

First Community Corporation

# MORE THAN A NUMBER

2015

FIRST COMMUNITY CORPORATION  
ANNUAL REPORT



**19.6%**

NET INCOME GROWTH

---

**\$228M**

LOAN PRODUCTION

---

**+34%**

SHAREHOLDER RETURN

---

**\$62.3M**

PURE DEPOSIT GROWTH

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AND **20** YEARS  
IN BUSINESS

This year's numbers speak for themselves. And yet, they fail to express our pride in the countless housewarmings, ribbon cuttings and retirement parties we've helped make possible. They can't articulate the importance of a team united in its focus and drive, nor give voice to our belief that common courtesy is the backbone of smart business.

At First Community Bank, we know our financial success is the direct result of the relationships we've built and the values we share. Just as we have these past 20 years, we will continue to reach new heights by treating our customers as neighbors, not as statistics. Ultimately, this year's numbers are both return and reflection on our investment in the communities we're honored to call home.

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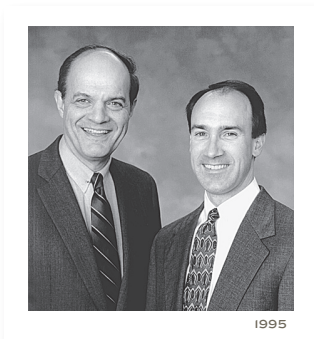
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FINANCIALS

Dear shareholders,

When we started First Community Bank in 1995, we had a vision of a locally owned bank that could serve the needs of Midlands business owners. We wanted our offerings to reflect the unique identities of each of the neighborhoods we served, to build something of value in and for our community. And we wanted to do things right. Twenty years later, I'm humbled by the unwavering support of our customers, the growth of our bank, and the success we've shared with you, our shareholders.



In 1995, Mike Crapps and Jim Leventis founded First Community Bank, opening locations in Lexington and Forest Acres. For 15 years, Jim's insight and thoughtful counsel as Chairman of the Board led our organization to new heights. After retiring in 2009, he continued to serve as Chairman Emeritus, offering his guidance as we embarked on a phase of remarkable growth.

Our success would not have been possible without the tireless efforts of one man: Jim Leventis. Jim put people first, always, and his servant-style of leadership continues to be a hallmark of our bank's approach. Jim passed away this November, but his compassion and heartfelt interest in all our lives will forever shape the way we do business. While we mourn his loss, we honor his legacy by continuing to listen to our clients and working diligently to address their concerns.

The numbers detailed in this year's report are testament to the value of hard work, the satisfaction in a job well done, and the importance of caring for our fellow community members—all principles Jim surely embodied. As we look back on this year's financial growth, I'm reminded of my role model and dear friend's belief that, by helping each other along day-by-day, we can achieve a better, more successful tomorrow. Because of Jim, we are more than a bank. We are true partners in the communities we know and love, and we look forward to their continued prosperity.

A handwritten signature in black ink that reads "Mike Crapps".

Mike Crapps  
President and CEO



# MORE THAN A VALUE PROPOSITION

We go out. We listen. We return,  
refine, respond. We go out again.

Then, we listen closer.

2015

**\$6.1M**

2015 NET INCOME

---

**19.6%**

NET INCOME GROWTH

---

**+34%**

SHAREHOLDER RETURN

In 1995, we heard loud and clear the local business community's desire for a financial partner versed in its markets, understanding of its complexities and deeply vested in its long term growth. We heard opportunity in business owners' frustrations, possibility in their desire for a bank uniquely focused on their needs. And so, just as out-of-state conglomerates subsumed other Main Street banks, we founded a different kind of financial institution.

Since then, we've entered new markets, expanded our product lines and completed a few well-matched mergers and acquisitions of our own. We've seen startups become community stalwarts and young entrepreneurs become respected CEOs. We've seen recession and recovery, increased regulation, changing market tides and unprecedented transformation. Through it all, we've seen that the most profitable practices are those that put our customers' success at the heart of our own.

