

S&T BANCORP INC
Form S-4/A
June 21, 2012
Table of Contents

As Filed with the Securities and Exchange Commission on June 21, 2012

Registration No. 333-181568

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

Amendment No. 1 to
FORM S-4
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

S&T BANCORP, INC.

(Exact name of Registrant as specified in its charter)

Pennsylvania
(State or other jurisdiction of

6022
(Primary Standard Industrial

25-1434426
(IRS Employer

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(Incorporation or organization)

(Classification Code Number)

(Identification No.)

800 Philadelphia Street

Indiana, PA 15701

(800) 325-2265

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

Mark Kochvar

Chief Financial Officer

S&T Bancorp, Inc.

800 Philadelphia Street

Indiana, PA 15701

(724) 465-4826

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

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Approximate date of commencement of proposed sale of the securities to the public: As soon as practicable after the effective date of this Registration Statement becomes effective and upon completion of the merger described in the enclosed document.

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 of 1933, as amended (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(2)
Common Stock, par value \$2.50 per share	804,874	\$N/A	\$15,451,091	\$1,771

- (1) Based on the maximum number of shares of S&T Bancorp, Inc. that may be issued in connection with the proposed merger of Gateway Bank of Pennsylvania with and into S&T, calculated by multiplying (i) 1,728,310 shares of Gateway common stock issued and outstanding, which is the maximum number of shares that may be exchanged for the shares being registered by this registration statement, by (ii) the maximum exchange ratio of .4657 under the merger agreement of shares of S&T common stock per share of Gateway common stock.
- (2) Computed in accordance with Rule 457(f)(2), based on (i) the book value of Gateway computed as of March 31, 2012 of \$8.94 and (ii) 1,728,310 shares of Gateway common stock outstanding to be exchanged in the merger for common stock of the registrant. Solely for purposes of calculating the registration fee, the proposed maximum aggregate offering price is equal to the aggregate value of the maximum number of shares of Gateway common stock that may be exchanged in connection with the merger. Calculated pursuant to Section 6(b) of the Securities Act and Securities and Exchange Commission Fee Rate Advisory #3 for Fiscal Year 2012 at a rate equal to \$114.60 per \$1,000,000 of the proposed maximum aggregate offering price.

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, as amended, or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

Table of Contents

The information in this proxy statement/prospectus is not complete and may be changed. We may not sell the securities offered by this proxy statement/prospectus until the registration statement filed with the Securities and Exchange Commission is effective. This proxy statement/prospectus does not constitute an offer to sell or a solicitation of an offer to buy any securities in any jurisdiction where an offer or solicitation is not permitted.

PRELIMINARY SUBJECT TO COMPLETION DATED JUNE 21, 2012

Prospectus of S&T Bancorp, Inc.

**Proxy Statement of Gateway Bank of Pennsylvania
MERGER PROPOSED YOUR VOTE IS VERY IMPORTANT**

Dear Shareholder:

On March 29, 2012, Gateway Bank of Pennsylvania, or Gateway, agreed to merge with S&T Bancorp, Inc., or S&T. We are sending you this proxy statement/prospectus to invite you to attend a special meeting of Gateway shareholders being held to vote on the merger and to ask you to vote at the special meeting in favor of adopting the agreement and plan of merger, or the merger agreement.

If the merger is completed, Gateway will merge with and into a wholly-owned subsidiary of S&T, and you will be entitled to receive your merger consideration in the form of S&T common stock and cash. You will be entitled to receive, in exchange for each share of Gateway common stock you hold at the time of the merger, consideration, without interest, with a value equal to approximately \$12.30 per share comprised of (i) a cash payment of \$3.08 and (ii) between 0.3810 and 0.4657 shares of S&T common stock, which have a value of approximately \$9.22. The precise number of shares will be based upon the average of the high and low sale prices for S&T common stock for the 10 trading day period ending the trading date prior to the closing date.

As an example, if the average of the high and low sale prices of S&T common stock on The Nasdaq Stock Market for the 10 trading days ending the trading day before the closing date is \$, which was the average of the high and low sale prices of S&T common stock on The Nasdaq Stock Market for the 10 days ending on , 2012 (the most recent practicable date prior to the date of this proxy statement/prospectus), then each share of Gateway common stock would be converted into the right to receive \$3.08 in cash and shares of S&T common stock, which would have a market value of \$. As an additional example, if the average of the high and low sale prices of S&T common stock on The Nasdaq Stock Market for the 10 trading days ending the trading day before the closing date is \$22.03, which was the average of the high and low sale prices for S&T common stock for the 10 days ending on March 28, 2012, the last trading day prior to the announcement of the merger, then each share of Gateway common stock would be converted into the right to receive \$3.08 in cash and .4185 shares of S&T common stock, which have a market value of \$9.22. A chart showing the stock merger consideration at various hypothetical averages of the high and low sale prices of S&T common stock is provided on page of this proxy statement/prospectus. However, the actual average of the high and low sales prices may be outside the range of the amounts presented in such table, and as a result, the actual value of the merger consideration per share of S&T common stock may not be shown in such table.

The market prices of S&T common stock will fluctuate before the completion of the merger. You should obtain current stock price quotations for S&T common stock. S&T common stock trades on The Nasdaq Global Select Market under the symbol STBA. Gateway's common stock is not publicly traded, and Gateway is not aware of any trading of Gateway common stock through any means.

The special meeting of the shareholders of Gateway will be held on August 1, 2012 at 4:30 p.m., local time, at St. Clair Country Club, Crossroads Room, 2300 Old Washington Road, Upper St. Clair, PA 15241. Your vote is important. The affirmative vote of 66²/3% of the Gateway votes cast is required to adopt the merger agreement. A majority of the outstanding Gateway common stock entitled to vote is necessary to constitute a quorum in order to transact business at the special meeting.

Regardless of whether you plan to attend the special shareholders' meeting, please take the time to vote your shares in accordance with the instructions contained in this proxy statement/prospectus. **The Gateway board of directors recommends that Gateway shareholders vote FOR adoption of the merger agreement and FOR approval to adjourn the special meeting, if necessary, to solicit additional proxies.**

This proxy statement/prospectus describes the special meeting, the merger, the documents related to the merger and other related matters. Please carefully read this entire proxy statement/prospectus, including Risk Factors beginning on page 15, for a discussion of the risks relating to the proposed merger. You also can obtain information about S&T from documents that it has filed with the Securities and Exchange Commission, or the SEC.

Sincerely,

William J. Burt
President and Chief Executive Officer

The securities to be issued in connection with the merger are not savings accounts, deposits or other obligations of any bank or savings association and are not insured by the Federal Deposit Insurance Corporation or any other governmental agency.

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

The date of this proxy statement/prospectus is , 2012, and it is first being mailed or otherwise delivered to Gateway shareholders on or about , 2012.

Table of Contents

GATEWAY BANK OF PENNSYLVANIA

3402 Washington Road

McMurray, Pennsylvania 15317

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

Gateway Bank of Pennsylvania will hold a special meeting of shareholders on August 1, 2012 at 4:30 p.m., local time, at St. Clair Country Club, Crossroads Room, 2300 Old Washington Road, Upper St. Clair, PA 15241, to consider and vote upon the following proposals:

to adopt the Agreement and Plan of Merger, dated as of March 29, 2012, by and between Gateway Bank of Pennsylvania and S&T Bancorp, Inc., which provides for, among other things, the merger of Gateway Bank of Pennsylvania with and into S&T Bancorp, Inc.;

to approve a proposal to authorize the board of directors to adjourn the special meeting, if necessary, to solicit additional proxies, in the event there are not sufficient votes at the time of the special meeting to approve the proposal to adopt the merger agreement; and

to transact any other business as may properly be brought before the special meeting or any adjournments or postponements of the special meeting.

The Gateway board of directors has fixed the close of business on June 25, 2012 as the record date for the special meeting. Only Gateway shareholders of record at that time are entitled to notice of, and to vote at, the special meeting, or any adjournment or postponement of the special meeting.

The affirmative vote of 66 ²/₃% of the votes cast by holders of shares of Gateway stock entitled to vote at the Gateway special meeting is required to adopt the merger agreement.

Regardless of whether you plan to attend the special meeting, please submit your proxy with voting instructions. Please vote as soon as possible, as failure to vote has the same effect as a vote AGAINST the merger. If you hold stock in your name as a shareholder of record, please complete, sign, date and return the accompanying proxy card in the enclosed self-addressed, stamped envelope. If you hold your stock in street name through a bank or broker, please direct your bank or broker to vote in accordance with the instructions you have received from your bank or broker. This will not prevent you from voting in person, but it will help to secure a quorum and avoid added solicitation costs. Any holder of Gateway common stock who is present at the special meeting may vote in person instead of by proxy, thereby canceling any previous proxy. In addition, a proxy may be revoked in writing at any time before its exercise at the special meeting in the manner described in the accompanying document.

The Gateway board of directors has unanimously approved the merger agreement and recommends that Gateway shareholders vote FOR the adoption of the merger agreement and FOR the approval to adjourn the special meeting, if necessary, to solicit additional proxies.

BY ORDER OF THE BOARD OF DIRECTORS

Robert Kerr, Secretary

, 2012

McMurray, Pennsylvania

YOUR VOTE IS IMPORTANT. PLEASE VOTE YOUR SHARES PROMPTLY REGARDLESS OF WHETHER YOU PLAN TO ATTEND THE SPECIAL MEETING. YOU MAY FIND INSTRUCTIONS FOR VOTING ON THE ENCLOSED PROXY CARD.

Table of Contents

TABLE OF CONTENTS

	Page
<u>QUESTIONS AND ANSWERS ABOUT THE MERGER AND THE SPECIAL MEETING</u>	1
<u>SUMMARY</u>	5
<u>SELECTED CONSOLIDATED HISTORICAL FINANCIAL DATA OF S&T BANCORP, INC.</u>	12
<u>SELECTED CONSOLIDATED HISTORICAL FINANCIAL DATA OF GATEWAY BANK OF PENNSYLVANIA</u>	13
<u>COMPARATIVE PER SHARE DATA</u>	14
<u>RISK FACTORS</u>	15
<u>CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS</u>	19
<u>THE GATEWAY SPECIAL MEETING</u>	20
<u>PROPOSAL 1 THE MERGER</u>	23
<u>THE MERGER AGREEMENT</u>	41
<u>ACCOUNTING TREATMENT</u>	51
<u>MATERIAL UNITED STATES FEDERAL INCOME TAX CONSEQUENCES OF THE MERGER</u>	52
<u>PROPOSAL 2 AUTHORIZATION TO VOTE ON ADJOURNMENT OR OTHER MATTERS</u>	56
<u>INFORMATION ABOUT S&T BANCORP, INC.</u>	57
<u>INFORMATION ABOUT GATEWAY BANK OF PENNSYLVANIA</u>	58
<u>COMPARISON OF SHAREHOLDERS' RIGHTS</u>	70
<u>MARKET PRICE AND DIVIDEND INFORMATION</u>	75
<u>LEGAL MATTERS</u>	76
<u>EXPERTS</u>	76
<u>GATEWAY 2012 ANNUAL MEETING</u>	76
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	76
 ANNEXES	
<u>AGREEMENT AND PLAN OF MERGER</u>	A-1
<u>OPINION OF KEEFE, BRUYETTE & WOODS</u>	B-1
<u>SUBCHAPTER D OF THE PENNSYLVANIA BUSINESS CORPORATION LAW</u>	C-1
REFERENCES TO ADDITIONAL INFORMATION	

This proxy statement/prospectus incorporates important business and financial information about S&T from documents that are not included in or delivered with this proxy statement/prospectus. You can obtain documents incorporated by reference in this proxy statement/prospectus, other than certain exhibits to those documents, by requesting them in writing or by telephone at the following addresses:

S&T Bancorp, Inc.

800 Philadelphia Street

Indiana, PA 15701

(800) 325-2265

Attention: Investor Relations

You will not be charged for any of these documents that you request. Gateway shareholders requesting documents should do so by , 2012 in order to receive them before the special meeting.

See also *Where You Can Find More Information* on page .

Table of Contents

QUESTIONS AND ANSWERS ABOUT THE MERGER AND THE SPECIAL MEETING

The questions and answers below highlight only selected procedural information from this proxy statement/prospectus. They do not contain all of the information that may be important to you. You should read carefully the entire proxy statement/prospectus and the additional documents incorporated by reference into this proxy statement/prospectus to fully understand the voting procedures for the special meeting.

Q: What is the purpose of this proxy statement/prospectus?

A: This proxy statement/prospectus serves as both a proxy statement of Gateway and a prospectus of S&T. As a proxy statement, it is being provided to you because the Gateway board of directors is soliciting your proxy for use at the Gateway special meeting of shareholders at which the Gateway shareholders will consider and vote on (i) adoption of the merger agreement between S&T and Gateway and (ii) authorization of the board of directors to adjourn the special meeting to a later date, if necessary, to solicit additional proxies in favor of adoption of the merger agreement or vote on other matters properly before the special meeting. As a prospectus, it is being provided to you because S&T is offering to exchange shares of its common stock for your shares of Gateway common stock upon completion of the merger.

Q: What is the proposed transaction for which I am being asked to vote?

A: You are being asked to vote upon proposals to (i) adopt the Agreement and Plan of Merger, dated March 29, 2012, by and between S&T and Gateway, which we refer to in this proxy statement/prospectus as the merger agreement, which provides for, among other things, the merger of Gateway with and into a wholly-owned subsidiary of S&T, which we refer to as the merger and (ii) adjourn the special meeting, if necessary, to solicit additional proxies.

Q: What do I need to do now?

A: With respect to the special meeting after you have carefully read this proxy statement/prospectus and decided how you wish to vote your shares, please vote your shares promptly. You must complete, sign, date and mail your proxy card in the enclosed postage paid return envelope as soon as possible. Submitting your proxy card will ensure that your shares are represented and voted at the special meeting.

Q: If my broker holds my shares in street name will my broker automatically vote my shares for me?

A: No. Your broker will not be able to vote your shares on the merger agreement without instruction from you. You should instruct your broker to vote your shares, following the directions your broker provides to you. Please check the voting form used by your broker.

Q: What if I fail to instruct my broker?

A: If you do not provide your broker with instructions, your broker generally will not be permitted to vote your shares on the merger proposal, which is referred to as a broker non-vote. For purposes of determining the number of votes cast with respect to the merger proposal, only those votes cast for or against the proposal are counted. Broker non-votes, if any are submitted by brokers or nominees in connection with the special meeting, will not be counted as votes for or against for purposes of determining the number of votes cast (thus having the effect of a vote against the proposal to adopt the merger agreement), but will be treated as present for quorum purposes.

Q: When and where is the Gateway special meeting of shareholders?

A: The special meeting of Gateway shareholders will be held on August 1, 2012 at 4:30 p.m., local time, at St. Clair Country Club, Crossroads Room, 2300 Old Washington Road, Upper St. Clair, PA 15241. All shareholders of Gateway as of the record date, or their duly appointed proxies, may attend the Gateway special meeting.

- 1 -

Table of Contents

Q: How do I vote?

A: If you are a shareholder of record of Gateway as of June 25, 2012, which is referred to as the Gateway record date, you may submit a proxy before the special meeting by completing, signing, dating and returning the enclosed proxy card in the enclosed postage-paid envelope.

You may also cast your vote in person at the special meeting.

Q: If I am a Gateway shareholder, should I send in my Gateway stock certificates with my proxy card?

A: No. **PLEASE DO NOT SEND YOUR GATEWAY STOCK CERTIFICATES WITH YOUR PROXY CARD.** You should carefully review and follow the instructions set forth in the letter of transmittal, which will be mailed to Gateway shareholders by American Stock Transfer and Trust Company, which we refer to as the exchange agent, separately following the closing date, regarding the surrender of your share certificates. You should then send your Gateway common stock certificates to the exchange agent, together with your completed, signed letter of transmittal.

Q: Whom can I contact if I cannot locate my Gateway stock certificates?

A: If you are unable to locate your original Gateway stock certificate(s), you should contact Robert Kerr, Secretary of Gateway, at 724-942-2021.

Q: Why is my vote important?

A: Because the merger cannot be completed without the affirmative vote of 66²/₃% of the votes cast by all shareholders entitled to vote to adopt the merger agreement, and because a majority of the outstanding Gateway common stock entitled to vote is necessary to constitute a quorum in order to transact business at the special meeting, every shareholder's vote is important.

Q: How does the Gateway board of directors recommend that I vote?

A: The Gateway board of directors recommends that you vote **FOR** adoption of the agreement and plan of merger. At the meeting, the members of the board of directors and the executive officers of Gateway, and their affiliates, in the aggregate have the power to vote approximately 25.1% of the outstanding shares of Gateway common stock. Gateway's directors and executive officers each entered into a voting agreement with S&T in connection with the execution of the merger agreement and therefore will vote their shares in favor of the proposals to be considered at the Gateway special meeting.

Q: Can I attend the Gateway special meeting and vote my shares in person?

A: Yes. All shareholders, including shareholders of record and shareholders who hold their shares through nominees or any other holder of record, are invited to attend the special meeting. Holders of record of Gateway common stock can vote in person at the special meeting. If you are not a shareholder of record, you must obtain a proxy, executed in your favor, from the record holder of your shares, such as a nominee, to be able to vote in person at the special meeting. If you plan to attend the special meeting, you must hold your shares in your own name or have a letter from the record holder of your shares confirming your ownership and you must bring a form of personal photo

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identification with you in order to be admitted. We reserve the right to refuse admittance to anyone without proper proof of share ownership and without proper photo identification.

Q: Can I change my vote or revoke my proxy after I have delivered my proxy?

A: Yes. You may revoke any proxy at any time before it is voted by (1) signing and returning a proxy card with a later date, (2) delivering a written revocation letter to the Secretary of Gateway or (3) attending the special

- 2 -

Table of Contents

meeting in person, notifying the Secretary and voting by ballot at the special meeting. The mailing address of the Secretary of Gateway, Mr. Robert Kerr, is Gateway Bank of Pennsylvania, 3402 Washington Road, McMurray, Pennsylvania 15317. Any shareholder entitled to vote in person at the special meeting may vote in person regardless of whether a proxy has been previously given, and such vote will revoke any previous proxy, but the mere presence (without notifying the Secretary of Gateway) of a shareholder at the special meeting will not constitute revocation of a previously given proxy.

Q: When do you expect to complete the merger?

A: We expect to complete the merger in the third quarter of 2012. However, we cannot assure you when or if the merger will occur. Among other things, we cannot complete the merger until we obtain the approval of Gateway shareholders at the special meeting, receive all necessary regulatory approvals and consents and satisfy the closing conditions described in the merger agreement.

Q: What are the material U.S. federal income tax consequences of the merger to me?

A: The merger has been structured to qualify as a tax-free reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended, or the Code. As a result of the merger's qualification as a reorganization, it is anticipated that Gateway shareholders will not recognize gain or loss for U.S. federal income tax purposes upon the exchange of shares of Gateway common stock for shares of S&T common stock, except with respect to the cash amount of the merger consideration or cash received in lieu of fractional shares of S&T common stock and except for Gateway shareholders who exercise their appraisal rights with respect to the merger.

Tax matters are very complicated, and the tax consequences of the merger to a particular shareholder will depend in part on such shareholder's circumstances. Accordingly, you should consult your tax advisor for a full understanding of the tax consequences of the merger to you, including the applicability and effect of federal, state, local and foreign income and other tax consequences. For more information, please see the section entitled *Material United States Federal Income Tax Consequences of the Merger* beginning on page of this proxy statement/prospectus.

Q: Who will be the directors and executive officers of the company following the merger?

A: Following the merger, the Board of Directors of S&T will remain the same. No members of the Gateway board of directors will be joining the board of directors of S&T; however, each member of Gateway's board of directors will be invited to serve on the Washington County Advisory Board of S&T's banking subsidiary, S&T Bank. Additionally, the executive management team of S&T will remain unchanged.

Q: What risks should I consider in deciding whether to vote in favor of the proposals?

A: You should carefully review the section of this proxy statement/prospectus entitled *Risk Factors* beginning on page , which sets forth certain risks and uncertainties related to which the merger will be subject. Additional risk factors regarding the business and operations of S&T may be found in S&T's filings with the SEC. See *Where You Can Find More Information* on page of this proxy statement/prospectus.

Q: Do I have rights to dissent from the merger?

A:

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Yes. Under Pennsylvania law, Gateway shareholders have the right to dissent from the merger agreement and the merger and to receive a payment in cash for the fair value of their shares of Gateway common stock as determined by an appraisal process. This value may be more or less than the value you would receive in the merger if you do not dissent. If you dissent, you will receive a cash payment for the value of

- 3 -

Table of Contents

your shares that will be fully taxable to you. To perfect your dissenters' rights, you must follow precisely the required statutory procedures. See *The Merger Gateway Shareholders Have Dissenters' Rights in the Merger*, beginning at page and the information at *Annex C*.

Q: How will the merger affect stock options for Gateway common stock?

A: Upon consummation of the merger, each outstanding vested and unvested option to acquire a share of Gateway common stock will be cancelled in exchange for the right to receive, on the terms and conditions set forth in the merger agreement, an amount in cash equal to the excess, if any, of the per-share cash consideration of \$12.30 over the option's exercise price per share.

Q: Whom should I call with questions about the shareholders meeting or the merger?

A: Gateway shareholders with questions regarding the merger should contact the Secretary of Gateway, Mr. Robert Kerr, at Gateway Bank of Pennsylvania, 3402 Washington Road, McMurray, Pennsylvania 15317. Mr. Kerr's phone number is 724-942-2021.

Table of Contents

SUMMARY

This summary highlights information contained elsewhere in this proxy statement/prospectus and may not contain all of the information that is important to you. We urge you to carefully read the entire proxy statement/prospectus and the other documents to which we refer in order to fully understand the merger and the related transactions. See *Where You Can Find More Information* on page . Each item in this summary refers to the page of this proxy statement/prospectus on which that subject is discussed in more detail.

Information about the Parties (page)

S&T Bancorp, Inc.

S&T is a Pennsylvania corporation and a financial holding company with its headquarters located in Indiana, Pennsylvania. At March 31, 2012, S&T had assets of approximately \$4.3 billion, deposits of \$3.5 billion and shareholders' equity of \$504.4 million.

S&T provides a full range of financial services through offices located within Allegheny, Armstrong, Blair, Butler, Cambria, Clarion, Clearfield, Indiana, Jefferson and Westmoreland counties of Pennsylvania. S&T provides full service retail and commercial banking products as well as cash management services, insurance, estate planning and administration, employee benefit, investment management and administration, corporate services and other fiduciary services. S&T's common stock trades on The Nasdaq Global Select Market under the symbol STBA. S&T's website is <http://www.stbancorp.com>.

The principal executive offices of S&T are located at S&T Bancorp, Inc., 800 Philadelphia Street, Indiana, PA, 15701, and its telephone number is (800) 325-2265.

Gateway Bank of Pennsylvania

Gateway is a Pennsylvania corporation headquartered at 3402 Washington Road, McMurray, Pennsylvania, 15317, and its telephone number is (724) 969-1010. Gateway provides commercial and retail banking services at its two offices, which are located in McMurray, Pennsylvania and Cranberry Township, Pennsylvania. At March 31, 2012, Gateway had total assets of \$124.1 million, deposits of \$100.5 million, and shareholders' equity of \$15.4 million. Gateway's website is <http://www.gatewaybankpa.com>.

In addition to taking deposits, Gateway originates loans to commercial businesses, governmental entities, and individuals. As of March 31, 2012, Gateway's loan portfolio included commercial and multi-family real estate loans, commercial business loans and lines of credit, loans to municipalities, not-for-profit organizations and other governmental entities, home equity term loans and lines of credit, residential and commercial construction loans, automobile loans, and personal loans.

The Merger (page)

The terms and conditions of the merger are contained in the merger agreement, which is attached as *Annex A* to this proxy statement/prospectus and incorporated by reference herein. Please carefully read the merger agreement as it is the legal document that governs the merger.

Gateway Will Merge into a Subsidiary of S&T

We are proposing the merger of Gateway with and into an interim state-chartered bank that is a wholly-owned subsidiary of S&T. As a result, the wholly-owned subsidiary of S&T will continue as the surviving

Table of Contents

company. Following the consummation of the merger, such wholly-owned subsidiary will merge into S&T Bank, a bank and trust company organized under the Pennsylvania Banking Code of 1965 and a wholly-owned subsidiary of S&T, with S&T Bank as the surviving bank.

Gateway Will Hold Its Special Meeting on August 1, 2012 (page)

The special meeting will be held on August 1. At the special meeting, Gateway shareholders will be asked to:

1. adopt the merger agreement; and
2. approve the adjournment of the special meeting, if necessary, to solicit additional proxies, in the event that there are not sufficient votes at the time of the special meeting to adopt the merger agreement.

Record Date. Only holders of record of Gateway common stock at the close of business on June 25, 2012 will be entitled to vote at the special meeting. Each share of Gateway common stock is entitled to one vote. As of the record date of June 25, 2012, there were shares of Gateway common stock entitled to vote at the special meeting.

Required Vote. The affirmative vote of 66^{2/3}% of the Gateway votes cast is required to adopt the merger agreement and the affirmative vote of a majority of the shares of Gateway common stock present in person or by proxy is required to adjourn the special meeting, in certain circumstances, to solicit additional proxies. A majority of the outstanding Gateway common stock entitled to vote is necessary to constitute a quorum in order to transact business at the special meeting. As of the record date, there were shares of common stock issued and outstanding.

As of the record date, directors and executive officers of Gateway and their affiliates had the right to vote 434,650 shares of Gateway common stock, or 25.1% of the outstanding Gateway common stock entitled to be voted at the special meeting. The directors and executive officers have entered into voting agreements whereby such directors and executive officers have agreed to, among other things, vote for the proposals at the special meeting and not to transfer or dispose of their shares prior to the meeting.

Gateway Shareholders Will Receive Cash and Shares of S&T Common Stock in the Merger (page)

You will have the right to receive merger consideration, without interest, for each of your shares of Gateway common stock in the amount of approximately \$12.30 per share. You will receive in exchange for each share of Gateway common stock you own immediately prior to completion of the Merger: (i) a cash payment of \$3.08 per share; (ii) between 0.3810 and 0.4657 shares of S&T common stock. The precise number of shares will be based upon the average of the high and low sale prices for S&T common stock for the 10 trading day period ending the trading date prior to the closing date.

As an example, based on the average of the high and low sale prices of S&T common stock on The Nasdaq Stock Market for the 10 trading days ending on , 2012 (the most recent practicable date prior to the date of this proxy statement/prospectus), for each share of Gateway common stock held, you would receive \$3.08 in cash and shares of S&T common stock, which would have a market value of \$.

Table of Contents

The following table provides examples of how the value of the merger consideration may change depending on the average high and low share price of S&T common stock. The range of prices set forth in the table has been included for representative purposes only. S&T cannot assure you as to what the market price of the S&T common stock to be issued in the merger will be at or following the time of the exchange. The table assumes that Gateway will not have a right to terminate the merger agreement under the circumstances described under the heading entitled *The Merger Agreement Termination of the Merger Agreement* on page .

Hypothetical 10-Day Average		Implied Value Received in Exchange Per Share of Gateway Stock
Price of S&T Common Stock	Exchange Ratio	
\$26.00	0.3810	\$ 12.99
\$24.20	0.3810	\$ 12.30
\$22.00	0.4191	\$ 12.30
\$19.80	0.4657	\$ 12.30
\$18.00	0.4657	\$ 11.46

The examples above are illustrative only. The value of the merger consideration that you actually receive will be based on the actual average of the high and low sale prices of S&T common stock on The Nasdaq Stock Market for the 10 trading days ending the trading day prior to the closing. The actual average of the high and low sale prices may be outside the range of the amounts set forth above, and as a result, the actual value of the merger consideration per share of S&T common stock may not be shown in the above table.

You should carefully read *Material United States Federal Income Tax Consequences of the Merger* beginning on page .

The Gateway Stock Options and Warrants Will Be Cancelled in Exchange for a Cash Payment (page)

Upon completion of the merger, each outstanding option and warrant to purchase shares of Gateway common stock, whether or not then exercisable, will be cancelled in exchange for the right to receive a lump sum cash payment equal to the difference between \$12.30 and the exercise price of such Gateway stock option or warrant. The lump sum cash payment will be subject to applicable tax withholding.

