

1981941

5

Unchanging Values

UNIVEST | 2004 Annual Report



Capitol Research Division
SNL Financial
1-800-969-4121



Table of Contents

- 2 Financial Performance
- 5 Mission and Profile
- 6 Letter to Shareholders
- 8 Unchanging Values
- 20 Officers and Directors
- 22 Locations
- 24 Shareholder Information

Financial Solutions For Life

Table of Contents

3 Financial Performance
5 Mission and Profile
6 Letter to Shareholders
8 Unchanging Values
20 Officers and Directors
22 Locations
24 Shareholder Information

Commercial Solutions For Life



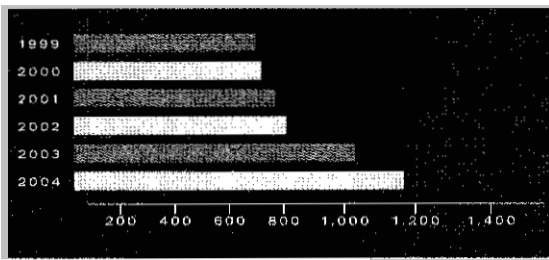
UNION NATIONAL
BANK AND TRUST
COMPANY

UNVEST
ALLIANCE OF INVESTMENT MANAGERS

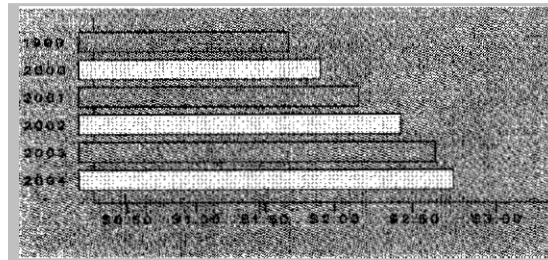
Financial Performance

5 Year Trends

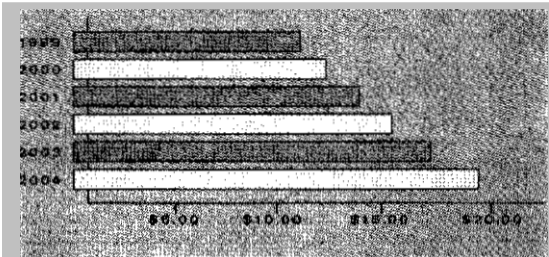
Net Loans (Millions):



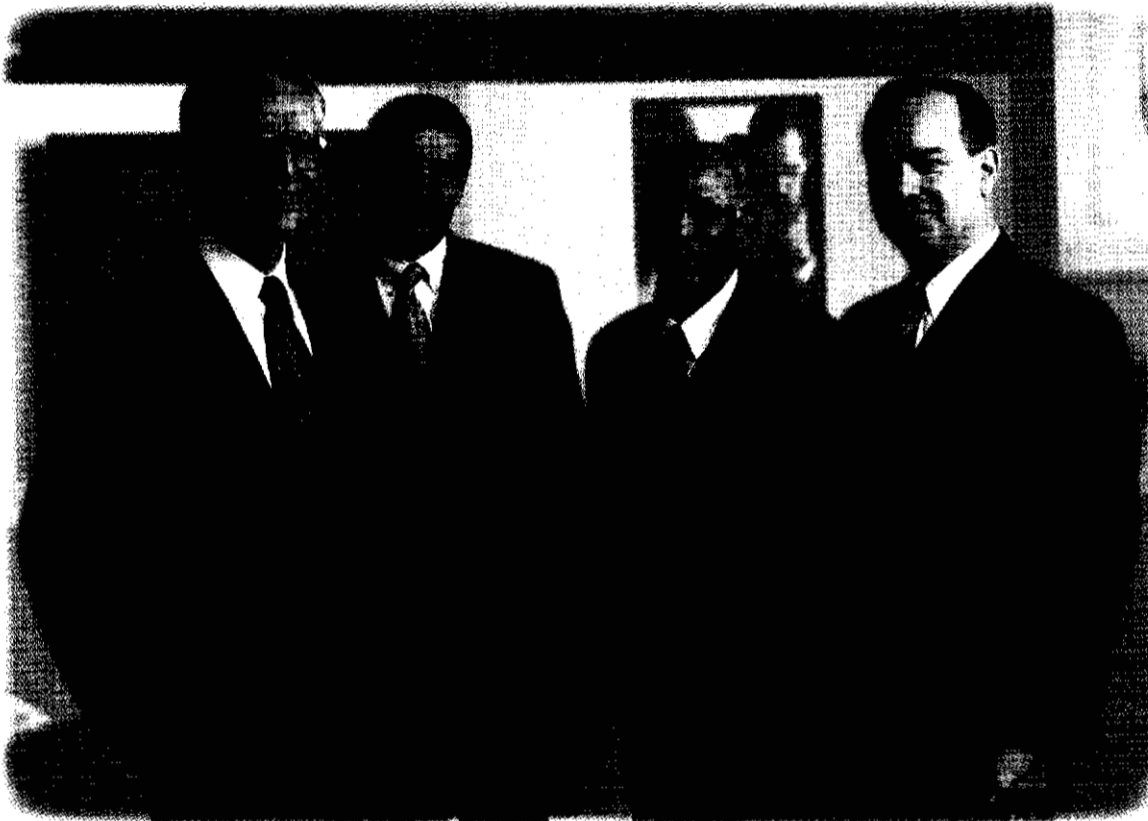
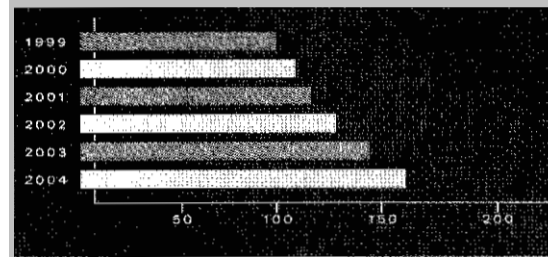
Earnings Per Share:



Book Value Per Share:

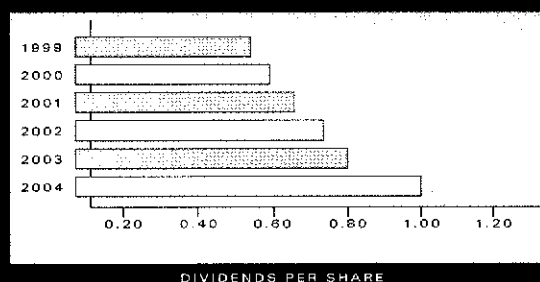


Shareholders' Equity (Millions):



Management Succession: A Strong Leadership Team. (From Left to Right) Marvin A. Anders, Outgoing Chairman is pictured with the new leadership team appointed by the Univest Board of Directors. K. Leon Moyer, Senior Executive Vice President of Univest Corporation, President, Chief Operating Officer and Director of Univest National Bank and Trust Co. Wallace H. Bieler, Senior Executive Vice President, Chief Financial Officer, Chief Operation Officer, and Corporate Secretary for Univest Corporation and Univest National Bank and Trust Co. William S. Aichele, Chairman, President and Chief Executive Officer for Univest Corporation, Chairman and Chief Executive Officer for Univest National Bank and Trust Co., Chairman of Univest Insurance, Inc. and Univest Investments, Inc.

