

A State of Success



2007 ANNUAL REPORT



F.N.B. Corporation

TABLE OF CONTENTS

Financial Highlights

Letter to Shareholders

Board of Directors

Form 10-K

Corporate Information

For more than three decades, F.N.B. Corporation has been committed to building value for clients and shareholders, even through challenging times. This past year, the Corporation was able to remain focused and succeed in a turbulent market, thanks in large part to the collaborative efforts of its affiliates. They have demonstrated that, collectively, they can create a stronger, more competitive organization.

F.N.B. Corporation is a diversified financial services company headquartered in Hermitage, Pennsylvania. It is a leading provider of banking, wealth management, insurance, merchant banking, and consumer finance services in Pennsylvania, Ohio and Tennessee, where it owns and operates First National Bank of Pennsylvania, First National Trust Company, First National Investment Services Company, LLC, F.N.B. Investment Advisors, Inc., First National Insurance Agency, LLC, F.N.B. Capital Corporation, LLC, and Regency Finance Company. First National Bank of Pennsylvania also operates loan production offices in Florida, Tennessee and Pennsylvania.

A State of Success is a story of partnership and perseverance.

F.N.B. Corporation has been recognized as a Dividend Achiever by Mergent Inc., a leading provider of business and financial information pertaining to publicly traded companies. This annual recognition is based on the Corporation's outstanding record of increased dividend performance. F.N.B. Corporation has consistently increased dividend payments for 35 consecutive years.

The Corporation's common stock is traded on the New York Stock Exchange under the ticker symbol "FNB." Investor information is available at www.fnbcorporation.com.

A State of Success

FINANCIAL HIGHLIGHTS

Dollars in thousands, except per share data

| | 2007 | 2006 |
|-----------------------------------|----------|----------|
| FOR THE YEAR | | |
| Net income | \$69,678 | \$67,649 |
| Return on average tangible equity | 26.23 % | 26.30 % |
| Return on average equity | 12.89 % | 13.15 % |
| Return on average tangible assets | 1.25 % | 1.25 % |
| Return on average assets | 1.15 % | 1.15 % |

PER COMMON SHARE

| | | |
|---------------------------------|---------|---------|
| Net income | | |
| Basic | \$1.16 | \$1.15 |
| Diluted | \$1.15 | \$1.14 |
| Cash dividends | \$0.95 | \$0.94 |
| Book value at year-end | \$8.99 | \$8.90 |
| Tangible book value at year-end | \$4.67 | \$4.49 |
| Market price at year-end | \$14.70 | \$18.27 |

PERFORMANCE RATIOS

| | | |
|--|---------|---------|
| Net interest margin | 3.73 % | 3.71 % |
| Efficiency ratio | 57.35 % | 57.48 % |
| Net loan charge-offs as a percent of average loans | 0.29 % | 0.29 % |
| Dividend payout ratio | 82.45 % | 81.84 % |

AT YEAR-END

| | | |
|----------------------|-------------|-------------|
| Assets | \$6,088,021 | \$6,007,592 |
| Loans | \$4,344,235 | \$4,253,144 |
| Deposits | \$4,397,684 | \$4,372,842 |
| Stockholders' equity | \$544,357 | \$537,372 |

A portrait of Stephen J. Gurgovits, Chairman and Chief Executive Officer, wearing a dark suit, white shirt, and blue patterned tie. He is standing in front of a large window with a view of a blue sky and greenery.

LETTER TO SHAREHOLDERS

Stephen J. Gurgovits
Chairman and
Chief Executive Officer

Dear Shareholder,

I am proud to report another successful year for F.N.B. Corporation and our affiliate organizations. 2007 was a year of challenge like no other we have experienced. Our industry struggled at the beginning of the year from an inverted yield curve that continued throughout much of the year. This, combined with competitive deposit pricing, continued to pressure margins. Despite these factors, I am pleased to report that we were properly positioned to deal with such an occurrence by carefully balancing our assets relative to liabilities.

