
Old National Bancorp

**Raymond James
Bank Conference**

August 10, 2011



Bob Jones

President and CEO



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, statements relating to Old National's financial condition, asset and credit quality trends, capital, liquidity and the financial benefits and other effects of the acquisition of certain assets and assumption of certain liabilities of Integra Bank from the FDIC. Forward-looking statements can be identified by the use of the words "anticipate," "believe," "expect," "intend," "could" and "should," and other words of similar meaning. 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 (including the impact of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations to be issued thereunder), ability of Old National to execute its business plan, including the integration of the acquired Integra Bank assets and liabilities, changes in the economy which could materially impact credit quality trends and the ability to generate loans and gather deposits, failure or circumvention of Old National's 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 resolutions of litigations, other matters discussed in this presentation and other factors identified in the Company's Annual Report on 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 (NYSE: ONB)

- \$8.0 billion in total assets at June 30, 2011
- Largest financial services holding company headquartered in Indiana
 - Operates one of the largest independent insurance agencies headquartered in Indiana
 - 221 (including 52 from Integra Bank) financial centers throughout Indiana, Western Kentucky and Southern Illinois
- Ranked 22nd on Forbes Top 100 Banks (Dec. 2010)

Strong 2Q11 Earnings Performance

- Net income of \$17.0 million, or \$.18 per share vs. \$10.5 million, or \$.12 per share, in 2Q10
- Net interest margin expansion to 3.67%
- Revenues, net of securities gains, increased 11.1% over 2Q10
- Capital and liquidity remain strong
- Credit quality well controlled

Steady Growth in Pre-Tax, Pre-Provision Income¹

(\$ in millions)	4Q09	1Q10	2Q10	3Q10	4Q10	1Q11	2Q11
Total Revenues	\$91.6	\$98.1	\$98.1	\$96.1	\$96.2	\$104.2	\$105.9
Less: Provision for Loan Losses	(21.8)	(9.3)	(8.0)	(6.4)	(7.1)	(3.3)	(3.2)
Less: Noninterest Expense	(90.8)	(77.1)	(77.9)	(76.1)	(83.3)	(79.9)	(79.8)
Pre-tax Income	\$(21.0)	\$11.7	\$12.2	\$13.6	\$5.8	\$21.0	\$22.9
Add: Provision for Loan Losses	21.8	9.3	8.0	6.4	7.1	3.3	3.2
Pre-Tax, Pre-Provision Income ¹	\$.8	\$21.0	\$20.2	\$20.0	\$12.9	\$24.3	\$26.1
Less: Securities Gains/Losses	3.2	(3.0)	(3.2)	(3.2)	(3.7)	(1.2)	(.5)
Pre-Tax, Pre-Provision Income, Net of Securities Gains ¹	\$4.0	\$18.0	\$17.0	\$16.8	\$9.2	\$23.1	\$25.6

50.6%

10.8%

8.0%

1.6%

¹Non-GAAP financial measure management believes is useful in evaluating the financial results of the Company

Old National Bancorp (NYSE: ONB)

- **Questions you might be asking**
 - How does the acquisition of Monroe Bancorp fit into the Old National M&A strategy?
 - How does the FDIC acquisition of Integra Bank fit into the Old National M&A strategy?
 - What is Old National doing to grow net income in this slow growth, low interest rate environment?
 - Does Old National need to raise additional capital?
 - What is Old National's perspective on credit?

Questions you might be asking

How does the acquisition of Monroe Bancorp fit into the Old National M&A strategy?

M & A Strategy

Focus on community banks in markets with attractive growth rates that are within or near our existing franchise

Must align strategically and culturally



Must pass rigorous due diligence process



Must meet/exceed financial targets



Must enhance Old National's mission of being a true "community bank"

Why Monroe Bancorp?

- **Strong strategic and cultural fit**
 - Bloomington, Ind. – home to Indiana University
 - Moves us to #1 market share from #6 in a strong Indiana market
 - Market has above-average growth rates
 - Low unemployment – 7.6% vs. 8.3% statewide
- **Financially compelling acquisition**
 - In market – allows 50% plus cost saves
 - Consolidated six locations at conversion
 - Accretive to EPS by 7% to 8%
 - Internal rate of return greater than 18%

Questions you might be asking

How does the FDIC acquisition of Integra Bank fit into the Old National M&A strategy?

