Merger;

revenues following the Merger may be lower than expected;

deposit attrition, operating costs, customer loss and business disruption following the Merger, including, without limitation, difficulties in maintaining relationships with employees, may be greater than expected;

customer disintermediation;

Table of Contents

local, regional, national and international economic conditions and the impact they may have on First Commonwealth and DCB Financial and their customers and First Commonwealth s and DCB Financial s assessment of that impact;

changes in the level of non-performing assets, delinquent loans, and charge-offs;

changes in estimates of future reserve requirements based upon the periodic review thereof under relevant regulatory and accounting requirements;

the risk that management s assumptions and estimates used in applying critical accounting policies prove unreliable, inaccurate or not predictive of actual results;

inflation, interest rate, securities market and monetary fluctuations;

changes in interest rates, spreads on earning assets and interest-bearing liabilities, and interest rate sensitivity;

prepayment speeds, loan originations and credit losses;

sources of liquidity;

competitive pressures among depository and other financial institutions may increase and have an effect on pricing, spending, third-party relationships and revenues;

changes in laws and regulations (including laws and regulations concerning taxes, banking, securities and insurance) with which First Commonwealth and DCB Financial must comply;

the effects of, and changes in, trade, monetary and fiscal policies and laws, including interest rate policies of the Federal Reserve Board;

technological change;

the number of shares outstanding and price volatility of First Commonwealth s common stock and DCB Financial s common shares;

legislation affecting the financial services industry as a whole, and/or First Commonwealth and DCB Financial and their subsidiaries, individually or collectively;

governmental and public policy changes;

financial resources in the amounts, at the times and on the terms required to support First Commonwealth s and DCB Financial s future businesses;

capital management activities;

if litigation relating to the Merger is commenced, litigation liabilities, including costs, expenses, settlements and judgments, may adversely affect First Commonwealth, DCB Financial and their respective businesses;

the impact on First Commonwealth s or DCB Financial s businesses, as well as on the risks set forth above, of various domestic or international military or terrorist activities or conflicts; and

the success of First Commonwealth and DCB Financial at managing the risks involved in the foregoing.

Annualized, pro forma, projected and estimated numbers are used for illustrative purpose only, are not forecasts and may not reflect actual results.

Additional factors that could cause First Commonwealth s and DCB Financial s results to differ materially from those described in the forward-looking statements can be found in First Commonwealth s and DCB Financial s respective Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on

Table of Contents

Form 8-K filed with the SEC. All subsequent written and oral forward-looking statements concerning the proposed transaction or other matters and attributable to First Commonwealth or DCB Financial or any person acting on their behalf are expressly qualified in their entirety by the cautionary statements referenced above. Forward-looking statements speak only as of the date on which such statements are made. First Commonwealth and DCB Financial undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made, or to reflect the occurrence of unanticipated events. For any forward-looking statements made in this proxy statement and prospectus or in any documents incorporated by reference into this proxy statement and prospectus, First Commonwealth and DCB Financial claim the protection of the safe harbor for forward-looking statements contained in the Reform Act.

We caution you not to place undue reliance on the forward-looking statements.

Table of Contents

SPECIAL MEETING OF THE DCB FINANCIAL SHAREHOLDERS

Date, Place, Time, and Purpose

The DCB Financial board of directors is sending you this proxy statement and prospectus and proxy to use at the special meeting. At the special meeting, the DCB Financial board of directors will ask you to vote (1) on a proposal to approve and adopt the Merger Agreement, (2) to approve, on an advisory (non-binding) basis, the Merger-Related Compensation Proposal, and (3) to approve the Adjournment Proposal. DCB Financial does not expect any other items of business to be presented at the special meeting. If other matters do properly come before the special meeting, the accompanying proxy gives discretionary authority to the persons named in the proxy to vote on any other matters brought before the meeting. Those persons intend to vote the proxies in accordance with their judgment.

The special meeting will be held on Thursday, March 16, 2017, at 10:00 a.m., Eastern Time, at The Delaware County Bank and Trust Company Corporate Center, 110 Riverbend Avenue, Lewis Center, Ohio, 43035.

Record Date, Voting Rights, Quorum, and Required Vote

DCB Financial has set the close of business on January 23, 2017, as the record date for determining the holders of DCB Financial common shares entitled to notice of and to vote at the special meeting. Only DCB Financial shareholders at the close of business on the record date are entitled to notice of and to vote at the special meeting. As of the record date, there were 7,338,092 DCB Financial common shares outstanding and entitled to vote at the special meeting. Each DCB Financial common share is entitled to one vote at the special meeting on all matters properly presented.

The holders of over 50% of the outstanding DCB Financial common shares as of the record date must be present in person or by proxy at the special meeting to constitute a quorum. In determining whether a quorum is present, shareholders who abstain will be treated as present for determining the presence or absence of a quorum.

Approval and adoption of the Merger Agreement will require the affirmative vote of holders of at least two-thirds of DCB Financial s outstanding shares entitled to vote at the special meeting. Abstentions from voting and broker non-votes will have the same effect as a vote against the Merger Agreement. The directors and executive officers of DCB Financial (and their affiliates), as a group, beneficially own 1,796,426 DCB Financial common shares, representing approximately 24.48% of the outstanding DCB Financial common shares as of the record date. In connection with the execution of the Merger Agreement, First Commonwealth entered into a voting agreement with all of the directors of DCB Financial pursuant to which they agreed to vote their shares ***FOR*** the approval and adoption of the Merger Agreement. The directors of DCB Financial were not paid any additional consideration in connection with the execution of the voting agreement.

The advisory vote on the Merger-Related Compensation Proposal and the vote on the Adjournment Proposal each require more votes cast in favor of the proposal than are cast against it. Abstentions and broker non-votes will have no effect on these proposals.

Voting and Revocability of Proxies

You may vote in one of four ways: (1) by mail (by completing and signing the proxy that accompanies this proxy statement and prospectus); (2) by telephone; (3) by using the Internet; or (4) in person (by either delivering the completed proxy or by casting a ballot if attending the special meeting). To ensure your representation at the special meeting, we recommend you vote by proxy even if you plan to attend the special meeting. You may change your proxy vote at the special meeting.

DCB Financial shareholders whose shares are held in street name by their broker, bank, or other nominee must follow the instructions provided by their broker, bank, or other nominee to vote their shares.

Table of Contents

Voting instructions are included on your proxy. If you properly complete and timely submit your proxy, your shares will be voted as you have directed. If you submit your proxy without specifying a voting instruction, your shares will be voted ***FOR*** approval and adoption of the Merger Agreement, ***FOR*** approval of the Merger-Related Compensation Proposal and ***FOR*** approval of the Adjournment Proposal.

You may revoke your proxy before it is voted by:

- submitting to the Secretary of DCB Financial a duly executed revocation of proxy;
- submitting a new proxy with a later date; or
- voting in person at the special meeting.

Attendance at the special meeting will not, in and of itself, constitute a revocation of a proxy. All written notices of revocation and other communication with respect to the revocation of proxies should be addressed to: DCB Financial Corp, 110 Riverbend Avenue, Lewis Center, Ohio 43035, Attention: J. Daniel Mohr, Corporate Secretary.

The telephone and Internet voting procedures have been set up for your convenience and have been designed to authenticate your identity, to allow you to give voting instructions, and to confirm that those instructions have been properly recorded. If you would like to vote by telephone or by using the Internet, please refer to the specific instructions on the proxy. The deadline for voting by telephone or via the Internet is 11:59 p.m. Eastern Time on March 15, 2017.

Solicitation of Proxies

First Commonwealth will pay the costs of the distribution of this proxy statement and prospectus. In addition to soliciting proxies by mail, directors, officers, and employees of DCB Financial may solicit proxies personally and by telephone. None of these persons will receive additional or special compensation for soliciting proxies. DCB Financial will, upon request, reimburse brokers, banks and other nominees for their expenses in sending proxy materials to their customers who are beneficial owners and obtaining their voting instructions.

If you have any questions concerning the Merger, the other meeting matters or this proxy statement and prospectus or need assistance voting your shares, please contact the proxy solicitor at the address or telephone number listed below:

Regan & Associates, Inc.

505 Eighth Avenue, Suite 800

New York, New York 10018

(800) 737 - 3426

Recommendation of the DCB Financial Board of Directors

The DCB Financial board of directors unanimously determined that the Merger on the terms set forth in the Merger Agreement is in the best interests of DCB Financial and the DCB Financial shareholders. The DCB Financial board of directors unanimously recommends that DCB Financial shareholders vote ***FOR*** approval and adoption of the Merger Agreement, ***FOR*** approval of the Merger-Related Compensation Proposal and ***FOR*** approval of the Adjournment Proposal.

See *The Merger Background of the Merger* and D*CB Financial s Reasons for the Merger and Recommendation of the Board of Directors* for a more detailed discussion of the DCB Financial board of directors recommendation with regard to the Merger Agreement.

Table of Contents

INFORMATION ABOUT THE COMPANIES

First Commonwealth Financial Corporation

601 Philadelphia Street

Indiana, Pennsylvania 15701

(724) 349-7220

First Commonwealth, headquartered in Indiana, Pennsylvania, is a financial services company with $6.7 billion in total assets and 109 banking offices in 17 counties throughout western and central Pennsylvania and central Ohio, as well as a Corporate Banking Center in northeast Ohio and mortgage offices in Stow and Dublin, Ohio. First Commonwealth provides a full range of commercial banking, consumer banking, mortgage, wealth management and insurance products and services through its subsidiaries First Commonwealth Bank and First Commonwealth Insurance Agency, Inc. First Commonwealth s common stock is listed on the New York Stock Exchange under the symbol FCF.

Additional information about First Commonwealth and its subsidiaries is included in documents incorporated by reference into this document. For more information, please see the section entitled *Where You Can Find More Information* beginning on page 95.

DCB Financial Corp

110 Riverbend Avenue

Lewis Center, Ohio 43035

(740) 657-7000

DCB Financial is a financial holding company formed under the laws of the State of Ohio. DCB Financial is the parent of DCB Bank, a state-chartered commercial bank, which conducts business from its main offices in Lewis Center, Ohio, and through its nine full-service and four limited-service branch offices located in Central Ohio. DCB Bank provides customary retail and commercial banking and cash management services to its customers. Its services include checking and savings accounts, time deposits, IRAs, safe deposit facilities, personal loans, commercial loans, commercial leases, SBA loans, real estate mortgage loans, night depository facilities and trust and personalized wealth management services. DCB Financial s common shares are quoted on the OTC Pink marketplace under the symbol DCBF.

Additional information about DCB Financial and its subsidiaries is included in documents incorporated by reference into this document. For more information, please see the section entitled *Where You Can Find More Information* beginning on page 95.

Table of Contents

PROPOSAL 1 THE MERGER

Background of the Merger

The DCB Financial board of directors and its strategic alternatives committee have regularly engaged with executive management to consider and review DCB Financial s long-term prospects, strategies, and options for enhancing shareholder value. These meetings from time to time have been attended by financial advisors, including KBW.

On June 16, 2016, at a meeting of the strategic alternatives committee of the DCB Financial board of directors, at which all members of the board of directors were invited to attend, executive management of DCB Financial reviewed its current five-year financial forecast and potential strategic options including, among other options, (1) an organic growth strategy, whereby DCB Financial would remain independent and pursue internally generated growth; (2) an acquisition strategy, whereby DCB Financial would remain independent and pursue potential acquisitions in addition to the pursuit of internally generated growth; and (3) a sale of DCB Financial through a business combination with another financial institution.

Executive management reviewed various proposed initiatives that supported DCB Financial s then-current strategy of remaining independent. Executive management s review of strategic options included a review of internal and external factors to assist the strategic alternatives committee of the board of directors in weighing whether DCB Financial should continue to remain independent. Factors that were discussed included, among other factors, (1) the current and prospective economic, interest rate and regulatory environments, (2) the current credit cycle, (3) security threats facing the financial services industry generally, (4) recent trends in mergers and acquisitions, (5) commercial loan portfolio growth in recent quarters and prospects for future growth, (6) upcoming long-term contractual obligations, (7) director succession, and (8) DCB Financial s historical financial performance and stock trading multiples.

Executive management and the DCB Financial board of directors also discussed the potential impact that these factors could have on DCB Financial s ability to meet the targets in its five-year financial forecast. Executive management and the DCB Financial board of directors also discussed difficulties faced by DCB Financial in pursuing and completing acquisitions in the current environment, and that those difficulties in pursuing and completing acquisitions would likely adversely affect the length of time necessary for DCB Financial to achieve ratios of return on assets and return on equity commensurate with its peers.

Following extensive discussion regarding each of the potential strategic options with the board of directors, Porter, Wright, Morris & Arthur LLP, or Porter Wright, DCB Financial s legal counsel, advised the board of directors of its fiduciary obligations to the shareholders of DCB Financial in connection with the implementation of DCB Financial s business plan and its consideration of mergers, acquisitions and other strategic alternatives.

At the conclusion of the strategic alternatives committee meeting, executive management recommended that DCB Financial retain KBW as its financial advisor. KBW was recommended based on its reputation in and knowledge of the banking industry, executive management s prior experience with KBW and informal contact with KBW. The strategic alternatives committee resolved to engage KBW as DCB Financial s financial advisor to assist the board of directors in its continuing assessment of the strategic alternatives discussed at the meeting, including a potential sale of DCB Financial, subject to negotiation of KBW s engagement. The strategic alternatives committee advised management that KBW should be prepared to attend its regularly scheduled June 23, 2016 board meeting to discuss DCB Financial s potential strategic alternatives.

On June 23, 2016, at a meeting of the board of directors of DCB Financial, KBW discussed with the board of directors, among other things, a market overview for the financial industry, the performance of DCB Financial compared to selected publicly traded banks, preliminary valuation matters, and the current mergers and acquisitions environment. KBW then engaged in a discussion of potential acquirors of DCB Financial identified based on size, geographic proximity to DCB Financial s market, and the banking industry in such markets. As part of the discussion, KBW discussed each potential acquiror s estimated capacity to complete a transaction with DCB Financial.

Following extensive discussion among the DCB Financial board of directors, executive management, KBW, and Porter Wright, the board of directors concluded that, based on the information discussed and the board s assessment of its strategic alternatives, and given the recent favorable merger environment for financial institutions and viability of potential acquirors, the potential value that could be created for shareholders through a strategic transaction was greater than other alternatives, including remaining independent. The board of directors discussed a potential auction transaction timeline with executive management, KBW and Porter Wright. The board of directors formally engaged KBW as its financial advisor for such process and engaged Porter Wright as its legal counsel for such process.

Subsequent to the June 23, 2016 board meeting, DCB Financial, with the assistance of its financial and legal advisors, began to prepare a virtual data room and a confidential information memorandum, or CIM, that would be used to solicit indications of interest.

On July 28, 2016, at a meeting of the board of directors of DCB Financial, KBW reviewed with the board of directors the confidential information memorandum and 15 financial institutions that had been identified by KBW, with the assistance and recommendation of executive management, as potential acquirors for the board of directors to consider based on size, geographic proximity to DCB Financial s market, and the banking industry in such markets and DCB Financial s market. KBW provided an overview of each of the 15 financial institutions, including First Commonwealth, which included publicly available information on financial performance, market position, management and information on recent transactions.

KBW and DCB Financial executive management discussed the rationale for inclusion of each potential acquiror, although it was considered that several entities on the list may not be inclined to participate in the process due to timing concerns with other potential transactions. KBW also discussed the apparent financial ability to pay for each of the 15 identified financial institutions. Following extensive discussion by the board of directors of DCB Financial with executive management and KBW, the board of directors approved the inclusion of the 15 identified financial institutions in the process of soliciting indications of interest regarding a strategic transaction with DCB Financial. The board of directors directed KBW to commence the process by contacting each of the 15 potential acquirors on a confidential basis to make them aware of DCB Financial s decision to explore strategic alternatives.

