



Acquisition of DNB Financial Corporation

June 5, 2019

Forward Looking Statement and Risk Factors

This presentation contains “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995. In general, forward-looking statements usually use words such as “may,” “believe,” “expect,” “anticipate,” “intend,” “will,” “should,” “plan,” “estimate,” “predict,” “continue” and “potential” or the negative of these terms or other comparable terminology, including statements related to the expected timing of the closing of the proposed merger and the expected returns and other benefits of the proposed merger to shareholders. Forward-looking statements represent management’s beliefs, based upon information available at the time the statements are made, with regard to the matters addressed; they are not guarantees of future performance. Forward-looking statements are subject to numerous assumptions, risks and uncertainties that change over time and could cause actual results or financial condition to differ materially from those expressed in or implied by such statements, and there can be no assurances that: the proposed merger will close when expected or the expected returns and other benefits of the proposed merger to shareholders will be achieved. Factors that could cause or contribute to such differences include, but are not limited to, the possibility that expected benefits may not materialize in the time frames expected or at all, or may be more costly to achieve; that the merger transaction may not be timely completed, if at all; that prior to completion of the merger transaction or thereafter, the parties’ respective businesses may not perform as expected due to transaction-related uncertainties or other factors; that the parties are unable to implement successful integration strategies; that the required regulatory, shareholder, or other closing conditions are not satisfied in a timely manner, or at all; reputational risks and the reaction of the parties’ customers to the merger transaction; diversion of management time to merger-related issues; and other factors and risk influences contained in the cautionary language included under the headings “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Risk Factors” in S&T Bancorp’s Form 10-K for the fiscal year ended December 31, 2018 and other documents subsequently filed by S&T Bancorp with the Securities and Exchange Commission (the “SEC”). Consequently, no forward-looking statement can be guaranteed. S&T Bancorp does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Additional Information and Where to Find It

In connection with the proposed merger, S&T Bancorp will file with the SEC a registration statement on Form S-4 that will include a proxy statement/prospectus for the shareholders of DNB Financial Corporation. S&T Bancorp also plans to file other documents with the SEC regarding the proposed merger with DNB Financial Corporation. This presentation does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval. In connection with the proposed merger, DNB Financial Corporation will mail the final proxy statement/prospectus to its shareholders. **BEFORE MAKING ANY VOTING OR INVESTMENT DECISION, INVESTORS ARE URGED TO READ THE REGISTRATION STATEMENT AND THE PROXY STATEMENT/PROSPECTUS REGARDING THE PROPOSED MERGER AND ANY OTHER RELEVANT DOCUMENTS CAREFULLY IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED MERGER.** The registration statement and the proxy statement/prospectus, as well as other filings containing information about S&T Bancorp and DNB Financial Corporation will be available without charge, at the SEC’s Internet site (<http://www.sec.gov>). Copies of the registration statement and the proxy statement/prospectus, as well as other information about S&T Bancorp and DNB Financial Corporation, can also be obtained, when available, without charge, from S&T Bancorp’s website (<http://www.stbancorp.com/>), under the heading “Investor Relations” and on DNB Financial Corporation’s website, at (<http://investors.dnbfirst.com/>), under the heading “Investor Relations.”

Participants In The Solicitation

S&T Bancorp, DNB Financial Corporation and certain of their respective directors, executive officers and employees may be deemed to be participants in the solicitation of proxies in respect of the proposed transaction. Information regarding S&T Bancorp's directors and executive officers is available in its definitive proxy statement for its 2019 Annual Meeting of Shareholders, which was filed with the SEC on April 5, 2019. Information regarding DNB Financial Corporation's directors and executive officers is available in its definitive proxy statement for its 2019 Annual Meeting of Shareholders, which was filed with the SEC on March 13, 2019. These documents may be obtained for free at the SEC's website at www.sec.gov. Other information regarding the interests of participants in the solicitation of proxies in connection with the proposed transaction will be included in the proxy statement/prospectus and other relevant materials filed with the SEC.

Non-GAAP Financial Measures

In addition to the results of operations presented in accordance with Generally Accepted Accounting Principles (GAAP), S&T and DNB management use, and this presentation contains or references, certain non-GAAP financial measures, such as tangible book value. S&T and DNB believe these financial measures provide information useful to investors in understanding our operational performance and business and performance trends which facilitate comparisons with the performance of others in the financial services industry. Although S&T and DNB believe that these non-GAAP financial measures enhance investors' understanding of S&T's and DNB's business and performance, these non-GAAP financial measures should not be considered an alternative to GAAP. The non-GAAP financial measures contained therein should be read in conjunction with the audited financial statements and analysis as presented in the Annual Report on Form 10-K as well as the unaudited financial statements and analyses as presented in the respective Quarterly Reports on Forms 10-Q for S&T Bancorp, Inc. and subsidiaries, and for DNB Financial Corporation and its subsidiaries, as well as other filings that the companies have made with the SEC.