2004 Financial Highlights



AT DECEMBER 31, (IN THOUSANDS)

	2004	2003*
Cash and due from banks	\$ 35,876	\$ 48,881
Investments and fed funds sold	345,371	427,088
Net loans	1,161,081	1,049,594
Other Assets	124,629	131,605
<i>Assets</i>	<i>\$ 1,666,957</i>	<i>\$ 1,657,168</i>
Deposits	\$ 1,270,884	\$ 1,270,268
Borrowings	212,360	216,936
Other Liabilities	23,320	24,212
<i>Liabilities</i>	<i>1,506,564</i>	<i>1,511,416</i>
<i>Shareholders' equity</i>	<i>160,393</i>	<i>145,752</i>
<i>Total liabilities and shareholders' equity</i>	<i>\$ 1,666,957</i>	<i>\$ 1,657,168</i>

FOR THE YEARS ENDED DECEMBER 31, (IN THOUSANDS, EXCEPT PER SHARE DATA)

	2004	2003*	2002
Interest income	\$ 74,789	\$ 71,965	\$ 73,040
Interest expense	18,948	21,150	25,814
<i>Net interest income</i>	<i>55,841</i>	<i>50,815</i>	<i>47,226</i>
Provision for loan losses	1,622	1,000	1,303
Net interest income after provision for loan losses	54,219	49,815	45,923
Noninterest income	22,603	23,480	20,593
Noninterest expense	44,920	42,023	37,790
<i>Net income before income taxes</i>	<i>31,902</i>	<i>31,272</i>	<i>28,726</i>
Applicable income taxes	8,311	8,190	7,620
<i>Net income</i>	<i>\$ 23,591</i>	<i>\$ 23,082</i>	<i>\$ 21,106</i>
Book value per share	\$ 18.70	\$ 17.05	\$ 15.70
** Net income per share:			
<i>Basic</i>	2.76	2.70	2.45
<i>Diluted</i>	2.70	2.67	2.42
** Dividends per share	1.00	0.80	0.74
<i>Weighted Average Shares Outstanding</i>	<i>8,560,397</i>	<i>8,540,822</i>	<i>8,625,338</i>
<i>Period End Shares Outstanding</i>	<i>8,575,618</i>	<i>8,546,418</i>	<i>8,549,502</i>

*The Corporation acquired First County Bank on May 17, 2003 and Suburban Community Bank on October 4, 2003.

** Common Stock data has been restated to give effect to a five-for-four stock split in the form of a dividend declared on January 22, 2003 to shareholders of record as of February 7, 2003, distributed on February 28, 2003.



Mission Statement

Our purpose and philosophy is to be a strong, influential leader in the markets we choose to serve. We will provide financial solutions to individuals, businesses, and nonprofit organizations; maintain an active role in our communities; and build loyal relationships with our customers and employees so that a fair profit will be provided for both the Corporation and our shareholders.

Corporate Profile

Univest Corporation is a vital, growing company with deep ties to its local communities. We have a rich history, spanning more than 128 years, that is enhanced by our desire to remain close to our customers, so we can deliver *Financial Solutions For Life!* Univest provides banking, insurance, investments, trust, wealth management, and mortgage banking solutions.

We have become one of the strongest locally based financial institutions in southeastern Pennsylvania because we believe in innovation and performance, using technology to improve the products we offer, but never forgetting the warm, personal service so important to our customers. As we continue to be a leader in the markets we choose to serve, we will remain close to our customers, strengthening our existing relationships and building new ones. We take pride in being an organization that offers our customers an expanding scope of services while maintaining traditional beliefs and a determined commitment to the community.

A Fond Farewell

I am pleased to announce my retirement after 47 years of service with Univest Corporation. It has been an honor to be a part of this company, to work closely with our employees, customers, shareholders, and the community, and help to grow our Corporation into one of the finest financial service providers in the region. When I started with Univest, we only provided basic banking services. Today, we are a fully integrated financial solutions provider.

Many of you know I am passionate about serving our community and will personally continue to give back during my retirement. Univest's continued dedication to the community is one thing that helps to differentiate us throughout our marketplace. Our foundation was built on strong ties to community, faith and family more than 128 years ago, and today, we remain true to our roots. I can truly say that I have been blessed with a career, which enabled me to touch so many lives and help make a difference.

I have enjoyed every opportunity afforded to me and the countless friendships developed through the years. I am looking forward to retirement, as well as the opportunity to continue working with my colleagues, and serving Univest and the community through my involvement on the board of directors. I am proud to be leaving an exceptional leadership team in place, and strongly believe Univest Corporation is well positioned to consistently perform as a leader in the markets we choose to serve.

Marvin A. Andrus

Chairman

December, 2004





The Year In Review

Dear Univest Shareholder:

We are pleased to report another year of solid achievements across our integrated platform of financial solutions for Univest Corporation. It was a year marked by many successes and challenges. In 2004, a low interest rate environment dominated our industry for the fourth consecutive year. While we started to see interest rates rise in the second half of the year, the financial impact from the first six months coupled with increased competition impacted industry performance. At Univest, we are proud of our financial achievement with net income reported of \$23,591,000. This represents a 2.2% increase over the previous record year.

In 2004, we continued to focus on upholding the high standards of our vision, mission and core values. Additional attention was given to providing outstanding service to our shareholders and delivering increased value. Our Board of Directors declared significant quarterly dividends of \$.25 per share, a 25% increase over each dividend paid in 2003. On June 25, we experienced a milestone when the Russell Index recognized Univest as one of the top 3,000 performing companies. We are pleased the investment community recognizes our solid performance and commitment to increasing shareholder value.

Univest's dedication to providing *Financial Solutions For Life* was apparent in our business activities and successes throughout the year. We made great strides in becoming a stronger integrated company, working hard to increase sales across all business lines and strengthening our brand in the community. In 2004, we continued the expansion of our financial service centers with the opening of our 36th office in Skippack, Montgomery County. Construction also began on our state-of-the art facility in Kulpsville, Montgomery County, which is expected to open in Spring 2005.

On December 23, Univest Corporation announced the acquisition of Donald K. Martin & Company, an insurance agency located in West Chester, PA. Donald K. Martin & Company, A Division of Univest Insurance, Inc., specializes in property and casualty insurance for commercial clients with a focus on the nonprofit sector. This exciting acquisition enables Univest to provide insurance solutions for the first time in Chester County.

Reaching out to the communities in our newer markets continues to be essential to helping us increase brand awareness. A notable achievement was the expansion of the 7th annual Univest Grand Prix. This year, we continued with the race held on Saturday in Souderton, and we unveiled the international cycling festival on Sunday in Doylestown, Bucks County. Thousands of cycling fans lined the race route as Univest introduced one of the region's most exciting sporting and community events.

