

Old National Bancorp



Keefe Bruyette & Woods
2009 Regional Bank Conference
March 4, 2009

Bob Jones

**President
Chief Executive Officer**

Forward-Looking Statement

This presentation contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements include, but are not limited to, descriptions of Old National's financial condition, results of operations, asset and credit quality trends, profitability and projected earnings. Forward-looking statements can be identified by the use of words "anticipate," "believe," "expect," "intend," "could," and "should," and other words of similar meaning. These forward-looking statements express management's current expectations or forecasts of future events and, by their nature, are subject to risks and uncertainties and there are a number of factors that could cause actual results to differ materially from those in such statements. Factors that might cause such a difference include, but are not limited to, market, economic, operational, liquidity, credit and interest rate risks associated with Old National's business, competition, government legislation and policies, ability of Old National to execute its business plan, including acquisition plans, changes in the economy which could materially impact credit quality trends and the ability to generate loans and gather deposits, failure or circumvention of our internal controls, failure or disruption of our information systems, significant changes in accounting, tax or regulatory practices or requirements, new legal obligations or liabilities or unfavorable resolution of litigation, other matters discussed in this presentation and other factors identified in the Company's Form 10-K and other periodic filings with the Securities and Exchange Commission. These forward-looking statements are made only as of the date of this presentation, and Old National undertakes no obligation to release revisions to these forward-looking statements to reflect events or conditions after the date of this presentation.

Non-GAAP Financial Measures

These slides contain non-GAAP financial measures. For purposes of Regulation G, a non-GAAP financial measure is a numerical measure of the registrant's historical or future financial performance, financial position or cash flows that excludes amounts, or is subject to adjustments that have the effect of excluding amounts, that are included in the most directly comparable measure calculated and presented in accordance with GAAP in the statement of income, balance sheet or statement of cash flows (or equivalent statements) of the issuer; or includes amounts, or is subject to adjustments that have the effect of including amounts, that are excluded from the most directly comparable measure so calculated and presented. In this regard, GAAP refers to generally accepted accounting principles in the United States. Pursuant to the requirements of Regulation G, Old National Bancorp has provided reconciliations within the slides, as necessary, of the non-GAAP financial measure to the most directly comparable GAAP financial measure.

Old National Bancorp

- At \$7.9 billion, Old National Bancorp (ONB) is the largest financial services holding company headquartered in the state of Indiana, with corporate offices in Evansville
 - ONB also owns one of the largest independent insurance agencies headquartered in Indiana
 - Celebrating its 175th anniversary in 2009, ONB has 117 financial centers and 173 ATM's throughout Indiana, Western Kentucky and Southern Illinois
 - Recently ranked 28th out of Top 150 Bank Performers in *Bank Director* magazine

Stock Overview

ONB
LISTED
NYSE[®]

- Market capitalization at 12-31-08 of \$1.2 billion
- Cash dividend yield at 2-23-09 of 8.0%

ONB stock increased 21.39% in 2008 while our peer group declined an average of 24.43%

▪ Average daily volume:

- 2003 – 65,200 shares
- 2004 – 107,500 shares
- 2005 – 140,400 shares
- 2006 – 186,600 shares
- 2007 – 397,800 shares
- 2008 – 919,628 shares

▪ Institutional ownership:

- 2003 – 12.2%
- 2004 – 21.5%
- 2005 – 24.7%
- 2006 – 29.9%
- 2007 – 45.2%
- 2008 – 46.2%

Outlook on the Economy

- Will get worse before it gets better
- Quarters away from any recovery
- Given the above
 - Capital is king
 - Consistency is key



The Old National Distinction

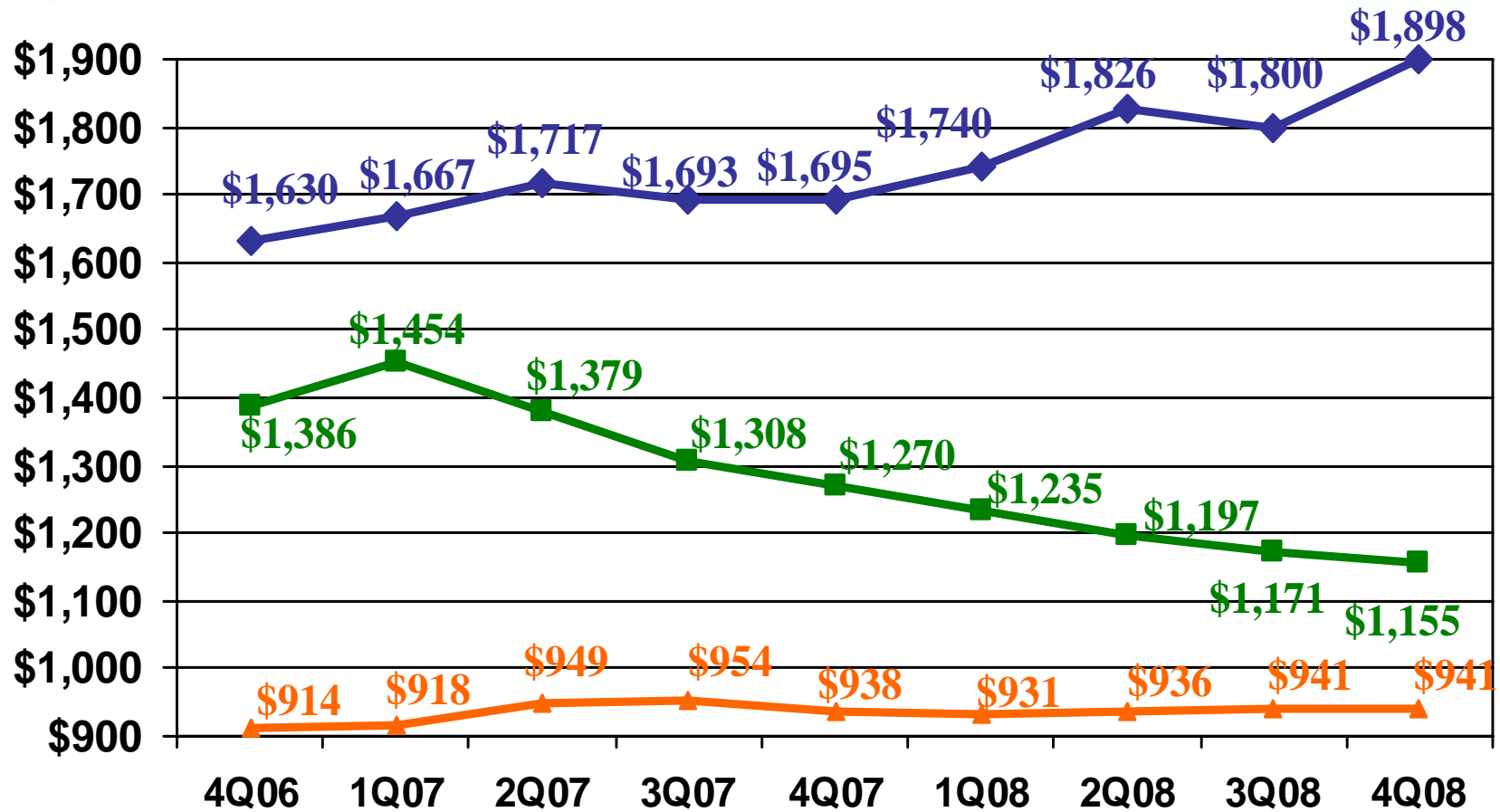
CONSISTENCY

- Execution of a sound strategy
 - Improve the risk profile
 - Enhance management discipline
 - Achieve consistent, quality earnings
- Application of underwriting standards
 - No subprime business line
 - In-footprint lending
 - Conservative stance on commercial real estate for almost 3 years
- Management and board focus
 - Long-term return vs. short-term gains
 - Transparency in communications

2008 Financial Review

- Net income of \$62.5 million, or \$.95 per share
 - Commercial loans grow 12.0%
 - Noninterest-bearing demand deposits increase 3.9%
 - Net interest margin expands 54 bps
 - Total revenue increases 9.7%
 - Liquidity and capital positions remain strong