On July 29, 2016, KBW and Mr. Seiffert began contacting representatives of the 15 potential acquirors, including T. Michael Price, First Commonwealth s President and Chief Executive Officer, and advised each of them that DCB Financial had determined to explore a strategic transaction.

Between July 29, 2016 and August 9, 2016, 10 of the 15 potential acquirors that were contacted signed a confidentiality agreement with DCB Financial and were granted access to a secure virtual data room containing the CIM and certain other preliminary information regarding DCB Financial. One potential acquiror that signed a confidentiality agreement and received the CIM decided not to continue with the process shortly after executing its confidentiality agreement. Five of the 15 potential acquirors that were contacted declined to sign a confidentiality agreement, did not engage any further in the process, and were not provided with access to the CIM.

Each of the nine remaining potential acquirors receiving the CIM were asked to submit a written non-binding indication of interest by August 24, 2016, and were told that DCB Financial would likely select two or three of such bidders to continue in the process, to conduct additional due diligence, and to engage in management presentations.

Table of Contents

On August 8, 2016, executive management and KBW provided an informal update to the board of directors via teleconference of progress to date with those nine financial institutions that remained in the process.

On August 23, 2016, DCB Financial received its first written, non-binding indication of interest from a potential acquiror, which we refer to as Bank A, that proposed merger consideration in the range of $13-14 per share with a consideration mix of 60% stock and 40% cash. The indication of interest from Bank A also offered to consider adding one DCB Financial board member to its board of directors.

Also on August 23, 2016, DCB Financial received a second written non-binding indication of interest from a potential acquiror, which we refer to as Bank B, that proposed merger consideration at $10.50 per share with a consideration mix of 75% stock and 25% cash. The indication of interest from Bank B also offered to strongly consider adding one DCB Financial board member to its board of directors.

On August 24, 2016, DCB Financial received a written, non-binding indication of interest from First Commonwealth that proposed merger consideration in the range of $12-13 per share with up to 10% of the consideration payable in cash and the remainder in stock. The indication of interest also offered DCB Board members with the opportunity to join First Commonwealth s central Ohio advisory board.

Also on August 24, 2016, DCB Financial received written, non-binding indications of interest from institutions, which we refer to as Bank C and Bank D. Bank C s indication of interest proposed merger consideration at $13.50 per share in an all-stock transaction and Bank D offered proposed merger consideration in the range of $13-14 per share, with up to 20% of total merger consideration payable in cash and the remainder in stock.

On August 26, 2016, the board of directors held a regular meeting at which representatives of KBW and Porter Wright were present. KBW provided a summary of activities since the last board of directors update on August 8, 2016. KBW indicated that of the nine financial institutions that received the CIM, five had submitted indications of interest. Bank B had been informed that its proposed bid of $10.50 per share was substantially lower than the other indications of interest that were received, but Bank B declined to increase its proposal. KBW informed the board, that during its discussions with First Commonwealth regarding its indication of interest, First Commonwealth had orally stated that it was raising its offer from a range of $12-13 per share to a fixed $13 per share. First Commonwealth subsequently submitted a revised indication of interest reflecting a revised proposed merger consideration of $13 per share.

The board reviewed, with the assistance of KBW and Porter Wright, each of the indications of interest and the material terms of each indication of interest, including offer price or range per share, exchange ratio, whether there would be any caps, collars or walkaway rights, aggregate deal value, stock option treatment, mix of consideration (i.e., stock versus cash), board seats on acquiror s board and/or creation of a regional board, required approvals, pro-forma ownership by DCB Financial s shareholders, pro forma dividend per share, and charitable commitments to the communities served by DCB Financial. KBW compared for the board the various indications of interest in terms of market premiums, earnings per share multiples, tangible book value multiples, core deposit premium multiples, and other relevant metrics. KBW also discussed the financial performance and market performance of each of the five potential acquirors.

The board and executive management also discussed and considered a range of other factors including, but not limited to: the strategic compatibility with DCB Financial of each of the potential acquirors, the financial and market performance of each of the potential acquirors, the prospects of the combined company following the transaction, the liquidity of each of the potential acquiror s capital stock, and the ability of each potential acquiror to successfully complete a transaction and obtain regulatory approvals. After consideration and further consultation with KBW and Porter Wright, the board of directors determined to invite First Commonwealth, Bank A, and Bank C to continue the process and conduct further due diligence.

Table of Contents

In making its determination as to which potential acquirors would continue the process, the DCB Financial board of directors determined that Bank B s offered merger consideration of $10.50 was insufficient. The board also determined that Bank D s proposal was inferior to those advanced by First Commonwealth, Bank A and Bank C based on the factors described above and concerns regarding Bank D s ability to receive regulatory approval and to promptly complete a transaction based on recent activity by Bank D.

On August 30, 2016, the secure virtual data room of DCB Financial containing relevant due diligence information and a draft version of the merger agreement prepared by Porter Wright was opened and made available to the three remaining potential acquirors, including First Commonwealth. The three potential acquirors were instructed to complete all of their due diligence, submit any desired changes to the proposed merger agreement, and submit a final written indication of interest by September 22, 2016.

Over the course of September 2016, the three remaining potential acquirors completed their due diligence reviews of DCB Financial, including review of due diligence documents and meetings among management of DCB Financial and each potential acquiror. DCB Financial also conducted reverse due diligence examinations of each potential acquiror.

On September 22, 2016, DCB Financial received final written indications of interest and proposed markups of the merger agreement from each of First Commonwealth, Bank A, and Bank C, the three remaining potential acquirors.

First Commonwealth s final indication of interest proposed merger consideration of $14.50 per share with 20% of the consideration payable in cash and the remainder in stock. The indication of interest also offered adding one DCB Financial board member to First Commonwealth s board of directors. First Commonwealth proposed a 5% termination fee payable by DCB Financial, but provided DCB Financial with the protection of a termination right in the event of significant adverse performance of First Commonwealth s stock.

Bank A s final indication of interest proposed merger consideration of $13.50 per share with 40% of the consideration payable in cash and the remainder in stock. The indication of interest also offered adding one DCB Financial board member to Bank A s board of directors. Bank A proposed a $4 million termination fee, equating to 4% of its proposal, payable by DCB Financial, and did not provide DCB Financial with the protection of a termination right in the event of significant adverse performance of Bank A s stock.

Bank C s final indication of interest proposed merger consideration of $12.14 per share in an all stock transaction. The indication of interest also offered adding one DCB Financial board member to Bank C s board of directors. Bank C proposed a $4 million termination fee, equating to 4.5% of its proposal, payable by DCB Financial, but provided DCB Financial with the protection of a termination right in the event of significant adverse performance of Bank C s stock.

On September 25, 2016, the board of directors held a special meeting at which representatives of KBW and Porter Wright were present. KBW and executive management provided a summary of activities since the last board of directors update on August 26, 2016. The board reviewed, with the assistance of KBW and Porter Wright, each of the final indications of interest and the material terms of each indication of interest, including offer price per share, exchange ratio, whether there would be any caps, collars or walkaway rights, aggregate deal value, stock option treatment, mix of consideration (i.e., stock versus cash), board seats on acquiror s board and/or creation of a regional board, required approvals, pro-forma ownership by DCB Financial s shareholders, pro forma dividend per share, and charitable commitments to the communities served by DCB Financial. KBW compared for the board the final indications of interest in terms of market premiums, earnings per share multiples, tangible book value multiples, core deposit premium multiples, and other relevant metrics. KBW also discussed the financial performance and market performance of each of the three remaining potential acquirors.

The board of directors and executive management also discussed and considered a range of other factors including, but not limited to: the strategic compatibility with DCB Financial of each of the potential acquirors,

33

Table of Contents

the financial and market performance of each of the potential acquirors, the prospects of the combined company following the transaction, the liquidity of each of the potential acquiror s capital stock, and the ability of each the potential acquiror to successfully complete a transaction and obtain regulatory approvals. Porter Wright also discussed with the board of directors the proposed changes to the merger agreement submitted by each of the remaining potential acquirors.

After consideration and further consultation with KBW and Porter Wright, including a review by Porter Wright of the fiduciary duties of the board of directors and executive management, the board of directors determined to proceed with negotiating a definitive merger agreement with First Commonwealth.

Over the next week, DCB Financial and First Commonwealth negotiated the terms of the definitive merger agreement and its related documents and agreements.

DCB Financial and First Commonwealth also continued their respective due diligence examinations of each other. On September 27, 2016, executive management of DCB Financial performed on-site reverse due diligence at First Commonwealth s headquarters in consultation with representatives of KBW who were also in attendance, which included interviews of First Commonwealth management and a review of certain non-public information regarding First Commonwealth.

On September 29, 2016, after Bank A had submitted its final indication of interest, Bank A submitted a revised indication of interest that raised its offer from $13.50 per share to $13.75 per share. KBW was in contact with Bank A s financial advisor; however, Bank A did not further increase its $13.75 per share offer price.

On October 2, 2016, DCB Financial s board of directors convened a special meeting to consider the merger agreement, the proposed per share merger consideration, the voting agreement, and the terms of the merger agreement and related documents and agreements, which were distributed for review in advance of the meeting. In attendance were representatives of KBW and Porter Wright and executive management.

KBW discussed with the board of directors Bank A s revised indication of interest raising its proposed per share merger consideration to $13.75 per share.

KBW reviewed the financial aspects of the proposed Merger and rendered to the DCB Financial board of directors its opinion (initially rendered verbally and confirmed in a written opinion dated the same date) to the effect that, as of that date and subject to the procedures followed, assumptions made, matters considered, and qualifications and limitations on the review undertaken by KBW as set forth in such opinion, the Merger Consideration in the proposed Merger was fair, from a financial point of view, to the holders of DCB Financial common shares (see *Opinion of DCB Financial s Financial Advisor* below for a summary). Porter Wright again advised the board of directors as to its fiduciary duties. Porter Wright then reviewed the terms of the merger agreement and answered questions from the board of directors.

Following the presentations from KBW and Porter Wright, and a discussion with executive management, the DCB Financial board of directors unanimously determined that the merger and the transactions contemplated by the merger agreement were advisable and in the best interests of DCB Financial and its shareholders, and voted unanimously to approve and adopt the Merger Agreement and voting agreement and the other transactions contemplated thereby. See *DCB Financial s Reasons for the Merger and Recommendation of the Board of Directors*, for more information regarding the determination of the DCB Financial board of directors and the factors that were discussed in the process.

Following the meeting of the board of directors of DCB Financial, First Commonwealth and DCB Financial executed the Merger Agreement and the directors of DCB Financial executed the voting agreement. Prior to the opening of the New York Stock Exchange on the following morning, October 3, 2016, First Commonwealth and DCB Financial issued a joint press release announcing the transaction.

Table of Contents

DCB Financial s Reasons for the Merger and Recommendation of the Board of Directors

In reaching its decision to approve the Merger Agreement, the Merger and the other transactions contemplated by the Merger Agreement, and to recommend that its shareholders approve and adopt the Merger proposal, the DCB Financial board of directors evaluated the Merger Agreement and the Merger in consultation with DCB Financial executive management, as well as DCB Financial s financial and legal advisors, and considered a number of factors, including the following factors:

each of DCB Financial s and First Commonwealth s business, operations, financial condition, asset quality, earnings and prospects;

the anticipated economies of scale for the combined company;

the anticipated pro forma impact of the Merger on the combined company, including the expected impact on financial metrics, including earnings, dividends, return on equity, tangible book value dilution (and earn-back period), and regulatory capital levels;

the current and prospective environment in which DCB Financial and First Commonwealth operate, including national and local economic conditions, the interest rate environment, the competitive and regulatory environments for financial institutions generally, and the likely effect of these factors on DCB Financial both with and without the Merger;

the historical performance of First Commonwealth common stock, First Commonwealth common stock s liquidity in terms of average daily trading volume and the level of future cash dividends anticipated to be received by DCB Financial s shareholders;

First Commonwealth s record of performance over a substantial period of time and throughout various economic cycles, including its earnings record;

the soundness of First Commonwealth s financial condition and asset quality;

publicly available information regarding First Commonwealth s regulatory status and First Commonwealth s assurance that it was unaware of any meaningful obstacle to regulatory approvals on a reasonably timely basis;

the expanded possibilities, including organic growth and future acquisitions, that would be available to the combined company, given its larger size, asset base, capital and footprint;

the form of consideration, including the cash consideration, which would ensure that a portion of the value of the Merger Consideration would not be subject to potential downward fluctuations in the price of First Commonwealth common stock, and the fact that a significant portion of the Merger Consideration would be in stock and with a fixed exchange ratio, which would allow DCB Financial s shareholders to participate in the future performance of the combined company;

the expected tax treatment of the mergers, taken together, as a reorganization for United States federal income tax purposes;

the size of the termination fee in relation to the overall transaction size;

the complementary nature of the business strategies, customers, cultures, geographic areas and business lines of the two companies, which the DCB Financial board of directors believes should provide the opportunity to mitigate integration risks and increase potential returns, including that:

- the nature of the business strategies, customers and geographic areas of the two companies would enable the combined company to achieve goals DCB Financial would have independently attempted to pursue in connection with its strategic plan (including greater cross-selling opportunities based on complementary product sets); and

- the similarities in the two companies community bank operating model and culture, and First Commonwealth s commitment to supporting the local communities it serves;

the opinion, dated October 2, 2016, of KBW to the DCB Financial board of directors as to the fairness, from a financial point of view and as of the date of the opinion, to the holders of DCB Financial common shares of the Merger Consideration in the proposed Merger, as more fully described below under O*pinion of DCB Financial s Financial Advisor*;

the review undertaken by the DCB Financial board of directors and management, with the assistance of its financial and legal advisors, with respect to the strategic alternatives available to DCB Financial, including:

the likelihood of an alternative transaction;

the value of DCB Financial as an independent company;

the capital and earnings available to DCB Financial as an independent company, at the time and as expected in the future, to pursue various business and strategic initiatives; and

the challenges facing DCB Financial as an independent institution and the DCB Financial board of directors belief that combining with a larger financial institution would benefit DCB Financial s shareholders, customers and communities;

the fact that the implied value of the Merger Consideration as of September 30, 2016, of approximately $14.42 for each share of DCB Financial common stock, based on First Commonwealth s closing stock price of $10.09 on that date, represented an 88.5% premium over the closing price of DCB Financial s common stock of $7.65 on September 30, 2016;

the fact that the Merger Agreement provides that DCB Financial may take certain actions in response to an unsolicited bona fide written acquisition proposal under specific circumstances, in the event that the DCB Financial board of directors makes a good faith determination (in accordance with the Merger Agreement and after consultation with DCB Financial s outside legal counsel and financial advisor) that it is required to take such actions to comply with its fiduciary duties under applicable law;

the other terms of the Merger Agreement and their comparability to those in other recent consolidation transactions;

its review and discussions with DCB Financial s management concerning the due diligence examination of First Commonwealth;

the transaction-related restructuring charges and other merger-related costs;

the potential risks associated with successfully integrating DCB Financial s business, operations and workforce with those of First Commonwealth, including the costs and risks of successfully integrating the two companies;

the potential risk of diverting management attention and resources from the operation of DCB Financial s and First Commonwealth s respective businesses and towards the completion of the Merger and the integration of the two companies;

the nature and amount of payments to be received by DCB Financial s management in connection with the Merger;

the regulatory and other approvals required in connection with the Merger and the Bank Merger and the time required to obtain such approvals, consideration of the relevant factors expected to be assessed by the regulators for the approvals and the parties evaluations of those factors, the expected likelihood that such approvals could be received in a reasonably timely manner and without the imposition of unacceptable conditions and the possibility that regulators may impose certain restrictions on the combined operations of DCB Financial and First Commonwealth (particularly branch divestitures) in order to grant the required approvals;

the anticipated continued participation of certain of DCB Financial s directors, officers and employees in the combined company, which enhances the likelihood that the strategic benefits that DCB Financial

Table of Contents

expects to achieve as a result of the Merger will be realized and that the benefits and talents that DCB Financial brings to the combined company will be appropriately valued and effectively utilized; and

First Commonwealth s commitment in the Merger Agreement to:

maintain certain standards of compensation and benefits (including equity based awards) to continuing DCB Financial employees; and

maintain the charitable support of DCB Financial to communities in which DCB Financial operates.

