



# Fourth-Quarter 2014 Earnings

February 2, 2015





**OLD NATIONAL BANCORP<sup>®</sup>**

NASDAQ: ONB  
oldnational.com

**Lynell Walton**  
**Investor Relations**



# 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 Bancorp's ("Old National's") financial condition, results of operations, asset and credit quality trends and profitability. 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. 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: expected cost savings, synergies and other financial benefits from the recently completed mergers might not be realized within the expected timeframes and costs or difficulties relating to integration matters might be greater than expected; 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 its related regulations); ability of Old National to execute its business plan; 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 resolutions of litigations; other matters discussed in this presentation and other factors identified in our Annual Report on Form 10-K and other periodic filings with the SEC. These forward-looking statements are made only as of the date of this presentation, and Old National does not undertake an 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 registrant; 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.

# Executing the Plan – 4Q14 Highlights

## Continue to Grow Core Revenue

- Organic loan growth of \$51.9 million<sup>1</sup>, or 3.4% annualized, over 3Q14 and organic growth of \$339.6 million<sup>1</sup>, or 7.0%, over 4Q13
- Revenue growth<sup>2</sup> of 11.9% from 4Q13
- Organic growth in Banking, Wealth Management and Insurance
- Core net interest margin decreased 17 bps from 3Q14

## Reduce Operating Expenses

- Operational expenses<sup>3</sup> increased \$.4 million from 3Q14
- Expected Tower cost savings of 35%+ on track as announced
- Expected United Bancorp, Inc. cost savings of 32% on track as announced

## Transform the Franchise Into Higher-Growth Markets

- *Execution of our M&A strategy of adding higher-growth markets*
- ✓ Ann Arbor, MI – United Bancorp acquisition closed and fully converted
- ✓ Lafayette, IN – LSB Financial Corp. acquisition closed – anticipate 1Q15 conversion
- ✓ Grand Rapids, MI – Founders Financial Corporation acquisition closed – anticipate 2Q15 conversion

<sup>1</sup> Excluding change in FDIC covered loans and loans acquired in the Tower, United and Lafayette acquisitions

<sup>2</sup> Excluding changes in securities gains, accretion income and amortization of the indemnification asset

<sup>3</sup> Refer to slide 13 for a definition of operational expenses

# 4Q14 Financials

- Net income of \$29.3 million or \$.25 per share
  - 19.1% increase over the \$24.5 million in net income in 4Q13
- Included in 4Q14 are the following pre-tax items
  - \$3.1 million in merger and integration charges
  - \$6.2 million amortization of the indemnification asset
  - \$16.6 million in accretion income<sup>1</sup>

<sup>1</sup> Income in excess of contractual interest

# 2014 Financials

- Net income of \$103.7 million or \$.95 per share
  - 2.7% increase over the \$100.9 million in net income in 2013
- Included in 2014 are the following pre-tax items
  - \$15.6 million in merger and integration charges
  - \$43.2 million amortization of the indemnification asset
  - \$86.5 million in accretion income<sup>1</sup>

<sup>1</sup> Income in excess of contractual interest



**OLD NATIONAL BANCORP<sup>®</sup>**

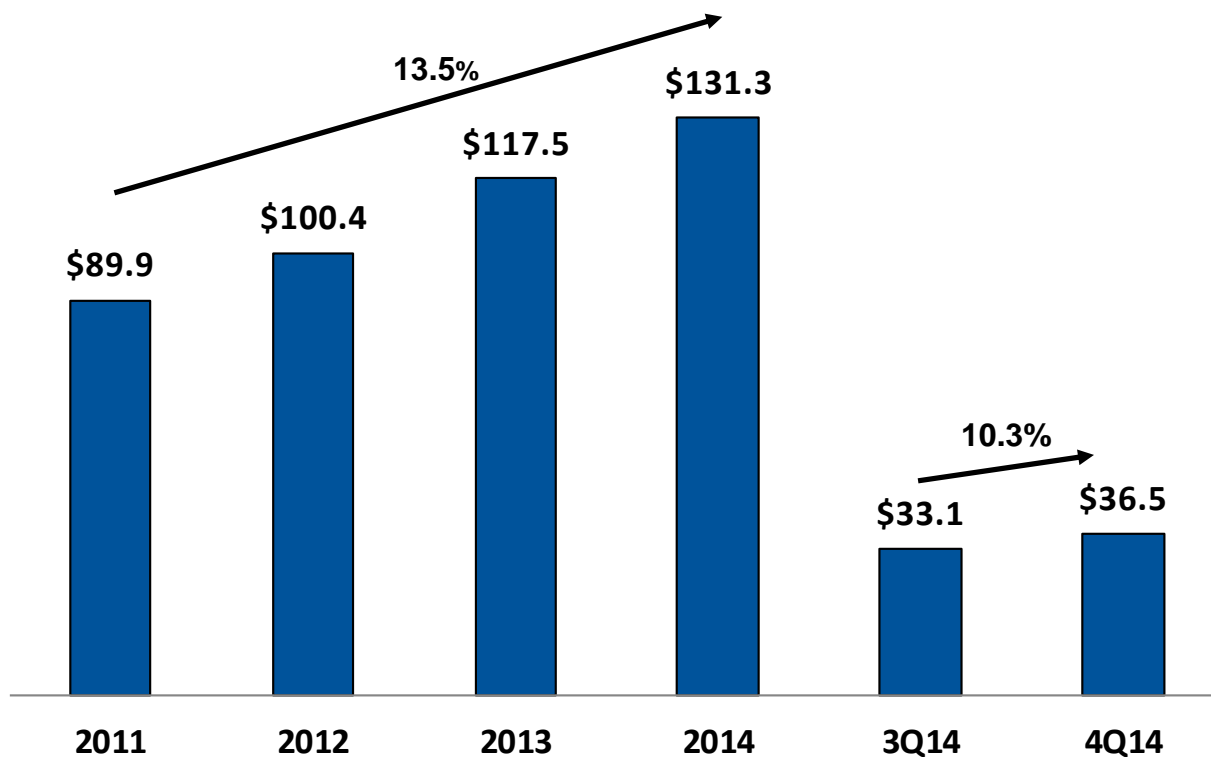
NASDAQ: ONB  
oldnational.com

**Chris Wolking**  
**Chief Financial Officer**





# Adjusted Income<sup>1</sup> – Strong Growth



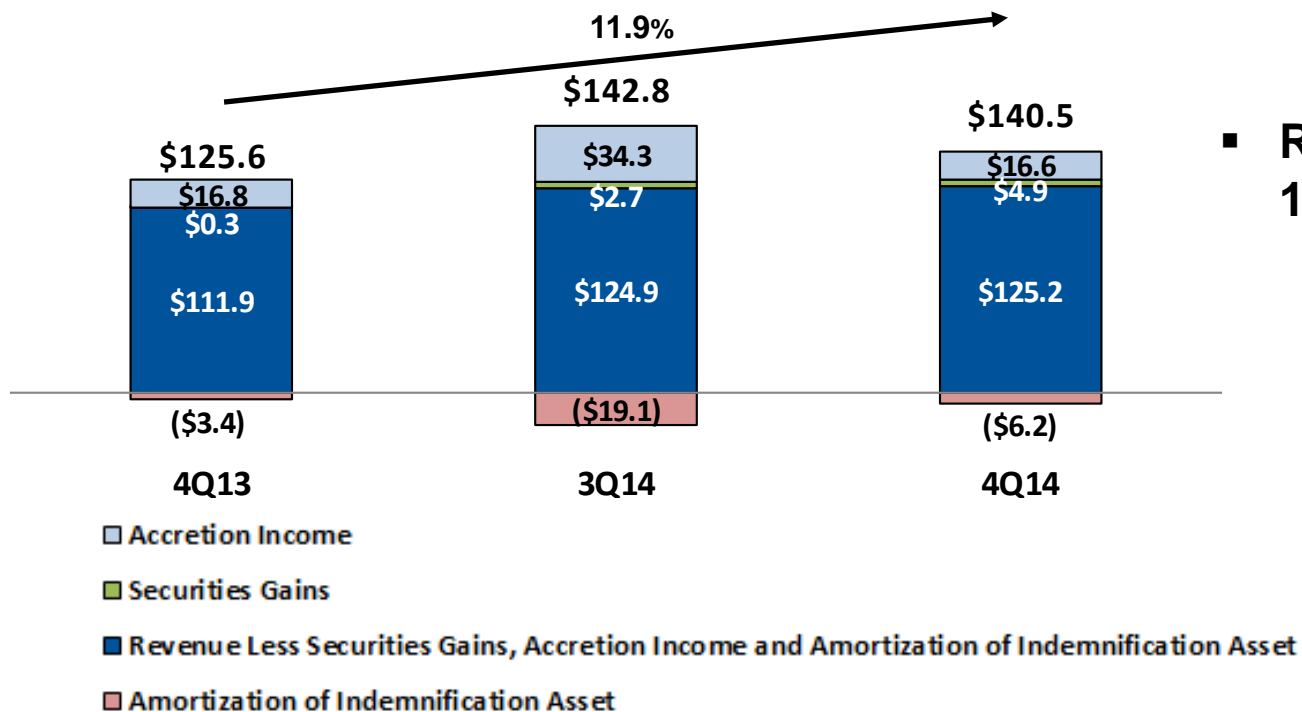
- CAGR of 13.5% from 2011 to 2014
- Growth of 10.3% 3Q14 vs 4Q14

Adjusted income represents income before taxes less accretion income, change in indemnification assets, merger/integration expenses and costs associated with branch divestitures

\$ in millions

<sup>1</sup> Non-GAAP financial measure which Management believes is useful in evaluating the financial results of the Company – see Appendix for Non-GAAP reconciliation