There was much said about the subprime dilemma and how it would exacerbate an already soft housing market. We did not have any significant negative fallout from this in 2007 for several reasons. First, we are primarily focused on originating and holding high-quality commercial, not residential, loans. The residential loans we do make have been in stable markets, not overheated areas. Throughout the real estate boom, markets in Pennsylvania and Northeast Ohio were able to maintain stable prices. Second, our policy is not to originate to hold Alt-A mortgages on our balance sheet and only have a small number of adjustable-rate loans from borrowers considered subprime. These long-standing strategies enabled us to keep our mortgage and consumer loan delinquencies at normal levels throughout the year. Lastly, we have a conservative investment philosophy, which dictates that we hold only high-quality investment securities in our portfolio. Our loan production offices in Florida, which serve commercial real estate borrowers, are being monitored closely and we have significantly curtailed our commercial loan production in Florida until market conditions improve.

How did these factors affect the total return we were able to deliver to shareholders? In a difficult environment for financial service stocks, the total return to F.N.B. Corporation's shareholders in 2007 was (14.8)% as compared to (26.4)% for our regional peers and (24.1)% for our national peer group. We do not view declining

Overcoming a turbulent financial market

Omega Financial Corporation Headquarters
Omega Bank is headquartered in State College, Pennsylvania, a rapidly growing area that is home to Penn State University and its population of nearly 43,000 students.



share value as acceptable, but do note that two key strategies, namely our strong credit quality and the Board's commitment to a high cash dividend, enabled us to outperform our peers.

F.N.B. Corporation ended 2007 with after-tax earnings of \$69.7 million, a 3% increase over 2006. This produced a return on tangible equity of 26.2% and a return on tangible assets of 1.25%. Our strong return on tangible equity continues to place F.N.B. Corporation in the top quartile of financial institutions nationally.

During the year, the Board of Directors increased the quarterly cash dividend to an annual rate of \$0.96 per share, marking the 35th consecutive year that we have increased dividend payments. This places F.N.B. Corporation in the top 1% of public companies.

We look forward to 2008, viewing it as a year of transformation and transition. The closing of our announced mergers with Omega Financial Corporation, the parent holding company for Omega Bank located in State College, Pennsylvania, and Iron and Glass Bancorp Inc., the parent company of Iron and Glass Bank, located in Pittsburgh, Pennsylvania, will be transformational for our Company. We are pleased to partner with such outstanding community banks. Omega Financial Corporation and Iron and Glass Bancorp Inc. have the talent, size and locations to perfectly fit our plan for expansion in Pennsylvania. The mergers place F.N.B. Corporation in an additional three of the top 13 Metropolitan Statistical Areas (MSAs) in Pennsylvania based on strength of demographics. In addition to commercial banking, Omega also provides wealth management services, property and casualty insurance products and leasing, providing a strong fit with our current affiliates.

Our expanded Corporation will have more than \$8.3 billion in total assets and more than 220 full-service bank branches serving commercial and consumer customers in 35 counties in Pennsylvania and Northeast Ohio.

With these mergers, F.N.B. Corporation is poised to remain in what we like to call a *State of Success*.

A STATE OF COLLABORATION

First National Bank, F.N.B. Corporation's largest affiliate, continues to provide a solid foundation with a strong focus on commercial lending and a customer base exceeding 250,000 households. Two regions that continued to show the highest level of growth this year were Pittsburgh and Harrisburg. Both regions have a unique economy and a large business base, which has helped fuel our commercial lending business. Not only did 2007 bring in new customers to the bank, but it was also able to expand the number of existing accounts and products per household.

Regency Finance Company posted record earnings in 2007, with net income exceeding \$5 million for the first time in company history. Loan growth reached plan levels, and Regency was able to expand its branch network with the opening of a new office in Canton, Ohio.

F.N.B. Wealth Management significantly improved sales volumes over 2006 in terms of retail investment sales and 401(k) plans for business clients. The group experienced relatively balanced growth in terms of expansion and organic sales.

First National Insurance Agency reported growth in Life and Employee Benefits, which was a specific target in 2007, and one the agency will pursue aggressively in 2008. Commercial Property and Casualty and Personal Property and Casualty Insurance revenues remained stable despite a very soft insurance market.

In late 2005, we were able to launch F.N.B. Corporation effectively and finish 2006 profitably, helping build momentum for 2007 when we closed our first pure equity investment. Not long after, we were selected to provide mezzanine financing for a dominant player in the real estate research market.

through strategic growth and the power of collaboration.