Strengthens Market Position in SE and Central PA

- Expansion into premier markets of Southeastern Pennsylvania through [a strategic acquisition](#) of DNB Financial Corporation with approximately \$0.9 billion of loans and \$1.0 billion of deposits
- [Logical market expansion](#) from existing branch footprint in Lancaster, Pennsylvania taking our total Southeastern and Central Pennsylvania franchise to [\\$2.0 billion](#) in pro forma loans and [\\$1.7 billion](#) in pro forma deposits

Accelerates Expansion in Growth Markets

- Approximately [30%](#) of pro forma loans and [25%](#) of pro forma deposits will be in attractive [Southeastern and Central Pennsylvania](#) growth markets
- Identified [opportunities to expand](#) retail deposit and loan product offerings as well as expand commercial lending relationships to existing and new clients throughout DNB's footprint

Shared Approach to Community Banking

- Combination of two 100+-year-old financial institutions with a shared [long-term dedication](#) to the communities we serve
- Consistent approach to commercial underwriting and complementary commercial customer profile

Attractive Financial Characteristics

- Mid-single digits EPS accretion with fully phased in cost savings ⁽¹⁾
- Approximately 3.0% tangible book value dilution with an earnback period of approximately [3.2](#) years ⁽²⁾
- IRR of greater than [20%](#)

⁽¹⁾ Cost savings assumed to be fully phased in during 2021

⁽²⁾ Utilizing the crossover method

Q1 2019 Financials

General Information

Headquarters	Downingtown, PA
Year Established	1860
Branches	14

Balance Sheet (\$000)

Total Assets	\$1,166,694
Total Net Loans	\$927,427
Deposits	\$980,257

Balance Sheet Ratios

Loans/ Deposits	95.3%
TCE / TA	8.61%

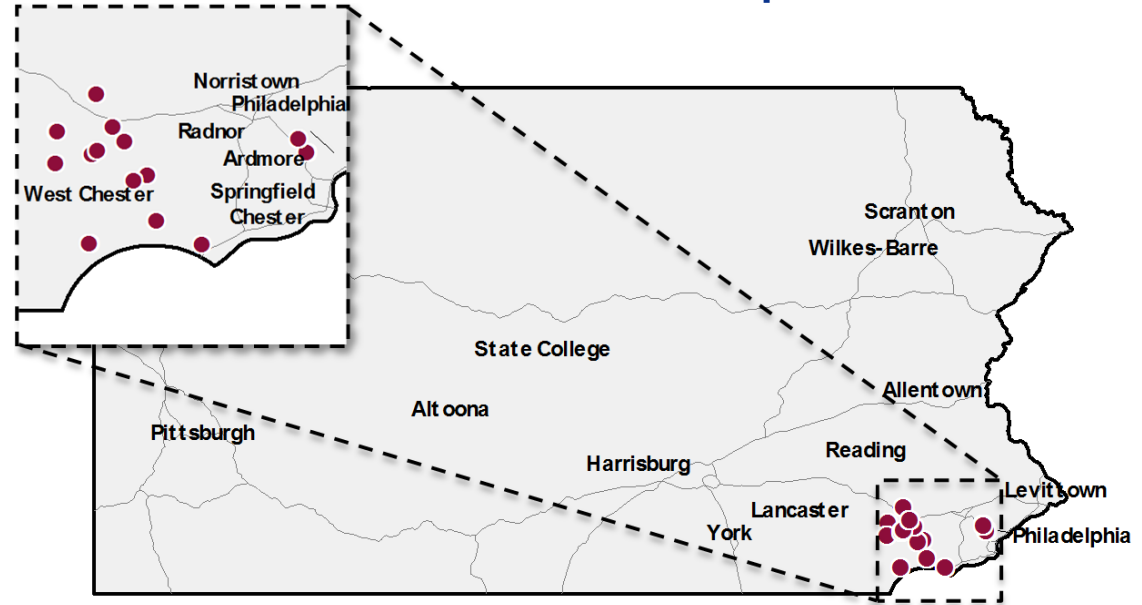
Asset Quality

NPAs/ Assets	0.96%
Reserves/ Loans	0.72%

Profitability Ratios

ROAA	0.89%
ROAE	9.09%
ROATCE	10.63%
Net Interest Margin	3.39%
Efficiency Ratio	66.1%