M & A Strategy

Focus on in-market community banks where significant cost saves can be achieved

Must align strategically and culturally



Must pass rigorous due diligence process



Must meet/exceed financial targets

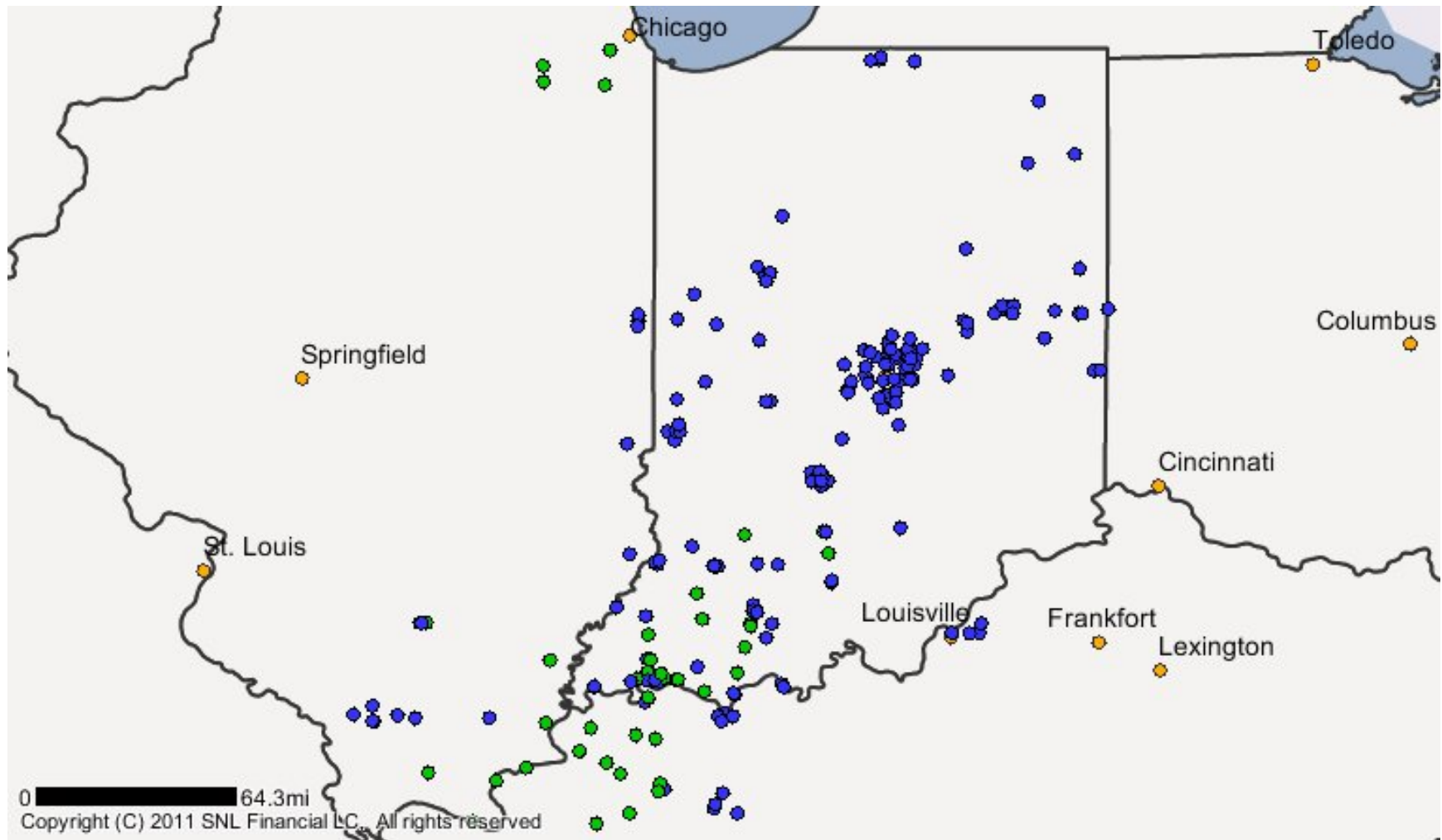


Must enhance Old National's mission of being a true "community bank"