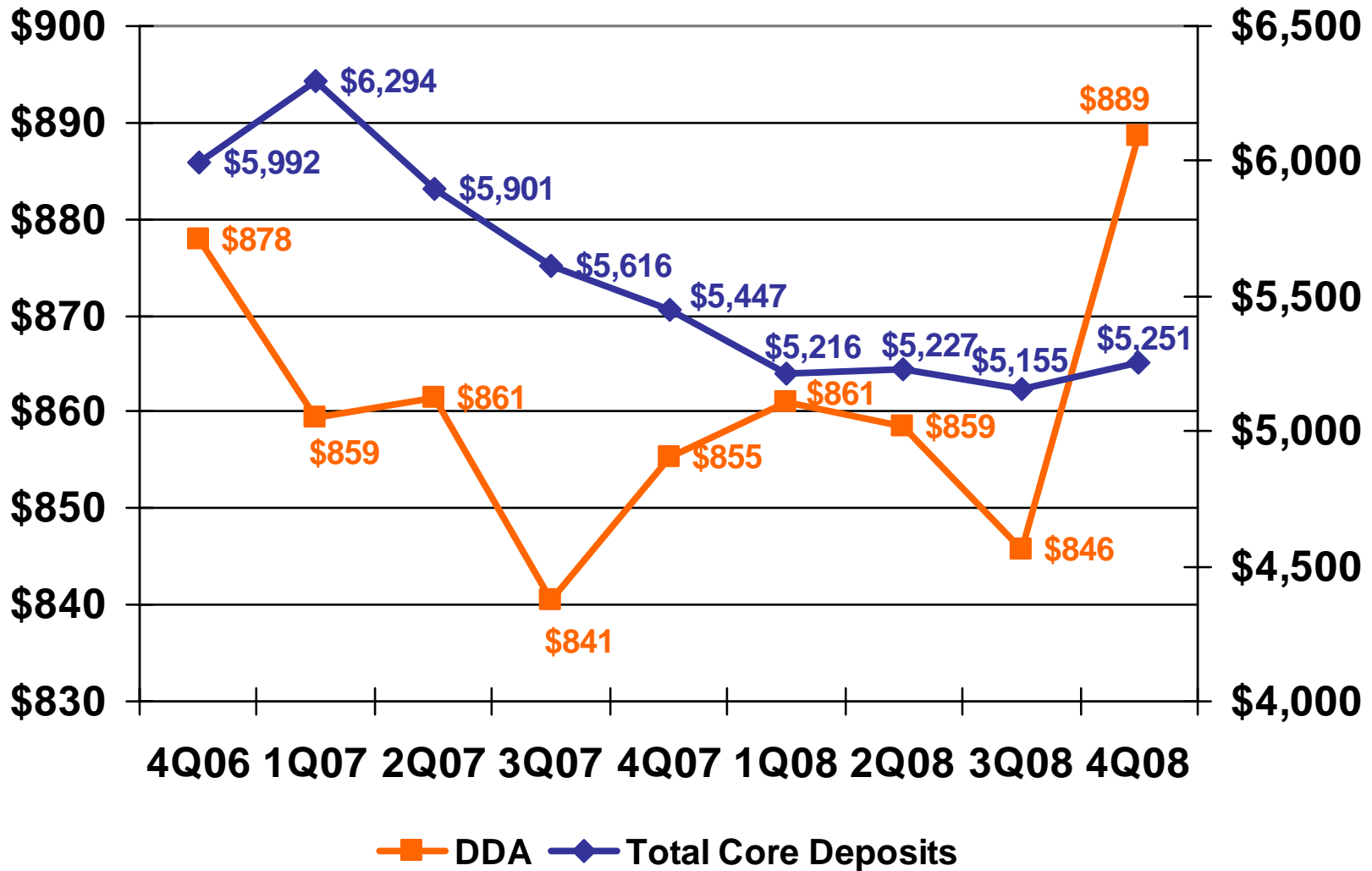
Loan Trends



◆ Commercial ■ Commercial Real Estate ▲ Consumer (excl. HELOC)