We made key advances in technology for our customers, shareholders and employees in 2004. After several years of planning and preparation, we launched our new Web site located at www.univest.net. Featuring a more convenient design and new services, the site provides customers with easy access to free online banking, bill payment, e-statements and other helpful information. We also launched a new link from our Web site www.univest.net, providing shareholders access to industry, company, and shareholder data.

A major undertaking for 2004 was implementing the regulatory changes required by the Sarbanes-Oxley Act. Unlike many publicly held companies, Univest's approach was unique. Following our long-standing

He gives strength to the weary and increases the power of the weak, yea, to all who hope in the Lord will increase their strength. They will stand on wings like eagles; they will run and not grow weary; they will walk and not faint.

tradition of protecting our excellent reputation and exercising the highest standards of corporate governance, we chose to forego third party involvement and implemented the Act by engaging our employees. With their incredible support, hard work and dedication, we are in full compliance with Sarbanes-Oxley.

In September, Marvin A. Anders announced he would retire as Chairman of the Board, effective December 31, 2004, and an extensive management succession plan was presented. The plan aligns our executive management team with the evolving needs of our growing financial institution. William S. Aichele, who held the title of President and Chief Executive Officer of the Corporation and Bank, was also elected Chairman of the Corporation and its three subsidiaries. K. Leon Moyer, who held the title of Senior Executive Vice President for the Corporation and Bank, was elected to Senior Executive Vice President of the Corporation and President, Chief Operating Officer and Director for Univest National Bank and Trust Co. Wallace H. Bieler, who held the title of Senior Executive Vice President, Chief Financial Officer, and Corporate Secretary for the Corporation and Bank, was also elected Chief Operation Officer of Univest Corporation. Marvin A. Anders will continue to serve on the Univest Board of Directors.

In addition to Marvin's retirement, Martin Renninger, Executive Vice President of Univest Corporation, Chairman of Univest Investments, and Chairman and Chief Executive Officer of Univest Insurance retired after seven years. Laurence A. Moyer, Vice President and Residential Mortgage Originator for Univest National Bank and Trust Co. also retired after 30 years of service.

We are grateful for the strong leaders we have had at Univest throughout our 128-year history, helping us remain true to our mission and core values. The new leadership team is proud to continue this tradition of independence, serving our communities, and strengthening the Corporation through acquisition and organic growth.

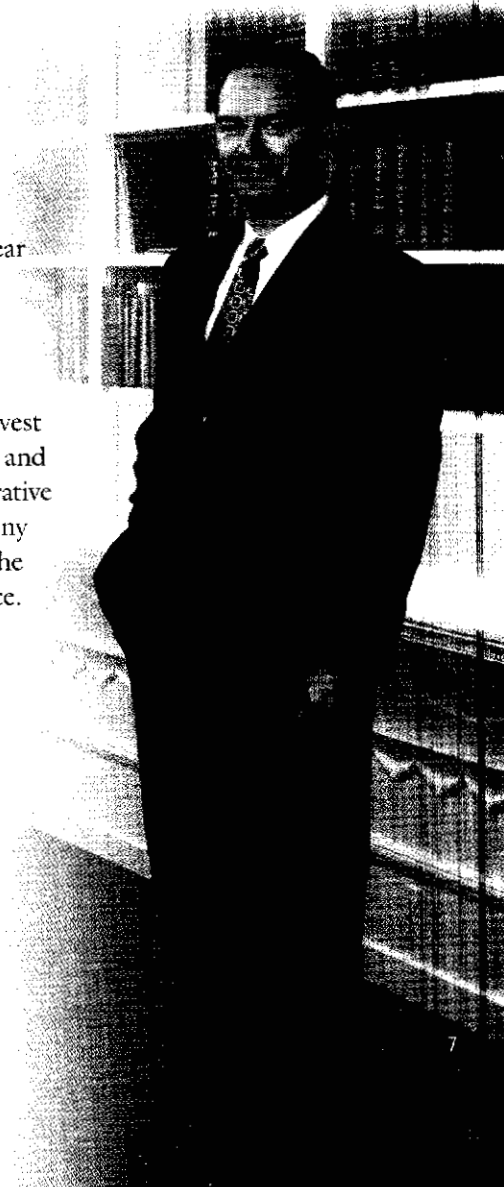
The success and progress of 2004 are a result of the energy and commitment of Univest employees at every level. This is evident in the story that unfolds in the pages ahead, and we want to express our sincere appreciation for their outstanding work. The 2004 narrative highlights our strong core values and the role they play in helping us achieve our many successes for employees, customers, shareholders and the community. On behalf of the entire Univest family, we want to say thank you for your loyal support and confidence.

Sincerely,

William S. Aichele

Chairman, President and Chief Executive Officer

January, 2005



Tradition

Unchanging Values


Throughout Univest's 128-year history, we have experienced many changes – a growing marketplace, increased competition, industry deregulation, advances in technology, new products and services and ever-changing regulatory requirements. We are proud that while the world around us continues to change, we strive to be a leader in the market and remain true to our roots. Our excellent leadership teams and dedicated employees strive to live out Univest's mission statement, demonstrating a deep commitment to the

organization's unchanging values. Our integrated successes in 2004 are due, in large measure, to our long-term commitment to tradition, excellence, spirituality, community and integrity. In these pages, we will share our highlights with you.

2004 Year in Review

The year 2004 proved to be one in which Univest made great strides in becoming a successfully integrated financial services provider. We elevated our brand in the marketplace and raised awareness for being more than a bank...offering, *Financial Solutions For Life*.

Univest has earned a reputation as one of the region's top performing financial holding companies. In an increasingly competitive market, our tradition of providing results through hard work and innovation helps to differentiate us. We continue to create long-term sustainable growth, building a strong balance sheet that helps us remain independent. In 2004, we once again lived up to that tradition. We delivered a 2.2 percent increase in net income, the highest in Univest's history, and increased our dividend payout to shareholders by 25 percent. For our customers, we delivered innovative solutions across business lines and continued to offer competitive rates in a changing rate environment.



In 2004, Univest appointed three new Retail Banking Regional Vice Presidents. From left to right: Cynthia D. Lauterbach, Stephanie A. Bowers, and Teresa A. Mason.

*We have a rich history built on time-honored values,
hard work and sound innovation.*

New Markets, New Solutions

On January 30, we celebrated the grand opening of a new financial service center in Skippack, Montgomery County. This office features an Express Banking Center, which provides business customers with 24-hour-a-day access to make deposits and receive rolled coin and bill exchanges. A Coin to Cash machine, available free of charge to customers and non-customers, is another added convenience.

Retail Banking launched a new line of checking accounts in May. The six new personal accounts range from Classic Checking with basic services, to Rewards Checking with several free benefits. Growth of core deposits remains a primary focus and these new accounts were designed to meet the individual banking needs of a wide range of customers.