FDIC Acquisition of Integra Bank

Transaction	<ul style="list-style-type: none">• Purchased certain assets and assume certain liabilities from the FDIC as receiver of Integra Bank, NA, Evansville, IN• Approximately \$1.2 billion in loans covered by FDIC loss share agreement• Assets discount bid = 9.74% of covered assets• 1.00% core deposit premium
Due Diligence	<ul style="list-style-type: none">• Conducted multiple due diligences• Gleaned valuable knowledge of FDIC process from other financial institutions• Utilized third-party expertise
Financial Impact	<ul style="list-style-type: none">• Expected to be immediately accretive to EPS in 2011, excluding one-time charges of approximately \$22 to \$24 million• Expected 2012 EPS accretion > 25%• Exceeds internal rate of return targets• Pro forma efficiency ratio to mid 60's% in 2012
Capital	<ul style="list-style-type: none">• Expected to create goodwill• No additional capital raise expected
Closing / Conversion	<ul style="list-style-type: none">• Transaction closed July 29, 2011• All regulatory approvals have been received• Anticipate conversion to be late 4Q11

New Old National Landscape



- Old National
- Integra

Pro Forma Market Share – State of Indiana

2010 Rank	Institution	2010 Number of Branches	2010 Total Deposits in Market (\$000)	2010 Total Market Share (%)
1	JP Morgan Chase	190	\$12,637,967	12.91%
2	PNC Financial Services	166	10,106,923	10.32
3	Fifth Third Bancorp	143	6,730,999	6.87
4	Pro Forma Company	174	6,371,583	6.51
4	Old National Bancorp	144	4,904,384	5.01
5	BMO Financial Group	84	3,673,224	3.75
6	1 st Source Corp.	70	3,459,264	3.53
7	First Merchants	78	2,919,853	2.98
8	KeyCorp	73	2,859,507	2.92
9	Wells Fargo	38	2,641,671	2.70
10	Regions Financial Corp.	64	2,412,310	2.46
17	Integra Bank Corp.	30	1,467,199	1.50

Pro Forma Market Share –MSAs

Evansville, IN-KY MSA				
2010 Rank	Institution	2010 Number of Branches	2010 Total Deposits in Market (\$000)	2010 Total Market Share (%)
1	Pro Forma Company	40	\$2,586,606	43.27%
1	Fifth Third Bancorp	29	1,542,442	25.80
2	Old National Bancorp	20	1,471,696	24.62
3	Integra Bank Corp.	20	1,114,910	18.65
4	German American Bancorp	3	269,533	4.51
5	Ohio Valley Bancorp	3	203,832	3.41

- Jasper – Retain # 2 in market and improve to 33+% share
- Mt. Vernon, IL – Improve to # 2 from # 9 with 13% share
- Vincennes, IN – Improve to #1 from # 2 with 33+% share
- Madisonville, KY – Improve to # 1 from # 4 with nearly 25% share
- Washington, IN – Improve to # 1 from # 2 with nearly 40% share

Questions you might be asking

What is Old National doing to grow net income in this slow growth, low interest rate environment?

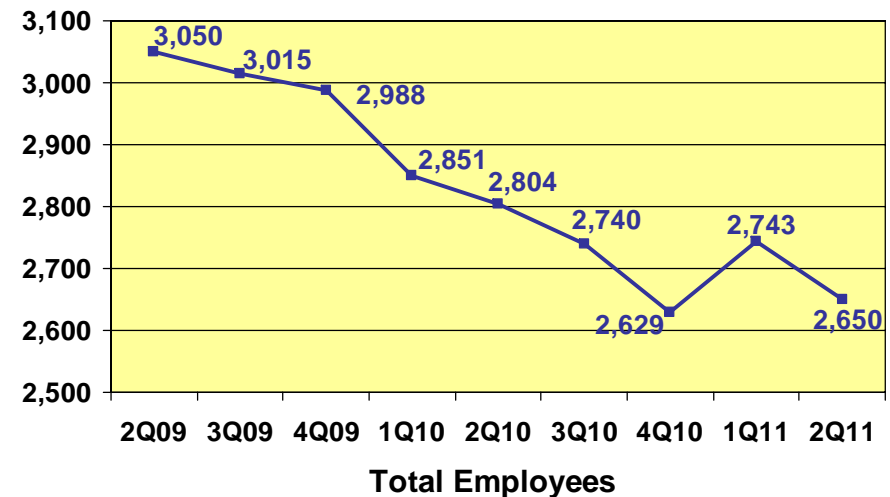
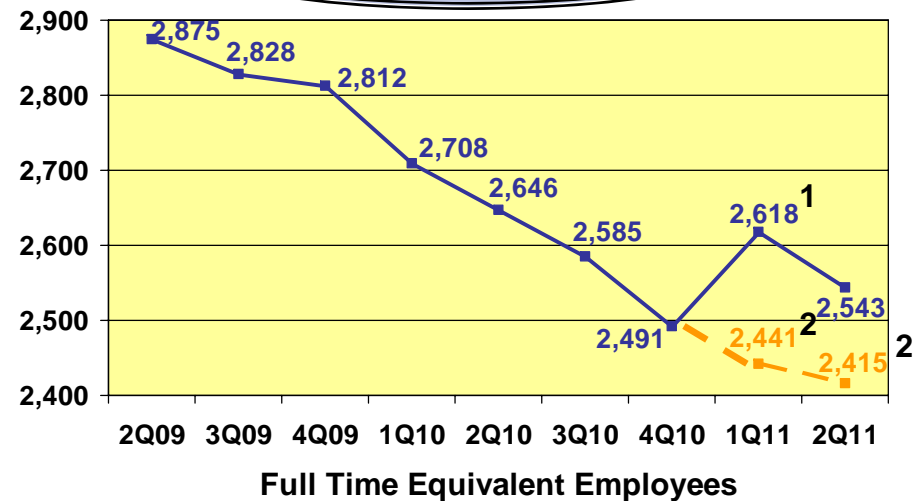
Slow Growth, Low Rate Environment