Twenty years later, we're pleased to report that our commitment to service and stewardship has again proven its value. Led by strong organic growth in both loans and deposits, 2015 was yet another remarkable year in the life of First Community Bank. Net income available to shareholders grew to \$6.1 million, a 19.6 percent increase over 2014 earnings. Diluted earnings rose to \$0.91 per common share, an increase of 16.7 percent, while share price increased from \$11.31 on December 31, 2014, to \$14.92 on December 31, 2015. We also achieved a total shareholder return of 34.4 percent in 2015, as compared to the NASDAQ Bank Index growth of 8.8 percent.



# MORE THAN A TRANSACTION

We know the relationships we cultivate today  
will yield direct dividends tomorrow.

And we're still growing, one client at a time.

2015



**+10.2%**

**\$45.3M**

NET LOAN GROWTH

---

**+11.9%**

**\$62.3M**

PURE DEPOSIT GROWTH

We understand why business owners lose sleep at night and the challenges inherent to deciding whether the next opportunity is in fact the right opportunity. Our team is respectful of our clients' concerns, and we share in their ambitions. Now, as the largest community bank in the Midlands, we have both the firepower and the lending capacity to match their stride.

This year, total loan production equaled \$228 million with a net loan growth of \$45.3 million, an increase of 10.2 percent. Internal realignment, a targeted sales and marketing plan and a more aggressive pricing model contributed to this success. Our entry into the Aiken and Augusta markets, combined with our increased visibility in the heart of downtown Columbia, further served to bring new clientele through our doors. But truly, it was the character, expertise and renewed determination of our commercial bankers that turned leads into loans.

What's more, because our team concentrated both on cultivating new relationships and nurturing existing bonds, we also saw significant growth in our pure deposits. In 2015, we enjoyed pure deposit growth (including customer cash management accounts) of \$62.3 million, an 11.9 percent increase over the previous year.

As we look to the coming year, loan production will remain an area of intense focus. Given our current level of liquidity and continued success in pure deposit growth, we have the funding available to support the business owners who live and work right here in our communities, and we will continue to invest in their dreams.



# MORE THAN A 9 TO 5

Sometimes, it's the insights we glean once the meeting has ended that are most revealing.

We take care of clients before and after they clock out.

2015

**\$1.3M**

FCFC REVENUE

**\$3.4M**

MORTGAGE DIVISION  
REVENUE

**\$111M**

**+22.6%**

MORTGAGE DIVISION  
LOANS

We've long recognized that local business owners weave the fabric of our local economy and communities. From the beginning, we've been here to meet with them, counsel them, and help them plan for the future, taking care of their holistic financial health as well as their immediate business needs.

In 2008, it was conversations with our clients—and their admission that retirement planning was more an afterthought than a first priority—that led us to establish First Community Financial Consultants. We've since encouraged our customers to take the time to articulate their professional and personal goals, helping them initiate and refine investment strategies that will lead to long-term security. Today, FCFC is thriving in its new offices at our Lady Street location. Heightened visibility and access to the downtown business community led to the generation of \$1.287 million in revenue in 2015; we continue to expect strong returns from this line of business.

Equally integral to serving our clients' needs, this year was also a success for our mortgage line of business. In 2015, the division brought in \$3.4 million in revenue and produced \$111.4 million in loans, an increase of \$20.6 million (22.6 percent) over the previous year. This year also saw our lenders rally around the Midlands community in unprecedented ways. When record-breaking floodwaters swept the Columbia area, our team pitched in to help whenever and however possible, rebuilding right alongside our customers. In the wake of the flood, we were reminded of what truly matters: family, friends, community and home.

Looking forward, it's this spirit of service that will continue to guide our every decision. While the regulatory spotlight on mortgage lending remains intense, we see opportunity amid increasingly stringent requirements. By optimizing our processes, we can improve our customers' buying experience and ensure that their path toward home ownership is marked with joy and efficiency.



# MORE THAN BUSINESS AS USUAL

Earnings. Assets. Income.  
These are the highlights of our narrative.

But, the real story is borne of the way  
we do business.

2015

Our 20th anniversary is both testament to and reflection of our passionate interest in customer experience.