A State of Collaboration

A State of Expansion Our merger with Omega Bank is consistent with our strategic long-term growth plans. Omega Bank branches are located in Central and Northeast Pennsylvania, a natural expansion area of First National Bank because of the contiguous branch locations in the Harrisburg, Johnstown and Altoona markets. Because Omega Bank shares almost identical customer service commitments and operating cultures with First National Bank, the joining of our efforts allows us to strengthen service to customers in these areas.

A STATE OF CHALLENGE

The market environment posed a challenge to banks in general. As interest margins were squeezed, bank merger and acquisition activity accelerated. As smaller banks were being bought by larger companies, First National Bank faced more formidable competitors. Fortunately, the bank had the staying power and the capacity to withstand such a period. While other banks put themselves up for sale, we announced our Corporation's intention to merge with Omega Financial Corporation, the holding company of Omega Bank, as well as Iron and Glass Bancorp, Inc., the parent company of Iron and Glass Bank. These mergers place First National Bank in an even better position to grow.

A State of Challenge

From a wealth management perspective, competition escalated and F.N.B. Wealth Management continued to witness ever increasing "niche" competitors. The subprime situation certainly caused some disruption of the typical organic sales cycle as many clients deliberated on investment decisions or options. And the Federal Reserve's early reluctance to cut interest rates led to obvious signs of concern relative to certain economic indicators. Despite this market volatility, the F.N.B. Wealth Management team stayed on top of the trends and achieved their goals.

The Commercial Property and Casualty arena faced severe price competition (rate decreases of 10% to 15% being routine), while Personal Property and Casualty Insurance confronted a dramatic rise in competition. Even so, First National Insurance Agency was able to maintain its presence in a slow growth market.

F.N.B. Capital Corporation faced the challenge of additional liquidity in the market, which led to a pricing competition. Traditional banks stretched their lending capacity on deals, which squeezed out alternative sources like F.N.B. Capital Corporation. To counter these challenges, the Corporation tapped a completely underserved niche market in its region providing mezzanine debt. As the credit cycle changes and traditional banks tighten their credit standards, F.N.B. Capital Corporation is in an excellent position to be a regional market leader in mezzanine debt.

A STATE OF SYNERGY

So how have we managed to show such promise in hard times? Leveraging the business-building synergies between our affiliates gives us a competitive advantage that ultimately helps us to overcome any challenge. A well-planned evolution to a more holistic business model has enabled our professionals to better identify incremental opportunities with existing clients. When we all partner together to offer a full breadth of offerings to customers, increased revenue reaches across our entire organization.

Our mergers with Omega Financial Corporation and Iron and Glass Bancorp, Inc. are examples of the synergy that runs through our Corporation. We selected these companies because of our like-minded commitment and culture that places customers first. As a result of the mergers, customers will benefit from greater product choices, an expanded geographic area of no-fee ATMs, and increased access to a network of branch offices offering face-to-face customer service. Collectively, we are a stronger, more competitive organization.

First National Bank branches have become a conduit to moving customers into more sophisticated services as our organization continues to expand its presence in wealth management and insurance. The result has been deepened relationships with bank customers already loyal to our community orientation.

Partnering together increases overall

A State of Innovation

A State of Partnership Under the leadership of their presidents, our affiliates work together to better identify new opportunities with existing clients and offer a complete range of offerings. It is this commitment to collaboration that will continue to propel the success of our entire organization.

Affiliate Presidents

Stephen J. Gurgovits, Jr. *President and CEO, F.N.B. Capital Corporation*
Gary J. Roberts *President and CEO, First National Bank of Pennsylvania*
James J. Morrell *President and CEO, First National Insurance Agency*
Robert D. Carter *Chief Administrative Officer, Regency Finance Company*
Kim Craig *President and CEO, F.N.B. Wealth Management*

The record success of Regency Finance Company underscores why this affiliate is such a good business. Products and services like its small loan program and investment note program meet the needs conventional banks cannot provide. Having access to the resources of the larger Corporation has enabled Regency to seize opportunities and resolve issues with speed and in ways its competitors cannot match.

