

OLD NATIONAL BANCORP /IN/
Form FWP
August 11, 2014

Senior Notes Offering
August 11, 2014
ISSUER FREE WRITING PROSPECTUS
Dated August 11, 2014
Filed Pursuant to Rule 433
Related to the Preliminary Prospectus
Supplement dated August 11, 2014 and
Registration Statement No. 333-196587
Old
National
Bancorp
has
filed
a
registration
statement

(including

a

prospectus)

and

a

related

preliminary

prospectus

supplement

dated

August

11, 2014 with the U.S. Securities and Exchange Commission (the SEC) for the offering to which this communication relates.

You should read the prospectus in that registration statement, the related preliminary prospectus supplement and the other documents

National Bancorp has filed with the SEC for more information about Old National Bancorp and the offering. You may get these documents

by visiting EDGAR on the SEC website at www.sec.gov. Alternatively, the issuer, any underwriter or any dealer participating in the offering may

arrange to send you the prospectus and the related preliminary prospectus supplement if you request it by calling toll-free (866) 866-8666.

Neither

the

SEC

nor

any

state

securities

commission

has

approved

or

disapproved

of

these

securities

or

determined

if

this

free

writing

prospectus, or any related prospectus supplement or prospectus, is truthful or complete. Any representation to the contrary is a

2

Disclosures

Forward Looking Statements:

Non-GAAP Financial Measures:

These slides contain non-GAAP financial measures. For purposes of Regulation G, a non-GAAP financial measure is a numerical measure of a registrant's historical or future financial performance, financial position or cash flows that excludes amounts, or is subject to an adjustment, or is subject to an effect of excluding amounts, that are included in the most directly comparable measure calculated and presented in accordance with GAAP in the issuer's statement of income, balance sheet or statement of cash flows (or equivalent statements) of the issuer; or includes amounts, or is subject to an adjustment, or is subject to an effect of including amounts, that are excluded from the most directly comparable measure calculated and presented in accordance with GAAP in the issuer's statement of income, balance sheet or statement of cash flows (or equivalent statements) of the issuer.

that have the effect of including amounts, that are excluded from the most directly comparable measure so calculated and presented. GAAP refers to generally accepted accounting principles in the United States. Pursuant to the requirements of Regulation G, we have provided reconciliations within the slides, as necessary, of the non-GAAP financial measure to the most directly comparable GAAP measure. This presentation contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements include, but are not limited to, descriptions of Old National Bancorp's financial condition, results of operations, asset quality, profitability and projected earnings and statements about the expected timing, completion, financial benefits and other effects of proposed mergers with LSB Financial Corp. (LSB) and Founders Financial Corporation (Founders). Forward-looking statements are made using the use of the words anticipate, believe, expect, intend, could and should, and other words of similar meaning. These statements express management's current expectations or forecasts of future events and, by their nature, are subject to risks and uncertainties. There are a number of factors that could cause actual results to differ materially from those in such statements. Factors that might cause such differences include, but are not limited to: economic, market, operational, liquidity, credit and interest rate risks associated with our business operations generally and in the financial services industry; expected earnings and cost savings in connection with the consolidation of recent acquisitions may not be fully realized or realized within the expected time frames, and deposit attrition, customer loss and revenue reductions from completed acquisitions may be greater than expected; Old National Bancorp's ability to close its pending acquisitions on current terms within currently anticipated timeframes; unexpected difficulties and losses related to FDIC-assisted acquisitions, including those related to Old National Bancorp's loss sharing arrangements with the FDIC; failure to properly understand risk characteristics of newly entered markets; increased competition in the financial services industry either nationally or regionally, resulting in, among other things, credit quality deterioration; Old National Bancorp's ability to achieve loan and deposit growth; volatility and direction of market interest rates; governmental legislation or changes in accounting regulation or standards; Old National Bancorp's ability to execute its business plan; a weakening of the economy that may materially impact credit quality trends and the ability to generate loans; changes in the securities markets; changes in fiscal, monetary and other matters discussed in this presentation and other factors identified in the prospectus and the preliminary prospectus supplement. These forward-looking statements are as of the date of this presentation, and Old National Bancorp undertakes no obligation to release revisions to these forward-looking statements in response to events or conditions after the date of this presentation.