End of period balances – \$ in millions

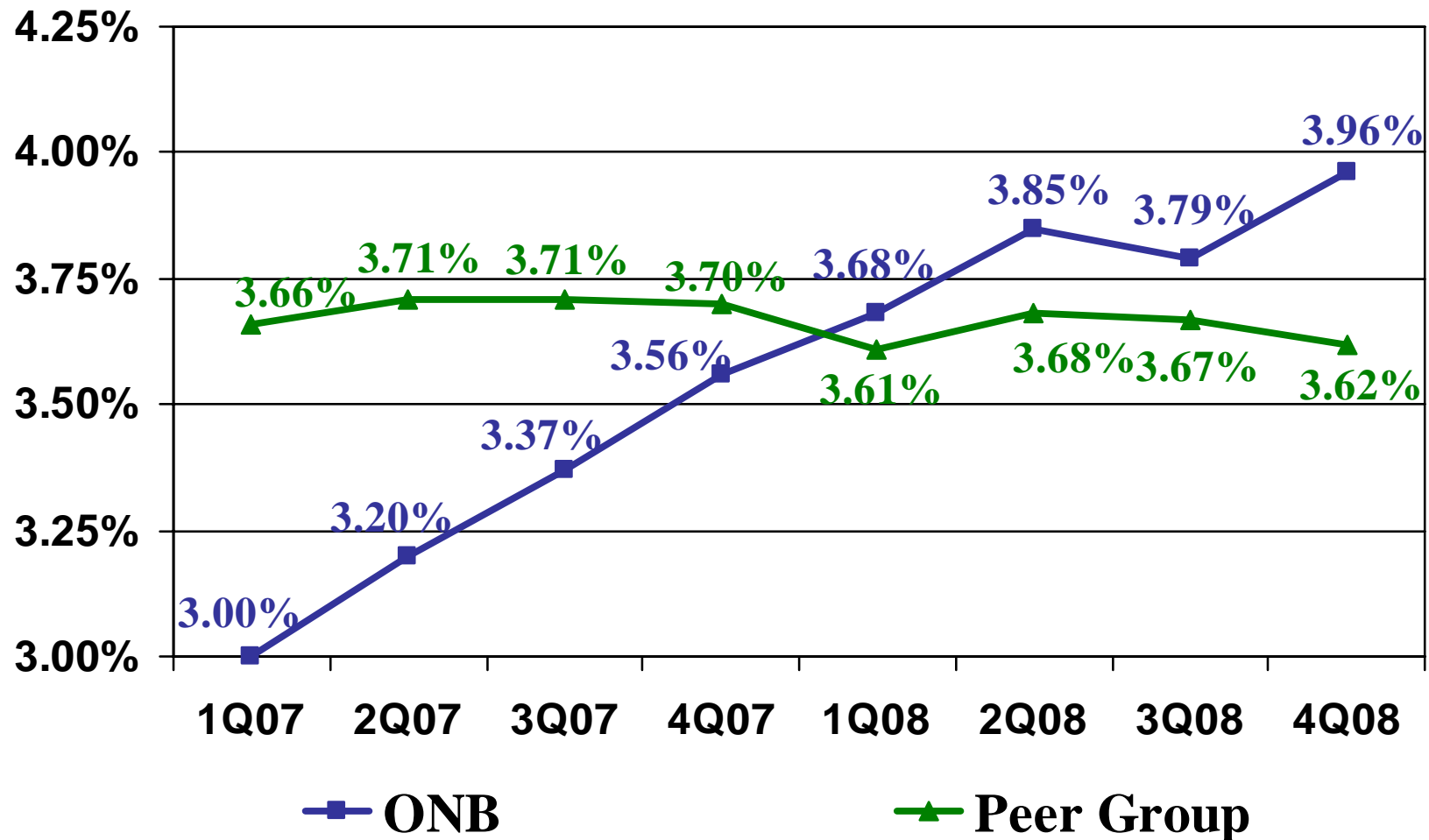
Deposit Trends



End of period balances – \$ in millions

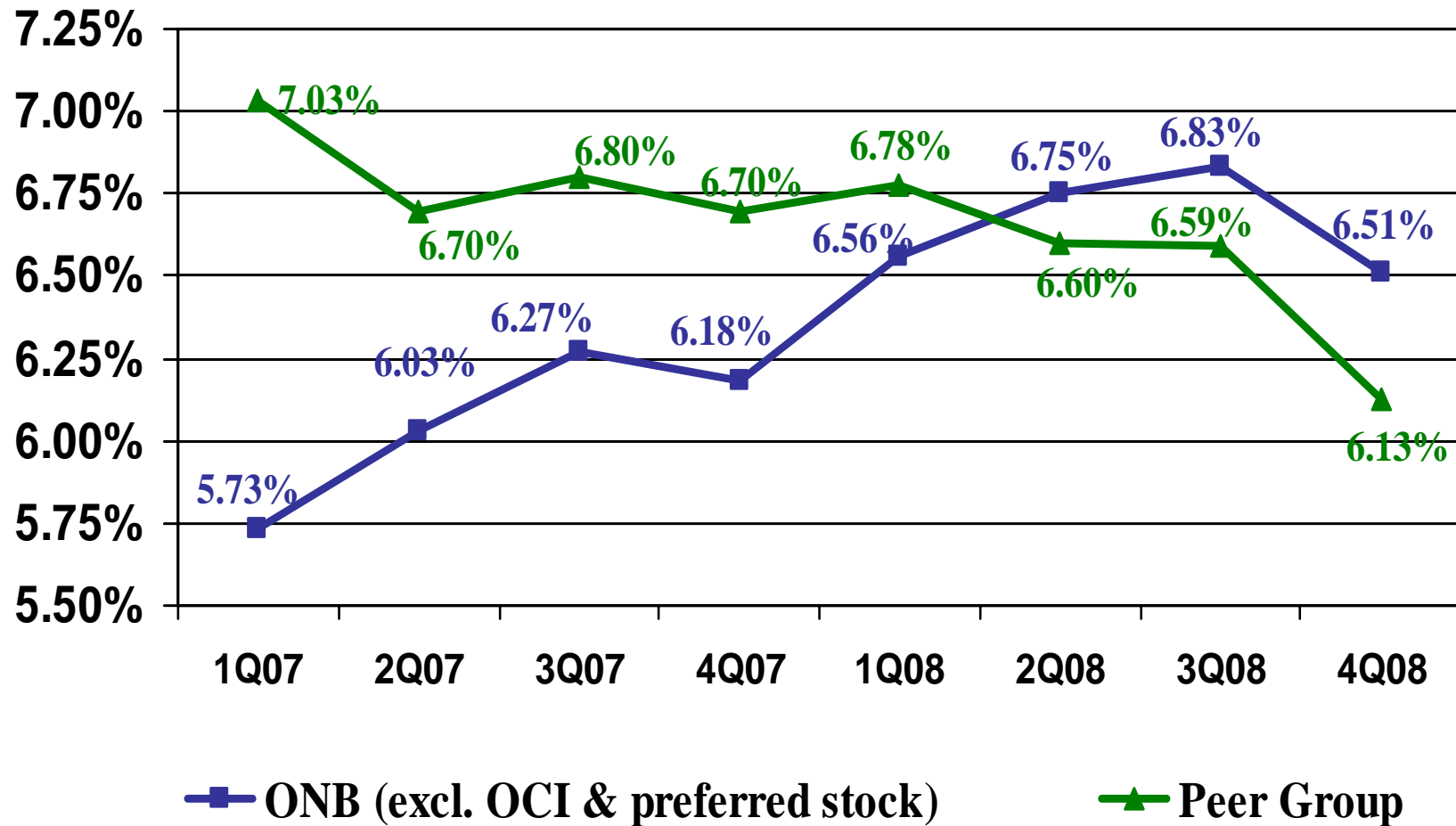
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Net Interest Margin Trends



Fully taxable-equivalent basis

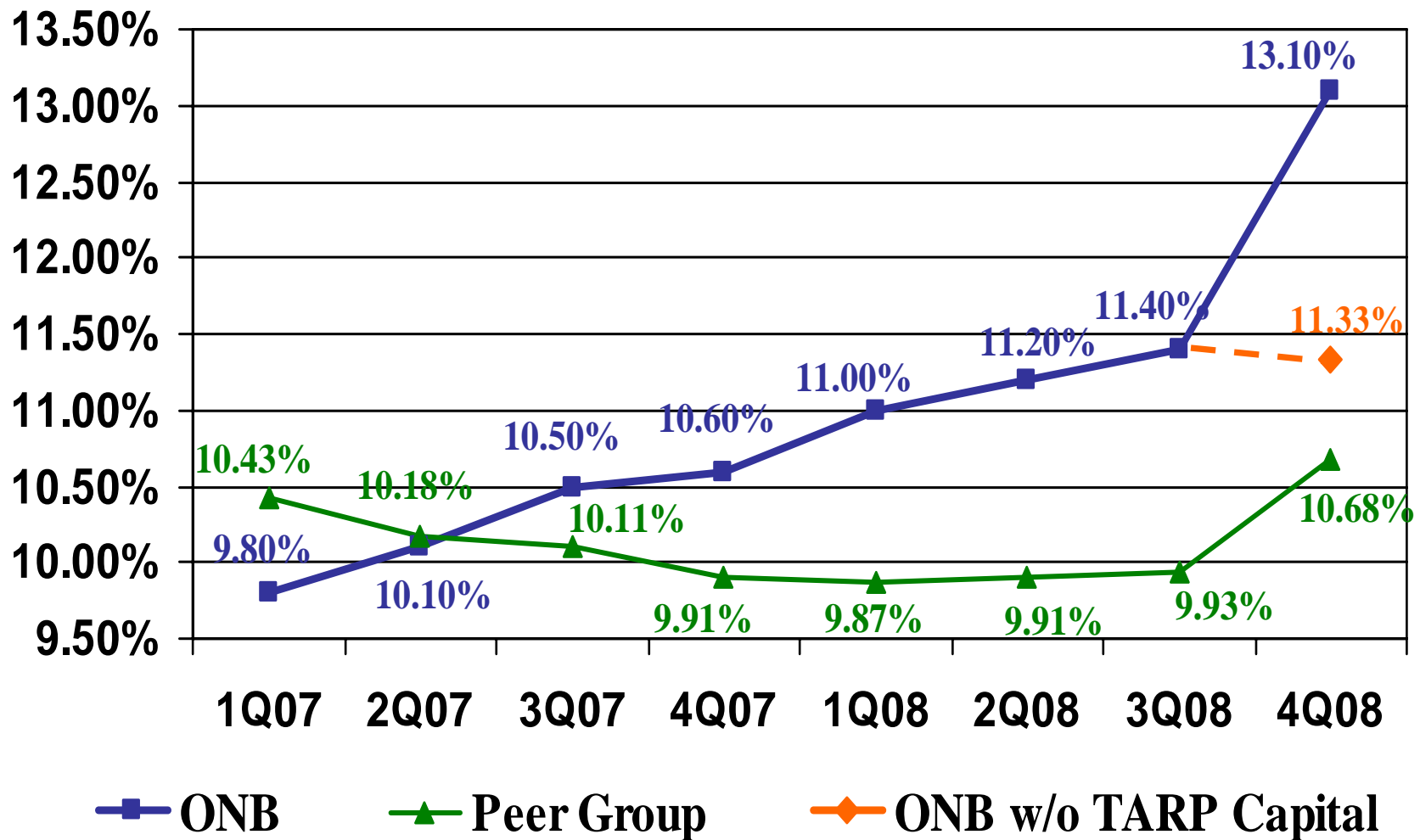
Tangible Common Equity Ratio



Tangible common equity long-term financial target of 6% to 7%.

Note: Refer to the appendix of this presentation for a complete explanation and reconciliation of all non-gaap numbers.

Tier 1 Capital Ratio



Indiana Charter One Overview

- ONB to purchase Citizens (Charter One) Indiana branch network
 - 65 locations in Indianapolis, Lafayette, Ft. Wayne, Bloomington, Anderson
- \$397.4 million of deposits
- \$15.9 million in loans
- 4% deposit premium
- 100% cash consideration
- Accelerates ONB's growth strategy
- Anticipated to close March, 2009

Financially / Strategically Compelling

- Low risk transaction
 - Limited loans acquired, all performing
 - Conventional deposit products
 - Robust due diligence
- Improves liquidity
- Preserves capital flexibility
 - Nominal impact to capital
 - No TARP funds used
- Excellent potential for revenue growth
 - Cross-sell of insurance, wealth management, brokerage, cash management, capital markets, etc.
- Positions ONB to be a major player within Indianapolis / other growth markets

Investment Portfolio

- Rigorous modeling and stress tests resulted in no OTTI in 2008
- Additional credit deterioration in future periods could result in OTTI
- Detail of holdings can be found in the Appendix

