

Old National Bancorp (NASDAQ: ONB; Evansville, IN) has agreed to acquire Founders Financial Corporation (Private; Grand Rapids, MI)

Deal Value: Approximately \$88 million

Sandler O'Neill acted as exclusive financial advisor to Old National Bancorp in this transaction. This is Sandler O'Neill's 141st 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 Additionally, no investment bank has advised on more Michigan bank and thrift merger transactions since 2013 based on either total deal value or aggregate number of deals.¹

Old National Bancorp and Founders Financial Corporation jointly announced today the execution of a definitive agreement under which Old National will acquire Founders through a stock and cash merger.

Subject to the terms and conditions set forth in the merger agreement, which was unanimously approved by the boards of both companies, shareholders of Founders will receive 3.25 shares of Old National common stock and \$38.00 in cash for each share of Founders stock. Based upon the July 25, 2014, closing price of \$13.87 per share of Old National common stock, the transaction is valued at approximately \$83.08 per share of Founders common stock, or approximately \$88 million. The transaction value is likely to change due to fluctuations in the price of Old National common stock. The exchange ratio is also subject to adjustment under certain circumstances as provided in the merger agreement.

With nearly \$466 million in total assets, \$355 million in loans, and \$378 million in deposits as of June 30, 2014, Founders is a bank holding company with Founders Bank & Trust as its wholly-owned subsidiary. Founded in 1991, and boasting 78 consecutive profitable quarters, Founders Bank & Trust operates four full-service banking centers in economically vibrant Kent County, home to Grand Rapids and several of Michigan's largest employers including Amway, Meijer, Spectrum Health and Steelcase.

"This acquisition affirms Old National Bank's commitment to Southwestern Michigan by providing us with a strong and welcome presence in the state's second largest city," said Old National President & CEO Bob Jones. "Like Founders Bank & Trust, Old National Bank is focused on exceeding client expectations and strengthening the communities we serve. We look forward to continuing the legacy of service to both clients and community that has become the Founders trademark."

The merger is expected to close in the first half of 2015 and is subject to approval by Founders' shareholders, regulatory approvals and other customary closing conditions provided in the merger agreement. The merger agreement also provides that Founders Bank & Trust will be consolidated into Old National Bank.

Financial Highlights

(Dollars in millions)

	Old National Bancorp ²	Founders Financial Corporation
Total Assets	\$11,676	\$466
Loans	\$6,459	\$355
Total Deposits	\$8,880	\$378
Branches	204	4

Financial data as of June 30, 2014

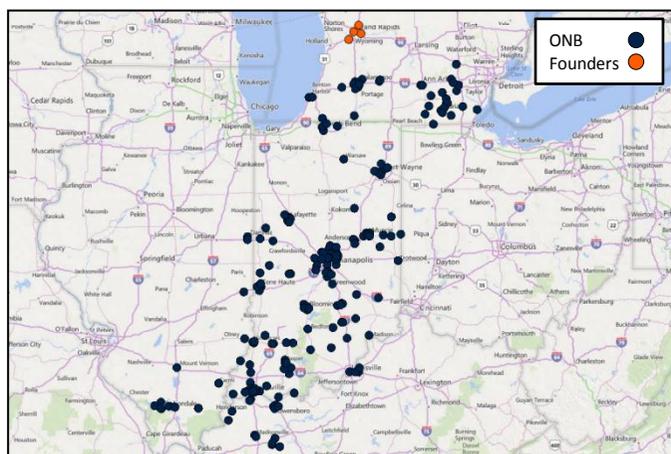
¹ Excludes terminated transactions and self-advisory roles

² Includes Old National's pending acquisitions of UBMI and LSBI

Map includes Old National's pending acquisitions of UBMI and LSBI

Source: SNL Financial, Press Release

Pro Forma Map



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