3
Terms of Proposed Offering
Issuer:
Old
National
Bancorp
Security
Type:

_____%
Senior
Notes
Aggregate
Principal
Amount:
\$150,000,000

Rating:
Moody's
A3

Coupon:
_____%
Maturity:
August

_____,
2024
Call
Provision:
Non
call
life
Use
of
Proceeds:

Sole Book-Running Manager:
Sandler O'Neill + Partners, L.P.

Old National intends to use the net proceeds for general corporate purposes, which may include providing capital to support the growth of its business, payment of the cash consideration of its pending acquisitions of LSB and Founders, payment of the components of opportunistic acquisitions of other financial institutions, and repurchases of its common stock. Other than the p LSB and Founders, Old National has no current commitments or agreements with respect to any additional acquisitions and ma any additional acquisitions.

Snapshot of Old National
Source: SNL Financial, Company filings, FactSet Estimates
Note:
Market
data
as
of

August
8,
2014;
financial
information
as
of
June
30,
2014.

*See
appendix
for
Non-GAAP
reconciliation

(1) Assuming the completion of pending acquisitions and including the impact of the completion of the United Bancorp, Inc. a
Corp. and Founders Financial Corporation transactions

Summary Overview
Company Description
(Dollars in thousands)

Headquarters
Evansville, IN

Market Cap
\$ 1,501,742

10,387,933

Total Gross Loans (excludes HFS)

5,538,868

Total Core Deposits

7,517,440

Trust Preferred Securities

45,000

Shareholders

Equity

1,277,331

Tangible Common Equity to Tangible Assets*

8.42%

Tier 1 Leverage Ratio

9.30

Tier 1 Risk-Based Capital Ratio

14.00

Total Risk-Based Capital Ratio

14.70

Largest
financial
services

bank

holding

company

headquartered

in

Indiana
with
a
presence
throughout Indiana, Western Kentucky, Southeastern Illinois and Southwest Michigan

191 financial centers

192 ATMs

Focused on community banking with a full suite of product offerings:

Retail and small business

Wealth management

Leasing

Guided by three strategic imperatives

Strengthen the risk profile

Enhance management discipline

Achieve consistent quality earnings

Old National's three primary initiatives for 2014

Continue to grow core revenue

Reduce operating expense

Transform franchise into higher-growth markets while maintaining a strong credit culture and capital position

Investment services

Capital markets

Insurance

Pro Forma Franchise Map

ONB

UBMI

LSBI

2

FB&T

2

4

Total

Assets¹

5

Investment Highlights

Attractive footprint with both leading share in mature markets and room to expand in higher-growth markets

Consistent financial performance with distinct revenue streams and eye on efficiency

Diverse loan portfolio focused on growth while maintaining strong credit metrics

Disciplined acquisitions driven by experienced senior management
and integration teams

Steward of capital
organic growth and acquisitions, dividend /
share repurchases

Achieving strategic imperatives

6
Experienced Management Team
Title
Name
Years in
Banking/at ONB
Prior Experience
President and CEO

Bob Jones

35 / 9

25 years at KeyCorp/Society, serving
various functions

Chief Financial Officer

Chris Wolking

31 / 14

11 years at Old Kent, including treasury
and wealth management

Chief Banking Officer

Jim Sandgren

22 / 20

Background in commercial lending and
credit

Chief Credit Officer

Daryl Moore

34 / 34

34 years at Old National

Chief Risk Officer

Candice Rickard

24 / 12

12 years in public accounting specializing
in the banking industry

Director of Corporate

Development

Jim Ryan

19 / 12

6 years at Old Kent, including treasury
and investment management

7
Indiana's Economic Achievements
AAA
Credit Rating
Fitch, Moody's and Standard and
Poor's
1
3

rd

Best U.S. State for Manufacturing Jobs

2

6

th

Best State for Business

CEO Magazine

3

280 new manufacturing jobs created

Berry Plastics,

Evansville, Indiana

4

200 new jobs created

General Electric, Lafayette, Indiana

5

(1)

