

A STEADY APPROACH

A Dependable

FINANCIAL PARTNER

2012 ANNUAL REPORT



BANKING | INSURANCE | INVESTMENTS

TABLE OF CONTENTS

Financial Performance	1
Letter to Shareholders	2-3
2012 Highlights	4-7
Officers and Board of Directors.....	8



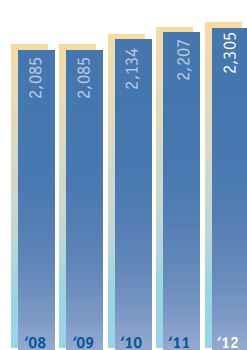
2012 FINANCIAL PERFORMANCE

At December 31, (Dollars in thousands)

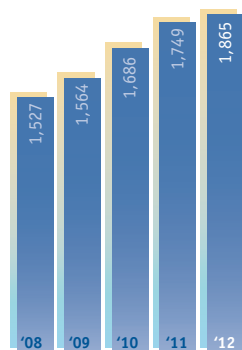
	2012	2011	2010
Cash and interest-earning deposits.....	\$ 146,112	\$ 107,377	\$ 29,187
Investment securities.....	499,579	471,165	467,024
Net loans and leases.....	1,457,116	1,416,536	1,440,288
Other assets.....	202,034	211,761	197,394
Total assets.....	\$ 2,304,841	\$ 2,206,839	\$2,133,893
Deposits.....	\$ 1,865,333	\$ 1,749,232	\$1,686,270
Borrowings.....	117,276	137,234	143,865
Other liabilities.....	37,955	47,394	37,534
Total liabilities.....	2,020,564	1,933,860	1,867,669
Shareholders' equity.....	284,277	272,979	266,224
Total liabilities and shareholders' equity.....	\$ 2,304,841	\$ 2,206,839	\$2,133,893

For the years ended December 31, (Dollars in thousands, except share and per share data)

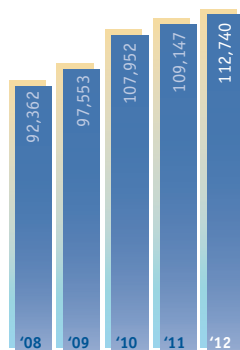
	2012	2011	2010
Interest income.....	\$ 80,654	\$ 85,468	\$ 91,003
Interest expense.....	8,174	10,728	17,469
Net interest income.....	72,480	74,740	73,534
Provision for loan and lease losses.....	10,035	17,479	21,565
Net interest income after provision for loan and lease losses.....	62,445	57,261	51,969
Noninterest income.....	40,260	34,407	34,418
Noninterest expense.....	76,282	68,010	67,349
Net income before income taxes.....	26,423	23,658	19,038
Applicable income taxes.....	5,551	4,776	3,282
Net income.....	\$ 20,872	\$ 18,882	\$ 15,756
Book value per share.....	\$ 16.95	\$ 16.34	\$ 15.99
Net income per share:			
Basic.....	1.25	1.13	0.95
Diluted.....	1.24	1.13	0.95
Dividends declared per share.....	0.80	0.80	0.80
Weighted average shares outstanding.....	16,761,184	16,742,898	16,598,284
Period end shares outstanding.....	16,770,232	16,702,376	16,648,303



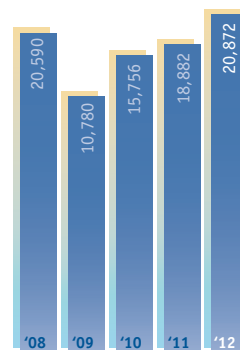
Total Assets
(IN MILLIONS)



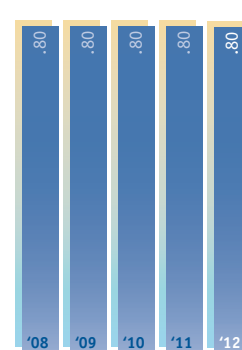
Total Deposits
(IN MILLIONS)



Total Revenue
(IN THOUSANDS)



Net Income
(IN THOUSANDS)



Dividends Declared
(PER SHARE)

To Our Family Of Shareholders, Customers And Employees

Our steady approach to growing the business and providing a fair profit for the Corporation and its shareholders is one of the reasons we are recognized as a dependable financial partner. In 2012, our loyal team of 620 employees worked tirelessly to build upon the trust you place in us to deliver solid earnings. Their efforts, expertise and commitment were reflected in our strong performance. We are pleased to report 2012 net income of \$20.9 million compared to \$18.9 million in 2011. This is an 11% increase in net income over the previous year.