**20**  
YEARS  
**15**  
OFFICES

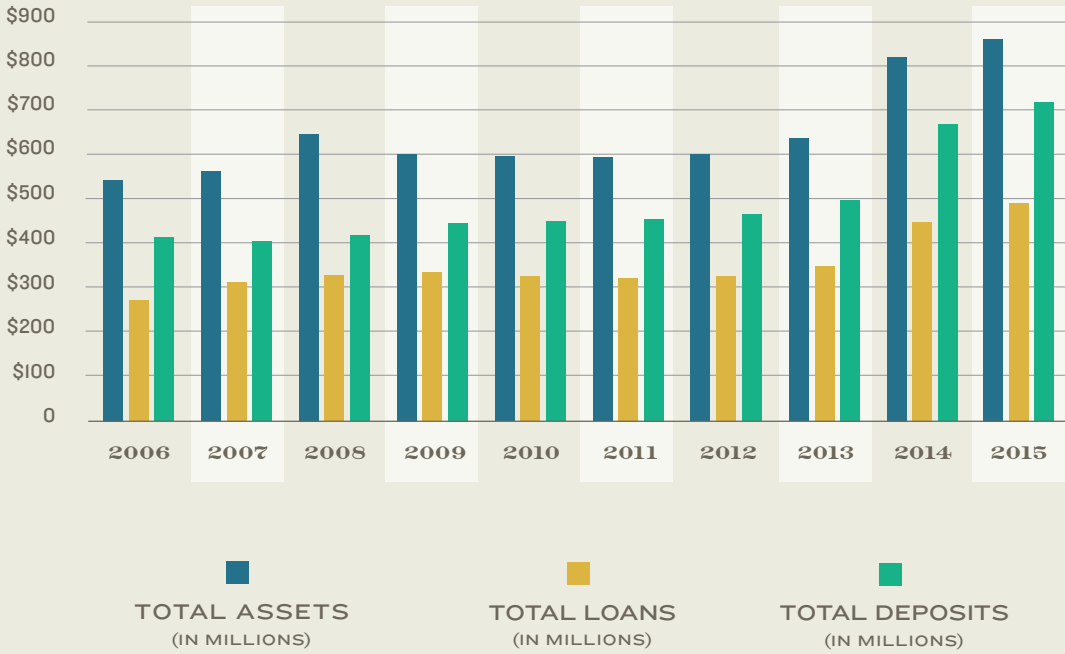
Perhaps it's fitting, then, that we celebrated the grand opening of our 15th new banking office in Blythewood, South Carolina, a vibrant community ideally suited to our style of personalized banking.

We remain a locally controlled bank dedicated to answering our customers' needs with solutions that improve their business operations and support their financial goals. For 20 years, we've worked to refine our vision of what it means to be a true community partner, and we're proud of all that our values have helped us achieve.

As we strive to reach a place of higher performance, we will further invest in the next generation of First Community's leadership. We also plan to undertake a thorough, thoughtful review of all existing technologies, ensuring that the products and features we offer deliver the greatest possible benefit to customers and shareholders alike. By continuing to strengthen our internal processes, we reaffirm our commitment to serving our customers long into the future.

Our foundations are firm, our standing secure. We see the coming year as the next chapter in our evolution, a means of sustaining the energy that has propelled us to these numbers and this most recent anniversary. Well-positioned for the next two decades, we stand ready to embrace whatever new opportunity lies beyond the horizon of tomorrow.

ASSETS, LOANS & DEPOSITS (IN MILLIONS)



NET INCOME (AVAILABLE TO COMMON SHAREHOLDERS)



The Board of Directors  
First Community Corporation  
Lexington, South Carolina

We have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of First Community Corporation and subsidiary (the “Company”) as of December 31, 2015 and 2014, and the related consolidated statements of income, comprehensive income (loss), changes in shareholders’ equity and cash flows for each of the years in the three-year period ended December 31, 2015 (not presented herein); and in our report dated March 16, 2016, we expressed an unqualified opinion on those consolidated financial statements. The accompanying consolidated balance sheets and statements of income are the responsibility of the Company’s management. Our responsibility is to express an opinion on the information set forth in these consolidated financial statements in relation to the consolidated financial statements from which they have been derived.

In our opinion, the information set forth in the accompanying consolidated balance sheets as of December 31, 2015 and 2014, and the related consolidated statements of income for each of the years in the three-year period ended December 31, 2015, is fairly stated, in all material respects, in relation to the consolidated financial statements from which it has been derived.



