



Welcome Home

**Annual Meeting of Shareholders
April 19, 2011**

Safe harbor statement

- This presentation contains forward looking statements that are subject to risks and uncertainties that could cause the company's actual results to differ materially from those anticipated. These forward looking statements include, but are not limited to, statements regarding the company's anticipated growth rates, performance and profitability. Many factors may cause our actual results to differ from those forecast in these forward looking statements. These factors include the general state of the economy, the direction and timing of changes in interest rates, changes in laws or regulatory policies, our ability to attract and retain customers in a new market, our ability to integrate new technology into operations, and many other factors, many of which are completely out of our control.

Agenda

- Company overview

- Financial results

- Other updates

Company overview

- A New Jersey state-chartered, FDIC-insured, community-based, commercial bank
- Three full-service locations in central and south NJ
 - Ewing, NJ (1340 Parkway Ave, near Scotch Road)
 - Lawrence, NJ (Quaker Bridge Road and Lawrence Sq Blvd)
 - Williamstown, NJ (1020 N Blackhorse Pike, Gloucester County)
- \$23.8 million in total risk-based capital (at 12/31/10)
 - \$5.60 book value per share
 - \$154 million in total loans
 - \$188 million in total deposits
 - Allowance for loan losses to total loans of 1.59%
- Management team with extensive community bank and start-up bank experience



Why we are different

- Community organization with focus on building banking relationships through superior customer service
 - Access to senior management and key decision makers
 - Greater flexibility
 - Local market knowledge
 - Decisions made at local banking offices
- Willingness to craft creative solutions based on customer's needs and bank's requirements
- Focus on plain vanilla, basic banking products
 - No exposure to credit cards, sub-prime loans, collateralized debt obligations, or credit default swaps

A focus on community customers

Lines of business / Products

- Commercial loans
 - Real estate
 - Land acquisition
 - Construction and development
 - Commercial mortgage
 - Business
 - Term loans
 - Lines of credit
 - Owner-occupied mortgages
- Deposits
 - Demand, savings, money market, certificates of deposit
 - Business transaction accounts
 - Cash management
 - Remote deposit
- Consumer lending
 - Home equity loans
 - Other consumer loans

Target customers

- Small businesses
 - Revenue less than \$10 million
 - Borrowing needs under \$2 million
- Medium-sized businesses
 - Revenue less than \$100 million
 - Borrowing needs \$2 - \$20 million
- Real estate developers
- High net worth individuals
- Professional firms (accountants, attorneys, physicians, etc.)