Superior service is a Uninvest hallmark and a true characteristic of our culture. Our commitment to excellent service remains a competitive advantage in a market crowded with impersonal, regional and mega-banks. Part of delivering excellent service is identifying customers banking,

insurance and investment needs.

Our cross-selling initiative requires that every Uninvest associate – from teller to branch manager to financial advisor – listens carefully to our customers in order to assist them with their finances.

At Uninvest, we believe that our people are our most important asset. And in 2004, we placed many of our associates in new positions to take advantage of their talents and appropriately align the organization with the growing needs of our customers.



The vault is the most distinctive feature of our historic Souderton Office.



Integrated Successes

Despite sluggish economic recovery, many Univest business units performed extremely well. Strong real estate lending helped produce a double-digit increase in our Corporate Banking loan portfolio. Doubling its 2004 performance goal, our Private Banking business unit also experienced a solid year. Small business development, the lifeblood of our communities, experienced healthy growth in 2004, and Univest remained one of the top community bank providers of Small Business Administration (SBA) 7(a) loans. We were particularly proud when a long-time customer, Byers Choice, received district and regional SBA recognition for their growth and excellent business performance. Univest was also pleased to present Pocono Turf Supply Company, Inc. in Horsham, Montgomery County with the Univest 2004 Small Business of the Year award.

In 2004, Univest Insurance grew impressively despite a softening insurance market in which competition is stiff and rates are being reduced. As an independent agency, we are able to offer insurance through more than 50 carriers, including some of the strongest regional and national companies. Our commercial property and casualty insurance line remains the bedrock of our insurance business, while our group insurance offerings represent significant growth opportunities. With the cost of medical services continuing to rise, employee benefit solutions for our business clients are a strong point of differentiation.

Through the integrated efforts of Univest Insurance, Retail Banking and Wealth Management & Trust, we introduced a package of employer solutions to help meet the needs of our business customers. We worked together to help businesses research, design, plan and implement customized employee benefit packages with health, payroll, 401K and traditional banking solutions.



Univest representatives present the third Univest Small Business Achievement Award. From left to right: Patricia J. Kratz, William S. Aichele, Thomas J. Hunter of Pocono Turf Supply Company, Inc., K. Leon Moyer, and Ronald S. Price.

We provide personalized service and strong results to customers by delivering integrated solutions through teamwork, technology, and industry experience.

Enhanced Technology

To support our sales and customer service efforts, Univest associates employed a variety of new technology tools in 2004. We launched our new Web site, located at www.univest.net, featuring a more interactive environment. The newly designed site provides customers with easy access to free online banking, bill payment and links with additional services for shareholders. Creating and bringing the new site online was a true team effort, and the result underscores our ability to deliver integrated financial solutions through the ever-dynamic e-channel.

In addition to our enhanced Web site services, we are one of the few local community banks now able to provide our customers with electronic statements. This is a highly valued service for a growing number of customers who prefer to use the Internet for their banking needs. Customers now have the convenience of managing finances online, receiving statements in a timelier manner, and reducing paperwork.

In October, Univest adopted the Check 21 Act, the federal law that is designed to enable banks to process check images electronically, making the process faster and more efficient. While many banks in the industry struggled to implement the Act, it was a seamless transition for our customers who have been receiving check images since 2001.

We completed the first full year of using our Customer Relationship Management (CRM) software in 2004. While helping Univest associates to improve sales in banking, insurance and investments, the software also helps employees provide superior service to customers and better anticipate their future needs.

Kenneth L. Keller (left), Senior Vice President of Univest National Bank and Trust Co., works closely with customers to tailor the right solutions for their needs. With Keller is Donald D. Pearson of Kurfiss Real Estate, a new customer in 2004.



Spirituality

Univest's historical spiritual roots run deep, and they are evident daily in the way we treat and work with one another. We strive to do "the right thing," whether it's in our interactions with fellow employees, customers or the community.

One of the most notable expressions of this philosophy is the Univest Foundation. Incorporated in 2003 as a separate 501(c)(3) organization, the Foundation helps high net worth individuals and families design and

execute meaningful, mutually beneficial charitable donations to support worthy nonprofits. Through the Foundation, individuals can achieve significant tax advantages by supporting nonprofit organizations through endowments, gift funds, remainder and lead trusts and, beginning in 2005, gift annuities. In 2004, the Foundation increased its offerings to clients through a link on the new Web site www.univest.net, enabling convenient access to planning assistance, projections, calculators and other valuable tools and information.

Growing Relationships

In December 2004, Univest acquired the Donald K. Martin & Company insurance agency in West Chester, Pennsylvania. Through this agency's strong relationships with nonprofit organizations such as churches, senior adult communities and life care communities, we are enhancing the services we provide to faith-based and other vital community organizations. The acquisition also extends, for the first time, our footprint into Chester County, enabling us to provide these residents with access to the same full line of financial solutions available to our customers in Bucks and Montgomery counties.

Univest Insurance employees worked hard to grow the business in 2004. Pictured from left to right: Hervey W. Schofield, Gail M. Strohmeyer, William R. Erickson.



We believe in the basic goodness of our fellow men and women, and our actions are guided by a sense of compassion and moral responsibility.

Univest continues to be a leader in serving family businesses through our Corporate, Private and Retail Banking areas.

Generations of businesses and individuals have benefited from our full platform of financial solutions – from checking and savings to insurance and investments. We have many business customers who are second and third generation owners and have been banking with us for 20, 30 and even 40 or more years!

Increased competition in our region led to several banks adopting seven-day-a-week banking. While delivering excellent customer service remains a top priority at Univest, we recognize the importance of providing our employees with time to spend with their families. A healthy balance between work life and family life is critical to attracting and retaining high-performing employees and achieving overall success for the Corporation.

Providing a pleasant work environment and stimulating employment is part of what we do to create a fulfilling career for the associates of Univest. Listening to our employees is an essential part of creating a company for which they enjoy working. In 2004, we implemented a program to solicit employee input on job satisfaction, suggestions for improving current processes and programs and ideas for new initiatives. As a result of this program, we have started implementing many recommendations that will make Univest a better place to work and an organization that is even more responsive to customers and shareholders.



The Univest Insurance corporate office is located in Lansdale, Montgomery County.

Community

Univest's mission statement offers compelling evidence of how we view our role in the community: "Our purpose and philosophy is to be a strong, influential leader in the markets we choose to serve;" to "maintain an active role in our communities."

In 2004, a major operational focus was the continued assimilation of the financial service centers formerly under the First County and Suburban Community banners. These 2003 acquisitions gave



The remnants of Hurricane Ivan didn't deter competitors during the first day of the 2004 Univest Grand Prix in Souderton



The sun shown brightly on the inaugural running of the Univest Grand Prix in Doylestown. William S. Aichele congratulates the winners.

Univest a prominent foothold in Bucks County, and throughout 2004 we worked to build our brand, develop relationships and create new business opportunities. Our employees in these offices also got involved in their communities by joining local boards, supporting local causes, volunteering their time and in other ways contributing to civic life.