Elliott Davis Decosimo, LLC  
Columbia, South Carolina  
March 16, 2016

## SELECTED FINANCIAL DATA

	Year ended December 31,				
(dollars in thousands, except per share amounts)	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
<b>BALANCE SHEET DATA:</b>					
Total assets	\$ 862,734	\$ 812,363	\$ 633,309	\$ 602,925	\$ 593,887
Loans held for sale	2,962	4,124	3,790	9,658	3,725
Loans	489,191	443,844	347,597	332,111	324,311
Deposits	716,151	669,583	497,071	474,977	464,585
Total common shareholders' equity	79,038	74,528	52,671	54,183	36,759
Total shareholders' equity	79,038	74,528	52,671	54,183	47,896
Average shares outstanding, basic	6,558	6,538	5,285	4,144	3,287
Average shares outstanding, diluted	6,719	6,607	5,334	4,172	3,287
<b>RESULTS OF OPERATIONS:</b>					
Interest income	\$ 28,649	\$ 27,298	\$ 21,783	\$ 23,002	\$ 25,526
Interest expense	3,396	3,567	3,734	5,428	7,209
Net interest income	25,253	23,731	18,049	17,574	18,317
Provision for loan losses	1,138	881	528	496	1,420
Net interest income after provision for loan losses	24,115	22,850	17,521	17,078	16,897
Non-interest income <sup>(1)</sup>	8,611	8,031	8,118	7,929	5,710
Securities gains <sup>(1)</sup>	355	182	73	26	575
Non-interest expenses	24,678	23,960	20,422	19,445	18,401
Income before taxes	8,403	7,103	5,290	5,588	4,781
Income tax expense	2,276	1,982	1,153	1,620	1,457
Net income	6,127	5,121	4,137	3,968	3,324
Amortization of warrants	—	—	—	72	102
Preferred stock dividends, including discount accretion and redemption costs	—	—	—	604	568
Net income available to common shareholders	6,127	5,121	4,137	3,292	2,654
<b>PER SHARE DATA:</b>					
Basic earnings per common share	\$ 0.93	\$ 0.78	\$ 0.78	\$ 0.79	\$ 0.81
Diluted earnings per common share	0.91	0.78	0.78	0.79	0.81
Book value at period end	11.81	11.18	9.93	10.37	11.11
Tangible book value at period end	10.84	10.25	9.83	10.23	10.83
Dividends per common share	0.28	0.24	0.22	0.16	0.16
<b>ASSET QUALITY RATIOS:</b>					
Non-performing assets to total assets <sup>(3)</sup>	0.85%	1.17%	1.39%	1.45%	2.16%
Non-performing loans to period end loans	0.99%	1.48%	1.56%	1.44%	1.67%
Net charge-offs to average loans	0.14%	0.22%	0.27%	0.17%	0.50%
Allowance for loan losses to period-end total loans	0.94%	0.93%	1.21%	1.39%	1.45%
Allowance for loan losses to non-performing assets	62.98%	43.37%	48.07%	52.77%	35.83%
<b>SELECTED RATIOS:</b>					
<i>Return on average assets:</i>					
GAAP earnings	0.73%	0.73%	0.66%	0.55%	0.44%
<i>Return on average common equity:</i>					
GAAP earnings	7.94%	8.13%	7.68%	7.40%	7.98%
<i>Return on average tangible common equity:</i>					
GAAP earnings	8.68%	8.88%	7.78%	7.55%	8.16%
Efficiency Ratio <sup>(1)</sup>	71.25%	74.14%	76.69%	74.89%	75.58%
Noninterest income to operating revenue <sup>(2)</sup>	26.20%	25.71%	31.22%	31.16%	25.55%
Net interest margin (tax equivalent)	3.38%	3.40%	3.18%	3.22%	3.33%
Equity to assets	9.16%	9.17%	8.32%	8.99%	8.06%
Tangible common shareholders' equity to tangible assets	8.47%	8.48%	8.23%	8.88%	6.04%
Tier 1 risk-based capital	15.40%	16.12%	17.60%	17.33%	15.33%
Total risk-based capital	16.21%	16.94%	18.68%	18.58%	17.25%
Leverage	10.19%	10.02%	10.77%	10.63%	9.40%
Average loans to average deposits <sup>(4)</sup>	68.75%	69.14%	69.17%	70.33%	70.59%