Your Expected Material United States Federal Income Tax Treatment as a Result of the Merger (page)

We have structured the merger to be treated as a reorganization for United States federal income tax purposes. Each of S&T and Gateway has conditioned the consummation of the merger on its receipt of a legal opinion that this will be the case.

Generally, you will not recognize gain or loss on the exchange of Gateway common stock for S&T common stock in the merger except with respect to the cash you receive, including the cash payment in lieu of a fractional share interest in S&T common stock. With respect to the cash you receive in exchange for your Gateway common stock in the merger, you generally will recognize gain or loss equal to the difference between the amount of cash you receive and your adjusted tax basis in the shares of Gateway common stock you surrender. If you receive cash instead of a fractional share interest in S&T common stock, you will recognize gain or loss on your receipt of that cash.

Exceptions to these conclusions or other considerations may apply. Determining the actual tax consequences of the merger to you can be complicated. Those consequences will depend on your specific situation. For further information, please refer to *Material United States Federal Income Tax Consequences of the Merger* on page . **You should also consult your own tax advisor for a full understanding of the merger's federal income tax and other tax consequences as they apply specifically to you.**

Table of Contents

The United States federal income tax consequences described above may not apply to all holders of Gateway common stock. Your tax consequences will depend on your individual situation. Accordingly, we strongly urge you to consult your tax advisor for a full understanding of the particular tax consequences of the merger to you.

Accounting Treatment of the Merger (page)

The merger will be treated as a business combination using the acquisition method of accounting with S&T treated as the acquiror under generally accepted accounting principles, or GAAP.

Market Price and Dividend Information (page)

S&T common stock is quoted on The Nasdaq Global Select Market under the symbol STBA. Gateway common stock is not publicly traded.

The following table shows the closing sale prices of S&T common stock as reported on The Nasdaq Stock Market on March 28, 2012, the last trading day before we announced the merger, and on , 2012, the last practicable trading day prior to mailing this proxy statement/prospectus. The table also presents the equivalent value of the merger consideration per share of Gateway common stock on March 28, 2012, and , 2012, calculated by multiplying the closing sale prices of S&T common stock on those dates by the exchange ratios of shares of S&T common stock that Gateway shareholders would receive in the merger for each share of Gateway common stock, plus \$3.08 in cash per share. The actual exchange ratio will be determined by dividing \$9.22 by the average high and low sales price of S&T s common stock during the 10 trading day period ending the trading day prior to the closing. The amounts below are for illustrative purposes only, and the exchange ratio shall not exceed the minimum and maximum of the range.

	S&T Common Stock	Exchange Ratio	Equivalent Value Per Share (including cash)
March 28, 2012	\$ 22.03	.4185	\$ 12.30
At , 2012			

The market price of S&T common stock will fluctuate prior to the merger. You should obtain current stock price quotations for the shares.

Upon completion of the merger, if all of the outstanding Gateway shares of common stock are converted into shares of S&T common stock, the Gateway shareholders will own approximately 2.7% of the outstanding shares of S&T common stock.

Keefe, Bruyette and Woods Has Provided an Opinion to the Gateway Board of Directors Regarding the Fairness of the Merger Consideration (page)

Gateway s financial advisor, Keefe, Bruyette & Woods, or KBW, has conducted financial analyses and delivered an opinion to Gateway s board of directors that, as of March 29, 2012, the consideration to be received by Gateway shareholders was fair from a financial point of view to Gateway shareholders.

The full text of KBW s opinion is attached as *Annex B* to this proxy statement/prospectus. Gateway shareholders should read that opinion and the summary description of KBW s opinion contained in this proxy statement/prospectus in their entirety. The opinion of KBW does not reflect any developments that may have occurred or may occur after the date of its opinion and prior to the completion of the merger. Gateway does not expect that it will request an updated opinion from KBW.

Table of Contents

Gateway paid KBW a cash fee of \$50,000 upon engagement and \$100,000 concurrently with the rendering of the fairness opinion. Additionally, Gateway has agreed to pay to KBW at the time of closing of the transaction a cash fee equal to \$322,500.

Board of Directors and Executive Officers of S&T after the Merger (page)

The board of directors and management team of S&T will remain unchanged following the completion of the merger. Each member of the Gateway board of directors will be asked to join S&T's Washington County Advisory Board.

The Gateway Board of Directors Recommends That Gateway Shareholders Vote FOR Adoption of the Agreement and Plan of Merger (page)

The Gateway board of directors believes that the merger is in the best interests of Gateway and its shareholders and has unanimously approved the merger and the merger agreement. The Gateway board of directors recommends that Gateway shareholders vote FOR adoption of the agreement and plan of merger. The Gateway board also recommends FOR the proposal to adjourn the special meeting, if necessary, to solicit additional proxies.

Gateway's Directors and Executive Officers Have Financial Interests in the Merger That May Differ from Your Interests (page)

In considering the information contained in this proxy statement/prospectus, you should be aware that Gateway's executive officers and directors have financial interests in the merger that may be different from, or in addition to, the interests of Gateway shareholders. These additional interests of Gateway's executive officers and directors may create potential conflicts of interest and cause some of these persons to view the proposed transaction differently than you may view it as a shareholder.

Gateway's board of directors was aware of these interests and took them into account in its decision to approve the agreement and plan of merger. For information concerning these interests, please see the discussion under the caption *The Merger Gateway's Directors and Executive Officers Have Financial Interests in the Merger* on page .

Holders of Gateway Common Stock Have Dissenters' Rights (page)

If you are a Gateway shareholder, you have the right under Pennsylvania law to dissent from the merger agreement and the merger, and to demand and receive cash for the fair value of your shares of Gateway common stock. For a complete description of the dissenters' rights of Gateway shareholders, please see the discussion under the caption *Gateway Shareholders Have Dissenters' Rights in the Merger* on page . In order to assert dissenters' rights, you must:

file a written notice of intent to dissent with Gateway prior to the shareholder vote at the special meeting of shareholders;

make no change in your beneficial ownership of Gateway common stock after you give notice of your intention to demand fair value of your shares of Gateway common stock; and

not vote to adopt the merger agreement at the special meeting.

file a written demand for payment and deposit any certificates representing the Gateway shares for which dissenters' rights are being asserted as requested by the notice that will be sent by Gateway or S&T after the completion of the merger; and

comply with certain other statutory procedures set forth in Pennsylvania law.

Table of Contents

If you are a Gateway shareholder and you sign and return your proxy without voting instructions, we will vote your proxy in favor of the transaction and you will lose any dissenters' rights that you may have. A copy of the relevant provisions of Pennsylvania law related to dissenters' rights are attached to this proxy statement/prospectus as Annex C.

The Rights of Gateway Shareholders Will Be Governed by Pennsylvania Law and the S&T Articles of Incorporation and By-laws after the Merger (page)

The rights of Gateway shareholders will change as a result of the merger due to differences in S&T's and Gateway's governing documents. A description of shareholder rights under each of the S&T and Gateway governing documents, and the material differences between them, is included in the section entitled *Comparison of Shareholders' Rights* found on page .

Regulatory Approvals Required for the Merger (page)

The merger is subject to certain regulatory approvals and we must receive approval from the Federal Reserve, the Federal Deposit Insurance Corporation, and the Pennsylvania Department of Banking. S&T has filed the required applications and notices. The merger will not proceed in the absence of regulatory approvals. Although S&T does not know of any reason why it would not obtain regulatory approvals in a timely manner, S&T cannot be certain when such approvals will be obtained or if they will be obtained. S&T has also made the necessary filings to form the interim, wholly-owned subsidiary to merge with Gateway, which subsidiary will survive the merger and subsequently merge with and into S&T Bank.

Conditions That Must Be Satisfied or Waived for the Merger to Occur (page)

Currently, we expect to complete the merger in the third quarter of 2012. As more fully described in this proxy statement/prospectus and in the merger agreement, the completion of the merger depends on a number of conditions being satisfied or, where legally permissible, waived. These conditions include, among others, approval by the requisite vote of the Gateway shareholders; the receipt of all required regulatory approvals from the Federal Reserve Board, or the Federal Reserve, the FDIC and the Pennsylvania Department of Banking; the right to demand appraisal rights under the Pennsylvania Business Corporation Law having expired or been unavailable with respect to at least 90% of the outstanding Gateway common shares, and the receipt of a legal opinion from S&T regarding the tax treatment of the merger.

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

No Solicitation of Other Offers (page)

In addition to terminating any ongoing discussions with third parties regarding an alternative acquisition proposal, Gateway has agreed that it, its subsidiaries, its directors and officers and those of its subsidiaries will not, and Gateway will use reasonable best efforts to cause its and each of its subsidiaries' employees and agents not to, between the date of the merger agreement and the closing of the merger:

initiate, solicit or encourage, directly or indirectly, any inquiries or the making or implementation of any alternative acquisition proposal;

furnish confidential data or access to any person that has made an alternative acquisition proposal; or

engage in any discussions or negotiations concerning an alternative acquisition proposal.

The merger agreement does not, however, prohibit Gateway taking such actions if its board of directors determines, in good faith, that such discussions of an alternative acquisition proposal are required for Gateway board of directors to fulfill its fiduciary duties.

Table of Contents

Termination of the Merger Agreement (page)

We may mutually agree to terminate the merger agreement before completing the merger, even after shareholder approval. In addition, either of us may decide to terminate the merger agreement, even after shareholder approval, if a governmental entity issues a final order that is not appealable prohibiting the merger, if a bank regulator which must grant a regulatory approval as a condition to the merger denies such approval of the merger and such denial has become final and is not appealable, or if the other party breaches the merger agreement in a way that would entitle the party seeking to terminate the agreement not to consummate the merger, subject to the right of the breaching party to cure the breach within 30 days following written notice. Either of us may terminate the merger agreement if the merger has not been completed by December 31, 2012, unless the reason the merger has not been completed by that date is a breach of the merger agreement by the company seeking to terminate the merger agreement.

S&T may terminate the merger agreement if the Gateway board of directors (1) fails to recommend that Gateway shareholders adopt the agreement and plan of merger, (2) withdraws or modifies its recommendation (or proposes to do so) in a manner adverse to S&T, or (3) recommends a competing merger proposal in a manner adverse to S&T.

Gateway may terminate the merger agreement if the Gateway board of directors determines, by majority vote, at any time during the five business day period beginning with the later of (i) the date on which the last required approval of a governmental authority is obtained with respect to the merger without regard to any requisite waiting period or (ii) the date of the Gateway special meeting, or the Determination Date, if both of the following conditions are satisfied: (1) if the average daily closing price of S&T common stock for the 10 consecutive trading days prior to the Determination Date declines by more than 20% from \$22.03, which was the closing price for S&T common stock on March 28, the last trading day prior to execution of the merger agreement and (2) S&T's common stock underperforms the Nasdaq Bank Index by more than 20% based on difference of the closing price of S&T's common stock on the date prior to the execution of the merger agreement and the Determination Date; unless S&T exercises its option to increase the number of S&T common shares to be received by Gateway shareholders such that the implied value of the merger would be equivalent to the minimum implied value that would have had to exist for the above price-based termination right not to have been triggered.

Termination Fee (page)

Gateway will pay S&T a termination fee of \$875,000 in the event that the merger agreement is terminated:

by S&T, if the Gateway board of directors fails to recommend that Gateway shareholders adopt the agreement and plan of merger, withdraws or modifies its recommendation in a manner adverse to S&T, or recommends an alternative business combination proposal; or

by S&T if the Gateway common shareholders fail to approve the merger agreement at the special meeting; or any of the closing conditions to the merger have not been satisfied. However, if S&T or Gateway terminate the merger agreement because Gateway's shareholders have failed to adopt the merger agreement at the Gateway special meeting, Gateway is only obligated to pay the termination fee if the failure to approve the merger is due to the Gateway board of directors not recommending the merger or withdrawing or materially modifying its recommendation, or recommending a competing merger proposal in a manner adverse to S&T.

Table of Contents**SELECTED CONSOLIDATED HISTORICAL FINANCIAL DATA OF S&T BANCORP, INC.**

Set forth below are highlights from S&T's consolidated financial data as of and for the years ended December 31, 2007 through 2011 and as of and for the three months ended March 31, 2012 and 2011. The results of operations for the three months ended March 31, 2012 and 2011 are not necessarily indicative of the results of operations for the full year or any other interim period. S&T management prepared the unaudited information on the same basis as it prepared S&T's audited consolidated financial statements. In the opinion of S&T management, this information reflects all adjustments, consisting of only normal recurring adjustments, necessary for a fair presentation of this data for those dates. You should read this information in conjunction with S&T's consolidated financial statements and related notes included in S&T's Annual Report on Form 10-K for the year ended December 31, 2011, and S&T's Quarterly Reports on Form 10-Q for the quarters ended March 31, 2012 and March 31, 2011, which are incorporated by reference in this proxy statement/prospectus and from which this information is derived. See *Where You Can Find More Information* on page .

	For the Three Months Ended March 31,			For the Years Ended December 31,			
	(unaudited)			2010	2009	2008	2007
(dollars in thousands except per share data)	2012	2011	2011	2010	2009	2008	2007
Balance Sheet Data:							
Assets	\$ 4,330,975	\$ 4,090,054	\$ 4,119,994	\$ 4,114,339	\$ 4,170,475	\$ 4,438,368	\$ 3,407,621
Portfolio loans, net of allowance for loan losses	3,149,953	3,240,353	3,080,918	3,304,203	3,338,754	3,525,290	2,761,695
Investment securities	364,056	331,536	357,596	288,025	354,860	452,713	358,822
Deposits	3,522,355	3,305,839	3,335,859	3,317,524	3,304,541	3,228,416	2,621,825
Borrowings	237,683	157,863	227,863	160,637	272,748	692,844	406,279
Shareholders' equity	504,418	580,115	490,526	578,665	553,318	448,694	337,560
Income Statement Data:							
Net interest income	33,321	34,872	137,346	145,846	145,982	143,947	116,438
Provision for loan losses	9,272	10,640	15,609	29,511	72,354	12,878	5,812
Noninterest income, including security gains and losses	13,069	11,026	44,057	47,210	38,580	37,452	40,605
Noninterest expense	32,783	27,449	103,908	105,633	108,126	83,801	73,460
Income before taxes	4,335	7,809	61,886	57,912	4,082	84,720	77,771
Net income	3,480	6,295	47,264	43,480	7,951	60,203	56,144
Net income available to common shareholders	3,480	4,740	39,653	37,279	2,038	60,203	56,144
Per Common Share:							
Basic earnings ⁽¹⁾	\$ 0.12	\$ 0.17	\$ 1.41	\$ 1.34	\$ 0.07	\$ 2.30	\$ 2.27
Diluted earnings ⁽¹⁾	0.12	0.17	1.41	1.34	0.07	2.28	2.26
Dividends declared	0.15	0.15	0.60	0.60	0.61	1.24	1.21
Book value	17.47	16.90	17.44	16.91	16.14	16.24	13.75
Earnings Performance Ratios ⁽²⁾:							
Common return on average assets	0.34%	0.47%	0.97%	0.90%	0.05%	1.52%	1.68%
Common return on average shareholders equity	2.82%	3.31%	6.78%	6.58%	0.37%	14.77%	16.97%
Net interest margin (FTE basis) ⁽³⁾	3.69%	3.92%	3.83%	4.05%	3.89%	4.07%	3.87%
Asset Quality Ratios:							
Net loan charge offs to average loans ⁽²⁾	1.32%	0.04%	0.56%	1.11%	1.60%	0.31%	0.17%
Non-performing loans to total loans	2.01%	2.45%	1.79%	1.90%	2.67%	1.19%	0.60%
Non-performing assets to total loans + OREO	2.12%	2.67%	1.92%	2.07%	2.80%	1.21%	0.62%
Allowance for loan losses to non-performing loans	74%	76%	87%	80%	66%	101%	204%
Allowance for loan losses to total loans	1.49%	1.87%	1.56%	1.53%	1.75%	1.20%	1.23%
Capital Ratios:							
Leverage ratio	9.20%	11.19%	9.17%	11.07%	10.26%	7.31%	8.57%
Total risk-based capital ratio	15.14%	16.99%	15.20%	16.68%	15.43%	11.82%	11.64%

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- (1) Basic and diluted earnings per share under the two-class method are determined on the net income reported on the income statement less earnings allocated to participating securities.
- (2) Returns, net interest margin, and charge-off data for the three-month periods ended March 31, 2012 and 2011 are annualized.
- (3) Fully-Taxable equivalent basis is a non-GAAP financial measure consistent with industry practice. The adjustment to an FTE basis has no impact on net income. For a reconciliation of this non-GAAP measure to GAAP, see Management's Discussion and Analysis of Financial Condition and Results of Operation Net Interest Income in S&T's Annual Report on Form 10-K for the year ended December 31, 2011, incorporated by reference to this proxy statement/prospectus.

- 12 -

Table of Contents**SELECTED HISTORICAL FINANCIAL DATA OF GATEWAY BANK OF PENNSYLVANIA**

The following table presents Gateway's selected financial data. The balance sheet and income statement data for the years ended December 31, 2011, 2010, 2009, 2008 and 2007 are derived from Gateway's audited financial statements for the periods then ended. The results of operations for the three months ended March 31, 2012 and 2011 are not necessarily indicative of the results of operations for the full year or any other interim period. Gateway management prepared the unaudited information on the same basis as it prepared Gateway's audited financial statements. In the opinion of Gateway management, this information reflects all adjustments, consisting of only normal recurring adjustments, necessary for a fair presentation of this data for those dates.

For the Three Months

<i>(dollars in thousands except per share data)</i>	Ended March 31, (unaudited)		For the Years Ended December 31,				
	2012	2011	2011	2010	2009	2008	2007
Balance Sheet Data:							
Assets	\$ 124,107	\$ 121,376	\$ 120,261	\$ 122,468	\$ 117,585	\$ 105,889	\$ 79,382
Loans, net of allowance for loan losses	100,042	95,618	100,035	98,308	96,669	83,225	62,007
Investment securities	10,013	12,875	9,018	10,940	10,975	8,065	9,117
Deposits	100,546	104,666	96,882	104,459	99,033	86,933	65,276
Borrowings	7,984	2,083	8,032	3,477	4,622	4,854	
Shareholders' equity	15,383	14,426	15,175	14,299	13,670	13,511	13,613
Income Statement Data:							
Net interest income	\$ 1,008	\$ 1,013	\$ 4,049	\$ 3,932	\$ 3,517	\$ 2,989	\$ 2,581
Provision for loan losses		33	63	222	159	120	181
Noninterest income, including security gains and losses	14	17	79	87	82	67	91
Noninterest expense	846	877	3,444	3,349	3,418	3,217	2,520
Income before taxes	176	120	621	448	22	(281)	(29)
Net income (loss)	176	120	621	448	22	(281)	(29)
Net income available to common shareholders	176	120	621	448	22	(281)	(29)
Per Common Share:							
Basic earnings	\$ 0.10	\$ 0.07	\$ 0.36	\$ 0.26	\$ 0.01	\$ (0.17)	\$ (0.02)
Diluted earnings	0.10	0.07	0.36	0.26	0.01	(0.17)	(0.02)
Dividends declared	0	0	0	0	0	0	0
Book value	8.94	8.44	8.84	8.37	8.04	7.97	8.05
Earnings Performance Ratios ⁽¹⁾:							
Common return on average assets	0.58%	0.39%	0.51%	0.36%	0.02%	-0.30%	-0.04%
Common return on average shareholders equity	4.59%	3.33%	4.21%	3.18%	0.16%	-2.08%	-0.21%
Net interest margin	3.43%	3.38%	3.43%	3.24%	3.19%	3.26%	3.35%
Asset Quality Ratios:							
Net loan charge offs to average loans	0	0	0	0.01%	0	0	0
Non-performing loans to total loans	0	0	0	0	0	0	0
Non-performing assets to total loans + OREO	0	0	0	0	0	0	0
Allowance for loan losses to non-performing loans	0	0	0	0	0	0	0
Allowance for loan losses to total loans	1.43%	1.46%	1.43%	1.39%	1.20%	1.21%	1.43%
Capital Ratios:							
Leverage ratio	12.69%	11.84%	12.73%	11.38%	11.76%	13.35%	16.95%
Total risk-based capital ratio	15.45%	15.38%	15.40%	14.97%	14.82%	16.50%	21.63%

- (1) Returns and net interest margin for the three month periods ended March 31, 2012 and 2011 are annualized.

Table of Contents**COMPARATIVE PER SHARE DATA**

The following table sets forth certain historical and pro forma combined per share data of each of S&T and Gateway. The pro forma data gives effect to the merger and is derived from the S&T unaudited pro forma combined per share data included in this proxy statement/prospectus.

This data should be read together with the selected historical financial data of S&T and Gateway included in this proxy statement/prospectus. This data should also be read together with S&T's separate historical financial statements and notes thereto, incorporated by reference in this proxy statement/prospectus, and with Gateway's selected financial data, included in this proxy statement/prospectus. See *Where You Can Find More Information* on page of this proxy statement/prospectus.

The per share data is not necessarily indicative of the operating results that S&T would have achieved had it completed the merger as of the beginning of the periods presented and should not be considered as representative of future operations. The pro forma combined information set forth below was determined based upon the issuance of an aggregate of 711,934 shares by S&T.

	For the Three Months Ended March 31, 2012	For the Year Ended December 31, 2011
Per Share Data available to common shareholders		
Basic net income per share		
S&T historical ⁽¹⁾	\$ 0.12	\$ 1.41
Gateway historical	0.10	0.36
Pro forma combined	0.13	1.42
Diluted net income per share		
S&T historical ⁽¹⁾	\$ 0.12	\$ 1.41
Gateway historical	0.10	0.36
Pro forma combined	0.13	1.41
Cash dividends declared per share ⁽²⁾		
S&T historical	\$ 0.15	\$ 0.60
Gateway historical	0.00	0.00
Pro forma combined	0.15	0.60
Book value per share		
S&T historical	\$ 17.47	\$ 17.44
Gateway historical	8.94	8.84
Pro forma combined	17.49	17.46

(1) Basic and diluted earnings per share under the two-class method are determined on the net income reported on the income statement less earnings allocated to participating securities.

(2) S&T has historically paid quarterly dividends, and S&T expects to continue to declare dividends in accordance with historical practice.

Table of Contents

RISK FACTORS

In addition to general investment risks and the other information contained in or incorporated by reference into this proxy statement/prospectus, including the matters under the caption *Cautionary Statement Regarding Forward-Looking Statements*, the matters discussed under Section 1A, *Risk Factors*, included in the Annual Report on Form 10-K filed by S&T for the year ended December 31, 2011, Gateway shareholders should carefully consider the following factors in deciding whether to vote for adoption of the agreement and plan of merger.

Because the market price of S&T common stock will fluctuate, Gateway shareholders cannot be sure of the value of the stock portion of the merger consideration they may receive.

Upon completion of the merger, each share of Gateway common stock will be converted into the right to receive merger consideration consisting of shares of S&T common stock and cash pursuant to the terms of the merger agreement. The value of the stock portion of the merger consideration to be received by Gateway shareholders will be based upon the average of the high and low sale prices for S&T common stock on the Nasdaq Stock Market for a 10 trading day period ending the trading day prior to the closing. This average price may vary from the average of the high and low sale prices of S&T common stock on the date we announced the merger, on the date this proxy statement/prospectus was mailed to Gateway shareholders and on the date of the special meeting of the Gateway shareholders. Any change in the market price of S&T common stock prior to the Gateway shareholder meeting may affect the value of the stock portion of the merger consideration that Gateway shareholders will receive upon completion of the merger. Gateway is not permitted to resolicit the vote of Gateway shareholders solely because of changes in the market price of either company's stock. Stock price changes may result from a variety of factors, including general market and economic conditions, changes in our respective businesses, operations and prospects and regulatory considerations. Many of these factors are beyond our control. You should obtain current market quotations for shares of S&T common stock.

The market price of S&T common stock after the merger may be affected by factors different from those currently affecting the shares of S&T.

The businesses of S&T and Gateway differ and, accordingly, the results of operations of the combined company and the market price of the combined company's shares of common stock may be affected by factors different from those currently affecting the independent results of operations of S&T. For a discussion of the businesses of S&T, see the documents incorporated by reference in this proxy statement/prospectus and referred to under *Where You Can Find More Information*.

Gateway shareholders will have a reduced ownership and voting interest after the merger and will exercise less influence over management.

Gateway's shareholders currently have the right to vote in the election of the board of directors of Gateway and on other matters affecting Gateway. When the merger occurs, each Gateway shareholder that receives shares of S&T common stock will become a shareholder of S&T with a percentage ownership of the combined organization that is much smaller than the shareholder's percentage ownership of Gateway. Upon completion of the merger, the Gateway shareholders will own approximately 2.4% of the outstanding shares of S&T common stock.

Because of this, Gateway's shareholders will have less influence on the management and policies of S&T than they now have on the management and policies of Gateway.

The merger agreement limits Gateway's ability to pursue alternatives to the merger.

The merger agreement contains no shop provisions that, subject to specified exceptions, limit Gateway's ability to discuss, facilitate or commit to competing third-party proposals to acquire all or a significant part of

Table of Contents

Gateway. In addition, a termination fee is payable by Gateway under certain circumstances, generally involving the consummation of an alternative transaction. These provisions might discourage a potential competing acquiror that might have an interest in acquiring all or a significant part of Gateway from considering or proposing that acquisition even if it were prepared to pay consideration with a higher per share value than that proposed in the merger, or might result in a potential competing acquiror proposing to pay a lower per share price to acquire Gateway than it might otherwise have proposed to pay.

The merger is subject to the receipt of consents and approvals from governmental and regulatory entities that may impose conditions that could have an adverse effect on S&T.

Before the merger may be completed, various waivers, approvals or consents must be obtained from the Federal Reserve, the FDIC, and the Pennsylvania Department of Banking. These governmental entities may impose conditions on the completion of the merger or require changes to the terms of the merger. Such conditions or changes could have the effect of delaying completion of the merger or imposing additional costs on, or limiting the revenues of, S&T following the merger, any of which might have an adverse effect on S&T following the merger. S&T is not obligated to complete the merger if the regulatory approvals received in connection with the completion of the merger include any condition or restrictions that S&T reasonably determines would have a material adverse effect on S&T or would be unduly burdensome, but S&T could choose to waive this condition.

Gateway's executive officers and directors have financial interests in the merger that may be different from, or in addition to, the interests of Gateway shareholders.

Gateway's officers and directors have financial interests in the merger that may be different from, or in addition to, the interests of Gateway shareholders. For example, certain executive officers and employees of Gateway may receive severance payments upon the change of control of Gateway or payments with respect to the cancellation of outstanding equity awards.

Gateway's board of directors were aware of these interests and took them into account in its decision to approve and adopt the agreement and plan of merger. For information concerning these interests, please see the discussion under the caption *The Merger Gateway's Directors and Executive Officers Have Financial Interests in the Merger*.

The shares of S&T common stock to be received by Gateway shareholders receiving the stock consideration as a result of the merger will have different rights from the shares of Gateway common stock.

Upon completion of the merger, Gateway shareholders who receive the stock consideration will become S&T shareholders. Their rights as shareholders will be governed by Pennsylvania corporate law and the articles of incorporation and by-laws of S&T. The rights associated with Gateway common stock are different from the rights associated with S&T common stock. See the section of this proxy statement/prospectus titled *Comparison of Shareholders' Rights* beginning on page for a discussion of the different rights associated with S&T common stock.

If the merger is not consummated by December 31, 2012, either S&T or Gateway may choose not to proceed with the merger.

Either S&T or Gateway may terminate the merger agreement if the merger has not been completed by December 31, 2012, unless the failure of the merger to be completed by such date has resulted from the failure of the party seeking to terminate the merger agreement to perform its obligations.

The fairness opinion obtained by Gateway from its financial advisor will not reflect changes in circumstances subsequent to the date of the merger agreement.

Gateway has obtained a fairness opinion dated as of March 29, 2012 from its financial advisor, KBW. Gateway has not obtained and will not obtain an updated opinion as of the date of this proxy statement/prospectus from KBW. Changes in the operations and prospects of S&T or Gateway, general market

Table of Contents

and economic conditions and other factors that may be beyond the control of S&T and Gateway, and on which the fairness opinion was based, may alter the value of S&T or Gateway or the price of shares of S&T common stock or Gateway common stock by the time the merger is completed. The opinion does not speak to the time the merger will be completed or to any other date other than the date of such opinion. As a result, the opinion will not address the fairness of the merger consideration, from a financial point of view, at the time the merger is completed. For a description of the opinion that Gateway received from KBW, please see *The Merger Opinion of Gateway's Financial Advisor* beginning on page of this proxy statement/prospectus.