December

2013

(2)

June 2013; National Association of Manufacturers

(3)

May 2014

(4)

January 2014 press release of Berry Plastics

(5)

March 2014 press release of General Electric

Sources:

8
Returned to
community
bank model
2004
2005
Sold non-

strategic
market
Clarksville, TN

5 branches
2006
Sold non-
strategic market

O Fallon, IL

1 branch

2007

2008

2009

2010

2011

2012

2013

Acquired St.

Joseph Capital

Entry into

Northern IN

market

February, 2007

Acquired 65

Charter One

branches

throughout

Indiana

March, 2009

Acquired Monroe

Bancorp

Enhanced

Bloomington, IN

presence

January, 2011

Acquired Indiana

Community

Entry into

Columbus, IN

September, 2012

FDIC-assisted

acquisition of

Integra Bank

July, 2011

Sold non-

strategic

market

Chicago-area -

4 branches
Consolidation of
21 branches
Acquired 24
MI / IN branches
July, 2013
Consolidation
of 2 branches
Consolidation
of 8 branches
Consolidation
of 1 branch
Consolidation
of 10 branches
Consolidation
of 12 branches
Consolidation
of 44 branches
Consolidation
of 5 branches
Sold 12
branches
Consolidation
of 22 branches
Acquired 200 + 9 pending
Sold 22
Consolidated 128
Acquired Tower
Financial
Enhancing Ft.
Wayne, IN
presence April,
2014
Transforming Old National's Landscape
Acquired
United
Bancorp, Inc.
Entry into
Ann Arbor, MI
July, 2014
2014
Consolidation
of 3 branches
Pending
acquisition of
LSB Financial
Corp.
Enhancing
Lafayette, IN
presence

Pending
acquisition of
Founders
Financial
Corporation
Entry into Grand
Rapids , MI

9

Shifting to higher-growth markets from lower-growth markets

Entry and fill-in of existing higher-growth markets through strategic acquisitions

Acquired 200 branches + 9 pending

Sale or consolidations in lower-growth, non-core markets

Consolidated 128 branches

Sold 22 branches

2004

2014

9

Pending LSB Locations

Pending Founders market

Transforming Old National's Landscape

Our Michigan Footprint

Projected 2019 Median Household Income

Projected 2014-2019 Median HHI Growth

Source: SNL Financial and Bureau of Labor Statistics as of August 2014

(1)

(2)

Michigan named "most improved" in ranking of pro-business states in 2014 by the American Economic

Institute (improved from 39th to 18th)

\$53,941

\$48,365

\$47,494

\$62,065

\$43,734

\$53,389

USA

Indiana

Michigan

Ann Arbor

Kalamazoo

Grand Rapids

4.6%

2.6%

2.2%

5.7%

0.0%

4.7%

USA

Indiana

Michigan

Ann Arbor

Kalamazoo

Grand Rapids

10

1

2

May 2014 unemployment rate of 5.4%, compared to the national rate of 6.3%

Home to five of the world's leading office furniture companies.

May 2014 unemployment rate of 6.3% equivalent to the national rate of 6.3%

Popular area for healthcare and pharmaceutical organizations, with major companies such as Pfizer, Perrigo and Stryker housing large operations

Listed in Forbes

2013 Best Places for Business and Careers

and was Livability.com's 13th Best Place to Live

May 2014 unemployment rate of 5.3%, compared to the national rate of 6.3%

Highest median household income MSA in Michigan

Crain's Detroit Business, article published July 16, 2014

Assuming completion of acquisition of Founders in first half of 2015

Ann Arbor, Michigan (MSA Population: 354,530)

Kalamazoo, Michigan (MSA Population: 332,269)

Grand Rapids, Michigan (MSA Population: 1,017,542)