Daryl Moore

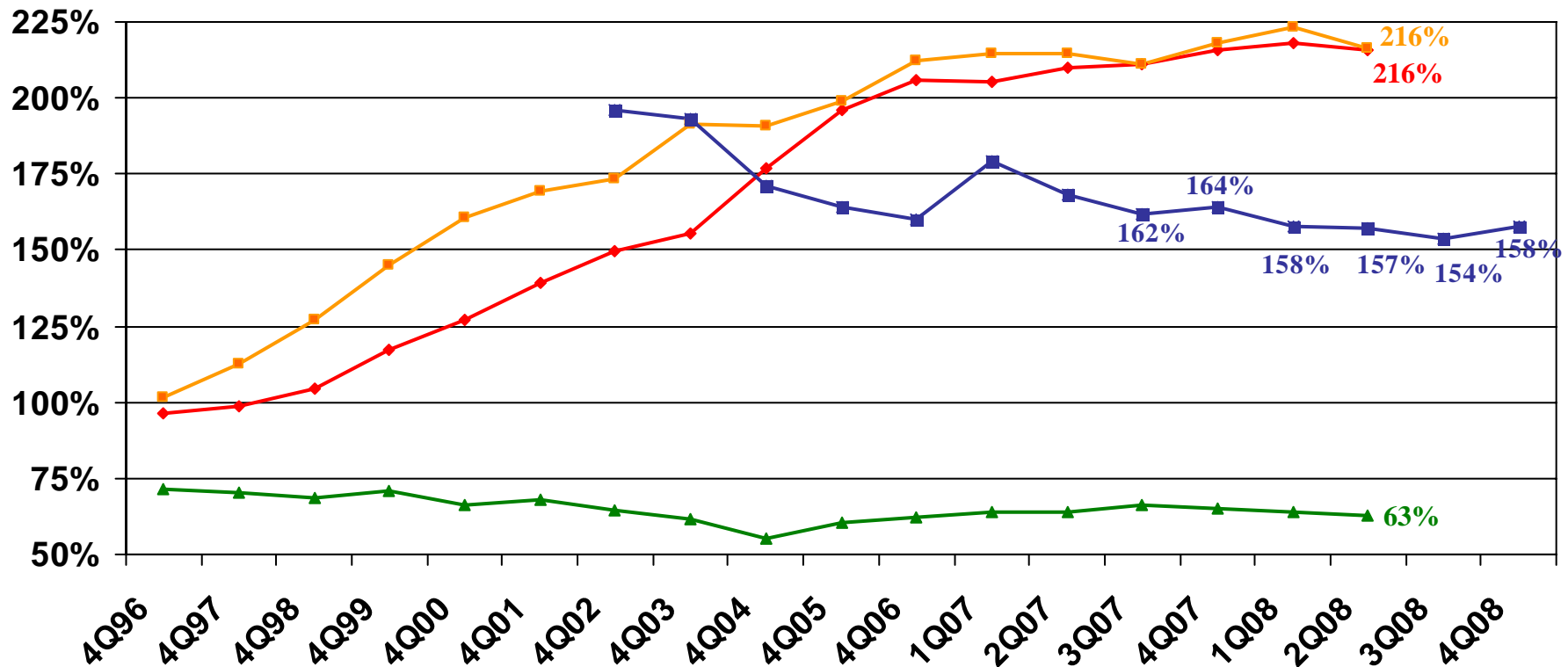
**Executive Vice President
Chief Credit Officer**

Credit Enhancements

- More consistency in credit decisions
- Better identification of risk factors in loan requests
- More accurate assignment of Asset Quality Ratings
- Reduced exposure to commercial real estate
- Experienced special assets staff

CRE as a % of Capital

Community Banks Mid-Sized Banks Large Banks ONB

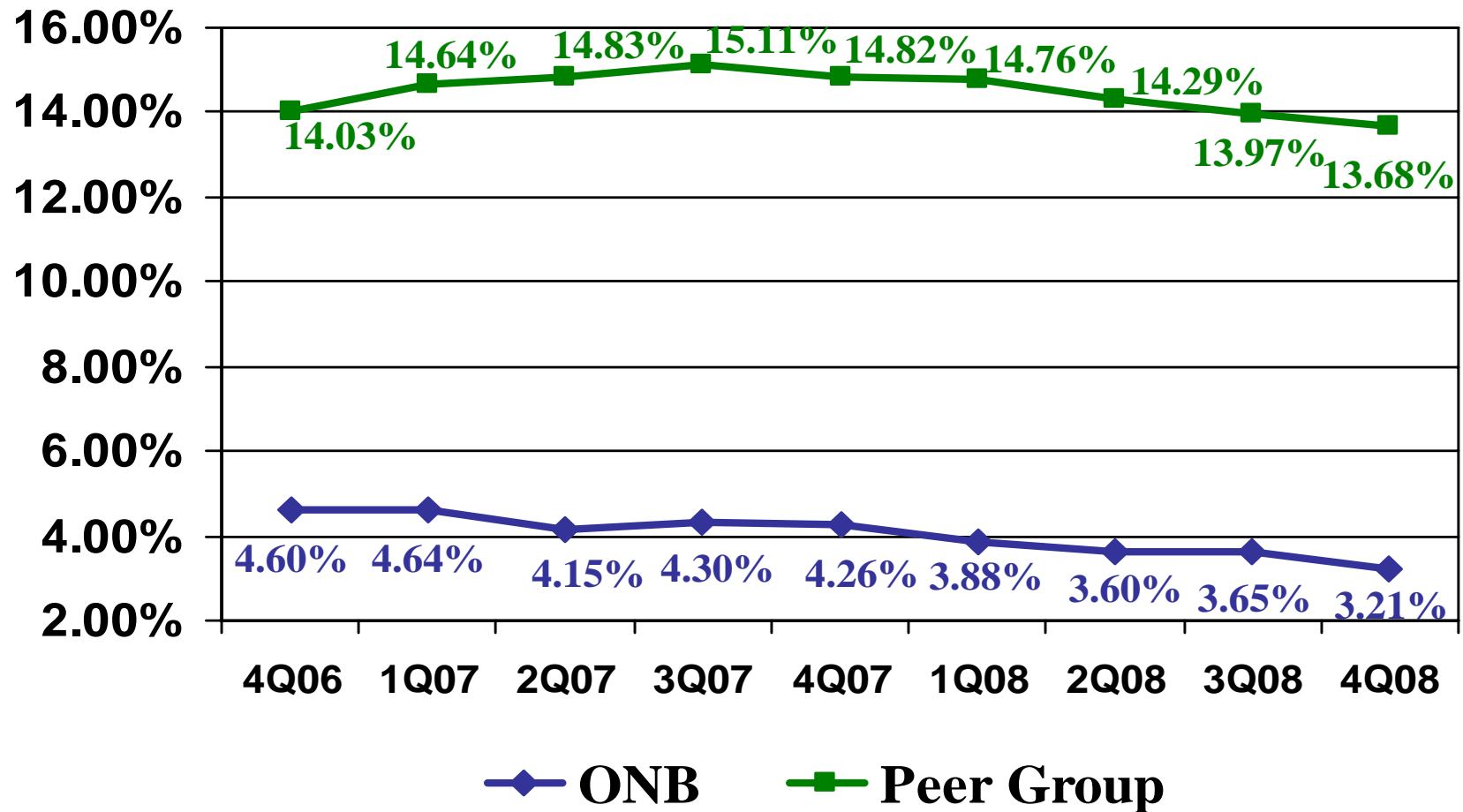


Source: OCC per Bank Call Reports. CRE: Construction & Land Development + Multifamily RE + Nonfarm Nonresidential + Unsecured C&I for RE; Capital: Total RBC.

*Effective 1Q07, the Call Reports segregated owner and non-owner occupied non-farm non-residential loans, and the proportion was applied retroactively to adjust historical data in order to conform to OCC 2006-46 (Concentrations in Commercial Real Estate Lending, Sound Risk Management Practices: Interagency Guidance on CRE Concentration Risk Management).