Standalone DNB Footprint



Franchise Highlights

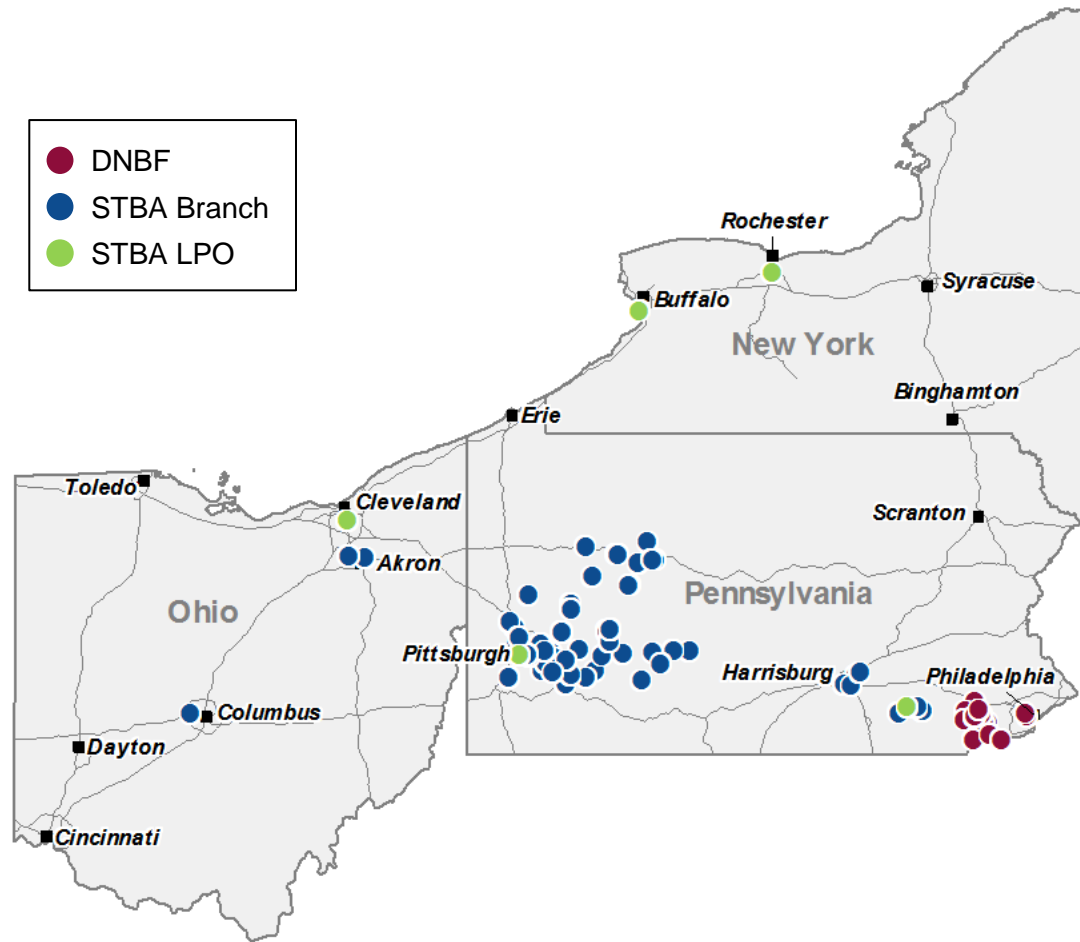
- 14 branches in attractive Southeastern Pennsylvania markets
- Headquartered in Chester County with a median household income that is ~36% greater than the national average
- Wealth management business with approximately \$250 million in assets under management
- Completed merger with East River Bank in October 2016

Pro Forma Highlights (\$ in billions)⁽¹⁾

Assets	\$8.4
Loans	\$6.9
Deposits	\$6.8
Branches	74

- \$2.0 billion in pro forma loans and \$1.7 billion in pro forma deposits in our combined Southeastern and Central Pennsylvania footprint
- Logical market extension into Chester County from current Lancaster, Pennsylvania footprint (30 miles)
- Increased scale to further serve DNB's commercial customers in its home markets
- Increased array of retail and wealth management products and services offered through DNB's branch footprint