Agenda

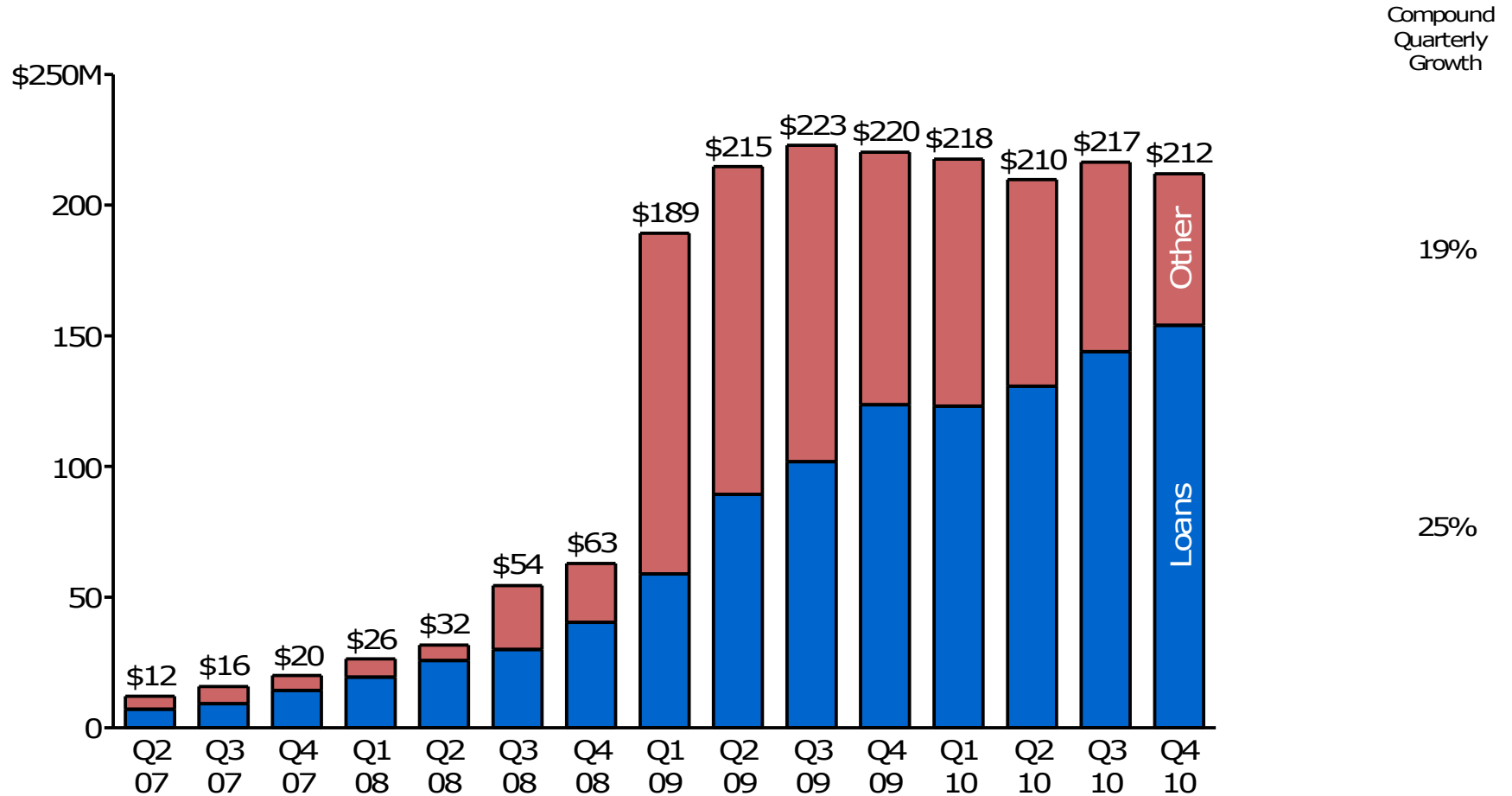
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Loans have grown nicely while overall assets have stayed level since the big increase in Q1 2009