# Total Revenue – Positive Trends

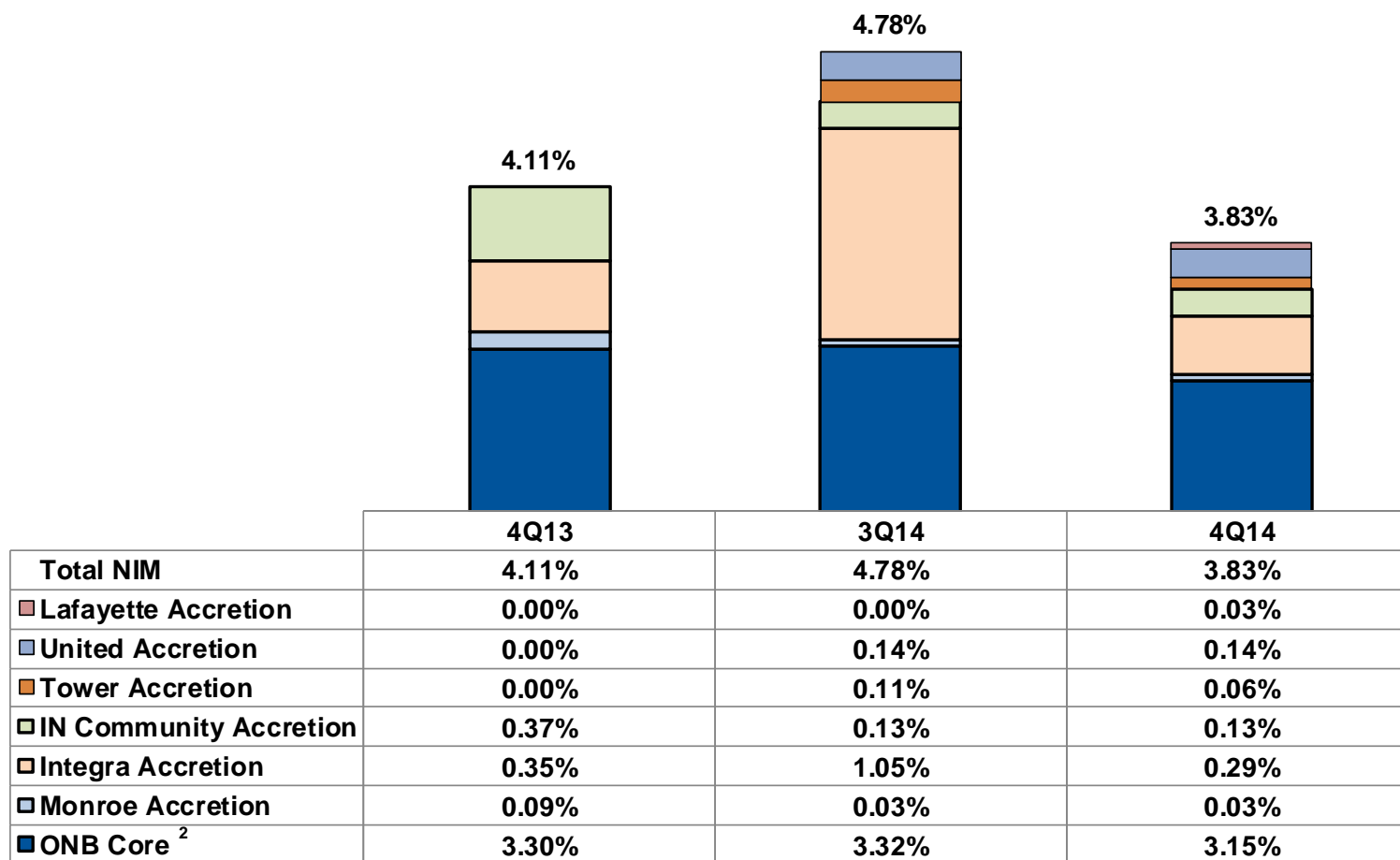


- Revenue growth<sup>1</sup> of 11.9% from 4Q13

\$ in millions

<sup>1</sup>Revenue less securities gains, accretion income and amortization of indemnification asset

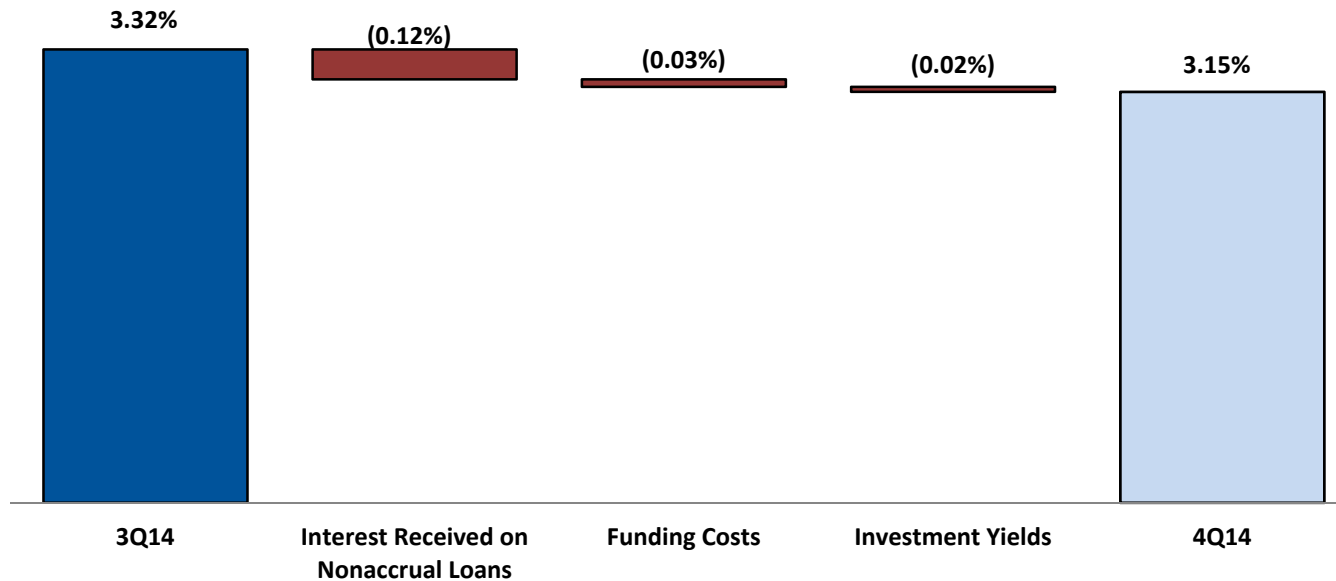
# Net Interest Margin<sup>1</sup>



<sup>1</sup> Fully taxable equivalent basis, non-GAAP financial measure which Management believes is useful in evaluating the financial results of the Company – see Appendix for Non-GAAP reconciliation

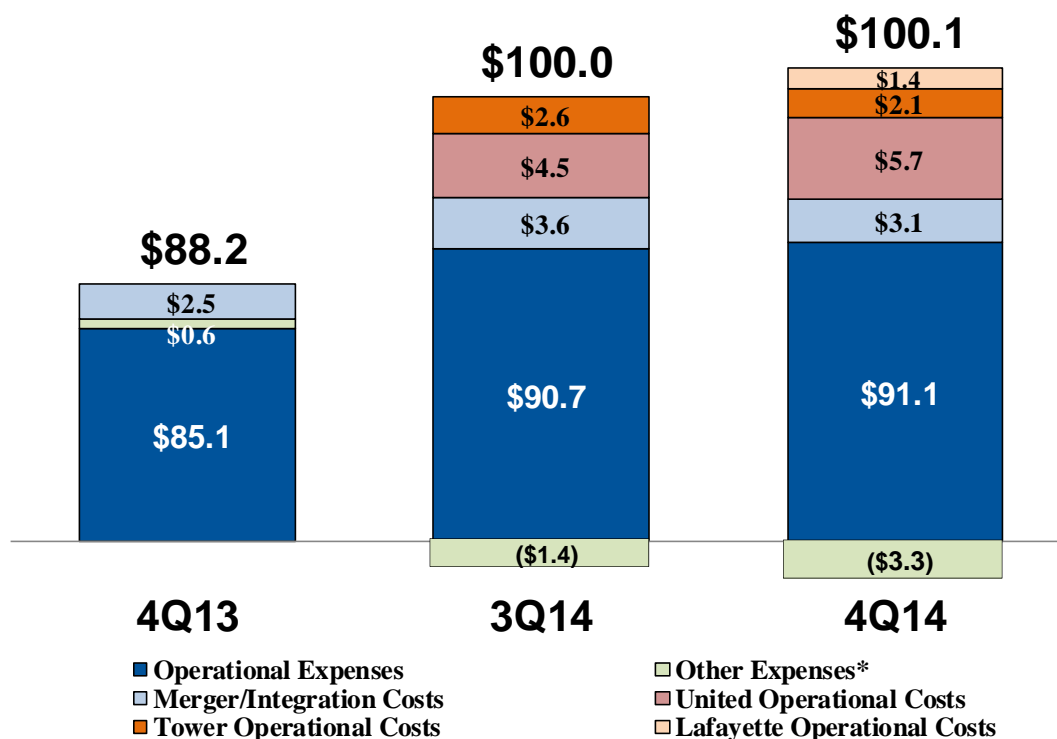
<sup>2</sup> ONB Core includes contractual interest income of Monroe, Integra, IN Community, Tower, United and Lafayette loans

# Core Net Interest Margin<sup>1</sup>



<sup>1</sup>Refer to slide 11

# Noninterest Expense – Well Controlled



- Reported 4Q14 efficiency ratio of 69.54%
- 4Q14 efficiency ratio excluding merger/integration costs of 67.34%<sup>1</sup>
- Anticipated merger/integration costs in 1Q15 of \$4.0 million to \$5.0 million

**\*Other Expenses include:**

In 4Q13, \$5 in BSA/AML penalties, \$4 million in pension adjustments and a \$.3 million reversal of provision for unfunded commitments

In 3Q14, \$1.0 million reversal of hospitalization expense, a \$0.7 million adjustment in incentive of stock-based compensation and a \$.3 million impairment on a branch held for sale

In 4Q14, a \$1.4 million reversal of lease termination fee, a \$1.0 million reversal of hospitalization expense and a \$.9 million reversal of provision for unfunded commitments

\$ in millions

Operational expenses = total noninterest expense less Tower, United and Lafayette operational costs, merger/integration costs and other expenses

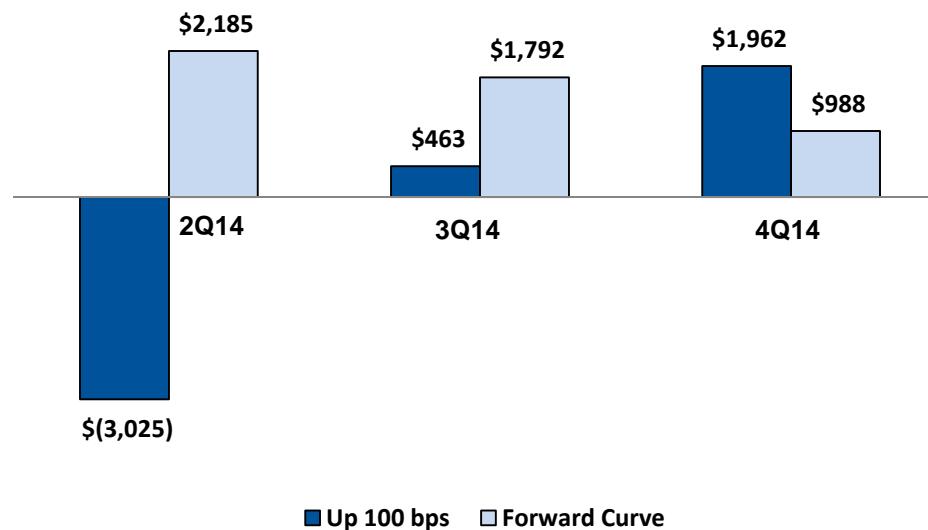
<sup>1</sup> Non-GAAP financial measure which Management believes is useful in evaluating the financial results of the Company – see Appendix for Non-GAAP reconciliation

# Modeled Interest Rate Sensitivity

- Total non-maturity, interest-bearing accounts increase from 0.08% to 0.39% in the “Up 100 bps” scenario
- 21.6% of total non-interest bearing DDA are considered rate sensitive
- 43% of C&I and CRE loans reprice within one year
- 17% of loans have floors; less than 1% of these loans are currently below their floor rates
- Investment portfolio duration of 3.76 at 12/31/14, down from 4.16 at 9/30/14.