Our strategic priorities – seize market share; organizational productivity and accountability; company-wide revenue; and enterprise-wide risk management – guided our actions in 2012. We streamlined products and were one of the first to expand our technology-driven solutions, improving efficiency and capitalizing on growing industry trends and customer preferences to utilize online and mobile channels. We took the necessary steps to protect Univest and our key stakeholders by judiciously expanding our risk management practices. We grew organically by welcoming and building new relationships across all of our subsidiaries. We also grew by expanding our insurance agency through the acquisition of Javers Group, Inc.

The acquisition of Javers Group coupled with increased contributions to revenue from our financial subsidiaries demonstrated our progress towards achieving our vision – to be the best integrated financial solutions provider in the market. Diversifying our business and revenue streams remains a priority as we continue to face pressures resulting from compressed margins and a slow economic recovery. By reshaping our business composition, we will reduce dependency on net interest income and increase opportunities to generate additional noninterest income.

Univest's ability to adapt to the changing financial landscape earned us great respect across the industry and within our local communities. Univest Bank and Trust Co. was recognized by the Philadelphia Business Journal (PBJ) once again as a top performing Small Business Administration lender based on loan volume. Univest Insurance, Inc., for the first time was recognized by the PBJ as one of the top 25 best employee benefits providers. And, the PBJ honored Univest Corporation for the fourth

consecutive year as one of the most philanthropic companies for our volunteer support and positive impact in the region. Our success is a result of our people, our integrated financial solutions and our commitment to community.

“Community” is one of Univest's core values, and making a difference in the communities we serve is a key part of our Mission Statement. In 2012, we increased awareness of our commitment to provide strong leadership, financial support and volunteer service to the communities we serve. Through our “Committed to Local” giving program, Univest positively transitioned from the Univest Grand Prix weekend community event to a year-long philanthropic program. The story of how we carry out our community core value will be highlighted in our inaugural philanthropic report to be released in April 2013. I encourage you to review this piece and learn more about our holistic approach to building community, which pays dividends for our brand and helps provide for our overall success.

Our future is indeed bright because of the strength of our integrated businesses and the talents of our people. We are blessed with strong leaders on our board, on our executive management team and across the organization. In October, one of our great leaders, H. Ray Mininger, retired from the Board of Directors after 17 years of service. His loyalty and strategic contributions helped Univest grow into the strong organization we have become. I want to recognize and thank Ray for his years of service. I would also like to introduce Thomas Scannapieco, who was appointed to the Board of Directors in January 2013. Tom is the President of Scannapieco Development Corporation, a firm constructing innovative residential and commercial properties throughout the Mid-Atlantic region. While his projects have been recipients of both local and national honors, he personally has received wide-spread recognition for his entrepreneurial success. We are confident Tom will follow in the footsteps of other great leaders at Univest and help us become an even stronger financial solutions provider.

Univest Corporation also made changes in January 2013 to its Executive Management Team to effectively position our leadership for tomorrow. Jeffrey M. Schweitzer was named President and Chief Operating



L to R: Jeffrey M. Schweitzer, William S. Aichele, K. Leon Moyer

Officer, and appointed as an Alternate Director of the Corporation. Michael S. Keim was named Executive Vice President and Chief Financial Officer, and Kenneth D. Hochstetler was named President of Wealth Management. Jeff, Mike and Ken have exhibited outstanding leadership qualities. In addition, they are strong supporters of the Univest culture and bring diverse experiences to these key roles. We are certain their contributions will help guide our continued growth, enabling us to remain an independent, community-minded financial institution.

The following pages share in greater detail our success in 2012, which has remained possible, first, because of our people, and also because of our steadfast approach and well capitalized position. I am confident you will be pleased with our accomplishments as well as our plans for continued growth. Together, we will work to achieve even stronger performance and sustain a stable future for the benefit of our employees, customers, shareholders and communities. On behalf of the entire Univest family, we thank you for your support and investment.

Sincerely,

William S. Aichele
Chairman and Chief Executive Officer
January 31, 2013

A STEADY APPROACH A Dependable Financial Partner

Since 1876, Univest Corporation of Pennsylvania has grown and prospered as a result of our unwavering business philosophy and steady and balanced approach to serving our employees, customers, shareholders and communities. We earned our position as one of the region's most dependable financial institutions because of our commitment to stable growth and relentless pursuit of our mission, vision and core values.

