Old National Bancorp and Old National Bank

Dodd-Frank Act Stress Test (DFAST)

2017 Results

OCTOBER 24, 2017

Contents

I. Overview

About Old National

Old National Bancorp (NASDAQ: ONB), the holding company of Old National Bank, is the largest financial services holding company headquartered in Indiana. With $15.0 billion in assets at June 30, 2017, it ranks among the top 100 banking companies in the U.S. *and has been recognized as a World's Most Ethical Company by the Ethisphere Institute for six consecutive years.* Since its founding in Evansville in 1834, Old National Bank has focused on community banking by building long-term, highly valued partnerships with clients. Today, Old National's footprint includes Indiana, Kentucky, Michigan and Wisconsin. In addition to providing extensive services in retail and commercial banking, Old National offers comprehensive wealth management, investments and brokerage services. For more information and financial data, please visit Investor Relations at oldnational.com

Overview of Dodd-Frank Act Stress Test

Section 165(i)(2) of the Dodd-Frank Wall Street Reform and Consumer Protection Act (DFA) requires bank holding companies and any subsidiary banks with consolidated assets of more than $10 billion and less than $50 billion, which includes Old National, to complete and publicly disclose annual stress tests (DFAST). A stress test is defined in the DFA as a "process to assess the potential impact of certain scenarios on the consolidated earnings, losses and capital of a Company over the planning horizon, taking into account its current condition, risks, exposures, strategies and activities." These macroeconomic scenarios (baseline, adverse and severely adverse) were developed by the Federal Reserve Board and cover a nine-quarter planning horizon beginning in the first quarter of 2017 (January 1, 2017) and ending March 31, 2019.

The objective of DFAST is to ensure that banking institutions have robust, forward-looking stress testing processes that account for their unique risks and to help ensure that institutions have sufficient capital to continue operations throughout times of economic and financial stress. In accordance with DFAST guidance, this document contains a summary of Old National's stress test results using the hypothetical estimates and assumptions for the severely adverse scenario as prescribed by the Federal Reserve Board. These results are not intended to be a forecast of future results or outcomes, nor do they reflect the current expectations or plans of Old National. Due to variations in the methodologies used by other financial institutions, results will not be directly comparable to those of Old National since modeling techniques, processes and assumptions could differ significantly across companies.

How Old National Uses Stress Testing

Consistent with Old National's Stress Testing Policy, the bank performs stress tests using the three economic scenarios provided by the Federal Reserve and Office of the Comptroller of the Currency to comply with regulatory guidelines. Additionally, Old National uses the stress testing framework to evaluate various other stress scenarios and/or potential capital actions, such as increasing/decreasing dividends, re-purchasing common stock, mergers and acquisitions, and issuance of any new capital instruments. Going forward, Old National's management also plans to utilize the DFAST tool to evaluate balance sheet optimization strategies within our risk appetite.

Forward–Looking Statements

This presentation contains certain forward-looking statements as defined by 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, capital ratios, asset and credit quality trends and profitability. The financial results and ratios presented in this disclosure were calculated using assumptions provided by the Dodd-Frank Act stress testing rules. These projections represent hypothetical estimates that involve economic outcomes that are adverse by their definition and are not intended to be a forecast of expected future economic or financial conditions. The results of this disclosure are not forecasts of Old National's expected financial results or capital ratios. Old National's future financial results will be influenced by actual economic and financial conditions and various other factors. Refer to Old National's filings with the Securities and Exchange Commission for a summary of other important factors that may affect Old National's risk factors and its forward-looking statements.

These forward-looking statements are made only as of the date of this disclosure, 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 disclosure.

II. Description of the Types of Risks Included in the Stress Test

Old National's stress testing process provides management with a valuable tool to continuously monitor how the bank's risks fluctuate under changing economic conditions. The key risks evaluated as part of the stress test are: 1) strategic; 2) market; 3) liquidity; 4) credit; 5) operational/technology/cyber; 6) regulatory/compliance/legal; and 7) reputational. These risks are examined in a stressed economic and financial operating environment to determine the impact on Old National's financial performance and capital levels, and to predict the resulting capital ratio projections. Although these risks are individually assessed as part of Old National's ongoing risk management practice, the enterprise-wide capital stress test applies one consistent set of economic assumptions for each scenario to the below quantifiable risks across business lines to determine the overall impact on capital levels. As a result, each risk below is covered by the stress test to the extent it is linked to the supervisory provided economic scenarios or accounted for by management assumptions described in this document. These risks are further defined as follows:

1) Strategic Risk is the risk to current or anticipated earnings, capital or franchise value arising from business decisions, including acquisitions or changes in the banking industry and operating environment.

2) Market Risk is the risk that the estimated fair value of our assets, liabilities and derivative financial instruments will decline as a result of changes in interest rates or financial market volatility, or that our net income will be significantly reduced by interest rate changes. Market risk captures interest rate risk, price risk and investment risk.

3) Liquidity Risk arises from the possibility that we may not be able to satisfy current or future financial commitments, or may become unduly reliant on alternative funding sources.

4) Credit Risk represents the risk of loss arising from an obligor's inability or failure to meet contractual payment or performance terms. Our primary credit risk results from our investment and lending activities.

5) Operational/Technology/Cyber Risk is the potential that inadequate information systems, operational problems, breaches in internal controls, information security breaches, fraud or unforeseen catastrophes will result in unexpected losses.