## One Year Projected Change to Net Interest Income

(Historical)

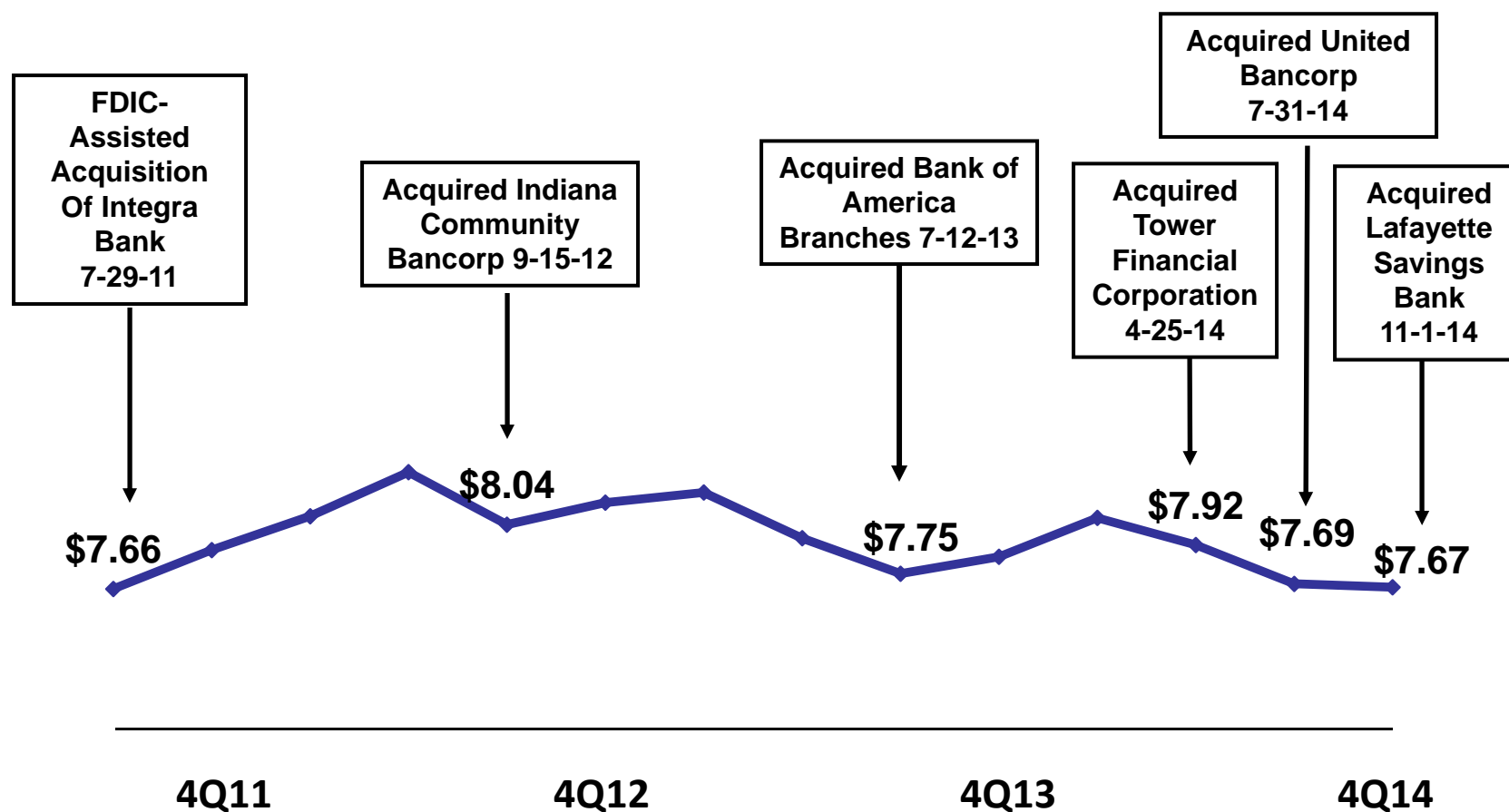


\$ in thousands

Change to Net Interest Income based on a one year time horizon

Refer to slide 33 for rate curves

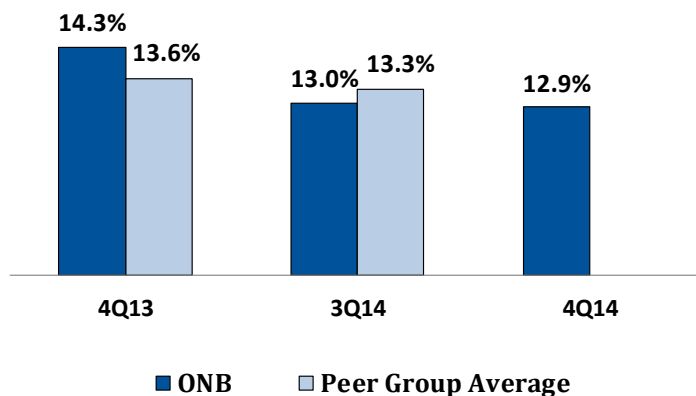
# Tangible Common Book Value<sup>1</sup>



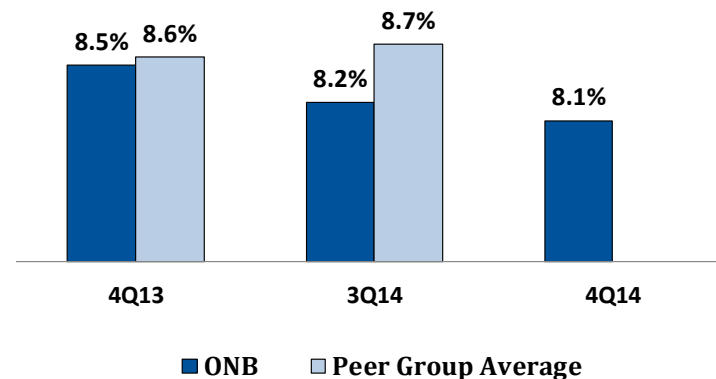
<sup>1</sup> Non-GAAP financial measure management believes is useful in evaluating the financial results of the Company – see Appendix for Non-GAAP reconciliation

# Capital Ratios

Tier 1 Risk-Based Capital Ratio



Tangible Common Equity to Tangible Assets<sup>1</sup>



- On October 23, 2014, ONB Board of Directors authorized repurchase of up to 6.0 million shares through January, 2016
- As of January 21, 2015, 1.1 million shares of ONB common stock have been repurchased under the repurchase plan

Peer Group data per SNL Financial  
 See Appendix for definition of Peer Group  
<sup>1</sup>See Appendix for Non-GAAP reconciliation





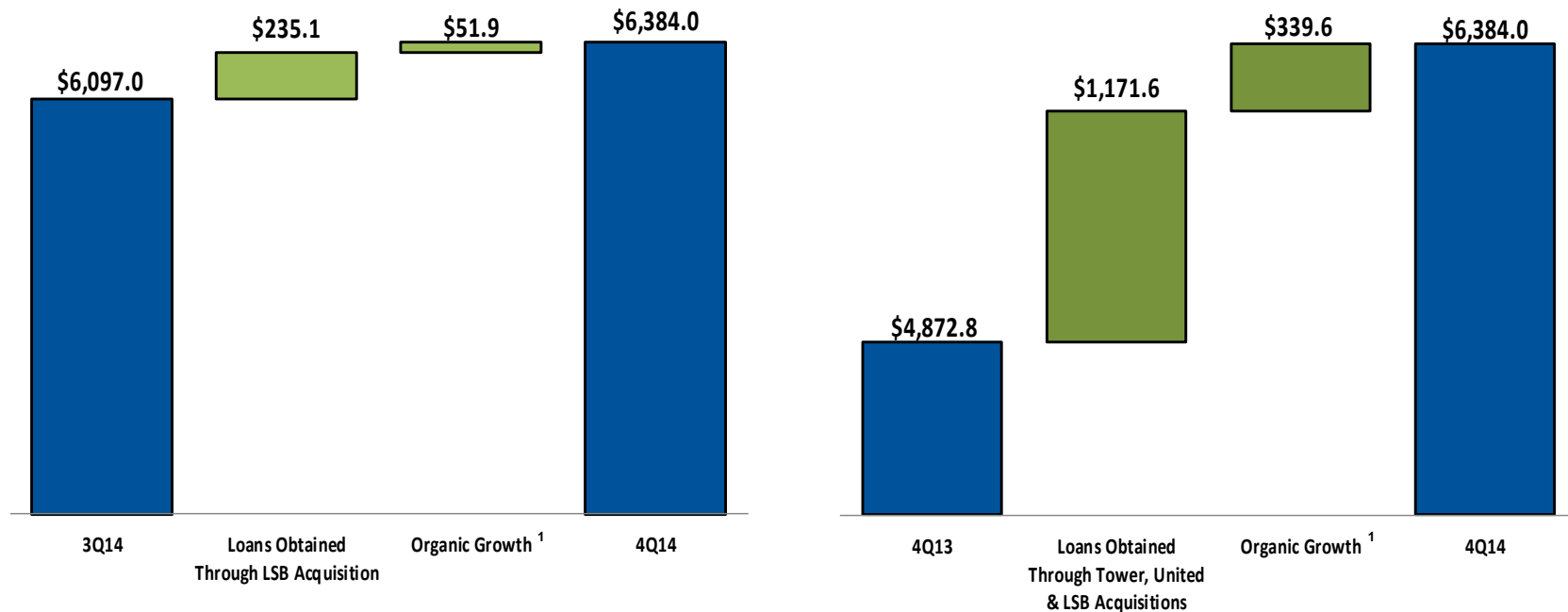
**OLD NATIONAL BANCORP<sup>®</sup>**

NASDAQ: ONB  
oldnational.com

**Jim Sandgren**  
**Chief Banking Officer**



# Loan Growth – Excluding Covered Loans



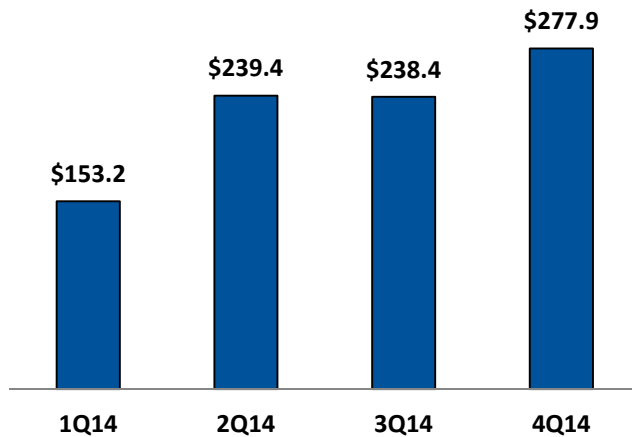
**End of Period Balance**

\$ in millions

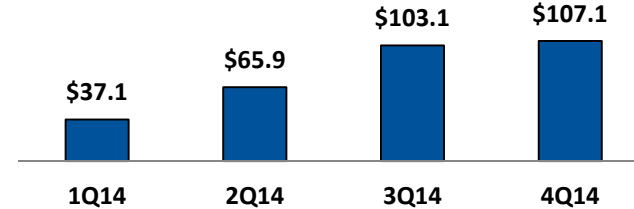
<sup>1</sup> Loan production net of principal pay-downs, prepayments and loan sales to the secondary market