Now, after five years of a challenging economic environment, steadiness in a financial institution is viewed as “expected” by some – and “not good enough” by others. While there are many opinions on how banks should operate and position themselves to serve their customers, we believe we earned our solid reputation as a result of our focused business strategy and commitment to delivering a differentiated experience to the people who work for us, the people we serve and the people who invest in our future.

In 2012, Univest once again demonstrated the benefits of our steady business approach, and we defined – through the decisions we made and the performance we achieved – a “dependable financial partner.” Dependability in today's economic environment doesn't mean holding steady, but, instead, moving resolutely forward, while building trust in our actions. At Univest, our people, culture, innovations, processes, systems, corporate governance, risk management and strategic focus are all factors which play a role in our success.

**Dependability
means moving
resolutely
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building trust in
our actions.**

A FOCUSED STRATEGIC PLAN A Reliable Team of Experts

Our 2012 strategic plan articulated four business priorities to guide our decisions and actions for the year. Together, our experienced and dedicated employees focused on increasing organizational productivity and accountability, growing company-wide revenue, seizing market share and strengthening enterprise-wide risk management practices.

Organizational productivity and accountability involved a variety of strategies to improve our efficiency and assess the revenue contributions of employees. In addition, we evaluated our systems to understand how new technology could strengthen our operation. Realizing ongoing investments in technology would be critical for long-term success, Univest Corporation named Eric W. Conner Executive Vice President and Chief Technology Officer. In addition to using technology to improve organizational efficiency, Eric is charged with maximizing the technology platform, making our financial solutions more conveniently accessible to our customers.

Studies conducted on organizational accountability and productivity helped us identify areas for improvement. We continued to make progress in streamlining solutions and introducing capabilities to generate new revenue streams. These actions also contributed to achievements in growing company-wide revenue and seizing market share, two of our other strategic priorities.

After several years of investing in the Univest

brand, we have seen a significant increase in awareness of our Corporation. This, coupled with the execution of multi-channel marketing and communications initiatives, helped us to gain further equity in our brand and seize market share. In 2012, we moved from sixth to the fifth largest bank ranked by deposit market share in the combined Bucks and Montgomery County market.

Since the financial crisis in 2008, the financial industry has faced an unprecedented increase in new regulatory requirements. These changes led Univest to identify enterprise-wide risk management practices as the fourth strategic priority for 2012. We have always followed the basic principle of creating shareholder value by protecting our Company's reputation through stringent ethical standards, accountability, strong risk management practices and a robust strategic planning process.

In 2012, we took our risk management practices to a higher level by beginning the process of completing risk appetite statements. These statements define acceptable risk tolerance levels specific to each line of business, enabling us to achieve profitable growth consistent with our strategic objectives.

A STRONG CAPITAL POSITION Solid Financial Performance

By successfully implementing our strategic plan, Univest was able to increase earnings and report solid performance compared to our peers. Net income for the year ended December 31, 2012, was \$20.9 million or \$1.24 diluted earnings per share. This is an increase of 11% over the prior year.

Our growing volume of business with existing and new customers, balanced and diversified revenue streams and improved asset quality are strengths of our business. As the economy has negatively impacted banks' ability to grow, the contributions from our other financial subsidiaries are evermore important in offsetting compressed net interest margins, lackluster loan demand and rising operating costs. The strong performance in 2012 from Univest Investments, Inc., Univest Insurance, Inc., Univest Capital Inc. and

We increased earnings and reported solid performance compared to our peers.

other fee-generating lines of business including trust, wealth management and mortgage banking, are moving us closer to achieving our long-term diversification strategy. In 2012, 70% of our revenue came from the bank and 30% came from our other financial subsidiaries. Long term, we are working to achieve a revenue mix of 60% and 40%, respectively.

Our solid capital position provides Univest with the opportunity to operate from a position of strength. In 2012, we continued to invest in the future success of our business with the most significant capital investment being the acquisition of Javers Group, a regional, full-service employee benefits agency specializing in comprehensive human resource management, payroll and administrative services for businesses with 50 to 1,000 employees.