This discussion of the information and factors considered by the DCB Financial board includes the material factors considered by the DCB Financial board, but it is not intended to be exhaustive and may not include all the factors considered by the DCB Financial board. In view of the wide variety of factors considered, and the complexity of these matters, the DCB Financial board did not quantify or assign any relative or specific weights to the various factors that it considered in reaching its determination to approve and adopt the Merger Agreement, the Merger and the other transactions contemplated by the Merger Agreement. Rather, the DCB Financial board viewed its position and recommendation as being based on the totality of the information presented to and factors considered by it. In addition, individual members of the DCB Financial board may have given differing weights to different factors. It should be noted that this explanation of the reasoning of the DCB Financial board and certain information presented in this section is forward-looking in nature and, therefore, that information should be read in light of the factors discussed in the section entitled *Caution About Forward-Looking Statements*.

In considering the recommendation of the DCB Financial board, you should be aware that certain directors and officers of DCB Financial may have interests in the Merger that are different from, or in addition to, interests of shareholders of DCB Financial generally and may create potential conflicts of interest. The DCB Financial board was aware of these interests and considered them when evaluating and negotiating the Merger Agreement, the Merger and the other transactions contemplated by the Merger Agreement, and in recommending to DCB Financial s common shareholders that they vote in favor of the proposal to approve and adopt the Merger Agreement. See *Interests of DCB Financial s Directors and Executive Officers in the Merger*.

For the reasons set forth above, the DCB Financial board of directors unanimously recommends that the DCB Financial common shareholders vote *FOR* the proposal to approve and adopt the Merger Agreement.

First Commonwealth s Reasons For the Merger

First Commonwealth s board of directors unanimously concluded that the Merger Agreement is in the best interests of First Commonwealth and its shareholders. In deciding to approve the Merger Agreement, First Commonwealth s board of directors considered a number of factors, including, without limitation, the following, which are not presented in order of priority:

DCB Bank s nine full-service and four limited-service branches and presence in Delaware County, Ohio, part of the Columbus MSA, which First Commonwealth believes offer it robust commercial and retail client opportunities to cross sell many of First Commonwealth s existing products and services;

DCB Financial represents one of the only significant entry opportunities into the Columbus MSA, one of the most attractive banking markets in the Midwest;

The Merger increases First Commonwealth s scale and operating leverage while remaining below the $10 billion regulatory threshold;

DCB Financial s business philosophies and operating culture with respect to the meeting of local banking needs and strong community ties are compatible with First Commonwealth s respective business philosophies and operating culture;

Table of Contents

- First Commonwealth s management s review of the business, operating efficiencies and cost savings, earnings, and financial condition, including capital levels and asset quality, of DCB Financial; and

- The likelihood of regulators approving the Merger without undue conditions or delay.

Effects of the Merger

The respective Boards of Directors of First Commonwealth and DCB Financial believe that, over the long-term, the Merger will be beneficial to First Commonwealth shareholders, including the current shareholders of DCB Financial who will become First Commonwealth shareholders if the Merger is completed. The First Commonwealth board of directors believes that one of the potential benefits of the Merger is the cost savings that may be realized by combining the two companies and integrating DCB Financial s banking subsidiary into First Commonwealth Bank, which savings are expected to enhance First Commonwealth s earnings.

First Commonwealth expects to reduce expenses by combining accounting, data processing, retail and lending support, and other administrative functions after completion of the Merger, which will enable First Commonwealth to achieve economies of scale in these areas. Promptly following the completion of the Merger, which is expected to occur in the second quarter of 2017, First Commonwealth plans to begin the process of eliminating redundant functions, and eliminating duplicative expenses.

The amount of any cost savings First Commonwealth may realize in 2017 and beyond will depend upon how quickly and efficiently First Commonwealth is able to implement the processes outlined above.

First Commonwealth believes that it will achieve cost savings based on the assumption that it will be able to:

- reduce data processing costs;

- reduce staff;

- achieve economies of scale in advertising and marketing budgets;

- reduce legal and accounting fees; and

- achieve other savings through reduction or elimination of miscellaneous items such as insurance premiums, travel and automobile expense, and investor relations expenses.

First Commonwealth has based these assumptions on its present assessment of where savings could be realized based upon the present independent operations of the two companies. Actual savings in some or all of these areas could be higher or lower than is currently expected.

First Commonwealth also believes that the Merger will be beneficial to the customers of DCB Financial as a result of the additional products and services offered by First Commonwealth and its subsidiaries and because of the increased lending capability of the combined company.

Opinion of DCB Financial s Financial Advisor

DCB Financial engaged KBW to render financial advisory and investment banking services to DCB Financial, including an opinion to the DCB Financial board of directors as to the fairness, from a financial point of view, to the holders of DCB Financial common shares of the Merger Consideration to be received by such shareholders in the proposed Merger of DCB Financial with and into First Commonwealth. DCB Financial selected KBW because KBW is a nationally recognized investment banking firm with substantial experience in transactions similar to the Merger. As part of its investment banking business, KBW is continually engaged in the valuation of financial services businesses and their securities in connection with mergers and acquisitions.

Table of Contents

As part of its engagement, representatives of KBW attended the meeting of the DCB Financial board of directors held on October 2, 2016, at which the DCB Financial board of directors evaluated the proposed Merger. At this meeting, KBW reviewed the financial aspects of the proposed Merger and rendered to the DCB Financial board of directors an opinion to the effect that, as of such date and subject to the procedures followed, assumptions made, matters considered, and qualifications and limitations on the review undertaken by KBW as set forth in its opinion, the Merger Consideration in the proposed Merger was fair, from a financial point of view, to the holders of DCB Financial common shares. The DCB Financial board of directors approved and adopted the Merger Agreement at this meeting.

The description of the opinion set forth herein is qualified in its entirety by reference to the full text of the opinion, which is attached as **Annex B** to this document and is incorporated herein by reference, and describes the procedures followed, assumptions made, matters considered, and qualifications and limitations on the review undertaken by KBW in preparing the opinion.

KBW s opinion speaks only as of the date of the opinion. The opinion was for the information of, and was directed to, the DCB Financial board of directors (in its capacity as such) in connection with its consideration of the financial terms of the Merger. The opinion addressed only the fairness, from a financial point of view, of the Merger Consideration in the Merger to the holders of DCB Financial common shares. It did not address the underlying business decision of DCB Financial to engage in the Merger or enter into the Merger Agreement or constitute a recommendation to the DCB Financial board of directors in connection with the Merger, and it does not constitute a recommendation to any holder of DCB Financial common shares or any shareholder of any other entity as to how to vote in connection with the Merger or any other matter (including, with respect to holders of DCB Financial common shares, what election any such shareholder should make with respect to the cash consideration, the stock consideration or any combination thereof), nor does it constitute a recommendation regarding whether or not any such shareholder should enter into a voting, shareholders or affiliates agreement with respect to the Merger or exercise any dissenters , or appraisal rights that may be available to such shareholder.

KBW s opinion was reviewed and approved by KBW s Fairness Opinion Committee in conformity with its policies and procedures established under the requirements of Rule 5150 of the Financial Industry Regulatory Authority.

In connection with the opinion, KBW reviewed, analyzed and relied upon material bearing upon the financial and operating condition of DCB Financial and First Commonwealth and bearing upon the Merger, including, among other things:

- an execution version of the Merger Agreement (the most recent version then made available to KBW);
- the audited financial statements and the Annual Reports on Form 10-K for the three fiscal years ended December 31, 2015 of DCB Financial;
- the unaudited quarterly financial statements and the Quarterly Reports on Form 10-Q for the fiscal quarters ended March 31, 2016 and June 30, 2016 of DCB Financial;

certain draft and unaudited financial results for the two-month period ended August 31, 2016 of DCB Financial (provided to KBW by representatives of DCB Financial);

the audited financial statements and the Annual Reports on Form 10-K for the three fiscal years ended December 31, 2015 of First Commonwealth;

the unaudited quarterly financial statements and the Quarterly Reports on Form 10-Q for the fiscal quarters ended March 31, 2016 and June 30, 2016 of First Commonwealth;

certain regulatory filings of DCB Financial, DCB Bank, First Commonwealth and First Commonwealth Bank, including (as applicable) the semi-annual reports on Form FR Y-9SP, the

Table of Contents

quarterly reports on Form FR Y-9LP, and the quarterly reports on Form FR Y-9C and quarterly call reports required to be filed with respect to each semi-annual period and quarter (as the case may be) during the three year period ended December 31, 2015, the quarter ended March 31, 2016 and the semi-annual period and quarter ended June 30, 2016;

certain other interim reports and other communications of DCB Financial and First Commonwealth to their respective shareholders; and

other financial information concerning the businesses and operations of DCB Financial and First Commonwealth that was furnished to KBW by DCB Financial and First Commonwealth or which KBW was otherwise directed to use for purposes of KBW s analyses.

KBW s consideration of financial information and other factors that it deemed appropriate under the circumstances or relevant to its analyses included, among others, the following:

the historical and current financial position and results of operations of DCB Financial and First Commonwealth;

the assets and liabilities of DCB Financial and First Commonwealth;

the nature and terms of certain other merger transactions and business combinations in the banking industry;

a comparison of certain financial and stock market information for DCB Financial and First Commonwealth with similar information for certain other companies the securities of which were publicly traded;

financial and operating forecasts and projections of DCB Financial that were prepared by, and provided to KBW and discussed with KBW by, DCB Financial management and that were used and relied upon by KBW at the direction of such management;

publicly available consensus street estimates of First Commonwealth for 2016, 2017, and 2018 (which street estimates included assumptions regarding First Commonwealth s then pending acquisition of bank branches of FirstMerit Corporation that was publicly announced on July 27, 2016 (such acquisition, the FirstMerit Branch Acquisition)), as well as assumed long-term First Commonwealth growth rates provided to KBW by First Commonwealth management, all of which information was discussed with KBW by such management and used and relied upon by KBW based on such discussions at the direction of DCB Financial management;

projected balance sheet and capital data of First Commonwealth, giving effect to First Commonwealth s estimates and assumptions regarding the pro forma impact of the FirstMerit Branch Acquisition, that was prepared by First Commonwealth management, provided to and discussed with KBW by such management and used and relied upon by KBW based on such discussions at the direction of DCB Financial management; and

estimates regarding certain pro forma financial effects of the Merger on First Commonwealth (including, without limitation, the cost savings and related expenses expected to result or be derived from the Merger) that were prepared by, and provided to and discussed with KBW by the management of First Commonwealth, and used and relied upon by KBW based on such discussions at the direction of DCB Financial management.

KBW also performed such other studies and analyses as it considered appropriate and took into account its assessment of general economic, market and financial conditions and its experience in other transactions, as well as its experience in securities valuation and knowledge of the banking industry generally. KBW also participated in discussions that were held with the respective managements of DCB Financial and First Commonwealth regarding the past and current business operations, regulatory relations, financial condition and future prospects of their respective companies (including, in the case of First Commonwealth management, matters pertaining to the FirstMerit Branch Acquisition) and such other matters as KBW deemed relevant to its inquiry. In addition, KBW considered the results of the efforts undertaken by or on behalf of DCB Financial, with KBW s assistance, to solicit indications of interest from third parties regarding a potential transaction with DCB Financial.

In conducting its review and arriving at its opinion, KBW relied upon and assumed the accuracy and completeness of all of the financial and other information that was provided to it or that was publicly available and did not independently verify the accuracy or completeness of any such information or assume any responsibility or liability for such verification, accuracy or completeness. KBW relied upon the management of DCB Financial as to the reasonableness and achievability of the financial and operating forecasts and projections of DCB Financial (and the assumptions and bases therefor) referred to above and KBW assumed that such forecasts and projections were reasonably prepared on bases reflecting the best currently available estimates and judgments of such management and that such forecasts and projections would be realized in the amounts and in the time periods estimated by such management. KBW further relied, with the consent of DCB Financial, upon First Commonwealth management as to the reasonableness and achievability of (i) the publicly available consensus street estimates of First Commonwealth (and the assumed First Commonwealth long-term growth rates provided to KBW by such management) referred to above, and (ii) the projected balance sheet and capital data of First Commonwealth referred to above and (iii) the estimates regarding certain pro forma financial effects of the Merger on First Commonwealth (and the assumptions and bases therefor, including, without limitation, the cost savings and related expenses expected to result or be derived from the Merger) referred to above, and KBW assumed that all such information was reasonably prepared on bases reflecting, or in the case of the First Commonwealth street estimates referred to above that such information was consistent with, the best currently available estimates and judgments of First Commonwealth management and that the forecasts, projections and estimates reflected in all such information would be realized in the amounts and in the time periods estimated. KBW expressed no view or opinion as to the FirstMerit Branch Acquisition (or any terms, aspects or implications thereof) and assumed, with the consent of DCB Financial, that the FirstMerit Branch Acquisition will be consummated as described to KBW by First Commonwealth management in the fourth quarter of 2016.

It is understood that the portion of the foregoing financial information of DCB Financial and First Commonwealth that was provided to KBW was not prepared with the expectation of public disclosure, that all of the foregoing financial information, including the publicly available consensus street estimates of First Commonwealth referred to above that KBW was directed to use, was based on numerous variables and assumptions that are inherently uncertain, including, without limitation, factors related to general economic and competitive conditions and that, accordingly, actual results could vary significantly from those set forth in such information. KBW assumed, based on discussions with the respective managements of DCB Financial and First Commonwealth, that all such information provided a reasonable basis upon which KBW could form its opinion and KBW expressed no view as to any such information or the assumptions or bases therefor. KBW relied on all such information without independent verification or analysis and did not in any respect assume any responsibility or liability for the accuracy or completeness thereof.

KBW also assumed that there were no material changes in the assets, liabilities, financial condition, results of operations, business or prospects of either DCB Financial or First Commonwealth since the date of the last financial statements of each such entity that were made available to KBW. KBW is not an expert in the independent verification of the adequacy of allowances for loan and lease losses and KBW assumed, without independent verification and with DCB Financial s consent, that the aggregate allowances for loan and lease losses for DCB Financial and First Commonwealth are adequate to cover such losses. In rendering its opinion, KBW did not make or obtain any evaluations or appraisals or physical inspection of the property, assets or liabilities (contingent or otherwise) of DCB Financial or First Commonwealth, the collateral securing any of such assets or liabilities, or the collectability of any such assets, nor did KBW examine any individual loan or credit files, nor did it evaluate the solvency, financial capability or fair value of DCB Financial or First Commonwealth under any state or federal laws, including those relating to bankruptcy, insolvency or other matters. Estimates of values of companies and assets do not purport to be appraisals or necessarily reflect the prices at which companies or assets may actually be sold. Because such estimates are inherently subject to uncertainty, KBW assumed no responsibility or liability for their accuracy.