# Loan Production Trends

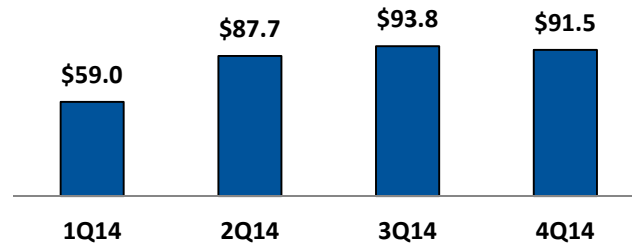
## Commercial



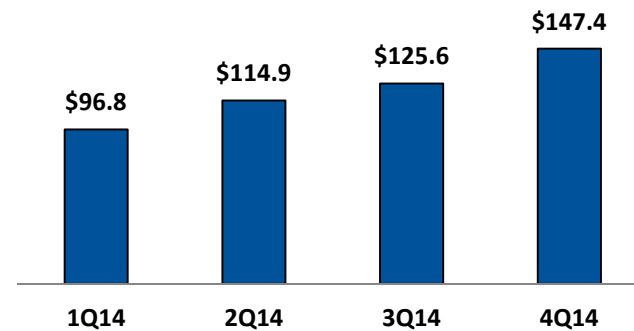
## Residential Mortgage



## Consumer Direct



## Consumer Indirect



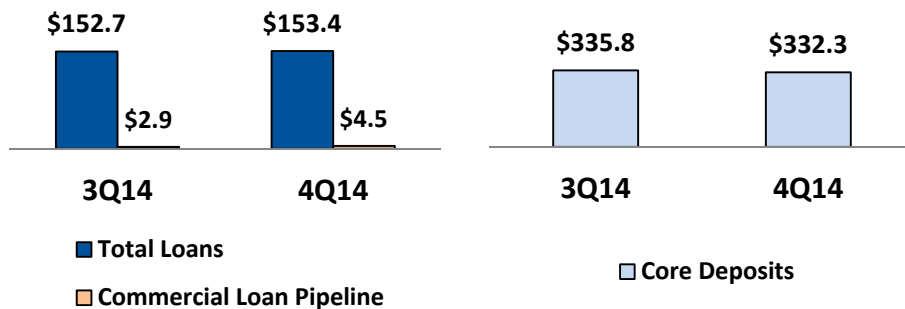
\$ in millions

■ Full-year total production increased 10.7% over 2013

# Update on New Markets

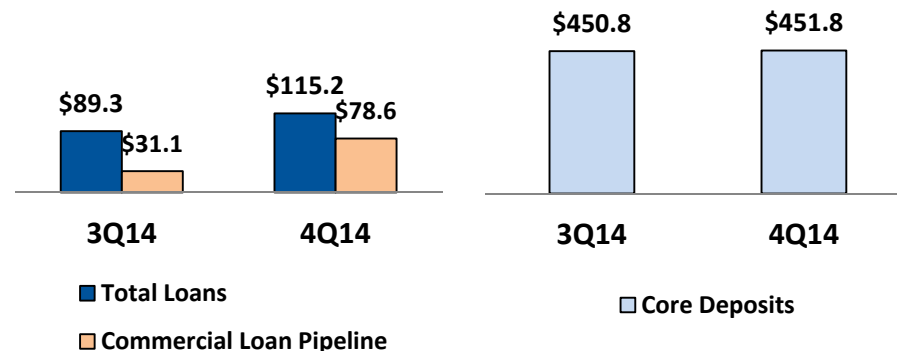
## Columbus, IN

(Indiana Community — Closed 9/15/12)



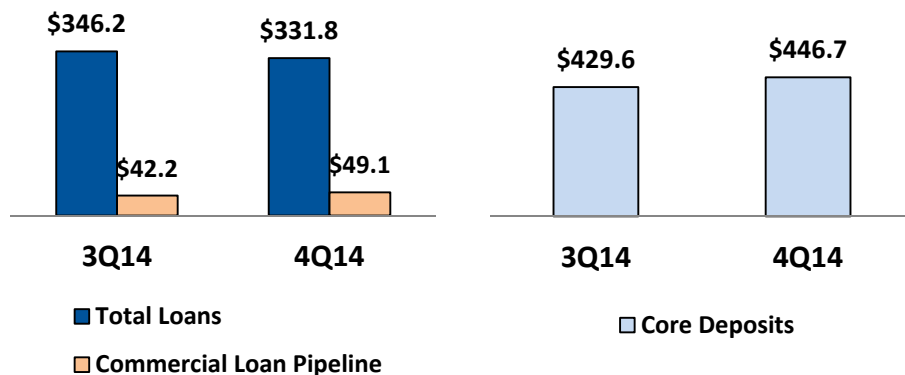
## MI / Northern IN

(BofA Branches — Closed 7/12/13)



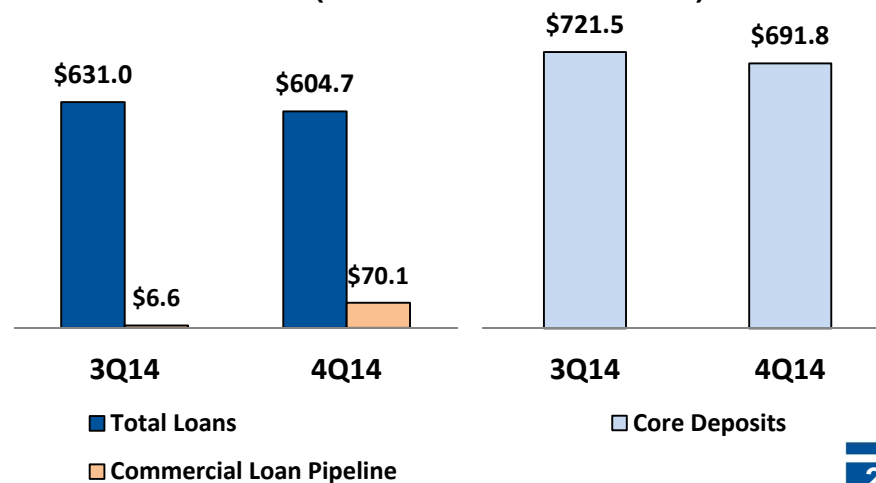
## Ft Wayne, IN

(Tower — Closed 4/25/14)



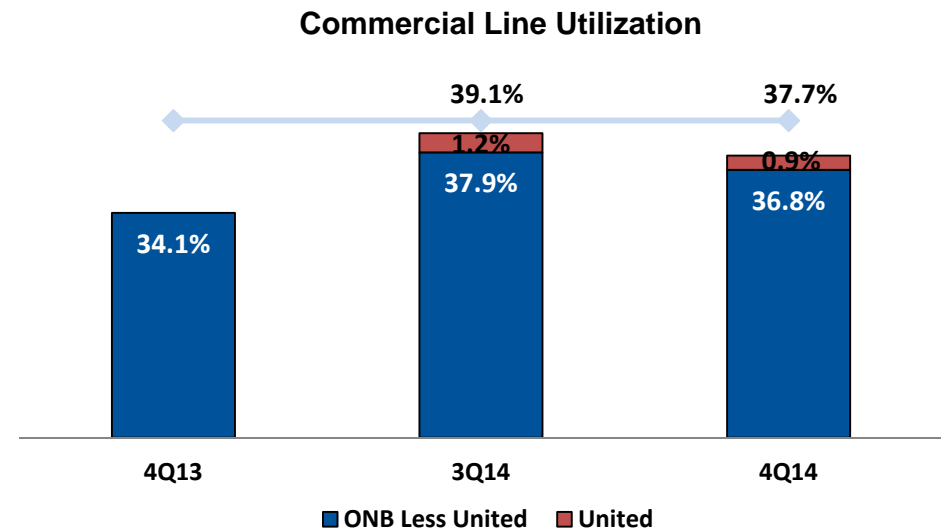
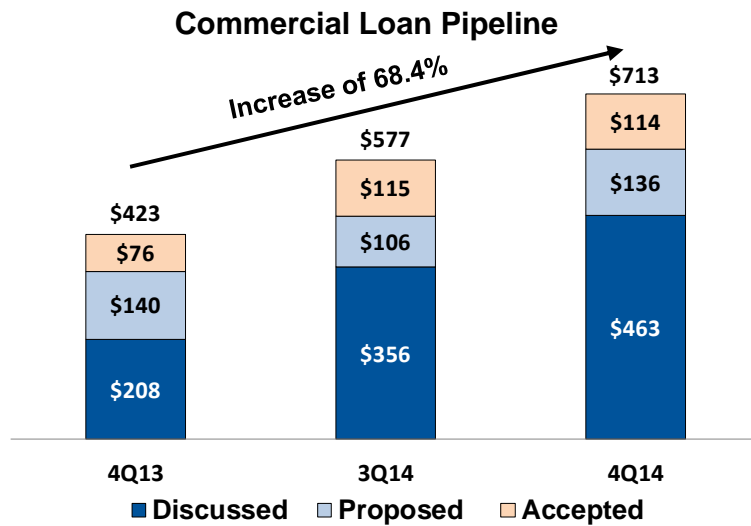
## Ann Arbor, MI

(United — Closed 7/31/14)



\$ in millions      End of period balances

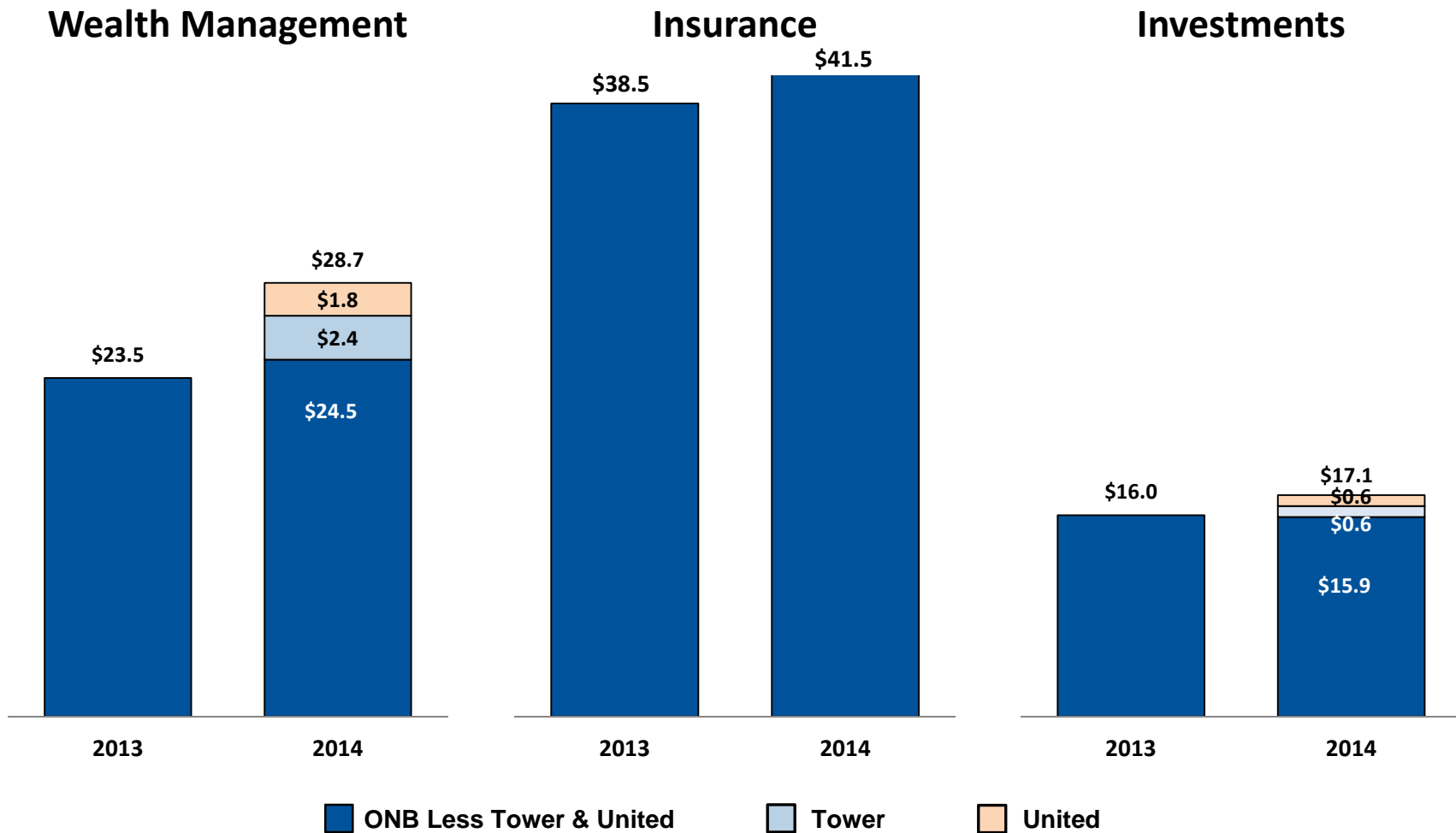
# Commercial Loans



— 2007-2008 Average = 39.9%

- 1% of line utilization = \$13.5 million in outstandings

# Fee-Based Business Revenue



\$ in millions



**OLD NATIONAL BANCORP<sup>®</sup>**

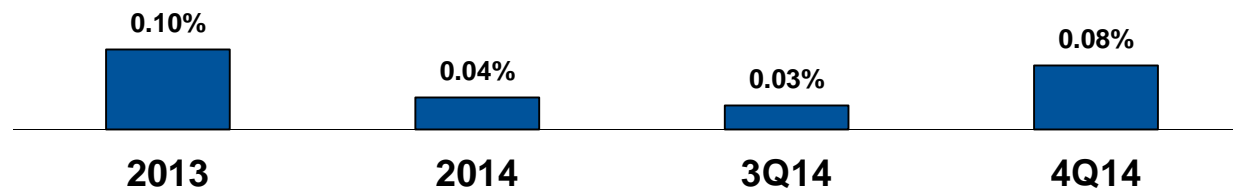
NASDAQ: ONB  
oldnational.com

**Daryl Moore**  
**Chief Credit Officer**



# Net Charge-Offs / Provision

## Consolidated NCOs



	2013	2014	3Q14	4Q14
Provision for Loan Losses <sup>1</sup>	(\$3.9)	\$4.4	\$3.0	\$0.7
Consolidated Provision for Loan Losses	(\$2.3)	\$3.1	\$2.6	\$0.9