- Making tough decisions
 - Reducing noninterest expenses
 - Elimination of free checking
 - Reducing investment portfolio and wholesale funding
- Adapting and reshaping our business to grow revenue

Noninterest Expense

- Noninterest expense was \$79.8 million in 2Q11 and include:
 - One-time integration and conversion costs of \$2.2 million
 - Monroe operational expenses of \$4.8 million

Decrease of 16% or 460 FTE²



¹ Includes 177 FTE acquired with the Monroe transaction

² Excludes impact of FTE acquired with the Monroe transaction

But what about Revenue?

- Streamlining processes to make it simpler, easier and faster for clients to do business with Old National
 - Commercial Banking Unit redesign
 - Second review committee for new lending opportunities
 - Introduction of Quick Home Refi product

But what about Revenue?

- Entire company focused on important client acquisition from competitors – committed to taking market share
- Strategic cross-selling – marketing insurance and wealth management products to commercial relationships

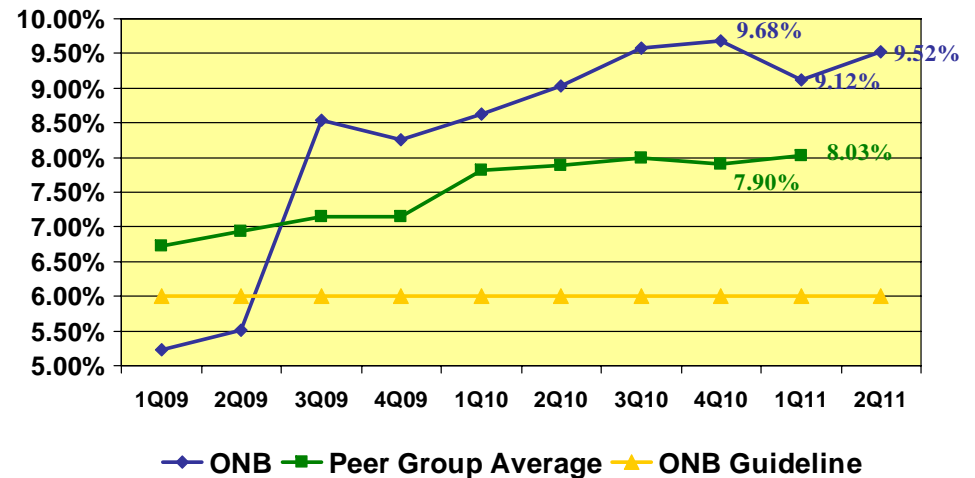
Questions you might be asking

Does Old National need to raise additional capital?