Pro Forma Branch Footprint



Data as of 3/31/2019

⁽¹⁾ Does not include the impact of purchase accounting adjustments

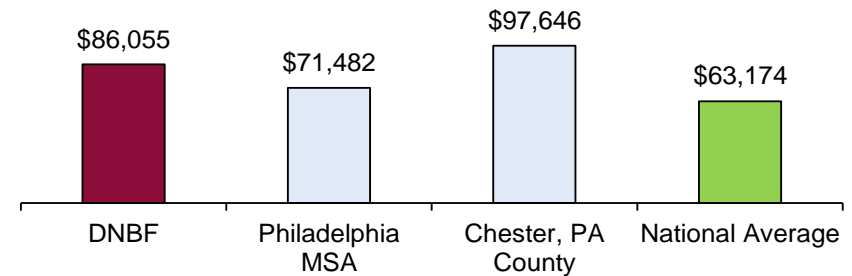
Deposit Market Share

Top 15 Chester County Banks

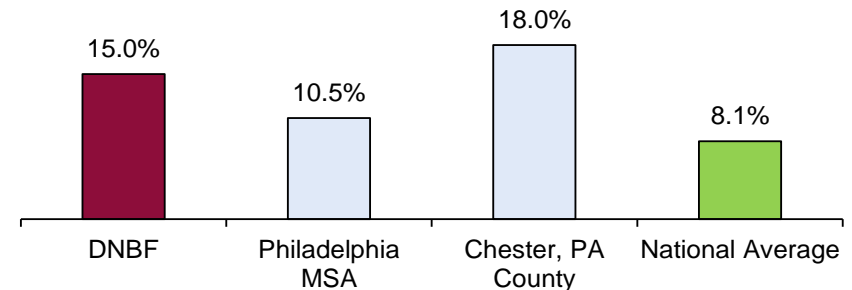
Rank	Comm. Bank Rank	Institution (ST)	Number of Branches	Deposits in Market (\$mm)	Market Share (%)
1		Wells Fargo & Co. (CA)	16	2,208	15.1
2		BB&T Corp. (NC)	19	1,487	10.2
3		Toronto-Dominion Bank	10	1,445	9.9
4		PNC Financial Services Group (PA)	10	1,416	9.7
5		Citizens Financial Group Inc. (RI)	17	1,341	9.2
6	1	Customers Bancorp Inc. (PA)	3	826	5.7
7	2	WSFS Financial Corp. (DE)	12	779	5.3
8	3	DNB Financial Corp. (PA)	10	693	4.8
9		Bank of America Corporation (NC)	4	579	4.0
10	4	Meridian Corp. (PA)	3	565	3.9
11	5	Malvern Bancorp Inc. (PA)	6	549	3.8
12		Fulton Financial Corp. (PA)	8	540	3.7
13		KeyCorp (OH)	8	401	2.8
14	6	Bryn Mawr Bank Corp. (PA)	6	322	2.2
15		Banco Santander	6	321	2.2

Demographics Comparison

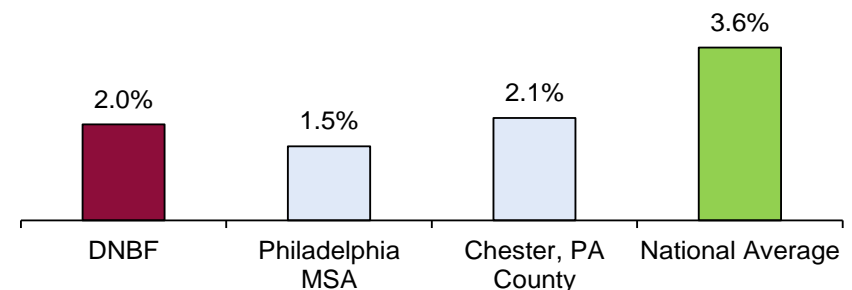
Median Household Income (\$)



Households with Income > \$200k / Total Households (%)



Projected Population Growth (%)

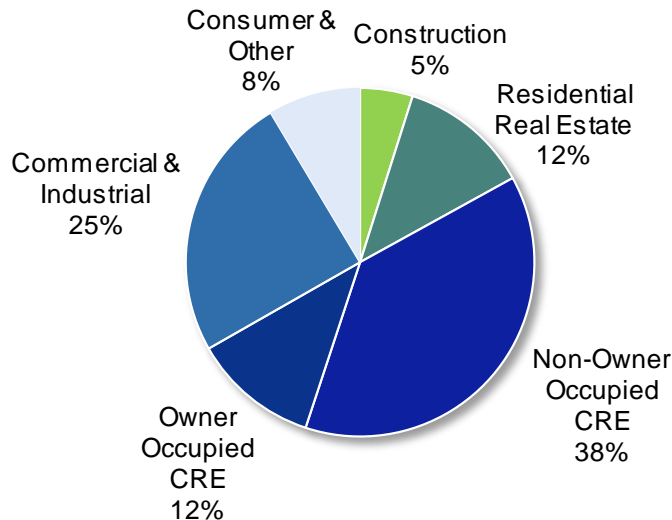


Source: S&P Global Market Intelligence. Deposit market share data as of 6/30/2018
 Community banks defined as banks with total assets less than \$15 billion
 Estimated population growth timeframe is from 2019Y – 2024Y
 Represents deposit weighted by county-level demographic data

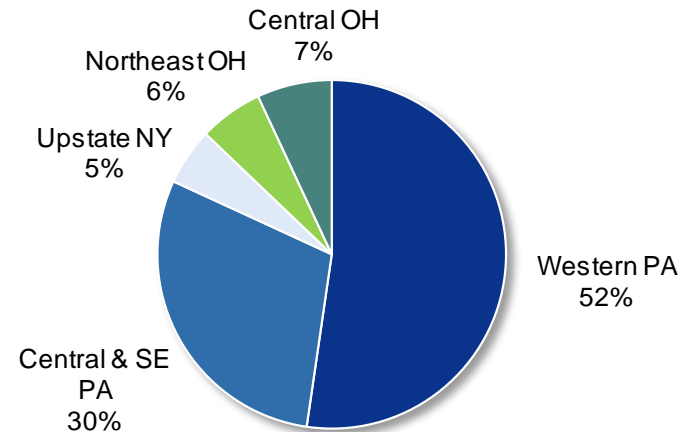
- Adds geographic diversification through a high-quality commercial focused loan portfolio in attractive Southeastern Pennsylvania markets
- Combined loan portfolio is approximately 37% C&I and owner-occupied commercial real estate and 38% non-owner occupied commercial real estate