We may fail to realize all of the anticipated benefits of the merger.

The success of the merger will depend, in part, on our ability to realize the anticipated benefits and cost savings from combining the businesses of S&T and Gateway. However, to realize these anticipated benefits and cost savings, we must successfully combine the businesses of S&T and Gateway. If we are not able to achieve these objectives, the anticipated benefits and cost savings of the merger may not be realized fully or at all, or may take longer to realize than expected.

S&T and Gateway have operated and, until the completion of the merger, will continue to operate, independently. It is possible that the integration process could result in the loss of key employees, the disruption of each company's ongoing businesses or inconsistencies in standards, controls, procedures and policies that adversely affect our ability to maintain relationships with clients, customers, depositors and employees or to achieve the anticipated benefits of the merger. Integration efforts between the two companies will also divert management attention and resources. These integration matters could have an adverse effect on S&T and/or Gateway during the transition period.

Another expected benefit from the merger is an expected increase in the revenues of the combined company from anticipated sales of S&T's wide variety of financial products, and from increased lending out of S&T's substantially larger capital base, to Gateway's existing customers and to new customers in Gateway's market area who may be attracted by the combined company's enhanced offerings. An inability to successfully market S&T's products to Gateway's customer base could cause the earnings of the combined company to be less than anticipated.

If the merger is not completed, S&T and Gateway will have incurred substantial expenses without realizing the expected benefits of the merger.

S&T and Gateway have incurred substantial expenses in connection with the merger described in this proxy statement/prospectus. The completion of the merger depends on the satisfaction of specified conditions and the receipt of regulatory approvals. If the merger is not completed, these expenses would have to be recognized currently and not capitalized and S&T and Gateway would not have realized the expected benefits of the merger.

Gateway will be subject to business uncertainties and contractual restrictions while the merger is pending.

Uncertainty about the effect of the merger on employees and customers may have an adverse effect on Gateway and consequently on S&T. These uncertainties may impair Gateway's ability to attract, retain and motivate key personnel until the merger is consummated, and could cause customers and others that deal with Gateway to seek to change existing business relationships with Gateway. Retention of certain employees may be challenging during the pendency of the merger, as certain employees may experience uncertainty about their future roles with S&T. If key employees depart because of issues relating to the uncertainty and difficulty of integration or a desire not to remain with S&T, S&T's business following the merger could be harmed. In addition, the merger agreement restricts Gateway from making certain acquisitions and taking other specified actions until the merger occurs without the consent of S&T. These restrictions may prevent Gateway from pursuing attractive business opportunities that may arise prior to the completion of the merger. Please see the

Table of Contents

section entitled *The Merger Agreement Covenants and Agreements* beginning on page of this proxy statement/prospectus for a description of the restrictive covenants to which Gateway is subject under the merger agreement.

Future governmental regulation and legislation, including the Dodd-Frank Act, could limit S&T's future growth.

S&T and its subsidiaries are subject to extensive state and federal regulation, supervision and legislation that govern almost all aspects of the operations of S&T. These laws may change from time to time and are primarily intended for the protection of consumers, depositors and the deposit insurance fund. Any changes to these laws may negatively affect S&T's ability to expand its services and to increase the value of its business. Additionally, a number of provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act, or the Dodd-Frank Act, remain to be implemented through the rulemaking process at various regulatory agencies. Certain aspects of the new law, including, without limitation, the higher cost of deposit insurance and the costs of compliance with disclosure and reporting requirements that may be issued by the Bureau of Consumer Financial Protection, could have a significant adverse impact on the combined company's business, financial condition and results of operations. Compliance with the Dodd-Frank Act may require us to make changes to our business and operations and will likely result in additional costs and a diversion of management's time from other business activities, any of which may adversely impact our results of operations, liquidity or financial condition. While we cannot predict what effect any presently contemplated or future changes in the laws or regulations or their interpretations would have on S&T, these changes could be materially adverse to S&T's shareholders.

Table of Contents

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This proxy statement/prospectus contains or incorporates by reference a number of forward-looking statements, including statements about the financial conditions, results of operations, earnings outlook and prospects of S&T, Gateway and the potential combined company and may include statements for the period following the completion of the merger. Forward-looking statements are typically identified by words such as plan, believe, expect, anticipate, intend, outlook, estimate, forecast, project and other similar words and expressions.

The forward-looking statements involve certain risks and uncertainties. The ability of either S&T or Gateway to predict results or the actual effects of its plans and strategies, or those of the combined company, is subject to inherent uncertainty. Factors that may cause actual results or earnings to differ materially from such forward-looking statements include those set forth on page under *Risk Factors*, as well as, among others, the following:

those discussed and identified in public filings with the SEC made by S&T;

completion of the merger is dependent on, among other things, receipt of shareholder and regulatory approvals, the timing of which cannot be predicted with precision and which may not be received at all;

the merger may be more expensive to complete than anticipated, including as a result of unexpected factors or events;

higher than expected increases in S&T's or Gateway's loan losses or in the level of nonperforming loans;

a continued weakness or unexpected decline in the U.S. economy, in particular in Western Pennsylvania;

a continued or unexpected decline in real estate values within S&T's and Gateway's market areas;

unanticipated reduction in S&T's and Gateway's deposit base;

government intervention in the U.S. financial system and the effects of and changes in trade and monetary and fiscal policies and laws, including the interest rate policies of the Federal Reserve Board;

legislative and regulatory actions (including the impact of the Dodd-Frank Act and related regulations) subject S&T to additional regulatory oversight which may result in increased compliance costs and/or require S&T to change its business model;

the integration of Gateway's business and operations with those of S&T may take longer than anticipated, may be more costly than anticipated and may have unanticipated adverse results relating to Gateway's or S&T's existing businesses; and

the anticipated cost savings and other synergies of the merger and the recent acquisition of Mainline Bancorp, Inc., which closed during the first quarter of 2012, may take longer to be realized or may not be achieved in their entirety, and attrition in key client, partner and other relationships relating to the merger may be greater than expected.

Because these forward-looking statements are subject to assumptions and uncertainties, actual results may differ materially from those expressed or implied by these forward-looking statements. You are cautioned not to place undue reliance on these statements, which speak only as of the

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date of this proxy statement/prospectus or the date of any document incorporated by reference in this proxy statement/prospectus.

All subsequent written and oral forward-looking statements concerning the merger or other matters addressed in this proxy statement/prospectus and attributable to S&T or Gateway or any person acting on their behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this proxy statement/prospectus. Except to the extent required by applicable law or regulation, S&T and Gateway undertake no obligation to update these forward-looking statements to reflect events or circumstances after the date of this proxy statement/prospectus or to reflect the occurrence of unanticipated events.

- 19 -

Table of Contents

THE GATEWAY SPECIAL MEETING

This section contains information about the special meeting of Gateway shareholders that has been called to consider and approve the merger of Gateway with and into S&T, with S&T as the surviving corporation as a result of the merger.

Together with this proxy statement/prospectus, we are also sending you a notice of the special meeting and a form of proxy that is being solicited by the Gateway board of directors. The special meeting will be held on August 1, 2012 at 4:30 p.m., local time, at St. Clair Country Club, Crossroads Room, 2300 Old Washington Road, Upper St. Clair, PA 15241, subject to any adjournments or postponements.

Matters to be Considered

The purpose of the special meeting is to vote on a proposal for the adoption of the merger agreement.

You also will be asked to vote upon a proposal for the adjournment of the special meeting, if necessary, to solicit additional proxies in the event that there are not sufficient votes at the time of the special meeting to adopt the merger agreement. Gateway has no plans to adjourn the special meeting at this time, but will do so if needed.

Proxies

Each copy of this proxy statement/prospectus mailed to holders of Gateway common stock is accompanied by a form of proxy with instructions for voting. If you hold stock in your name as a shareholder of record, you should complete and return the proxy card accompanying this proxy statement/prospectus to ensure that your vote is counted at the special meeting, or at any adjournment or postponement of the special meeting, regardless of whether you plan to attend the special meeting.

If you hold your stock in street name through a bank or broker, you must direct your bank or broker to vote in accordance with the instructions you have received from your bank or broker.

If you hold stock in your name as a shareholder of record, you may revoke any proxy at any time before it is voted by: (1) signing and returning a proxy card with a later date; (2) delivering a written revocation letter to Gateway's Secretary; or (3) attending the special meeting in person, notifying the Secretary, and voting by ballot at the special meeting. If you hold your stock in street name through a bank or broker, you must follow your bank's or broker's instructions to revoke your proxy.

Any shareholder entitled to vote in person at the special meeting may vote in person regardless of whether a proxy has been previously given, and such vote will revoke any previous proxy but the mere presence (without notifying Gateway's Secretary) of a shareholder at the special meeting will not constitute revocation of a previously given proxy.

Written notices of revocation and other communications about revoking your proxy may be addressed to:

Gateway Bank of Pennsylvania

3402 Washington Road

McMurray, Pennsylvania 15317

Attention: Robert Kerr, Secretary

All shares represented by valid proxies that we receive through this solicitation that are not revoked will be voted in accordance with your instructions on the proxy card. If you make no specification on your proxy card as to how you want your shares voted before signing and returning it, your proxy will be voted FOR the adoption of the merger agreement and FOR the approval of the proposal to adjourn the special meeting, if necessary, to solicit additional proxies in the event that there are not sufficient votes at the time of the special meeting to adopt the merger agreement.

Table of Contents

Solicitation of Proxies

Gateway will bear the entire cost of soliciting proxies from you. In addition to solicitation of proxies by mail, Gateway will request that banks, brokers and other record holders send proxies and proxy materials to the beneficial owners of Gateway common stock and secure their voting instructions. Gateway will reimburse the record holders for their reasonable expenses in taking those actions. If necessary, Gateway may use several of its regular employees, who will not be specially compensated, to solicit proxies from Gateway shareholders, either personally or by telephone, facsimile, letter or other electronic means.

S&T and Gateway will share equally the expenses incurred in connection with the copying, printing and distribution of this proxy statement/prospectus.

Record Date

The Gateway board of directors has fixed the close of business on June 25, 2012 as the record date for the special meeting. Only Gateway shareholders of record at that time are entitled to notice of, and to vote at, the special meeting, or any adjournment or postponement of the special meeting. As of the record date, shares of Gateway common stock (excluding 9,350 shares of restricted stock) were outstanding, held by approximately holders of record.

Voting Rights and Vote Required

The presence, in person or by properly executed proxy, of the holders of a majority of the outstanding shares of Gateway common stock entitled to vote is necessary to constitute a quorum at the special meeting. Abstentions and broker non-votes will be counted for the purpose of determining whether a quorum is present.

Pursuant to Gateway's articles of incorporation, the affirmative vote of 66²/₃% of the votes cast by holders of shares of Gateway stock entitled to vote at the Gateway special meeting is required to adopt the merger agreement. For purposes of determining the number of votes cast with respect to a matter, only those votes cast FOR and AGAINST a proposal are counted. Abstentions and any broker non-votes will be treated as shares that are present for purposes of determining the presence of a quorum, but will have the same effect as votes against the proposal.

As of the record date, directors and executive officers of Gateway and their affiliates, had the right to vote approximately 434,650 shares of Gateway common stock, or approximately 25.1% of the outstanding Gateway common stock at that date.

Recommendation of the Gateway Board of Directors

The Gateway board of directors has unanimously approved the merger agreement and the transactions it contemplates, including the merger. The Gateway board of directors determined that the merger, merger agreement and the transactions contemplated by the merger agreement are advisable and in the best interests of Gateway and its shareholders and recommends that you vote FOR adoption of the merger agreement and FOR approval of the proposal to adjourn the special meeting, if necessary, to solicit additional proxies. See *The Merger Gateway's Reasons for the Merger* and *Recommendation of Gateway's Board of Directors* for a more detailed discussion of the Gateway board of directors recommendation.

Attending the Meeting

All holders of Gateway common stock, including shareholders of record and shareholders who hold their shares through banks, brokers, nominees or any other holder of record, are invited to attend the special meeting. Shareholders of record can vote in person at the special meeting. If you are not a shareholder of record, you must obtain a proxy executed in your favor from the record holder of your shares, such as a broker, bank or other

Table of Contents

nominee, to be able to vote in person at the special meeting. If you plan to attend the special meeting, you must hold your shares in your own name or have a letter from the record holder of your shares confirming your ownership and you must bring a form of personal photo identification with you in order to be admitted. Gateway reserves the right to refuse admittance to anyone without both proper proof of share ownership and proper photo identification.

Table of Contents

PROPOSAL 1 THE MERGER

Background of the Merger

It is an ongoing process for the board of directors and senior management of Gateway to continually assess Gateway's future as a small community bank in light of the changing economy and the changing regulatory environment which may impact Gateway and its financial performance. The Gateway board of directors has periodically reviewed and discussed Gateway's future and viability as a community bank and has considered various strategic alternatives. The expected increase of regulation and oversight on community banks as a result of the Dodd-Frank Act passed in 2010; the difficulty for smaller community banks to access the capital markets to obtain equity capital to meet increasing regulatory capital requirements and to support growth; and the adverse effects of a lengthy economic slowdown on Gateway and its customers are all factors which may impact the future financial performance of Gateway. In considering the future direction of Gateway the board and management also took advice from financial advisors, investment banking firms, and other professionals in the financial industry on the effects of these factors on Gateway's ability to increase shareholder value and maintain a stable financial position in the future. In assessing Gateway's prospects as an independent community bank, the board and management also considered the lack of liquidity of Gateway's privately held common stock.

At the request of a senior officer of another financial institution who was interested in a business combination with Gateway, Gateway's President and Chief Executive Officer attended a meeting with this senior officer on July 12, 2011. In light of the factors described, Gateway's President and Chief Executive Officer met again on July 27, 2011 and on August 9, 2011 with representatives of this financial institution to discuss the potential for a business combination. On September 8, 2011, Gateway contacted the investment banking firm of Keefe, Bruyette & Woods, Inc. (KBW) to assist Gateway in evaluating whether or not it would be in Gateway's best interest to remain independent or to explore other strategic alternatives such as a potential merger or sale. KBW and Gateway subsequently signed a Non-Disclosure Agreement dated as of September 14, 2011.

At Gateway's Executive Committee meeting on October 20, 2011, KBW made a presentation to the Committee setting forth the current industry environment, the current merger and acquisition environment, financial projections for Gateway as a standalone institution and a combination analysis for a merger with the institution with which Gateway was engaged in discussions, and combinations with other potential partners. At Gateway's Executive Committee meeting on November 17, 2011, management was authorized to enter into an agreement with KBW to explore a potential merger or sale with any number of potential partners, in addition to the institution with whom Gateway was currently negotiating, and an engagement letter was entered into between Gateway and KBW dated November 28, 2011.

During the remainder of the year, KBW and Gateway prepared a confidential information memorandum for possible distribution to 14 institutions determined by KBW and Gateway to have potential interest in an acquisition of Gateway. Confidentiality agreements were executed by nine of these institutions and they each received a copy of the confidential information memorandum regarding Gateway.

Five financial institutions, including S&T, submitted non-binding indications of interest by the preliminary bid deadline of January 20, 2012. Gateway's Executive Committee held a meeting on January 26, 2012 where KBW reviewed in detail these preliminary indications of interest. Of the five preliminary indications of interest, two were all cash offers, one for \$10.00 per share and one for \$10.50 to \$10.75 per share (with a willingness to offer up to 15% stock), two were mixed stock-cash offers with the first at \$10.86 per share with a fixed exchange ratio and stock-cash consideration of 40% stock and 60% cash, and the second at \$11.00 per share with a fixed exchange ratio and stock-cash consideration of 70% stock and 30% cash, and one offer of all stock (with a willingness to offer up to 50% cash) at \$10.00 to \$10.80 per share with a fixed exchange ratio. All of the indications of interest were subject to the completion of due diligence on Gateway. After conferring with KBW, the Executive Committee directed KBW to invite three of these institutions, including S&T, to conduct due diligence on Gateway and to submit a second and final indication of interest. As part of the due diligence process,

Table of Contents

Gateway documents were made available on an online data site and from February 8, 2012 to February 16, 2012 these three institutions, including S&T, conducted further independent on site due diligence of Gateway at Gateway's headquarters. On February 16, 2012 KBW transmitted a letter to each of the remaining three institutions inviting them to submit final non-binding indications of interest by February 27, 2012.

At a meeting of Gateway's Executive Committee on March 2, 2012, the bids of the three final non-binding indications of interest were discussed and were analyzed in detail with the assistance of KBW. The first offer was all cash at \$11.45 per share. The second offer was initially a mixed stock-cash offer for \$11.50 per share with a fixed exchange ratio and stock-cash consideration of 70% stock and 30% cash. However, on March 1, this offer was orally increased to \$12.00 per share with all the other terms remaining the same. The third offer was all stock at \$12.00 per share with a fixed exchange ratio (with a willingness to offer up to 25% cash). At the conclusion of this Executive Committee meeting KBW was directed to request that the two \$12.00 per share bidders, including S&T, differentiate their respective offers by submitting a best and final non-binding indication of interest by March 7, 2012.

On March 9, 2012 Gateway held a meeting of its Executive Committee as well as a meeting of its Board of Directors to compare the final two offers. KBW and Gateway's legal counsel participated in the meeting.

The first of the final offers was for \$12.00 per share with a fixed exchange ratio and stock-cash consideration of 60% stock and 40% cash and the second offer, that of S&T, was for \$12.30 per share with a floating exchange ratio at 100% stock and a willingness to offer up to 25% in cash. Both offers had collars with regard to movement in the acquiror's stock price in excess of 10%. The first collar proposal allowed for a one-time adjustment to the fixed exchange ratio if the 10% collars were breached. The second collar proposal, that of S&T, allowed for a one-time adjustment to cause the floating exchange ratio within the collars to become a fixed exchange ratio if the 10% collars were breached. All other aspects of the two offers were substantially similar. The Executive Committee directed management to proceed with the S&T offer, assuming a stock-cash consideration of 75% stock and 25% cash, and so informed the Gateway Board of Directors, which approved of proceeding in this fashion pending reverse due diligence on S&T and pending the negotiation of a satisfactory merger agreement. On March 9, 2012 Gateway notified S&T that it wished to proceed with exclusive negotiations for an acquisition transaction with S&T and requested that it be able to conduct reverse due diligence on S&T and asked S&T to submit a draft merger agreement for Gateway's review.

On March 20, 2012, Arnold & Porter LLP, S&T's legal advisors, submitted a draft merger agreement to Metz Lewis Brodman Must O'Keefe LLC, Gateway's legal advisors, which was sent to Gateway's senior management and to KBW. Gateway conducted its primary reverse due diligence on S&T on March 21, 2012 at the corporate offices of S&T in Indiana, PA. From March 21, 2012 through March 28, 2012, the representatives, financial advisors and counsel for S&T and Gateway negotiated the terms and conditions of the merger agreement and of the related documents.

A special meeting of Gateway's board of directors was held on March 29, 2012 to review the definitive merger agreement, which was distributed to each of the members of the board the previous day, and to discuss the terms and conditions of the proposed combination with S&T. At this meeting, the results of the reverse due diligence on S&T were discussed by management of Gateway, KBW and by representatives from Metz Lewis Brodman Must O'Keefe LLC. Representatives from Metz Lewis Brodman Must O'Keefe LLC also discussed and explained in detail the provisions of the proposed merger agreement and the provisions of the other documents related to the transaction as well as the directors' fiduciary duties under Pennsylvania law when considering such a transaction. Representatives of KBW reviewed in detail the financial terms of the merger and noted that the composition of the form of payment of the consideration had been clarified from S&T's last indication of interest letter and that the agreement set forth a stock-cash consideration of 75% stock and 25% cash and that Gateway's shareholders will receive \$3.08 per share in cash and between 0.3810 and 0.4657 shares of S&T common stock per share, and that the precise number of shares is to be based on the average of the high

Table of Contents

and low prices of S&T common stock for a ten day trading period which ends on the trading day prior to closing. After a detailed review of the financial terms, ratios and analysis of the proposed combination, KBW rendered an opinion that, from a financial point of view, the consideration to be paid in the merger was fair to the shareholders of Gateway. The Gateway board of directors, after discussion of the matters presented to them, unanimously approved the merger agreement and the structure of the transaction as set forth in the agreement and further agreed to recommend to Gateway's shareholders that the merger agreement and subsequent transactions be approved.

On March 29, 2012 Gateway and S&T duly executed the merger agreement and on March 30, 2012 a joint press release was issued prior to the opening of trading on the Nasdaq Stock Market.

Gateway's Reasons for the Merger

Gateway's board of directors carefully considered the process by which potential acquirers were identified and multiple bids were received and evaluated, the terms and conditions of the merger agreement and the value and form of the merger consideration to be received by the holders of Gateway common stock. After taking into consideration the feasibility of remaining independent, and then embarking on a long and thoughtful process of finding a potential acquirer, Gateway's board determined that it is advisable and in the best interests of Gateway and its shareholders for Gateway to merge with S&T. Accordingly, Gateway's board of directors unanimously recommends that Gateway's shareholders vote FOR adoption and approval of the merger agreement.

The board of directors of Gateway has reviewed and considered the terms and conditions of the merger agreement and concluded that they are fair to the shareholders of Gateway and that the merger would be in the best interests of Gateway and its shareholders.

In recommending to its shareholders to approve the acquisition of Gateway by S&T, Gateway's board of directors consulted with and received advice from Gateway's senior management and Gateway's financial and legal advisors. Gateway's board of directors considered a variety of factors, including the following:

The projected book value per share, value and projected earnings per share of Gateway compared to the value of the merger consideration being offered to Gateway's shareholders.

The board's assessment of the existing and future operating environment for community banks in Gateway's market area, including the likelihood of increasing regulatory burdens on community banking organizations, the economic instability on a national and local level, the slow recovery of the banking industry from the economic slowdown which began in 2007, and the impact of these factors on Gateway's potential future profitability and strategic options.

The potential future value of Gateway common stock compared to the value of the merger consideration being offered by S&T and the potential trading value of S&T stock.

The board's belief and perception that a merger with a larger institution would avail Gateway's customers an increased array of products and services which would result from a larger institution.

The board's perception that the proposed merger would result in increased liquidity for Gateway shareholders given the fact that S&T common stock is traded on the Nasdaq Stock Market.

The board's perception that certain factors may limit Gateway's ability to grow to any significant size through normal growth or by acquisition, including the perceived limitations on Gateway's ability to raise capital on acceptable terms to fund growth given, among other things, Gateway's asset size and the lack of liquidity of its common stock.

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The comprehensive process conducted by Gateway's senior management and KBW, Gateway's financial advisor, to identify potential merger partners, including S&T, and to solicit indications of interest from potential merger partners relating to the terms, including consideration, of a potential business combination.

- 25 -

Table of Contents

The earnings prospects of the merged company which is expected to be accretive to the earnings of the combined company in 2013 and 2014.

The financial aspects of the transaction, including the amount of the merger consideration and the fact that, as of March 31, 2012, the merger consideration represented almost 1.4 times the tangible book value per share of the Gateway common stock.

The prospects for continued employment for Gateway's employees and the severance and other benefits to be provided to Gateway's employees who do not remain with S&T after the merger.

The board's evaluation of the financial analysis and financial presentation of KBW, including an evaluation of prices, multiples of earnings per share, premiums to book value, and market value paid in recent financial institution transactions, as well as KBW's written opinion dated March 29, 2012, that, as of such date and based on its analysis and subject to the qualifications set forth in the opinion, the merger consideration was fair from a financial point of view to Gateway's shareholders.

The fact that 75% of Gateway common stock will be exchanged for shares of S&T common stock as set forth in the merger agreement, permitting Gateway shareholders the ability to participate in a portion of the future performance of the combined company.

The fact that Gateway shareholders receiving S&T common stock will experience substantially increased liquidity given the trading volume of S&T common stock on The Nasdaq Global Select Market, and the fact that S&T has paid a cash dividend on its common stock of \$0.15 per share over the past eight quarters.

The fact that 25% of Gateway common stock will be exchanged for cash consideration as set forth in the merger agreement.

The fact that the board of directors has been advised that the transaction is expected to be a tax-free exchange to the extent Gateway shareholders receive S&T common stock in exchange for their Gateway shares.

The perceived risk that Gateway's high quality loan assets will remain subject to normal market risks which may be adverse in the future given local economic conditions.

The board's satisfaction with the terms of the merger agreement after its review of the terms and conditions of the merger agreement with its legal and financial advisors.

Gateway's board of directors also considered certain potentially adverse factors in connection with the merger, including the following:

The risks associated with possible delays in obtaining the approval of two-thirds (66²/3%) of the shareholders of Gateway and necessary regulatory approvals required to complete the transaction.

Provisions of the merger agreement which prohibit Gateway from soliciting further offers, and limit its ability to respond to acquisition proposals from third parties and the obligation of Gateway to pay a termination fee of \$875,000 in the event that the merger agreement terminates as a result of Gateway engaging in such activity.

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The fact that the stock consideration provisions of the merger agreement, which provide for a floating exchange ratio intended to result in \$9.22 per share in value to Gateway shareholders receiving S&T common stock in the transaction based on the average of the high and low sale prices of S&T common stock over a 10-day period ending the day before closing subject to a maximum of 0.4657 shares and a minimum of 0.3810 shares, might result in an aggregate value of S&T shares paid to Gateway shareholders receiving S&T common stock in the transaction being less than \$9.22 per share at closing.

The possibility that post-merger integration activities would occupy more of management's time and attention than anticipated and therefore adversely impact business in general.

The possibility that S&T's future financial performance might be affected by balance sheet deterioration, decline in asset quality and decline in earnings.

- 26 -

Table of Contents

Gateway's board acknowledged that there can be no assurance about future results, including the results expected or considered in weighing the factors listed above. However, the board concluded that the potential positive factors of completing the merger outweighed the potential risks of completing the merger.

During its consideration of the merger, Gateway's board was also aware that some of its directors and executive officers may have interests in the merger that are different from or in addition to those of shareholders generally, as described under the heading *The Merger Gateway's Directors and Executive Officers Have Financial Interests in the Merger* on page .

The foregoing discussion of the information and factors considered by Gateway's board of directors is not exhaustive, but includes the material factors considered by Gateway's board. In view of the wide variety of factors considered by the Gateway board of directors in connection with its evaluation of the merger and the complexity of these matters, the Gateway board of directors did not consider it practical to, and did not attempt to, quantify, rank or otherwise assign relative weights to the specific factors that it considered in reaching its decision. Gateway's board of directors evaluated the factors described above, including asking questions of Gateway's legal and financial advisors. In considering the factors described above, individual members of Gateway's board of directors may have given different weights to different factors. The Gateway board of directors relied on the experience and expertise of its legal advisors regarding the structure of the merger and the terms of the merger agreement and on the experience and expertise of its financial advisors for quantitative analysis of the financial terms of the merger. It should also be noted that this explanation of the reasoning of Gateway's board of directors and all other information presented in this section is forward-looking in nature and, therefore, should be read in light of the factors discussed under the heading *Cautionary Statement Regarding Forward-Looking Statements* on page .

Recommendation of Gateway's Board of Directors

Gateway's board believes that the terms of the transaction are in the best interests of Gateway and its shareholders and has unanimously approved the merger agreement. **Accordingly, Gateway's board unanimously recommends that Gateway shareholders vote FOR adoption of the merger agreement.**

Opinion of Gateway's Financial Advisor

On November 28, 2011, Gateway engaged KBW to render financial advisory and investment banking services to Gateway in connection with the possible sale of the Company. KBW agreed to assist Gateway in assessing the fairness, from a financial point of view, of the merger consideration in the proposed merger with S&T, to the shareholders of Gateway. Gateway selected KBW because KBW is a nationally recognized investment banking firm with substantial experience in transactions similar to the merger and is familiar with Gateway and its business. As part of its investment banking business, KBW is continually engaged in the valuation of financial services companies and their securities in connection with mergers and acquisitions.

As part of its engagement, a representative of KBW attended the meeting of the Gateway board held on March 29, 2012, at which the Gateway board evaluated the proposed merger with S&T. At this meeting, KBW reviewed the financial aspects of the proposed merger and rendered an opinion that, as of such date, the merger consideration offered to Gateway shareholders in the merger was fair, from a financial point of view. The Gateway board approved the merger agreement at this meeting.