Serving Nonprofits

Our Corporate Banking operation continued its tradition of serving the nonprofit community, providing it with fair lending opportunities. Without Univest's support, many nonprofit organizations would not be able to do all of the good work they do throughout our communities. We don't just provide financing assistance. We take a more holistic, consultative approach and work to build relationships. We serve on nonprofit boards and offer our expertise to help them with their finances, fundraising and day-to-day operations.

In addition to our financial support to nonprofits, we also continue to be a leader in the Community Lenders Community Development Corporation (CDC). Founded in 1998, the consortium of community banks continues to provide low-interest financing for affordable housing and other community development projects.

We are socially responsible, committed to serving our communities through strong leadership, volunteerism and financial support.

Community Outreach

Beyond our support of various organizations throughout our marketplace, we have traditionally been an advocate for events driving community spirit and involvement. The Univest Grand Prix remains one of the most anticipated and colorful annual community events in southeastern Pennsylvania. This year, the event was held not only in Souderton, but was expanded to a second day in Doylestown. Top cycling teams from North America, France, Belgium, Holland and Italy participated in men and women's races. Spectators were treated to competitive races and enjoyed games, food, giveaways and more.

The second day of racing in one of our newer markets was a tremendous way for us to demonstrate our commitment to serving our communities. As the event grew, so did our support from the community, volunteers and businesses. In addition to other new sponsors, we were pleased to bring on a major contributor: Doylestown's daily newspaper, *The Intelligencer*. They joined Leidy's, Rosenberger's Dairies, Bergey's, Clemens Family Markets, Comcast SportsNet and WFMZ-TV. We want to extend our

grateful appreciation to the countless volunteers and local businesses that made the 7th annual Univest Grand Prix a success.

Our other significant community program is Univest Helping Hands, designed to encourage employees to become more involved in our communities and to educate the public on the need for volunteers. In 2004, we expanded our program reach into Bucks County by holding expo-style events in Doylestown and Langhorne. We hosted dozens of charitable organizations and provided employees and local residents an opportunity to sign up to volunteer with these important community resources.



Helping Univest celebrate the second Helping Hands Day in Bucks County was Buzzbee, the B-101 radio mascot.

Bergey's Dealership is a long-term Univest customer and a supporter of the Grand Prix. Anthony D. DaCosta (left), Retail Loan Originator for Univest, helps Bergey's Patricia A. Tucker provide financing for the dealership's customers.



Integrity

Employees, customers, shareholders and communities all value relationships that are built on integrity. For Uninvest, acting with integrity is not just how we deal with our various audiences; it is critical to the business success of an enterprise that offers a variety of financial solutions for customers. Increasingly, integrity also is at the heart of legislation that impacts our industry.

The Sarbanes-Oxley (SOX) Act was passed in 2003 as a reaction to the failure of several publicly held companies to live up to their responsibilities to employees,

shareholders and the public. One of the biggest challenges for many public companies in 2004 – including Uninvest – was implementing the necessary processes and operational changes to comply with SOX Section 404. This was a major undertaking, and Uninvest met the Act's requirements head-on by involving the entire Corporation. Employees were challenged to balance the time-consuming SOX requirements of re-evaluating and testing internal controls while handling their regular work responsibilities – and they came through with flying colors. The Corporation's external auditors commended this holistic approach because many other institutions outsourced their compliance responsibility.

Investment Solutions

To remain competitive in the marketplace and to respond to growing demands, Uninvest now offers investment options for various stages of life and asset classes. In conjunction with the launch of the Retail Banking checking series, we introduced Uninvest ShareBuilder, which enables customers to invest in more than 4,100 stocks and index securities

Integrity is demonstrated daily in the actions of our Wealth Management & Trust Group. Pictured from left to right: J. Matthew Holliday, Gary E. Brown, and Fern M. Zepp.

We believe employees, customers, shareholders and the communities we serve should be treated with honesty, fairness and respect.

automatically in any dollar amount. This is a simple, flexible and affordable way for individuals to purchase fractional shares of stock.

Univest Investments implemented new online brokerage capabilities targeting investors who want to manage their own finances. The strength of this program is that our experienced professionals deliver reliable, personalized guidance to open the account, then allow the customer increased flexibility to continue management of the account electronically.

Our Wealth Management & Trust group began offering clients Separately Managed Accounts, or SMAs. SMAs offer clients an opportunity to customize their portfolios, own individual securities and consolidate investments. Clients benefit from working with an experienced Univest senior financial advisor, choosing from an exclusive list of asset managers defined by asset class, and receiving one consolidated statement monthly.

Raising Our Profile

As Univest's scope of services continues to increase, so does our credibility and brand. Our Wealth Management & Trust operation experienced growth and

increased visibility in 2004 through the launch of an extensive media campaign. Throughout the year, we received a tremendous increase in media attention from the local, regional and national press including CNBC, Bloomberg TV, Forbes on Fox and CBS MarketWatch. Our representatives also were quoted in BusinessWeek, The Christian Science Monitor, Investment News, SmartMoney, USA Today and The Wall Street Journal, among others.

We also elevated the profile of Univest Investments among customers in 2004 and were able to assist more clients with a broader array of solutions.

The integration effort between Univest Investments and Retail Banking helped grow the business significantly. Approximately 75 percent of new business came in through the financial service centers, which underscores the importance of integrity and trust in Univest's ability to cross-sell a variety of services.



Used with Permission from Bloomberg L.P.



Wealth Management & Trust representatives are highly sought experts by the financial media.

Top – Gary S. Wolfer appears on Bloomberg TV

Bottom – James E. Fisher appears on Bloomberg TV



Unchanging Values

We have shared many of our 2004 highlights in the previous pages, identifying the strong connection between our values and our accomplishments. Our five core values – tradition, excellence, spirituality, community, and integrity – extend beyond our business highlights into the way we conduct business – and conduct ourselves – day in and day out.

Dedication and teamwork were critical to many Univest achievements throughout the year, especially with the advances we made in better integrating our services. Corporate Banking strengthened many customer relationships through Retail Banking's WorkLife program. Univest Insurance also benefited from strong integration with Corporate Banking leading the way with the most qualified referrals of any business line. Univest Investments saw strong referrals from other business areas, too. Clearly, a healthy referral system is built on trust – our customers' belief that they will find the same quality and personalized service they've discovered in one business line in other Univest financial solutions.

Despite the increases in interest rates that led to a decrease in the refinancing business, our Mortgage Banking area also continued to grow because of an increase in referrals. And, referrals came not just from our front-line sales staff, but from employees in all business lines and support areas. Mortgage Banking strengthened its scope of services to include, multi-family, mixed-use, and out of state property loans through relationships with other investors. Many customers were pleased to learn that Univest could provide their primary residential mortgage as well as financing for their vacation property. United Commercial Abstract, L.P., our full-service title insurance agency, is a convenient way for our customers to obtain title insurance for both residential and commercial mortgages.