KBW assumed, in all respects material to its analyses:

- that the Merger and any related transactions (including the subsidiary bank merger) would be completed substantially in accordance with the terms set forth in the Merger Agreement (the final terms of which KBW assumed would not differ in any respect material to KBW s analyses from the execution version reviewed by KBW referred to above) with no adjustments to the Merger Consideration (or the cash and stock components thereof) and with no other payments in respect of the DCB Financial common shares);

- that the FirstMerit Branch Acquisition would be completed as described to KBW by representatives of First Commonwealth;

- that the representations and warranties of each party in the Merger Agreement and in all related documents and instruments referred to in the Merger Agreement were true and correct;

- that each party to the Merger Agreement and all related documents would perform all of the covenants and agreements required to be performed by such party under such documents;

- that there were no factors that would delay or subject to any adverse conditions, any necessary regulatory or governmental approval for the Merger or any related transaction (including the subsidiary bank merger) and that all conditions to the completion of the Merger and any related transaction (including the subsidiary bank merger) would be satisfied without any waivers or modifications to the Merger Agreement or any of the related documents; and

- that in the course of obtaining the necessary regulatory, contractual, or other consents or approvals for the Merger and any related transaction (including the subsidiary bank merger), no restrictions, including any divestiture requirements, termination or other payments or amendments or modifications, would be imposed that would have a material adverse effect on the future results of operations or financial condition of DCB Financial, First Commonwealth or the pro forma entity, or the contemplated benefits of the Merger, including the cost savings and related expenses expected to result or be derived from the Merger.

KBW assumed that the Merger would be consummated in a manner that complies with the applicable provisions of the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, and all other applicable federal and state statutes, rules and regulations. KBW was further advised by representatives of DCB Financial that DCB Financial relied upon advice from its advisors (other than KBW) or other appropriate sources as to all legal, financial reporting, tax, accounting and regulatory matters with respect to DCB Financial, First Commonwealth, the Merger and any related transaction (including the subsidiary bank merger), the FirstMerit Branch Acquisition and the Merger Agreement. KBW did not provide advice with respect to any such matters.

KBW s opinion addressed only the fairness, from a financial point of view, as of the date of the opinion, to the holders of DCB Financial common shares of the Merger Consideration to be received by such holders in the Merger. KBW expressed no view or opinion as to any other terms or aspects of the Merger or any term or aspect of any related transaction (including the subsidiary bank merger), including without limitation, the form or structure of the Merger (including the form of Merger Consideration or the allocation thereof between cash and stock) or any related transaction, any consequences of the Merger or any related transaction to DCB Financial, its shareholders, creditors or otherwise, or any terms, aspects, merits or implications of any employment, consulting, voting, support, shareholder or other agreements, arrangements or understandings contemplated or entered into in connection with the Merger or otherwise. KBW s opinion was necessarily based upon conditions as they existed and could be evaluated on the date of such opinion and the information made available to KBW through such date. Developments subsequent to the date of KBW s opinion may have affected, and may affect, the conclusion reached in KBW s opinion and KBW did not and does not have an obligation to update, revise or reaffirm its opinion. KBW s opinion did not address, and KBW expressed no view or opinion with respect to:

the underlying business decision of DCB Financial to engage in the Merger or enter into the Merger Agreement;

the relative merits of the Merger as compared to any strategic alternatives that are, have been or may be available to or contemplated by DCB Financial or the DCB Financial board of directors;

the fairness of the amount or nature of any compensation to any of DCB Financial s officers, directors or employees, or any class of such persons, relative to the compensation to the holders of DCB Financial common shares;

the effect of the Merger or any related transaction on, or the fairness of the consideration to be received by, holders of any class of securities of DCB Financial (other than the holders of DCB Financial common shares solely with respect to the Merger Consideration, as described in KBW s opinion and not relative to the consideration to be received by holders of any other class of securities) or holders of any class of securities of First Commonwealth or any other party to any transaction contemplated by the Merger Agreement;

whether First Commonwealth has sufficient cash, available lines of credit or other sources of funds to enable it to pay the aggregate amount of the cash consideration to the holders of DCB Financial common shares at the closing of the Merger;

the election by holders of DCB Financial common shares to receive the cash consideration or the stock consideration, or any combination thereof, or the actual allocation between the cash consideration and the stock consideration among such holders (including, without limitation, any reallocation thereof as a result of proration pursuant to the Merger Agreement), or the relative fairness of the stock consideration and the cash consideration;

any adjustment (as provided in the Merger Agreement) to the Merger Consideration assumed for purposes of KBW s opinion;

the actual value of First Commonwealth common stock to be issued in the Merger;

the prices, trading range or volume at which DCB Financial common shares or First Commonwealth common stock would trade following the public announcement of the Merger or the prices, trading range or volume at which First Commonwealth common stock would trade following the consummation of the Merger;

any advice or opinions provided by any other advisor to any of the parties to the Merger or any other transaction contemplated by the Merger Agreement; or

any legal, regulatory, accounting, tax or similar matters relating to DCB Financial, First Commonwealth, their respective shareholders, or relating to or arising out of or as a consequence of the Merger or any related transaction (including the subsidiary bank merger), or the FirstMerit Branch Acquisition, including whether or not the Merger would qualify as a tax-free reorganization for United States federal income tax purposes. In performing its analyses, KBW made numerous assumptions with respect to industry performance, general business, economic, market and financial conditions and other matters, which are beyond the control of KBW, DCB Financial and First Commonwealth. Any estimates contained in the analyses performed by KBW are not necessarily indicative of actual values or future results, which may be significantly more or less favorable than suggested by these analyses. Additionally, estimates of the value of businesses or securities do not purport to be appraisals or to reflect the prices at which such businesses or securities might actually be sold. Accordingly, these analyses and estimates are inherently subject to substantial uncertainty. In addition, the KBW opinion was among several factors taken into consideration by the DCB Financial board of directors in making its determination to approve and adopt the Merger Agreement and the Merger. Consequently, the analyses described below should not be viewed as determinative of the decision of the DCB Financial board of directors with respect to the fairness of the Merger Consideration. The type and amount of consideration payable in the Merger were determined through negotiation between DCB Financial and First Commonwealth and the decision of DCB Financial to enter into the Merger Agreement was solely that of the DCB Financial board of directors.

Table of Contents

The following is a summary of the material financial analyses presented by KBW to the DCB Financial board of directors in connection with its opinion. The summary is not a complete description of the financial analyses underlying the opinion or the presentation made by KBW to the DCB Financial board of directors, but summarizes the material analyses performed and presented in connection with such opinion. The financial analyses summarized below includes information presented in tabular format. The tables alone do not constitute a complete description of the financial analyses. The preparation of a fairness opinion is a complex analytic process involving various determinations as to appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances. Therefore, a fairness opinion is not readily susceptible to partial analysis or summary description. In arriving at its opinion, KBW did not attribute any particular weight to any analysis or factor that it considered, but rather made qualitative judgments as to the significance and relevance of each analysis and factor. Accordingly, KBW believes that its analyses and the summary of its analyses must be considered as a whole and that selecting portions of its analyses and factors or focusing on the information presented below in tabular format, without considering all analyses and factors or the full narrative description of the financial analyses, including the methodologies and assumptions underlying the analyses, could create a misleading or incomplete view of the process underlying its analyses and opinion.

For purposes of the financial analyses described below, KBW utilized an implied value of the Merger Consideration of $14.42 per DCB Financial common share, consisting of the sum of (i) the implied value of the stock consideration of 1.427 shares of First Commonwealth common stock, based on the closing price of First Commonwealth common stock on September 30, 2016, multiplied by 80%, and (ii) the cash consideration of $14.50, multiplied by 20%.

DCB Financial Selected Companies Analysis. Using publicly available information, KBW compared the financial performance, financial condition and market performance of DCB Financial to 18 selected U.S. banks and thrifts which were publicly traded and headquartered in the Ohio and which had total assets between $250 million and $1 billion. Targets of publicly announced merger transactions were excluded from the selected companies.

The selected companies were as follows:

Andover Bancorp, Inc.	Heartland BancCorp
ASB Financial Corp.	Killbuck Bancshares, Inc.
Central Federal Corporation	Middlefield Banc Corp.
Comunibanc Corporation	Ohio Valley Banc Corp.
Consumers Bancorp, Inc.	Perpetual Federal Savings Bank
Cortland Bancorp	SB Financial Group, Inc.
Croghan Bancshares, Inc.	United Bancorp, Inc.
CSB Bancorp, Inc.	United Bancshares, Inc.
FFD Financial Corporation	Wayne Savings Bancshares, Inc.

To perform this analysis, KBW used profitability and other financial information for, as of, or, in the case of latest 12 months (LTM) information, through, the most recent completed quarter (MRQ) available (which in the case of DCB Financial was the fiscal quarter ended June 30, 2016) and market price information as of September 30, 2016. Certain financial data prepared by KBW, and as referenced in the tables presented below, may not correspond to the data presented in DCB Financial s historical financial statements as a result of the different periods, assumptions and methods used by KBW to compute the financial data presented.

Table of Contents

KBW s analysis showed the following concerning the financial performance of DCB Financial and the selected companies:

		Selected Companies			
	DCB	25th Percentile	Median	Average	75th Percentile
LTM Core Return on Average Assets(1)	0.19%(3)	0.81%	0.97%	0.93%	1.08%
LTM Core Return on Average Equity(1)	1.92%(3)	7.65%	9.15%	8.73%	10.11%
LTM Core Return on Average Tangible Common Equity(1)	1.92%(3)	7.89%	9.34%	9.81%	11.81%
LTM Net Interest Margin	3.35%	3.31%	3.59%	3.58%	3.77%
LTM Fee Income / Revenue Ratio(2)	24.8%	12.4%	16.9%	16.7%	19.2%
LTM Efficiency Ratio	96.1%	73.6%	70.1%	67.6%	62.6%

(1) Core income excluded extraordinary items, non-recurring items, gains/losses on sale of securities and amortization of intangibles.
(2) Excluded gains/losses on securities.
(3) Excluded impact of deferred tax asset valuation allowance reversal in 2015.

KBW s analysis also showed the following concerning the financial condition of DCB Financial and the selected companies:

		Selected Companies			
	DCB	25th Percentile	Median	Average	75th Percentile
Tangible Common Equity / Tangible Assets	10.76%	9.20%	9.94%	10.00%	10.16%
Total Capital Ratio	13.70%	13.41%	14.05%	15.53%	16.44%
Loans / Deposits	84.0%	75.1%	88.1%	86.3%	95.8%
Loan Loss Reserve / Gross Loans	1.16%	0.86%	1.12%	1.10%	1.24%
Nonperforming Assets / Loans + OREO	2.01%	2.26%	1.65%	2.07%	1.27%
LTM Net Charge-Offs / Average Loans	(0.15%)	0.19%	0.09%	0.14%	0.01%

In addition, KBW s analysis showed the following concerning the market performance of DCB Financial and the selected companies:

		Selected Companies			
	DCB	25th Percentile	Median	Average	75th Percentile
One-Year Stock Price Change	13.3%	1.9%	8.7%	9.3%	18.4%
One-Year Total Return	13.3%	5.2%	11.2%	12.8%	22.9%
Year-To-Date Stock Price Change	2.1%	1.1%	5.7%	6.5%	12.5%
Stock Price / Tangible Book Value per Share	0.94x	0.97x	1.08x	1.09x	1.20x
Stock Price / LTM Core EPS(1)	NM	10.5x	12.0x	13.0x	15.7x
Dividend Yield(2)	0.0%	2.5%	3.1%	3.0%	3.6%

LTM Dividend Payout[2]	0.0%	31.7%	38.5%	40.2%	45.2%

(1) Core income excluded extraordinary items, non-recurring items, gains/losses on sale of securities and amortization of intangibles; DCB Financial core income excluded impact of deferred tax asset valuation allowance reversal in 2015.

(2) Dividend payout and yield calculated using MRQ dividend annualized excluding special dividends.

No company used as a comparison in the above selected companies analysis is identical to DCB Financial. Accordingly, an analysis of these results is not mathematical. Rather, it involves complex considerations and judgments concerning differences in financial and operating characteristics of the companies involved.

Table of Contents

First Commonwealth Selected Companies Analysis. Using publicly available information, KBW compared the financial performance, financial condition and market performance of First Commonwealth to 27 selected U.S. banks and thrifts which were publicly traded and headquartered in Pennsylvania, Maryland, New York, Ohio or West Virginia and which had total assets between $2.0 billion and $10.0 billion. Targets of publicly announced merger transactions were excluded from the selected companies.

The selected companies were as follows:

Arrow Financial Corporation	Flushing Financial Corporation
Beneficial Bancorp, Inc.	NBT Bancorp Inc.
Bridge Bancorp, Inc.	Northwest Bancshares, Inc.
Bryn Mawr Bank Corporation	Park National Corporation
City Holding Company	Peoples Bancorp Inc.
CNB Financial Corporation	S&T Bancorp, Inc.
Community Bank System, Inc.	Sandy Spring Bancorp, Inc.
Customers Bancorp, Inc.	Tompkins Financial Corporation
Dime Community Bancshares, Inc.	TriState Capital Holdings, Inc.
Eagle Bancorp, Inc.	TrustCo Bank Corp NY
Financial Institutions, Inc.	United Community Financial Corp.
First Defiance Financial Corp.	Univest Corporation of Pennsylvania
First Financial Bancorp.	WesBanco, Inc.
First of Long Island Corporation	

To perform this analysis, KBW used profitability and other financial information for, as of, or, in the case of LTM information, through, the fiscal quarter ended June 30, 2016 and market price information as of September 30, 2016. KBW also used 2016 and 2017 EPS estimates taken from First Call consensus street estimates for First Commonwealth and the selected companies. Certain financial data prepared by KBW, and as referenced in the tables presented below, may not correspond to the data presented in First Commonwealth s historical financial statements as a result of the different periods, assumptions and methods used by KBW to compute the financial data presented.

KBW s analysis showed the following concerning the financial performance of First Commonwealth and the selected companies:

	First Commonwealth	Selected Companies 25th Percentile	Median	Average	75th Percentile
LTM Core Return on Assets(1)	0.77%	0.84%	0.96%	0.97%	1.07%
LTM Core Return on Equity(1)	6.89%	7.95%	9.38%	9.13%	10.83%
LTM Core Return on Tangible Common Equity(1)	8.90%	9.44%	12.90%	11.70%	13.90%
LTM Net Interest Margin	3.27%	3.14%	3.46%	3.37%	3.62%
LTM Fee Income / Revenue Ratio(2)	23.8%	13.0%	23.5%	22.1%	30.3%
LTM Efficiency Ratio	60.0%	62.5%	61.2%	59.2%	55.5%

(1) Core income excluded extraordinary items, non-recurring items, gains/losses on sale of securities and amortization of intangibles.
(2) Excluded gains/losses on securities.

Table of Contents

KBW s analysis showed the following concerning the financial condition of First Commonwealth and the selected companies:

	First Commonwealth	FCF Pro Forma for FirstMerit Branch Acquisition(1)	Selected Companies			
			25th Percentile	Median	Average	75th Percentile
Tangible Common Equity / Tangible Assets	8.75%	8.09%	7.87%	8.53%	8.85%	9.26%
Total Capital Ratio	12.17%	11.34%	12.72%	13.53%	14.42%	14.79%
Loans / Deposits	110.2%	98.0%	88.0%	92.4%	94.8%	100.9%
Loan Loss Reserve / Gross Loans	1.23%		0.78%	0.97%	0.93%	1.16%
Nonperforming Assets / Loans + OREO	1.50%		1.24%	0.87%	0.95%	0.49%
LTM Net Charge-Offs / Average Loans	0.28%		0.23%	0.14%	0.16%	0.06%

(1) Reflected pro forma adjustment for then pending FirstMerit Branch Acquisition.