The full text of KBW's written opinion is attached as *Annex B* to this document and is incorporated herein by reference. Gateway shareholders are urged to read the opinion in its entirety for a description of the procedures followed, assumptions made, matters considered, and qualifications and limitations on the review undertaken by KBW. The description of the opinion set forth herein is qualified in its entirety by reference to the full text of such opinion.

Table of Contents

KBW's opinion speaks only as of the date of the opinion. The opinion is directed to the Gateway board and addresses only the fairness, from a financial point of view, of the consideration offered to the Gateway shareholders. It does not address the underlying business decision to proceed with the merger and does not constitute a recommendation to any Gateway shareholder as to how the shareholder should vote at the Gateway special meeting on the merger or any related matter.

In rendering its opinion, KBW:

reviewed, among other things,

the merger agreement;

Annual Reports to Stockholders for the two years ended December 31, 2010 of Gateway and the Annual Reports to Stockholders and Annual Reports on Form 10-K for the three years ended December 31, 2011 of S&T;

certain interim reports to stockholders of and Quarterly Reports on Form 10-Q of S&T and certain other communications from Gateway and S&T to their respective stockholders; and

other financial information concerning the businesses and operations of Gateway and S&T furnished to KBW by Gateway and S&T for purposes of KBW's analysis.

In addition, KBW held discussions with members of senior management teams of Gateway and S&T regarding past and current business operations, regulatory relations, financial condition, future prospects of their respective companies, and other matters KBW deemed relevant, including the pro forma impact on S&T of the recently announced acquisition of Mainline Bancorp, Inc. by S&T.

In addition, KBW compared certain financial and stock market information for Gateway and S&T with similar information for certain other companies the securities of which are publicly traded, reviewed the financial terms of certain recent business combinations in the banking industry, and performed other studies and analyses that it considered appropriate.

In conducting its review and arriving at our opinion, KBW relied upon the accuracy and completeness of all of the financial and other information provided to them or otherwise publicly available. KBW did not independently verify the accuracy or completeness of any such information or assume any responsibility for such verification or accuracy. KBW relied upon the management of Gateway and S&T as to the reasonableness and achievability of the financial and operating forecasts and projections (and the assumptions and bases therefor) provided to KBW and assumed that such forecasts and projections reflected the best currently available estimates and judgments of such management teams and that such forecasts and projections will be realized in the amounts and in the time periods estimated by such management teams. KBW assumed, without independent verification, that the aggregate allowance for loan and lease losses for Gateway and S&T are adequate to cover those losses. KBW did not make or obtain any evaluations or appraisals of the property, assets or liabilities of Gateway or S&T, nor did it examine any individual credit files.

The projections furnished to KBW and used by it in certain of its analyses were prepared by Gateway's and S&T's senior management teams. Gateway and S&T do not publicly disclose internal management projections of the type provided to KBW in connection with its review of the merger. As a result, such projections were not prepared with a view towards public disclosure. The projections were based on numerous variables and assumptions, which are inherently uncertain, including factors related to general economic and competitive conditions. Accordingly, actual results could vary significantly from those set forth in the projections.

For purposes of rendering its opinion, KBW assumed that, in all respects material to its analyses:

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the merger will be completed substantially in accordance with the terms set forth in the merger agreement with no additional payments or adjustments to the merger consideration;

the representations and warranties of each party in the merger agreement and in all related documents and instruments referred to in the merger agreement are true and correct;

- 28 -

Table of Contents

each party to the merger agreement and all related documents will perform all of the covenants and agreements required to be performed by such party under such documents;

all conditions to the completion of the merger will be satisfied without any waivers; and

in the course of obtaining the necessary regulatory, contractual, or other consents or approvals for the merger, no restrictions, including any divestiture requirements, termination or other payments or amendments or modifications, will be imposed that will have a material adverse effect on the future results of operations or financial condition of the combined entity or the contemplated benefits of the merger, including the cost savings, revenue enhancements and related expenses expected to result from the merger.

KBW further assumed that the merger will be accounted for using the acquisition method under generally accepted accounting principles, and that the merger will qualify as a tax-free reorganization for United States federal income tax purposes. KBW's opinion is not an expression of an opinion as to the prices at which shares of S&T common stock will trade following the announcement of the merger or the actual value of the shares of common stock of the combined company when issued pursuant to the merger, or the prices at which the shares of common stock of the combined company will trade following the completion of the merger.

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, Gateway and S&T. 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 Gateway board in making its determination to approve the merger agreement and the merger. Consequently, the analyses described below should not be viewed as determinative of the decision of the Gateway board with respect to the fairness of the consideration.

The following is a summary of the material analyses presented by KBW to the Gateway board on March 29, 2012, in connection with its fairness opinion. The summary is not a complete description of the analyses underlying the KBW opinion or the presentation made by KBW to the Gateway board, but summarizes the material analyses performed and presented in connection with such opinion. The preparation of a fairness opinion is a complex analytic process involving various determinations as to the most 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. The financial analyses summarized below include information presented in tabular format. 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. The tables alone do not constitute a complete description of the financial analyses.

Summary of Proposal. Pursuant to the terms of the Agreement, Gateway shareholders will have the right to receive, in exchange for each share of Gateway common stock they own immediately prior to completion of the Merger, \$3.08 in cash and between .3810 and .4657 shares of S&T common stock, with the precise number based upon the average of the high and low sale prices of S&T common stock for a 10 trading day period ending the trading day prior to closing.

Table of Contents

Selected Companies Analysis. Using publicly available information, KBW compared the financial performance and financial condition of Gateway to the following publicly traded banks headquartered in the Pittsburgh Metropolitan Statistical Area with total assets below \$1 billion. Companies included in this group were:

Fidelity Bancorp, Inc.	WVS Financial Corp.
Standard Financial Corp.	Enterprise Financial Services Group, Inc
Allegheny Valley Bancorp, Inc.	Scottsdale Bank & Trust Company
Commercial National Financial Corporation	Apollo Bancorp, Inc.
Mars National Bank	Eureka Financial Corporation
FedFirst Financial Corporation	United-American Savings Bank

Using publicly available information, KBW compared the financial performance, financial condition and market performance of S&T to the following publicly traded banks and thrifts headquartered in Pennsylvania, Ohio, West Virginia and Upstate New York with total assets between \$2.0 billion and \$10.0 billion. Companies included in this group were:

F.N.B. Corporation	WesBanco, Inc.
National Penn Bancshares, Inc.	TrustCo Bank Corp NY
United Bankshares, Inc.	Tompkins Financial Corporation
Northwest Bancshares, Inc.	City Holding Company
Park National Corporation	Metro Bancorp, Inc.
First Financial Bancorp.	Financial Institutions, Inc.
Community Bank System, Inc.	Univest Corporation of Pennsylvania
First Commonwealth Financial Corporation	United Community Financial Corp.
NBT Bancorp Inc.	First Defiance Financial Corp.

To perform this analysis, KBW used financial information as of the three month period ended December 31, 2011 or the three month period ended September 30, 2011 based on the most recent available. Market price information was as of March 28, 2012. Earnings estimates for 2012 and 2013 were taken from a nationally recognized earnings estimate consolidator for selected companies. Certain financial data prepared by KBW, and as referenced in the tables presented below, may not correspond to the data presented in Gateway's and S&T'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 Gateway's and S&T's financial condition:

	Gateway	Gateway Group Minimum	Gateway Group Maximum
Core Return on Average Assets ⁽¹⁾	0.68%	(0.18)%	1.99%
Core Return on Average Equity ⁽¹⁾	5.3%	(1.0)%	15.3%
Net Interest Margin	3.53%	2.18%	4.65%
Efficiency Ratio	80.9%	52.3%	104.8%
	S&T	S&T Group Minimum	S&T Group Maximum
Core Return on Average Assets ⁽¹⁾	1.20%	(1.93)%	1.52%
Core Return on Average Equity ⁽¹⁾	9.0%	(21.7)%	13.0%
Net Interest Margin	3.81%	3.11%	4.37%
Efficiency Ratio	56.2%	46.7%	93.1%

Table of Contents

	Gateway	Gateway Group Minimum	Gateway Group Maximum
Tangible Common Equity / Tangible Assets	12.62%	5.20%	18.09%
Total Capital Ratio	15.40%	12.72%	32.95%
Loan Loss Reserve / Loans	1.43%	0.61%	1.56%
Nonperforming Assets / Loans + OREO	0.00%	0.01%	6.91%
Net Charge-Offs / Average Loans	0.00%	(0.01)%	1.53%

	S&T	S&T Group Minimum	S&T Group Maximum
Tangible Common Equity / Tangible Assets	8.09% ⁽²⁾	6.66%	12.60%
Total Capital Ratio	15.20% ⁽³⁾	12.81%	19.78%
Loan Loss Reserve / Loans	1.56%	0.98%	2.98%
Nonperforming Assets / Loans + OREO	3.50%	0.62%	13.04%
Net Charge-Offs / Average Loans	0.64%	0.21%	3.93%

- (1) Core income defined as net income after taxes and before extraordinary items, less net income attributable to noncontrolling interest, the after-tax portion of income from investment securities and nonrecurring items.
- (2) 7.8% pro forma for recent acquisition of Mainline Bancorp, Inc.
- (3) 14.6% pro forma for recent acquisition of Mainline Bancorp, Inc.
- KBW's analysis showed the following concerning S&T's market performance:

	S&T	S&T Group Minimum	S&T Group Maximum
Stock Price / Book Value per Share	1.26x ⁽¹⁾	0.36x	1.69x
Stock Price / Tangible Book Value per Share	1.94x ⁽²⁾	0.36x	2.60x
Stock Price / 2012 EPS ⁽³⁾	13.4x	9.8x	21.1x
Stock Price / 2013 EPS ⁽³⁾	12.0x	9.2x	18.1x
Dividend Yield	2.7%	0.0%	6.2%
LTM Dividend Payout Ratio	42.6%	0.0%	94.7%

- (1) 1.26x pro forma for recent acquisition of Mainline Bancorp, Inc.
- (2) 1.96x pro forma for recent acquisition of Mainline Bancorp, Inc.
- (3) Estimates per First Call consensus estimates

Recent Transactions Analysis. KBW reviewed publicly available information related to selected acquisitions of banks and bank holding companies as well as thrifts and thrift holding companies headquartered in Pennsylvania and the Mid-Atlantic states including Delaware, Maryland, New Jersey, New York, Pennsylvania and West Virginia that were announced after January 1, 2009, with announced aggregate transaction values between \$10 million and \$500 million. The transactions included in the groups were:

Acquiror

Center Bancorp, Inc.
Tompkins Financial Corporation
Provident New York Bancorp
ESSA Bancorp, Inc.
Sandy Spring Bancorp, Inc.
Beneficial Mutual Bancorp, Inc. (MHC)

Acquiree

Saddle River Valley Bank
VIST Financial Corp.
Gotham Bank of New York
First Star Bancorp, Inc.
CommerceFirst Bancorp, Inc.
SE Financial Corp.

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S&T Bancorp, Inc.
Susquehanna Bancshares, Inc.

Mainline Bancorp, Inc.
Tower Bancorp, Inc.

- 31 -

Table of Contents

Acquiror

F.N.B. Corporation
 BankUnited, Inc.
 Valley National Bancorp
 Ocean Shore Holding Co.
 Susquehanna Bancshares, Inc.
 United Bankshares, Inc.
 Norwood Financial Corp.
 Community Bank System, Inc.
 Modern Capital Partners L.P.
 Chemung Financial Corporation
 Berkshire Hills Bancorp, Inc.
 Old Line Bancshares, Inc.
 Customers Bancorp Inc
 F.N.B. Corporation
 Peoples United Financial, Inc.
 WSFS Financial Corporation
 Kearny Financial Corp. (MHC)
 Donegal Financial Services Corp.
 Roma Financial Corporation (MHC)
 Tower Bancorp, Inc.
 Bryn Mawr Bank Corporation
 First Niagara Financial Group, Inc.

Acquiree

Parkvale Financial Corporation
 Herald National Bank
 State Bancorp, Inc.
 CBHC Financialcorp, Inc.
 Abington Bancorp, Inc.
 Centra Financial Holdings, Inc.
 North Penn Bancorp, Inc.
 Wilber Corporation
 Madison National Bancorp Inc.
 Fort Orange Financial Corp.
 Rome Bancorp, Inc.
 Maryland Bankcorp, Inc.
 Berkshire Bancorp, Inc.
 Comm Bancorp, Inc.
 Smithtown Bancorp, Inc.
 Christiana Bank & Trust Company
 Central Jersey Bancorp
 Union National Financial Corporation
 Sterling Banks, Inc.
 First Chester County Corporation
 First Keystone Financial, Inc.
 Harleysville National Corporation

Transaction multiples for the merger were derived from an offer price of \$12.30 per share for Gateway. For each transaction referred to above, KBW derived and compared, among other things, the implied ratio of price per common share paid for the acquired company to:

tangible book value per share of the acquired company based on the latest publicly available financial statements of the company available prior to the announcement of the acquisition.

tangible equity premium to core deposits (total deposits less time deposits greater than \$100,000) based on the latest publicly available financial statements of the company available prior to the announcement of the acquisition.

The results of the analysis are set forth in the following table:

Transaction Price to:	S&T / Gateway Merger	Recent Mid-Atlantic Transactions Minimum	Recent Mid-Atlantic Transactions Maximum	Recent Pennsylvania Transactions Minimum	Recent Pennsylvania Transactions Maximum
Tangible Book Value	139%	50%	198%	50%	198%
Core Deposit Premium	14.6%	(4.0)%	13.6%	(1.0)%	8.3%

No company or transaction used as a comparison in the above analysis is identical to Gateway, S&T or the 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.

Contribution Analysis. KBW analyzed the relative contribution of S&T and Gateway to the pro forma balance sheet and income statement items of the combined entity, including assets, gross loans held for investment, deposits, tangible common equity and last twelve months net income. KBW compared the relative contribution of balance sheet items for the period ending December 31, 2011, which did not include any estimated purchase accounting adjustments, and income statement items with the estimated pro forma ownership for Gateway based on each Gateway share being exchanged for an aggregate payment of \$12.30 per share,

Table of Contents

comprised of \$3.08 per share in cash and \$9.22 per share in S&T common stock. The results of KBW's analysis are set forth in the following table:

	S&T	Gateway
Assets	97%	3%
Gross Loans Held for Investment	97%	3%
Deposits	97%	3%
Tangible Common Equity	96%	4%
Last Twelve Months Net Income	98%	2%
Ownership at 75% stock / 25% cash	98%	2%

Financial Impact Analysis. KBW performed pro forma merger analyses that combined projected income statement and balance sheet information of Gateway and S&T. Assumptions regarding the accounting treatment, acquisition adjustments and cost savings were used to calculate the financial impact that the merger would have on certain projected financial results of S&T. In the course of this analysis, KBW used earnings estimates for S&T for 2013 and 2014 per First Call consensus estimates and used earnings estimates for Gateway for 2013 and 2014 from Gateway management. This analysis indicated that the merger is expected to be accretive to S&T's estimated earnings per share in 2013 and 2014. The analysis also indicated that the merger is expected to be accretive to book value per share and slightly dilutive to tangible book value per share for S&T and that S&T would maintain well capitalized capital ratios. For all of the above analyses, the actual results achieved by S&T following the merger will vary from the projected results, and the variations may be material.

Discounted Cash Flow Analysis. KBW performed a discounted cash flow analysis to estimate a range of the present values of after-tax cash flows that Gateway could provide to equity holders through 2017 on a stand-alone basis. In performing this analysis, KBW used earnings estimates for Gateway for 2012-2017 from Company management, and assumed discount rates ranging from 10.0% to 14.0%. The range of values was determined by adding (1) the present value of projected cash flows to Gateway shareholders from 2012 to 2017 and (2) the present value of the terminal value of Gateway's common stock. In determining cash flows available to shareholders, KBW assumed balance sheet growth per Gateway management and assumed that Gateway would maintain a tangible common equity / tangible asset ratio of 8.00% and would retain sufficient earnings to maintain that level. Any earnings in excess of what would need to be retained represented dividendable cash flows for Gateway. In calculating the terminal value of Gateway, KBW applied multiples ranging from 0.75 times to 1.25 times 2017 forecasted tangible book value. This resulted in a range of values of Gateway from \$6.41 to \$9.22 per share. The discounted cash flow present value analysis is a widely used valuation methodology that relies on numerous assumptions, including asset and earnings growth rates, terminal values and discount rates. The analysis did not purport to be indicative of the actual values or expected values of Gateway.

The Gateway board retained KBW as financial adviser to Gateway regarding the merger. As part of its investment banking business, KBW is continually engaged in the valuation of bank and bank holding company securities in connection with mergers and acquisitions, negotiated underwritings, secondary distributions of listed and unlisted securities, private placements and valuations for 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 its business as a broker-dealer, KBW may, from time to time, purchase securities from, and sell securities to, Gateway and S&T. As a market maker in securities KBW may from time to time have a long or short position in, and buy or sell, debt or equity securities of Gateway and S&T for KBW's own account and for the accounts of its customers.

Gateway and KBW have entered into an engagement agreement relating to the services to be provided by KBW in connection with the merger. Gateway paid KBW a cash fee of \$50,000 upon execution of the engagement agreement and a cash fee of \$100,000 concurrently with the rendering of the Fairness Opinion relating to the Transaction. Additionally, Gateway has agreed to pay to KBW at the time of closing of the Transaction a cash fee, or Contingent Fee, equal to \$322,500. Pursuant to the engagement agreement, Gateway

Table of Contents

also agreed to reimburse KBW for reasonable out-of-pocket expenses and disbursements incurred in connection with its retention and to indemnify against certain liabilities, including liabilities under the federal securities laws. During the two years preceding the date of its opinion to Gateway, KBW has not received compensation for investment banking services from neither Gateway nor S&T.

S&T's Reasons for the Merger

S&T has an ongoing growth strategy within the Western Pennsylvania market area through new branches and acquisitions of other strong financial institutions.

S&T entered into the merger agreement with Gateway to further implement this strategy, and to improve future earnings. Gateway is a commercial bank with a culture focused on strong asset quality, customer service and earnings, making it similar to S&T's business model. S&T expects that the merger, together with its recent acquisition of Mainline Bancorp, Inc., will further its strategic expansion into Western Pennsylvania markets that it does not currently serve and will provide new opportunities for S&T to expand its community bank franchise following the merger.

Board of Directors and Management of S&T Following Completion of the Merger

The board of directors and management of S&T will remain unchanged following completion of the Merger. Each member of Gateway's board of directors will be invited to serve on S&T's Washington County Advisory Board.

Public Trading Markets

S&T common stock trades on The Nasdaq Global Select Market under the symbol STBA. The S&T common stock issued in the merger will continue to be listed on The Nasdaq Global Select Market, and upon the effectiveness of this Registration Statement, the shares will be freely transferable under the Securities Act of 1933, as amended, or the Securities Act.

Gateway Shareholders Have Dissenters' Rights in the Merger

General

If you are a Gateway shareholder, under Pennsylvania law you have the right to dissent from the merger agreement and obtain the fair value of your Gateway shares in cash as determined by an appraisal process in accordance with the procedures under Subchapter D of Chapter 15 of the Pennsylvania Business Corporation Law of 1988. The following provides a summary of the rights of dissenting shareholders. The summary is qualified in its entirety by reference to *Annex C*, which sets forth the applicable dissenters' rights provisions under Pennsylvania law. If you are considering exercising your dissenters' rights, you should carefully read the summary below and the full text of the law set forth in *Annex C*.

In the discussion of dissenters' rights, the term fair value means the value of a share of Gateway common stock immediately before the day of the effective date of the merger, taking into account all relevant factors, but excluding any appreciation or depreciation in anticipation of the merger.

Before the effective date of the merger, send any written notice or demand required in order to exercise your dissenters' rights to Gateway Bank of Pennsylvania, 3402 Washington Road, McMurray, Pennsylvania 15317, (Attn: William Burt, President and Chief Executive Officer). After the effective date of the merger, send any correspondence to S&T Bancorp, Inc., 800 Philadelphia Street, Indiana, PA 15701-3921 (Attn: Ernest J. Draganza, Executive Vice President, Chief Risk Officer and Secretary).

Table of Contents

Notice of Intention to Dissent

If you wish to dissent from the merger, you must do the following:

prior to the vote on the merger agreement by Gateway shareholders at the Gateway special meeting, file a written notice of your intention to demand payment of the fair value of your shares of Gateway common stock if the merger with S&T is completed;

make no change in your beneficial ownership of Gateway common stock from the date you give notice of your intention to demand fair value of your shares of Gateway common stock through the day of the merger; and

not vote your Gateway common stock to adopt the merger agreement at the special meeting.

Simply providing a proxy against or voting against the proposed merger at the special meeting of shareholders will not constitute notice of your intention to dissent. Further, if you submit a proxy, but do not indicate how you wish to vote, you will be deemed to have voted in favor of the merger and your right to dissent will be lost.

Notice to Demand Payment

If the merger is adopted by the required vote of Gateway shareholders, Gateway or S&T will mail a notice to all those dissenting shareholders who gave due notice of their intention to demand payment of the fair value of their shares and who did not vote to adopt the merger agreement. The notice will state where and when dissenting Gateway shareholders must deliver a written demand for payment and where such dissenting shareholder must deposit the certificates for Gateway common stock in order to obtain payment. The notice will include a form for demanding payment and a copy of the relevant provisions of Pennsylvania law. The time set for receipt of the demand for payment and deposit of stock certificates will be not less than 30 days from the date of mailing of the notice.

Failure to Comply with Required Steps to Dissent

You must take each step in the indicated order and in strict compliance with Pennsylvania law in order to maintain your dissenters' rights. If you fail to follow these steps, you will lose the right to dissent and you will receive the same merger consideration as those Gateway shareholders who do not dissent.

Payment of Fair Value of Shares

Promptly after the effective date of the merger, or upon timely receipt of demand for payment if the closing of the merger has already taken place, S&T will send each dissenting shareholder who has deposited his, her or its stock certificates the amount that S&T estimates to be the fair value of the Gateway common stock held by such dissenting shareholder. The remittance or notice will be accompanied by:

a closing balance sheet and statement of income of Gateway for the fiscal year ending not more than 16 months before the date of remittance or notice, together with the latest available interim financial statements;

a statement of S&T's estimate of the fair value of Gateway common stock; and

a notice of the right of the dissenting shareholder to demand supplemental payment, accompanied by a copy of the relevant provisions of Pennsylvania law.

Estimate by Dissenting Shareholder of Fair Value of Shares

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If a dissenting shareholder believes that the amount stated or remitted by S&T is less than the fair value of the Gateway common stock, the dissenting shareholder must send its estimate of the fair value (deemed a demand for the deficiency) of the Gateway common stock to S&T within 30 days after S&T mails its remittance. If the dissenting shareholder does not file its estimated fair value within 30 days after the mailing by S&T of its remittance, the dissenting shareholder will be entitled to no more than the amount remitted by S&T.

- 35 -

Table of Contents

Valuation Proceedings

If any demands for payment remain unsettled within 60 days after the latest to occur of:

the effective date of the merger;

timely receipt by Gateway or S&T, as the case may be, of any demands for payment; or

timely receipt by Gateway or S&T, as the case may be, of any estimates by dissenters of the fair value, then S&T may file an application, in the Court of Common Pleas of Washington County, Pennsylvania, requesting that the court determine the fair value of the Gateway common stock. If this happens, all dissenting shareholders whose demands have not been settled, no matter where they reside, will become parties to the proceeding. In addition, a copy of the application will be delivered to each dissenting shareholder.

If S&T fails to file the application, then any dissenting shareholder, on behalf of all dissenting shareholders who have made a demand and who have not settled their claim against S&T, may file an application in the name of S&T at any time within the 30-day period after the expiration of the 60-day period and request that the Washington County Court of Common Pleas determine the fair value of the shares. The fair value of the shares as determined by the Washington County Court of Common Pleas may, but need not, equal the dissenting shareholders' estimates of fair value. If no dissenter files an application, then each dissenting shareholder entitled to do so shall be paid no more than S&T's estimate of the fair value of the Gateway common stock, and may bring an action to recover any amount not previously remitted, plus interest at a rate the Washington County Court of Common Pleas finds fair and equitable.

S&T intends to negotiate in good faith with any dissenting shareholder. If, after negotiation, a claim cannot be settled, then S&T will file an application requesting that the fair value of the Gateway common stock be determined by the Washington County Court of Common Pleas.

Cost and Expenses

The costs and expenses of any valuation proceedings performed by the Washington County Court of Common Pleas, including the reasonable compensation and expenses of any appraiser appointed by such court to recommend a decision on the issue of fair value, will be determined by such court and assessed against S&T, except that any part of the costs and expenses may be apportioned and assessed by such court against any or all of the dissenting shareholders who are parties and whose action in demanding supplemental payment is dilatory, obdurate, arbitrary, vexatious or in bad faith, in the opinion of such court.

Gateway shareholders wishing to exercise their dissenters' rights should consult their own counsel to ensure that they fully and properly comply with applicable requirements.

Regulatory Approvals Required for the Merger

The merger is subject to certain regulatory approvals as set forth below.

The merger requires the establishment of a Pennsylvania chartered interim bank as a wholly owned subsidiary of S&T, or Interim. The establishment of Interim, the merger of Gateway into Interim, and the acquisition of Gateway by S&T through the merger of Gateway into Interim are subject to the approval of the Pennsylvania Department of Banking under the Pennsylvania Banking Code of 1965. The acquisition of Interim and Gateway by S&T is subject to the approval of the Federal Reserve under the Bank Holding Company Act. The merger of Gateway into Interim is subject to the approval of the Federal Deposit Insurance Corporation, or the FDIC, under the Bank Merger Act.

In reviewing S&T's application under the Bank Holding Company Act, the Federal Reserve must consider, among other factors, the competitive effect of the transaction, the managerial and financial resources and future

Table of Contents

prospects of S&T, the effect of the transaction on the convenience and needs of the communities to be served, including the records of performance of the banks involved in meeting the credit needs of the communities under the Community Reinvestment Act, the effectiveness of S&T in combating money laundering activities, and the extent to which the transaction would result in greater or more concentrated risks to the stability of the United States banking or financial system. Applicable regulations require publication of notice of the application and an opportunity for the public to comment on the application in writing and to request a hearing.

In reviewing the merger application under the Bank Merger Act, the FDIC must consider, among other factors, the competitive effect of the merger, the managerial and financial resources and future prospects of the merging banks, the effect of the merger on the convenience and needs of the communities to be served, including the records of performance of the merging banks in meeting the credit needs of the communities under the Community Reinvestment Act, the effectiveness of the merging banks in combating money laundering activities, and the risk that would be posed by the merger to the stability of the United States banking or financial system. Applicable regulations require publication of notice of the application and an opportunity for the public to comment on the application in writing.

In reviewing the application for approval to establish Interim as a Pennsylvania chartered bank, the Pennsylvania Department of Banking will consider the convenience and needs of the public, the character and fitness of the incorporators and proposed directors and officers, the adequacy of the capital structure of the proposed bank, among other things. In reviewing the application for approval to merge Gateway into Interim, the Pennsylvania Department of Banking will consider, among other things, whether the plan of merger adequately protects the interests of the depositors, other creditors and shareholders, and whether the merger would be consistent with adequate and sound banking practices and in the public interest on the basis of the financial history and condition of the banks involved, their future prospects, the character of their management, the potential effect of the merger on competition, and the convenience and needs of the areas primarily to be served by the resulting institution.

S&T has filed the required applications. The merger will not proceed in the absence of regulatory approvals. Although S&T does not know of any reason why it would not obtain regulatory approval in a timely manner, S&T cannot be certain when such approvals will be obtained, if they will be obtained, or if there will be condition, restrictions, or requirements that S&T determines to be unduly burdensome, in which case S&T would not be obligated to proceed with the transaction.

The parties are not aware of any other governmental approvals or actions that may be required to consummate the merger. If any other approval or action is required, it is contemplated that such approval or action would be sought. There can be no assurance, however, that any additional approvals or actions will be obtained.