\$6.9 Billion Pro Forma Total Loans⁽¹⁾

Composition by Product Type



Composition by Geography

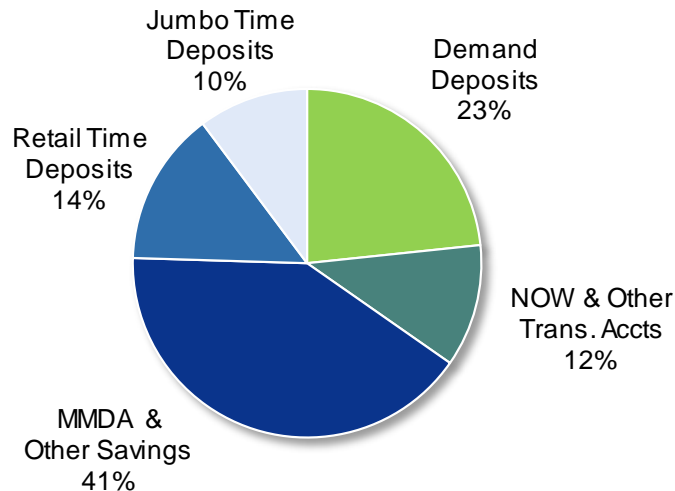


Source: S&P Global Market Intelligence
 STBA and DNBF loan data per GAAP filings as of 3/31/2019
⁽¹⁾ Does not include the impact of purchase accounting adjustments

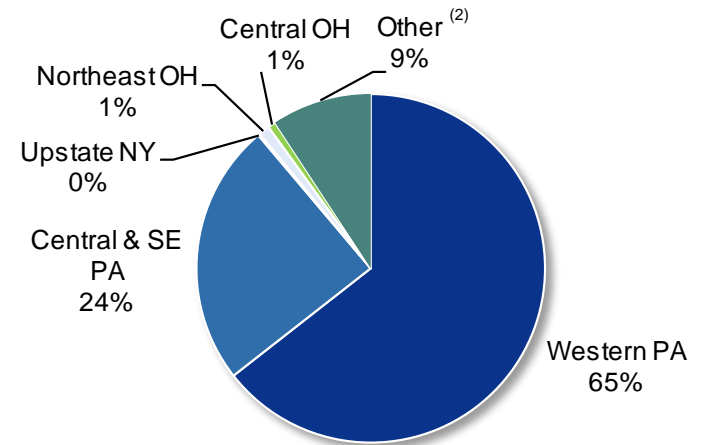
- 23% noninterest bearing demand deposits on a combined basis
- \$1.7 billion of combined deposits in Southeastern and Central Pennsylvania markets
- DNB enjoys significant long-term relationships with commercial and retail customers, particularly in its legacy Chester County markets where it has nearly 160 years of operating history

\$6.8 Billion Pro Forma Deposits⁽¹⁾

Composition by Product Type



Composition by Geography



Source: S&P Global Market Intelligence
STBA and DNB deposit data per GAAP and regulatory filings as of 3/31/2019

⁽¹⁾ Does not include the impact of purchase accounting adjustments

⁽²⁾ Includes brokered deposits

- Engaged third party resources to assist with credit due diligence efforts

- Credit diligence coverage:
 - Reviewed 63% of total commercial loan exposure
 - Reviewed 89% of total criticized loan exposure
 - Reviewed 86% of total classified loan exposure

- Further areas of comprehensive diligence focus:
 - Retail banking
 - Commercial lending
 - Finance / accounting
 - Secondary mortgage / consumer lending
 - Risk management / governance
 - IT / bank operations / facilities
 - Human resources
 - Wealth management



Pro Forma ⁽¹⁾

			Pro Forma ⁽¹⁾
Total Assets	\$7,229	\$1,167	\$8,396
Total Gross Loans	\$5,938	\$934	\$6,872
Total Deposits	\$5,833	\$980	\$6,813
Branches	60	14	74

Consideration	<ul style="list-style-type: none"> 100% Stock
Fixed Exchange Ratio	<ul style="list-style-type: none"> 1.22 shares of STBA for each share of DNBF
Transaction Value	<ul style="list-style-type: none"> \$47.28 per share, or approximately \$206.1 million in aggregate ⁽²⁾ <ul style="list-style-type: none"> 13.8% market premium ⁽³⁾ 207% of tangible book value
Board of Directors	<ul style="list-style-type: none"> Two current DNBF directors to be appointed to the STBA board at closing
Required Approvals	<ul style="list-style-type: none"> Customary regulatory approvals; Approval of DNBF's shareholders
Pro Forma Ownership	<ul style="list-style-type: none"> Approximately 87% STBA / 13% DNBF
Expected Closing	<ul style="list-style-type: none"> Q4 2019

Financial data as of 3/31/2019, unless otherwise noted

Dollars in millions

⁽¹⁾ Does not include the impact of purchase accounting adjustments

⁽²⁾ Based upon STBA's closing price of \$38.75 as of 6/4/2019. Includes consideration for 4,331,121 common shares outstanding, in addition to 29,190 unvested shares of restricted stock

⁽³⁾ Market premium as compared to DNBF's closing price of \$41.55 as of 6/4/2019

Credit

- Gross loan credit write-down of (\$10.1) million, or approximately 1.1%, accreted sum-of-years'-digits over 8 years
- Loan interest rate write-down of (\$14.5) million, accreted sum-of-years'-digits over 8 years
- OREO write-down of (\$1.1) million