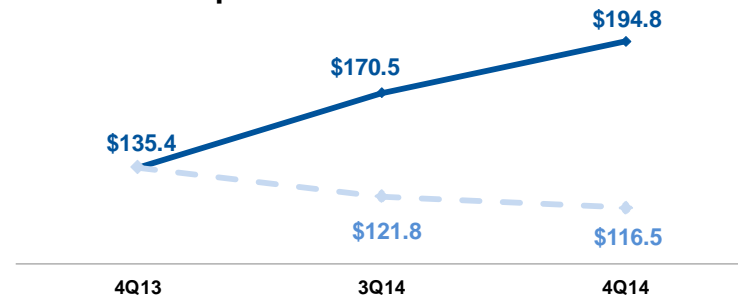
\$ in millions

<sup>1</sup> Excludes FDIC-covered loans

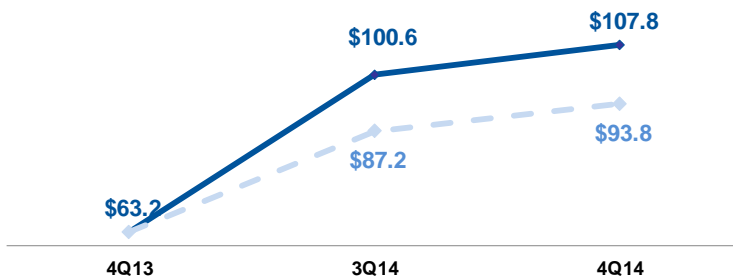


# Credit Quality – Excluding Covered Loans

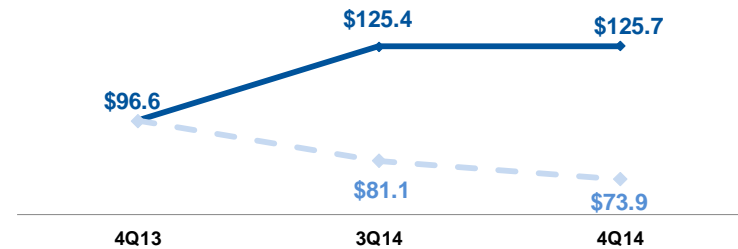
### Special Mention Loans



### Substandard Accruing Loans



### Substandard Nonaccruing + Doubtful Loans



— Excludes loans acquired through Tower, United and Lafayette transactions

\$ in millions



**OLD NATIONAL BANCORP<sup>®</sup>**

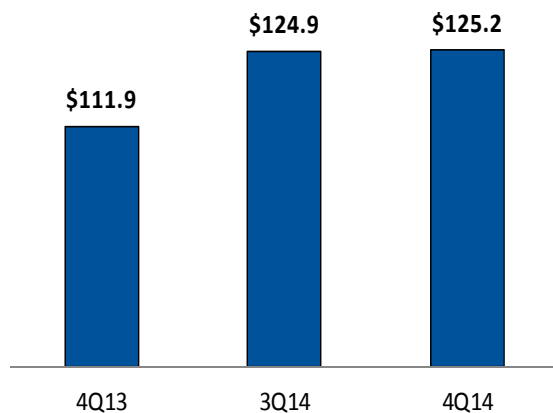
NASDAQ: ONB  
oldnational.com

**Bob Jones**  
**Chief Executive Officer**

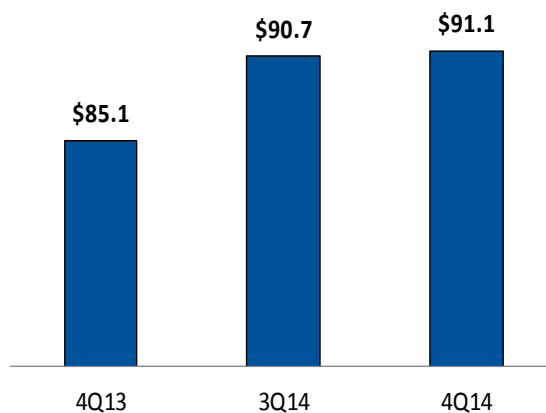


# Basic Banking

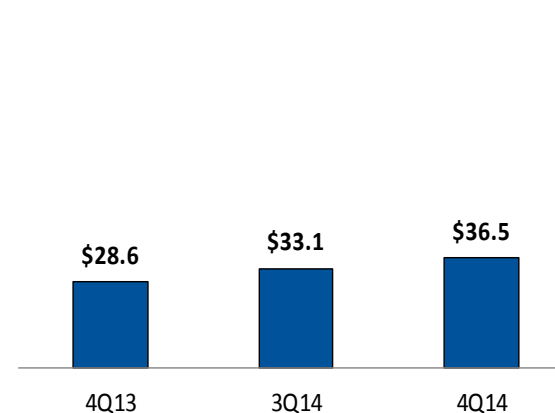
## Revenue<sup>1</sup>



## Operational Expenses<sup>2</sup>

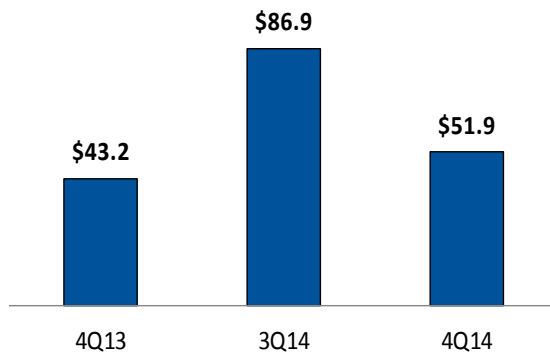


## Adjusted Income<sup>3</sup>

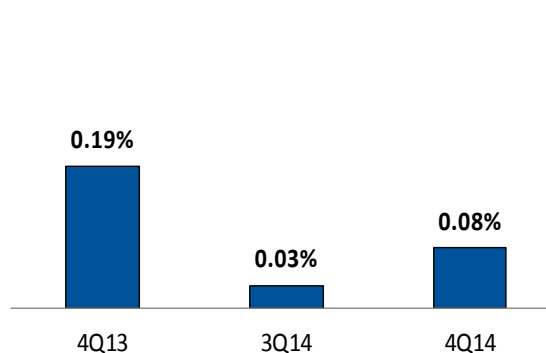


## Organic Loan Growth<sup>4</sup>

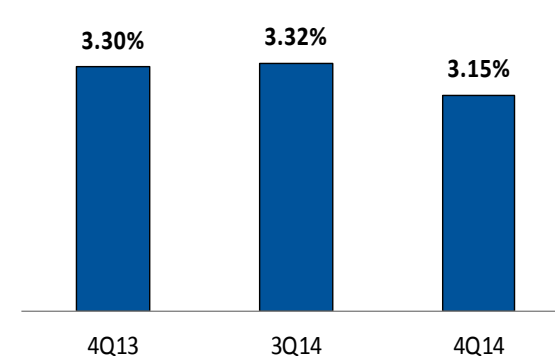
End of period balances



## Consolidated NCOs



## Core NIM<sup>5</sup>



\$ in millions

<sup>1</sup>Refer to slide 10

<sup>2</sup>Refer to slide 13

<sup>3</sup>See appendix for non-GAAP reconciliation

<sup>4</sup>Refer to slide 18

<sup>5</sup>Refer to slide 11

# 2015 Initiatives – Execution is KEY

- **Grow organic revenue**
  - Redesigned checking product lineup
    - New checking account product has reduced attrition over 50%
  - Leverage fee income businesses
    - Enhanced referral program
    - Sales summit
    - Leverage new markets
- **Improve operating leverage**
  - Recently announced actions should provide annualized noninterest expense savings of \$23 million to \$27 million
    - Close/consolidate 19 banking centers
    - Sale of Southern Illinois market (12 locations)
    - Sale of 5 banking centers (4 in Eastern Indiana + 1 in Ohio) } Approx. \$620 million in deposits and \$200 million in loans combined
    - Early retirement program
  - Gains on sales should offset costs associated with these actions
  - New efficiency ratio target is 63.0% in 4Q15 – in 2015, 25% of short-term incentives
- **Prudent use of capital**
  - Recently announced 9% increase in cash dividend
  - Share buyback program
  - Pause means pause

*Anticipated timing of branch actions: 13 consolidations mid-March, 6 consolidations mid-May, sales should be completed by mid 3Q15*