Gateway's Directors and Executive Officers Have Financial Interests in the Merger

In considering the recommendation of the Gateway Board of Directors that you vote to adopt the merger agreement and plan, you should be aware that Gateway's directors and executive officers may have financial interests in the merger that are different from, or in addition to, the interests of the Gateway shareholders generally. Gateway's Board of Directors was aware of and considered these interests, among other matters, in approving and adopting the agreement and plan of merger. For purposes of all of the Gateway agreements and plans described below, the consummation of the transactions contemplated by the merger agreement generally will constitute a change in control of Gateway.

Severance Payments and Benefits in Employment Agreements

Gateway previously entered into employment agreements with William J. Burt, Robert S. Kerr and Randolph T. Patterson, which employment agreements were each amended in connection with the signing of the merger agreement, and S&T agreed to assume each employment agreement, as amended.

Table of Contents

Mr. Burt's amended employment agreement provides that he will resign for "good reason" immediately upon the consummation of the merger. Upon such resignation, Mr. Burt will be entitled to receive his current base salary of \$200,000 for 24 months, and will receive, for 24 months, a payment each month equal to the COBRA premium cost for the group medical plan coverage currently in effect. Mr. Burt will not be entitled to any bonuses or other incentive compensation following the closing of the merger. Mr. Burt remains subject to a one-year non-competition and non-solicitation covenant following his resignation.

Mr. Kerr and Mr. Patterson's amended employment agreements each provide that the terms of their employment will be extended until December 31, 2013, or the "Expiration Date." Effective upon the closing of the merger through November 30, 2012, Mr. Kerr's base salary will be \$195,000, and will increase to \$200,000 as of December 1, 2012, and Mr. Patterson's base salary shall be \$142,000, with an increase to \$148,000 as of December 1, 2012. Each of Messrs. Patterson and Kerr will be eligible to participate in S&T's bonus and equity compensation programs. The amended employment agreements of each of Messrs. Kerr and Patterson include severance and change-in-control benefits, including:

if the employment of Mr. Kerr or Mr. Patterson is terminated without "cause" after closing and prior to February 28, 2013, or the "Conversion Date," each will be entitled to receive his current base salary for 24 months, and will receive, for 24 months, a payment each month equal to the COBRA premium cost for the group medical plan coverage currently in effect.

if Mr. Kerr or Mr. Patterson are employed by S&T, S&T Bank or any affiliate of S&T, each will receive a "change-in-control" payment of their current base salary for 24 months, payable monthly in accordance with S&T's payroll practices, regardless of whether Mr. Kerr or Mr. Patterson remain employed by S&T subsequent to the Conversion Date. Such change-in-control payments will be in addition to Mr. Kerr and Mr. Patterson's base salary for continued employment.

if, after the closing and prior to the Expiration Date, Mr. Kerr or Mr. Patterson are terminated without "cause," each will continue to receive their current base salary from the date of termination until the Expiration Date, subject to the execution and delivery of a general release to S&T. "Cause" means (i) the commission of a felony or material act involving dishonest, fraud or breach of duty of loyalty tending to bring public disgrace or disrepute; (ii) gross negligence or willful misconduct that is not cured upon notice; (iii) a material breach of the employment agreement or willful failure to perform his duties that is not cured upon notice; (iv) addition to drugs or alcohol if the employee has refused treatment or not successfully completed treatment within the past 12 months; and (v) S&T's good faith determination that such employee failed to substantially perform his duties or materially violated any of S&T's and its affiliates policies.

Messrs. Kerr and Patterson remains subject to non-competition and non-solicitation covenants following any termination.

Each of the employment agreements provides that the severance payments and benefits described above will be reduced, as needed, by the minimum amount necessary to ensure that the payments are not "excess parachute payments" under Section 280G of the Internal Revenue Code (which, generally, are subject to an excise tax and are non-deductible by the payor).

Treatment of Stock Options and Warrants

Pursuant to the terms of the merger agreement, each outstanding option and warrant to purchase shares of Gateway common stock, whether or not vested or exercisable, as the case may be, will be cancelled and the option or warrant holder will receive from Gateway in exchange an amount equal to the product of (i) the number of shares covered by the option or warrant and (ii) the difference between \$12.30 and the exercise price of the option or warrant.

Table of Contents

The following table reflects the number of options and warrants, if any, held by each director and executive officer and the payment that each will receive in exchange for the cancellation of their options or warrants (before deduction of any applicable withholding taxes), assuming the individuals do not exercise any options or warrants prior to the merger closing.

Pursuant to the terms of the merger agreement, each outstanding warrant and option to purchase shares of Gateway common stock, whether or not vested, will be cancelled and the holder will receive from Gateway in exchange an amount equal to the product of (i) the number of shares covered by the warrant or option and (ii) the difference between \$12.30 and the exercise price of the warrant or option.

The following table reflects the number of shares underlying the warrants and options (vested and unvested), held by each director and executive officer and the payment that each will receive in exchange for the cancellation of their warrants and options, as the case may be (before deduction of any applicable withholding taxes), assuming the individuals do not exercise any warrants or options prior to the merger closing.

Name and Position	Number of Shares	Total Cash Payment for Warrants & Options	
Lee W. Baierl Director	10,750	\$	35,113
William J. Burt President, CEO, and Director	90,300	\$	230,790
Leonard M. Carroll ⁽¹⁾ Director Emeritus	0	\$	0.00
Gayland B. Cook ⁽¹⁾ Director	0	\$	0.00
Alan R. Guttman Director	20,500	\$	57,628
Thomas S. Henderson Director	18,500	\$	51,565
Robert S. Kerr Executive Vice President, Chief Operating Officer, and Chief Lending Officer	61,250	\$	159,915
Charles J. LaBelle Director	15,500	\$	40,315
F. James McCarl Chairman of the Board	22,500	\$	63,690
Frank J. Palermo, Jr. Director	17,500	\$	46,378
Randolph T. Patterson Senior Vice President	32,500	\$	83,875
Nancy L. Rackoff Director	10,500	\$	28,815
Dr. Randall L.C. Russell Director	13,500	\$	40,065
Patricia L. Siger Director	15,500	\$	40,315
Gretchen Snyder Director	5,000	\$	19,450

- (1) Warrants and options previously granted to Messrs. Carroll and Cook were assigned to Seneca Capital Partners, 1999 Partners Liquidating Trust, which is controlled by Messrs. Carroll and Cook.

Table of Contents

Advisory Board Positions

Pursuant to the agreement and plan of merger, members of Gateway's board of directors will be asked to serve on S&T Bank's Washington County Advisory Board. Individuals serving as Advisory Directors will receive compensation of at least \$250 per meeting of Advisory Board service.

Indemnification and Insurance

The merger agreement requires S&T to maintain in effect for six years after completion of the merger the current indemnification rights and limitations on liability in favor of the directors, officers and employees of Gateway and its subsidiaries under their respective articles of incorporation, by-laws or similar governing documents. The merger agreement also provides that, upon completion of the merger, S&T will indemnify and hold harmless, and provide advancement of expenses to, all past and present officers and directors of Gateway and its subsidiaries in their capacities as such against all losses, claims, damages, costs, expenses, liabilities, judgments or amounts paid in settlement to the fullest extent permitted by applicable laws.

The merger agreement provides that S&T will maintain for a period of three years after completion of the merger Gateway's current directors' and officers' liability insurance policies, or policies of at least the same coverage and amount and containing terms and conditions that are not less advantageous than the current policy, with respect to acts or omissions occurring prior to the effective time of the merger, except that S&T is not required to incur an annual premium expense greater than 200% of Gateway's current annual directors' and officers' liability insurance premium.

Table of Contents

THE MERGER AGREEMENT

The following describes certain aspects of the merger, including 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 is attached to this proxy statement/prospectus as Annex A and is incorporated by reference in this proxy statement/prospectus. We urge you to read the merger agreement carefully and in its entirety, as it is the legal document governing this merger.

Terms of the Merger

Each of the Gateway board of directors and the S&T board of directors has unanimously adopted the agreement and plan of merger, which provides for the merger of Gateway with and into a wholly-owned subsidiary of S&T. S&T's subsidiary will be the surviving corporation in the merger. As soon as practicable following the merger, S&T's interim wholly-owned subsidiary will merge with and into S&T Bank. Each share of S&T common stock issued and outstanding immediately prior to completion of the merger will remain issued and outstanding as one share of common stock of S&T. Each share of Gateway common stock issued and outstanding at the effective time of the merger (with the exception of Company-Owned Stock, as defined below) will be converted into cash and S&T common stock, as described below. See *Consideration to Be Received in the Merger*. Company-Owned Stock means shares of Gateway stock held by Gateway or any of its subsidiaries or by S&T or any of its subsidiaries, in each case other than in a fiduciary capacity or as a result of debts previously contracted in good faith. Each share of Gateway common stock held as Company-Owned Stock immediately prior to the effective time of the merger will be canceled and retired and no consideration will be issued in exchange.

The articles of incorporation of S&T's subsidiary will be the articles of incorporation, and the by-laws of S&T's subsidiary will be the by-laws, of the combined company after completion of the merger. The merger agreement provides that S&T may change the method of effecting the merger if and to the extent it deems such change to be necessary, appropriate, or desirable. No such change will alter the amount or kind of merger consideration to be provided under the merger agreement, adversely affect the tax treatment of the merger as a reorganization under Section 368(a) of the Internal Revenue Code, or materially impede or delay completion of the merger.

Closing and Effective Time of the Merger

The merger will be completed only if all of the following occur:

the agreement and plan of merger is adopted by Gateway shareholders;

all required governmental and regulatory consents and approvals have been obtained without a condition or restriction that S&T reasonably determines would have a material adverse effect on S&T or would be unduly burdensome; and

all other conditions to the merger discussed in this proxy statement/prospectus and the merger agreement are either satisfied or waived.

The merger will become effective when articles of merger are filed with the Department of State of the Commonwealth of Pennsylvania. However, we may agree to a later time for completion of the merger and specify that time in accordance with Pennsylvania law. In the merger agreement, we have agreed to cause the completion of the merger to occur on the date designated by S&T that is within five (5) days following the satisfaction or waiver of the conditions specified in the merger agreement (other than those conditions that by their nature are to be satisfied at the closing, or on another mutually agreed date). It currently is anticipated that the effective time of the merger will occur in the third quarter of 2012, but we cannot guarantee when or if the merger will be completed.

Table of Contents

Consideration to Be Received in the Merger

As a result of the merger each Gateway shareholder will have the right, with respect to each share of Gateway common stock held (excluding Company-Owned Stock), to receive merger consideration of approximately \$12.30 per share, consisting of \$3.08 in cash (without interest) and between .3810 and .4657 shares of S&T common stock, with the precise number to be determined based upon the average of the high and low sales prices for a 10 trading day period ending the trading day prior to the closing.

The Stock Exchange Ratio is defined in the merger agreement as the quotient, rounded to four decimal places, obtained by dividing \$9.22 by the S&T Share Price (as defined below) of a share of S&T common stock. In no event may the Stock Exchange Ratio be less than .3810 or greater than .4657. If the Stock Exchange Ratio otherwise would be less than .3810 or greater than .4657, then .3810 or .4657, respectively, will be used. The S&T Share Price will be the average of the high and low sale prices of S&T common stock (as reported on Nasdaq or, if not reported thereon, in another authoritative source) for a 10 trading day period ending the trading day prior to the closing.

No fractional shares of S&T common stock will be issued to any holder of Gateway common stock upon completion of the merger. For each fractional share that would otherwise be issued, S&T will pay cash in an amount equal to the fraction multiplied by the S&T Share Price. No interest will be paid or accrued on cash payable to holders in lieu of fractional shares.

Treatment of Gateway Stock Options and Warrants

Each outstanding option to purchase shares of Gateway common stock granted under any Gateway stock option plan, whether or not then exercisable, will be cancelled in exchange for the right to receive an amount equal to the difference between \$12.30 and the exercise price of such Gateway stock options. Any outstanding warrant to purchase Gateway common stock will be cancelled in exchange for the right to receive an amount equal to the difference between \$12.30 and the exercise price of such warrant.

Conversion of Shares; Exchange of Certificates

The conversion of Gateway common stock into the right to receive the merger consideration will occur automatically at the effective time of the merger. As soon as reasonably practicable after completion of the merger but in any event within five business days, the exchange agent will mail letters of transmittal to each Gateway shareholder regarding the exchange of their Gateway shares for merger consideration. This mailing will contain instructions on how to surrender shares of Gateway common stock in exchange for the merger consideration the holder is entitled to receive under the merger agreement. Gateway shareholders must return their properly completed and signed letter of transmittal to the exchange agent following the closing, in accordance with the instructions provided with such letter of transmittal to receive their merger consideration.

American Stock Transfer and Trust Company will be the exchange agent in the merger and will receive your letter of transmittal, exchange certificates for the merger consideration and perform other duties as explained in the merger agreement.

If a certificate for Gateway common stock has been lost, stolen or destroyed, the exchange agent will issue the consideration properly payable under the merger agreement upon receipt of appropriate evidence as to that loss, theft or destruction, appropriate evidence as to the ownership of that certificate by the claimant, and appropriate and customary indemnification.

Dividends and Distributions

Until Gateway common stock certificates are surrendered for exchange, any dividends or other distributions declared after the effective time with respect to S&T common stock into which shares of Gateway common stock

Table of Contents

may have been converted will accrue but will not be paid. S&T will pay to former Gateway shareholders any unpaid dividends or other distributions, without interest, only after they have duly surrendered their Gateway stock certificates.

Prior to the effective time of the merger, Gateway and its subsidiaries may not declare or pay any dividend or distribution on its capital stock or repurchase any shares of its capital stock, other than, if permitted by applicable law or regulation.

Representations and Warranties

The merger agreement contains customary representations and warranties of Gateway and S&T relating to their respective businesses. The representations must be true and correct in all material respects, as of the date of the merger agreement and as of the effective date as though made on and as of the effective date (except that representations and warranties that by their terms speak as of the date of the merger agreement or some other date will be true and correct in all material respects as of such date). The representations and warranties in the merger agreement do not survive the effective time of the merger.

Each of S&T and Gateway has made representations and warranties to the other regarding, among other things:

corporate matters, including due organization and qualification;

capitalization;

authority relative to execution and delivery of the merger agreement and the absence of breach or violations of organizational documents or other obligations as a result of the merger;

required governmental filings and consents;

the timely filing of reports with governmental entities, and the absence of investigations by regulatory agencies;

financial statements, internal controls and accounting;

the absence of circumstances and events reasonably likely to have a material adverse effect;

legal proceedings;

regulatory matters;

compliance with applicable laws;

allowance for loan losses;

deposit insurance; and

Bank Secrecy Act and anti-money laundering compliance matters.

In addition, Gateway has made other representations and warranties about itself to S&T as to:

its subsidiaries;

material contracts, exclusivity arrangements, and other certain types of contracts;

absence of actions giving rise to any valid claim for a brokerage commission or finder's fee;

employee matters, including employee benefit plans;

labor matters;

the inapplicability of state takeover laws;

Table of Contents

environmental matters;

tax matters;

risk management arrangements;

maintenance of books and records;

insurance coverage;

off-balance-sheet transactions;

properties;

investment and loan portfolios;

repurchase agreements; and

the receipt of a financial advisor's fairness opinion.

S&T also has made representations and warranties to Gateway regarding the availability of cash to pay the cash portion of the merger consideration and the authorization and valid issuance of the S&T common stock to pay the stock portion of the merger consideration.

The representations and warranties described above and included in the merger agreement were made by each of S&T and Gateway to the other party. These representations and warranties were made as of specific dates, may be subject to important qualifications and limitations agreed to by S&T and Gateway in connection with negotiating the terms of the merger agreement, and may have been included in the merger agreement for the purpose of allocating risk between S&T and Gateway rather than to establish matters as facts. The merger agreement is described herein, and included as *Annex A*, only to provide you with information regarding its terms and conditions, and not to provide any other factual information regarding Gateway, S&T or their respective businesses. Accordingly, the representations and warranties and other provisions of the merger agreement should not be read alone, but instead should be read only in conjunction with the information provided elsewhere in this proxy statement/prospectus and in the documents incorporated by reference into this proxy statement/prospectus. See *Where You Can Find More Information* on page .

Covenants and Agreements

Each of Gateway and S&T has undertaken customary covenants that place restrictions on it and its subsidiaries until the effective time of the merger. In general, each of S&T and Gateway agreed to use its reasonable best efforts in good faith to take, or cause to be taken, all actions, and to do, or cause to be done, all things necessary, proper or desirable, or advisable under applicable laws, so as to permit consummation of the merger as promptly as practicable.

Gateway has agreed to operate its business only in the ordinary course and to use reasonable best efforts to preserve intact its business organization and assets and maintain its rights, franchises, and existing relations with customers, suppliers, employees and business associates. In addition, Gateway has agreed that, with certain exceptions and except with S&T's prior written consent (which is not to be unreasonably withheld), Gateway will not, and will not permit any of its subsidiaries to, among other things, undertake the following extraordinary actions:

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enter into any new material line of business or change its lending, investment, underwriting, risk, asset liability management or other banking and operating policies, except as required by applicable law, regulation, or policies imposed by any governmental authority;

issue, sell or otherwise permit to become outstanding, or authorize the creation of, any additional shares of Gateway common stock other than pursuant to rights outstanding, or permit any additional shares of Gateway common stock to become subject to new grants of employee or director stock options or similar stock-based employee rights;

- 44 -

Table of Contents

make, declare or pay any dividends or other distributions on any shares of its capital stock, except as set forth above in Dividends and Distributions ;

take specified actions relating to director and employee compensation, benefits, hiring and promotion;

undertake extraordinary corporate transactions, such as mergers and acquisitions, or other transactions, such as sales of assets outside the ordinary course of business;

amend any provision of its articles of incorporation, by-laws or similar governing documents;

implement or adopt any change in its accounting principles, practices or methods, other than as may be required by United States generally accepted accounting principles or regulatory accounting principles;

other than in the ordinary course of business consistent with past practice, 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, settle any claim other than payments in cash in an amount that is not material to Gateway and its subsidiaries, and that do not create negative precedent for any other material claim, action or proceeding;

take any action that would, or is reasonably likely to, prevent or impede the merger from qualifying as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code;

take any action that would result in any of the representations and warranties becoming untrue or that would cause the failure of a closing condition or violation of any provision of the merger agreement, except as required by applicable law or regulation;

except pursuant to applicable law or regulation or as required by the OCC or other regulatory authority, implement or adopt any material change in its risk management policies, procedures or practices, or fail to follow its existing policies or practices with respect to risk management, or fail to use commercially reasonable means to avoid any material increase in its aggregate exposure to risk;

incur any indebtedness for borrowed money in excess of \$100,000 other than in the ordinary course of business consistent with past practice;

make any capital expenditures or commitments in excess of \$25,000 individually, or \$100,000 in the aggregate, other than as previously committed;

close or relocate any offices at which business is conducted or open any new offices or ATMs;

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make, change or revoke any material tax election, adopt or change an annual tax accounting period, change any tax accounting method, file any material amended tax return, enter into any closing agreement with respect to taxes, settle any material tax claim or surrender any material claim for a refund of taxes; or

agree or commit to do any of the actions prohibited by the preceding items.

S&T has agreed that, except with Gateway's prior written consent (which is not to be unreasonably withheld), S&T will not take any action that would: (i) result in any of the conditions to the merger not being satisfied; (ii) prevent or impede the merger from qualifying as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code; or (iii) cause any of its representations or warranties to become untrue, or agree to commit to doing any of the foregoing.

The merger agreement also contains mutual covenants relating to the preparation of this proxy statement/prospectus, the regulatory applications and the holding of the special meeting of Gateway's shareholders, access to information of the other company and public announcements with respect to the transactions contemplated by the merger agreement. Gateway and S&T have also agreed to use all reasonable best efforts to take all actions needed to obtain necessary governmental and third-party consents and to consummate the transactions contemplated by the merger agreement.

Table of Contents

Bank Merger

S&T and Gateway have agreed the interim, wholly-owned subsidiary bank of S&T will merge with and into S&T Bank as soon as practicable after the execution of the merger agreement. The bank merger is intended to become effective as promptly as practicable following the closing of the merger of Gateway and the interim S&T bank subsidiary. The merger agreement contains a covenant by S&T to take all necessary steps to form the interim, wholly-owned subsidiary state-chartered bank to be duly and validly formed, and for such interim bank to execute a joinder to the merger agreement.

Reasonable Best Efforts of Gateway to Obtain the Required Shareholder Vote

Gateway has agreed to hold a meeting of its shareholders as soon as is reasonably practicable for the purpose of obtaining shareholder adoption of the agreement and plan of merger. Gateway will use all reasonable lawful action to obtain such approval. Subject to its fiduciary duties, as determined in good faith after consultation with its outside legal counsel, Gateway's board of directors has agreed to recommend that its shareholders vote in favor of the agreement and plan of merger.

Agreement Not to Solicit Other Offers

Gateway also has agreed that it, its subsidiaries and their officers, directors, employees, representatives, agents or affiliates will not, directly or indirectly:

initiate, solicit, or encourage any inquiry or proposal that constitutes an Acquisition Proposal (as defined below) or enter into or maintain or continue any discussions or negotiations with respect to such inquiry; or

enter into any agreement regarding any Acquisition Proposal or authorize or permit any of its officers, directors, employees, subsidiaries or any representative to take any such action.

However, Gateway may consider and participate in discussions and negotiations with respect to an unsolicited Acquisition Proposal if the Gateway board of directors determines in good faith (after consultation with outside legal counsel and financial advisors) that failure to take these actions would be reasonably likely to violate its fiduciary duties. In addition, Gateway must not provide confidential information or data to any person in connection with an Acquisition Proposal unless the person has executed a confidentiality agreement on terms at least as favorable as the terms contained in the confidentiality agreement between Gateway and S&T.

Gateway has agreed:

to notify S&T within two business days after receipt of any Acquisition Proposal or any inquiry which could reasonably be expected to lead to an Acquisition Proposal, or any material change to any Acquisition Proposal, or any request for nonpublic information relating to Gateway or any of its subsidiaries or for access to the properties, books or records of Gateway or any of its subsidiaries by any person or entity that informs the board of directors of Gateway that it is considering making, or has made, an Acquisition Proposal, and to provide S&T with relevant information regarding such inquiry, proposal, modification or amendment;

to keep S&T fully informed of the status and details of any such proposal or inquiry and any developments with respect thereto;

not to release any third party from the confidentiality and standstill provisions of any agreement to which Gateway or its subsidiaries is or may become a party and to take all steps necessary to terminate any approval that may have been given under any such provisions authorizing any person to make an Acquisition Proposal; and

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to cease any existing discussions or negotiations with any persons with respect to any Acquisition Proposal and to use reasonable best efforts to cause all persons other than S&T who have been furnished with confidential information in connection with an Acquisition Proposal within the 12 months prior to the date of the merger agreement to return or destroy such information.

- 46 -

Table of Contents

Acquisition Proposal means any proposal or offer as to any of the following (other than the merger with S&T) involving Gateway or any of its subsidiaries:

any merger, consolidation, share exchange, business combination or other similar transaction;

any sale, lease, exchange, pledge, transfer or other disposition of 25% or more of its consolidated assets or liabilities in a single transaction or series of transactions;

any tender offer or exchange offer for, or other acquisition of, 25% or more of the outstanding shares of capital stock; or

any public announcement of a proposal, plan or intention to do, or any agreement to engage in, any of the actions listed in the foregoing bullets.

Expenses and Fees

In general, each of S&T and Gateway will be responsible for all expenses incurred by it in connection with the negotiation and completion of the transactions contemplated by the merger agreement.

Employee Matters

All employees of Gateway and its subsidiaries as of immediately prior to the merger will be employed by S&T or one or more of its subsidiaries after the merger and their employment will be subject to S&T's and its subsidiaries' usual terms, conditions and policies of employment. To the extent that Gateway employees do not continue to be covered after the merger by Gateway plans that provide medical, dental and other welfare benefits, (i) for the calendar year including the date of merger, Gateway employees will not have to satisfy any deductible, co-payment, out-of-pocket maximum, or similar requirements under the benefit plans maintained by S&T or its subsidiaries that provide medical, dental and other welfare benefits to the extent of amounts previously credited for such purposes under Gateway's corresponding plans, and (ii) S&T has agreed to waive any waiting periods, pre-existing conditions exclusions and requirements to show evidence of good health under applicable S&T benefit plans, except to the extent any such waiting period, pre-existing condition, exclusion or requirement to show evidence of good health applied under the corresponding Gateway plan. Gateway employees will be given credit for their service with Gateway and its subsidiaries for purposes of eligibility and vesting purposes (but not for benefit accrual purposes) under the S&T benefit plans, solely to the extent permitted under such plans and to the extent that S&T makes such plans available to Gateway employees. S&T and its subsidiaries have no obligation to continue the employment of any Gateway employee for any period following the merger and may amend or terminate employee benefits programs from time to time as they deem appropriate. Any employee whose employment is terminated without cause within eight months of the closing will be entitled to severance benefits based upon their length of service to Gateway.

Additionally, Gateway has agreed to take all actions requested by S&T that may be necessary or appropriate to: (i) terminate Gateway benefit plans; (ii) cause benefit accruals and entitlements under any plan to cease; (iii) cause the continuation of any contract, arrangement, or insurance policy relating to any plan for a period requested by S&T; or (iv) facilitate the merger of any plan into an employee benefit plan maintained by S&T.

Indemnification and Insurance

The merger agreement provides that in the event of any threatened or actual claim, action, suit, proceeding or investigation in which any person who is or has been a director or officer of Gateway or is threatened to be made party based in whole or in part on, or arising in whole or in part out of, or pertaining to (i) the fact that he is or was a director, officer or employee of Gateway or any of its subsidiaries or predecessors, or (ii) the merger agreement, Gateway and S&T will cooperate and use their reasonable best efforts to defend against and respond thereto. S&T has agreed to indemnify and hold harmless each such indemnified party against any losses, claims, damages, liabilities, costs, expenses (including reasonable attorney's fees and expenses in advance of the final

Table of Contents

disposition of any claim, suit, proceeding or investigation to each party to the fullest extent permitted by law), judgments, fines and amounts paid in settlement in connection with any such threatened or actual claim, action, suit proceeding or investigation. Additionally, the indemnified parties may retain counsel reasonably satisfactory to them after consultation with S&T. However, S&T retains the right to assume the defense thereof and upon such assumption S&T will not be liable to any indemnified party for any legal expenses of other counsel or any other expenses subsequently incurred in connection with the defense thereof, except that if S&T elects not to assume such defense or counsel or the indemnified party reasonably advises that there are issues which raise conflicts of interest between S&T and the indemnified party, the indemnified party may retain counsel reasonably satisfactory to him after notification and S&T will pay the reasonable fees and expenses. Under the merger agreement, S&T is obligated to pay for only one firm of counsel for all indemnified parties, and S&T is not liable for any settlement effected without its prior written consent (which will not be unreasonably withheld). S&T will have no further obligation to any indemnified party when and if a court of competent jurisdiction ultimately determines, and such determination is final and non-appealable, that indemnification is prohibited by law or to any indemnified party that commits fraud. S&T's indemnification obligations continue for six years after completion of the merger, but the right to indemnification in respect of any claim asserted within that time period continues until the final disposition of the claim.

The merger agreement requires S&T to maintain in effect for six years after completion of the merger the current rights of Gateway directors, officers and employees to indemnification under the Gateway articles of incorporation or the Gateway by-laws or similar governing documents. The merger agreement also provides that, upon completion of the merger, S&T will indemnify and hold harmless, and provide advancement of expenses to, all past and present officers, directors and employees of Gateway and its subsidiaries in their capacities as such against all losses, claims, damages, costs, expenses, liabilities, judgments or amounts paid in settlement to the fullest extent permitted by applicable laws.

The merger agreement provides that S&T will maintain for a period of three years after completion of the merger Gateway's current directors and officers' liability insurance policies, or policies of at least the same coverage and amount and containing terms and conditions that are not less advantageous than the current policy, with respect to acts or omissions occurring prior to the effective time of the merger, except that S&T is not required to incur an annual premium expense greater than 200% of Gateway's current annual directors and officers' liability insurance premium.