We also shared our success by continuing to pay a consistent dividend to our loyal shareholders. In addition, investments were made in attracting and retaining top talent to Univest. We rewarded employees for their contributions and welcomed other revenue-generating employees, across all of our primary business lines, to fuel new opportunities.

“Capital is King,” and many institutions are not as fortunate to be in our position. Even with the pending Basel III reform measures, whose aim is to improve the banking sector’s ability to deal with financial and economic stress, improve risk management and strengthen banks’ transparency, we expect to maintain our solid capital position.

A CLEAR VISION A Diverse Team of Professionals

Univest’s diversification strategy aligns with our vision to be the best integrated financial solutions provider in the market. Our steady progress in building our integrated success can be attributed to a healthy and active internal sales culture, which has benefited the Corporation through increased referrals between our traditional and subsidiary businesses. In addition, it has expanded our geographic reach, which now extends well beyond the Philadelphia area. For example, our

Municipal Pension Services team serves municipalities across the state, and has secured several opportunities, particularly around Pittsburgh. Univest Capital, our only nationwide subsidiary, finds some of its biggest business opportunities in California, Texas and Florida. And a benefit of Univest Insurance’s acquisition of Javers Group is further penetration of our insurance business into our expanded geographic market which includes New Jersey, New York and Maryland.

While we are actively working to increase our integrated successes across all of our subsidiaries, we haven’t lost sight of the strength of our core business. Univest Bank and Trust Co. is the subsidiary which contributes the majority of our top-line revenue. In 2012, we continued to focus on the basics – growing deposits, originating loans and innovating new products to attract and expand customer relationships.

Total deposits increased \$116.1 million from December 31, 2011, partially due to the Consumer Banking team’s focus on attracting younger customers – Generation X and Generation Y (ages 18-45).

These segments are an attractive target audience because of their future earning potential and preference for using technology to manage their finances. As a result, we increased our technology-driven solutions and actively worked to raise awareness of our capabilities. One significant change and improvement we initiated was the outfitting of our branches with iPads as a way to improve the in-branch sales experience and introduce our customers to these new, convenient



**In 2012, 70%
of our revenue
came from the
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solutions. And in October, we became the first community bank in the region to offer Remote Deposit Anywhere, through which our customers can simply and securely deposit checks from an iPhone® into a Univest account.

While loan demand remained sluggish for consumers and businesses, our Corporate Banking business experienced growth as more businesses realized the value in working with a local, dependable partner. Overall, Univest increased gross loans and leases by \$35.5 million during the year, and in our Lehigh Valley market, an expansion market we entered just three years ago, we surpassed \$100 million in loans outstanding.

Industry wide, nonperforming loans remained higher for many institutions than they have been historically. Univest was no exception; however, by working closely with our customers, our provision for loan losses decreased, reflecting improved asset quality.

In our Mortgage Banking business, historically low interest rates helped fuel significant refinancing activity, and an increase in new homes purchased was one of the first signs that the local economy was improving. As a result, our Mortgage Banking team increased funded loan production from \$236 million in 2011 to \$390 million in 2012, and we plan to continue investing in and growing this line of business. In March, we introduced an Interest-Only Home Equity Line of Credit, offering another borrowing option at a time when consumers began showing renewed confidence in the economy.

With the completion of the acquisition of Javers Group in May, Univest Insurance surpassed the \$100 million mark in total written premium.

We continue to expand the agency and now offer human resource consulting and payroll services to our customers.

With the addition of new revenue producing talent

at Univest Capital, we were able to grow our equipment finance subsidiary by 14.5% in 2012 as we continue to further diversify our lending portfolio and manage our overall risk.

And after the long economic downturn, many consumers were once again looking to invest in the markets, resulting in Univest achieving \$2.5 billion of assets under management by our Investment, Wealth Management and Trust businesses combined.