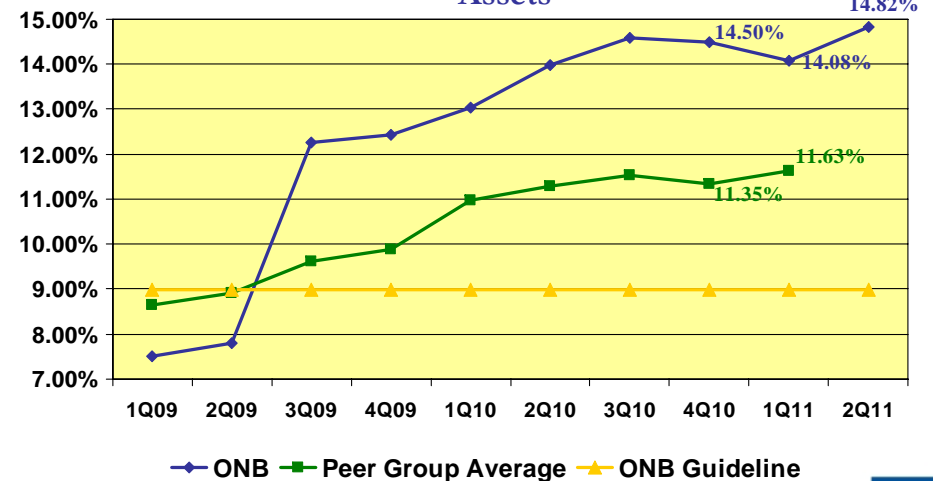
Capital Strategy

- Among the best capitalized in our peer group
- Strong capital position allows us to prudently take advantage of acquisition opportunities

Tangible Common Equity To Tangible Assets



Tangible Common Equity to Risk Weighted Assets

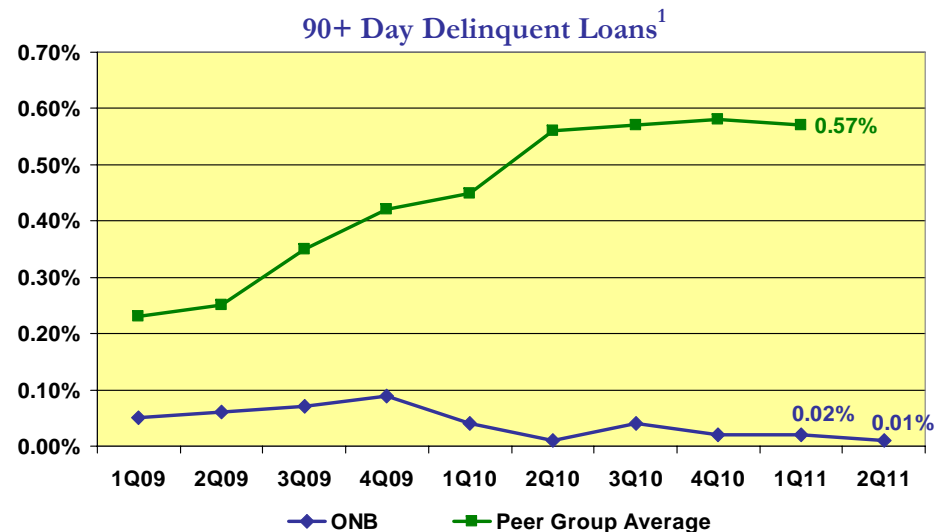
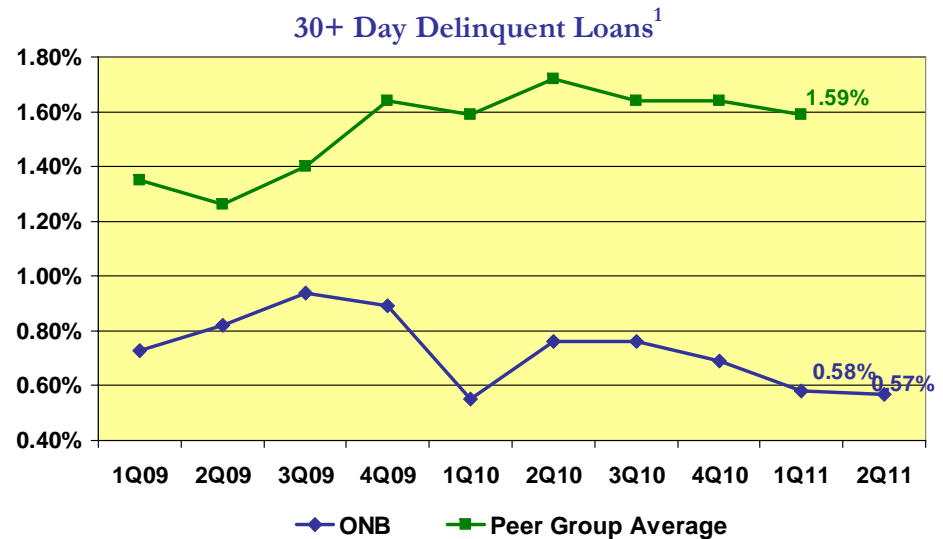


Questions you might be asking

What is Old National's perspective on credit?