<sup>(1)</sup> The efficiency ratio is a key performance indicator in our industry. The ratio is computed by dividing non-interest expense by the sum of net interest income on a tax equivalent basis and non-interest income, net of any securities gains or losses. Non-interest income for the calculation of efficiency ratio excludes OTTI on securities of \$200,000 and \$297,000 in 2012 and 2011, respectively. It is a measure of the relationship between operating expenses and earnings.

<sup>(2)</sup> Operating revenue is defined as net interest income plus noninterest income.

<sup>(3)</sup> Includes non accrual loans, loans > 90 days delinquent and still accruing interest and OREO.

<sup>(4)</sup> Includes loans held for sale.



## RECONCILIATIONS

The table below provides a reconciliation of non GAAP measures to GAAP for the five years ended December 31:

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
<b>Tangible book value per common share</b>					
Tangible common equity per common share (non-GAAP)	\$ 10.84	\$ 10.25	\$ 9.83	\$ 10.23	\$ 10.83
Effect to adjust for intangible assets	0.97	0.93	0.10	0.14	0.28
Book value per common share (GAAP)	<u>\$ 11.81</u>	<u>\$ 11.18</u>	<u>\$ 9.93</u>	<u>\$ 10.37</u>	<u>\$ 11.11</u>
<b>Return on average tangible common equity</b>					
Return on average tangible common equity (non-GAAP)	8.68%	8.88%	7.78%	7.55%	8.16%
Effect to adjust for intangible assets	(0.74)%	(0.75)%	(0.10)%	(0.15)%	(0.18)%
Return on average common equity (GAAP)	<u>7.94%</u>	<u>8.13%</u>	<u>7.68%</u>	<u>7.40%</u>	<u>7.98%</u>
<b>Tangible common shareholders' equity to tangible assets</b>					
Tangible common equity to tangible assets (non-GAAP)	8.47%	8.48%	8.23%	8.88%	6.04%
Effect to adjust for intangible assets	0.69%	0.69%	0.09%	0.11%	2.02%
Common equity to assets (GAAP)	<u>9.16%</u>	<u>9.17%</u>	<u>8.32%</u>	<u>8.99%</u>	<u>8.06%</u>

Certain financial information presented above is determined by methods other than in accordance with generally accepted accounting principles ("GAAP"). These non-GAAP financial measures include "efficiency ratio," "tangible book value at period end," "return on average tangible common equity" and "tangible common shareholders' equity to tangible assets." The "efficiency ratio" is defined as non-interest expense, divided by the sum of net interest income on a tax equivalent basis and non-interest income, net of any securities gains or losses and OTTI on securities. "Tangible book value at period end" is defined as total equity reduced by recorded intangible assets divided by total common shares outstanding. "Tangible common shareholders' equity to tangible assets" is defined as total common equity reduced by recorded intangible assets divided by total assets reduced by recorded intangible assets. Our management believes that these non-GAAP measures are useful because they enhance the ability of investors and management to evaluate and compare our operating results from period-to-period in a meaningful manner. Non-GAAP measures have limitations as analytical tools, and investors should not consider them in isolation or as a substitute for analysis of the Company's results as reported under GAAP.