In addition, KBW s analysis showed the following concerning the market performance of First Commonwealth and the selected companies (excluding the impact of the 2016 and 2017 estimated EPS multiples of one of the selected companies, which multiples were not considered to be meaningful because they were greater than 30.0x):

	First Commonwealth	FCF Pro Forma for FirstMerit Branch Acquisition(2)	Selected Companies			
			25th Percentile	Median	Average	75th Percentile
One-Year Stock Price Change	11.0%		6.7%	16.8%	15.7%	22.1%
One-Year Total Return	14.5%		9.5%	20.9%	18.9%	26.3%
Year-To-Date Stock Price Change	11.2%		7.8%	12.0%	11.8%	18.0%
Stock Price / Tangible Book Value per Share	1.56x	1.66x	1.61x	1.82x	1.87x	2.18x
Stock Price / 2016 Estimated EPS	16.5x		14.4x	15.7x	15.9x	17.2x
Stock Price / 2017 Estimated EPS	13.4x		13.6x	14.4x	14.7x	15.7x
Dividend Yield(1)	2.8%		2.4%	2.9%	2.6%	3.2%
LTM Dividend Payout	52.8%		35.8%	48.4%	48.5%	55.6%

(1) Dividend payout and yield calculated using MRQ dividend annualized excluding special dividends.
(2) Reflected pro forma adjustment for then pending FirstMerit Branch Acquisition.

No company used as a comparison in the above selected companies analysis is identical to First Commonwealth. Accordingly, an analysis of these results is not mathematical. Rather, it involves complex considerations and judgments concerning differences in financial and operating characteristics of the companies involved.

Selected Nationwide Transactions Analysis. KBW reviewed publicly available information related to 45 selected whole bank and thrift transactions in the U.S. announced since June 30, 2015 with transaction values between $50 million and $150 million. Terminated transactions were excluded from the selected transactions.

Table of Contents

The selected transactions were as follows:

Acquiror	Acquired Company
CVB Financial Corp.	Valley Commerce Bancorp
National Commerce Corporation	Private Bancshares, Inc.
First Defiance Financial Corp.	Commercial Bancshares, Inc.
Equity Bancshares, Inc.	Community First Bancshares, Inc.
OceanFirst Financial Corp.	Ocean Shore Holding Co.
Berkshire Hills Bancorp, Inc.	First Choice Bank
First Bancorp	Carolina Bank Holdings, Inc.
Byline Bancorp, Inc.	Ridgestone Financial Services, Inc.
QCR Holdings, Inc.	Community State Bank
Simmons First National Corporation	Citizens National Bank
Bar Harbor Bankshares	Lake Sunapee Bank Group
Revere Bank	Monument Bank
First Mid-Illinois Bancshares, Inc.	First Clover Leaf Financial Corp.
Pacific Continental Corporation	Foundation Bancorp, Inc.
State Bank Financial Corporation	NBG Bancorp, Inc.
Westfield Financial, Inc.	Chicopee Bancorp, Inc.
Guaranty Bancorp	Home State Bancorp
Horizon Bancorp	La Porte Bancorp, Inc.
Midland Financial Co.	1st Century Bancshares, Inc.
Triumph Bancorp, Inc.	ColoEast Bankshares, Inc.
Hampton Roads Bankshares, Inc.	Xenith Bankshares, Inc.
BOK Financial Corporation	MBT Bancshares, Inc.
Charter Financial Corporation	CBS Financial Corporation
Great Western Bancorp, Inc.	HF Financial Corp.
MainSource Financial Group, Inc.	Cheviot Financial Corp.
WSFS Financial Corporation	Penn Liberty Financial Corp.
BNC Bancorp	High Point Bank Corporation
First Midwest Bancorp, Inc.	NI Bancshares Corporation
RBB Bancorp	TFC Holding Company
Seacoast Banking Corporation of Florida	Floridian Financial Group, Inc.
German American Bancorp, Inc.	River Valley Bancorp
Heartland Financial USA, Inc.	CIC Bancshares, Inc.
Beneficial Bancorp, Inc.	Conestoga Bank
Southern BancShares (N.C.), Inc.	Heritage Bankshares, Inc.
Renasant Corporation	KeyWorth Bank
CenterState Banks, Inc.	Community Bank of South Florida, Inc.
Pacific Premier Bancorp, Inc.	Security California Bancorp
Ameris Bancorp	Jacksonville Bancorp, Inc.
Park Sterling Corporation	First Capital Bancorp, Inc.
HomeStreet, Inc.	Orange County Business Bank
Northfield Bancorp, Inc.	Hopewell Valley Community Bank
BNC Bancorp	Southcoast Financial Corporation

Prosperity Bancshares, Inc.	Tradition Bancshares, Inc.
Private investor - Gaylon Lawrence Jr.	F&M Financial Corporation
Independent Bank Group, Inc.	Grand Bank

48

Table of Contents

For each selected transaction, KBW derived the following implied transaction statistics, in each case based on the transaction consideration value paid for the acquired company and using financial data based on the acquired company s then latest publicly available financial statements prior to the announcement of the respective transaction:

- price per common share to tangible book value per share of the acquired company (in the case of selected transactions involving a private acquired company, this transaction statistic was calculated as total transaction consideration divided by total tangible common equity);

- tangible equity premium to core deposits (total deposits less time deposits greater than $100,000) of the acquired company, referred to as core deposit premium; and

- price per common share to LTM EPS of the acquired company (in the case of selected transactions involving a private acquired company, this transaction statistic was calculated as total transaction consideration divided by LTM earnings).

KBW also reviewed the price per common share paid for the acquired company for the 26 selected transactions in which the acquired company was publicly traded as a premium to the closing price of the acquired company one day prior to the announcement of the respective transaction (expressed as a percentage and referred to as the one-day market premium). The above transaction statistics for the selected transactions were compared with the corresponding transaction statistics for the proposed Merger based on the implied transaction value for the proposed Merger of $14.42 per share of DCB Financial common shares and using historical financial information for DCB Financial as of and for the twelve month period ended June 30, 2016 and the closing price of DCB Financial common shares on September 30, 2016.

The results of the analysis are set forth in the following table (excluding the impact of LTM EPS multiple for one selected transaction, which multiple was not considered to be meaningful because of negative earnings in the relevant period):

			Selected Transactions			
	DCB	**DCB (excl. DTA)(1)**	**25th Percentile**	**Median**	**Average**	**75th Percentile**
Transaction Value / Tangible Book Value (%)	1.77x		1.33x	1.50x	1.58x	1.69x
Core Deposit Premium (%)	10.7%		5.1%	6.7%	7.7%	9.4%
Transaction Value / LTM Earnings (x)	8.9x	114.1x	15.6x	19.0x	23.9x	31.8x
One-Day Market Premium (%)	88.5%		20.8%	31.9%	47.9%	53.3%

(1) DCB Financial core income excluded impact of deferred tax asset valuation allowance reversal in 2015.

No company or transaction used as a comparison in the above selected transaction analysis is identical to DCB Financial or the proposed Merger. Accordingly, an analysis of these results is not mathematical. Rather, it involves complex considerations and judgments concerning differences in financial and operating characteristics of the companies involved.

Selected Ohio Transactions Analysis. KBW reviewed publicly available information related to 28 selected whole bank and thrift transactions in Ohio announced since January 1, 2013 with transaction values were between $10 million and $200 million. Terminated transactions were excluded from the selected transactions.

The selected transactions were as follows:

Acquiror	Acquired Company
United Community Financial Corp.	Ohio Legacy Corp
First Defiance Financial Corp.	Commercial Bancshares, Inc.
Middlefield Banc Corp.	Liberty Bank, National Association
First State Bancorp, Inc.	First Safety Bank
Ohio Valley Banc Corp.	Milton Bancorp, Inc.
CNB Financial Corporation	Lake National Bank
MainSource Financial Group, Inc.	Cheviot Financial Corp.
Farmers National Banc Corp.	Tri-State 1st Banc, Inc.
First Commonwealth Financial Corporation	First Community Bank
Farmers National Banc Corp.	National Bancshares Corporation
First Merchants Corporation	C Financial Corporation
LCNB Corp.	BNB Bancorp, Inc.
Northwest Bancshares, Inc.	LNB Bancorp, Inc.
First Citizens Banc Corp	TCNB Financial Corporation
Peoples Bancorp Inc.	NB&T Financial Group, Inc.
Community Bancshares, Inc.	Citizens Bank of Ashville, Ohio
First Financial Bancorp.	Guernsey Bancorp, Inc.
Peoples Bancorp Inc.	North Akron Savings Bank
Peoples Bancorp Inc.	Ohio Heritage Bancorp, Inc.
Peoples Bancorp Inc.	Midwest Bancshares, Inc.
First Financial Bancorp.	Insight Bank
First Financial Bancorp.	First Bexley Bank
LCNB Corp.	Eaton National Bank and Trust Co.
Huntington Bancshares Incorporated	Camco Financial Corporation
Peoples Bancorp Inc.	Ohio Commerce Bank
Croghan Bancshares, Inc.	Indebancorp
CNB Financial Corporation	FC Banc Corp.
F.N.B. Corporation	PVF Capital Corp.

For each selected transaction, KBW derived the following implied transaction statistics, in each case based on the transaction consideration value paid for the acquired company and using financial data based on the acquired company s then latest publicly available financial statements prior to the announcement of the respective transaction:

price per common share to tangible book value per share of the acquired company (in the case of selected transactions involving a private acquired company, this transaction statistic was calculated as total transaction consideration divided by total tangible common equity);

core deposit premium of the acquired company; and price per common share to LTM EPS of the acquired company (in the case of selected transactions involving a private acquired company, this transaction statistic was calculated as total transaction consideration divided by LTM earnings).

KBW also reviewed the one-day market premiums for the 11 selected transactions in which the acquired company was publicly traded. The above transaction statistics for the selected transactions were compared with the corresponding transaction statistics for the proposed Merger based on the implied transaction value for the proposed Merger of $14.42 per DCB Financial common share and using historical financial information for DCB Financial as of and for the twelve month period ended June 30, 2016 and the closing price of DCB Financial common shares on September 30, 2016.

Table of Contents

The results of the analysis are set forth in the following table (excluding the impact of LTM EPS multiple for two selected transactions, which multiples were not considered to be meaningful because the multiple was greater than 70.0x or because of negative earnings in the relevant period):

	DCB	DCB (excl. DTA)(1)	Selected Transactions 25th Percentile	Median	Average	75th Percentile
Transaction Value / Tangible Book Value (%)	1.77x		1.31x	1.43x	1.48x	1.64x
Core Deposit Premium (%)	10.7%		4.9%	6.4%	7.0%	7.9%
Transaction Value / LTM Earnings (x)	8.9x	114.1x	15.0x	21.6x	24.3x	26.2x
One-Day Market Premium (%)	88.5%		20.6%	36.1%	38.7%	50.5%

(1) DCB Financial core income excluded impact of deferred tax asset valuation allowance reversal in 2015.

No company or transaction used as a comparison in the above selected transaction analysis is identical to DCB Financial or the proposed Merger. Accordingly, an analysis of these results is not mathematical. Rather, it involves complex considerations and judgments concerning differences in financial and operating characteristics of the companies involved.

Relative Contribution Analysis. KBW analyzed the relative standalone contribution of First Commonwealth and DCB Financial to various pro forma balance sheet and income statement items and the pro forma market capitalization of the combined entity. This analysis did not include purchase accounting adjustments or cost savings. To perform this analysis, KBW used (i) balance sheet and net income data for First Commonwealth and DCB Financial as of or for the twelve month period ended June 30, 2016, (ii) 2016, 2017, and 2018 EPS estimates per First Call consensus street estimates for First Commonwealth, and (iii) financial and operating forecasts and projections of DCB Financial provided by DCB Financial management. First Commonwealth data reflected pro forma adjustment for the then pending FirstMerit Branch Acquisition, and DCB Financial data excluded the impact of the deferred tax asset valuation allowance reversal by DCB Financial in 2015. The results of KBW s analysis are set forth in the following table, which also compares the results of KBW s analysis with the implied pro forma ownership percentages of First Commonwealth and DCB Financial shareholders in the combined company based on the stock consideration of 1.427 shares of First Commonwealth common stock at the 80% stock / 20% cash implied Merger Consideration mix provided for in the Merger Agreement and also hypothetically assuming 100% stock consideration in the proposed Merger for illustrative purposes:

	First Commonwealth as a % of Total	DCB as a % of Total
Ownership		
80% stock / 20% cash(1)	91%	9%
100% stock(1)(2)	89%	11%
Balance Sheet		
Total Assets	93%	7%

Gross Loans HFI	93%	7%
Deposits	92%	8%
Tangible Common Equity	90%	10%
Income Statement		
LTM Core Net Income[3]	98%	2%
2016 Estimated Net Income	97%	3%
2017 Estimated Net Income	96%	4%
2018 Estimated Net Income	95%	5%
Market Capitalization	94%	6%

(1) Based on DCB Financial common shares outstanding per DCB Financial management as of 9/29/2016.

(2) For illustrative purposes only.

(3) DCB Financial core income excluded impact of deferred tax asset valuation allowance reversal in 2015.

Table of Contents

Forecasted Pro Forma Financial Impact Analysis. KBW performed a pro forma financial impact analysis that combined projected income statement and balance sheet information of First Commonwealth and DCB Financial. Using closing balance sheet estimates as of April 1, 2017 for First Commonwealth and DCB Financial provided by First Commonwealth management, publicly available consensus street estimates of First Commonwealth for 2017 and 2018, financial and operating forecasts and projections of DCB Financial provided by DCB Financial management and pro forma assumptions (including certain purchase accounting adjustments, cost savings and related expenses) provided by First Commonwealth management, KBW analyzed the potential financial impact of the Merger on certain projected financial results of First Commonwealth. This analysis indicated the Merger could be accretive to First Commonwealth s estimated 2017 EPS and estimated 2018 EPS and dilutive to First Commonwealth s estimated tangible book value per share as of April 1, 2017. Furthermore, the analysis indicated that each of First Commonwealth s tangible common equity to tangible assets ratio, leverage ratio, Tier 1 Risk-Based Capital Ratio and Total Risk Based Capital Ratio as of April 1, 2017 could be lower. For all of the above analysis, the actual results achieved by First Commonwealth following the Merger may vary from the projected results, and the variations may be material.

Discounted Cash Flow Analysis DCB Financial. KBW performed a discounted cash flow analysis of DCB Financial to estimate a range for the implied equity value of DCB Financial. In this analysis, KBW used financial forecasts and projections relating to the net income and assets of DCB Financial provided by DCB Financial management, and assumed discount rates ranging from 14.0% to 16.0%. The ranges of values were derived by adding (i) the present value of the estimated excess cash flows that DCB Financial could generate over the six-year period from 2017 to 2022 as a standalone company, and (ii) the present value of DCB Financial s implied terminal value at the end of such period. KBW assumed that DCB Financial would maintain a tangible common equity to tangible asset ratio of 8.00% and would retain sufficient earnings to maintain that level. In calculating the terminal value of DCB Financial, KBW applied a range of 12.5x to 15.5x estimated 2022 net income. This discounted cash flow analysis resulted in a range of implied values per share of DCB Financial common shares of $5.93 to $7.32.

The discounted cash flow analysis is a widely used valuation methodology, but the results of such methodology are highly dependent on the assumptions that must be made, including asset and earnings growth rates, terminal values, dividend payout rates, and discount rates. The foregoing discounted cash flow analyses did not purport to be indicative of the actual values of DCB Financial.

Miscellaneous. KBW acted as financial advisor to DCB Financial and not as an advisor to or agent of any other person. As part of its investment banking business, KBW is continually engaged in the valuation of bank and bank holding company securities in connection with acquisitions, negotiated underwritings, secondary distributions of listed and unlisted securities, private placements and valuations for various other purposes. As specialists in the securities of banking companies, KBW has experience in, and knowledge of, the valuation of banking enterprises. In the ordinary course of their broker-dealer businesses and further to certain existing sales and trading relationships, KBW and its affiliates may from time to time purchase securities from, and sell securities to, DCB Financial and First Commonwealth and, as market makers in securities, KBW and its affiliates may from time to time have a long or short position in, and buy or sell, debt or equity securities of DCB Financial or First Commonwealth for its and their own accounts and for the accounts of its and their respective customers and clients.