Credit Trends

- Better than peer group performance

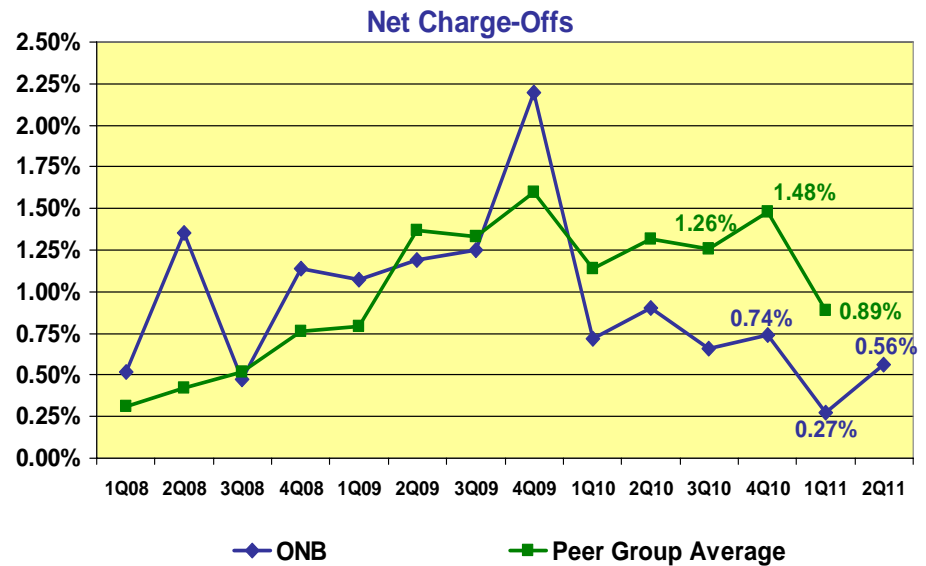
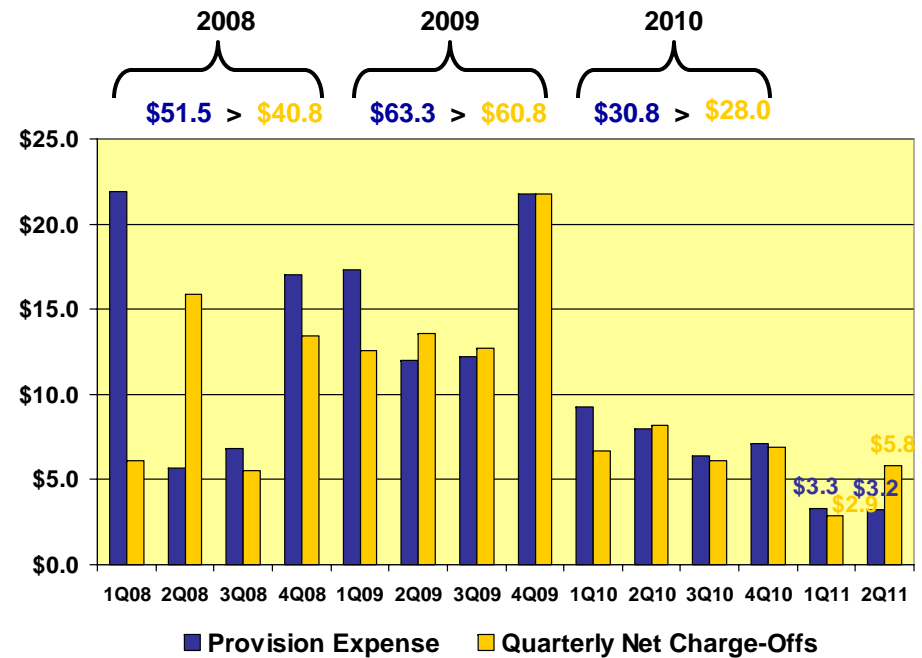