11

Diverse and In-Market Loan Portfolio at June 30, 2014

\$ in millions

period-end balances

Average commercial/CRE loan size is less than \$350 thousand

Commercial

27%

Commercial

Real Estate
24%
Consumer
15%
Residential
Mortgage
26%
HELOC
5%
Covered Loans
(Integra)
3%
Commercial
\$1,498.8
Commercial Real Estate
1,354.7
Consumer
808.5
Residential Mortgage
1,425.2
HELOC
280.5
Covered Loans (Integra)
171.1
Total Loans
\$5,538.8

Stable Deposit Portfolio at June 30, 2014
Significant core deposit franchise
Average cost of core deposits in 2Q14 of 0.24%
(1) Excludes \$36 million of brokered deposits
\$ in millions
period-end balances
Non-Interest

Bearing
Deposits
28%
Transaction
Accounts
26%
MMDA &
Savings
34%
Time Deposits <
\$100K
9%
Time Deposits >
\$100K
3%
Non-Interest Bearing
Deposits
\$2,129.7
Transaction Accounts
1,912.2
MMDA & Savings
2,528.2
Time Deposits < \$100K
699.4
Time Deposits > \$100K
247.9
Total Core Deposits
1
7,517.4
12

13
Executing the Plan
Fort Wayne, IN
Tower acquisition closed and fully converted
Lafayette, IN
Announced pending acquisition of LSB
June 4, 2014
Grand Rapids, MI

Announced pending acquisition of Founders

July 28, 2014

Ann Arbor, MI

Closing of United acquisition

July 31, 2014

Continue to

Grow Core

Revenue

Organic

loan

growth

in

2Q14

of

\$139.6

million

1

,

or

11.4%

annualized,

over

1Q14

and growth of \$214.0 million

1

, or 4.0%, from 2Q13

Total revenue growth

2

in 2Q14 of 4.1% from 2Q13

Organic growth in 2Q14 in Banking, Wealth Management and Insurance

Reduce

Operating

Expenses

Transform

Franchise

Into Higher-

Growth

Markets

Operational expenses

3

in 2Q14 declined \$0.5 million from 2Q13

1

2

3

Continued execution of our M&A strategy of adding higher-growth markets

Excluding change in FDIC covered loans, loans acquired in acquisitions and loans sold

Excluding changes in securities gains, accretion income and amortization of the FDIC indemnification asset

Refer to Appendix - Noninterest Expense for definition of Operational expenses

14
Loan Growth
Excluding Covered Loans
(
)
\$4,912.8
\$5,379.1

\$360.8

\$214.0

\$108.5

2Q13

Loan Sales

Loans Obtained

Through

Acquisitions

Organic Growth

2Q14

\$ in millions period-end balances

15
Fee-Based Business Revenue
\$ in millions
(1)

YTD June 30, 2014, Old National's noninterest income
1
as a percent of total revenue

1

was

36.9%

\$0.6

\$6.4

\$7.5

2Q13

2Q14

Wealth Management

\$9.3

\$9.8

2Q13

2Q14

Insurance Brokerage

\$4.1

\$4.1

2Q13

2Q14

Investment Brokerage

2

Net of change in FDIC indemnification asset

(2) Assets under management as of June 30, 2014 of \$6.5 billion

16
\$ in millions
1
Loans less those acquired through the Tower acquisition
Credit Quality
Excluding Covered Loans
ONB

Risk Grade

Grade

Name

0

Investment Grade

1

Minimal Risk

2

Modest Risk

3

Average Risk

4

Monitor

5

Weak Monitor

6

Watch

7

Criticized (Special Mention)

8

Classified (Substandard Accruing)

9

Nonaccruing + Doubtful

\$152.8

\$112.3

\$112.9

2Q13

1Q14

2Q14

Special Mention Loans

\$68.9

\$85.7

\$107.2

\$99.5

1

2Q13

1Q14

2Q14

Substandard Accruing Loans

\$98.8

1

\$129.5

\$84.8

\$96.7

\$75.9

1

2Q13

1Q14

2Q14

Substandard Nonaccruing + Doubtful

Loans

Note: Credit quality was impacted by the addition of several acquired loan portfolios which, in accordance with accounting for business combinations, were recorded at fair value with no allowance brought forward on these acquired loans

