

## First Financial Bancorp (NASDAQ: FFBC; Cincinnati, OH) and MainSource Financial Group, Inc. (NASDAQ: MSFG; Greensburg, IN) have agreed to merge

### Deal Value: Approximately \$1.0 Billion

The transaction will combine two high-performing community banks to create a \$13 billion institution serving the Midwest.

Sandler O'Neill acted as financial advisor and rendered a fairness opinion to First Financial Bancorp in this transaction. This transaction represents Sandler O'Neill's 133<sup>rd</sup> bank or thrift transaction nationwide since January 1, 2015 representing \$43.4 billion in aggregate transaction value. Sandler O'Neill has served as a financial advisor on more bank and thrift transactions and for a greater aggregate deal value than any other investment bank during that time period.<sup>1</sup>

Since January 1, 2015, Sandler O'Neill has advised on 11 of the 15 largest bank or thrift deals nationwide by deal value, representing over \$26.3 billion in aggregate transaction value.<sup>1</sup>

Since January 1, 2012, Sandler O'Neill has advised on 17 of the 28 deals where the buyer crossed \$10 billion in assets, or 61%.

First Financial Bancorp ("First Financial") and MainSource Financial Group, Inc. ("MainSource") announced today the signing of a definitive merger agreement under which MainSource will merge into First Financial in a stock-for-stock transaction. MainSource Bank, a wholly owned subsidiary of MainSource, will merge into First Financial Bank, a wholly owned subsidiary of First Financial.

Under the terms of the merger agreement, shareholders of MainSource will receive 1.3875 common shares of First Financial common stock for each share of MainSource common stock. The closing price of First Financial on July 25, 2017 was \$28.10. Including outstanding options and warrants on MainSource common stock, the transaction is valued at approximately \$1.0 billion. Upon closing, First Financial shareholders will own approximately 63% of the combined company and MainSource shareholders will own approximately 37%, on a fully diluted basis.

First Financial and MainSource consider this partnership an ideal strategic, financial and operational fit, particularly given their respective strong and consistent performance over time. The merger will position the combined company to better serve the complementary geographies of Ohio, Indiana and Kentucky, and create a preeminent community bank in the region. Combined, the bank is anticipated to become the sixth largest bank in deposit market share in the state of Indiana and the fourth largest in the Greater Cincinnati area. Additionally, through a recent acquisition by MainSource Bank, both companies will fulfill their plans to expand in the Louisville, Kentucky market.

The merger will result in a combined company with approximately \$13.3 billion in assets, \$8.9 billion in loans, \$10.0 billion in deposits and \$4.0 billion in assets under management, utilizing financial information as of June 30, 2017. The transaction will allow the combined company to better meet the needs of its communities in a rapidly changing banking environment, while providing the efficiencies and scale required to comply with regulatory requirements and costs associated with crossing the \$10 billion asset threshold.

"By taking the best of both banks, we believe that the combined company will be even more effective in meeting the lending, economic development and financial education needs of the communities we serve," said Claude E. Davis, Chief Executive Officer of First Financial. "With both companies having proven records of success in organic performance as well as through acquisitions, we see this as a tremendous opportunity to partner with MainSource to create a new company that is even better positioned for growth and continued success."

The Board of Directors of the combined company will be comprised of nine present members of First Financial's board and six present members of MainSource's board. The directors of the combined company will be determined in the coming months and identified prior to the closing of the transaction.

The transaction is expected to close in early 2018, subject to the approval of shareholders of both First Financial and MainSource and regulatory approvals, as well as satisfaction of customary closing conditions. The combined company will operate as First Financial and its headquarters will be located in downtown Cincinnati, Ohio.

First Financial expects the transaction to be accretive to 2018 diluted earnings per share by \$0.09 or 5%, and total 2019 diluted earnings per share by \$0.17 or 9%, excluding estimated restructuring charges of approximately \$63 million. These estimates include \$12 million in annual revenue loss related to the Durbin Amendment, as well as \$2 million of annual expense related to added regulatory and compliance costs associated with crossing the \$10 billion asset threshold, both of which are expected to phase-in over time. Applying pro forma merger adjustments and assuming the expected early 2018 closing, dilution to tangible book value per common share is estimated to be \$0.64 or 5.4%, with an earnback period of approximately 3.0 years using the crossover method, inclusive of all restructuring charges.

### Financial Highlights

(Dollars in millions)

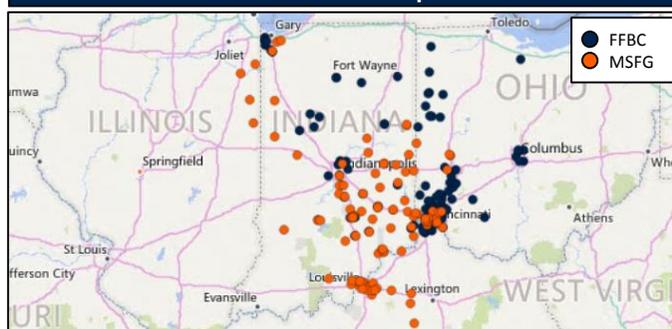
	First Financial	MainSource
Total Assets	\$8,710	\$4,590
Total Loans	\$5,886	\$3,035
Total Deposits	\$6,469	\$3,522
Total Equity	\$898	\$516

Financial data as of June 30, 2017

<sup>1</sup> Excludes terminated transactions and self-advisory roles

Source: SNL Financial, Company documents, Press Release

### Pro Forma Map



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