Leadership Development

Univest analyzed the customer service and leadership skills of our associates and worked for improvement in 2004. We provided our employees with a variety of training programs to help develop their skills. We hosted another branch managers' seminar focused on connecting the new managers from our First County



Souderton: home of our oldest financial service center and our headquarters since 1876.

and Suburban Community acquisitions with other veteran team members so they would benefit from this strong support network. We will continue these educational efforts in 2005, working with our employees to provide them with the tools they need to make sure every service experience meets the high standards customers have come to expect from us.

Looking Ahead

In 2004, we enhanced our platform of solutions; worked internally to improve employee satisfaction and deliver excellent customer service; strengthened our ability to cross-sell solutions; and implemented a strategic planning process to create momentum into 2005. As we look ahead, using our mission and core values as our guiding principles, our primary focus is centered on increasing top line revenue, delivering excellent customer service and making significant progress toward becoming one of the best places to work in our region.

Univest's dedication to unchanging values in 2004 was a beacon in a sea of market change and uncertainty. Every day, the Corporation's employees embody these core values in their work and interactions in the community, enabling us to be a strong business success and a valued community resource. All our employees wish to thank you, the shareholders of our enterprise, for your continued support – and we look forward to working together to serve you and the needs of our communities in 2005.



ACTS Retirement-Life Communities' corporate headquarters are located in West Point, PA.

Univest is a valuable resource for area nonprofit organizations, providing financial solutions and volunteer consultative services. Pictured from left to right: Barry S. Stoltzfus of Univest, Gerald T. Grant of ACTS Retirement-Life Communities, Inc., and Ronald S. Price of Univest. Our relationship with ACTS spans decades.



Officers

as of January 1, 2005

UNIVEST CORPORATION OF PENNSYLVANIA

Executive Management Group

William S. Aichele,
*Chairman, President and
Chief Executive Officer*

Wallace H. Bieler,
*Senior Executive Vice President,
Chief Operation Officer,
Chief Financial Officer and
Corporate Secretary*

K. Leon Moyer,
Senior Executive Vice President

Duane J. Brobst, *Executive Vice
President, Chief Credit Officer*

Douglas R. Delp,
Executive Vice President

Kenneth D. Hochstetler,
Executive Vice President

Diane L. Koehler, *Executive Vice
President, Chief Risk Officer*

Ronald S. Price,
Executive Vice President

Barry L. Stoltzfus,
Executive Vice President

Richard R. Swartley,
Executive Vice President

George D. Terry, Jr.,
Executive Vice President

Senior Vice Presidents

Richard L. Boaman

G. Brian Cooper

Annette D. Szygiel

Vice Presidents

John R. Benner

Linda C. Cahill

Patricia S. Coleman

Barbara J. Cornell

Ted M. Doman

Suzanne M. Fleischmann

G. Jay Francis

Richard D. Juniper

Garry R. Kuhnle

Mary Beth Liddle

Mary L. Marger

William B. Meyer

Diane R. Moyer

Keith B. Paich

M. Theresa Schwartz

Lori L. Shelly

Karen E. Tejkl

Keith C. Thomas

UNIVEST NATIONAL BANK AND TRUST CO.

Executive Management Group

William S. Aichele, *Chairman
and Chief Executive Officer*

K. Leon Moyer, *President and
Chief Operating Officer*

Wallace H. Bieler,
*Senior Executive Vice President,
Chief Financial Officer and
Corporate Secretary*

Duane J. Brobst, *Executive Vice
President, Chief Credit Officer*

Douglas R. Delp,
Executive Vice President

Ronald S. Price,
Executive Vice President

Barry L. Stoltzfus,
Executive Vice President

George D. Terry, Jr.,
Executive Vice President

Executive Vice President

H. Paul Lewis

Senior Vice Presidents

Gary E. Brown

Aileen M. Connolly

J. Matthew Holliday

Kenneth L. Keller

John T. Landes

Rose A. Radcliff

Stephen D. Robinson

Vice Presidents

Stephanie A. Bowers

John J. Buczek

Thomas C. Cassidy, III

Vernon L. Clemmer

Gregory J. D'Angelo

John C. Dooley

John W. Duerksen

Carmella A. Faust

James E. Fisher

Darlene E. Grafton

David C. Groves

Darren G. Johnson

Patricia J. Kratz

Cynthia D. Lauterbach

William D. Maeglin

William F. Marks

Teresa A. Mason

Timothy E. Mininger

Richard W. Slabinski, Jr.

James M. Spindler

Raymon M. Staley

Timothy V. Swartley

Jane E. Ward

Harry A. Wenzel

Gary S. Wolfer

Fern M. Zepp

OTHER PRINCIPAL
SUBSIDIARIES UNIVEST
CORPORATION OF
PENNSYLVANIA

Univest Realty Corporation

Univest Reinsurance
Corporation

Univest Delaware, Inc.

UNIVEST INVESTMENTS, INC.

William S. Aichele, *Chairman*

Kenneth D. Hochstetler, *President*

Darren G. Johnson, *Vice President*

UNIVEST INSURANCE, INC.

William S. Aichele, *Chairman*

Kenneth D. Hochstetler,
President

George Becker, Jr.,
Senior Vice President

Donald K. Martin,
Senior Vice President

William R. Erickson,
Vice President

Christine D. Lightfoot,
Vice President

Hervey W. Schofield,
Vice President

Gail M. Strohmeyer,
Vice President

Richard Theis,
Vice President

Directors

as of January 1, 2005

William S. Aichele *†
*Chairman, President and Chief
Executive Officer, Univest
Corporation of Pennsylvania; and
Chairman, and Chief Executive
Officer, Univest National Bank
and Trust Co.*

Marvin A. Anders *†
*Retired Chairman, Univest
Corporation of Pennsylvania;
and Retired Chairman, Univest
National Bank and Trust Co.*

James L. Bergey *†
*President and Sales Manager
Abram W. Bergey & Sons, Inc.*

R. Lee Delp *
*Principal,
R.L. Delp & Company*

Richard W. Godshall, M.D.^o
Upper Bucks Orthopaedic Associates

Charles H. Hoeflich *†
*Chairman Emeritus, Univest
Corporation of Pennsylvania*

Norman L. Keller *
*Retired Executive Vice
President, Univest Corporation
of Pennsylvania*

Thomas K. Leidy *†
*President and Chief Executive
Officer, Leidy's, Inc.*

H. Ray Mininger *
*President,
H. Mininger & Son, Inc.*

William G. Morral^o
*Executive Director,
North Penn United Way*

K. Leon Moyer †
*President and Chief Operating
Officer, Univest National Bank
and Trust Co.*

Merrill S. Moyer *
*Retired Chairman, Univest
Corporation of Pennsylvania;
and Retired Chairman, Univest
National Bank and Trust Co.*

Paul Gregory Shelly *†
*President,
Shelly Enterprises, Inc.*

John U. Young *
*Consultant and Director
Alderfer Bologna Co., Inc.*

Margaret K. Zook^o
*Executive Director,
Souderton Mennonite Homes*

KEY

- * Director of Univest Corporation of Pennsylvania
- † Director of Univest National Bank and Trust Co.
- ^o Alternate Director of Univest Corporation of Pennsylvania

Locations

Univest Plaza Office

Corporate Headquarters
14 North Main Street
PO Box 64197
Souderton, PA 18964
1.800.660.4276 or 215.721.2400

Univest Investments, Inc.