17
Asset Quality Trends
Net Charge-Offs
ALLL
/
Non-Performing
Assets
1

2

(1)

Nonaccrual, restructured & OREO

(2)

Excludes covered loans

ALLL

/

Loans

2

Non-Performing

Loans

2

/

Total

Loans

2

0.90%

0.85%

0.79%

2Q13

1Q14

2Q14

2.83%

2.15%

2.20%

2Q13

1Q14

2Q14

30.03%

36.86%

34.08%

2Q13

1Q14

2Q14

0.01%

(0.02%)

0.01%

0.51%

(0.39%)

1.94%

2Q13

1Q14

2Q14

Non-Covered

Covered

Note: Credit quality was impacted by the addition of several acquired loan portfolios which, in accordance with accounting for recorded at fair value with no allowance brought forward on these acquired loans

18

Credit Quality

Excluding Covered Loans

See Appendix for definition of Peer Group

1

As a % of end of period total loans

Peer Group data as of June 30, 2014 or most recent quarter per SNL Financial

30+

Day
Delinquent
Loans
1
1.07%
0.85%
2Q13
1Q14
2Q14
ONB
Peer Group Average
0.42%
0.34%
0.43%
0.02%
0.00%
0.01%
0.44%
0.30%
2Q13
1Q14
2Q14
90+
Day
Delinquent
Loans
1
ONB
Peer Group Average

19

Capital Ratios

See Appendix for definition of Peer Group

Peer Group ratios as of June 30,

2014 or most recent quarter per SNL Financial

\$ in millions

1

See Appendix for Non-GAAP reconciliation

Tangible
Common
Equity

3/31/2014

\$808.4

2Q14 Earnings

18.8

2Q14 Dividend

(11.6)

Issuance of Shares for Tower Acquisition

78.7

Changes

in

OCI

Securities

6.3

Increase in Goodwill & Intangibles

(62.5)

Tangible Common Equity

6/30/2014

\$838.1

14.4%

14.8%

14.0%

13.1%

13.1%

13.1%

2Q13

1Q14

2Q14

Tier 1 Risk-Based Capital Ratio

ONB

Peer Group Average

8.7%

8.8%

8.4%

%

8.1%

8.4%

8.5%

2Q13

1Q14

2Q14

Tangible Common Equity to Tangible Assets

1

ONB

Peer Group Average

21

\$ in millions

N/A equals not applicable

(1) Based on end of quarter assets immediately preceding announcement date

Completed and Pending Acquisitions

Acquisition

RBS Citizens-

65 Branches

Monroe
Integra Bank
Indiana
Community
BofA-24
Branches
Tower Financial
United
Bancorp
LSB
Founders
Deal Type
Branch Deal
Traditional
FDIC-Assisted
Traditional
Branch Deal
Traditional
Traditional
Traditional
Traditional
Principal Geography
Indianapolis, IN
Bloomington,
IN
Evansville, IN
Columbus,
IN /I-65
Corridor
Southwest MI /
Northern IN
Fort Wayne, IN
Ann Arbor, MI
Lafayette, IN
Grand
Rapids, MI
Purchase Price at Announcement
\$16
\$84
N/A
\$79
\$23
\$108
\$173
\$67
\$88
Total
Assets
at
Announcement

1
N/A
\$838
\$1,900
\$985
N/A
\$681
\$919
\$366
\$466
% Stock Consideration at Announcement
0%
100%
N/A
100%
0%
71%
80%
75%
54%
Announce Date
11/24/2008
10/6/2010
7/29/2011
1/25/2012
1/9/2013
9/10/2013
1/8/2014
6/4/2014
7/28/2014
Close Date
3/20/2009
1/1/2011
7/29/2011
9/15/2012
7/12/2013
4/25/2014
7/31/2014
Expected Early
1Q15
Expected 1st
Half 2015

