

Old National Bancorp (NASDAQ: ONB; Evansville, IN) has agreed to partner with Tower Financial Corporation (NASDAQ: TOFC; Fort Wayne, IN)

Deal Value: \$107.7 million

Sandler O'Neill acted as exclusive financial advisor to Old National Bancorp in this transaction. This is Sandler O'Neill's 97th 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

Since January 1, 2008, Sandler O'Neill has advised on more bank and thrift transactions in Indiana than any other investment banking firm.

Old National Bancorp and Tower Financial Corporation jointly announced the execution of a definitive agreement under which Old National will acquire Tower Financial Corporation 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 Tower Financial Corporation will receive 1.20 shares of Old National Bancorp common stock and \$6.75 in cash (fixed) for each share of Tower Financial common stock. Based upon the September 5, 2013, closing price of \$13.52 per share of Old National common stock, the transaction is valued at approximately \$107.7 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 shareholders' equity of Tower Financial Corporation is below a specified amount.

With nearly \$680.9 million in total assets, and an additional \$523.3 million in trust assets under management, Tower Financial Corporation is an Indiana bank holding company with Tower Bank & Trust Company (Tower Bank) as its wholly-owned subsidiary. Tower Bank currently operates six full-service banking centers in Fort Wayne and one in Warsaw, Ind., with total deposits of \$581.6 million and \$438.6 million in loans. Tower Bank is the largest independent bank headquartered in Fort Wayne, Ind.

"We are absolutely thrilled about this partnership, which dramatically expands Old National's presence in the attractive Fort Wayne market, and which will continue and strengthen Tower's community banking commitment while helping to solidify our standing as Indiana's bank," said Old National President & CEO Bob Jones. "Tower Bank has a well-earned reputation for excellence, as demonstrated by their recent Best Places to Work in Indiana designation, as well as a history of delivering outstanding client service. Tower clients will benefit from the additional services provided by working with a larger community bank, while continuing to receive continued excellent local service from the people they are accustomed to working with. We look forward to the opportunity to continue this legacy while earning the trust and continued business of Tower clients."

The transaction is expected to close in the first quarter of 2014. The transaction remains subject to approval by federal and state regulatory authorities and Tower Financial Corporation shareholders as well as the satisfaction of other closing conditions provided in the merger agreement. The merger agreement also provides that Tower Bank, the bank subsidiary of Tower Financial Corporation, will be merged into Old National Bank, the bank subsidiary of Old National Bancorp.

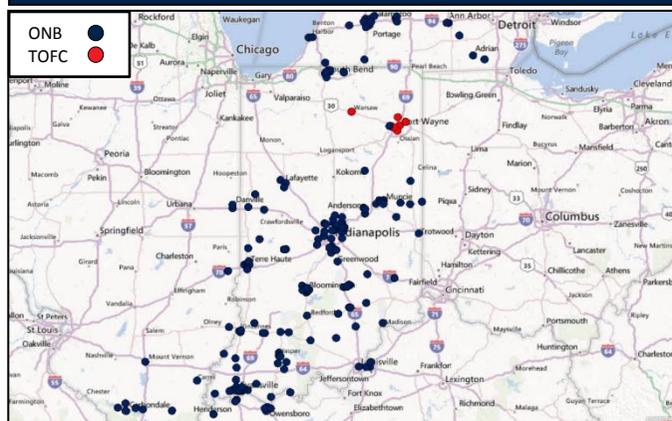
Financial Highlights

	Old National Bancorp	Tower Financial Corporation
Total Assets	\$9,641	\$681
Net Loans	\$5,152	\$436
Total Deposits	\$6,840	\$582
Total Equity	\$1,167	\$62
Branches	180	7

Notes:

Dollars in millions; financial data as of June 30, 2013
¹ Excludes terminated transactions and self-advisory roles
 Source: SNL Financial, Press Release

Pro Forma Map



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