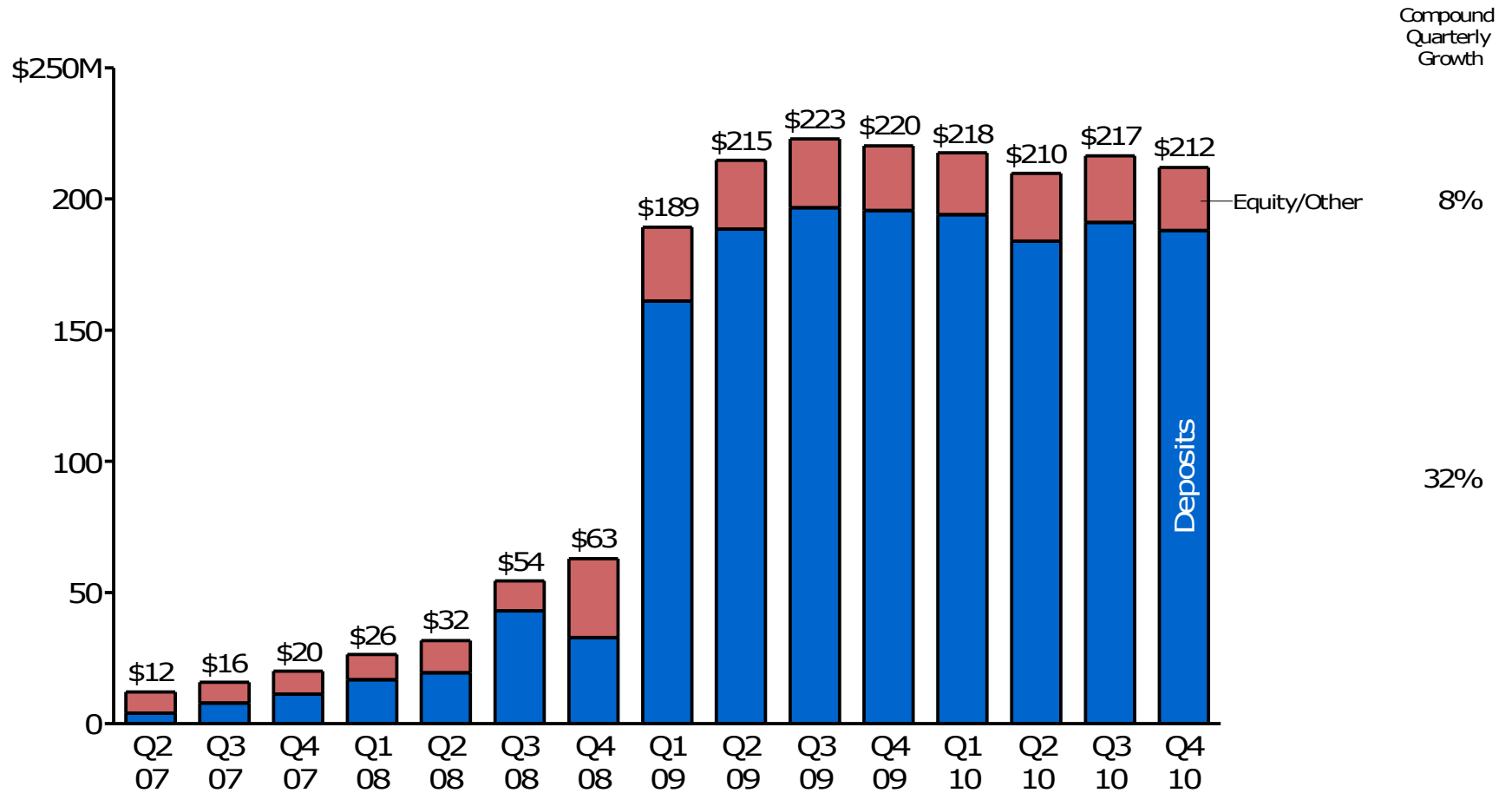
Total Assets



Loans/Assets 59% 59% 72% 73% 81% 55% 64% 31% 42% 46% 56% 57% 62% 67% 73%

Quarterly deposit growth exceeds 30% since inception

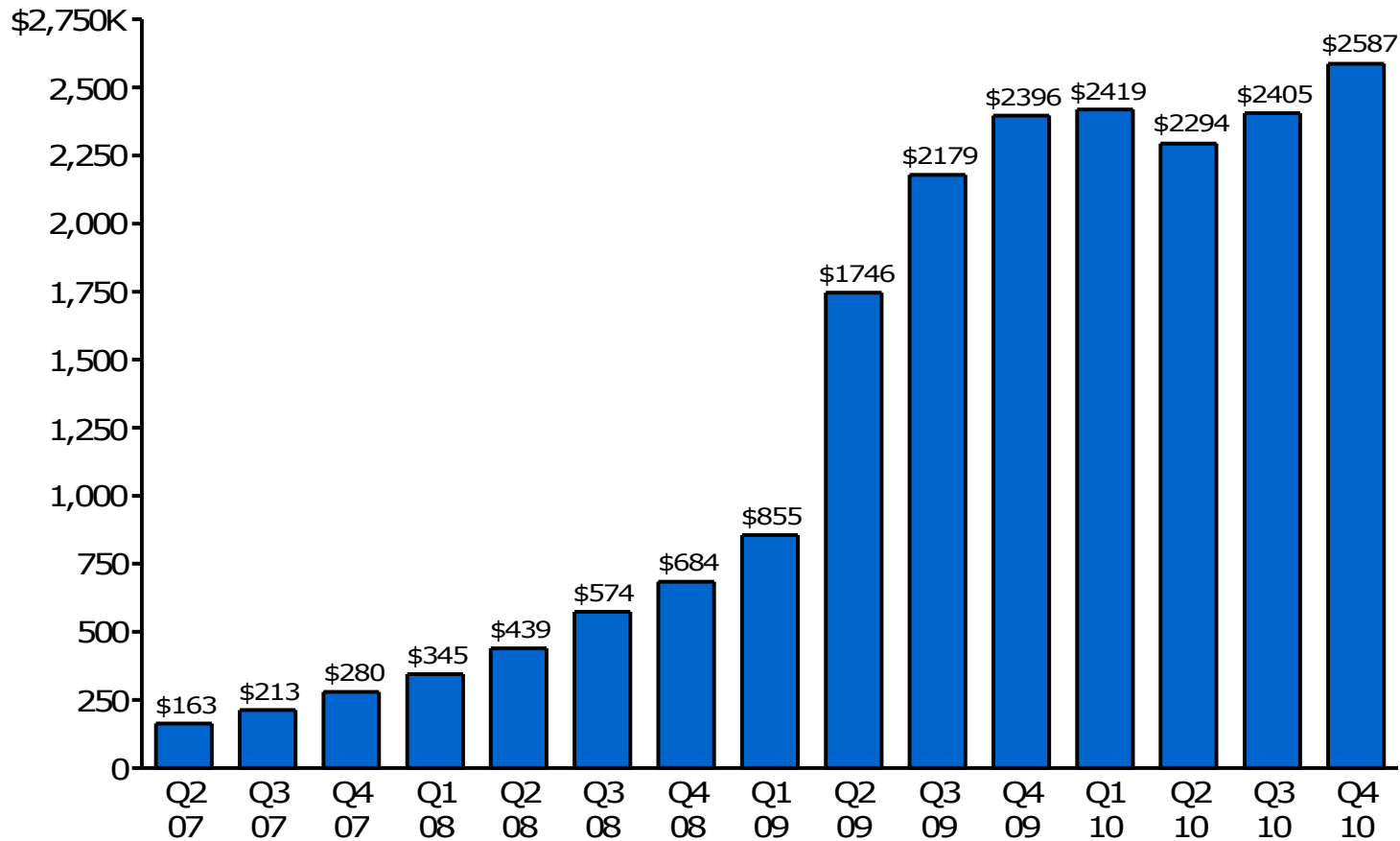
Total Liabilities and Equity



Deposits/branch 4 8 11 17 19 43 33 54 63 66 65 65 61 64 63

Interest Income has continued to increase despite a significant decline in market interest rates