Conditions to Complete the Merger

Our respective obligations to complete the merger are subject to the fulfillment or waiver of certain conditions, including:

the adoption of the agreement and plan of merger by the requisite vote of Gateway shareholders;

the approval of the listing of S&T common stock to be issued in the merger on The Nasdaq Global Select Market, subject to official notice of issuance;

the effectiveness of the registration statement of which this proxy statement/prospectus is a part with respect to the S&T common stock to be issued in the merger under the Securities Act and the absence of any stop order or proceedings initiated or threatened by the SEC for that purpose;

the receipt by each of S&T and Gateway of a legal opinion with respect to certain United States federal income tax consequences of the merger;

the receipt and effectiveness of all governmental and other approvals, registrations and consents on terms and conditions that would not have a material adverse effect or be unduly burdensome on S&T, and the expiration of all related waiting periods required to complete the merger;

the absence of any law, statute, regulation, judgment, decree, injunction or other order in effect by any court or other governmental entity that prohibits completion of the transactions contemplated by the merger agreement.

Table of Contents

Each of S&T's and Gateway's obligations to complete the merger is also separately subject to the satisfaction or waiver of a number of conditions including:

the absence of a material adverse effect on the other party; and

the truth and correctness of the representations and warranties of each other party in the merger agreement, subject to the materiality standard provided in the merger agreement, and the performance by each other party in all material respects of their obligations under the merger agreement and the receipt by each party of certificates from the other party to that effect.

In addition, the obligation of S&T to complete the merger is subject to the expiration or unavailability of rights to demand appraisal under the Pennsylvania Business Corporation Law with respect to at least 90% of the outstanding shares of Gateway common stock (excluding Company-Owned Stock)

We cannot provide assurance as to when or if all of the conditions to the merger can or will be satisfied or waived by the appropriate party. As of the date of this proxy statement/prospectus, we have no reason to believe that any of these conditions will not be satisfied.

Termination of the Merger Agreement

The merger agreement can be terminated at any time prior to completion by mutual consent or by either party in the following circumstances:

if there is a breach by the other party that would cause the failure of the closing conditions, unless the breach is capable of being, and is, cured within 30 days of notice of the breach and the terminating party is not itself in material breach;

if the merger has not been completed by December 31, 2012, unless the failure to complete the merger by that date arises out of or results from the knowing action or inaction of the party seeking to terminate;

if any of the required regulatory approvals are denied (and the denial is final and non-appealable); or

if the common shareholders of Gateway fail to adopt the agreement and plan of merger at the special meeting.

In addition, S&T may terminate the merger agreement if the Gateway board of directors fails to recommend that Gateway shareholders adopt the agreement and plan of merger; withdraws or materially modifies, or proposes to withdraw or materially modify, in a manner adverse to S&T, its recommendation of the merger to shareholders; or recommends a competing merger proposal.

Gateway may terminate the merger agreement within five business days of the Determination Date (Determination Date means the later of (i) the date on which all regulatory approvals, and waivers, if applicable, necessary for consummation of the merger and the transactions contemplated by the merger agreement have been received or (ii) the date of the meeting of Gateway shareholders to consider the merger) if its board of directors determines that both of the following conditions have occurred and gives written notice to S&T of such determination:

the average of the daily closing sales prices of a share of S&T common stock as reported on Nasdaq for the 10 consecutive trading days immediately preceding the Determination Date is less than 80% of the closing sale price of S&T common stock on the last trading date before the date of the merger agreement; and

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the average of the daily closing sales prices of a share of S&T common stock as reported on Nasdaq for the 10 consecutive trading days immediately preceding the Determination Date is such that the price performance of S&T common stock is lower than the price performance of the Nasdaq Bank Index minus 20%.

- 49 -

Table of Contents

However, Gateway may not terminate in these circumstances if S&T exercises its option to increase the number of S&T common shares to be received by Gateway shareholders such that the implied value of the merger would be equivalent to the lesser of \$9.22 or \$9.22 multiplied by the percentage by which the Nasdaq Bank Index declines over the period starting on the last trading date before the date of the merger agreement and ending on the Determination Date.

Effect of Termination. If the merger agreement is terminated, it will become void, and there will be no liability on the part of S&T or Gateway, except that (1) both S&T and Gateway will remain liable for any willful breach of the merger agreement and (2) designated provisions of the merger agreement, including the payment of fees and expenses, the confidential treatment of information and publicity restrictions, will survive the termination.

Termination Fee

Gateway will pay S&T a \$875,000 termination fee in the event that the merger agreement is terminated because (1) the Gateway board of directors fails to recommend that Gateway shareholders adopt the agreement and plan of merger, withdraws or modifies its recommendation in a manner adverse to S&T, or recommends an alternative business combination proposal or (2) the Gateway shareholders fail to adopt the merger agreement because of an act or omission discussed in subsection (1) of this paragraph.

Amendment, Waiver and Extension of the Merger Agreement

Subject to applicable law, the parties may amend the merger agreement by written agreement between Gateway and S&T executed in the same manner as the merger agreement.

At any time prior to the completion of the merger, each of the parties, by action taken or authorized by their respective board of directors, to the extent legally allowed, may:

extend the time for the performance of any of the obligations or other acts of the other party;

waive any inaccuracies in the representations and warranties of the other party; or

waive compliance by the other party with any of the other agreements or conditions contained in the merger agreement.

However, after any approval of the transactions contemplated by the agreement and plan of merger by the Gateway shareholders, no amendments or waivers may be made that would require resubmission of the agreement and plan of merger to the Gateway shareholders.

Table of Contents

ACCOUNTING TREATMENT

S&T will account for the merger using the acquisition method under U.S. generally accepted accounting principles. Under the acquisition method of accounting, the tangible and identifiable intangible assets and liabilities of Gateway will be recorded, as of completion of the merger, at their respective fair values. The excess of the purchase price over the net assets acquired will be recorded as goodwill to the extent not allocated to core deposit or other intangibles. Goodwill resulting from the merger will not be amortized but will be reviewed for impairment at least annually. Core deposits and other intangibles with finite useful lives recorded in connection with the merger will be amortized.

Financial statements and reported results of operations of S&T issued after completion of the merger will not be restated retroactively to reflect the historical financial position or results of operations of Gateway.

Table of Contents

MATERIAL UNITED STATES FEDERAL INCOME TAX CONSEQUENCES OF THE MERGER

General

The following is a summary of the anticipated material United States federal income tax consequences of the merger generally applicable to a holder of Gateway common stock. This discussion is based upon provisions of the Internal Revenue Code, applicable current and proposed United States Treasury Regulations, judicial authorities, and administrative rulings and practice, all as in effect as of the date of this proxy statement/prospectus, as well as representations and facts provided by S&T and Gateway to Arnold & Porter LLP, or Arnold & Porter, counsel to S&T. Future legislative, judicial, or administrative changes or interpretations which may or may not be retroactive, or the failure of any such facts or representations to be true, accurate and complete, may affect the statements and conclusions described in this discussion.

This discussion is not intended to be a complete description of all of the United States federal income tax consequences of the merger and no information is provided with respect to the tax consequences of the merger under any other tax laws, including applicable state, local and foreign tax laws. Further, the following discussion may not apply to a holder of Gateway common stock subject to special treatment under the Internal Revenue Code, including but not limited to a holder of Gateway common stock that is:

a financial institution;

an insurance company;

a dealer or broker in securities or foreign currencies;

a trader in securities who elects mark-to-market accounting;

a tax-exempt organization;

a mutual fund;

a trust;

an estate;

a person who holds shares of Gateway common stock in an individual retirement account (IRA), 401(k) plan or similar tax-favored account;

a person who acquired shares of Gateway common stock on exercise of an employee stock option or otherwise as compensation;

a person whose functional currency for United States federal income tax purposes is not the United States dollar;

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a person who is a United States expatriate;

a partnership or other pass-through entity (or a person holding Gateway common stock through a partnership or other pass-through entity); or

a person who holds shares of Gateway common stock as part of a hedge, straddle, conversion or constructive sale transaction.

In addition, this discussion applies only to a holder of Gateway common stock who is holding such stock as a capital asset and who is a United States person as defined in Section 7701(a)(30) of the Internal Revenue Code.

No ruling has been or will be requested from the Internal Revenue Service regarding the tax consequences of the merger. Moreover, the opinion of Arnold & Porter described in this discussion is not binding on the Internal Revenue Service, and this opinion would not prevent the Internal Revenue Service from challenging the United States federal income tax treatment of the merger. Because of the complexities of the tax laws in general, and the complexities of the tax consequences associated with the receipt of cash in the merger in particular,

- 52 -

Table of Contents

holders of Gateway common stock should consult their tax advisors with respect to the federal, state, local and foreign tax consequences of the merger as they apply to their specific situations. This section is not intended to be tax advice to any shareholder.

Arnold & Porter's Tax Opinion

In connection with the filing with the SEC of the registration statement of which this proxy statement/prospectus is a part, Arnold & Porter has delivered its opinion addressing the United States federal income tax consequences of the merger as described below. This opinion is based upon the facts, representations and assumptions set forth or referred to in such opinion. In rendering this opinion, Arnold & Porter has relied on representations and facts provided by S&T and Gateway. This opinion is to the effect that:

the merger will qualify as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code;

each holder of Gateway common stock who receives S&T common stock and cash (other than cash in lieu of a fractional share interest in S&T common stock) in the merger in exchange for the holder's shares of Gateway common stock will recognize the gain, if any, realized by the holder, in an amount not in excess of the amount of cash received (other than cash received instead of a fractional share interest in S&T common stock), but will not recognize any loss on the exchange; and

holders of Gateway common stock who receive cash instead of a fractional share interest in S&T common stock will recognize gain or loss equal to the difference between the cash received and the portion of the basis of the holder's shares of Gateway common stock allocable to that fractional share interest.

S&T and Gateway's obligations to consummate the merger are conditioned on the receipt by S&T and Gateway of an additional opinion of Arnold & Porter, dated the closing date of the merger, substantially to the foregoing effect. That opinion will be subject to and based on facts, representations and assumptions set forth or referred to in the opinion. In rendering its closing date opinion, Arnold & Porter may rely on representations and facts provided by S&T and Gateway.

Character of Gain on Exchange of Gateway Common Stock for S&T Common Stock and Cash

For purposes of calculating gain in this transaction, a Gateway shareholder that receives S&T common stock and cash (other than cash received instead of a fractional interest in S&T common stock) must calculate gain or loss separately for each identifiable block of shares exchanged. Such gain or loss will be equal to the sum of the amount of cash and the fair market value of S&T common stock received with respect to that block of shares minus the shareholder's adjusted tax basis in that block of shares. In addition, a loss realized on one block of shares may not be used to offset a gain realized on another block of shares.

As noted above, in the case of a Gateway shareholder that exchanges his or her shares of Gateway common stock for a combination of S&T common stock and cash pursuant to the merger, such shareholder will recognize the gain, if any, realized by such shareholder in the exchange but not in excess of the amount of cash received. In general, the determination of whether any gain recognized in the exchange should be treated as capital gain or has the effect of a distribution of a dividend depends upon whether, and to what extent, the exchange reduces the shareholder's deemed percentage stock ownership of S&T. For purposes of this determination, the shareholder is treated as if he or she first exchanged all of his or her shares of Gateway common stock solely for S&T common stock and then S&T immediately redeemed (in a deemed redemption) a portion of such S&T common stock in exchange for the cash the shareholder actually received. The gain recognized in the exchange will be treated as capital gain if the deemed redemption (i) is substantially disproportionate with respect to the shareholder or (ii) is not essentially equivalent to a dividend.

Table of Contents

The deemed redemption should generally be substantially disproportionate with respect to a shareholder if the percentage of the outstanding stock of S&T the shareholder owns, actually and constructively, immediately after the deemed redemption is less than 80% of the percentage of the outstanding stock of S&T the shareholder is deemed to own, actually and constructively, immediately before the deemed redemption.

Whether the deemed redemption is not essentially equivalent to a dividend with respect to a shareholder will depend on the shareholder's particular circumstances. In order for the deemed redemption to be not essentially equivalent to a dividend, the deemed redemption must result in a meaningful reduction in the shareholder's actual and constructive percentage stock ownership of S&T. In general, that determination requires a comparison of the percentage of the outstanding stock of S&T the shareholder is deemed to own, actually and constructively, immediately before the deemed redemption and the percentage of the outstanding stock of S&T the shareholder actually and constructively owns immediately after the deemed redemption. The Internal Revenue Service has ruled that a minority shareholder (*i.e.*, a shareholder whose relative stock interest is minimal in relation to the number of shares outstanding and who exercises no control with respect to corporate affairs) generally is treated as having a meaningful reduction in interest if a cash payment results in at least a relatively minor reduction in the shareholder's actual and constructive percentage ownership.

Tax Basis and Holding Period

The aggregate tax basis of the S&T common stock received by a Gateway shareholder in the merger (including fractional shares deemed received and redeemed as described below) will be the same as the aggregate tax basis of the shares of Gateway common stock surrendered by such shareholder for the S&T common stock, decreased by the amount of any cash received (other than cash received instead of a fractional share interest in S&T common stock) by the shareholder and increased by the amount of income or gain recognized by the shareholder in the exchange (which does not include gain recognized in respect of fractional shares deemed received and redeemed (as described below)).

Each Gateway shareholder's holding period in any shares of S&T common stock received in the merger (including any fractional shares deemed received and redeemed as described below) will, in each instance, include the period during which the shares of Gateway common stock surrendered in exchange therefor were held, provided that those shares of Gateway common stock were held as capital assets on the effective date of the merger.

Cash Received in Lieu of a Fractional Share Interest

Cash received by a Gateway shareholder in lieu of a fractional share interest in S&T common stock will be treated as though the fractional share had been received and then redeemed for cash, and in general gain or loss will be recognized, measured by the difference between the amount of cash received and the portion of the basis of the shares of Gateway common stock allocable to such fractional interest. Such gain or loss generally will be long-term capital gain or loss if the holding period for such shares of Gateway common stock was more than one year as of the effective date of the merger. If, however, the receipt of cash instead of a fractional share of S&T common stock has the effect of the distribution of a dividend with respect to a shareholder, part or all of the cash received may be treated as a dividend.

S&T and Gateway

S&T and Gateway will each be a party to the reorganization within the meaning of Section 368(b) of the Internal Revenue Code. As a result, no gain or loss will be recognized by S&T or Gateway as a result of the merger (except for amounts resulting from any required change in accounting methods or any income or deferred gain recognized under the relevant consolidated return regulations).

Backup Withholding

Backup withholding at a 28% rate will generally apply to merger consideration that includes cash if the exchanging Gateway shareholder fails to properly certify that it is not subject to backup withholding, generally

Table of Contents

on Internal Revenue Service Form W-9. Certain holders, including, among others, United States corporations, are not subject to backup withholding, but they may still need to furnish a Form W-9 or otherwise establish an exemption. Any amounts withheld from payments to a Gateway shareholder under the backup withholding rules are not additional taxes and will be allowed as a refund or credit against the shareholder's United States federal income tax liability, provided that the required information is timely furnished to the Internal Revenue Service.

Tax matters are very complicated, and the tax consequences of the merger to each holder of Gateway common stock will depend on the facts of that shareholder's particular situation. The discussion set forth above does not address all United States federal income tax consequences that may be relevant to a particular holder of Gateway common stock and may not be applicable to holders in special situations. Holders of Gateway common stock are urged to consult their own tax advisors regarding the specific tax consequences of the merger.

Table of Contents

PROPOSAL 2 AUTHORIZATION TO VOTE ON ADJOURNMENT OR OTHER MATTERS

General

If, at the Gateway special meeting, the number of shares of Gateway common stock, present in person or by proxy, is insufficient to constitute a quorum or the number of shares of Gateway common stock voting in favor is insufficient to adopt the merger agreement, Gateway management intends to move to adjourn the special meeting in order to enable the Gateway board of directors more time to solicit additional proxies. In that event, Gateway will ask its shareholders to vote only upon the adjournment proposal and not the proposal relating to adoption of the merger agreement.

In this proposal, Gateway is asking you to grant discretionary authority to the holder of any proxy solicited by the Gateway board of directors so that such holder can vote in favor of the proposal to adjourn the special meeting to solicit additional proxies. If the shareholders of Gateway approve the adjournment proposal, Gateway can adjourn the special meeting, and any adjourned session of the special meeting, and use the additional time to solicit additional proxies, including the solicitation of proxies from shareholders who have previously voted.

If the special meeting is adjourned, no notice of the adjourned meeting is required to be given to shareholders, other than an announcement at the special meeting of the place, date and time to which the meeting is adjourned.

Vote Required

Pursuant to Gateway's by-laws, a meeting may be adjourned by the affirmative vote of at least a majority of the votes that all shareholders present at the special meeting, in person or represented by proxy, are entitled to cast. Abstentions and broker non-votes will not affect the vote on the adjournment proposal.

Recommendation of the Gateway Board of Directors

*The Gateway Board of Directors recommends a vote **FOR** the proposal to authorize the board of directors to adjourn the special meeting of shareholders to allow time for the further solicitation of proxies to approve the adoption of the merger agreement.*

Table of Contents

INFORMATION ABOUT S&T BANCORP, INC.

General

S&T Bancorp, Inc. was incorporated on March 17, 1983, under the laws of the Commonwealth of Pennsylvania as a bank holding company and is headquartered in Indiana, Pennsylvania. S&T provides a full range of financial services through its branch network. S&T provides full service retail and commercial banking products as well as cash management services, insurance, estate planning and administration, employee benefit solutions, investment management and administration, corporate services, and other fiduciary services. S&T earns revenue primarily from interest on loans, security investments and fees charged for financial services provided to our customers. S&T has three wholly-owned subsidiaries: S&T Bank, 9th Street Holdings, Inc. and STBA Capital Trust I. S&T also owns a one-half interest in Commonwealth Trust Credit Life Insurance Company. S&T is registered as a financial holding company with the Board of Governors of the Federal Reserve System under the Bank Holding Company Act of 1956, as amended. S&T's common stock is traded on The Nasdaq Global Select Market under the symbol STBA. S&T's website is <http://www.stbancorp.com>.

As of March 31, 2012, S&T had total assets of \$4.3 billion, total deposits of \$3.5 billion and shareholders' equity of \$504.4 million. S&T Bank deposits are insured by the FDIC to the maximum extent provided by law.

Operating Subsidiaries

S&T Bank, our largest subsidiary, was chartered in 1902. As of March 31, 2012, S&T Bank provided services to its customers through a network of offices located in Allegheny, Armstrong, Blair, Butler, Cambria, Clarion, Clearfield, Indiana, Jefferson and Westmoreland counties of Pennsylvania.

S&T Bank provides a wide range of banking, trust and insurance services for retail and commercial clients in its geographic markets. S&T Bank's principal operating subsidiaries include:

S&T Banc Holdings, Inc., an investment holding company;

S&T Professional Resources Group, LLC, which was formed to market software developed by S&T Bank;

Stewart Capital Advisors, LLC, a registered investment advisor that manages private investment accounts for individuals and institutions and advises the Stewart Capital Mutual Fund; and

S&T Insurance Group, LLC and its wholly owned subsidiary Evergreen Insurance Associates, LLC, which provides insurance programs structured to the individual needs of its customers, and offers a full line of commercial property and casualty insurance, group life and health coverage, employee benefit solutions and personal insurance.

Services

The primary services offered by S&T Bank include:

accepting time and demand deposits;

originating commercial and consumer loans;

providing letters of credit;

offering discount brokerage services;

personal financial planning;

credit card services; and

insurance products.

Additional information about S&T and its subsidiaries is included in documents incorporated by reference in this proxy statement/prospectus. See *Where You Can Find More Information* on page .

Table of Contents

INFORMATION ABOUT GATEWAY BANK OF PENNSYLVANIA

Business

Gateway is a Pennsylvania corporation headquartered at 3402 Washington Road, McMurray, Pennsylvania, 15317 (tel. (724) 969-1010)). Gateway provides commercial and retail banking services at its two offices, which are located in McMurray, Pennsylvania and Cranberry Township, Pennsylvania. At March 31, 2012, Gateway had total assets of \$124.1 million, deposits of \$100.5 million, and shareholders' equity of \$15.4 million. Gateway's website is <http://www.gatewaybankpa.com>.

Gateway was incorporated on June 12, 2003 and opened its McMurray Office for business in May 2004 and its Cranberry Office in November 2007. Its primary market area consists of Washington, Allegheny, Butler, and Beaver counties. Competition for deposit and loan products comes from other insured financial institutions such as commercial banks, thrift institutions and credit unions in Gateway's market area, as well as from out-of-market financial institutions that offer deposits and loans over the internet and through other delivery channels. Deposit competition also includes a number of insurance products, such as annuities, sold by local agents, and investment products such as mutual funds and other securities sold by local and regional brokers.

Gateway originates loans to commercial businesses, governmental entities, and individuals. As of March 31, 2012, Gateway's loan portfolio included commercial and multi-family real estate loans, commercial business loans and lines of credit, loans to municipalities, not-for-profit organizations and other governmental entities, home equity term loans and lines of credit, residential and commercial construction loans, automobile loans, and personal loans.

Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion summarizes Gateway's results of operations and highlights material changes for the three months ended March 31, 2012 and 2011, the years ended December 31, 2011 and 2010, and its financial condition as of March 31, 2012, December 31, 2011 and December 31, 2010. This discussion is intended to provide additional information which may not be readily apparent from the selected financial data included in this disclosure. Reference should be made to the selected financial data presented for a complete understanding of the following discussion and analysis.

Table of Contents**Executive Overview**

Gateway is a Pennsylvania corporation headquartered in McMurray, Pennsylvania. Gateway provides commercial and retail banking services at its two offices, which are located in McMurray, PA and Cranberry Township, PA. Gateway had total assets of \$124.1 million, deposits of \$100.5 million, and shareholders' equity of \$15.4 million at March 31, 2012 and total assets of \$120.3 million, deposits of \$96.9 million, and shareholders' equity of \$15.2 million at December 31, 2011. Gateway's net income, as well as a snapshot of its financial picture, for the period and at the end thereof, as well as certain key ratios, are set forth in the table below:

Executive Overview**Gateway Bank**

<i>(Dollars in thousands, except per share data)</i>	March 31, 2012	December 31, 2011		2010
For the Period:				
Net income	\$ 176	\$ 621	\$ 448	
Per common share:				
Basic earnings	\$ 0.10	\$ 0.36	\$ 0.26	
Cash dividends	\$	\$	\$	
Book value	\$ 8.94	\$ 8.84	\$ 8.37	
Financial Condition at Period-End:				
Assets	\$ 124,107	\$ 120,261	\$ 122,468	
Net Loans	\$ 100,042	\$ 100,035	\$ 98,308	
Deposits	\$ 100,546	\$ 96,882	\$ 104,459	
Stockholders' Equity	\$ 15,383	\$ 15,175	\$ 14,299	
Ratios:				
Return on Average Assets	0.58%	0.51%	0.36%	
Return on Average Equity	4.59%	4.21%	3.18%	
Stockholders' Equity to Assets	12.39%	12.62%	11.68%	

Gateway's results of operations depend primarily on net interest income. Net interest income is the difference between interest income earned on interest-earning assets (loans and investment securities) and the interest paid on interest-bearing liabilities (deposits and short-term borrowings). Net interest income is directly impacted by the market interest rate environment, the shape of the market yield curve, timing of placement and repricing of interest-earning assets and interest-bearing liabilities and prepayment of loans. Results of operations are also directly affected by general economic conditions.

Table of Contents**Results of Operations****Gateway Bank**

For the three months ended March 31, 2012 as compared to March 31, 2011:

(unaudited)

(dollars in thousands)

	2012	2011	\$ change	% change
Interest income	\$ 1,202	\$ 1,277	\$ (75)	-5.9%
Interest expense	194	264	(70)	-26.6%
Net interest income	1,008	1,013	(5)	-0.5%
Provision for loan losses		33	(33)	-100.0%
Net interest income after provision for loan losses	1,008	980	28	2.8%
Other operating income	14	17	(3)	-17.6%
Other operating expense	846	877	(31)	-3.6%
Income before income taxes	176	120	56	46.7%
Income tax expense				
Net income	\$ 176	\$ 120	\$ 56	46.7%

Net Income. Net income for the first three months of 2012 increased to \$176,000 compared to \$120,000 for the same period in 2011, an increase of \$56,000, or 46.7%. Net income per share improved to \$0.10 for the first three months of 2012 compared to \$0.07 for the same period in 2011. The improvement in earnings was primarily attributable to lower other operating expenses and a lower provision for loan losses.

Net Interest Income and Margin. Net interest income represents the excess of interest income from earning assets less interest expense on interest bearing liabilities. Net interest margin is the percentage of net interest income to earning assets. Net interest income and net interest margin are affected by fluctuations in interest rates and by changes in the amounts and mix of earning assets and interest bearing liabilities. Net interest income for the three months ended March 31, 2012 decreased slightly by \$5,000 or 0.5% compared to the same period in 2011, while the net interest margin increased to 3.43% from 3.38% for the respective periods. The decrease in net interest income was due primarily to a lower volume of average earning assets, the result of lower deposit funding between the periods, offset to some extent by a higher net interest margin, the result of a decrease in the average rate for sources of funds which more than offset a lower yield on earning assets.

Interest Income. Interest income for the three months ending March 31, 2012 decreased by \$75,000 or 5.9% to \$1,202,000 from \$1,277,000 for the same period in 2011. This was due to a decrease in average earning assets and a decrease in the average yield on loans. Average earning assets decreased \$2.4 million or 2.0%, to \$117.6 million for the first three months of 2012 from \$120.0 million for the same period in 2011. The average loan yield dropped to 4.61% for the first three months of 2012 versus 4.97% for the same period in 2011. Interest rates have generally declined throughout the periods and are at or near all-time lows. This extremely low interest rate environment is exerting downward pressure on loan yields in three ways. First, as variable rate loans reach repricing dates, yields are reduced. Second, new loans added are at rates lower than those originated in prior years. Finally, borrowers with fixed rates loans refinance existing loans into new lower rate loans. Offsetting the impact of a lower yield on loans to some extent was an increase in average loans outstanding between the periods. Average loans were \$101.2 million for the first three months of 2012 versus \$97.9 million for the same period in 2011, an increase of \$3.3 million or 3.4%.

Interest Expense. Interest expense for the three month period ended March 31, 2012 decreased by \$70,000 or 26.6% to \$194,000 from \$264,000 during the same period in 2011. The decrease was due to an overall lower average rate paid and lower overall volume of interest bearing liabilities. The average rate paid on interest bearing liabilities was 0.89% for the first three months of 2012 versus 1.16% for the same period in 2011, while average interest bearing liabilities decreased \$4.3 million or 4.7% between the periods.

Table of Contents

Provisions for Loan Losses. Provisions for loan losses charged to operations are based on management's judgment after considering a variety of factors, including current economic conditions, diversification of the loan portfolio and delinquency status. Also considered by management in determining the amounts charged to operations are the evaluations done by the independent loan review function, regulators' analysis performed in connection with regulatory examinations, previous experience and the general financial condition of the borrower. No provisions were charged to operations during the first three months of 2012 compared to \$33,000 for the same period in 2011. The decrease in the provision for loan losses reflects the adequacy of the allowance for loan losses in relation to the risk inherent within the portfolio. For further comments about Gateway's credit risk, see the discussion under Loan Quality and Allowance for Loan Losses.

Other Operating Income. Other operating income for the three months ended March 31, 2012 was \$14,000 compared to \$17,000 for the same period in 2011. The decrease is related to timing of cash collection on service charges on deposit accounts and certain other transaction fees.

Operating Expenses. Total operating expenses for the three months ended March 31, 2012 were \$846,000 compared to \$877,000 for the same period in 2011, a decrease of \$31,000 or 3.6%. Decreases in data processing, FDIC insurance premiums and occupancy/equipment costs were partially offset by increases in salaries and benefits and Pennsylvania shares tax expense.

Comparing the three months ended March 31, 2012 with the same period in 2011, the following discussion further breaks down the variances in other operating expenses. Data processing decreased to \$57,000 from \$75,000, a \$18,000 or 24.0% decrease, related to lower costs post an upgrade to the FiServ operating system, which was completed around mid-year 2011. FDIC insurance premiums are down to \$15,000 from \$32,000, a decrease of \$17,000 or 53.1%, the result of a revised FDIC calculation in June 2011 that resulted in adjusted premiums in April 2011 carried forward. Occupancy/equipment costs were \$135,000 versus \$147,000, a decrease of \$12,000 or 8.2%, due to lower depreciation expense on equipment, the terms of which expired during the second half of 2011. Salaries and benefits costs increased to \$471,000 from \$463,000, a \$8,000 or 1.7% increase, which consists of normal increases in salaries and wages, health care insurance and other employee benefits. Pennsylvania shares tax was \$39,000 versus \$34,000, an increase of \$5,000 or 14.7%, due to growth in the shareholders' equity and in the assets of the company over the five year average from which the tax is based.