Construction & Land Loans

(As a % of end of period loans)

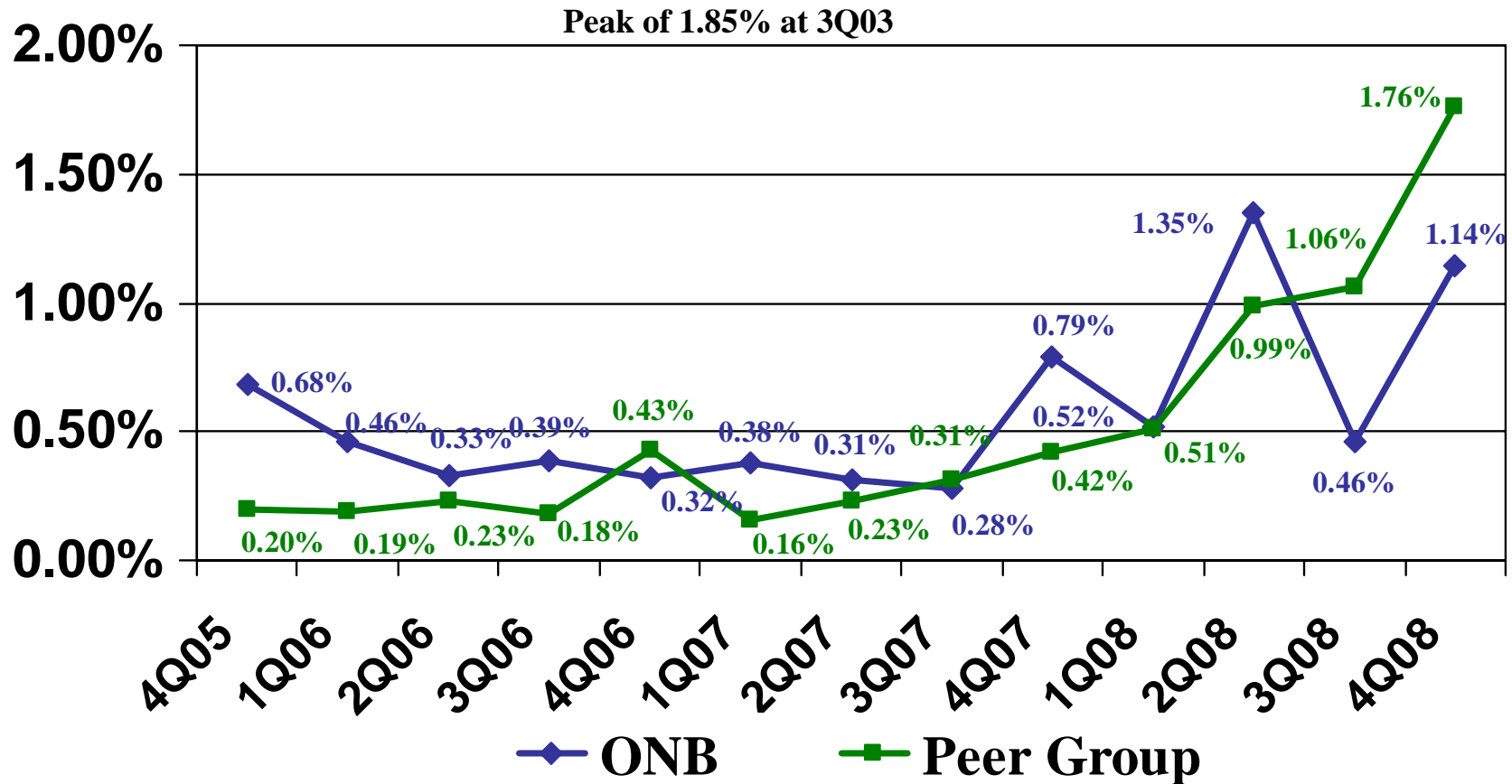


Per SNL Financial-Call Report Data

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Risk Profile

Quarterly Net Charge-Offs



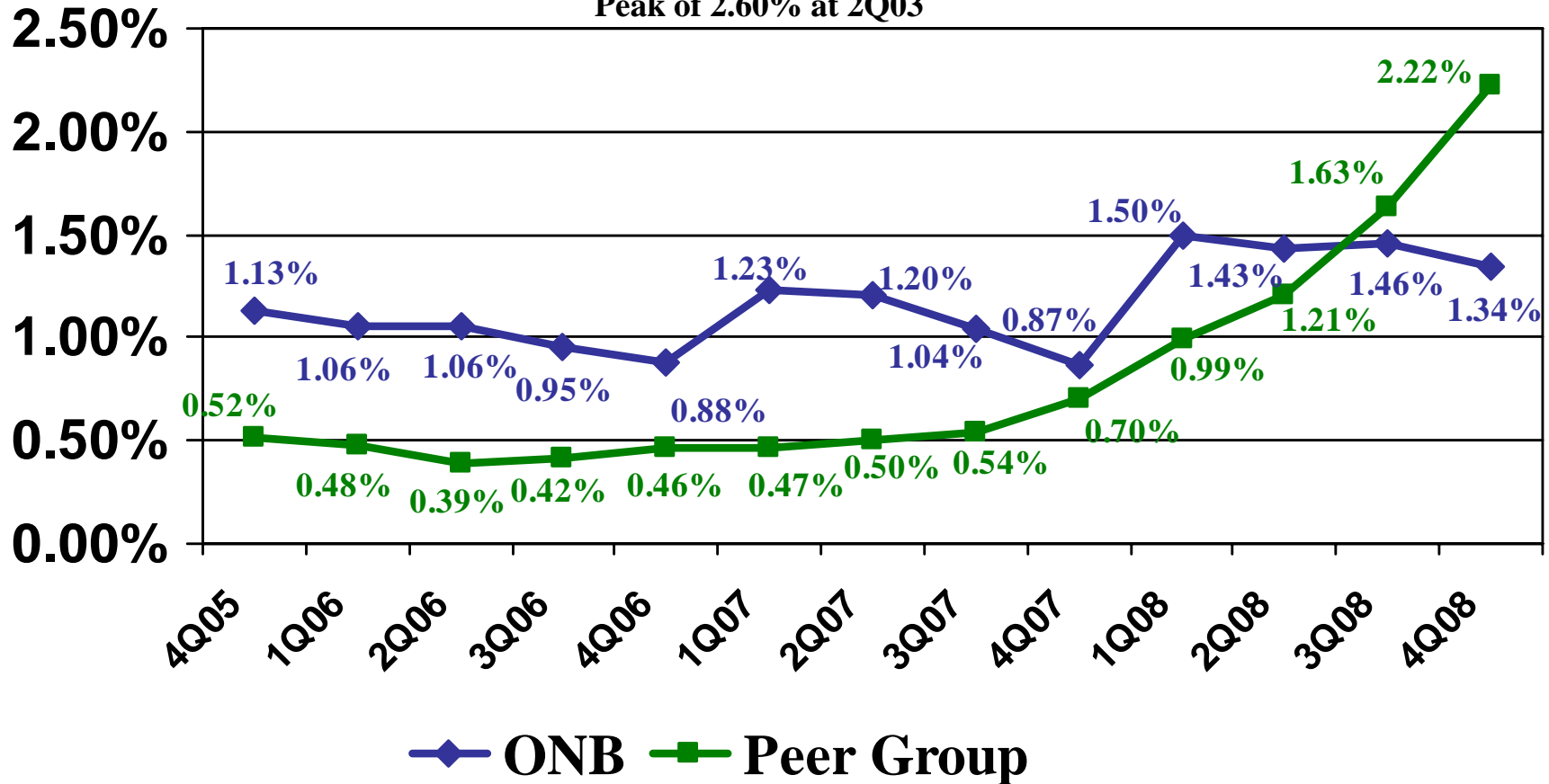
1Q08, 2Q08, 3Q08 and 4Q08 include \$3.0 million, or .26%, \$10.9 million, or .93%, \$1.7 million, or .14%, and \$3.2 million, or .27%, respectively, associated with the misconduct of a former Indianapolis loan officer.