## CONSOLIDATED BALANCE SHEETS

	Year ended December 31,	
(dollars in thousands except par values)	<b>2015</b>	<b>2014</b>
<b>ASSETS:</b>		
Cash and due from banks	\$ 10,973	\$ 12,480
Interest-bearing bank balances	11,375	9,454
Federal funds sold and securities purchased under agreements to resell	593	598
Investments held-to-maturity	17,371	10,647
Investment securities available-for-sale	264,687	270,164
Other investments, at cost	1,783	2,003
Loans held for sale	2,962	4,124
Loans	489,191	443,844
Less, allowance for loan losses	4,596	4,132
Net loans	484,595	439,712
Property, furniture and equipment - net	29,929	28,510
Land held for sale	1,080	1,200
Bank owned life insurance	20,301	14,642
Other real estate owned	2,458	2,943
Intangible assets	1,419	1,806
Goodwill	5,078	5,078
Other assets	8,130	9,002
<b>Total assets</b>	<b>\$ 862,734</b>	<b>\$ 812,363</b>
<b>LIABILITIES:</b>		
Deposits:		
Non-interest bearing demand	\$ 156,247	\$ 133,004
NOW and money market accounts	318,308	287,982
Savings	60,699	53,583
Time deposits less than \$100,000	100,170	108,048
Time deposits \$100,000 and over	80,727	86,966
Total deposits	716,151	669,583
Securities sold under agreements to repurchase	21,033	17,383
Federal Home Loan Bank Advances	24,788	28,807
Junior subordinated debt	14,964	15,464
Other liabilities	6,760	6,598
<b>Total liabilities</b>	<b>\$ 783,696</b>	<b>\$ 737,835</b>
<b>SHAREHOLDERS' EQUITY:</b>		
Preferred stock, par value \$1.00 per share; 10,000,000 shares authorized; 0 issued and outstanding	—	—
Common stock, par value \$1.00 per share; 10,000,000 shares authorized; issued and outstanding 6,690,551 at December 31, 2015 and 6,664,391 at December 31, 2014	6,690	6,664
Common stock warrants issued	46	48
Nonvested restricted stock	(297)	(673)
Additional paid in capital	75,761	75,504
Accumulated deficit	(3,992)	(8,286)
Accumulated other comprehensive income	830	1,271
<b>Total shareholders' equity</b>	79,038	74,528
<b>Total liabilities and shareholders' equity</b>	<b>\$ 862,734</b>	<b>\$ 812,363</b>

## CONSOLIDATED STATEMENTS OF INCOME

	Year ended December 31,		
	<u>2015</u>	<u>2014</u>	<u>2013</u>
[dollars in thousands except per share amounts]			
<b>INTEREST INCOME:</b>			
Loans, including fees	\$ 23,219	\$ 21,915	\$ 17,581
Investment securities - taxable	3,630	3,986	3,046
Investment securities - non taxable	1,681	1,291	1,090
Other short term investments	119	106	66
Total interest income	<u>28,649</u>	<u>27,298</u>	<u>21,783</u>
<b>INTEREST EXPENSE:</b>			
Deposits	1,750	1,710	1,793
Securities sold under agreement to repurchase	37	37	37
Other borrowed money	1,609	1,820	1,904
Total interest expense	<u>3,396</u>	<u>3,567</u>	<u>3,734</u>
Net interest income	25,253	23,731	18,049
Provision for loan losses	1,138	881	528
<b>Net interest income after provision for loan losses</b>	<b><u>24,115</u></b>	<b><u>22,850</u></b>	<b><u>17,521</u></b>
<b>NON-INTEREST INCOME:</b>			
Deposit service charges	1,469	1,517	1,507
Mortgage banking income	3,432	3,186	3,767
Investment advisory fees and non-deposit commissions	1,287	1,268	972
Gain on sale of securities	355	182	73
Gain ( Loss) on sale of other assets	8	(11)	(1)
Loss on early extinguishment of debt	(199)	(351)	(142)
Other	2,614	2,422	2,015
Total non-interest income	<u>8,966</u>	<u>8,213</u>	<u>8,191</u>
<b>NON-INTEREST EXPENSE:</b>			
Salaries and employee benefits	14,428	13,743	12,013
Occupancy	2,076	1,882	1,384
Equipment	1,649	1,505	1,206
Marketing and public relations	848	738	541
FDIC Insurance assessments	527	521	417
Other real estate expense	524	553	508
Amortization of intangibles	387	280	160
Merger expenses	—	503	539
Other	4,239	4,235	3,654
Total non-interest expense	<u>24,678</u>	<u>23,960</u>	<u>20,422</u>
Net income before tax	8,403	7,103	5,290
Income tax expense	2,276	1,982	1,153
<b>Net income</b>	<b><u>\$ 6,127</u></b>	<b><u>\$ 5,121</u></b>	<b><u>\$ 4,137</u></b>
Basic earnings per common share	\$ 0.93	\$ 0.78	\$ 0.78
Diluted earnings per common share	\$ 0.91	\$ 0.78	\$ 0.78