First National Insurance Agency has been able to expand its customer base by leveraging existing relationships with other affiliates' clients. Approximately 25% of commercial and 47% of consumer new account opportunities were a result of cross-selling. In personal insurance, First National Insurance Agency has been expanding opportunities with bank branches, Lifestyle 50™ customers, mortgage originators and F.N.B. Wealth Management.

F.N.B. Capital Corporation continues to see an increase in the number of opportunities by leveraging the relationships of over 100 commercial lenders, wealth management advisors and insurance agents within our organization. F.N.B. Capital Corporation provides another option for our commercial lenders to utilize when presenting financial solutions to customers and prospects.

A STATE OF INNOVATION

Another way our organization persevered in 2007 was through our continued commitment to offering innovative products and services, many of which are industry firsts.

First National Bank introduced "Same Day Banking, All Day" to our small business market, effectively eliminating the daily cut-off time for deposits. Our business clients can now deposit later in the day and still have their funds posted that same day, eliminating interruptions to their workday and enhancing their cash flow.

Our industry-pioneering online check deposit system, First Desktop Banker, continues to be popular with our business sector as we increased installations by over 30% in 2007.

F.N.B. Wealth Management introduced life insurance planning into its business model this past year, which has produced encouraging results during the initial year. Many clients, who previously were underinsured or maintained outdated life insurance coverage, have been well-served by new and innovative insurance products. 2007 also was the introductory year for Portfolio ProAdvisor™, an emerging Separately Managed Account solution, which enables F.N.B. Wealth Management to partner with the best investment management firms. Portfolio ProAdvisor has allowed F.N.B. Wealth Management to diversify its menu of investment offerings and broaden overall appeal to the marketplace.

A State of Synergy

The 2007 introduction of the fnbcapital.com website has quickly helped F.N.B. Capital Corporation to separate itself from industry competitors. A highly robust site, it provides deal criteria, staff and advisory board biographies, as well as portfolio company information. An estimated 22,000 visitors logged on during 2007.

revenue. Offering innovative products and services helps us maintain our competitive advantage.



A STATE OF OPPORTUNITY

As we look to the year ahead, exciting opportunities are in store for our customers, our shareholders and our affiliates. Uniting with Omega and Iron and Glass are strategically planned commitments to providing strong localized customer service, offering a larger, more diverse array of products, and delivering a strong dividend-based total return for shareholders.

First National Insurance Agency looks to further establish client relationships across the organization by capitalizing on daily opportunities to sell insurance products. The agency has also begun to set the groundwork for increasing capabilities in selling and servicing Personal Property and Casualty and Individual Life Insurance products via the Internet, an approach that is particularly attractive to those customers who prefer to do their banking and business online.

F.N.B. Capital Corporation is well positioned for growth. Through rapid expansion and efforts to introduce other affiliate partners into transactions and portfolio companies, F.N.B. Capital Corporation has a unique opportunity to be the top provider of junior capital in increments of \$1 – 5 million in our region. Our merchant bank will continue to be a leader in capital financing for small and lower middle market businesses. In addition, the Western Pennsylvania and Eastern Ohio regions are heavily populated by successful businesses that will be enduring an ownership transition in the next three to five years. These businesses have successful owners that are approaching retirement age and will be seeking ways to monetize their lifetime investment in their business.

The ability for our banking partners and wealth management advisors to identify these opportunities and introduce F.N.B. Capital Corporation to provide sound financial solutions will create additional opportunities for all F.N.B. Corporation affiliates.

A STATE OF TALENT

I would like to personally welcome two new executives. Vincent J. Calabrese has joined F.N.B. Corporation as our Corporate Controller, and Susan B. Bergen-Painter has joined First National Bank as our Chief Marketing Officer.

Our mergers with Omega Financial Corporation and Iron and Glass Bancorp, Inc. bring new, highly skilled talent to our Corporation. Three Omega directors will join the Board of F.N.B. Corporation. In addition, four Omega board members and one Iron and Glass board member will become part of the First National Bank Board.

A State of Talent

A STATE OF UNITY

In closing, allow me to thank Peter Mortensen for his decades of leadership. Mr. Mortensen retired as Chairman on December 31, 2007, but will continue as a director and was recently named Honorary Chairman for his past contributions to the Company.

I was honored to have been chosen as Chairman effective December 31, 2007, and I wish to thank the Board for this opportunity to continue in an influential role.