14 North Main Street
PO Box 64197
Souderton, PA 18964
215.721.2112

Univest Insurance, Inc.

521 West Main Street
Lansdale, PA 19446
1.800.220.3077

Univest Insurance, Inc.

(West Chester Office)
27 South Church Street
West Chester, PA 19382
1.800.875.0227

Bensalem Office

3325 Street Road
4 Greenwood Square
Bensalem, PA 19020
215.244.9200

Buckingham Office

Hunt Acres Center
5006 York Road
Holicong, PA 18928
215.794.5916

Center Point Office

2960 Skippack Pike
Worcester, PA 19490
610.584.8450

Center Square Office

Clemens Market
1301 Skippack Pike
Center Square, PA 19422
610.279.3901

Chalfont Office

195 East Butler Avenue
Chalfont, PA 18914
215.996.1633

Doylestown Office

191 West State Street
Doylestown, PA 18901
215.348.7966

Doylestown Cross Keys Office

842 North Easton Road
Doylestown, PA 18901
215.348.8620

East Greenville Office

321 Main Street
East Greenville, PA 18041
215.679.7928

Feasterville Office

40 East Street Road
Feasterville, PA 19053
215.354.0330

Franconia Office

500 Harleysville Pike
Franconia, PA 18924
215.721.0707

Green Lane Office

101 Walnut Street
Green Lane, PA 18054
215.234.4511

Harleysville Office

Clemens Market
611 Main Street
Harleysville, PA 19438
215.256.8048

Hilltown Supermarket Office

Clemens Market
731 Route 113
Souderton, PA 18964
215.721.9863

Hilltown Office

Routes 113 & 309
Souderton, PA 18964
215.721.2471

Kulpsville Office

1715 Sumneytown Pike
Kulpsville, PA 19443
215.368.1666

Lansdale Area Office

2333 West Main Street, Suite 12
Lansdale, PA 19446
215.362.8835

Lansdale East Office

Clemens Market
620 East Main Street
Lansdale, PA 19446
215.412.9750

Line Lexington Office

Route 309 & Line Lexington Road
Line Lexington, PA 18932
215.822.3314

Milford Office

1950 John Fries Highway
Milford Square, PA 18935
215.536.4204

Montgomery Office

986 Bethlehem Pike
Montgomeryville, PA 18936
215.699.3525

New Britain Office

Clemens Market
202 Town Center
New Britain, PA 18901
215.345.8259

Newtown Office

3 Friends Lane
Newtown, PA 18940
215.504.2828

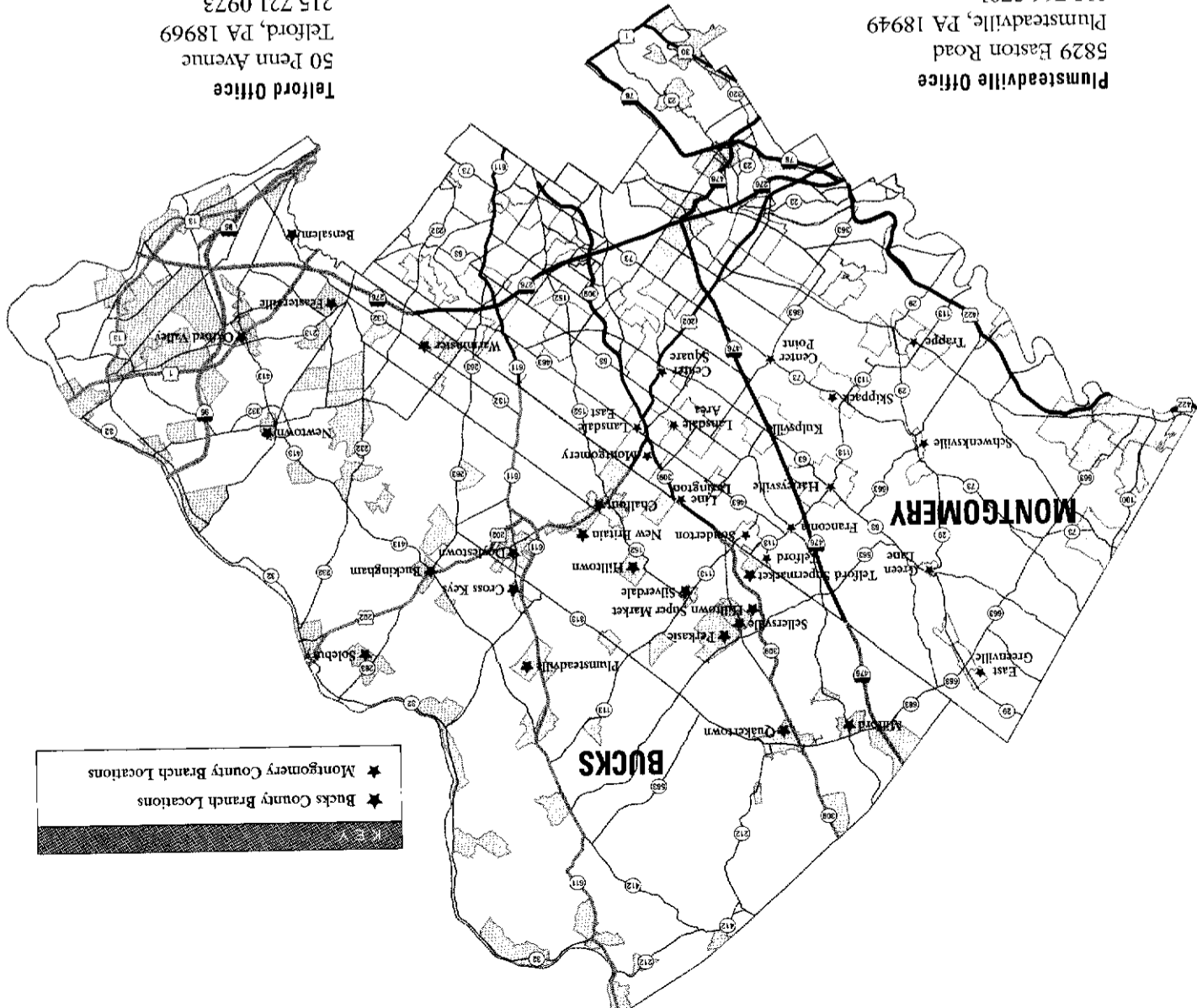
Oxford Valley Office

100 N. Buckstown Drive
Suite E-205
Langhorne, PA 19047
215.891.0201

Perkasie Office

545 Constitution Avenue
Perkasie, PA 18944
215.257.6607

- Plumsteadville Office**
5829 Easton Road
Plumsteadville, PA 18949
215.766.3701
- Quakertown Office**
Clemens Market
1465-7 West Broad Street
Quakertown, PA 18951
215.538.3407
- Schenksville Office**
415 Main Street
Schenksville, PA 19473