## SHAREHOLDER INFORMATION

### ANNUAL MEETING

The annual meeting of shareholders will be held at 11:00 a.m., Wednesday, May 18, 2016:

**Saluda Shoals Park  
Environmental Center**  
5605 Bush River Road  
Columbia, SC 29212

### TRANSFER AGENT

**Computershare**  
211 Quality Circle, Suite 210  
College Station, TX 77845  
877.368.5948

### 10K/FINANCIAL INFORMATION

Copies of First Community Corporation's Annual Report of Form 10-K filed with the Securities and Exchange Commission and other information may be obtained from:

**Joseph G. Sawyer**  
First Community Corporation  
Post Office Box 64  
Lexington, SC 29071

### INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

**Elliott Davis Decosimo, LLC**  
1901 Main Street  
Suite 900  
Columbia, SC 29201

## STOCK INFORMATION

First Community Corporation's common stock is traded on the NASDAQ Capital Market under the trading symbol "FCCO." The following is a summary of stock prices for the company. These prices have been adjusted for all stock splits and stock dividends.

	2015			2014			
	HIGH	LOW	DIVIDENDS PAID	HIGH	LOW	DIVIDENDS PAID	
1Q	\$ 11.91	\$ 10.78	\$ 0.07	1Q	\$ 11.37	\$ 10.21	\$ 0.06
2Q	\$ 12.88	\$ 11.45	\$ 0.07	2Q	\$ 11.29	\$ 10.46	\$ 0.06
3Q	\$ 12.74	\$ 11.58	\$ 0.07	3Q	\$ 10.95	\$ 10.24	\$ 0.06
4Q	\$ 14.92	\$ 12.07	\$ 0.07	4Q	\$ 11.75	\$ 10.51	\$ 0.06

All outstanding shares of our common stock are entitled to share equally in dividends from funds legally available when, and if, declared by the board of directors. The future dividend policy of the company is subject to the discretion of the board of directors and will depend upon a number of factors, including future earnings, financial condition, cash requirements and general business conditions. In addition, our ability to pay cash dividends may be dependent upon receiving cash in the form of dividends from First Community Bank. Statutory and regulatory limitations apply to the Bank's payment of dividends to the Company. As a South Carolina chartered bank, the Bank is subject to limitations on the amount of dividends that it is permitted to pay. Unless otherwise instructed by the S.C. Board of Financial Institutions, the Bank is generally permitted under South Carolina state banking regulations to pay cash dividends of up to 100% of net income in any calendar year without obtaining the prior approval of the S.C. Board. The FDIC also has the authority under federal law to enjoin a bank from engaging in what in its opinion constitutes an unsafe or unsound practice in conducting its business, including the payment of a dividend under certain circumstances.

## BOARD OF DIRECTORS

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**Richard K. Bogan, MD, FCCP, FAASM**

*Chief Medical Officer*  
SleepMed, Inc.  
President  
Bogan Consulting

**Thomas C. Brown**

*Rector*  
St. Paul's Church  
Greenville, SC

**C. Jimmy Chao**

*President*  
Chao and Associates, Inc.

**Michael C. Crapps**

*President and Chief Executive Officer*  
First Community Corporation  
First Community Bank

**Anita B. Easter**

*Principal*  
Greenleaf Enterprises

**O.A. Ethridge, DMD**

*Pediatric Dentist, Retired*

**George H. Fann, Jr., DMD**

*General Dentistry*

**J. Thomas Johnson**

*Vice Chairman of the Board*  
First Community Corporation  
First Community Bank  
*President and Chief Executive Officer*  
Citizens Building & Loan, SSB  
Greer, SC

**W. James Kitchens, Jr.**

*President*  
The Kitchens Firm, Inc.