**Thank You**  
**Q&A**

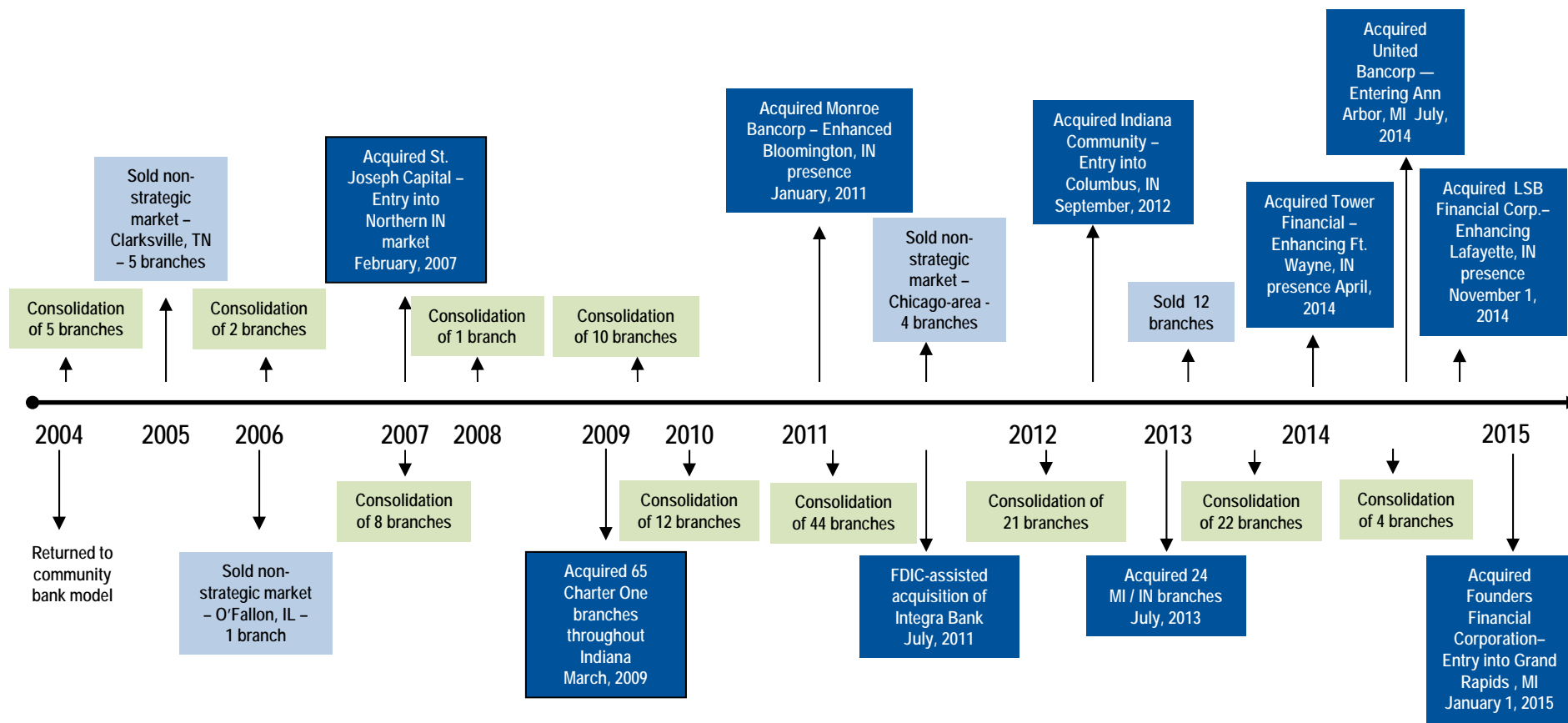




# Appendix



# Transforming Old National's Landscape



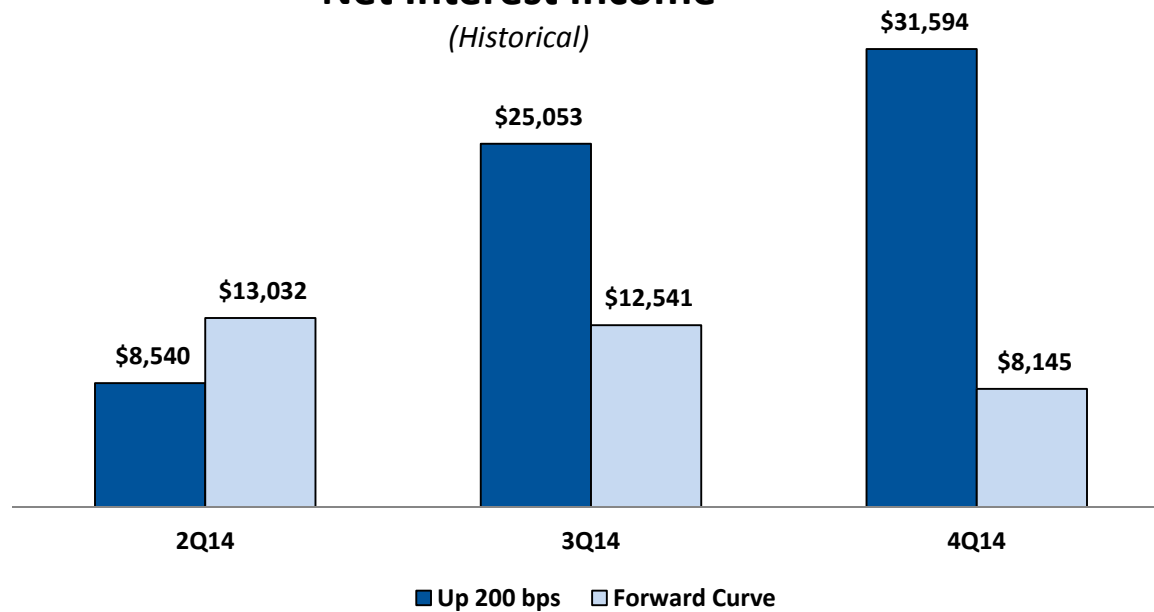
Acquired 209

Sold 22

Consolidated 129

# Modeled Interest Rate Sensitivity

Two Year Projected Change to  
Net Interest Income  
*(Historical)*



\$ in thousands

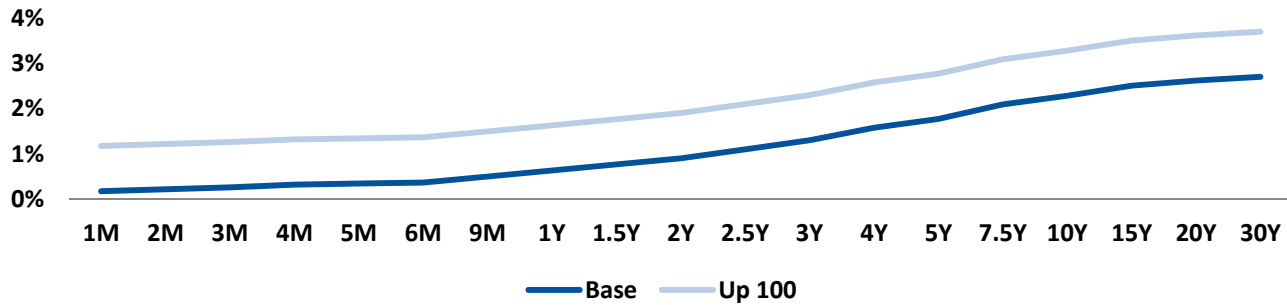
Change to Net Interest Income based on a one year time horizon

Refer to slide 33

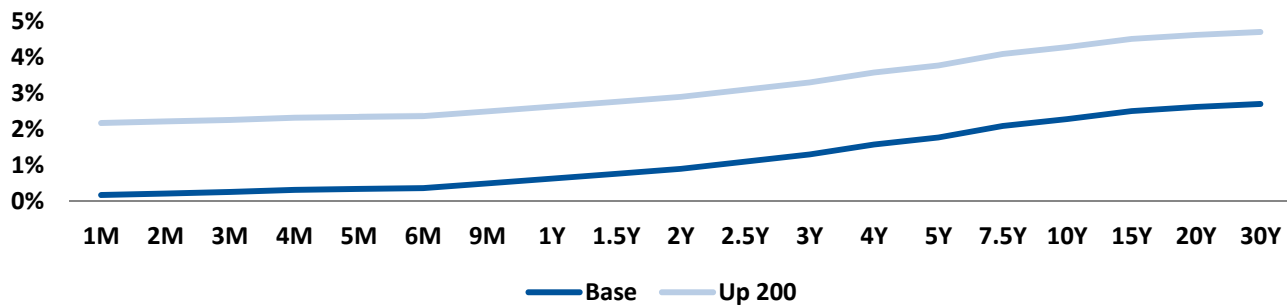


# Interest Rate Curves

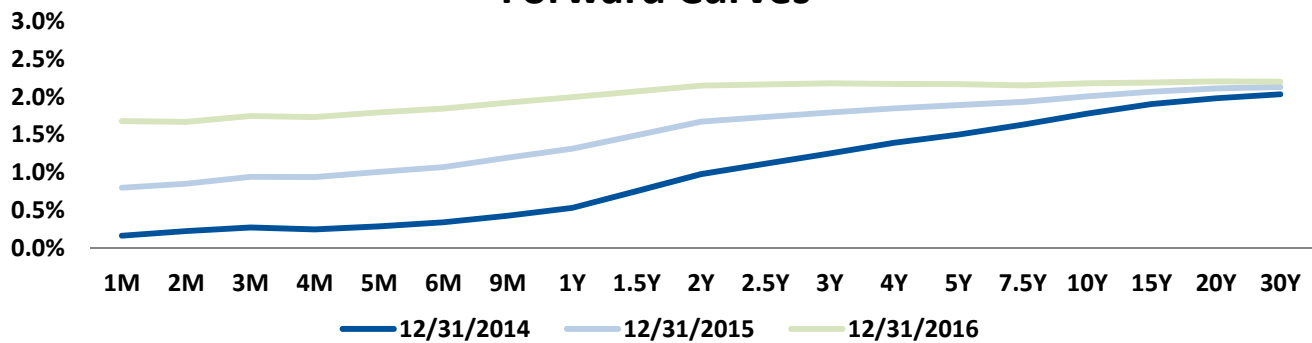
## Up 100 vs. Base



## Up 200 vs. Base



## Forward Curves



# Investment Portfolio

\$ in millions	Book Value Sept 30, 2014	Book Value Dec 31, 2014	Market Value <sup>1</sup> Sept 30, 2014	Market Value <sup>1</sup> Dec 31, 2014	Market Value \$ Change
Federal National Mortgage Association	\$429.3	\$436.2	\$429.4	\$438.2	
Federal Home Loan Mortgage Corporation	191.3	248.7	188.2	246.7	
Federal Farm Credit Bank	78.3	51.2	77.6	50.5	
Federal Home Loan Bank and Other	108.6	123.7	108.4	124.0	
Subtotal U.S. Government Agencies-Senior Debentures	\$807.5	\$859.9	\$803.6	\$859.4	\$55.8
U.S. Treasury	\$11.0	\$15.0	\$11.1	\$15.2	\$4.1
Mortgage Backed Securities	\$1,254.0	\$1,257.5	\$1,253.6	\$1,266.2	\$12.6
Trust Preferred	31.6	31.5	20.3	19.2	
Other Corporate	290.7	318.7	292.6	318.3	
Subtotal Corporate Securities	\$322.3	\$350.2	\$312.9	\$337.5	\$24.6
Municipal Securities – Taxable	\$202.2	\$207.2	\$248.6	\$261.1	\$12.5
Municipal Securities – Tax Exempt	\$713.2	\$750.4	\$724.3	\$759.3	\$35.0
Federal Reserve, FHLB Stock, Other Securities	\$103.6	\$104.2	\$103.7	\$104.2	\$0.5
Totals	\$3,413.8	\$3,544.4	\$3,457.8	\$3,602.9	\$145.1

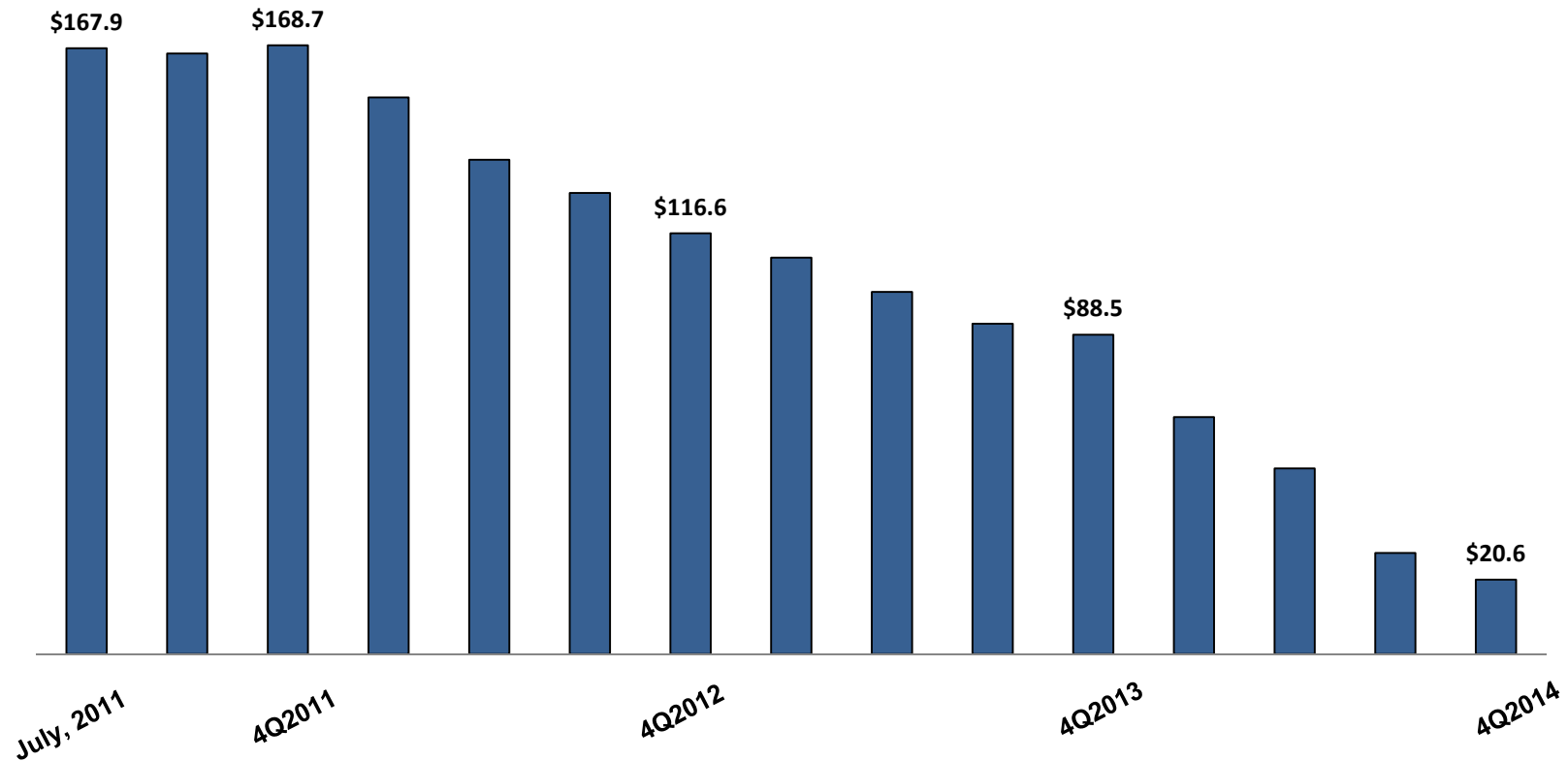
<sup>1</sup>Includes market value for both available-for-sale and held-to-maturity securities