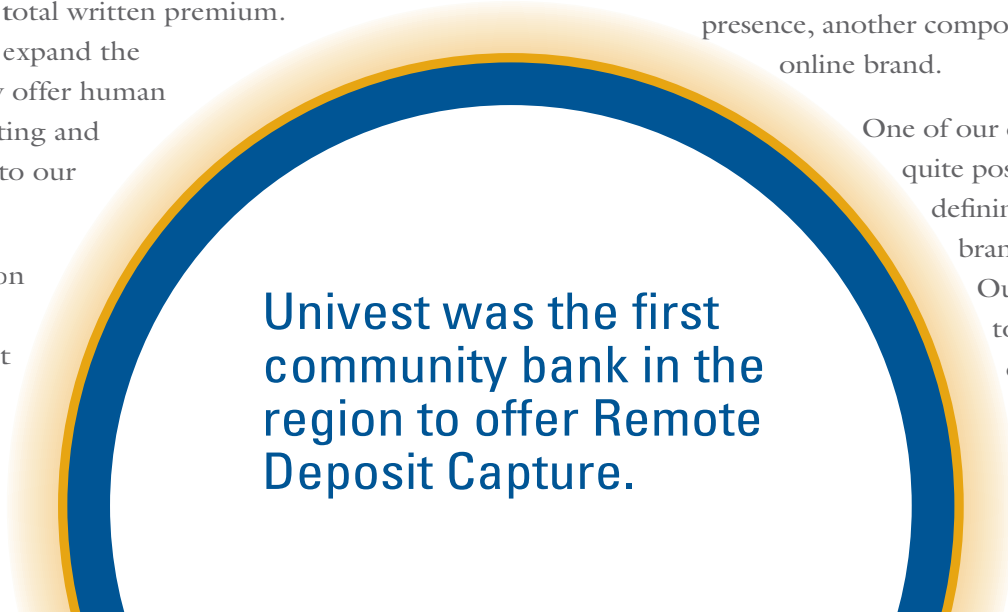
A STRONG BRAND A Trusted Community Partner

Attracting new relationships and seizing opportunities to grow the business doesn't just happen. It takes strong brand awareness coupled with solid sales execution. Our focus in 2012 was on both – elevating our brand and attracting and retaining talented associates.

We built upon the investments made over the last several years and deployed a unified branding plan. Our goal was to raise visibility of the Univest brand and communicate targeted messages in order to build relationships. In order to attract and serve customers, we employed multi-channel marketing and communications promotions, emphasized technology as a means of delivering financial solutions to our customers and increased our focus on the Univest online and mobile experience.

In July, we introduced a new look to our website, univest.net. The new site offers enhancements that improve navigation, streamline content and strengthen the overall customer experience. Traffic to the Univest website increased 16% in 2012 and connected additional visitors to our Facebook site, enhancing our social presence, another component of a strong online brand.

One of our core values – and quite possibly the most defining aspect of our brand – is community. Our commitment to our local communities was



Univest was the first community bank in the region to offer Remote Deposit Capture.

communicated more widely and consistently than ever in 2012 as we incorporated a local philanthropic giving initiative into our “Committed to Local” giving program. We engaged our local communities in this initiative, encouraging greater awareness of and appreciation for our valuable community philanthropic resources through our Facebook page. One of the results was a more-than-ten-fold increase in Facebook “Likes” between 2011 and 2012. More importantly, the philanthropic giving initiative resulted in Univest making sizable donations to several local nonprofits that helped strengthen our communities; Univest gave back more than \$1 million to the community, and our employees volunteered more than 13,500 hours to local nonprofits and community organizations.

Another way we demonstrate our commitment to being a socially responsible company is by investing in financial education and literacy in the communities we serve. In 2012, we educated more than 1,000 students through classroom visits, online financial training programs and special group visits. In conjunction with our financial literacy lessons, our mascots, Buck and Penny, gained notoriety throughout the region by appearing at schools and libraries to make learning fun for grade school children.

A STRONG FOUNDATION A SOLID YEAR A Future of Endless Possibilities

With the completion of another successful year, we reflect on our accomplishments and look for new opportunities to build a bright future. Our industry has experienced tremendous change, which we believe will only accelerate in the years ahead. At Univest, we have embraced change and have already taken significant steps to implement new initiatives, modify existing programs and move in new directions. We believe these actions will help strengthen productivity, improve efficiency, maximize our integrated platform – and build the business.

While we cannot predict the future, we know the steady approach we take will continue to guide our actions. We believe we are building our future on an exceptionally strong foundation of:

- an experienced and motivated team with a deep commitment to customer service
- an integrated array of financial solutions being delivered to a growing marketplace
- an unwavering commitment to support our communities
- and the capital and liquidity to support our growth

And finally, we know as we deliver on our promise to help our customers achieve their financial dreams, our employees to realize satisfying careers, our shareholders to reap the value of their investments and our communities to benefit from our support, we will remain a vital and dependable partner.