Peer Group data per SNL Financial. See Appendix for definition of Peer Group

¹As a % of end of period total loans

Credit Trends

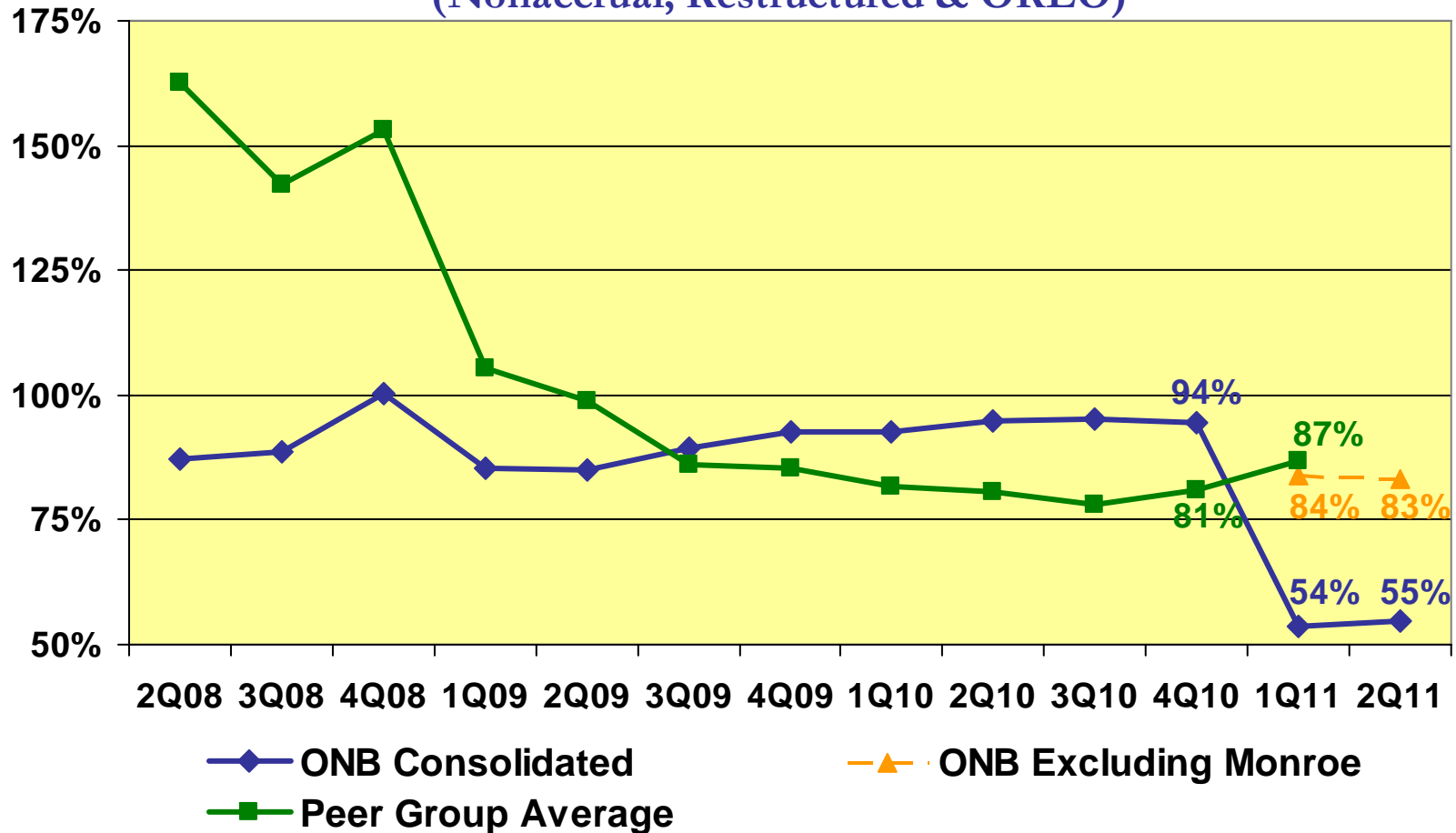
- Positive trends in credit quality led to decline in credit costs



\$ in millions

Credit Trends

Allowance for Loan Losses to Non-Performing Assets
(Nonaccrual, Restructured & OREO)



Peer Group data per SNL Financial. See Appendix for definition of Peer Group

How is ONB handling the Integra loan portfolio?

