

The Bancorp, Inc. (Private; La Grange, KY) has agreed to merge with S.Y. Bancorp, Inc. (NASDAQ: SYBT; Louisville, KY)

Deal Value: Approximately \$19.9 Million

Sandler O'Neill acted as exclusive financial advisor to The Bancorp, Inc. in this transaction. This transaction is Sandler O'Neill's 82nd bank or thrift transaction since January 1, 2010. 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

S.Y. Bancorp, Inc., parent company of Stock Yards Bank & Trust Company ("S.Y. Bancorp"), with offices in the Louisville, Indianapolis and Cincinnati metropolitan markets, today announced that it has entered into a definitive agreement to acquire all of the common stock of The Bancorp, Inc. ("Bancorp") in a cash-and-stock transaction valued at approximately \$19.9 million. Bancorp is the holding company for THE BANK - Oldham County, which operates four Kentucky branches, one each in La Grange, Louisville, Crestwood and Prospect.

Under the terms of the agreement, which has been unanimously approved by the Boards of Directors of both companies, the transaction is valued at \$19.9 million, which includes \$19.5 million in consideration to Bancorp shareholders and \$0.4 million in cash consideration to Bancorp option holders. The \$19.5 million of consideration will include 534,885 shares of S.Y. Bancorp common stock, subject to adjustment, valued at \$11.7 million based upon the 20-day volume weighted average price of S.Y. Bancorp common stock immediately prior to the announcement of this transaction, and \$7.8 million in cash. The transaction is expected to be accretive to S.Y. Bancorp's tangible book value per share and slightly accretive to earnings per share, excluding restructuring charges. The transaction, which is subject to regulatory approval, the approval of the stockholders of Bancorp and other customary conditions, is expected to close early in the second quarter of 2013.

Commenting on the announcement, David Heintzman, Chairman and CEO of S.Y. Bancorp, said, "Considering our strong presence in the metropolitan Louisville area, this transaction presents a prudent opportunity to deploy our solid capital base and extend our footprint to the northeast into contiguous Oldham County through the acquisition of a strong franchise with solid asset quality, capital strength and a history of profitability. As the only locally owned community bank based in Oldham County - with substantial market share at approximately 22% of total deposits - this transaction is expected to provide a ready source of core deposits to help fund our continued loan growth."

Stephen Norton, President and CEO of Bancorp, added, "We are pleased to join forces with Stock Yards Bank & Trust Company to provide enhanced and long-term value to our customers and community. The combination with S.Y. Bancorp will provide greater capital resources and operational scale that will allow us to grow as part of a larger community bank, with more than \$2 billion in total assets and the tools and resources to enhance long-term value for our shareholders."

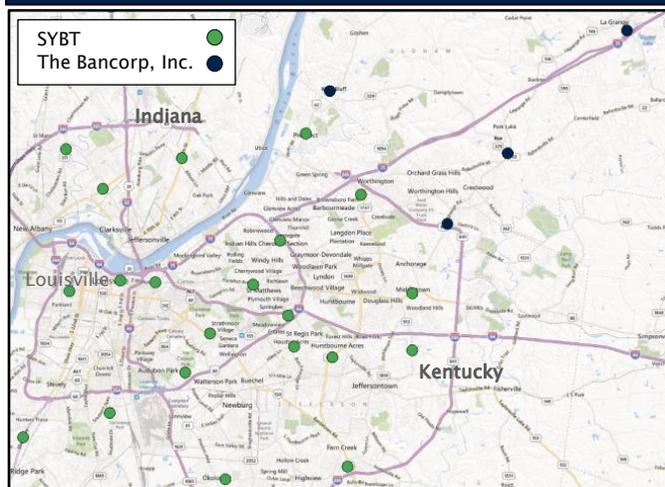
Financial Highlights

(Dollars in millions)

	<u>The Bancorp, Inc.</u>	<u>SYBT</u>
Total Assets	\$137	\$2,103
Net Loans	\$47	\$1,560
Total Deposits	\$115	\$1,690
Total Equity	\$19	\$201
Branches	4	31
Tang. Common Equity / Tang. Assets	14.12%	9.55%

Financial data as of September 30, 2012
¹ Includes bank or thrift transactions since 2010; excludes terminated transactions and self-advisory roles
 Source: SNL Financial, Press Release

Pro Forma Map



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