Pursuant to the KBW engagement agreement, DCB Financial agreed to pay KBW a total cash fee equal to 1.15% of the aggregate Merger Consideration, $250,000 of which became payable to KBW with the rendering of its opinion and the balance of which is contingent upon the closing of the Merger. DCB Financial also agreed to reimburse KBW for reasonable out-of-pocket expenses and disbursements incurred in connection with its retention and to indemnify KBW against certain liabilities relating to or arising out of KBW s engagement or KBW s role in connection therewith. Other than in connection with this present engagement, during the two years preceding the date of its opinion, KBW has not provided investment banking and financial advisory services to DCB Financial. During the two years preceding the date of its opinion, KBW has provided investment banking and financial advisory services to First Commonwealth but did not receive compensation for such services. KBW was engaged to act as financial advisor to First Commonwealth in October 2014 and July 2015, in each case in connection with a potential acquisition by First Commonwealth that was not consummated and for which no compensation was received. KBW may in the future provide investment banking and financial advisory services to DCB Financial or First Commonwealth and receive compensation for such services.

Certain Unaudited First Commonwealth Prospective Financial Information Provided to DCB Financial

First Commonwealth management does not as a matter of course make public projections as to future performance or earnings and is especially wary of making projections for extended periods due to the uncertainty inherent in the underlying assumptions and estimates. However, First Commonwealth provided, among other information, certain assumptions prepared by First Commonwealth management to KBW in its capacity as financial advisor to DCB Financial.

These assumptions reflect numerous estimates and assumptions with respect to industry performance, general business, economic, regulatory, market and financial conditions and other future events, as well as matters specific to First Commonwealth s business, all of which are inherently uncertain and difficult to predict and many of which are beyond First Commonwealth s control. These assumptions are subjective in many respects and thus are susceptible to multiple interpretations and periodic revisions based on actual experience and business developments. These assumptions may also be affected by First Commonwealth s ability to achieve strategic goals, objectives and targets over the applicable periods. As such, these assumptions constitute forward-looking information and are subject to risks and uncertainties, including the various risks set forth in the sections of this proxy statement and prospectus entitled Caution About Forward-Looking Statements and Risk Factors and in First Commonwealth s Annual Report on Form 10-K for the fiscal year ended December 31, 2015, and the other reports filed by First Commonwealth with the SEC. The assumptions cover multiple years and such information by its nature becomes less predictive with each successive year.

The assumptions generally were not prepared with a view toward public disclosure or complying with GAAP, the published guidelines of the SEC regarding projections or the guidelines established by the American Institute of Certified Public Accountants for preparation and presentation of prospective financial information. Neither First Commonwealth s independent registered public accounting firm, nor any other independent accountants, have compiled, examined or performed any procedures with respect to the assumptions included below, nor have they expressed any opinion or any other form of assurance on such information or its achievability, and they assume no responsibility for, and disclaim any association with, the assumptions. Furthermore, the assumptions do not take into account any circumstances or events occurring after the date they were prepared.

You are strongly cautioned not to place undue reliance on the assumptions set forth below. The inclusion of the assumptions in this proxy statement and prospectus should not be regarded as an indication that any of First Commonwealth, DCB Financial, or their affiliates, advisors or representatives considered or consider the assumptions to be necessarily predictive of actual future events, and the assumptions should not be relied upon as such. None of First Commonwealth, DCB Financial, or their respective affiliates, advisors, officers, directors or representatives can give any assurance that actual results will not differ from the assumptions, and none of them undertakes any obligation to update or otherwise revise or reconcile the assumptions to reflect circumstances existing after the date such assumptions were generated or to reflect the occurrence of future events even in the event that any or all of the underlying assumptions are shown to be in error. None of First Commonwealth, DCB Financial, or their respective affiliates, advisors or representatives makes any representation to any other person regarding the assumptions.

First Commonwealth provided KBW with an estimate of a 5.0% long-term net income annual growth rate for beyond 2018. First Commonwealth also provided KBW with an estimate of a 5.0% long-term total assets annual growth rate for the combined company for beyond 2018. Additionally, First Commonwealth provided KBW with an estimate that the combined company s annual common dividend per share payout could grow commensurate with earnings and in keeping with a targeted payout ratio of 40-60% of earnings per share and that, as a result of the Merger, the combined company would experience cost savings of $10.225 million on a pre-tax basis in 2016.

53

Table of Contents

THE MERGER AGREEMENT

The following section is a summary of the material provisions of the Merger Agreement. The following description of the Merger Agreement is subject to, and qualified in its entirety by reference to, the Merger Agreement, which we include as ***Annex A*** *to this proxy statement and prospectus and incorporate by reference in this proxy statement and prospectus. This summary may not contain all of the information about the Merger Agreement that may be important to you. We encourage you to read the Merger Agreement carefully and in its entirety.*

Explanatory Note Regarding the Merger Agreement

This summary and the copy of the Merger Agreement attached to this document as **Annex A** are included solely to provide investors with information regarding the terms of the Merger Agreement. The Merger Agreement contains customary representations and warranties of First Commonwealth and DCB Financial, which were made to each other only for purposes of that agreement and as of specific dates. The representations, warranties and covenants in the Merger Agreement were made solely for purposes of the contract between First Commonwealth and DCB Financial and may be subject to limitations agreed upon by the contracting parties, including being qualified by confidential disclosures made for the purposes of allocating contractual risk between the parties to the Merger Agreement instead of establishing these matters as facts, and may be subject to standards of materiality applicable to the contracting parties that differ from those generally applicable to investors. For the foregoing reasons, the representations, warranties and covenants, and any descriptions of those provisions, should not be read alone. They should be read in conjunction with the other information contained in the reports, statements and filings that First Commonwealth and DCB Financial publicly file with the SEC. For more information regarding these documents, see the section entitled *Where You Can Find More Information* on page 95. First Commonwealth and DCB will provide additional disclosure in their respective public reports to the extent they become aware of the existence of any material facts that are required to be disclosed under federal securities laws and that might otherwise contradict the representations and warranties contained in the Merger Agreement and will update such disclosure as required by the federal securities laws.

Structure of the Merger

Subject to the terms and conditions of the Merger Agreement, at the effective time of the Merger, DCB Financial will merge with and into First Commonwealth, with First Commonwealth being the surviving corporation. The separate corporate existence of DCB Financial will terminate and DCB Financial common shares will be cancelled as a consequence of the Merger. First Commonwealth common stock will continue to be listed on the New York Stock Exchange under the symbol FCF. As soon as practicable following the consummation of the Merger, DCB Bank will be merged with and into First Commonwealth Bank, with First Commonwealth Bank being the surviving bank.

Under the Merger Agreement, the officers and directors of First Commonwealth serving at the effective time of the Merger will continue to serve as the officers and directors of First Commonwealth after the Merger is consummated. At the time the Merger is completed, the boards of directors of First Commonwealth and First Commonwealth Bank will each be enlarged by one seat, and one DCB Financial director, as mutually agreed upon by First Commonwealth and DCB Financial, will be appointed to serve on the First Commonwealth and First Commonwealth Bank boards of directors. As of the date of this proxy statement and prospectus, First Commonwealth and DCB Financial have not selected the director who will be appointed to the boards of directors of First Commonwealth and First Commonwealth Bank. For information about the identities, backgrounds, compensation and certain other matters relating to First Commonwealth s directors and executive officers, please refer to First Commonwealth s proxy statement for its 2016 annual meeting of shareholders, which is incorporated by reference herein. For information about DCB Financial s directors, please refer to DCB Financial s proxy statement for its 2016 annual meeting of shareholders, which is also incorporated by reference herein. See *Where You Can Find More Information* on page 95.

Table of Contents

Merger Consideration

If the Merger is completed, each DCB Financial common share will be converted into the right to receive 1.427 shares of First Commonwealth common stock (the Exchange Ratio) or $14.50 in cash, at the election of the holder and subject to proration and other adjustments as provided in the Merger Agreement.

If, prior to the effective time, the outstanding shares of First Commonwealth common stock or DCB Financial common shares have increased, decreased or changed as a result of a reorganization, recapitalization, stock dividend or similar transaction, or there has been any extraordinary dividend or distribution, an appropriate and proportionate adjustment will be made to the Merger Consideration to give holders of DCB Financial common shares the same economic effect as contemplated by the Merger Agreement prior to such event.

The market prices of both First Commonwealth common stock and DCB Financial common shares will fluctuate before the completion of the Merger, and the market price of First Commonwealth common stock may also fluctuate between the completion of the Merger and the time you receive any First Commonwealth common stock. **You should obtain current stock price quotations for First Commonwealth common stock and DCB Financial common shares before you vote and before you make an election.**

Election as to Form of Consideration

The Merger Agreement provides that DCB Financial shareholders will be provided with a form of election and other appropriate and customary transmittal materials. Each DCB Financial shareholder will be sent an election form and transmittal materials under separate cover. The election deadline will be 5:00 p.m., Eastern Time, on the date specified in the election form, which is expected to be one (1) business day preceding the closing date of the Merger. Each form of election will allow the holder to make cash or stock elections or no elections. The exchange agent will also make available forms of election to each person who subsequently becomes a holder of DCB Financial common shares.

Holders of DCB Financial common shares who wish to elect the type of Merger Consideration they will receive in the Merger should carefully review and follow the instructions set forth in the form of election. DCB Financial shareholders who hold their shares in street name should follow their broker s instructions for making an election with respect to such shares. DCB Financial common shares as to which the holder has not made a valid election prior to the election deadline set forth in the election form, will be treated as though they had not made an election.

To make a timely election, a holder of DCB Financial common shares must submit a properly completed form of election so that it is actually received by the exchange agent at or prior to the election deadline in accordance with the instructions on the form of election.

Generally, an election may be revoked or changed, but only by written notice received by exchange agent prior to the election deadline. If an election is revoked and unless a subsequent properly executed form of election is actually received by the exchange agent at or prior to the election deadline, the holder having revoked the election will be deemed to have made no election with respect to his, her or its DCB Financial common shares.

DCB Financial shareholders will not be entitled to revoke or change their elections following the election deadline. As a result, DCB Financial shareholders who have made elections will be unable to revoke their elections or sell their DCB Financial common shares during the interval between the election deadline and the date of completion of the Merger.

Cash Election

The Merger Agreement provides that each DCB Financial shareholder who makes a valid cash election will have the right to receive, in exchange for each DCB Financial common share, subject to proration and adjustment

Table of Contents

as described below, cash in the amount of $14.50 per share. The aggregate cash consideration will equal $21,283,773. As a result, a total of 1,467,846 DCB Financial common shares will be converted into the right to receive the per share cash consideration (the Cash Conversion Number). In the event that cash consideration is oversubscribed, which means that holders of DCB Financial common shares have made cash elections with respect to a number of shares which exceeds the Cash Conversion Number, then the applicable pro rata portion of such cash election shares held by each such DCB Financial shareholder will instead be converted into the right to receive stock consideration.

As a result, even if a holder of DCB Financial common shares makes a valid cash election, such shareholder may nevertheless receive a mix of cash and stock consideration. The allocation of the mix of consideration payable to DCB Financial shareholders in the Merger will not be known until the completion of the Merger or until a time after completion.

Stock Election

The Merger Agreement provides that each DCB Financial shareholder who makes a valid stock election will have the right to receive, in exchange for each DCB Financial common share, subject to proration and adjustment as described below, a number of shares of First Commonwealth common stock equal to the Exchange Ratio.

As a result, even if a holder of DCB Financial common shares makes a valid stock election, such shareholder may nevertheless receive a mix of cash and stock consideration. The allocation of the mix of consideration payable to DCB Financial shareholders in the Merger will not be known until the completion of the Merger or until a time after completion.

Non-Election

DCB Financial shareholders who make no election to receive cash or First Commonwealth common stock in the Merger, whose elections are not received by First Commonwealth by the election deadline, or whose forms of election are improperly completed and/or are not signed, will be deemed not to have made an election. DCB Financial shareholders not making an election may be paid in cash, First Commonwealth common stock or a mix of cash and First Commonwealth common stock depending on, and after giving effect to, the proration and adjustment procedures described below. The proration procedures will be contingent on the number of valid cash elections and stock elections, respectively, that have been made by other DCB Financial shareholders, and the number of shares held by DCB Financial shareholders who have perfected and not lost their right to dissenters rights of appraisal in accordance with the procedures and requirements of the OGCL (Dissenting Shareholders).

Proration Adjustment if Cash Consideration is Oversubscribed

Stock consideration may be issued to DCB Financial shareholders who make cash elections if cash consideration is oversubscribed, which will occur if the number of Cash Election Shares exceeds the Cash Conversion Number. If the cash consideration is oversubscribed, then:

- a DCB Financial shareholder making a stock election, no election or an invalid election will receive the stock consideration for each DCB Financial common share as to which he, she or it made a stock election, no election or an invalid election;

a DCB Financial shareholder making a cash election will receive:

- cash consideration for a number of DCB Financial common shares equal to the product obtained by multiplying (1) the number of DCB Financial common shares for which such shareholder has made a cash election by (2) a fraction, the numerator of which is the Cash Conversion Number and the denominator of which is the aggregate number of cash election shares; and

Table of Contents

stock consideration for the remaining DCB Financial common shares for which such DCB Financial shareholder made a cash election.

Proration Adjustment if Cash Consideration is Undersubscribed

Cash consideration may be issued to DCB Financial shareholders who make stock elections if cash consideration is undersubscribed, which will occur if the number of cash election shares is less than the Cash Conversion Number. The amount by which the number of cash election shares is less than the Cash Conversion Number is referred to herein as the shortfall number.

If the Cash Conversion Number is undersubscribed, then all DCB Financial shareholders making a cash election will receive cash consideration for all DCB Financial common shares as to which they made a cash election. DCB Financial shareholders making a stock election, DCB Financial shareholders who make no election and DCB Financial shareholders who failed to make a valid election will receive cash and/or First Commonwealth common stock based in part on whether the shortfall number is less or greater than the number of the DCB Financial common shares for which no elections are made or for which DCB Financial shareholders failed to make a valid election, which are referred to as the non-election shares, as described below.

Scenario 1: shortfall number is less than or equal to the number of non-election shares. If the shortfall number is less than or equal to the number of non-election shares, then:

- a DCB Financial shareholder making a cash election will receive the cash consideration for each DCB Financial common share as to which he, she or it made a cash election;
- a DCB Financial shareholder making a stock election will receive the stock consideration for each DCB Financial common share as to which he, she or it made a stock election; and
- a DCB Financial shareholder who made no election or who did not make a valid election with respect to any of his, her or its DCB Financial common shares will receive:
  - the cash consideration in respect of the number of such holder s non-election shares equal to the product of (x) the number of non-election shares held by such holder and (y) a fraction, the numerator of which is the shortfall number and the denominator of which is the total number of non-election shares, and
  - the stock consideration in respect of such holder s remaining non-election shares.

Scenario 2: shortfall number exceeds the number of non-election shares. If the shortfall number exceeds the number of non-election shares, then:

- a DCB Financial shareholder making a cash election will receive the cash consideration for each DCB Financial common share as to which he, she or it made a cash election;

a DCB Financial shareholder who made no election or who has not made a valid election will receive the cash consideration for each DCB Financial common share for which he, she or it made no election or did not make a valid election; and

a DCB Financial shareholder making a stock election will receive:

the cash consideration in respect of the number of such holder s stock election shares equal to the product obtained by multiplying (1) the number of DCB Financial common shares with respect to which such DCB Financial shareholder made a stock election by (2) a fraction, the numerator of which is equal to the amount by which the shortfall number exceeds the number of non-election shares and the denominator of which is equal to the total number of stock election shares; and

stock consideration with respect to the remaining DCB Financial common shares held by such DCB Financial shareholder as to which he, she or it made a stock election.