- **Separate division created to handle**
 - Reporting and accounting
 - Loss share agreement
 - Special assets
 - Performing loans

Thank You

Q&A



Old National Bancorp

Appendix



Non-GAAP Reconciliations

(end of period balances- \$ in millions)	1Q09	2Q09	3Q09	4Q09	1Q10	2Q10	3Q10	4Q10	1Q11	2Q11
Total Shareholders' Equity	\$631.8	\$634.6	\$865.4	\$843.8	\$855.5	\$874.7	\$895.7	\$878.8	\$984.0	\$1,008.3
Deduct: Goodwill and Intangible Assets	(205.6)	(204.0)	(202.4)	(200.2)	(198.6)	(197.1)	(195.6)	(194.1)	(271.0)	(270.4)
Tangible Shareholders' Equity	426.2	430.6	663.0	643.6	657.0	677.7	700.1	684.7	713.0	737.8
Deduct: Preferred Stock	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Tangible Common Shareholders' Equity	\$426.2	\$430.6	\$663.0	\$643.6	\$657.0	\$677.7	\$700.1	\$684.7	\$713.0	\$737.8
Total Assets	\$8,356.1	\$8,012.2	\$7,973.5	\$8,005.3	\$7,818.3	\$7,701.1	\$7,506.1	\$7,263.9	\$8,085.3	\$8,018.8
Add: Trust Overdrafts	.1	-0-	.4	.2	.3	.1	.1	.5	.1	.4
Deduct: Goodwill and Intangible Assets	(205.6)	(204.0)	(202.4)	(200.2)	(198.6)	(197.1)	(195.6)	(194.1)	(271.0)	(270.4)
Tangible Assets	\$8,150.6	\$7,808.2	\$7,771.6	\$7,805.4	\$7,620.0	\$7,504.1	\$7,310.6	\$7,070.3	\$7,814.4	\$7,748.8
Tangible Equity to Tangible Assets	5.23%	5.51%	8.53%	8.25%	8.62%	9.03%	9.58%	9.68%	9.12%	9.52%
Tangible Common Equity to Tangible Assets	5.23%	5.51%	8.53%	8.25%	8.62%	9.03%	9.58%	9.68%	9.12%	9.52%

Non-GAAP Reconciliations

(end of period balances- \$ in millions)	1Q09	2Q09	3Q09	4Q09	1Q10	2Q10	3Q10	4Q10	1Q11	2Q11
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Risk Adjusted Assets	\$5,680.4	\$5,529.0	\$5,410.9	\$5,173.1	\$5,038.2	\$4,847.4	\$4,803.2	\$4,720.9	\$5,062.8	\$4,978.4
Tangible Common Equity to Risk Weighted Assets	7.50%	7.79%	12.25%	12.44%	13.04%	13.98%	14.58%	14.50%	14.08%	14.82%

ONB Peer Group

Like-size, publicly-traded financial services companies, generally in the Midwest, serving comparable demographics with comparable services as ONB

1st Source Corporation	SRCE	Heartland Financial USA, Inc.	HTLF
BancFirst Corporation	BANF	IBERIABANK Corporation	IBKC
BancorpSouth, Inc.	BXS	MB Financial, Inc.	MBFI
Bank of Hawaii Corporation	BOH	Park National Corporation	PRK
Chemical Financial Corporation	CHFC	Pinnacle Financial Partners, Inc.	PNFP
Commerce Bancshares, Inc.	CBSH	Prosperity Bancshares, Inc.	PRSP
Cullen/Frost Bankers, Inc.	CFR	S&T Bancorp, Inc.	STBA
F.N.B. Corporation	FNB	Sterling Bancshares, Inc.	SBIB
First Commonwealth Financial Corporation	FCF	Susquehanna Bancshares, Inc.	SUSQ
First Financial Bancorp.	FFBC	Trustmark Corporation	TRMK
First Interstate BancSystem, Inc.	FIBK	UMB Financial Corporation	UMBF
First Merchants Corporation	FRME	United Bankshares, Inc.	UBSI
First Midwest Bancorp, Inc.	FMBI	Valley National Bancorp	VLY
FirstMerit Corporation	FMER	WesBanco, Inc.	WSBC
Glacier Bancorp, Inc.	GBCI	Whitney Holding Corporation	WTNY
Hancock Holding Company	HBHC	Wintrust Financial Corporation	WTFC

Investor Contact

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

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