Expense Savings

- Expected to be approximately 33% of DNBF's pre-tax expense base (fully phased-in)
 - Approximately \$9.5 million pre-tax on run-rate basis
 - 60% realized in 2020 and 100% thereafter

Merger & Integration Costs

- Approximately \$17 million on a pre-tax basis

Core Deposit Intangible

- Core deposit intangible of 2.0% assumed on non-time deposits
 - Amortized sum-of-years'-digits over 10 years

Other Purchase Accounting Adjustments

- \$8.0 million pre-tax write-up to fixed assets (primarily depreciated branches and land)
- Net other pre-tax write-downs of approximately (\$1.0) million

Regulatory Capital

- DNBF existing subordinated debt and trust preferred to be redeemed post closing

Estimated Pro Forma Financial Metrics

Key Transaction Impacts to STBA ⁽¹⁾

Pro Forma at Close

Capital Ratios ⁽²⁾

Est. 12/31/19

2020E / 2021E
EPS Accretion

~2.8% / ~5.2%

TCE Ratio

9.3%

IRR ⁽¹⁾

>20%

Leverage Ratio

9.8%

Initial Tangible Book Value
Impact ⁽²⁾

~(3.0%)

Common Equity
Tier 1 Ratio

11.3%

Tangible Book Value
Earnback Period ^{(2) (3)}

3.2 years

Tier 1 Ratio

11.5%

Total Capital Ratio

12.8%

⁽¹⁾ Includes purchase accounting marks and 100% of deal related expenses. Assumes a terminal multiple of 13.0x

⁽²⁾ Incorporates 100% of deal related expenses

⁽³⁾ Based on the crossover method

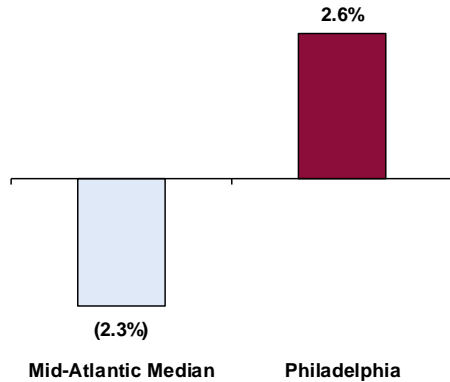
- **Logical, strategic market expansion in Southeastern Pennsylvania only 30 miles from our existing Lancaster presence**
- **Demographically attractive Southeastern Pennsylvania growth markets of Chester County and broader Philadelphia MSA**
- **Nearly 160-year-old community focused banking institution with shared long-term dedication to communities it serves**
- **Financially attractive transaction for shareholders of STBA and DNBF**
- **Retail and commercial lending, residential mortgage origination and wealth management expansion opportunities identified but not modelled into the transaction**

Appendix

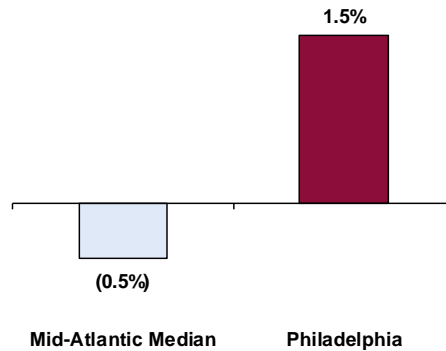
Attractive Philadelphia MSA

8th largest MSA in the U.S. and 2nd in the Mid-Atlantic based on population

2010 – 2019 Population Growth



2019 – 2024 Proj. Pop. Growth



Major Philadelphia Employers



Vanguard®



MERCK

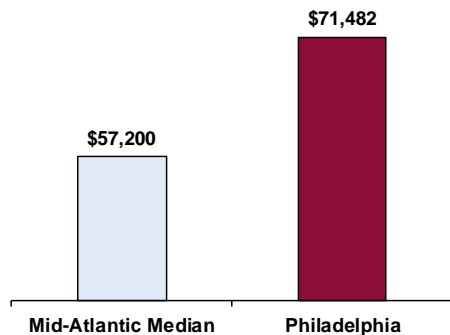


Trinity Health

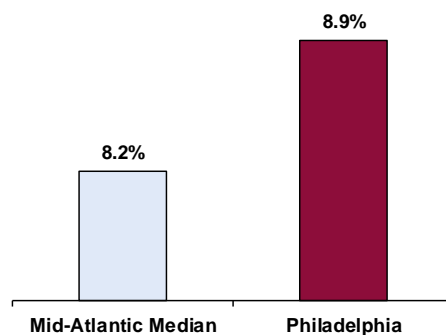


BERKSHIRE HATHAWAY INC.