Risk Profile

Nonaccrual Loans

(As a % of end of period loans)

Peak of 2.60% at 2Q03



Risk Profile

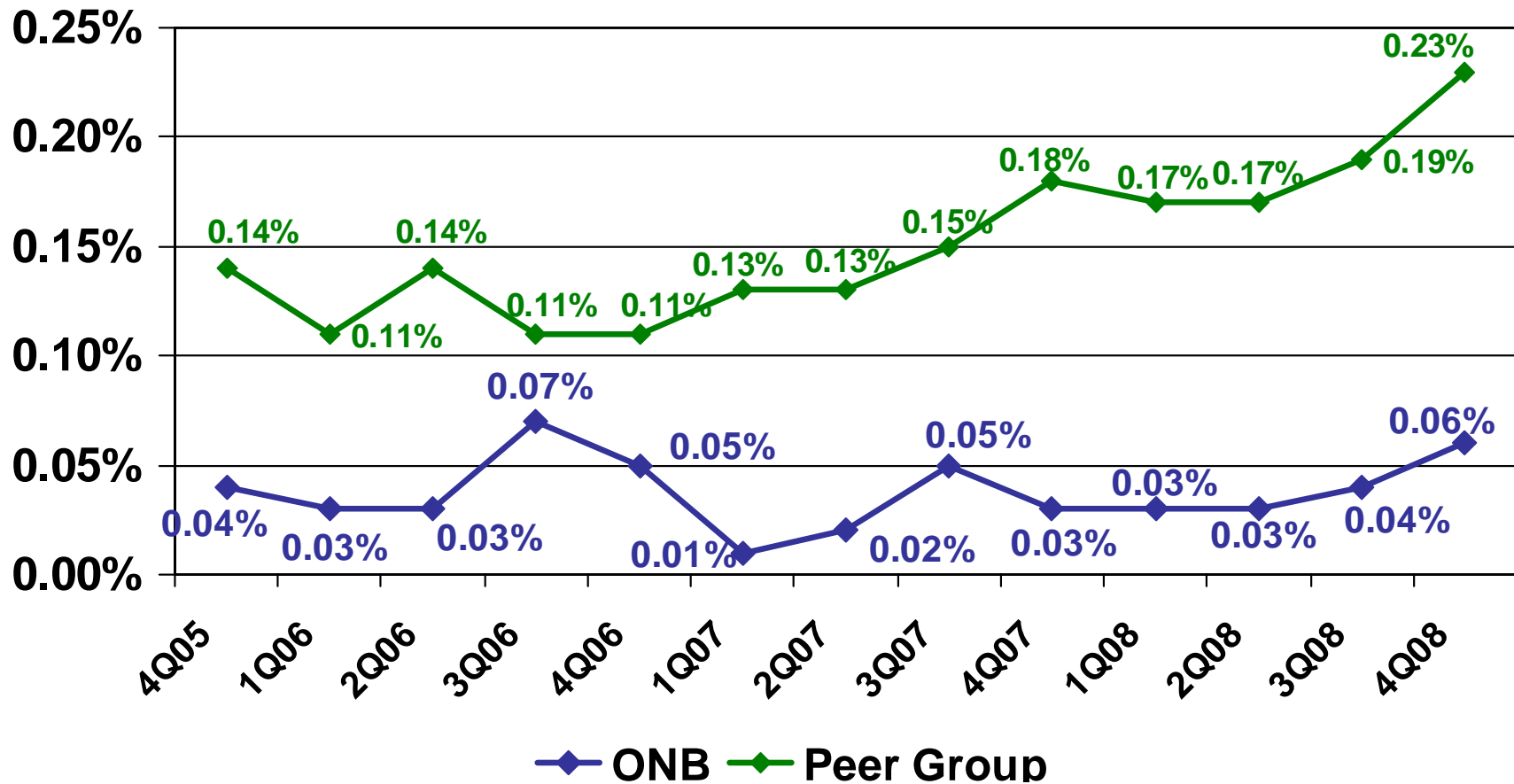
Nonaccrual Relationships \$2 Million or Greater

| (\$ in millions) | 1Q08 | 2Q08 | 3Q08 | 4Q08 |
|-----------------------|--------|--------|--------|--------|
| Count (#) | 5 | 8 | 9 | 7 |
| Total Exposure | \$39.3 | \$35.0 | \$33.2 | \$26.0 |
| Dollar Outstanding | \$33.6 | \$34.7 | \$32.3 | \$25.4 |
| Associated Impairment | \$18.1 | \$12.4 | \$9.2 | \$6.7 |

| Loan Type Breakdown – Outstandings (\$ in millions) | 4Q08 |
|---|--------|
| Commercial | \$9.5 |
| Commercial Real Estate | \$15.9 |

Risk Profile

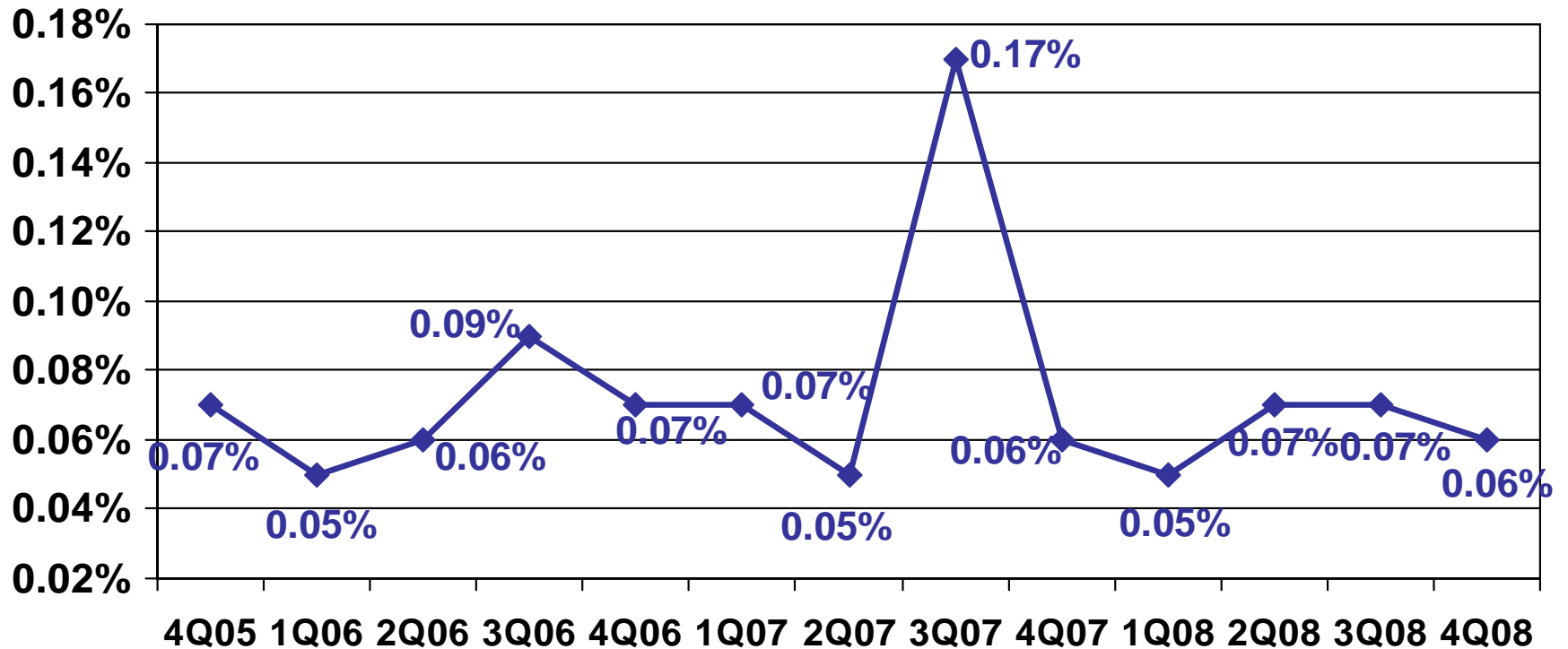
90+ Day Delinquent Loans (As a % of End of Period Total Loans)



Risk Profile

OREO & Other Repossessed Property

(As a % of End of Period Total Loans)

