

Indiana Business Bancorp (OTCQB: IBBI; Indianapolis, IN) has agreed to merge with Lizton Financial Corporation (Private; Lizton, IN)

Deal Value: Approximately \$12.4 Million

Sandler O'Neill served as financial advisor to Indiana Business Bancorp and rendered a fairness opinion in connection with the transaction. This transaction is Sandler O'Neill's 74th bank and thrift transaction nationwide since January 1, 2015 representing \$22.7 billion in aggregate transaction value, more than any other investment bank during that time period.¹

Since January 1, 2013, Sandler O'Neill has advised on 34 bank or thrift transactions in the Midwest region for an aggregate transaction value of \$7.8 billion, more than any other investment bank during that time period.¹

LIZTON, IN & INDIANAPOLIS, IN – Lizton Financial Corporation (“Lizton”) and Indiana Business Bancorp (OTCQB: IBBI, “IBB”) announced they have executed a definitive merger agreement whereby Lizton will acquire IBB in a cash transaction. As part of the transaction, Indiana Business Bank, a wholly-owned subsidiary of IBB, will merge with State Bank of Lizton, a wholly-owned subsidiary of Lizton. After the transaction, the combined bank will operate as State Bank of Lizton.

The Merger Agreement provides that the shareholders of IBB will receive \$7.25 per share in cash, for an aggregate merger consideration of approximately \$12.45 million. The transaction is expected to be completed in the third quarter of 2016 subject to the approval of IBB's shareholders, regulatory approvals and other customary closing conditions. The combined financial institution expects to complete the integration during the fourth quarter of 2016.

Originally founded in 1910, Lizton is a locally owned, independent commercial bank holding company serving nine communities in Central Indiana through eleven locations. Founded in 2004, IBB serves the business banking needs of Central Indiana through a single Northern Indianapolis location. Based upon current financials, Lizton and IBB will have combined assets of approximately \$440 million.

Michael L. Baker, President and Chief Executive Officer of Lizton Financial Corporation, said, “The team at IBB is well known to us, their expertise and abilities will be a perfect complement to our existing staff. We share a common commitment to community banking, built around local decision making and strong relationship banking. The combination will provide additional products and services for IBB customers, and significantly impact our potential for additional commercial banking growth.”

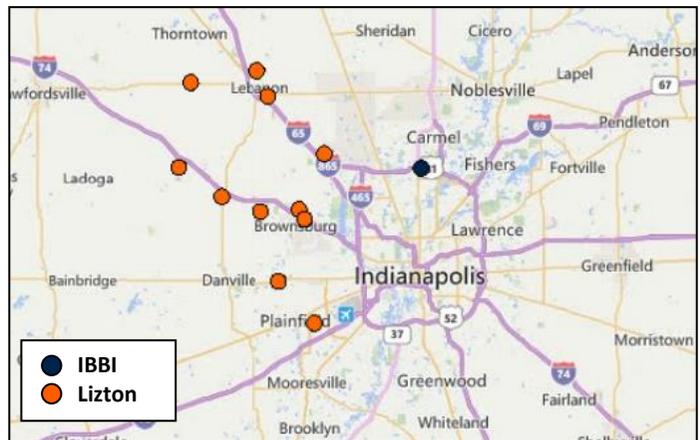
James S. Young, President and Chief Executive Officer of Indiana Business Bancorp, stated, “We are very excited to continue serving our clients as part of the Lizton family. The larger lending capacity and broader product offering will only improve the positive experience our clients have come to expect from Indiana Business bankers. I've known Mike Baker for over a decade and I am confident that our shared client-first approach to community banking will result in a smooth transition.”

Financial Highlights

<i>\$s in millions</i>	State Bank of	
	IBBI	Lizton
Total Assets	\$68	\$363
Total Loans	51	254
Total Deposits	44	310
Tangible Common Equity	12	44
TCE/TA	17.25%	12.16%
NPAs / Assets	2.45%	1.48%
Branches	1	11

(1) Source: SNL Financial. Excludes terminated transactions and self-advisory roles. Note: Financial highlights as of December 31, 2015.

Pro Forma Branch Map



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