Dissenting Shareholders

Dissenting Shareholders will not have a right to receive the Merger Consideration and will be entitled only to such rights as are granted under the OGCL. If any Dissenting Shareholder effectively withdraws or loses his, her or its right to dissenters rights of appraisals at or prior to the effective time of the Merger, such holder s shares of DCB Financial common shares will be converted into a right to receive the Merger Consideration pursuant to the Merger Agreement. If such holder effectively withdraws or loses his, her or its right to dissenters rights of appraisal after the effective time, each DCB Financial common share of such holder shall be treated as a non-election share.

Treatment of DCB Financial Equity-Based Awards

Restricted Shares. Upon completion of the Merger, all restricted DCB Financial common shares granted under the DCB Financial 2014 Restricted Stock Plan will vest in full and become freely transferrable and will be eligible to receive the Merger Consideration.

Stock Options. Upon completion of the Merger, each option to purchase DCB Financial common shares granted under the DCB Financial 2004 Long-Term Stock Incentive Plan, whether or not vested or exercisable, will be cancelled and be converted into the right to receive a cash payment in an amount equal to the product of (i) the positive difference, if any, between the Per Share Cash Equivalent Consideration (as defined below) and the exercise price of such stock option and (ii) the number of DCB Financial common shares subject to such option. If the exercise price of an option exceeds the Per Share Cash Equivalent Consideration, then the option will be cancelled without any payment. As used herein, Per Share Cash Equivalent Consideration means an amount equal to the amount in cash, without interest, rounded to the nearest cent, equal to the (i) Exchange Ratio multiplied by (ii) the average of the daily closing prices of First Commonwealth common stock on the New York Stock Exchange for the five (5) trading days ending on the business day prior to the completion of the Merger.

Conversion of DCB Financial Common Shares

At and after the effective time of the Merger, each certificate representing DCB Financial common shares will represent only the right to receive the Merger Consideration in accordance with the terms of the Merger Agreement and the right to receive any dividends or other distributions with respect to First Commonwealth common stock having a record date after the effective time of the Merger, payable only on surrender of the DCB Financial common share certificate. First Commonwealth will (i) reserve a sufficient number of shares of First Commonwealth common stock to be issued as the stock consideration and (ii) have and make available sufficient cash to allow First Commonwealth to make all payments that may be required to effect the exchange of shares.

First Commonwealth will provide a written notice of ownership of uncertificated shares to each former DCB Financial registered shareholder setting forth the number of shares of First Commonwealth common stock that each holder of DCB Financial common shares has received in the Merger, if any, and will cause a check in the amount of cash that such holder has the right to receive, if any, to be delivered to such shareholder.

The common share transfer books of DCB Financial will be closed at the effective time of the Merger and after the effective time there will be no transfers on the common share transfer records of DCB Financial of any DCB Financial common shares. First Commonwealth will be entitled to rely on DCB Financial s common share transfer books to establish the identity of those persons entitled to receive the Merger Consideration.

Letter of Transmittal. Soon after the completion of the Merger, First Commonwealth will send a letter of transmittal to only those persons who were DCB Financial shareholders at the effective time of the Merger and who have not previously submitted a form of election and properly surrendered his, her or its DCB Financial common shares to First Commonwealth. This mailing will contain instructions on how to surrender DCB Financial common shares (if these shares have not already been surrendered) in exchange for the Merger

58

Table of Contents

Consideration the holder is entitled to receive under the Merger Agreement and any applicable dividends or distributions with respect to First Commonwealth common stock having a record date after the effective time of the Merger.

Withholding. First Commonwealth is entitled to deduct and withhold from the cash portion of the aggregate Merger Consideration, cash dividends or distributions payable to any holder of DCB Financial common shares or DCB Financial restricted common shares such amounts as it is required to deduct and withhold under any federal, state, local or foreign tax law. If any such amounts are withheld, these amounts will be treated for all purposes of the Merger as having been paid to the DCB Financial shareholders from whom they were withheld.

Dividends and Distributions. Until DCB Financial book-entry common shares are surrendered for exchange, any dividends or other distributions having a record date after the effective time of the Merger with respect to the whole number of First Commonwealth common stock into which DCB Financial common shares may have been converted will accrue but will not be paid. First Commonwealth will pay to former DCB Financial shareholders any unpaid dividends or other distributions, without interest, only after such holders have duly surrendered their book-entry shares. After the effective time of the Merger, there will be no transfers on the common share transfer books of DCB Financial of any DCB Financial common shares.

Representations and Warranties

The Merger Agreement contains representations and warranties of DCB Financial, on the one hand, and First Commonwealth, on the other hand, to each other, as to, among other things:

- corporate matters, including due organization and qualification and subsidiaries;
- capitalization;
- corporate power;
- authority relative to execution and delivery of the Merger Agreement and the absence of conflicts with, or violations of, organizational documents or other obligations as a result of the Merger;
- required governmental and other regulatory filings and consents and approvals in connection with the Merger;
- compliance with applicable laws;
- legal proceedings and regulatory actions;

- reports filed with the SEC and other authorities;
- financial statements, books and records and absence of undisclosed liabilities;
- the absence of certain changes or events;
- taxes, tax returns and absence of circumstances that would reasonably be expected to prevent the Merger from qualifying as a reorganization within the meaning of Section 368(a) of the Code;
- employee benefit plans;
- regulatory capitalization;
- broker s fees payable in connection with the Merger;
- the inapplicability of takeover laws; and
- FDIC deposit insurance.

In addition, the Merger Agreement contains representations and warranties of solely DCB Financial to First Commonwealth as to:

- labor matters;

- insurance;
- environmental matters;
- intellectual property;
- certain material contracts;
- property and leases;
- loans;
- investment securities;
- investment management and related activities;
- derivative transactions;
- repurchase agreements;
- compliance with the Community Reinvestment Act, Bank Secrecy Act and anti-money laundering laws and privacy and customer information security laws;
- transactions with affiliates; and
- receipt by the DCB Financial board of an opinion from DCB Financial s financial advisor.

None of the representations and warranties of the parties will survive the completion of the Merger. Additionally, the parties qualified many of the representations and warranties contained in the Merger Agreement with exceptions set forth in disclosure schedules which were separately delivered by each party to the other party.

Certain representations and warranties of First Commonwealth and DCB Financial are qualified as to materiality or material adverse effect. Under the Merger Agreement, a material adverse effect means, with respect to DCB Financial or First Commonwealth, any fact, change, event, development, effect or circumstance that, individually or in the aggregate, (a) is, or would reasonably be expected to be, materially adverse to the business, operations, assets, liabilities, condition (financial or otherwise), results of operations, cash flows or properties of such party and its subsidiaries, taken as a whole, or (b) would reasonably be expected to prevent such party from performing its obligations under the Merger Agreement or consummating the transactions contemplated by the Merger Agreement. However, the term Material Adverse Effect does not include (i) any fact, change, event, development, effect or circumstance arising after the date of the Merger Agreement affecting banks or their holding companies generally or arising from changes in general business or economic conditions (and not specifically relating to or having the effect of specifically relating to or having a materially disproportionate effect on DCB Financial or First Commonwealth, as the case may be); (ii) any fact, change, event, development, effect or circumstance resulting from any change in law, generally accepted accounting principles or regulatory accounting after the date of the Merger Agreement, which affects generally entities such as DCB Financial or First Commonwealth, as the case may be (and not specifically relating to or having the effect of specifically relating to or having a materially disproportionate effect on such party); (iii) actions and omissions of DCB Financial or First Commonwealth, as the case may be, taken with the prior written consent of the other party in furtherance of the transactions contemplated by the Merger Agreement or otherwise permitted to be taken by such party under the Merger Agreement; (iv) any fact, change, event, development, effect or circumstance resulting from the announcement or pendency of the transactions contemplated by the Merger Agreement; (v) any failure by such party to meet any internal or published industry analyst projections or forecasts or estimates of revenues or earnings for any period (however, the facts and circumstances giving rise to such failure that are not otherwise excluded from the definition of Material Adverse Effect may be taken into account in determining whether there has been a Material Adverse Effect); and (vi) any act of war (whether or not declared), armed hostilities, civil unrest, terrorism, and natural or man-made disaster, or other acts of god.

Table of Contents

DCB Financial Restrictions

DCB Financial has agreed to certain covenants in the Merger Agreement restricting the conduct of its business between the date of the Merger Agreement and the earlier of the effective time of the Merger or the termination of the Merger Agreement. In general, except as expressly contemplated by the Merger Agreement or as required by applicable law or with the prior written consent of First Commonwealth (which consent will not be unreasonably withheld, conditioned or delayed), DCB Financial will, and will cause its subsidiaries to, conduct its business in the ordinary course of business in all material respects and will use reasonable best efforts to maintain and preserve intact its business organization and advantageous business relationships, and take no action that would reasonably be expected to adversely affect or delay its ability to obtain any necessary approvals of any governmental entity or regulatory agency required for the transactions contemplated by the Merger Agreement or to perform its covenants and agreements under the Merger Agreement or to consummate the transactions contemplated thereby on a timely basis.

In addition, DCB Financial has agreed to specific restrictions on the conduct of its business (unless it receives the prior written consent of First Commonwealth, which may not be unreasonably withheld, conditioned or delayed), between the date of the Merger Agreement and the earlier of the effective time or the termination of the Merger Agreement. DCB Financial will not, and will not permit any of its subsidiaries to do any of the following (subject, in each case, to exceptions specified below and in the Merger Agreement or previously disclosed in writing to First Commonwealth as provided in the Merger Agreement or as required by applicable law or a regulatory agency):

- other than pursuant to equity awards outstanding as of the date of the Merger Agreement, issue, sell or otherwise permit to become outstanding, or authorize the creation of, any additional common shares or securities convertible into or exchangeable for any additional common shares;

- accelerate the vesting of any existing stock-based awards (other than as required by the terms of such awards);

- change the number of common shares or securities convertible into or exchangeable for any additional common shares;

- make, declare or pay any dividend on or in respect of, or declare or make any distribution on, any common shares other than (i) dividends from wholly owned subsidiaries, or (ii) regular quarterly cash dividends on DCB Financial common shares no greater than the rate paid during the fiscal quarter immediately preceding the date of the Merger Agreement with record and payment dates consistent with past practice, directly or indirectly combine, redeem, reclassify, purchase or otherwise acquire, any common shares;

- enter into or amend any employment, severance or similar agreements or arrangements with any of its directors, officers, employees or consultants, grant any salary or wage increase, increase any employee benefit, or make any incentive or bonus payments, except for normal merit increases in the ordinary course of business consistent with past practice, not to exceed an aggregate increase of more than three percent (3%) from the aggregate amount paid in 2016 and except as otherwise contemplated by the Merger

Agreement;

enter into, establish, adopt or amend any employee benefit plan or other pension, retirement, stock option, stock purchase, restricted stock, savings, profit sharing, deferred compensation, consulting, group insurance or other employee benefit, incentive or welfare contract, plan or arrangement with respect to any director, officer or other employee of DCB Financial or any of its subsidiaries;

hire any employee other than (i) to replace a departing employee or (ii) any employee with an annual base salary of $50,000 or less or elect any new director or management official;

sell, transfer, mortgage, encumber or otherwise dispose of or discontinue any of its assets, deposits, business or properties except in the ordinary course of business consistent with past practice and in a transaction that, together with all other such transactions, is not material;

Table of Contents

amend its articles of incorporation or code of regulations (or equivalent documents);

acquire (other than by certain foreclosures, in a bona fide fiduciary capacity or in satisfaction of debts previously contracted) all or any portion of the assets, business, securities, deposits or properties of any other entity;

make any capital expenditures other than capital expenditures in the ordinary course of business consistent with past practice in amounts not exceeding $50,000 individually or $100,000 in the aggregate;

enter into, amend or modify in any material respect, or terminate any material contract other than in the ordinary course of business consistent with past practice;

except for debt workouts in the ordinary course of business, enter into any settlement or similar agreement in excess of $50,000 individually or $100,000 in the aggregate, with respect to any action, suit, proceeding, order or investigation or waive or release any material rights or claims, or agree or consent to the issuance of any injunction, decree, order or judgment restricting or otherwise affecting its business or operations in any material respect;

enter into any new material line of business;

change, in any material way, its lending, investment, underwriting, risk and asset liability management or other material banking and operating policies, except as required by applicable law, regulation or policies imposed by any governmental authority;

introduce any material new products or services, any material marketing campaigns or any material new sales compensation or incentive programs or arrangements;

file any application or make any contract with respect to branching or site location or branching or site relocation, including but not limited to loan production offices;

enter into any derivative transactions;

incur, modify, extend or renegotiate any indebtedness for borrowed money (other than deposits, federal funds purchased, federal home loan bank advances, and securities sold under agreements to repurchase, in each case in the ordinary course of business consistent with past practice);

prepay any indebtedness or other similar arrangements so as to cause DCB Financial or any of its subsidiaries to incur any prepayment penalty thereunder;

assume, guarantee, endorse or otherwise as an accommodation become responsible for the obligations of any other person, other than in the ordinary course of business consistent with past practice;

acquire (other than by way of foreclosures or acquisitions in a bona fide fiduciary capacity or in satisfaction of debts previously contracted in good faith) any debt security or equity investment of a type or in an amount other than in the ordinary course of business consistent with past practice;

restructure or materially change its investment securities portfolio or its interest rate risk position, through purchases, sales or otherwise, or in the manner in which the portfolio is classified;

make or acquire any new loan or issue new commitments for any loan in excess of $1,000,000 or renegotiate, renew, increase or modify any existing loan in excess of $1,000,000; provided, however, that no action shall be taken with respect to any classified loans;

make any investment or commitment to invest in real estate or in any real estate development project (other than by way of foreclosure or acquisitions in a bona fide fiduciary capacity or in satisfaction of a debt previously contracted in good faith) or foreclose on or take a deed or title to any real estate other than one (1) four (4) family residential properties with a value of less than $1,000,000;

implement or adopt any change in its accounting principles, practices or methods, other than as may be required by changes in laws or regulations or by GAAP;

Table of Contents

make or change any tax election, change an annual accounting period, adopt or change any accounting method, file any amended tax return, fail to timely file any tax return, enter into any closing agreement, settle or compromise any liability with respect to taxes, agree to any adjustment of any tax attribute, surrender any right to claim a refund of taxes, consent to any extension or waiver of the limitation period applicable to any tax claim or assessment, or take any other similar action relating to the filing of any tax return or the payment of any tax;

change its loan policies or procedures in effect as of the date hereof, except as required by any governmental authority;

knowingly take any action that would (i) prevent or impede the Merger from qualifying as a tax free reorganization, (ii) result in any of its representations and warranties in the Merger Agreement being or becoming untrue in any material respect or at any time prior to the completion of the Merger or any of the conditions to the Merger not being satisfied, or (iii) materially violate any provision of the Merger Agreement; or

		0.1	**185.2**	**1.0**		
Commercial mortgage-backed securities	**332.9**	**20.4**	**2,607.1**	**1,368.9**	**2,940.0**	**1,389.3**
Collateralized debt obligations	**0.2**	**1.8**	**322.1**	**280.6**	**322.3**	**282.4**
Other debt obligations	**150.5**	**15.1**	**1,141.4**	**319.6**	**1,291.9**	**334.7**
Total fixed maturities, available-for-sale	**$ 1,781.2**	**$ 99.3**	**$ 14,172.0**	**$ 3,350.1**	**$ 15,953.2**	**$ 3,449.4**
Total equity securities, available-for-sale	**$ 38.1**	**$ 21.7**	**$ 99.0**	**$ 28.2**	**$ 137.1**	**$ 49.9**

Of the total amounts, Principal Life Insurance Company s (Principal Life) consolidated portfolio represented $15,176.7 million in available-for-sale fixed maturity securities with gross unrealized losses of $3,390.3 million. Principal Life s consolidated portfolio consists of fixed maturity securities where 82% are investment grade (rated AAA through BBB-) with an average price of 82 (carrying value/amortized cost) at September 30, 2009. Due to the credit disruption that began in the last half of 2007 and continued into 2009, which reduced liquidity and led to wider credit spreads, we saw an increase in unrealized losses in our securities portfolio. The unrealized losses were more pronounced in the Corporate sector and in structured products, such as commercial mortgage-backed securities, collateralized debt obligations and asset-backed securities (included in other debt obligations). During the second and third quarters of 2009, a narrowing of credit spreads and some improvement in liquidity resulted in a decrease in the unrealized losses in our securities portfolio relative to the period ended March 31, 2009.