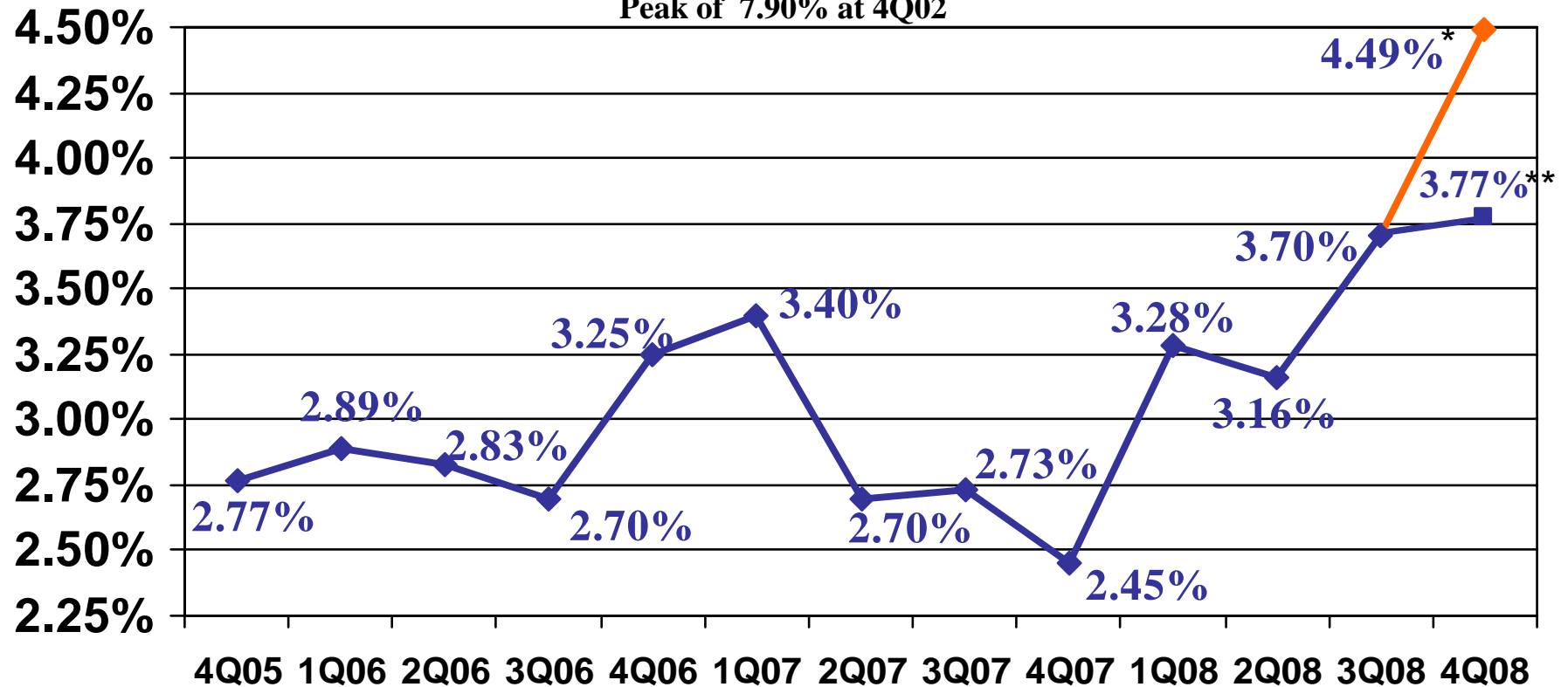


Risk Profile

Classified Assets (includes nonaccrual loans)

(As a % of End of Period Total Loans)

Peak of 7.90% at 4Q02



Classified loans are loans with a well-defined weakness that jeopardizes the liquidation of the debt and characterized by the distinct "possibility" that the bank will sustain some loss if the deficiencies are not corrected.

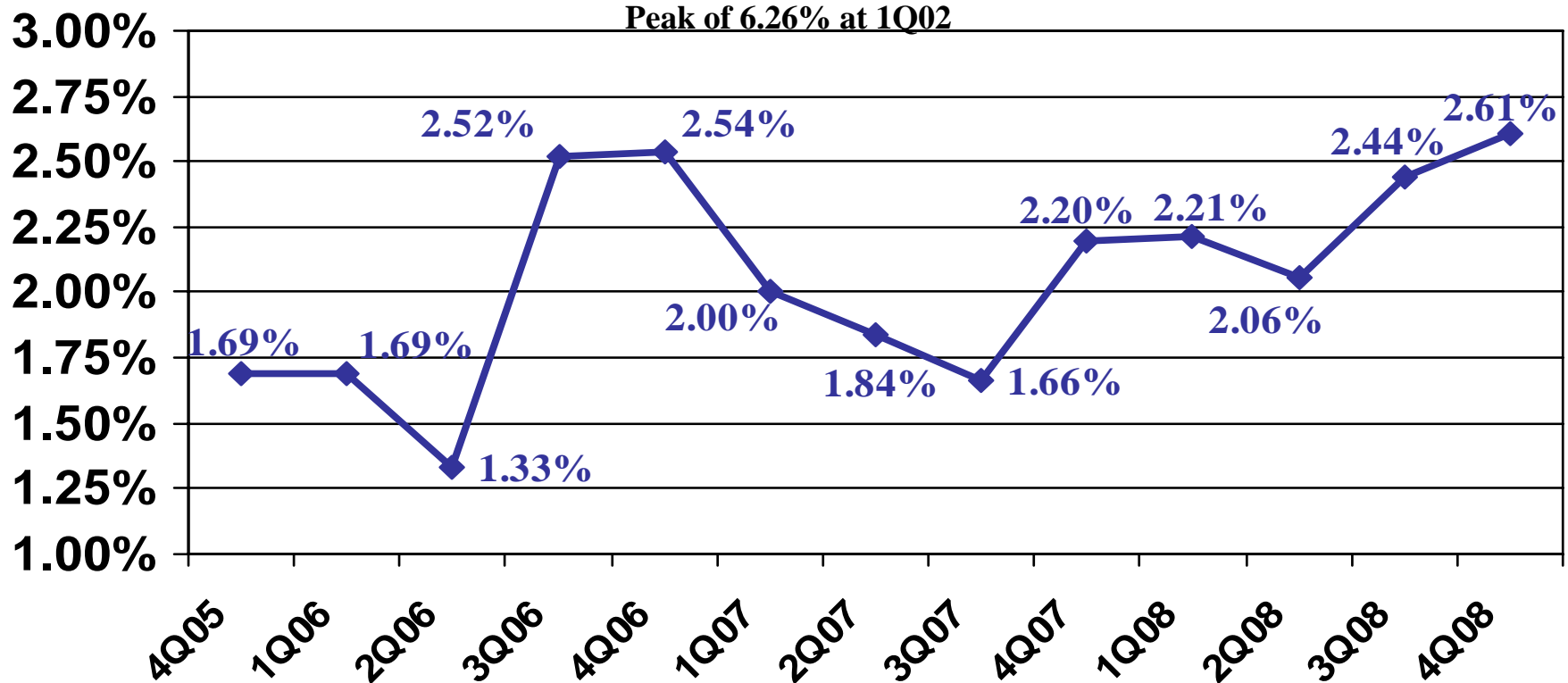
*4Q08 includes \$34.5 million in investment securities.

**Adjusted 4Q08 number of 3.77% excludes \$34.5 million in investment securities.

Risk Profile

Criticized Loans

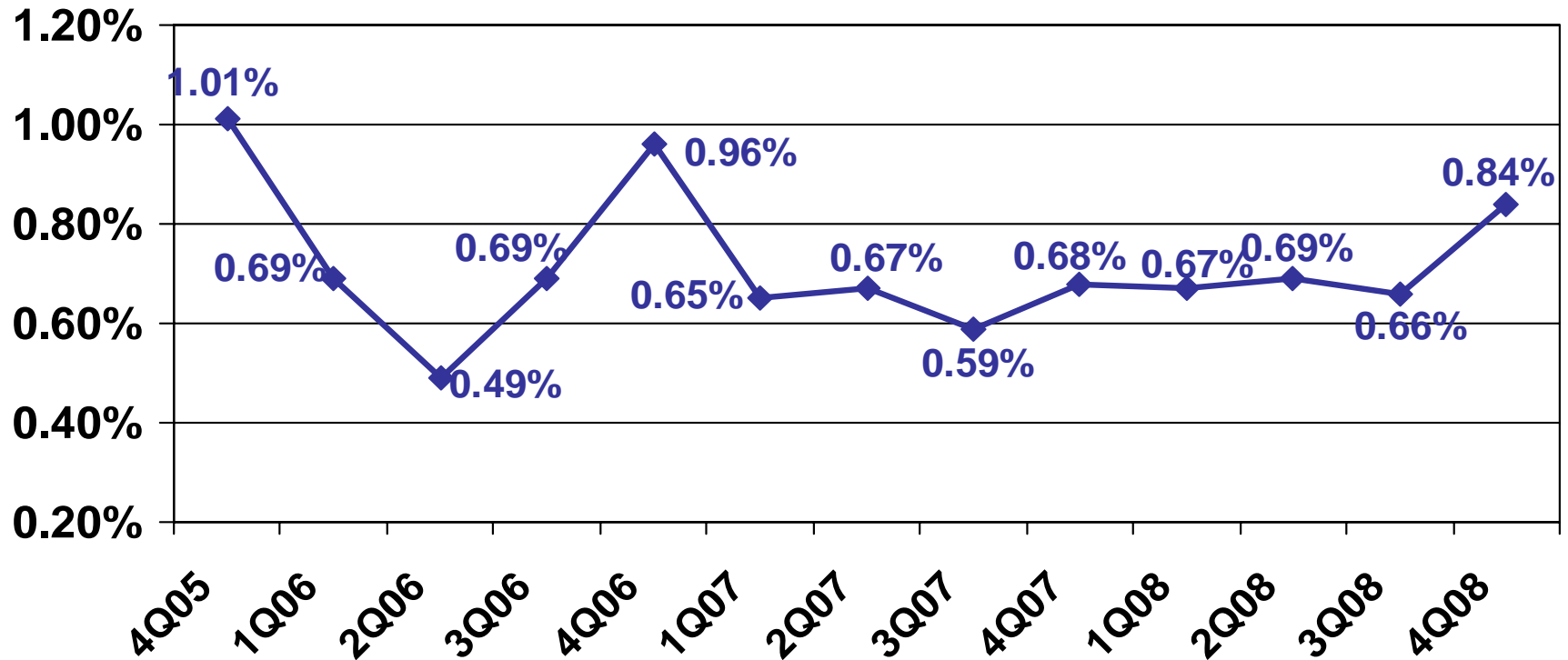
(As a % of End of Period Total Loans)



Criticized loans are loans exhibiting a potential weakness that deserves management's close attention.