**J. Randolph Potter**

*Bank Consultant*  
Greer, SC

**E. Leland Reynolds**

*Co-Owner and Vice President*  
H.G. Reynolds Co., Inc.  
Aiken, SC

**Paul S. Simon**

*President*  
Augusta Riverfront, LLC  
Augusta, GA

**Alex Snipe, Jr.**

*President*  
Glory Communications

**Roderick M. "Rick" Todd, Jr.**

*Attorney & Counselor at Law*  
Camden, SC

**Mitchell M. Willoughby**

*Chairman of the Board*  
First Community Corporation  
First Community Bank  
*Partner*  
Willoughby and Hoefler, P.A.

**Chairman Emeritus**

James C. Leventis\*

**Directors Emeritus**

William L. Boyd, III\*  
Robert G. Clawson\*  
Hinton G. Davis  
Broadus Thompson\*  
Angelo L. Tsiantis\*  
Loretta R. Whitehead

\*deceased

## EXECUTIVE OFFICERS

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### FIRST COMMUNITY CORPORATION

**Michael C. Crapps**

*President and*  
*Chief Executive Officer*

**David K. Proctor**

*Executive Vice President and*  
*Chief Risk Officer*

**Joseph G. Sawyer**

*Executive Vice President and*  
*Chief Financial Officer*

### FIRST COMMUNITY BANK

**Michael C. Crapps**

*President and*  
*Chief Executive Officer*

**David K. Proctor**

*Executive Vice President and*  
*Chief Risk Officer*

**Joseph G. Sawyer**

*Executive Vice President and*  
*Chief Financial Officer*

**Robin D. Brown**

*Executive Vice President*  
*and Chief Human Resources*  
*& Marketing Officer*

**J. Ted Nissen**

*Executive Vice President*  
*and Chief Commercial &*  
*Retail Banking Officer*

## VISION STATEMENT

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As the provider of choice of financial solutions to local businesses and professionals in the markets we serve, we optimize the long-term return to our shareholders, while providing a safe and sound investment.

## CORE VALUES

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Quality and integrity in all endeavors

Passionate focus on the customer experience

Mutual respect for our colleagues and their role in our success

### Forward Looking Statements:

Certain statements in this Annual Report are forward-looking within the meaning of the Private Securities Litigation Reform Act of 1995. These statements may be identified by the use of forward-looking words such as “anticipate,” “believe,” “forecast,” “estimated” and “intend,” among others. These forward-looking statements are based on our current expectations and actual results could differ materially. There are a number of factors that could cause actual events to differ materially from those indicated by such forward-looking statements. These factors include, without limitation, (1) competitive pressures among depository and other financial institutions may increase significantly and have an effect on pricing, spending, third-party relationships and revenues; (2) the strength of the United States economy in general and the strength of the local economies in which we conduct operations may be different than expected resulting in, among other things, a deterioration in the credit quality or a reduced demand for credit, including the resultant effect on the company’s loan portfolio and allowance for loan losses; (3) the rate of delinquencies and amounts of charge-offs, the level of allowance for loan loss, the rates of loan growth, or adverse changes in asset quality in our loan portfolio, which may result in increased credit risk-related losses and expenses; (4) changes in the U.S. legal and regulatory framework; (5) adverse conditions in the stock market, the public debt markets and other capital markets (including changes in interest rate conditions) could have a negative impact on the Company; (6) technology and cybersecurity risks, including potential business disruptions, reputational risks, and financial losses, associated with potential attacks on or failures by our computer systems and computer systems of our vendors and other third parties; and (7) negative developments in connection with the risks detailed in our filings with the SEC. Investors should read the risk factors set forth in our most recent Form 10-K and other periodic reports filed with the Securities and Exchange Commission. All of the Company’s forward-looking statements are expressly qualified by our risk factors and other cautionary statements. The information set forth herein speaks only as of the date hereof. We do not undertake any obligation to update or revise any forward-looking statement.



5455 Sunset Blvd.  
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**1995**

LEXINGTON  
FOREST ACRES

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**1999**

IRMO  
CAYCE - W. COLUMBIA

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**2000**

GILBERT

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**2001**

CHAPIN

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**2004**

NORTHEAST  
NEWBERRY  
PROSPERITY

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**2005**

RED BANK

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**2006**

CAMDEN

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**2014**

DOWNTOWN COLUMBIA  
AIKEN  
AUGUSTA, GA

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**2015**

BLYTHEWOOD

FIRST COMMUNITY CORPORATION

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