# Investment Portfolio

\$ in thousands	Effective Duration Sept 30, 2014	Effective Duration Dec 31, 2014	Book Value Sept 30, 2014	Book Value Dec 31, 2014
Money Market Investments <sup>1</sup>	0.01	0.72	\$19,894	\$992
Treasuries	2.12	2.81	10,990	14,978
Agencies	3.43	3.10	807,460	859,911
Pools	2.33	2.02	533,397	520,504
CMOs	3.34	2.94	720,696	737,007
Municipals	7.02	6.45	915,373	957,634
Corporates	3.07	3.18	138,882	139,045
ABS	1.26	1.09	182,867	210,188
Totals	4.06	3.71	\$3,329,559	\$3,440,259

<sup>1</sup>Money market investments includes balances in the Federal Reserve Bank Account

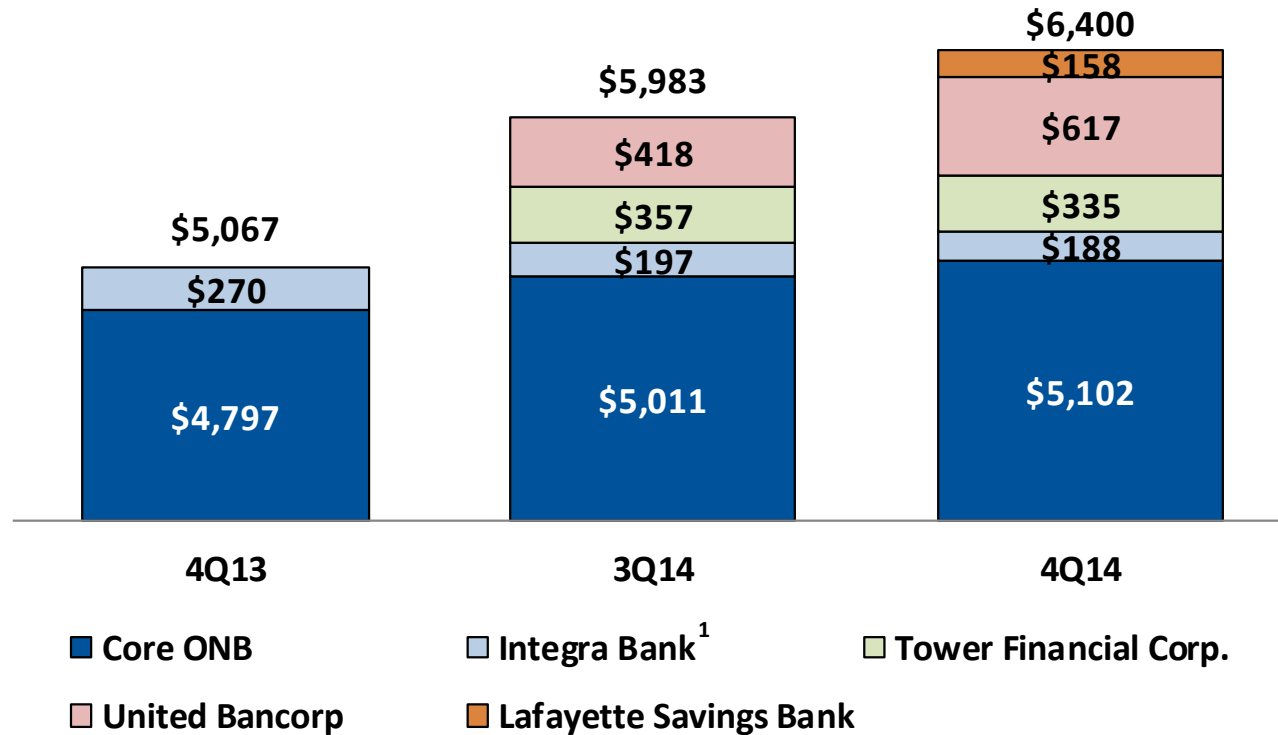
# Indemnification Asset Balance



**At December 31, 2014, \$9.7 million of the remaining IA balance is expected to be amortized and reported in noninterest income over the next 21 months**

*\$ in millions*

# Average Total Loan Trends

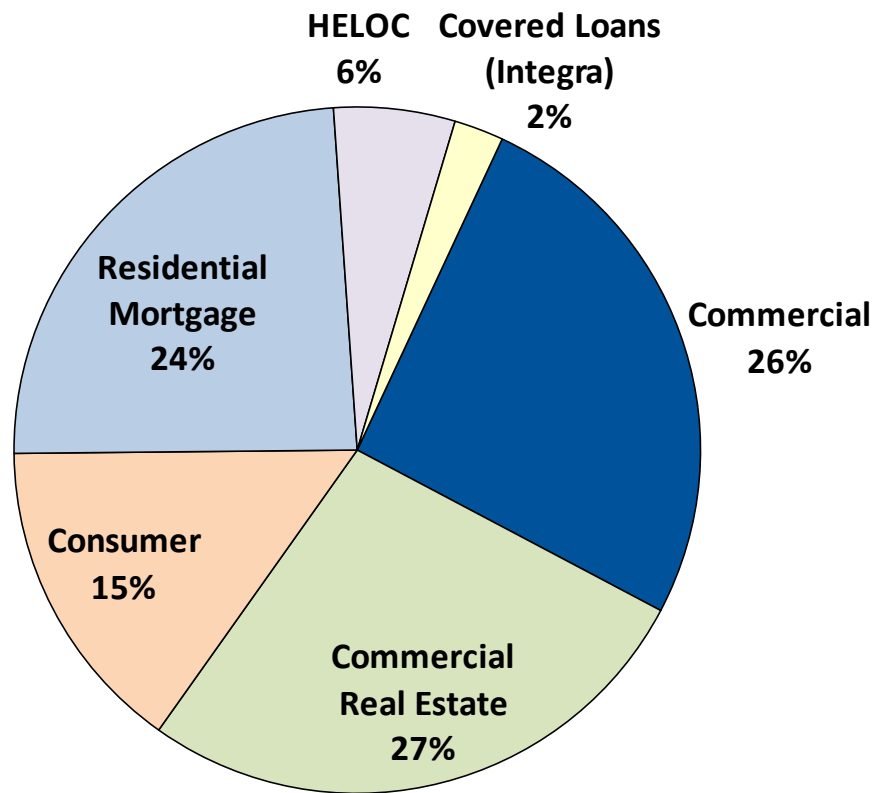


\$ in millions

<sup>1</sup> Includes both covered and non-covered loans

# Loan Portfolio at December 31, 2014

\$17.2 Comml, \$40.8 CRE, \$68.4 Consumer, \$21.3 Resi Mortg



Commercial	\$1,629.6
Commercial Real Estate	1,711.1
Consumer	949.5
Residential Mortgage	1,519.2
HELOC	361.1
Covered Loans (Integra)	147.7
<b>Total Loans</b>	<b>\$6,318.2</b>

\$ in millions – period-end balances

# Covered Assets / Risk Grades

	4Q13	3Q14	4Q14
Loans 90+ Days & Over	\$0.0	\$0.2	\$0.0

Grades 1 through 6 - Pass	\$70.7	\$41.1	\$38.8
Special Mention	8.4	4.5	4.5
Substandard Accruing	3.3	1.7	1.9
Nonaccruing + Doubtful	28.8	16.9	12.8
Retail Loans	106.6	94.1	89.7
Total Covered Loans	\$217.8	\$158.3	\$147.7

Commercial Loans

Other Real Estate Owned	\$13.7	\$9.5	\$9.1
-------------------------	--------	-------	-------

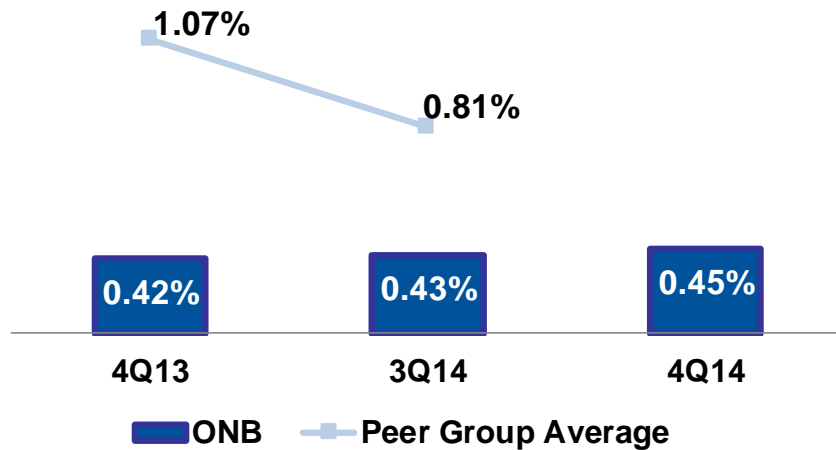
On this portfolio of covered loans\*, the FDIC will reimburse Old National for 80% of the losses up to \$275.0 million, 0% of losses from \$275.0 million up to \$467.2 million and 80% of losses in excess of \$467.2 million.