Income Taxes. Gateway has been in existence since May 2004 and has accumulated a net operating loss since its inception. As such, there is no tax expense per books at Gateway.

Results of Operations**Gateway Bank**

For the years ended December 31, 2011 as compared to December 31, 2010:

(unaudited)

(dollars in thousands)

	2011	2010	\$ change	% change
Interest income	\$ 4,998	\$ 5,470	\$ (472)	-8.6%
Interest expense	949	1,538	(589)	-38.3%
Net interest income	4,049	3,932	117	3.0%
Provision for loan losses	63	222	(159)	-71.6%
Net interest income after provision for loan losses	3,986	3,710	276	7.4%
Other operating income	79	87	(8)	-9.2%
Other operating expense	3,444	3,349	95	2.8%
Income before income taxes	621	448	173	38.6%
Income tax expense				
Net income	\$ 621	\$ 448	\$ 173	38.6%

Table of Contents

Net Income. Net income increased to \$621,000 for the year ended December 31, 2011 compared to net income of \$448,000 for the year ended December 31, 2010, an increase of \$173,000, or 38.6%. Net income per share improved to \$0.36 for the full year 2011 compared to \$0.26 for 2010. The improvement in earnings was primarily attributable to a lower provision for loan losses and higher net interest income offset slightly by higher other operating expenses and lower other operating income.

Net Interest Income and Margin. Net interest income for the year ended December 31, 2011 increased by \$117,000 or 3.0% compared to the same period in 2010, while the net interest margin increased to 3.43% from 3.24% for the respective periods. The increase in net interest income and margin was due primarily to a decrease in the average rate paid on interest bearing liabilities, which more than offset a lower yield on earning assets and the negative impact of lower average earning assets. Interest rates were affected by lower overall rates that continued to decline during the year. Earning assets were impacted by lower average interest bearing liabilities between the periods.

Interest Income. Interest income for the year ended December 31, 2011 decreased by \$472,000 or 8.6% compared to the same period in 2010. This was due to a decrease in the average yield on loans and investments, and a decrease in average earning assets. The yield on loans averaged 4.85% in 2011 versus 5.12% in 2010 while the investments yield averaged 1.89% in 2011 versus 2.90% in 2010. As noted in previous discussion, interest rates have generally declined throughout the year and affected loan and investment yields in various ways. In addition to lower yields, the level of earning assets decreased to average \$118.0 million in 2011 versus \$121.2 million in 2010.

Interest Expense. Interest expense for the full year 2011 decreased by \$589,000 or 38.3%, to \$949,000 in 2011 from \$1,538,000 in 2010. The decrease was due to an overall lower average rate paid and lower overall volume of interest bearing liabilities. The average rate paid on interest bearing liabilities was 1.07% for 2011 versus 1.62% for 2010, while average interest bearing liabilities decreased \$5.9 million or 6.3% between the periods.

Provisions for Loan Losses. Provisions for loan losses charged to operations are based on management's judgment after considering a variety of factors, including current economic conditions, diversification of the loan portfolio and delinquency status. Also considered by management in determining the amounts charged to operations are the evaluations done by the independent loan review function, regulators' analysis performed in connection with regulatory examinations, previous experience and the general financial condition of the borrower. Provision expense was \$63,000 in 2011 versus \$222,000 in 2010 and reflects the adequacy of the allowance for loan losses in relation to the risk inherent within the portfolio. For further comments about Gateway's credit risk, see the discussion under Loan Quality and Allowance for Loan Losses.

Other Operating Income. Other operating income for 2011 was \$79,000 compared to \$87,000 in 2010. The decrease is related to timing of cash collection on service charges on deposit accounts and certain other transaction fees.

Other Operating Expenses. Total operating expenses for the year ended December 31, 2011 were \$3,444,000 compared to \$3,349,000 for the same period in 2010, an increase of \$95,000 or 2.8%. Increases in salaries and benefits, data processing, Pennsylvania shares tax expense and certain other operating expenses were partially offset by decreases in FDIC insurance premiums and occupancy/equipment costs.

Comparing the full years 2011 and 2010, the following discussion further breaks down the variances in other operating expenses. Salaries and benefits costs increased to \$1,774,000 from \$1,685,000, a \$89,000 or 5.3% increase, which consists of normal increases in salaries and wages, health care insurance and other employee benefits. Data processing increased to \$330,000 from \$293,000, a \$37,000 or 12.6% increase, related to one-time costs related to a conversion upgrade of the bank's operating system which was completed mid-year 2011, offset to some extent by lower overall costs under the new system post conversion. Pennsylvania shares tax

Table of Contents

was \$139,000 versus \$125,000, an increase of \$14,000 or 11.2%, due to growth in the shareholders' equity and the assets of the company over the five years average from which the tax is based. Increased other operating expenses was impacted by certain one-time costs during 2011; these included consulting fees paid related to the sale of the company and employee costs related to the system conversion in 2011 for travel, lodging, etc. FDIC insurance premiums are down to \$81,000 from \$136,000, a decrease of \$55,000 or 40.4%, the result of a revised FDIC calculation in June 2011 that resulted in adjusted premiums in April 2011 carried forward. Occupancy/equipment costs were \$555,000 versus \$580,000, a decrease of \$25,000 or 4.3%, due to lower depreciation expense on equipment, the terms of which expired during the second half of 2011.

Income Taxes. Gateway has been in existence since May 2004 and has accumulated a net operating loss since its inception. As such, there is no tax expense per books at Gateway for either 2011 or 2010.

Financial Condition**Gateway Bank**

As of March 31, 2012 and December 31, 2011

<i>(dollars in thousands)</i>	March 31, 2012	December 31, 2011	\$ change	% change
Cash on hand and in banks	\$ 12,085	\$ 9,277	\$ 2,808	30.3%
Investments	10,013	9,018	995	11.0%
Loans, net	100,042	100,035	7	0.0%
Other assets	1,967	1,931	36	1.9%
Total assets	\$ 124,107	\$ 120,261	\$ 3,846	3.2%
Deposits	\$ 100,546	\$ 96,882	\$ 3,664	3.8%
Borrowed funds	7,984	8,032	(48)	-0.6%
Other liabilities	194	172	22	12.8%
Shareholders' equity	15,383	15,175	208	1.4%
Total liabilities & equity	\$ 124,107	\$ 120,261	\$ 3,846	3.2%

Balance Sheet. Total assets as of March 31, 2012 was \$124,107,000, an increase of \$3,846,000 or 3.2% compared to total assets of \$120,261,000 at December 31, 2011. Total assets increased due to higher cash on hand and in banks and investments due to higher deposits and capital between the periods.

Net loans remained relatively flat between the periods, loans at \$100,042,000 at March 31, 2012 and \$100,035,000 at year end 2011. Commercial loans increased slightly while consumer loans had a slight decrease.

Total investments increased by \$995,000 or 11.0% between the periods. The primary purpose of the investment portfolio is to provide a source of liquidity sufficient to meet loan funding demands and deposit withdrawals, and to secure certain public deposits. Cash on hand and in banks also serves as a source of liquidity and to meet daily operational needs. Cash on hand and in banks can fluctuate on a daily basis and between periods of comparison, depending on these operational needs and customer demands.

Gateway's deposits are comprised of demand deposits, NOW accounts, money market accounts, savings accounts and other time deposits obtained from individuals and businesses within the communities where branch offices are located. Deposits increased by \$3,664,000 or 3.8%, when comparing March 31, 2012 to December 31, 2011. The principal drivers to this increase were higher demand deposits and money market accounts offset slightly by lower NOW accounts and time deposits.

Loan Quality and Allowance for Loan Losses. Gateway did not have any chargeoffs for the first quarter 2012, or past-due or non-accrual loans as of March 31, 2012. The allowance for loan losses at March 31, 2012 was \$1,450,000 or 1.43% of total loans outstanding, which remains unchanged from the allowance at December 31, 2011, which also represented 1.43% of total loans outstanding. Management believes reserve levels are adequate to absorb any possible losses in the loan portfolio.

Table of Contents**Financial Condition****Gateway Bank**

As of December 31, 2011 and December 31, 2010

<i>(dollars in thousands)</i>	December 31, 2011	December 31, 2010	\$ change	% change
Cash on hand and in banks	\$ 9,277	\$ 11,543	\$ (2,266)	-19.6%
Investments	9,018	10,940	(1,922)	-17.6%
Loans, net	100,035	98,308	1,727	1.8%
Other assets	1,931	1,677	254	15.1%
Total assets	\$ 120,261	\$ 122,468	\$ (2,207)	-1.8%
Deposits	\$ 96,882	\$ 104,459	\$ (7,577)	-7.3%
Borrowed funds	8,032	3,477	4,555	131.0%
Other liabilities	172	233	(61)	-26.2%
Shareholders' equity	15,175	14,299	876	6.1%
Total liabilities & equity	\$ 120,261	\$ 122,468	\$ (2,207)	-1.8%

Balance Sheet. Total assets as of December 31, 2011 was \$120,261,000, a decrease of \$2,207,000 or 1.8% compared to total assets of \$122,468,000 at December 31, 2010. Total assets decreased due to lower cash on hand and in banks and investments due to lower deposits offset to some extent by higher borrowed funds and capital between the periods.

Net loans increased between the periods, rising to \$100,035,000 at year end 2011 from \$98,308,000 at year end 2010, an increase of \$1,727,000 or 1.8%. An increase in commercial loans more than offset a decrease in consumer loans.

Total investments decreased by \$1,922,000 or 17.6% between the periods. The primary purpose of the investment portfolio is to provide a source of liquidity sufficient to meet loan funding demands and deposit withdrawals, and to secure certain public deposits. Cash on hand and in banks also serves as a source of liquidity and to meet daily operational needs. Cash on hand and in banks can fluctuate on a daily basis and between periods of comparison, depending on these operational needs and customer demands.

Gateway's source of funding is deposits and borrowed funds. Deposits are comprised of demand deposits, NOW accounts, money market accounts, savings accounts and other time deposits obtained from individuals and businesses within the communities where branch offices are located and contiguous counties. Deposits decreased by \$7,577,000 or 7.3%, when comparing year end 2011 to year end 2010. The principal driver to this decrease was lower time deposits offset to some extent by higher demand deposits. Time deposit runoff related to a 18-month CD special promotion that the bank chose not to continue as these time deposits matured in late 2011. Borrowed funds increased by \$4,555,000 or 131.0% between the periods. Borrowed funds consist of term funding from the Federal Home Loan Bank of Pittsburgh and securities sold under agreements to repurchase; both of these sources reflected increases between the periods.

Loan Quality and Allowance for Loan Losses. Gateway did not have any chargeoffs in 2011, or past-due or non-accrual loans as of December 31, 2011. The allowance for loan losses at December 31, 2011 was \$1,450,000 or 1.43% of total loans outstanding, versus an allowance of \$1,387,000 at December 31, 2010 or 1.39% of total loans. Management believes reserve levels are adequate to absorb any probable losses in the loan portfolio.

Non-Performing Assets

Non-performing assets include non-accrual loans, restructured loans, loans 90 days past due which are still accruing interest and other real estate owned (OREO). Non-accrual loans represent loans where interest accruals

Table of Contents

have been discontinued. Restructured loans are loans in which the borrower has been granted a concession on the interest rate or the original repayment terms due to financial distress and the loan is performing according to the revised terms. Gateway had no non-performing assets as of March 31, 2012, December 31, 2011, or December 31, 2010.

Capital Resources

Gateway seeks to maintain a strong capital base to support growth, to provide stability to current operations and to promote public confidence. Stockholders' equity at March 31, 2012 increased to \$15,383,000 versus \$15,175,000 at December 31, 2011 and \$14,299,000 at December 31, 2010. Increases in stockholders' equity result from net income, as Gateway did not pay dividends during the periods. Gateway's capital position was well above all regulatory requirements as of March 31, 2012, December 31, 2011 and December 31, 2010.

Regulatory Capital

Gateway is subject to various regulatory capital requirements administered by the federal banking agencies. Failure to meet minimum capital requirements can initiate certain mandatory, and possibly additional discretionary, actions by regulators that, if undertaken, could have a direct material effect on the financial statements. Under capital adequacy guidelines and the regulatory framework for prompt corrective action, Gateway must meet specific capital guidelines that involve quantitative measures of assets, liabilities and certain off-balance-sheet items as calculated under regulatory accounting practices. The capital amounts and classifications are also subject to qualitative judgments by the regulators about components, risk weighting and other factors. Failure to meet capital requirements can initiate regulatory action.

Quantitative measures established by regulators to ensure capital adequacy require the maintenance of minimum amounts and ratios (set forth in the table below) of Total Capital and Tier I Capital (as defined by the regulators) to risk-weighted assets (as defined), and of Tier I Capital (as defined). Management believes, as of March 31, 2012, December 31, 2011 and December 31, 2010, that Gateway meets all capital adequacy requirements to which they are subject.

As of March 31, 2012, December 31, 2011 and December 31, 2010, Gateway was categorized as well capitalized under the regulatory framework for prompt corrective action by regulatory agencies. To be categorized as well capitalized, Gateway must maintain minimum total risk-based, Tier I risk-based and Tier I leverage ratios as set forth in the following table (dollar figures are in thousands). There are no conditions or events since these periods that management believes have changed those categories.

Capital Ratios**Gateway Bank**

<i>(dollars in thousands)</i>	Actual		Minimum Amount		To Be Well Capitalized Under Prompt Corrective Action Provisions	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
March 31, 2012:						
Total capital (to risk-weighted assets)	\$ 16,624	15.5%	\$ 8,580	8.0%	\$ 10,725	10.0%
Tier I capital (to risk-weighted assets)	15,373	14.3%	4,300	4.0%	6,450	6.0%
Tier I capital (to average assets)	15,373	12.7%	4,842	4.0%	6,052	5.0%
December 31, 2011:						
Total capital (to risk-weighted assets)	\$ 16,503	15.4%	\$ 8,574	8.0%	\$ 10,718	10.0%
Tier I capital (to risk-weighted assets)	15,162	14.2%	4,287	4.0%	6,431	6.0%
Tier I capital (to average assets)	15,162	12.7%	4,764	4.0%	5,955	5.0%
December 31, 2010:						
Total capital (to risk-weighted assets)	\$ 15,641	15.0%	\$ 8,360	8.0%	\$ 10,450	10.0%
Tier I capital (to risk-weighted assets)	14,335	13.7%	4,180	4.0%	6,270	6.0%
Tier I capital (to average assets)	14,335	11.4%	5,038	4.0%	6,297	5.0%

Table of Contents**Off-Balance Sheet Arrangements**

Gateway, in the normal course of business, is party to financial instruments with off-balance sheet risk. These instruments are required to meet the financial needs of its customers and include such items as unused lines of credit, letters of credit, and other loan commitments. The instruments involve, to varying degrees, elements of credit and interest rate risk in excess of the amount recognized in the financial statements.

Gateway's exposure to credit loss, in the event of nonperformance by the other party to the financial instrument for commitments to extend credit, is represented by the contractual or notional amount of those instruments, although losses are not anticipated. Gateway uses the same credit policies in making commitments and conditional obligations as it does for on-balance-sheet instruments. The following table identifies the contract or notional amount of these instruments:

Executive Overview**Gateway Bank**

<i>(Dollars in thousands)</i>	March 31, 2012	2011	December 31, 2010
Financial instruments whose contract amounts represent risk:			
Commitments to extend credit	\$ 24,331	\$ 23,270	\$ 20,880
Interest rate range	2.00% to 13.50%	2.00% to 13.50%	2.00% to 13.50%
Standby letters of credit	\$ 1,705	\$ 1,635	\$ 1,600

Commitments to extend credit are agreements to lend to a customer as long as there is no violation of any condition established in the contract. Commitments generally have fixed expiration dates or other termination clauses and may require payment of a fee. Since many of the commitments are expected to expire without being drawn upon, the total commitment amounts do not necessarily represent future cash requirements. Gateway evaluates each customer's creditworthiness on a case-by-case basis. The amount of collateral obtained, if deemed necessary by Gateway upon extensions of credit, is based on management's credit evaluation of the customer. Collateral held varies but may include accounts receivable, inventory, property, plant and equipment and income producing commercial properties. On loans secured by commercial real estate, Gateway generally requires loan to value ratios of no more than 80%. On loans secured by owner-occupied residential properties, Gateway generally requires loan to value ratios not in excess of 90%.

Standby letters of credit are conditional commitments issued by Gateway to guarantee the performance of a customer to a third party. Those guarantees are primarily issued to support public and private borrowing arrangements, including commercial paper, bond financing and similar transactions. The terms of the letters of credit vary and may have renewal features. The credit risk involved in issuing letters of credit is essentially the same as that involved in extending loans to customers. Gateway holds collateral supporting those commitments for which collateral is deemed necessary.

Loans

Loans that management has the intent and ability to hold for the foreseeable future or until maturity or payoff are stated at their outstanding unpaid principal balances net of unearned interest and an allowance for loan losses. Interest income is accrued on the unpaid principal balance. Loan origination fees are deferred and recognized as an adjustment of the yield (interest income) of the related loans. Gateway generally amortizes these amounts over the contractual life of the loan.

The accrual of interest is generally discontinued when the contractual payment of principal or interest has become 90 days past due or management has serious doubts about further collectability of principal or interest.

Table of Contents

even though the loan is currently performing. A loan may remain on accrual status if it is in the process of collection and is either guaranteed or well secured. When a loan is placed on non-accrual status, unpaid interest credited to income in the current year is reversed and unpaid interest accrued in prior years is charged against the allowance for loan losses. Interest received on non-accrual loans generally is either applied against principal or reported as interest income, according to management's judgment as to the collectability of principal. Generally, loans are restored to accrual status when the obligation is brought current, has performed in accordance with the contractual terms for a reasonable time and the ultimate collectability of the total contractual principal is no longer in doubt.

Allowance for Loan Losses

The allowance for loan losses represents the amount which management estimates is adequate to provide for probable losses inherent in its loan portfolio. The allowance method is used in providing for loan losses. Accordingly, all loan losses are charged to the allowance, and all recoveries are credited to it. The allowance for loan losses is established through a provision for loan losses charged to operations. The provision for loan losses is based on management's periodic evaluation of individual loans, economic factors, past loss experience, changes in the composition and volume of the portfolio, and other relevant factors. The estimates used in determining the adequacy of the allowance for loan losses, including the amounts and timing of future cash flows expected on impaired loans, are particularly susceptible to change in the near term.

Impaired loans are commercial and commercial real estate loans for which it is probable that Gateway will not be able to collect all amounts due according to the contractual terms of the loan agreement. Gateway individually evaluates such loans for impairment and does not aggregate loans by major risk classifications. Factors considered by management in determining impairment include payment status and collateral value. The amount of impairment for these types of loans is determined by the difference between the present value of the expected cash flows related to the loan using the original interest rate and its recorded value, or as a practical expedient in the case of collateralized loans, the difference between the fair value of the collateral and the recorded amount of the loans. When foreclosure is probable, impairment is measured based on the fair value of the collateral.

The definition of impaired loans is not the same as the definition of nonaccrual loans, although the two categories overlap. Gateway may choose to place a loan on nonaccrual status due to payment delinquency or uncertain collectability, while not classifying the loan as impaired, provided the loan is not a commercial or commercial real estate classification.

Loans secured by one-to-four family properties and all consumer loans are large groups of smaller-balance homogeneous loans and are measured for impairment collectively. Loans that experience insignificant payment delays, which are defined as 90 days or less, generally are not classified as impaired. Management determines the significance of payment delays on a case-by-case basis, taking into consideration all circumstances concerning the loan, the creditworthiness and payment history of the borrower, the length of the payment delay, and the amount of shortfall in relation to the principal and interest owed.

The general component covers non-impaired loans, which management determines by segmenting the loan portfolio into the following pools: commercial loans; commercial real estate loans; first lien consumer real estate loans; subordinate lien consumer real estate loans; and consumer loans. Certain qualitative factors are then added to any historical allocation percentage applied to each pool to obtain the adjusted factor to be applied to nonclassified loans. The following qualitative factors are analyzed for each portfolio segment: levels of and trends in delinquencies, trends in volume and terms, trends in credit quality ratings, changes in management and lending staff, economic trends, and concentrations of credit.

Table of Contents**Security Ownership of Certain Beneficial Holders of Gateway**

The table below sets forth information, as of the record date, concerning (a) each person that is known to be the beneficial owner of more than 5% of Gateway's common stock, (b) the beneficial ownership of each of Gateway's directors and executive officers, and (c) the beneficial ownership of all of Gateway's directors and executive officers as a group. Unless otherwise indicated, all persons listed below have sole voting and investment power with respect to their shares, except to the extent spouses share authority under applicable law. Beneficial ownership is determined in accordance with the rules of the SEC. At the close of business on the record date, Gateway had shares of common stock issued and outstanding, which excludes 9,350 shares of restricted common stock. In computing the number and percentage of shares beneficially owned by a person, shares that may be acquired by such person within 60 days of the record date are counted as outstanding, while these shares are not counted as outstanding for computing the percentage ownership of any other person. Unless otherwise indicated, the address of each of the listed stockholders is c/o Gateway Bank of Pennsylvania, 3402 Washington Road, McMurray, PA 15317.

Name and Address	Number of Shares Beneficially Owned ⁽¹⁾	Percent of Outstanding Shares Beneficially Owned ⁽²⁾
5% or greater shareholders		
William J. Burt ⁽³⁾		
President, CEO, and Director	112,581	6.5%
Seneca Capital Partners 1999 Partners Liquidating Trust ⁽⁴⁾		
2591 Wexford-Bayne Road		
Suite 203		
Sewickley, PA 15143	106,500	6.2%
Leonard M. Carroll ⁽⁵⁾		
Director Emeritus	106,500	6.2%
Gayland B. Cook ⁽⁶⁾		
Director	106,500	6.2%
Current Officers and Directors (exclusive of Messrs. Carroll, Cook, and Burt, whose beneficial ownership is referenced above)		
Robert S. Kerr ⁽⁷⁾		
Executive Vice President, Chief Operating Officer, and Chief Lending Officer	70,426	4.1%
Alan R. Guttman ⁽⁸⁾		
Director	63,358	3.7%
Thomas S. Henderson ⁽⁹⁾		
Director	58,207	3.4%
F. James McCarl ⁽¹⁰⁾		
Chairman of the Board	54,855	3.2%
Charles J. LaBelle ⁽¹¹⁾	48,000	2.8%

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Director Lee W. Baierl ⁽¹²⁾		
Director Frank J. Palermo, Jr. ⁽¹³⁾	43,050	2.5%
Director Randolph T. Patterson ⁽¹⁴⁾	39,369	2.3%
Senior Vice President Dr. Randall L.C. Russell ⁽¹⁵⁾	38,312	2.2%
Director Patricia L. Siger ⁽¹⁶⁾	37,357	2.2%
Director Nancy L. Rackoff ⁽¹⁷⁾	36,873	2.1%
Director Gretchen Snyder ⁽¹⁸⁾	30,500	1.8%
Director	7,250	0.4%
All directors and officers as a group (15 persons total)	746,638	43.4% ⁽¹⁹⁾

- (1) The securities beneficially owned by an individual are determined in accordance with the definitions of beneficial ownership set forth in the General Rules and Regulations of the Securities and Exchange Commission and may include securities owned by or for the individual's spouse and minor children and any other relative who has the same home, as well as securities to which the individual has or shares voting or investment power or has the right to acquire beneficial

Table of Contents

- ownership within 60 days of April 15, 2012. (References below to vested stock options, vested warrants or restricted stock grants for which the restrictions have lapsed include options and warrants that will vest, and restricted stock for which the restrictions will lapse, on or before June 14, 2012.) Beneficial ownership may be disclaimed as to certain of the securities. Unless otherwise indicated, the individual owns the shares directly.
- (2) As of April 15, 2012, Gateway had outstanding 1,718,960 shares of Common Stock (excluding 9,350 shares of restricted stock which restrictions will not lapse on or before June 14, 2012) issued and outstanding, the only issued and outstanding class of stock.
 - (3) Consists of 38,031 shares owned by Mr. Burt; 5,000 shares issuable upon the exercise of vested warrants; and 68,425 shares issuable upon the exercise of vested stock options; 125 shares owned by Mr. Burt jointly with his spouse, Donna L. Burt; and 1,000 shares owned by Mr. Burt's spouse, Donna L. Burt.
 - (4) Consists of 83,500 shares held by Seneca Capital Partners 1999 Partners Liquidating Trust; 5,000 shares issuable upon the exercise of vested warrants (of which warrants for 2,500 shares were assigned to Seneca by Mr. Carroll and warrants for 2,500 shares were assigned to Seneca by Mr. Cook); and 18,000 shares issuable upon the exercise of vested stock options (of which options for 4,500 shares were assigned to Seneca by Mr. Carroll and options for 13,500 shares were assigned to Seneca by Mr. Cook). The Trustees are Leonard M. Carroll, Gayland B. Cook and Russell J. Warren.
 - (5) Consists of 83,500 shares owned by Seneca Capital Partners 1999 Partners Liquidating Trust; 5,000 shares issuable upon the exercise of vested warrants; and 18,000 shares issuable upon the exercise of vested stock options. Mr. Carroll is Managing Director, Chairman and Treasurer of Seneca Capital Management, Inc., and a Trustee of Seneca Capital Partners 1999 Partners Liquidating Trust.
 - (6) Consists of 83,500 shares owned by Seneca Capital Partners 1999 Partners Liquidating Trust; 5,000 shares issuable upon the exercise of vested warrants; and 18,000 shares issuable upon the exercise of vested stock options. Mr. Cook is Managing Director, President and Secretary of Seneca Capital Management, Inc. and a Trustee of Seneca Capital Partners 1999 Partners Liquidating Trust.
 - (7) Consists of 17,738 shares owned by Mr. Kerr; 4,500 shares owned by Robert S. Kerr, IRA; and 48,188 shares issuable upon the exercise of vested stock options.
 - (8) Consists of 40,000 shares owned by 150 Linden Partners, of which Mr. Guttman is a partner; 286 shares owned by Mr. Guttman and 2,572 shares owned by Mr. Guttman jointly with his spouse, Sara Kessler Guttman; 5,000 shares issuable upon the exercise of vested warrants; and 15,500 shares issuable upon the exercise of vested stock options.
 - (9) Consists of 25,207 shares owned by T. S. Henderson Revocable Trust dated March 5, 1998; 5,000 shares owned by Kristina A. Henderson Trust U/D/T dated March 5, 1998; 1,500 shares owned by Mary S. Henderson Trust U/D/T dated 12/13/1996 FBO Mr. Henderson's mother, of which Mr. Henderson is a trustee; 2,500 shares owned by T.S. Henderson IA Trust FBO Kristina S. Henderson, Mr. Henderson's daughter, of which Mr. Henderson is the trustee; 2,500 shares owned by T.S. Henderson IA Trust FBO Kimberly W. Henderson, Mr. Henderson's daughter, of which Mr. Henderson is the trustee; 1,000 shares are owned by Thomas S. Henderson TTEE IA Trust FBO Chloe Roberts, of which Mr. Henderson is the trustee; 1,000 shares are owned by Thomas S. Henderson TTEE IA Trust FBO Haley Roberts, of which Mr. Henderson is the trustee; 1,000 shares are owned by Thomas S. Henderson TTEE IA Trust FBO Kelsey Roberts, of which Mr. Henderson is the trustee; 5,000 shares issuable upon the exercise of vested warrants; and 13,500 shares issuable upon the exercise of vested stock options.
 - (10) Consists of 25,355 shares owned by Mr. McCarl; 5,000 shares owned by F. James McCarl, IRA; 2,000 shares owned by Mr. McCarl's spouse, Carol A. McCarl; 5,000 shares issuable upon the exercise of vested warrants; and 17,500 shares issuable upon the exercise of vested stock options.
 - (11) Consists of 30,000 shares owned by Irrevocable Agreement of Trust of Angelo M. Falconi; 2,500 shares owned by Mr. LaBelle jointly with his spouse, Janice M. LaBelle; 5,000 shares issuable upon the exercise of vested warrants; and 10,500 shares issuable upon the exercise of vested stock options.
 - (12) Consists of 5,000 shares owned by William R. Baierl in a marital trust, of which Mr. Lee Baierl is co-trustee; 27,300 shares owned by Baierl Chevrolet Inc.; and 10,750 shares issuable upon the exercise of vested stock options.
 - (13) Consists of 13,869 shares owned by Mr. Palermo; 5,000 shares owned by Frank J. Palermo, Jr., IRA; 2,500 shares owned by Amy M. Palermo, IRA FBO Mr. Palermo's spouse; 500 shares owned jointly with his spouse, Amy M. Palermo, 5,000 shares issuable upon the exercise of vested warrants; and 10,000 shares issuable upon the exercise of vested stock options.
 - (14) Consists of 11,937 shares owned by Mr. Patterson; 1,000 shares owned by Randolph T. Patterson, IRA; and 25,375 shares issuable upon the exercise of vested stock options.
 - (15) Consists of 21,245 shares owned by Dr. Russell jointly with his spouse, Barbara W. Russell; 2,612 shares owned by RLCR Family Trust, of which Mr. Russell is a Trustee; and 10,500 shares issuable upon the exercise of vested stock options.
 - (16) Consists of 21,373 shares owned by Ms. Siger; 5,000 shares issuable upon the exercise of vested warrants; and 8,500 shares issuable upon the exercise of vested stock options.
 - (17) Consists of 20,000 shares owned by Ms. Rackoff jointly with her spouse, William H. Rackoff; and 10,500 shares issuable upon the exercise of vested stock options.
 - (18) Consists of 2,500 shares held by Westmont Limited Partnership, of which Ms. Snyder owns 30%; and 4,750 shares issuable upon the exercise of vested stock options.
 - (19) For purposes of counting total percentage ownership of the officers and directors, the ownership percentages attributed to Messrs. Carroll and Cook by virtue of their ownership in Seneca Capital Partners 1999 Partners Liquidating Trust was only counted once.