Table of Contents

Principal Financial Group, Inc.
Notes to Consolidated Financial Statements (continued)
September 30, 2009
(Unaudited)

2. Investments (continued)

For those securities that have been in a loss position for less than twelve months, Principal Life s consolidated portfolio holds 156 securities with a carrying value of $1,424.1 million and unrealized losses of $88.3 million reflecting an average price of 94 at September 30, 2009. Of this portfolio, 92% was investment grade (rated AAA through BBB-) at September 30, 2009, with associated unrealized losses of $67.1 million. The losses on these securities can primarily be attributed to changes in market interest rates and changes in credit spreads since the securities were acquired.

For those securities that have been in a continuous loss position greater than or equal to twelve months, Principal Life s consolidated portfolio holds 1,713 securities with a carrying value of $13,752.6 million and unrealized losses of $3,302.0 million. The average rating of this portfolio is A- with an average price of 81 at September 30, 2009. Of the $3,302.0 million in unrealized losses, the commercial mortgage-backed securities sector accounts for $1,368.8 million in unrealized losses with an average price of 66 and an average credit rating of AA-. The remaining unrealized losses consist primarily of $1,318.0 million within the Corporate sector at September 30, 2009. The average price of the Corporate sector is 88 and the average credit rating is BBB. The losses on these securities can primarily be attributed to changes in market interest rates and changes in credit spreads since the securities were acquired.

Because it is not our intent to sell the fixed maturity available-for-sale securities with unrealized losses and it is not more likely than not that we would be required to sell these securities before recovery of the amortized cost, which may be maturity, we do not consider these investments to be other-than-temporarily impaired at September 30, 2009.

Net Unrealized Gains and Losses on Available-for-Sale Securities and Derivative Instruments

The net unrealized gains and losses on investments in fixed maturities available-for-sale, equity securities available-for-sale and derivative instruments are reported as a separate component of stockholders equity. The cumulative amount of net unrealized gains and losses on available-for-sale securities and derivative instruments net of adjustments related to DPAC, sales inducements, unearned revenue reserves, changes in policyholder benefits and claims and applicable income taxes was as follows:

	September 30, 2009 (in millions)
Net unrealized losses on fixed maturities, available-for-sale (1)	$ (1,531.8)
Noncredit component of impairment losses on fixed maturities, available-for-sale	(162.4)
Net unrealized losses on equity securities, available-for-sale	(37.0)
Adjustments for assumed changes in amortization patterns	233.2

Adjustments for assumed changes in liability for policyholder benefits and claims		**(94.4)**
Net unrealized gains on derivative instruments		**47.7**
Net unrealized gains on equity method subsidiaries and noncontrolling interest adjustments		**184.3**
Provision for deferred income tax benefits		**516.8**
Effect of reclassifying noncredit component of previously recognized impairment losses on fixed maturities, available-for-sale, net		**(9.9)**
Net unrealized losses on available-for-sale securities and derivative instruments	**$**	**(853.5)**

(1) Excludes net unrealized gains (losses) on hedged portions of fixed maturities, available-for-sale included in fair value hedging relationships.

Securities Posted as Collateral

We posted $911.6 million in fixed maturity securities as of September 30, 2009, to satisfy collateral requirements primarily associated with a reinsurance arrangement and our derivative credit support annex (collateral) agreements. In addition, we posted $1,822.0 million in commercial mortgage loans as of September 30, 2009, to satisfy collateral requirements associated with our obligation under funding agreements with the Federal Home Loan Bank of Des Moines.

Table of Contents

Principal Financial Group, Inc.
Notes to Consolidated Financial Statements (continued)
September 30, 2009
(Unaudited)

3. Derivative Financial Instruments

Derivatives are generally used to hedge or reduce exposure to market risks associated with assets held or expected to be purchased or sold and liabilities incurred or expected to be incurred. Derivatives are used to change the characteristics of our asset/liability mix consistent with our risk management activities. Derivatives are also used in asset replication strategies. We do not buy, sell or hold these investments for trading purposes.

Types of Derivative Instruments

Interest Rate Contracts

Interest rate risk is the risk that we will incur economic losses due to adverse changes in interest rates. Sources of interest rate risk include the difference between the maturity and interest rate changes of assets with the liabilities they support, timing differences between the pricing of liabilities and the purchase or procurement of assets and changing cash flow profiles from original projections due to prepayment options embedded within asset and liability contracts. We use various derivatives to manage our exposure to fluctuations in interest rates.

Interest rate swaps are contracts in which we agree with other parties to exchange, at specified intervals, the difference between fixed rate and floating rate interest amounts based upon designated market rates or rate indices and an agreed upon notional principal amount. Generally, no cash is exchanged at the outset of the contract and no principal payments are made by either party. Cash is paid or received based on the terms of the swap. These transactions are entered into pursuant to master agreements that provide for a single net payment to be made by one counterparty at each due date. We use interest rate swaps primarily to more closely match the interest rate characteristics of assets and liabilities arising from timing mismatches between assets and liabilities (including duration mismatches). We also use interest rate swaps to hedge against changes in the value of assets we anticipate acquiring and other anticipated transactions and commitments. Interest rate swaps are used to hedge against changes in the value of the guaranteed minimum withdrawal benefit (GMWB) liability. The GMWB rider on our variable annuity products provides for guaranteed minimum withdrawal benefits regardless of the actual performance of various equity and/or fixed income funds available with the product.

A swaption is an option to enter into an interest rate swap at a future date. We have written these options and received a premium in order to transform our callable liabilities into fixed term liabilities. Swaptions provide us the benefit of the agreed-upon strike rate if the market rates for liabilities are higher, with the flexibility to enter into the current market rate swap if the market rates for liabilities are lower. Swaptions not only hedge against the downside risk, but also allow us to take advantage of any upside benefits.

In exchange-traded futures transactions, we agree to purchase or sell a specified number of contracts, the values of which are determined by the values of designated classes of securities, and to post variation margin on a daily basis in an amount equal to the difference in the daily market values of those contracts. We enter into exchange-traded futures with regulated futures commissions merchants who are members of a trading exchange. We have used exchange-traded futures to reduce market risks from changes in interest rates and to alter mismatches between the assets in a portfolio and the liabilities supported by those assets.

A treasury lock is an agreement that allows the holder to lock in an interest rate. If the interest rate increases, the holder is entitled to receive a payment from the counterparty to the agreement equal to the present value of the difference in the current interest rate and the locked-in interest rate. If the interest rate decreases, the holder must pay the counterparty to the agreement an amount equal to the present value of the difference in the current interest rate and the locked-in interest rate. We have used treasury lock agreements to hedge against changes in the value of anticipated transactions and commitments.

Foreign Exchange Contracts

Foreign currency risk is the risk that we will incur economic losses due to adverse fluctuations in foreign currency exchange rates. This risk arises from foreign currency-denominated funding agreements we issue, foreign currency-denominated fixed maturity securities we invest in and our investment in and net income of our international operations. We may use currency swaps and currency forwards to hedge foreign currency risk.

Principal Financial Group, Inc.
Notes to Consolidated Financial Statements (continued)
September 30, 2009
(Unaudited)

3. Derivative Financial Instruments (continued)

Currency swaps are contracts in which we agree with other parties to exchange, at specified intervals, a series of principal and interest payments in one currency for that of another currency. Generally, the principal amount of each currency is exchanged at the beginning and termination of the currency swap by each party. The interest payments are primarily fixed-to-fixed rate; however, may also be fixed-to-floating rate or floating-to-fixed rate. These transactions are entered into pursuant to master agreements that provide for a single net payment to be made by one counterparty for payments made in the same currency at each due date. We use currency swaps to reduce market risks from changes in currency exchange rates with respect to investments or liabilities denominated in foreign currencies that we either hold or intend to acquire or sell.

Currency forwards are contracts in which we agree with other parties to deliver a specified amount of an identified currency at a specified future date. Typically, the price is agreed upon at the time of the contract and payment for such a contract is made at the specified future date. We use currency forwards to reduce market risks from changes in currency exchange rates with respect to investments or liabilities denominated in foreign currencies that we either hold or intend to acquire or sell. We have also used currency forwards to hedge the currency risk associated with net investments in foreign operations.

Equity Contracts

Equity risk is the risk that we will incur economic losses due to adverse fluctuations in common stock. We use various derivatives to manage our exposure to equity risk, which arises from products in which the interest we credit is tied to an external equity index as well as products subject to minimum contractual guarantees.

We may sell an investment-type insurance contract with attributes tied to market indices (an embedded derivative as noted below), in which case we write an equity call option to convert the overall contract into a fixed-rate liability, essentially eliminating the equity component altogether. We purchase equity call spreads to hedge the equity participation rates promised to contractholders in conjunction with our fixed deferred annuity products that credit interest based on changes in an external equity index. We use exchange-traded futures and equity put options to hedge against changes in the value of the GMWB liability related to the GMWB rider on our variable annuity product, as previously explained.

Credit Contracts

Credit risk relates to the uncertainty associated with the continued ability of a given obligor to make timely payments of principal and interest. We use credit default swaps to enhance the return on our investment portfolio by providing comparable exposure to fixed income securities that might not be available in the primary market. They are also used to hedge credit exposures in our investment portfolio. Credit derivatives are used to sell or buy credit protection on an identified name or names on an unfunded or synthetic basis in return for receiving or paying a quarterly premium. The premium generally corresponds to a referenced name s credit spread at the time the agreement is executed. In cases where we sell protection, at the same time we enter into these synthetic transactions, we buy a quality cash bond to match against the credit default swap. When selling protection, if there is an event of default by the referenced name, as defined by the agreement, we are obligated to pay the counterparty the referenced amount of the contract and receive in return the referenced security in a principal amount equal to the notional value of the credit default swap.

Other Contracts

Commodity Swaps. Commodity swaps are used to sell or buy protection on commodity prices in return for receiving or paying a quarterly premium. We purchased secured limited recourse notes from VIEs that are consolidated in our financial results. These VIEs use a commodity swap to enhance the return on an investment portfolio by selling protection on a static portfolio of commodity trigger swaps, each referencing a base or precious metal. The portfolio of commodity trigger swaps is a portfolio of deep out-of-the-money European puts on various base or precious metals. The VIEs provide mezzanine protection that the average spot rate will not fall below a certain trigger price on each commodity trigger swap in the portfolio and receive guaranteed quarterly premiums in return until maturity. At the same time the VIEs enter into this synthetic transaction, they buy a quality cash bond to match against the commodity swaps.

Table of Contents

Principal Financial Group, Inc.
Notes to Consolidated Financial Statements (continued)
September 30, 2009
(Unaudited)

3. Derivative Financial Instruments (continued)

Embedded Derivatives. We purchase or issue certain financial instruments or products that contain a derivative instrument that is embedded in the financial instrument or product. When it is determined that the embedded derivative possesses economic characteristics that are not clearly or closely related to the economic characteristics of the host contract and a separate instrument with the same terms would qualify as a derivative instrument, the embedded derivative is bifurcated from the host for measurement purposes. The embedded derivative, which is reported with the host instrument in the consolidated statements of financial position, is carried at fair value.

We sell investment-type insurance contracts in which the return is tied to an external equity index, a leveraged inflation index or leveraged reference swap. We economically hedge the risk associated with these investment-type insurance contracts.

We offer group benefit plan contracts that have guaranteed separate accounts as an investment option. We also offer a guaranteed fund as an investment option in our defined contribution plans in Hong Kong.

We have structured investment relationships with trusts we have determined to be VIEs, which are consolidated in our financial statements. The notes issued by these trusts include obligations to deliver an underlying security to residual interest holders and the obligations contain an embedded derivative of the forecasted transaction to deliver the underlying security.

We have fixed deferred annuities that credit interest based on changes in an external equity index. We also have certain variable annuity products with a GMWB rider, which provides that the contractholder will receive at least their principal deposit back through withdrawals of up to a specified annual amount, even if the account value is reduced to zero. Declines in the equity market may increase our exposure to benefits under contracts with the GMWB. We economically hedge the exposure in these annuity contracts.

Exposure

Our risk of loss is typically limited to the fair value of our derivative instruments and not to the notional or contractual amounts of these derivatives. Risk arises from changes in the fair value of the underlying instruments. We are also exposed to credit losses in the event of nonperformance of the counterparties. Our current credit exposure is limited to the value of derivatives that have become favorable to us. This credit risk is minimized by purchasing such agreements from financial institutions with high credit ratings and by establishing and monitoring exposure limits. We also utilize various credit enhancements, including collateral and credit triggers to reduce the credit exposure to our derivative instruments.

Our derivative transactions are generally documented under International Swaps and Derivatives Association, Inc. Master Agreements. Management believes that such agreements provide for legally enforceable set-off and close-out netting of exposures to specific counterparties. Under such agreements, in connection with an early termination of a transaction, we are permitted to set off our receivable from a counterparty against our payables to the same counterparty arising out of all included transactions. For reporting purposes, we do not offset fair value amounts recognized for the right to reclaim cash collateral or the obligation to return cash collateral against fair value amounts recognized for derivative instruments executed with the same counterparties under master netting agreements.

We posted $301.9 million and $372.8 million in cash and securities under collateral arrangements as of September 30, 2009, and December 31, 2008, respectively, to satisfy collateral requirements associated with our derivative credit support agreements.

Certain of our derivative instruments contain provisions that require us to maintain an investment grade rating from each of the major credit rating agencies on our debt. If the rating on our debt were to fall below investment grade, it would be in violation of these provisions and the counterparties to the derivative instruments could request immediate payment or demand immediate and ongoing full overnight collateralization on derivative instruments in net liability positions. The aggregate fair value of all derivative instruments with credit-risk-related contingent features that were in a liability position as of September 30, 2009, and December 31, 2008, was $1,395.8 million and $2,100.0 million, respectively, for which we posted collateral of $301.9 million and $372.8 million, respectively, in the normal course of business. If the credit-risk-related contingent features underlying these agreements were triggered on September 30, 2009, we would be required to post an additional $45.4 million of collateral to our counterparties.

Table of Contents

Principal Financial Group, Inc.
Notes to Consolidated Financial Statements (continued)
September 30, 2009
(Unaudited)

3. Derivative Financial Instruments (continued)

As of September 30, 2009, and December 31, 2008, we had received $365.6 million and $262.9 million, respectively, of cash collateral associated with our derivative credit support annex agreements. The cash collateral is included in other assets on the consolidated statements of financial position, with a corresponding liability reflecting our obligation to return the collateral recorded in other liabilities.

Notional amounts are used to express the extent of our involvement in derivative transactions and represent a standard measurement of the volume of our derivative activity. Notional amounts represent those amounts used to calculate contractual flows to be exchanged and are not paid or received, except for contracts such as currency swaps. Credit exposure represents the gross amount owed to us under derivative contracts as of the valuation date. The notional amounts and credit exposure of our derivative financial instruments by type were as follows:

	September 30, 2009	December 31, 2008
	(in millions)	
Notional amounts of derivative instruments		
Interest rate contracts:		
Interest rate swaps	**$ 23,287.3**	$ 24,148.6
Futures	**27.3**	97.3
Swaptions		