

LSB Financial Corp. (NASDAQ: LSBI; Lafayette, IN) has agreed to merge with Old National Bancorp (NASDAQ: ONB; Evansville, IN)

Deal Value: \$66.7 million

Sandler O'Neill acted as exclusive financial advisor and rendered a fairness opinion to LSB Financial Corp. in this transaction. This is Sandler O'Neill's 131st bank and thrift merger transaction since January 1, 2011. Sandler O'Neill has served as a financial advisor on more bank and thrift transactions than any other investment bank during that time period.¹

LSB Financial Corp. and Old National Bancorp jointly announce today the execution of a definitive agreement under which LSB Financial will merge with Old National through a stock and cash merger.

Under the terms of the merger agreement, which was unanimously approved by the boards of both companies, shareholders of LSB Financial will receive 2.269 shares of Old National common stock and \$10.63 in cash (fixed) for each share of LSB Financial common stock. Based upon the June 3, 2014, closing price of \$13.68 per share of Old National common stock, the transaction is valued at approximately \$41.67 per share of LSB Financial common stock, or approximately \$66.7 million. The transaction value is likely to change due to fluctuations in the price of Old National common stock. As provided in the merger agreement, the exchange ratio is subject to adjustment (calculated prior to closing) in the event shareholder's equity of LSB Financial is below a specified amount.

With \$366 million in total assets and just over \$312 million in deposits, LSB Financial is a savings and loan holding company with Lafayette Savings Bank as its wholly-owned subsidiary. The largest bank headquartered in Lafayette, Lafayette Savings Bank currently operates five full-service banking centers in Tippecanoe County, which is home to Purdue University and a successful high-tech manufacturing sector.

Randolph F. Williams, President and CEO of LSB Financial added, "Old National is an established, well-managed company that is truly Indiana's bank; they care about the people in the markets they serve. This partnership is in the best interests of our shareholders who will become part of a larger and growing institution. Our board believes that the best way to advance our long-standing commitment to the Lafayette community is to partner with a larger institution that has demonstrated commitment to our values, is respectful of our history, and has the ability to grow opportunities for our community, customers and employees. I'm looking forward to working with Bob and his team to establish this partnership."

The transaction is expected to close in mid-to-late fourth quarter of 2014. It remains subject to approval by LSB Financial's shareholders and approval by federal regulatory authorities as well as the satisfaction of other customary closing conditions provided in the merger agreement. The merger agreement also provides that Lafayette Savings Bank will be merged into Old National Bank.

Financial Highlights

(Dollars in millions)

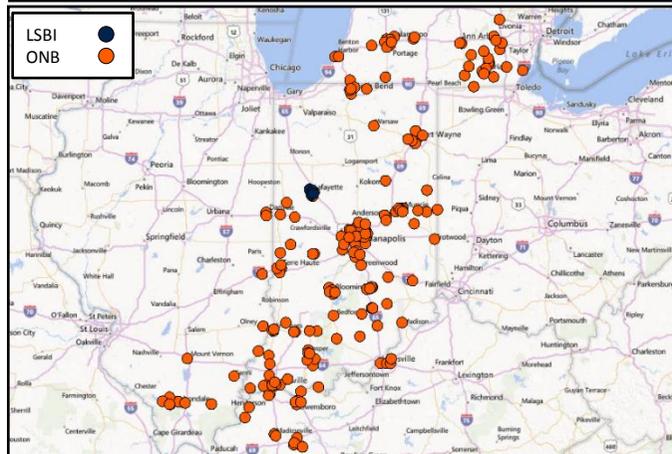
	LSB Financial Corp.	Old National Bancorp
Total Assets	\$366	\$9,545
Net Loans	\$256	\$5,031
Total Deposits	\$312	\$7,258
Total Equity	\$41	\$1,185
Tang. Common Equity / Tang. Assets	11.28%	8.82%

Financial data as of March 31, 2014

¹ Excludes terminated transactions and self-advisory roles

Source: SNL Financial, Press Release

Pro Forma Map



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