Table of Contents

COMPARISON OF SHAREHOLDERS' RIGHTS

The rights of Gateway shareholders are governed by Pennsylvania law, including the Pennsylvania Business Corporation Law, which we refer to as the PBCL, and Gateway's articles of incorporation and by-laws. The rights of S&T shareholders are governed by Pennsylvania law, including the PBCL, and S&T's articles of incorporation and by-laws.

Upon consummation of the merger, Gateway shareholders will become S&T shareholders. Consequently, after the merger, the rights of such shareholders will be governed by the articles of incorporation and by-laws of S&T and Pennsylvania law.

A comparison of the rights of Gateway and S&T shareholders follows. This summary is not intended to be a complete statement of all of such differences or a complete description of the specific provisions referred to therein, and is qualified in its entirety by reference to Pennsylvania law and the respective articles of incorporation and by-laws of Gateway and S&T.

Authorized Capital

Gateway. Gateway is authorized to issue 5,000,000 shares of common stock, \$1.00 par value.

S&T. S&T is authorized to issue 50,000,000 shares of common stock, par value \$2.50 per share, and 10,000,000 shares of preferred stock, without par value.

Annual Meetings of Shareholders

Gateway. Gateway's by-laws provide that an annual meeting will be held on the second Thursday in the month of May of each year if not a legal holiday, and if a legal holiday, then on the next business day following, at 2:00 o'clock p.m., or at such date and time as the board of directors may fix from time to time.

S&T. S&T's by-laws provide that an annual meeting will be held at such date or hour as the board of directors may from time to time determine.

Special Meetings of Shareholders

Gateway. Special meetings of the Gateway shareholders can be called by Gateway's chairman of the board of directors, its president, a majority of its board of directors, or by the holders of at least 20% of all the shares entitled to vote at the particular meeting.

S&T. Special meetings of the S&T shareholders can be called by S&T's board of directors, its president, or by the shareholders entitled to cast at least one-fifth of the vote which all shareholders are entitled to cast at the particular meeting.

Cumulative Voting

Gateway. Gateway's articles of incorporation prohibit cumulative voting in the election of directors.

S&T. S&T's articles of incorporation prohibit cumulative voting in the election of directors.

Shareholder Nomination of Directors

Gateway. Nomination of directors may be made, in writing, by any shareholder to the secretary of Gateway not less than 60 days nor more than 90 days prior to the date of any meeting of shareholders called for the

Table of Contents

election of directors. Nominations must contain the following information to the extent known by the notifying shareholder: (a) the name and address of each proposed nominee; (b) the age of each proposed nominee; (c) the principal occupation of each proposed nominee; (d) the number of shares of Gateway owned by each proposed nominee; (e) the total number of shares that will be voted for each proposed nominee; (f) the name and residence address of the notifying shareholder; and (g) the number of shares of Gateway owned by the notifying shareholder.

S&T. Nomination of directors may be made by the Nominating and Corporate Governance Committee or by any shareholder of any outstanding class of capital stock of S&T entitled to vote for the election of directors. Nominations, other than those made by the Nominating and Corporate Governance Committee, must be submitted to the Secretary in writing not earlier than the close of business on the 120th day, nor later than the close of business on the 60th day, immediately preceding the date of the meeting.

Number of Directors

Gateway. The number of Gateway directors will be between not less than 5 members and not more than 25 members. The majority of the full board of directors of Gateway may vote, between annual meetings of the shareholders, to increase the membership of the board of directors by no more than 2 members in any one year, provided that such increase will not result in more than 25 members.

S&T. The number of S&T directors will be not less than twelve nor more than 25 as a majority of S&T's board of directors may determine. S&T's board currently consists of sixteen directors.

Director Qualifications

Gateway. Each Gateway director must be a citizen of the United States and a shareholder of Gateway, at least $\frac{2}{3}$ of whom shall also be residents of the Commonwealth of Pennsylvania.

S&T. Each newly elected or appointed S&T director must be under 75 years of age. Any S&T director who attains the age of 75 years will cease to be a director (without any action on his/her part) as of the next annual meeting. Each S&T director must own the number of shares (if any) required by law to qualify as director.

Election of Directors

Gateway. Gateway board of directors are elected at the annual meeting of shareholders by a majority of the votes cast by the shareholders entitled to vote in person or by proxy, or by a similar vote, at any special meeting called for that purpose. Directors shall be divided into 3 classes, each of which shall consist of $\frac{1}{3}$ of the directors as nearly as possible. Class 1 has a 1-year term, Class 2 has a 2-year term, and Class 3 has a 3-year term. At the end of a given term and at the next annual meeting, directors in each class shall be elected every 3 years for 3-year terms.

S&T. The S&T board of directors are elected annually to a one-year term.

Vacancies

Gateway. Gateway's by-laws provide that vacancies in the board of directors, including vacancies resulting from an increase in the number of directors or the resignation of one or more directors, shall be filled by a majority vote of the remaining members of the board even though less than quorum, or by a sole remaining director. Each person so selected will serve for the balance of the unexpired term and until a successor has been selected and qualified, or until his or her earlier death, resignation, removal or disqualification.

S&T. S&T's by-laws provide that if a vacancy occurs on the board of directors, including a vacancy resulting from an increase in the number of directors, the board may fill the vacancy, or, if the directors in office

Table of Contents

constitute fewer than a quorum of the board of directors, they may fill the vacancy by the affirmative vote of a majority of all the directors in office. The shareholders may fill a vacancy only if there are no directors in office. A director elected to fill a vacancy shall serve only until the election of directors by the shareholders.

Special Meetings of the Board

Gateway. Special meetings of Gateway's board of directors may be called by the chairman of the board of directors, by the president, or by 3 or more of the directors upon one day's notice to each director. Notice shall be in writing and sent by (i) messenger, (2) certified, registered, or first-class U.S. mail, (iii) a reliable express delivery service, or (iv) telefacsimile.

S&T. Special meetings of S&T's board of directors may be called by the President or at the request of three or more members of the board. Written or printed notice of the time and place of the special meeting must be given by the Secretary to each member of the board of directors at least 24 hours before the time of such meeting, and does not need to specify the business to be transacted at the meeting.

Pennsylvania Anti-Takeover Provisions

Under Pennsylvania business corporation law, certain anti-takeover provisions apply to Pennsylvania registered corporations (*e.g.*, publicly traded companies) including those relating to (i) control share acquisitions, (ii) disgorgement of profits by certain controlling persons, (iii) business combination transactions with interested shareholders and (iv) the rights of shareholders to demand fair value for their stock following a control transaction. Pennsylvania law allows registered corporations to opt-out of any of these anti-takeover provisions. S&T is a registered corporation under the PBLC and has opted out of the anti-takeover provisions listed in (i) and (ii) above. Gateway is not a registered corporation and is therefore not subject to these anti-takeover provisions. A general summary of the applicable anti-takeover provisions is set forth below.

Control Share Acquisitions. Pennsylvania law limits control share acquisitions relating to the act of acquiring for the first time voting power over voting shares (other than shares owned since January 1, 1988 and any additional shares distributed with respect to such shares) equal to at least 20%, 33 1/3% and 50% of the voting power of the corporation. Once a control share acquisition has occurred, then all shares in excess of the triggering threshold, plus shares purchased at any time with the intention of acquiring such voting power and shares purchased within 180 days of the date the triggering threshold was exceeded, are considered control shares. Control shares cannot vote either until their voting rights have been restored by two separate votes of the shareholders, described below, at a meeting or until they have been transferred to a person who does not thereby also become the holder of control shares.

The holder of control shares may wait until the next annual or special meeting after the acquisition took place to submit the request for the restoration of voting rights to the shareholders, or the acquiring person may accelerate the process by agreeing to underwrite the cost of a special meeting of shareholders for that purpose. In either case, the acquiring person is required to furnish for distribution to the shareholders an information statement containing a detailed disclosure concerning the acquiring person, its intentions with respect to ownership of securities of the corporation and other matters. As an alternative, a person proposing to make a control share acquisition may request prospective approval by the shareholders of the exercise of the voting rights of the shares proposed to be acquired. Two shareholders' votes are required to approve the restoration of voting rights: (i) the approval of an absolute majority of all voting power must be obtained, and all voting shares are entitled to participate in this vote; and (ii) the approval of an absolute majority of all disinterested shareholders must be obtained.

For a period of 24 months after the later of (i) a control share acquisition by an acquiring person who does not properly request consideration of voting rights, or (ii) the denial of such a request or lapse of voting rights, the corporation may redeem all the control shares at the average public market sales price of the shares on the date notice of the call for redemption is given by the corporation.

Table of Contents

Disgorgement of Profits by Certain Controlling Persons. Pennsylvania law regarding disgorgement of profits by certain controlling persons applies in the event that (i) any person or group publicly discloses that the person or group may acquire control of the corporation, or (ii) a person or group acquires (or publicly discloses an intent to acquire) 20% or more of the voting power of the corporation and, in either case, sells shares within 18 months thereafter. Any profits from sales of equity securities of the corporation received by the person or group during such 18-month period will belong to the corporation if the securities that were sold were acquired during the 18-month period or within 24 months prior thereto.

Business Combination Transactions with Interested Shareholders. Pennsylvania law prohibits certain business combinations with certain interested shareholders, persons who acquire the direct or indirect beneficial ownership of shares entitled to cast at least 20% of the votes entitled to be cast for the election of directors. A corporation subject to this provision may not effect mergers or certain other business combinations with the interested shareholder for a period of five years, unless:

the business combination or the acquisition of stock by means of which the interested shareholder became an interested shareholder is approved by the corporation's board of directors prior to such stock acquisition;

the business combination is approved by the affirmative vote of the holders of all the outstanding common shares of the corporation; or

the business combination is approved by the affirmative vote of the holders of a majority of all shares entitled to vote, excluding votes of shares held by the interested shareholders, and at the time of such vote, the interested shareholder is the beneficial owner of at least 80% of the voting shares of the corporation. This exception applies only if the value of the consideration to be paid by the interested shareholder in connection with the business combination satisfies certain fair price requirements.

After the five-year restricted period, an interested shareholder of the corporation may engage in a business combination with the corporation if (i) the business combination is approved by the affirmative vote of a majority of the shares other than those beneficially owned by the interested shareholder and its affiliates, or (ii) the merger is approved at a shareholders meeting and certain fair price requirements are met.

Rights of Shareholders to Demand Fair Value for Stock Following a Control Transaction. Pennsylvania law regarding the ability of shareholders to dispose of their stock following a control transaction provides, generally, that a person or group that acquires more than 20% of the voting power to elect directors of the corporation is a controlling person and must give prompt notice to each shareholder of record. The other shareholders are then entitled to demand that the controlling person pay them the fair value of their shares under specified procedures. Fair value may not be less than the highest price paid per share by the controlling person at any time during the 90-day period ending on and including the date on which the controlling person became such, plus any increment representing any value, such as a control premium, that is not reflected in such price.

Voting Rights

Amendment of articles of incorporation.

Pennsylvania law provides that shareholders of a registered corporation, such as S&T, are not entitled by statute to propose amendments to the articles of incorporation. By contrast, under Pennsylvania law, an amendment to the articles of incorporation for an unregistered corporation, such as Gateway, can only be proposed (1) by adoption by the board of directors of a resolution setting forth the proposed amendment; or (2) unless otherwise provided in the articles, by petition of shareholders entitled to cast at least 10% of the votes that all shareholders are entitled to cast on the proposed amendment. The shareholder petition must set forth the proposed amendment, be directed to the board of directors and filed with the secretary of the corporation.

Except where the approval of the shareholders is unnecessary, the board of directors will then direct that the proposed amendment be submitted to a vote of the shareholders entitled to vote on the proposed amendment. An

Table of Contents

amendment proposed pursuant to paragraph (2) above is required to be submitted to a vote either at the next annual meeting held not earlier than 120 days after the amendment is proposed or at a special meeting of the shareholders called for that purpose by the shareholders.

Under Pennsylvania law, an amendment to the articles of incorporation requires the approval of the board of directors and, except in limited cases where a greater vote may be required, the affirmative vote of a majority of the votes cast by all shareholders entitled to vote on the matter and the affirmative vote of a majority of the votes cast by all shareholders within each class or series of shares if such class or series is entitled to vote on the matter as a class.

Gateway. Gateway has not opted-out of the statutory process by which shareholders of an unregistered corporation may propose amendments to its articles of incorporation. Certain of Gateway's articles may not be amended unless first approved by the affirmative vote of (a) the holders of at least 80% of the outstanding shares of common stock of Gateway; provided, that such transaction has received the prior approval of at least the majority of all members of the board of directors; or (b) the holders of at least 66²/₃% of the outstanding shares of common stock of Gateway; provided, that such transaction has received the prior approval of at least 80% of all of the members of the board of directors.

S&T. S&T's shareholders are not entitled by statute to propose amendments to the articles of incorporation. S&T's articles of incorporation may be amended as provided under Pennsylvania law, with the following exception: any amendment to Article 9 (Classification of Directors) or Article 12 (Shareholder Action) requires the affirmative vote of holders of at least 66²/₃% of the votes that all shareholders are entitled to cast thereon at a regular or special meeting of shareholders.

Amendment of by-laws.

Gateway. Gateway's by-laws may be amended or repealed as the board of directors may deem necessary or desirable (so long as such changes are consistent with the Pennsylvania law and its articles of incorporation) subject to the statutory power of the shareholders to change such action, but only upon the affirmative vote of the holders of at least 75% of the outstanding shares of Gateway, which votes are cast at a regular or special meeting of the shareholders duly convened after notice to the shareholders of that purpose.

S&T. S&T's by-laws may be amended by a majority vote of the board of directors at any regular or special meeting of the board duly convened.

Required Vote for Certain Business Combinations.

Gateway. A plan of merger, consolidation, share exchange, liquidation, or dissolution of Gateway, or any action that results in the sale or other disposition of all or substantially all of Gateway's assets, shall not be valid unless first approved by the affirmative vote of (a) the holders of at least 80% of the outstanding shares of common stock; provided, that such transaction has received the prior approval of at least a majority of the members of the board of directors; or (b) the holders of at least 66²/₃% of the outstanding shares of common stock; provided, that such transaction has received the prior approval of at least 80% of all of the members of the board of directors.

S&T. Any plan or proposal for the merger, consolidation, liquidation or dissolution of S&T, or any action that would result in the sale or other disposition of all or substantially all of the assets of S&T, will require the affirmative vote of the holders of at least 66²/₃% of the outstanding shares of common stock.

Table of Contents**MARKET PRICE AND DIVIDEND INFORMATION**

S&T common stock is listed on The Nasdaq Global Select Market under the symbol STBA. Gateway's common stock is not publicly traded on any exchange, and Gateway is not aware of any trading of Gateway common stock through any means. The following table sets forth the high and low sales prices of shares of S&T's common stock and the quarterly cash dividends declared per share for the periods indicated.

	S&T Common Stock		
	High	Low	Dividend
2010			
First Quarter	\$ 22.22	\$ 15.75	\$ 0.15
Second Quarter	25.84	19.52	0.15
Third Quarter	22.29	16.64	0.15
Fourth Quarter	23.91	17.00	0.15
2011			
First Quarter	\$ 23.86	\$ 20.90	\$ 0.15
Second Quarter	22.23	16.65	0.15
Third Quarter	19.46	15.21	0.15
Fourth Quarter	20.67	15.21	0.15
2012			
First Quarter	\$ 23.34	\$ 19.65	\$ 0.15
Second Quarter (through May 15, 2012)	21.98	17.73	

On March 28, 2012, the last full trading day before the public announcement of the merger agreement, the closing price of shares of S&T common stock as reported on The Nasdaq Stock Market was \$22.03. On , 2012, the last practicable trading day before the date of this proxy statement/prospectus, the closing price of shares of S&T common stock as reported on The Nasdaq Stock Market was \$.

Both S&T and S&T Bank are subject to various general regulatory policies relating to the payment of dividends, including requirements to maintain adequate capital above regulatory minimums.

Gateway shareholders are advised to obtain current market quotations for S&T common stock. The market price of S&T common stock will fluctuate between the date of this proxy statement/prospectus and the completion of the merger. No assurance can be given concerning the market price of S&T common stock before or after the effective date of the merger.

As of the record date, there were shares of Gateway common stock outstanding, which were held by holders of record.

Table of Contents

LEGAL MATTERS

The validity of the S&T common stock to be issued in connection with the merger will be passed upon for S&T by Arnold & Porter LLP. Certain U.S. federal income tax consequences relating to the merger will also be passed upon for S&T by Arnold & Porter LLP.

EXPERTS

The consolidated financial statements of S&T Bancorp, Inc. and subsidiaries as of December 31, 2011 and 2010, and for each of the years in the three-year period ended December 31, 2011, and management's assessment of the effectiveness of internal control over financial reporting as of December 31, 2011 have been incorporated by reference herein in reliance upon the reports of KPMG LLP, independent registered public accounting firm, incorporated by reference herein, and upon the authority of said firm as experts in accounting and auditing.

GATEWAY 2012 ANNUAL MEETING SHAREHOLDER PROPOSALS

Gateway will hold a 2012 annual meeting of shareholders only if the merger is not completed as contemplated by the merger agreement. If it is determined that the merger will not be completed as contemplated by the merger agreement, Gateway will provide notice of the date fixed for the annual meeting.

WHERE YOU CAN FIND MORE INFORMATION

S&T has filed with the SEC a registration statement under the Securities Act that registers the distribution to Gateway shareholders of the shares of S&T common stock to be issued in connection with the merger. This proxy statement/prospectus is a part of that registration statement and constitutes a prospectus of S&T and a proxy statement of Gateway for its special meeting. The registration statement, including the attached exhibits, contains additional relevant information about S&T and Gateway stock. The rules and regulations of the SEC allow us to omit certain information included in the registration statement from this proxy statement/prospectus.

You may read and copy this information at the Public Reference Room of the SEC at 100 F Street, NE, Room 1580, Washington, D.C. 20549. You may obtain information on the operation of the SEC's Public Reference Room by calling the SEC at 1-800-SEC-0330. The SEC also maintains an internet website that contains reports, proxy statements and other information about issuers, like S&T, who file electronically with the SEC. The address of the website is <http://www.sec.gov>. The reports and other information filed by S&T with the SEC are also available at S&T's internet website. The address of the site is <http://www.stbancorp.com>.

Gateway is a privately-held company and does not file reports with the SEC. Gateway's website address is <http://www.gatewaybankpa.com>.

Information on any S&T or Gateway website is not part of this proxy statement/prospectus and you should not rely on that information in deciding whether to approve any of the proposals described in this proxy statement/prospectus.

The SEC allows S&T to incorporate by reference information in this proxy statement/prospectus. This means that S&T can disclose important information to you by referring you to another document filed separately with the SEC. The information incorporated by reference is considered to be a part of this proxy statement/prospectus, except for any information that is superseded by information that is included directly in this proxy statement/prospectus.

Table of Contents

The following documents filed by S&T (Commission File No. 000-12508) with the SEC are hereby incorporated in this proxy statement/prospectus:

Annual Report on Form 10-K for the year ended December 31, 2011, filed with the SEC on February 29, 2012;

Definitive Proxy Statement for the 2012 annual meeting of shareholders, filed with the SEC on March 22, 2012;

Quarterly Report on Form 10-Q for the quarter ended March 31, 2012, filed with the SEC on May 10, 2012;

Current Reports filed on Form 8-K dated January 24, 2012, March 7, 2012; March 12, 2012; April 3, 2012; April 24, 2012; April 25, 2012 and May 2, 2012 (in each case except to the extent furnished but not filed); and

The description of the Common Stock which is contained in S&T's Form 8-K dated January 31, 2008 including any amendment or report filed for the purpose of updating such description.

All documents filed by S&T pursuant to Sections 13(a), 13(c), 14, or 15(d) of the Securities Exchange Act of 1934, as amended, after the date of this proxy statement/prospectus but before the earlier of (1) the date of the Gateway special meeting, or (2) the termination of the merger agreement, are hereby incorporated by reference into this proxy statement/prospectus and shall be deemed a part of this proxy statement/prospectus from the date they are filed (other than the portions of those documents not deemed to be filed). These documents include periodic reports, such as Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, as well as proxy statements.

Any statement contained in a document incorporated by reference herein shall be deemed to be modified or superseded for purposes of this proxy statement/prospectus to the extent that a statement contained herein or in any subsequently filed document which is deemed to be incorporated by reference herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this proxy statement/prospectus.

S&T has supplied all information contained or incorporated by reference in this proxy statement/prospectus relating to S&T, and Gateway has supplied all information relating to Gateway.

Documents incorporated by reference are available from S&T without charge, excluding any exhibits to those documents unless the exhibit is specifically incorporated by reference as an exhibit in this proxy statement/prospectus. You can obtain documents incorporated by reference in this proxy statement/prospectus by requesting them in writing or by telephone from the appropriate company at the following addresses:

S&T Bancorp, Inc.

800 Philadelphia Street

Indiana, PA 15701

Attention: Investor Relations

Telephone: (800) 325-2265

Gateway shareholders requesting documents should do so by _____, 2012 to receive them before the special meeting. You will not be charged for any of these documents that you request. If you request any incorporated documents, S&T will mail them to you by first class mail, or another equally prompt means after it receives your request.

Neither S&T nor Gateway has authorized anyone to give any information or make any representation about the merger or our companies that is different from, or in addition to, that contained in this proxy statement/prospectus or in any of the materials that have been incorporated in this proxy statement/prospectus. Therefore, if anyone does give you information of this sort, you should not rely on it.

Table of Contents

If you are in a jurisdiction where offers to exchange or sell, or solicitations of offers to exchange or purchase, the securities offered by this proxy statement/prospectus or the solicitation of proxies is unlawful, or if you are a person to whom it is unlawful to direct these types of activities, then the offer presented in this proxy statement/prospectus does not extend to you. The information contained in this proxy statement/prospectus speaks only as of the date of this proxy statement/prospectus unless the information specifically indicates that another date applies.

This proxy statement/prospectus contains a description of the representations and warranties that each of S&T and Gateway made to the other in the merger agreement. Representations and warranties made by S&T, Gateway and other applicable parties are also set forth in contracts and other documents that are attached or filed as exhibits to this proxy statement/prospectus or are incorporated by reference into this proxy statement/prospectus. These representations and warranties were made as of specific dates, may be subject to important qualifications and limitations agreed to between the parties in connection with negotiating the terms of the agreement, and may have been included in the agreement for the purpose of allocating risk between the parties rather than to establish matters as facts. These materials are included or incorporated by reference only to provide you with information regarding the terms and conditions of the agreements, and not to provide any other factual information regarding S&T or its business. Accordingly, the representations and warranties and other provisions of the merger agreement should not be read alone, but instead should be read only in conjunction with the other information provided elsewhere in this proxy statement/prospectus or incorporated by reference into this proxy statement/prospectus.

Table of Contents

ANNEX A

AGREEMENT AND PLAN OF MERGER

DATED AS OF

MARCH 29, 2012

BY AND BETWEEN

S&T BANCORP, INC.,

AND

GATEWAY BANK OF PENNSYLVANIA

Table of Contents

TABLE OF CONTENTS

	Page
ARTICLE I CERTAIN DEFINITIONS	A-1
Section 1.01 Certain Definitions	A-1
ARTICLE II THE MERGER	A-6
Section 2.01 The Merger	A-6
Section 2.02 Effectiveness of the Merger	A-6
Section 2.03 Effective Date and Effective Time	A-6
ARTICLE III CONSIDERATION; EXCHANGE PROCEDURES	A-7
Section 3.01 Merger Consideration	A-7
Section 3.02 Rights as Shareholders; Stock Transfers	A-8
Section 3.03 Fractional Shares	A-8
Section 3.04 Exchange Procedures	A-8
Section 3.05 Anti-Dilution Provisions	A-9
Section 3.06 Options; Warrants; Restricted Stock	A-9
ARTICLE IV ACTIONS PENDING ACQUISITION	A-9
Section 4.01 Forbearances of Seller	A-9
Section 4.02 Forbearances of Parent; Adverse Actions	A-11
ARTICLE V REPRESENTATIONS AND WARRANTIES	A-11
Section 5.01 Disclosure Schedules	A-11
Section 5.02 Representations and Warranties of Seller	A-12
Section 5.03 Representations and Warranties of Parent and Purchaser	A-22
ARTICLE VI COVENANTS	A-26
Section 6.01 Reasonable Best Efforts	A-26
Section 6.02 Shareholder Approval	A-27
Section 6.03 Registration Statement	A-27
Section 6.04 Press Releases	A-28
Section 6.05 Access; Information	A-28
Section 6.06 Acquisition Proposals	A-29
Section 6.07 Financial and Other Statements	A-30
Section 6.08 [Reserved.]	A-30
Section 6.09 Reports.	A-30
Section 6.10 Nasdaq Listing	A-30
Section 6.11 Regulatory Applications	A-30
Section 6.12 Seller Employees; Director and Management; Indemnification	A-31
Section 6.13 Notification of Certain Matters	A-34
Section 6.14 Advisory Board	A-34
Section 6.15 Tax Treatment	A-34
Section 6.16 No Breaches of Representations and Warranties	A-34
Section 6.17 Consents	A-34
Section 6.18 Insurance Coverage	A-34
Section 6.19 Correction of Information	A-34
Section 6.20 Confidentiality	A-35
Section 6.21 Certain Policies	A-35
Section 6.22 Formation of Purchaser	A-35

Table of Contents

TABLE OF CONTENTS (cont d)

	Page
ARTICLE VII CONDITIONS TO CONSUMMATION OF THE MERGER	A-35
Section 7.01 Conditions to Each Party's Obligation to Effect the Merger	A-35
Section 7.02 Conditions to Obligation of Seller	A-36
Section 7.03 Conditions to Obligation of Parent and Purchaser	A-36
ARTICLE VIII TERMINATION	A-37
Section 8.01 Termination	A-37
Section 8.02 Effect of Termination and Abandonment; Enforcement of Agreement	A-39
Section 8.03 Termination Fee	A-39
ARTICLE IX MISCELLANEOUS	A-39
Section 9.01 Survival	A-39
Section 9.02 Waiver; Amendment	A-39
Section 9.03 Counterparts	A-39
Section 9.04 Governing Law	A-39
Section 9.05 Expenses	A-40
Section 9.06 Notices	A-40
Section 9.07 Entire Understanding; No Third Party Beneficiaries	A-40
Section 9.08 Interpretation; Effect	A-40
Section 9.09 Waiver of Jury Trial	A-41
Section 9.10 Severability	A-41
Section 9.11 Assignment	A-41
Section 9.12	