Average Total Loan Trends

\$ in millions

1

Includes both covered and non-covered loans

22

Credit Quality

ALLL and Mark Summary

\$ in millions

1

Non-GAAP financial measure which Management believes useful to demonstrate that the remaining loan mark considers credit risk as part of total coverage N/A = not applicable

At June 30, 2014

ONB Legacy

Monroe

Integra

Indiana

Community

Tower

Total

Allowance for Loan Losses (ALLL)

\$40.4

\$1.5

\$3.9

\$0.1

\$0.2

\$46.2

Loan Mark

N/A

\$8.9

\$70.5

\$28.9

\$26.0

\$134.3

Total ALLL/Mark

\$40.4

\$10.4

\$74.3

\$29.0

\$26.2

\$180.5

Pre-Mark Loan Balance

\$4,688.0

\$140.6

\$251.7

\$214.1

\$378.7

\$5,673.1

ALLL/Pre-Mark Loan Balance

0.86%

1.10%

1.54%

0.06%

0.05%

0.81%

Mark/Pre-Mark Loan Balance

N/A

6.31%

27.99%

13.51%

6.87%

2.37%

Combined ALLL & Mark/Pre-Mark

Loan Balance

1

0.86%

7.41%

29.53%

13.56%

6.92%

3.18%

Allowance For Loan and Lease Loss/Loan Mark Summary

24

Investment Portfolio

1

Includes market value for both available for sale and held to maturity securities

Old National's investment portfolio as of June 30, 2014, had a YTD weighted-average yield of 2.92% and an effective duration of 4.34 years

\$ in millions

Book
 Value
 Mar. 31,
 2014
 Book
 Value
 June 30,
 2014
 Market
 Value
 Mar. 31,
 2014
 Market
 Value
 1
 June 30,
 2014
 Market
 Value \$
 Change
 Federal National Mortgage Association
 \$417.1
 \$423.0
 \$417.1
 \$423.7
 Federal Home Loan Mortgage Corporation
 166.4
 216.4
 161.4
 213.1
 Federal Farm Credit Bank
 77.3
 77.3
 75.8
 76.7
 Federal Home Loan Bank and Other
 13.9
 87.4
 13.8
 87.3
 Subtotal U.S. Government Agencies-Senior
 Debentures
 \$674.7
 \$804.1
 \$668.1
 \$800.8
 \$132.7
 U.S. Treasury
 \$15.6
 \$11.0

\$15.7
\$11.2
(\$4.5)
Issued or guaranteed by FNMA, FHLMC, GNMA
1,269.3
1,238.0
1,263.2
1,234.6
Nonagency guaranteed
16.1
15.4
16.6
15.9
Subtotal Mortgage Backed Securities
\$1,285.4
\$1,253.4
\$1,279.8
\$1,250.5
(\$29.3)
Trust Preferred
31.6
31.6
19.4
19.5
Other Corporate
290.3
293.6
291.4
296.2
Subtotal Corporate Securities
\$321.9
\$325.2
\$310.8
\$315.7
\$4.9
Municipal Securities

Taxable
\$231.6
\$218.3
\$257.0
\$255.6
(\$1.4)
Municipal Securities

Tax Exempt
\$587.4
\$733.6
\$596.4
\$745.1

\$148.7

Federal Reserves & FHLB Stock, Other

\$94.8

\$98.9

\$94.8

\$98.9

\$4.1

Totals

\$3,211.4

\$3,444.5

\$3,222.6

\$3,477.8

\$255.2

1

25
End of period balances
2Q13
1Q14
2Q14
Total Shareholders
Equity
\$1,167.0

\$1,185.2
 \$1,277.3
 Deduct: Goodwill and Intangible
 Assets
 (364.4)
 (376.8)
 (439.3)
 Tangible Common Shareholders
 Equity
 \$802.6
 \$808.4
 \$838.1
 Total Assets
 \$9,641.1
 \$9,544.8
 \$10,387.9
 Add: Trust Overdrafts
 0.1
 0.0
 0.0
 Deduct: Goodwill and Intangible
 Assets
 (364.4)
 (376.8)
 (439.3)
 Tangible Assets
 \$9,276.7
 \$9,168.0
 \$9,948.7
 Tangible Equity to Tangible Assets
 8.65%
 8.82%
 8.42%
 Tangible Common Equity to Tangible
 Assets
 8.65%
 8.82%
 8.42%
 Non-GAAP Reconciliations
 \$ in millions