Quarterly Interest Income

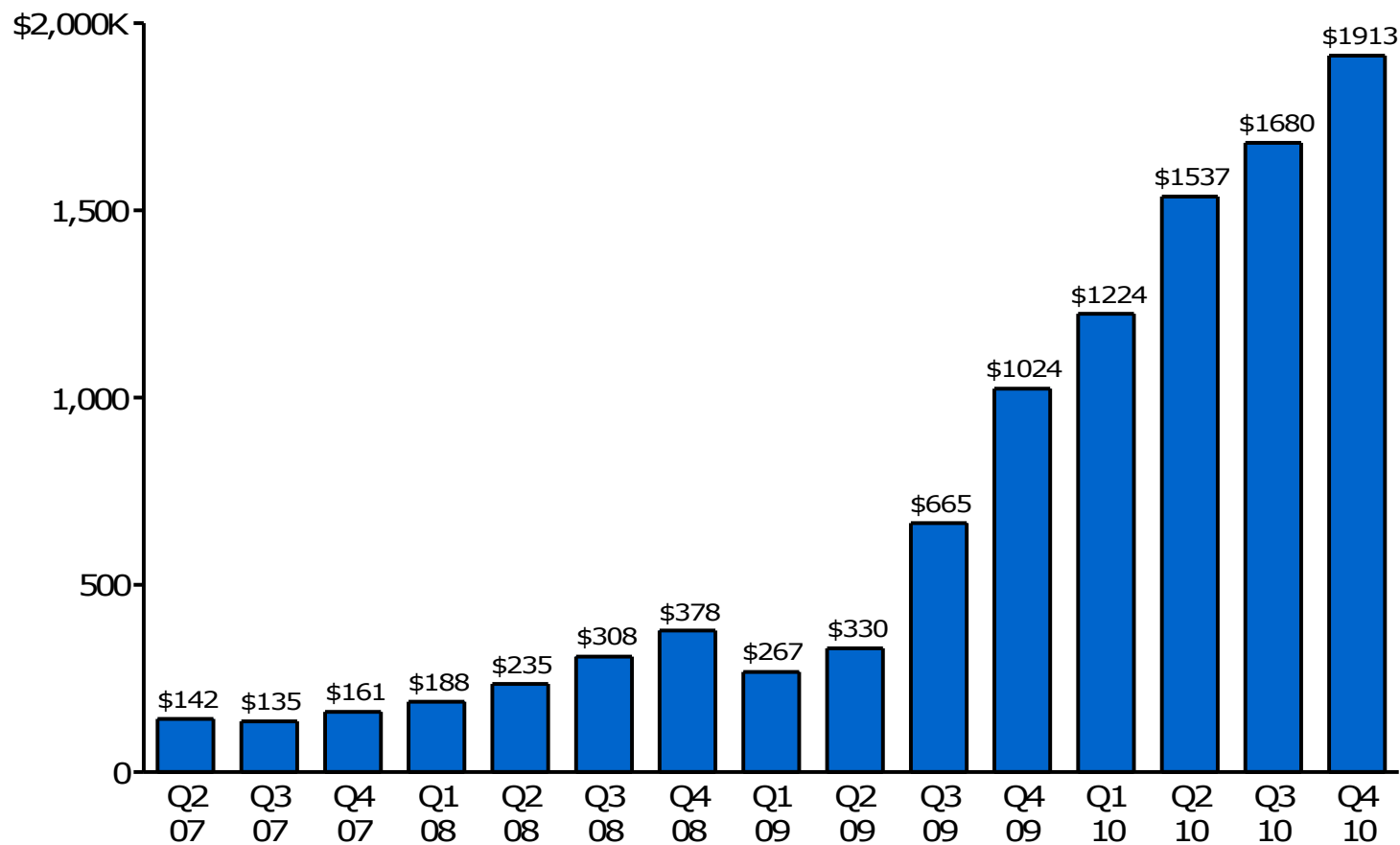


Average
Quarterly
Growth

22%

Net Interest Income has increased nicely; the annualized run-rate is over \$7.5 million