\$ in millions – period-end balances

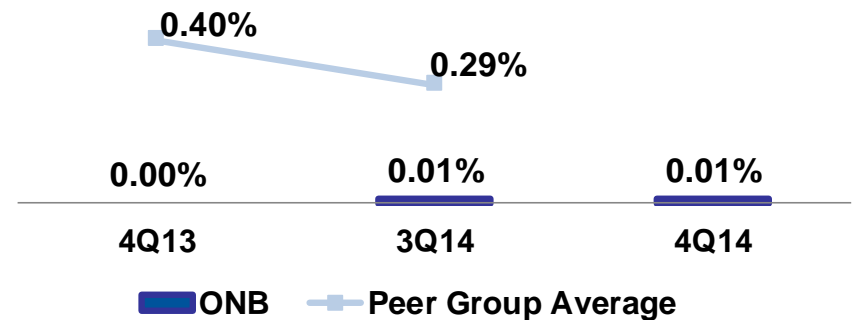
\*Covered loans shown net of \$37.2 million discount

# Credit Quality – Excluding Covered Loans

30+ Day Delinquent Loans<sup>1</sup>



90+ Day Delinquent Loans<sup>1</sup>



<sup>1</sup>As a % of end of period total loans  
Peer Group data per SNL Financial  
See Appendix for definition of Peer Group



# Credit Quality – ALLL and Mark Summary

At December 31, 2014	ONB Legacy	Monroe	Integra	Indiana Community	Tower	United	Lafayette	Total
Allowance for Loan Losses (ALLL)	\$42.8	\$1.3	\$3.6	-	-	\$0.1	-	\$47.8
Loan Mark	N/A	\$7.4	\$37.2	\$24.4	\$21.1	\$35.7	\$22.6	\$148.5
Total ALLL/Mark	\$42.8	\$8.8	\$40.8	\$24.4	\$21.1	\$35.8	\$22.6	\$196.3
Pre-Mark Loan Balance	\$4,859.9	\$115.5	\$193.3	\$177.4	\$310.1	\$553.7	\$256.8	\$6,466.7
ALLL/Pre-Mark Loan Balance	0.88%	1.15%	1.87%	0.00%	0.00%	0.03%	0.00%	0.74%
Mark/Pre-Mark Loan Balance	N/A	6.44%	19.26%	13.77%	6.81%	6.44%	8.82%	2.30%
Combined ALLL & Mark/Pre-Mark Loan Balance <sup>1</sup>	0.88%	7.59%	21.13%	13.77%	6.81%	6.46%	8.82%	3.04%

\$ in millions

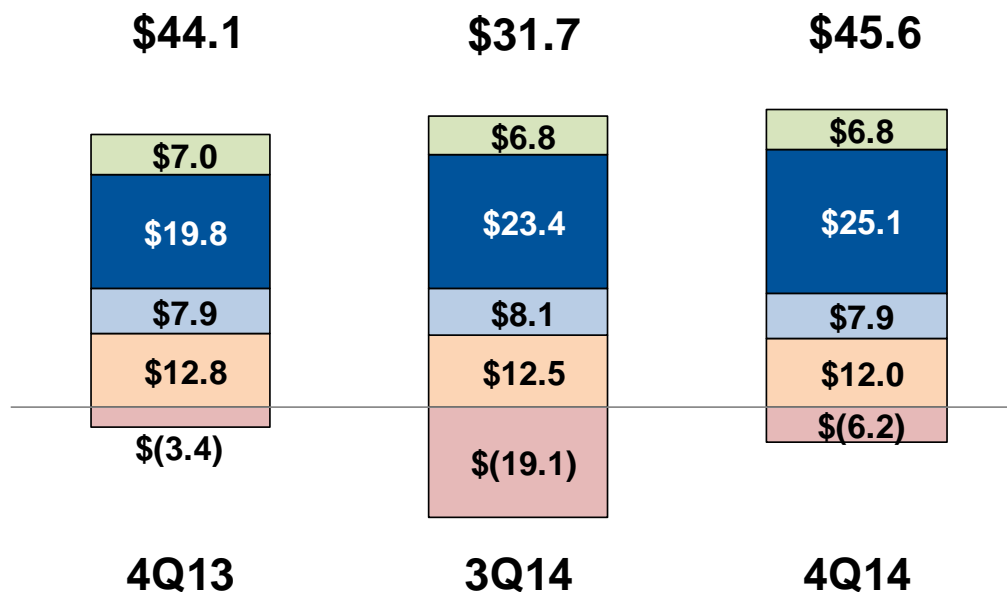
<sup>1</sup> Non-GAAP financial measure which Management believes useful to demonstrate that the remaining discount considers credit risk and should be included as part of total coverage N/A = not applicable

# CD Maturity Schedule

Bucket	Amount (\$ in 000's)	Rate
0-30 days	69,665	0.59%
31-60 days	57,873	0.70%
61-90 days	69,507	0.55%
91-120 days	58,398	0.92%
121-150 days	36,586	0.47%
151-180 days	53,533	0.43%
181-210 days	46,855	0.62%
211-240 days	40,688	0.49%
241-270 days	45,310	0.89%
271-300 days	45,988	1.74%
301-330 days	32,864	0.94%
331-365 days	43,976	0.91%
1-2 years	257,087	2.02%
2-3 years	98,146	0.81%
3-4 years	59,874	1.19%
4-5 years	46,822	1.51%
Over 5 years	25,846	1.59%

Represents CD maturities at December 31, 2014

# Noninterest Income



- Debit Card and ATM Fees
- Fee-based business: Wealth Management, Insurance, Mortgage and Investments
- Other Income
- Service Charges on Deposits
- Amortization of Idemnification Asset

\$ in millions

# Tangible Common Equity

Tangible Common Equity – 9/30/2014	\$876.7
4Q14 Earnings	29.3
4Q14 Dividend	(12.9)
4Q14 Share Repurchase	(10.6)
Issuance of Shares from Acquisition	51.8
Changes in OCI – Securities	5.5
Changes in OCI – Other	(4.6)
Increase in Goodwill & Intangibles	(39.0)
Tangible Common Equity – 12/31/2014	\$896.2

\$ in millions

# Non-GAAP Reconciliations

	2011	2012	2013	2014	4Q13	3Q14	4Q14
Total Revenues	\$455.8	\$498.6	\$502.2	\$531.5	\$125.6	\$142.8	\$140.5
Less: Provision for Loan Losses	(\$7.5)	(\$5.0)	\$2.3	(\$3.1)	(\$2.3)	(\$2.6)	(\$0.9)
Less: Noninterest Expense	(\$348.5)	(\$365.8)	(\$362.0)	(\$386.4)	(\$88.2)	(\$100.0)	(\$100.1)
Taxable Equivalent Adjustment	\$11.8	\$13.2	\$16.9	\$17.0	\$4.4	\$4.5	\$4.3
Pre-tax Income (FTE)	\$111.6	\$141.0	\$159.4	\$159.0	\$39.5	\$44.7	\$43.8
Less: Total Accretion	\$36.9	\$57.5	\$59.0	\$86.5	\$16.8	\$34.3	\$16.6
Change in IA	(\$0.4)	\$3.4	\$9.3	\$43.2	\$3.4	\$19.1	\$6.2
Mergers/Integration Expenses	\$16.9	\$7.9	\$5.9	\$15.6	\$2.5	\$3.6	\$3.1
Branch Divestitures	(\$1.2)	\$5.7	\$1.9	\$0.0	\$0.0	\$0.0	\$0.0
Adjusted Income	\$89.9	\$100.4	\$117.5	\$131.3	\$28.6	\$33.1	\$36.5

\$ in millions

# Non-GAAP Reconciliations

end of period balances	4Q13	3Q14	4Q14
Total Shareholders' Equity	\$1,162.6	\$1,407.2	\$1,465.8
Deduct: Goodwill and Intangible Assets	(378.7)	(530.5)	(569.5)
Tangible Common Shareholders' Equity	\$784.0	\$876.7	\$896.2
Total Assets	\$9,581.7	\$11,179.8	\$11,647.6
Add: Trust Overdrafts	0.1	0.1	0.2
Deduct: Goodwill and Intangible Assets	(378.7)	(530.5)	(569.5)
Tangible Assets	\$9,203.1	\$10,649.4	\$11,078.2
Tangible Equity to Tangible Assets	8.52%	8.23%	8.09%
Tangible Common Equity to Tangible Assets	8.52%	8.23%	8.09%
Net Income	\$24.5	\$29.1	\$29.3
After-Tax Intangible Amortization	1.5	2.2	2.5
Tangible Net Income	\$26.1	\$31.3	\$31.7
ROTCE	13.31%	14.29%	14.15%

\$ in millions

# Non-GAAP Reconciliations

end of period balances	4Q13	3Q14	4Q14
Total Shareholders' Equity	\$1,162.6	\$1,407.2	\$1,465.8
Deduct: Goodwill and Intangible Assets	(378.7)	(530.5)	(569.5)
Tangible Common Shareholders' Equity	\$784.0	\$876.7	\$896.2
Risk Weighted Assets	\$5,734.0	\$7,063.5	\$7,334.0
Tangible Common Equity to Risk Weighted Assets	13.67%	12.41%	12.22%

end of period balances	3Q11	3Q12	3Q13	1Q14	2Q14	3Q14	4Q14
Total Shareholders' Equity	\$1,027.7	\$1,186.8	\$1,159.3	\$1,185.2	\$1,277.3	\$1,407.2	\$1,465.8
Deduct: Goodwill and Intangible Assets	(302.3)	(371.2)	(379.3)	(376.8)	(439.3)	(530.5)	(569.5)
Tangible Common Shareholders' Equity	\$725.4	\$815.6	\$779.9	\$808.4	\$838.1	\$876.7	\$896.2
Common Shares Issued and Outstanding at Period End	94,752	101,403	100,693	100,084	105,851	113,984	116,847
Tangible Common Book Value	7.66	\$8.04	\$7.75	\$8.08	\$7.92	\$7.69	\$7.67

\$ in millions

# Non-GAAP Reconciliations

	4Q13	3Q14	4Q14
Net Interest Income (\$ in 000's)	\$81,187	\$108,367	\$90,043
Taxable Equivalent Adjustment	4,359	4,488	4,324
Net Interest Income – Taxable Equivalent	\$85,546	\$112,855	\$94,367
Average Earning Assets	\$8,322,334	\$9,444,853	\$9,858,522
Net Interest Margin	3.90%	4.59%	3.65%
Net Interest Margin – Fully Taxable Equivalent	4.11%	4.78%	3.83%

Efficiency Ratio - As Reported	4Q14
Net Interest Income (FTE) (\$ in millions)	\$94.4
Noninterest Income Less Security Gains	45.6
Revenue Less Security Gains	139.9
Noninterest Expense	100.1
Intangible Amortization	2.8
Noninterest Expense Less Intangible Amortization	97.3
Efficiency Ratio	69.54%
Efficiency Ratio Excluding Acquisition Costs	4Q14
Net Interest Income (FTE) (\$ in millions)	\$94.4
Noninterest Income Less Security Gains	45.6
Revenue Less Security Gains	139.9
Noninterest Expense	100.1
Intangible Amortization	2.8
Acquisition Costs	3.1
Noninterest Expense Less Intangible Amortization and Acquisition Costs	94.2
Efficiency Ratio	67.34%



# Old National's Peer Group

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

Associated Banc-Corporation	ASB	MB Financial Inc.	MBFI
BancFirst Corporation	BANF	National Penn Bancshares Inc.	NPBC
BancorpSouth, Inc.	BXS	Park National Corporation	PRK
Bank of Hawaii Corporation	BOH	PrivateBancorp, Inc.	PVTB
Chemical Financial Corporation	CHFC	Prosperity Bancshares Inc.	PB
Commerce Bancshares, Inc.	CBSH	Renasant Corporation	RNST
Cullen/Frost Bankers, Inc.	CFR	South State Corporation	SSB
F.N.B. Corporation	FNB	Susquehanna Bancshares, Inc.	SUSQ
First Commonwealth Financial Corporation	FCF	TCF Financial Corporation	TCB
First Finanical Bancorp.	FFBC	TFS Financial Corporation	TFSL
First Merchants Corporation	FRME	Trustmark Corporation	TRMK
First Midwest Bancorp Inc.	FMBI	UMB Financial Corporation	UMBF
FirstMerit Corporation	FMER	United Bankshares Inc.	UBSI
Flagstar Bancorp Inc.	FBC	Valley National Bancorp	VLY
Fulton Financial Corporation	FULT	WesBanco Inc.	WSBC
Home Bancshares, Inc.	HOMB	Wintrust Financial Corporation	WTFC
IberiaBank Corporation	IBKC		

# Old National Investor Relations Contact

Additional information can be found on the  
Investor Relations web pages at

[www.oldnational.com](http://www.oldnational.com)



Investor Inquiries:

[Lynell J. Walton, CPA](#)

[SVP – Director of Investor Relations](#)

[812-464-1366](tel:812-464-1366)

[lynell.walton@oldnational.com](mailto:lynell.walton@oldnational.com)