2019 Median Household Income



2019 – 2024 Proj. Income Growth

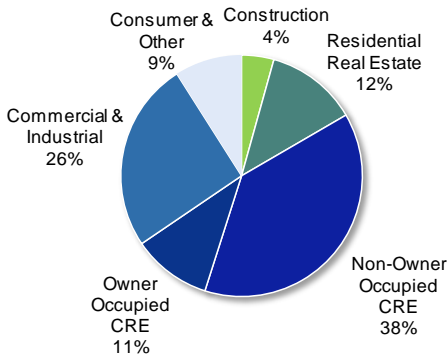


Source: S&P Global Market Intelligence & The Chamber of Commerce for Greater Philadelphia
Mid-Atlantic Median comprised of MSAs in DC, DE, MD, NJ, NY, and PA

Pro Forma Loan & Deposit Compositions

STBA Stand Alone

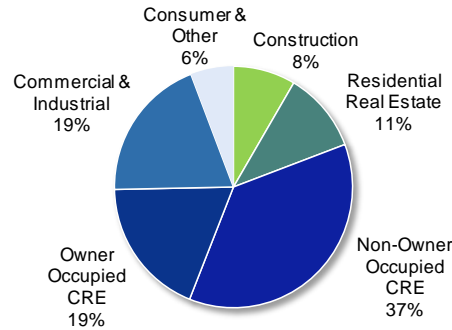
Total: \$5,935mm



Yield on Loans: 5.00%

DNBF Stand Alone

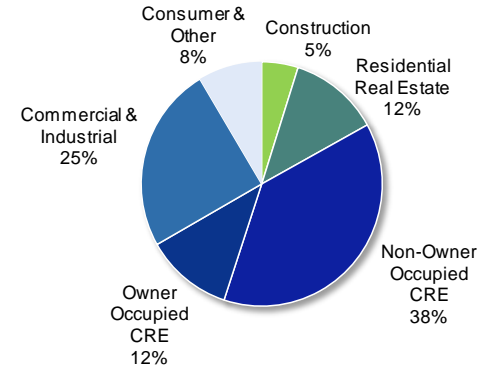
Total: \$934mm



Yield on Loans: 4.84%

Pro Forma

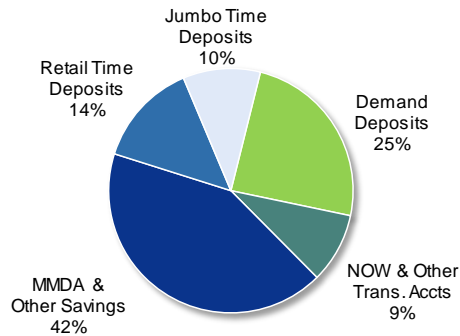
Total: \$6,869mm



Yield on Loans: 4.98%

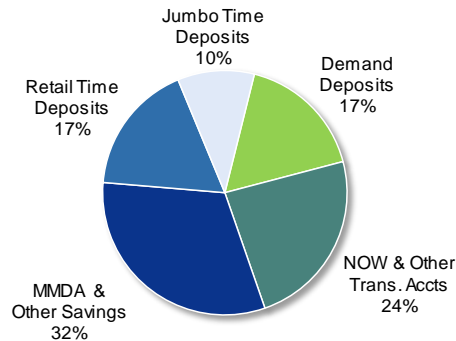
Loan Mix

Total: \$5,833mm



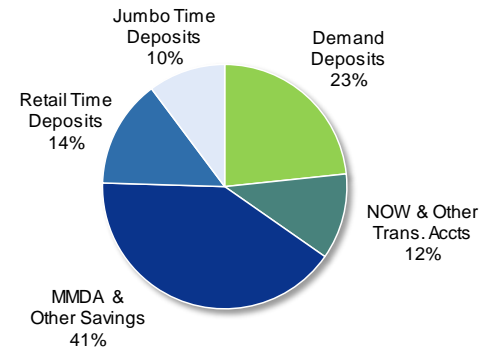
Cost of Deposits: 1.04%

Total: \$980mm



Cost of Deposits: 1.02%

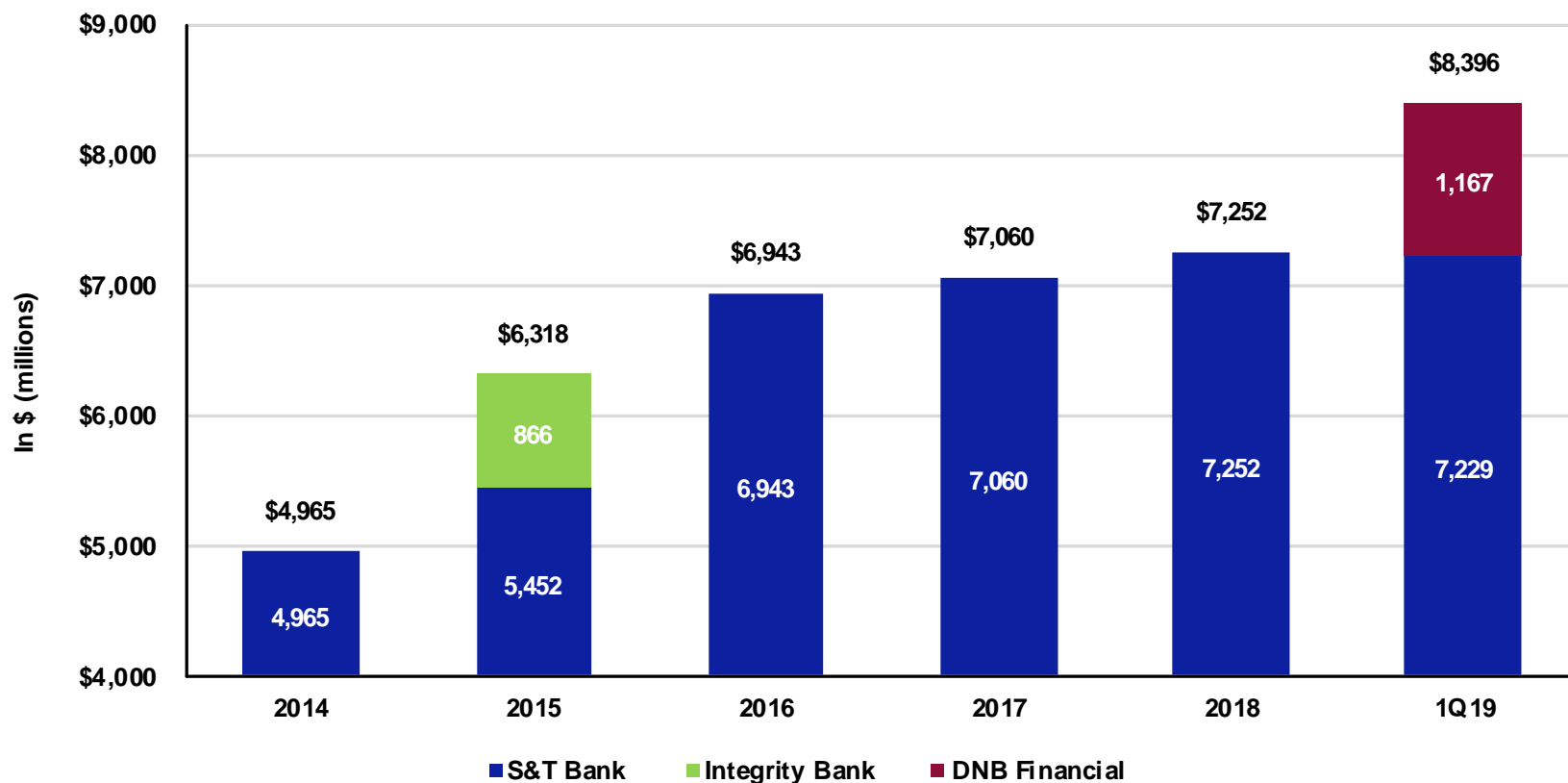
Total: \$6,813mm



Cost of Deposits: 1.04%

Deposit Mix

Track Record of Organic & Acquisitive Growth **S&T Bancorp Inc.**



Tangible Book Value Per Share Dilution

Tangible Book Value Dilution			
	(\$M)	Shares (M)	\$ Per Share
STBA Standalone			
STBA Tangible Book Value at 3/31/19 ⁽¹⁾	\$654	34	\$19.04
(+) Three Quarters of Consensus Mean Earnings Prior to Close	79		
(-) Consensus Dividends Remaining of \$0.81 Per Share	(28)		
(+) Amortization of Existing Core Deposit Intangibles (Net of DTL)	0		