26

Noninterest Income

\$ in millions

Note: Securities gains/losses and derivatives gains are excluded

\$(1.5)

\$(7.3)

\$(10.5)

\$11.8

\$11.1

\$11.8

\$6.7

\$8.1

\$7.4

\$21.4

\$22.3

\$22.7

\$5.9

\$5.7

\$6.5

\$44.3

\$39.9

\$37.9

2Q13

1Q14

2Q14

Debit Card and ATM Fees

Fee-based business: Wealth Management, Insurance Brokerage,

Mortgage and Investment Brokerage

Other Income

Service Charges on Deposits

Amortization of FDIC Indemnification Asset

27
\$ in millions
Noninterest Expense
*Other Expenses include:
In
2Q13,
\$1.3
million

impairment
on
property
held
for
sale,
\$0.6
million
for
the
BSA/AML
project,
a
\$0.5
million
litigation
settlement,
\$0.3
million
for
ATM/branch
optimization,
\$0.3
million
for
debt
extinguishment
charges,
a
\$2.1
million reversal of provision for unfunded commitments and a \$1.3 million refund of FDIC assessment.
In
1Q14,
\$2.3
million
real
estate
tax
refund
and
\$0.4
million
in
professional
fees
related
to
the
real
estate

tax
refund

In 2Q14, \$0.4 million in accelerated retirement expenses and \$0.4 million in state tax receivable write-off

\$85.2

\$83.6

\$84.7

\$0.8

\$0.9

\$2.5

\$6.3

\$1.2

\$0.8

\$0.9

\$2.2

\$3.3

\$3.2

\$86.9

\$88.3

\$98.1

2Q13

1Q14

2Q14

2Q14 operational
expenses include

\$0.8 million in

annual merit

increases

(\$1.9)

(\$0.4)

Operational expenses is defined as Noninterest Expense less Tower Operational Costs, MI / N IN Branches Operational Costs, Acquisition Costs, Integra-Related OREO and Other Expenses

28

Old National's Peer Group

Like-size, publicly-traded financial services companies, serving comparable demographics with comparable services as ONB

1st Source Corporation

SRCE

Heartland Financial USA, Inc.

HTLF
BancFirst Corporation
BANF
IBERIABANK Corporation
IBKC
BancorpSouth, Inc.
BXS
MB Financial, Inc.
MBFI
Bank of Hawaii Corporation
BOH
Park National Corporation
PRK
Chemical Financial Corporation
CHFC
Pinnacle Financial Partners, Inc.
PNFP
Commerce Bancshares, Inc.
CBSH
Prosperity Bancshares, Inc.
PB
Cullen/Frost Bankers, Inc.
CFR
Renasant Corp.
RNST
F.N.B. Corporation
FNB
S&T Bancorp, Inc.
STBA
First Commonwealth Financial Corporation
FCF
Susquehanna Bancshares, Inc.
SUSQ
First Financial Bancorp.
FFBC
Trustmark Corporation
TRMK
First Interstate BancSystem, Inc.
FIBK
UMB Financial Corporation
UMBF
First Merchants Corporation
FRME
United Bankshares, Inc.
UBSI
First Midwest Bancorp, Inc.
FMBI
Valley National Bancorp
VLY
FirstMerit Corporation

FMER

WesBanco, Inc.

WSBC

Fulton Financial

FULT

Wintrust Financial Corporation

WTFC

Glacier Bancorp, Inc.

GBCI