I am also pleased to welcome Robert V. New, Jr. who joined F.N.B. Corporation on January 15, 2008, as President and will succeed me as CEO on April 1, 2008. Mr. New brings over 30 years of banking experience and will provide outstanding leadership for our employees and our Company.

Moving forward under a new leader dedicated to building shareholder value.

A State of Opportunity



All our successes and accomplishments are a tribute to the hard work and dedication of our employees. I am proud to work with so many bright and dedicated people.

I wish to thank the Board of Directors, who are constantly praised by institutional investors and analysts. Their contribution to our success is enormous.

Finally, my sincere thanks and appreciation to you, our shareholders, for your continued belief in and support of our fine Company. A State of Success is a story of our new mergers and our affiliates in their combined efforts to pursue success. I think you will agree that F.N.B. Corporation truly is in a state of excellence and perfectly positioned to continue succeeding in 2008.

Sincerely,



Stephen J. Gurgovits *Chairman and Chief Executive Officer*

A State of Unity



A State of Leadership After more than a year of thoroughly searching for the most qualified candidate, Robert V. New, Jr. has been selected as President and Chief Executive Officer-elect of F.N.B. Corporation. Mr. New's extraordinary record of leadership and well-rounded experience with investors, retail and commercial banking and operations, as well as his passion for customer service positions him well to continue building shareholder value.

Robert V. New, Jr. *President and Chief Executive Officer-elect*
Stephen J. Gurgovits *Chairman and Chief Executive Officer*

F.N.B. CORPORATION
BOARD OF DIRECTORS



William B. Campbell

Retired Businessman

Campbell has been with F.N.B. Corporation from the beginning, helping it grow to where it is today. As one of our longest serving directors, Campbell serves as the Lead Director for the Corporation.



Robert V. New, Jr.

*President and CEO-elect
F.N.B. Corporation*

New brings 34 years of experience in the financial services industry including various leadership roles in large national commercial organizations as well as small- and regional-size community banks.



Stephen J. Gurgovits

*Chairman and CEO
F.N.B. Corporation*

Recent Chairman of the Pennsylvania Bankers Association and current board member of the American Bankers Association, Gurgovits is a recognized leader in economic development.



Dawne S. Hickton

*Vice Chairman and CEO
RTI International Metals, Inc.*

Hickton's executive responsibilities with an NYSE-listed public company and her extensive education, legal and business experience make her a valuable resource to the Board.



John W. Rose

*Principal
CapGen Financial Advisors, LLC*

Rose's educational background, business relationships and financial expertise have helped him cultivate financial institutions across the nation. He has served on more than 20 financial institution boards.



Henry M. Ekker

*Attorney at Law
Ekker, Kuster, McConnell
& Epstein, LLP*

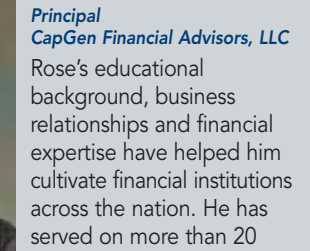
A partner at Mercer County's largest local law firm and member of the Pennsylvania and Mercer County Bar Associations, Ekker has built quite a name for himself in the communities he serves.



Harry F. Radcliffe

Investment Manager

Radcliffe has been the CEO of three publicly held savings banks throughout his 35-year career, spreading his financial expertise far and wide. Radcliffe serves as Chairman of the Corporation's Audit Company.



William J. Strimbu

*President
Nick Strimbu, Inc.*

A member of a variety of community service associations, including the Ohio Trucking Association and the American Trucking Association, Strimbu is familiar with moving organizations forward.

**First National Bank
of Pennsylvania
Board of Directors**

Ann K. Balazs
William B. Campbell
G.A. (Pete) Colton, Jr.
Delores Crawford
Henry M. Ekker
Nicholas C. Geanopoulos
Gus P. Georgiadis
Stephen J. Gurgovits
Kenneth R. James
James E. Knarr, DMD
Scott A. McDowell
Peter Mortensen
Robert V. New, Jr.
Gary J. Roberts
Gary P. Schneider
Michael B. Smith
William R. Snoddy
William J. Strimbu
Joseph P. Walton
Donato B. Zucco



David J. Malone

*President and CEO
Gateway Financial*

A member of numerous non-profit and community boards in the Pittsburgh region, Malone is active in advancing the quality of life in the communities he serves.