Univest gave back more than \$1 million and our employees volunteered more than 13,500 hours.



As of January 1, 2013

Univest Corporation of Pennsylvania

Executive Management Team

William S. Aichele
Chairman and Chief Executive Officer

K. Leon Moyer
Vice Chairman

Jeffrey M. Schweitzer
President and Chief Operating Officer

Kenneth D. Hochstetler
Senior Executive Vice President

Duane J. Brobst
Executive Vice President and Chief Risk Officer

Michael S. Keim
Executive Vice President and Chief Financial Officer

Louis P. Spinelli
Executive Vice President and
Director of Consumer Strategy and Delivery

Annette D. Szygiel
Executive Vice President and Chief Experience Officer

Other Wholly-Owned Subsidiaries

Allied Benefits Group, LLC
Delview, Inc.
TCG Investment Advisory, Inc.
Univest Capital Trust I
Univest Delaware, Inc.

Univest Bank and Trust Co.

Executive Management Team

William S. Aichele
Chairman

K. Leon Moyer
President and Chief Executive Officer

Jeffrey M. Schweitzer
Senior Executive Vice President

Kenneth D. Hochstetler
President, Wealth Management

Philip C. Jackson
President, Corporate Banking

Duane J. Brobst
Executive Vice President and Chief Risk Officer

Michael S. Keim
Executive Vice President and Chief Financial Officer

Louis P. Spinelli
Executive Vice President and
Director of Consumer Strategy and Delivery

Univest Investments, Inc.

William S. Aichele, Chairman
Kenneth D. Hochstetler, President
Jeffrey M. Schweitzer, Secretary/Treasurer

Univest Insurance, Inc.

William S. Aichele, Chairman
Ronald R. Flaherty, President
Jeffrey M. Schweitzer, Secretary/Treasurer

Univest Capital, Inc. (Subsidiary of Univest Bank and Trust Co.)

Hugh W. Connelly, President
Jeffrey M. Schweitzer, Secretary/Treasurer

Please visit univest.net for a complete list of locations for Univest Corporation and our subsidiaries.

Board of Directors

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

Douglas C. Clemens*
President, Clemens Food Group

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

H. Paul Lewis*†
Vice President/Sales Agent,
Bucks County Commercial Realty, Inc.;
Retired Executive Vice President,
Univest Bank and Trust Co.

William G. Morral, CPA*
Financial Consultant,
Former CFO of Moyer Packing Company

K. Leon Moyer†^o
Vice Chairman,
Univest Corporation of Pennsylvania;
President and Chief Executive Officer,
Univest Bank and Trust Co.

Thomas Scannapieco^o
President,
Scannapieco Development Corporation

Mark A. Schlosser*
Secretary/Treasurer, Schlosser Steel, Inc.

Jeffrey M. Schweitzer^o
President and Chief Operating Officer,
Univest Corporation of Pennsylvania;
Senior Executive Vice President,
Univest Bank and Trust Co.

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

Margaret K. Zook*
Board Chair, The Penn Foundation;
Retired Executive Director,
Souderton Mennonite Homes

SHAREHOLDER INFORMATION

Shareholders' Meeting

The Annual Shareholders' Meeting will take place at 10:45 a.m., Tuesday, April 16, 2013, 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 Broadridge Corporate Issuer Solutions at 1.866.321.8021 or contact them at 1717 Arch Street, Suite 1300, Philadelphia, PA 19103. You may also click on our investor relations link at www.univest.net.

Univest Shareholder Information Hotline

For more information on Univest Corporation of Pennsylvania, please call 877.723.5571 or 215.721.2434.

Common Stock Information

Traded on the NASDAQ National Market, Symbol: UVSP.

Market Makers For Univest Corporation Of Pennsylvania Common Stock

Boenning & Scattergood, Inc.
Goldman, Sachs & Co.
Janney Montgomery Scott LLC
Keefe Bruyette & Woods, Inc.
Morgan Stanley & Co., Inc.
UBS Securities LLC

"He gives strength to the weary and increases the power of the weak... but those who hope in the Lord will renew their strength. They will soar on wings like eagles; they will run and not grow weary, they will walk and not be faint."
- Isaiah 40:29



Top 25 Employee Benefit Firms



Top 25 SBA Lender



Top Volunteer Donor



Top Community Impact Award



Rated 5 Stars by Bauer Financial



BANKING | INSURANCE | INVESTMENTS

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