610.287.7811
- Sellersville Office**
835 Lawn Avenue
Sellersville, PA 18960
215.257.8060
- Souderton Office**
10 West Broad Street
Souderton, PA 18964
215.721.2464
- Silverdale Office**
103 Baringer Avenue
Silverdale, PA 18962
215.257.9600
- Skippack Office**
4285 Township Line Road
Schenksville, PA 19473
610.222.3923
- Solebury Office**
Logan Square Shopping Center
6542D York Road
New Hope, PA 18938
215.862.3750
- Warminster Office**
601 Louis Drive
Warminster, PA 18974
215.956.1611
- Telford Office**
50 Penn Avenue
Telford, PA 18969
215.721.0973
- Telford Supermarket Office**
Landis Market
2685 County Line Road
Telford, PA 18969
215.721.7412
- Trappe Office**
595 West Main Street
Trappe, PA 19426
610.454.0883



★ Bucks County Branch Locations
★ Montgomery County Branch Locations

Shareholder Information

Corporate Headquarters

Univest Plaza
14 North Main Street
P.O. Box 64197
Souderton, Pennsylvania 18964

Shareholders' Meeting

The Annual Shareholders' Meeting will take place at 10:45 a.m., Tuesday, April 12, 2005, in the Board Room at Univest Plaza, 14 North Main Street, Souderton, Pennsylvania.

Univest Stock Transfer Agent

For more information on Univest Corporation of Pennsylvania common stock, please call StockTrans, Inc. at 610.649.7300 or contact them at 44 West Lancaster Avenue, Ardmore, PA 19003. You may also click on our investor relations link at www.univest.net.

Univest Shareholder Information Hotline

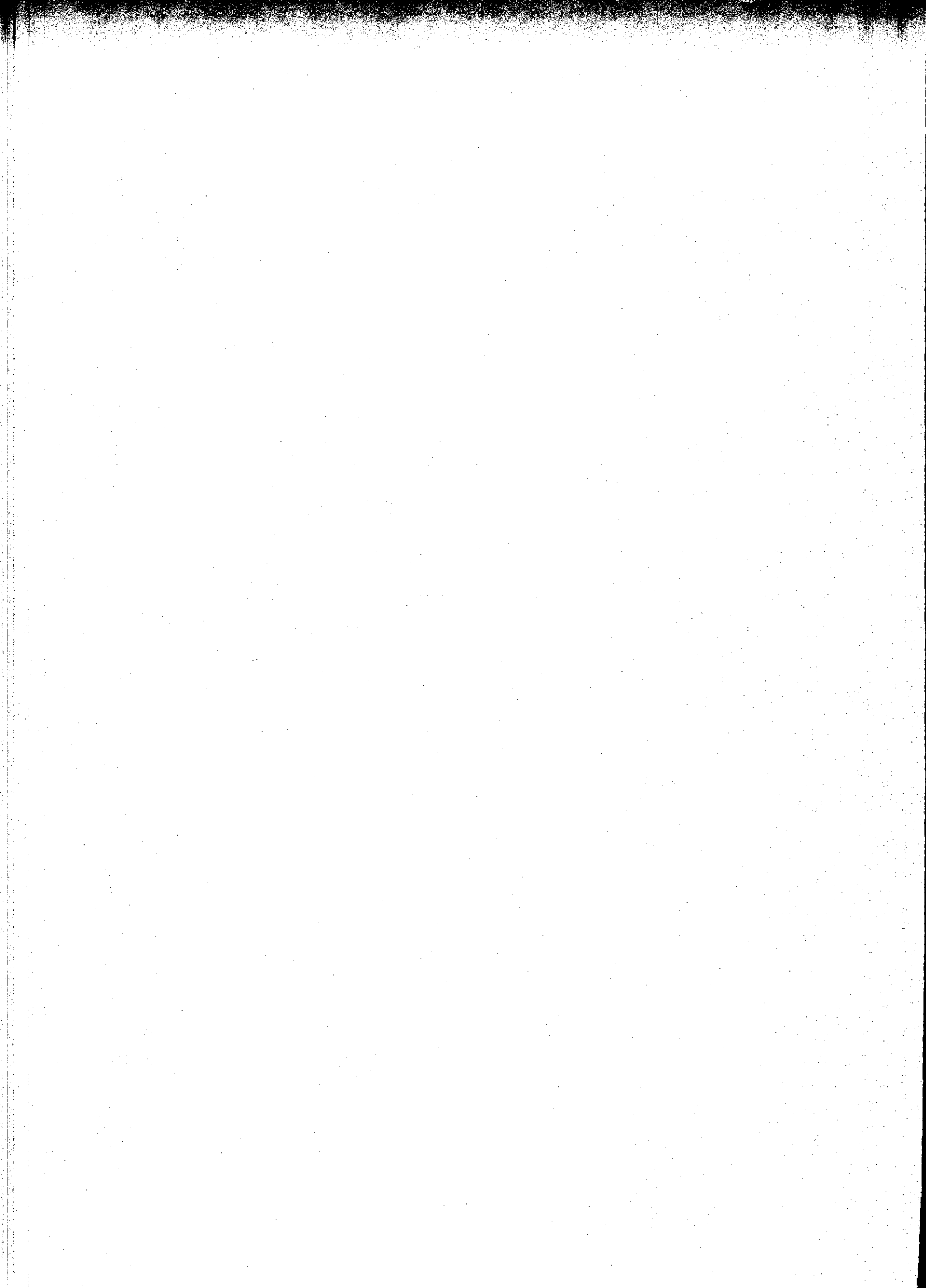
For more information on the Univest Corporation of Pennsylvania, please call 215.721.2434.

Market Makers for Univest Corporation of Pennsylvania Common Stock

Boenning & Scattergood, Inc.
Ferris Baker Watts, Inc.
Hill, Thompson, Magid & Co.
Janney Montgomery, LLC
Knight Securities, L.P.
Legg Mason Wood Walker, Inc.
Moors & Cabot, Inc.
Ryan Beck & Co., Inc.
Susquehanna Capital Group



Representatives from the Univest Family. (Clockwise from front) Aileen M. Connolly (Retail Banking), Janet A. Whitehead (Human Resources), Kimberly J. Detwiler (Marketing), Richard L. Boaman (Technology), Mary Beth Liddle (Finance & Accounting), G. Jay Francis (Security), William F. VanSant (Univest Investments), Joan E. Cossman (Electronic Services), Marnie L. Teterus (Administrative Support), Rose A. Radcliff (Corporate Banking), Michael Meyer (Property Management), and center Karen E. Tajki (Compliance).





400 N. MAIN STREET • P.O. BOX 100 • HUNTSVILLE, AL 35894 • 800.666.4221
UNIVERSITY OF ALABAMA SYSTEM