Standalone STBA Tangible Book Value at 12/31/19	\$706	34	\$20.56
Pro Forma			
STBA Tangible Book Value at 12/31/19	\$706	34	\$20.56
(+) Equity Consideration to DNB	206	5	
(-) One-Time Expenses to STBA (after-tax)	(11)		
(-) Total Intangibles Created (Goodwill + CDI)	(114)		
(+) Deferred Tax Liability on CDI Created	3		
Pro Forma STBA Tangible Book Value at 12/31/19	\$791	40	\$19.94
STBA (Dilution) - \$			(\$0.62)
STBA (Dilution) - %			(3.0%)
Tangible Book Value Earnback (Crossover Method)			~ 3.2 years

Intangibles Created	
	(\$M)
Deal Value ⁽²⁾	\$206
DNBF TCE at Close	\$107
(+) DNBF One-Time Costs	(3)
(+) Net AT FV Marks & Purch Acct	(11)
Adjusted Tangible Book Value	\$93
Excess Over Adjusted Tangible Book Value	\$113
(+) Core Deposit Intangible Created (Net of DTL)	(14)
(+) DTL on CDI	3
(+) DTA from FV Marks & Purch Acct	(2)
Goodwill Created	\$99
Total Intangibles Created	\$114

Model assumes a 12/31/2019 closing date

⁽¹⁾ Includes the net effect of deferred tax liabilities associated with amortizable intangible assets.

⁽²⁾ Based upon STBA's closing price of \$38.75 as of 6/4/2019. Includes consideration for 4,331,121 common shares outstanding, in addition to 29,190 unvested shares of restricted stock

Acquisition of
DNB Financial Corporation

June 5, 2019

S&TBancorp Inc.