Robert B. Goldstein

*Principal
CapGen Financial Advisors, LLC*

With a history of increasing value and profitability wherever he goes, Goldstein is an excellent asset to the Board. He is an experienced banker having served on over 15 financial institution boards.



Arthur J. Rooney II

*President
Pittsburgh Steelers Sports, Inc.*

Rooney was principally responsible for the design, development and financing plan for Heinz Field, home of the Pittsburgh Steelers. His business experience and high profile are important assets to the Board.



Peter Mortensen

*Honorary Chairman
F.N.B. Corporation*

With more than 50 years in the banking industry, Mortensen has been an integral part of F.N.B. Corporation's growth and success.



Earl K. Wahl, Jr.

*Owner
J.E.D. Corporation*

Experienced in several fields, including banking, restaurant ownership, construction and mining, Wahl brings diverse capabilities and a world of leadership to the Board.



CORPORATE INFORMATION

CORPORATE HEADQUARTERS

F.N.B. Corporation
One F.N.B. Boulevard
Hermitage, Pennsylvania 16148
Telephone: (888) 981-6000
Website: www.fnbcorporation.com

CORPORATE OFFICERS

Stephen J. Gurgovits *Chairman and CEO*
Robert V. New, Jr. *President and CEO-elect*
Brian F. Lilly *Chief Financial Officer*
David B. Mogle *Corporate Secretary*
Vincent J. Calabrese *Corporate Controller*
Scott D. Free *Treasurer*
James G. Orie *Chief Legal Officer*

ANNUAL MEETING

The Annual Meeting of Shareholders will be held on May 14th, 2008, a 3:30 p.m., at the F.N.B. Technology Center in Hermitage, Pennsylvania.

INTERNET INFORMATION

Information about F.N.B. Corporation's financial results, acquisitions and its products and services is available on the Internet at www.fnbcorporation.com.

FINANCIAL INFORMATION

F.N.B. Corporation is subject to the information requirements of the Securities Exchange Act of 1934 and therefore files annual, quarterly and current reports as well as proxy material with the Securities and Exchange Commission (SEC). Copies of these documents and other filings, including exhibits thereto, may be obtained electronically at the SEC's homepage at www.sec.gov or F.N.B. Corporation's homepage at www.fnbcorporation.com.

DIVIDEND PAYMENT DATES

F.N.B. Corporation has historically paid regular quarterly dividends in March, June, September and December.

QUARTERLY REPORTS

Quarterly earnings results for 2008 are released to the press and then posted on F.N.B. Corporation's website in January, April, July and October.

ANNUAL REPORT

To order additional copies of the 2007 Annual Report, please contact the F.N.B. Corporation Shareholder Relations Department at One F.N.B. Boulevard, Hermitage, Pennsylvania 16148. Telephone: (724) 983-4944 Fax: (724) 983-4873

COMMON STOCK INFORMATION AT DECEMBER 31, 2007

| | |
|----------------------------------|------------|
| Shares issued | 60,602,218 |
| Shares outstanding | 60,554,248 |
| Treasury shares | 47,970 |
| Number of shareholders of record | 10,308 |
| Closing market price per share | \$14.70 |
| Cash dividends per common share | \$0.95 |
| Book value per share | \$8.99 |
| Stock exchange | NYSE |
| Stock symbol | FNB |

DIVIDEND REINVESTMENT PLAN

F.N.B. Corporation offers a Dividend Reinvestment Plan that allows shareholders to reinvest their dividends in additional company common stock at the prevailing market price. A prospectus and an enrollment form may be obtained upon request by visiting our website, by phoning Shareholder Relations at (724) 983-4944, or by writing to F.N.B. Corporation, Shareholder Relations, One F.N.B. Boulevard, Hermitage, Pennsylvania 16148.

LOCATIONS

Pennsylvania
144 Banking Offices
22 Consumer Finance Offices
1 Loan Production Office

Ohio
11 Banking Offices
16 Consumer Finance Offices

Tennessee
16 Consumer Finance Offices
1 Loan Production Office

Florida
5 Loan Production Offices



F.N.B. Corporation