Risk Profile

30+ Day Delinquent Loans (As a % of End of Period Total Loans)



Risk Profile

30+ Day Delinquent Loans Specific Segment Overview (As a % of End of Period Total Loans)

| 30+ Day Delinquent Loans | 1Q08 | 2Q08 | 3Q08 | 4Q08 |
|--|-------|-------|-------|-------|
| Commercial | .50% | .45% | .39% | .58% |
| Commercial Real Estate | .64% | .58% | .34% | .48% |
| First Mortgage Residential Real Estate | 1.39% | 1.34% | 1.43% | 1.81% |
| Home Equity Lines Of Credit | .60% | .82% | .77% | .83% |
| Other Consumer Loans | .63% | .83% | 1.12% | 1.30% |

| Loan Type as a % of Total Loans | 1Q08 | 2Q08 | 3Q08 | 4Q08 |
|--|-------|-------|-------|-------|
| Commercial | 37.1% | 38.5% | 38.4% | 39.7% |
| Commercial Real Estate | 26.3% | 25.2% | 24.9% | 24.2% |
| First Mortgage Residential Real Estate | 11.5% | 11.2% | 11.1% | 10.8% |
| Home Equity Lines Of Credit | 5.2% | 5.3% | 5.6% | 5.7% |
| Other Consumer Loans | 19.9% | 19.8% | 20.0% | 19.6% |

The Old National Distinction

CONSISTENCY

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 - No subprime business line
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 - Long-term return vs. short-term gains
 - Transparency in communications

Thank you
Questions



Appendix

Investor Contact

Additional information can be found on the
Investor Relations web pages at
www.oldnational.com.

Investor Inquiries:

Lynell J. Walton, CPA

SVP – Director of Investor Relations

812-464-1366

lynell.walton@oldnational.com

Investment Portfolio Detail

| (\$ in millions) | Book Value 4Q08 | Market Value 4Q08 | Market Value 3Q08 | Market Value \$ Change |
|---|--------------------|----------------------|----------------------|------------------------------|
| U.S. Government Agencies-Senior Debentures | | | | |
| Federal National Mortgage Association | | \$189.7 | \$174.7 | |
| Federal Home Loan Mortgage Corporation | | 105.5 | 69.4 | |
| Federal Home Loan Bank | | 59.0 | 65.8 | |
| Federal Farm Credit Bank | | 35.1 | 9.9 | |
| Subtotal | \$381.6 | \$389.3 | \$319.8 | \$69.5 |
| Mortgage Backed Securities | | | | |
| Issued or guaranteed by FNMA, FHLMC, GNMA | \$941.3 | \$957.2 | \$972.5 | |
| Nonagency guaranteed | 276.8 | 216.9 | 230.6 | |
| Subtotal | \$1,218.1 | \$1,174.1 | \$1,203.1 | \$(29.0) |
| Corporate Securities | | | | |
| Trust Preferred | \$60.7 | \$28.6 | \$29.6 | |
| Other Corporate | 121.9 | 115.8 | 112.7 | |
| Subtotal | \$182.6 | \$144.4 | \$142.3 | \$2.1 |
| Municipal Securities | \$471.2 | \$482.2 | \$327.4 | \$154.8 |
| Other Securities | \$76.9 | \$76.9 | \$76.9 | -0- |
| Total Market Value | \$2,330.4 | \$2,266.9 | \$2,069.5 | \$197.4 |

Investment Portfolio Detail

| (\$ in millions) | Book Value 4Q08 | Market Value 4Q08 | Market Value 3Q08 |
|--|--------------------|-------------------------|-------------------------|
| Financial Services exposure within Corporate Securities | | | |
| Goldman Sachs | \$2.0 | \$1.9 | \$1.7 |
| Morgan Stanley | \$2.0 | \$1.2 | \$1.7 |
| American General Finance | \$1.5 | \$1.1 | \$1.1 |
| Hartford Financial Services Group | \$2.0 | \$1.4 | \$1.8 |
| Citigroup | \$3.2 | \$2.8 | \$3.0 |

Non-GAAP Reconciliations

| (end of period balances- \$ in millions) | 4Q06 | 1Q07 | 2Q07 | 3Q07 | 4Q07 | 1Q08 | 2Q08 | 3Q08 | 4Q08 |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Total Shareholders' Equity | \$642.4 | \$640.7 | \$625.6 | \$647.4 | \$652.9 | \$675.4 | \$649.0 | \$635.4 | \$730.9 |
| Deduct: Goodwill and Intangible Assets | (134.2) | (194.4) | (192.8) | (191.9) | (191.0) | (190.3) | (188.7) | (187.8) | (186.8) |
| Tangible Shareholders' Equity | 508.2 | 446.3 | 432.8 | 455.5 | 461.9 | 485.1 | 460.3 | 447.6 | 544.1 |
| Deduct: Preferred Stock | -0- | -0- | -0- | -0- | -0- | -0- | -0- | -0- | 97.1 |
| Deduct: Other Comprehensive Income | (25.1) | (20.2) | (37.0) | (23.4) | (11.3) | (8.9) | (40.2) | (56.5) | (53.5) |
| Tangible Common Shareholders' Equity | \$533.3 | \$466.5 | \$469.8 | \$479.0 | \$473.2 | \$494.0 | \$500.5 | \$504.1 | \$500.5 |
| Total Assets | \$8,149.5 | \$8,331.6 | \$7,987.7 | \$7,832.5 | \$7,846.1 | \$7,723.5 | \$7,601.8 | \$7,568.3 | \$7,873.9 |
| Add: Trust Overdrafts | .8 | .3 | .2 | .1 | 1.7 | .1 | .1 | .3 | 1.0 |
| Deduct: Goodwill and Intangible Assets | (134.2) | (194.4) | (192.8) | (191.9) | (191.0) | (190.3) | (188.7) | (187.8) | (186.8) |
| Tangible Assets | \$8,016.2 | \$8,137.5 | \$7,795.1 | \$7,640.7 | \$7,656.8 | \$7,533.2 | \$7,413.1 | \$7,380.9 | \$7,688.0 |
| Tangible Equity to Tangible Assets | 6.34% | 5.48% | 5.55% | 5.96% | 6.03% | 6.44% | 6.21% | 6.06% | 7.08% |
| Tangible Common Equity to Tangible Assets | 6.65% | 5.73% | 6.03% | 6.27% | 6.18% | 6.56% | 6.75% | 6.83% | 6.51% |

Peer Group

| Name | Ticker | Name | Ticker |
|----------------------------------|---------------|--------------------------------|---------------|
| 1st Source Corp | SRCE | Hancock Holding | HBHC |
| AMCORE Financial | AMFI | Integra Bank Corp | IBNK |
| Associated Banc Corp | ASBC | International Bancshrs | IBOC |
| Bank of Hawaii | BOH | Irwin Financial | IFC |
| BancorpSouth Inc | BXS | Old National Bancorp | ONB |
| BOK Financial Group | BOKF | South Financial Group | TSFG |
| Citizens Republic Bancorp | CRBC | Susquehanna Bancshrs | SUSQ |
| Colonial Bancorp | CNB | TCF Financial | TCB |
| Cullen Frost Bankers | CFR | Trustmark Corp | TRMK |
| First Merchants Corp | FRME | UMB Financial Corp | UMBF |
| First Midwest Bancorp | FMBI | Valley National Bancorp | VLV |
| FirstMerit Corp | FMER | Whitney Holding Corp | WTNY |
| Fulton Financial Corp | FULT | | |