Quarterly Net Interest Income

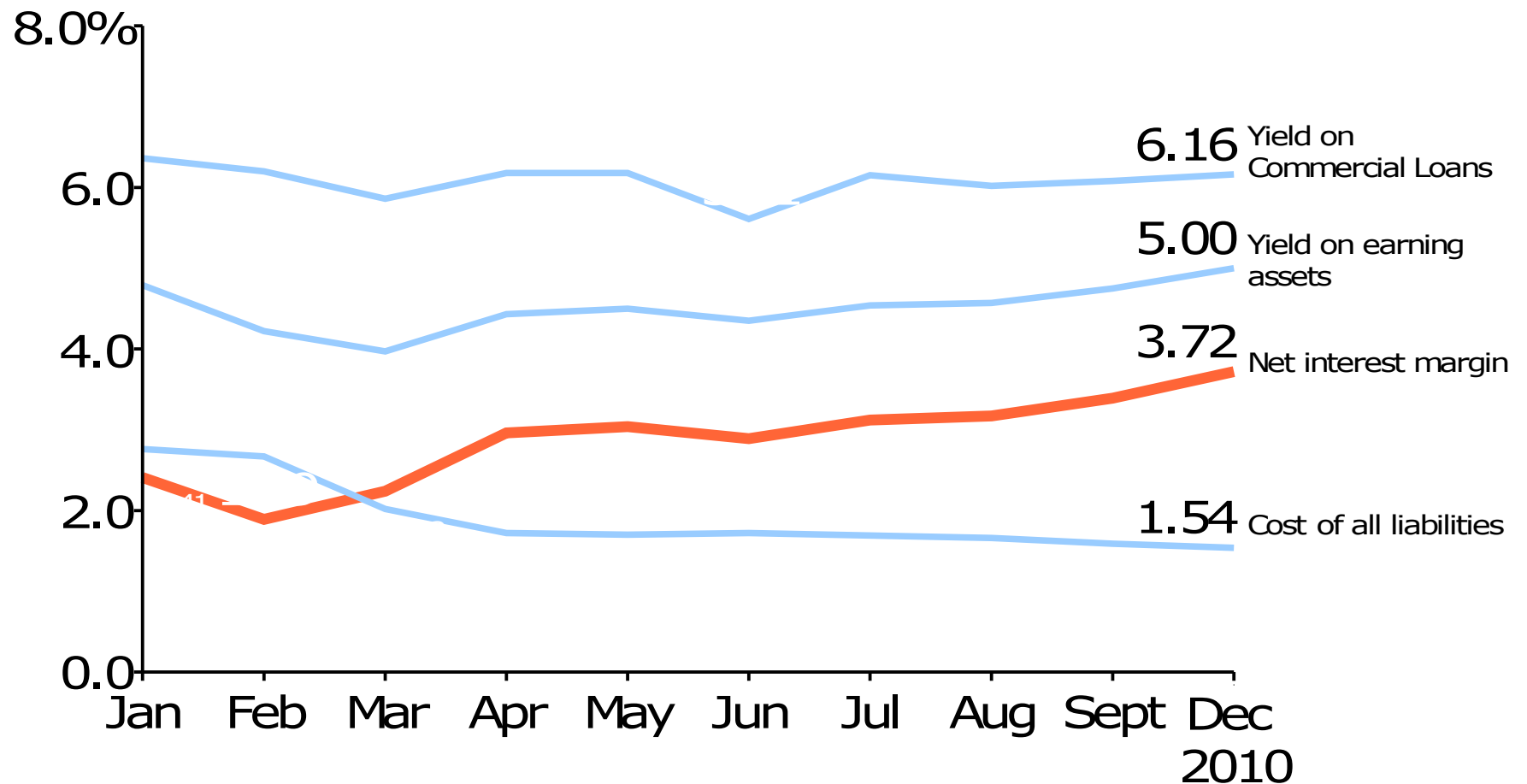


Average
Quarterly
Growth

20%

The margin has improved as liability costs have come down and loans have grown

Yields / Costs / Margins



Note: Yields/costs/margins shown for the given month, on an annualized basis. Dec 2010 data adjusted for one-time, non-recurring costs incurred during that month.

First Bank achieved quarterly profitability in the fourth quarter of 2010

- **Reported a profit of \$208,800** for the fourth quarter, includes \$275,800 from the gain on sale of investment securities
- **Net interest income for the quarter of \$1.91 million**, an increase of \$234,000 (14%) from the third quarter; compares favorably to 9% expense growth in the quarter
- **Fourth quarter net interest margin of 3.74%** puts First Bank in line with peer group averages, with room for continued improvement
- **Full-year profit forecast for 2011 tied to asset quality** developments in the pre-recapitalization loan portfolio

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Regulatory update

- Consent Order terminated on January 28, 2011
- Cost savings opportunities will result from elimination of the regulatory agreement
- All capital ratios are well in excess of regulatory requirements

Expansion plans

- Moved into **new administrative offices** at the former YNB headquarters building on January 1, 2011; Lease provides an option to open a branch at the same location
- **Branch in Hamilton** would give First Bank coverage in East (Hamilton), Central (Lawrence), and West (Ewing) portions of Mercer County
- Launched a title insurance joint venture called **Community Commercial Title**
- **“Welcome Home” marketing campaign** helping to build our relationship-banking brand and grow the deposit base

Board of Directors

- Applications for Patrick M. Ryan and Sam Marrazzo to join the Board submitted in March 2011
- Original First Bank directors James Loney and Dan Schwartz stepping down from the Board after the annual reorganization meeting on April 19, 2011

Keys to success

- Effective management of the loan portfolio to minimize credit costs
- Additional capital to continue to build the business
- Protect bank profitability in a rising interest rate environment
- Deliver on the promise of outstanding customer service