6) Regulatory/Compliance/Legal Risk addresses the risk that Old National violated or was not in compliance with applicable laws, regulations or practices, industry standards, or ethical standards. The legal portion assesses the risk that unenforceable contracts, lawsuits or adverse judgments can disrupt or otherwise negatively impact Old National.

7) Reputational Risk is the potential that negative publicity regarding an institution's business practices, whether true or not, will cause a decline in the customer base, costly litigation, or revenue reductions. The Company also recognizes that its reputation with shareholders and associates are important factors of reputational risk. Any one of the risks defined herein may contribute to reputational risk.

III. DFAST Scenario Assumptions

Supervisory Severely Adverse Economic Assumptions

Results contained in this report are based on the hypothetical Severely Adverse economic scenario as prescribed by the Federal Reserve Board for the 2017 stress testing cycle. The Severely Adverse scenario is characterized by a severe global recession, accompanied by a period of heightened corporate financial stress and low yields for short-term U.S. Treasury securities. It includes 28 variables, 16 of which are domestic and 12 of which are international. Specific key economic drivers include:

- Unemployment rate increases to 10% by the middle of 2018.
- Real GDP begins to decline in the first quarter of 2017, hitting a low point of -7.5% in the second quarter of 2017, then recovering.
- Consumer price inflation decreases slightly from an annualized rate of 1.50% in the first quarter of 2017 to 1.30% in the third quarter of 2017. CPI gradually increases to an annualized rate of 1.90% by the end of the recession.
- Consistent with the above developments, asset prices drop sharply and equity prices fall 50% through the end of 2017, accompanied by a surge in equity market volatility.
- Housing prices drop 25%, and commercial real estate prices fall 35% through the first quarter of 2019.
- Short-term treasury rates fall to 0.10% by the first quarter of 2017 and remain at that level through the end of the scenario.
- The international component of this scenario features severe recessions in the Euro area, the United Kingdom and Japan, and a mild recession in developing Asia resulting in these foreign economies experiencing a pronounced decline in consumer prices.

Capital & Acquisition Assumptions

On August 8, 2017, Old National and St. Paul, MN based Anchor Bank, N.A. jointly announced the execution of a definitive agreement under which Old National will acquire Anchor through a stock and cash merger which is anticipated to close on November 1, 2017, subject to the vote of Anchor shareholders and customary closing conditions. This acquisition is not incorporated into the Old National's 2017 DFAST results due to timing of the regulatory stress testing cycle.

Old National makes several assumptions when forecasting capital levels, including the following:

- Old National assumes a flat quarterly dividend rate during the first four quarters and last two quarters of the nine-quarter planning horizon. Common dividends are reduced in the 5th, 6th, and 7th quarters of the nine-quarter planning horizon due to upstream dividend regulatory restrictions at the subsidiary bank. This reduction in common dividends does not impact the lowest quarter capital ratio estimates as presented in Table 3.

- Old National does not assume any redemptions or repurchases of any capital instrument that is eligible for inclusion in the numerator of the regulatory capital ratio.
- For each quarter over the nine-quarter planning horizon, Old National holds payments on any other instrument that is eligible for inclusion in the numerator of a regulatory capital ratio equal to the stated dividend, interest or principal due on such instrument.

To the extent that the Severely Adverse economic conditions actually occur, Old National's actual capital actions could be different from the assumptions applied in the 2017 Severely Adverse scenario.

IV. Old National's DFAST Methodologies and Processes

ONB's stress test process is designed to generate holistic and repeatable financial estimates that are statistically sound and economically intuitive. Old National utilizes quantitative and qualitative methodologies to produce estimates for aggregate losses, pre-provision net revenue, provisions for loans and lease losses, net income and pro forma capital ratios. For the 2017 DFAST filing, the planning horizon spans nine quarters beginning January 1, 2017, and ending March 31, 2019. Old National's DFAST modeling framework consists of internally developed econometric regression models, the Bank's asset liability management model, trend analysis, management judgment and strong governance and model risk management practices.

Old National's internally developed econometric regression models statistically link changes in economic conditions to performance changes in Old National's credit losses, loan production, deposit balances and selected noninterest income business lines. Econometric regression model results are occasionally supplemented with management judgment. An extensive economic variable selection process is performed that balances management intuition and statistical filtering techniques to identify the most significant economic risk drivers for Old National. In addition to the national economic variables provided by the Federal Reserve and Office of the Comptroller of the Currency, regional variables are also considered to capture risks specific to Old National's geographic footprint and customer base.

Old National's asset liability management system also supports the DFAST modeling process in multiple aspects. The asset liability management system generates net interest income estimates and serves as the DFAST aggregation model. Revenue, expense, provision and balance sheet estimates produced by econometric regressions, trend analysis and expert judgment are aggregated into the asset liability management system to generate consolidated detailed income statements, balance sheet and capital projections. Risk-weighted asset estimates are directly tied to the size and composition of the asset estimates.

Strong governance and board oversight are firmly instilled across the stress test process. Multi-level governance activities are structured to ensure that executive and board-level committees obtain the necessary information to effectively challenge the key stress test assumptions and results. Management is highly engaged in the stress test process through Old National's multiple stress test challenge sessions.

Quarterly reviews and a dedicated DFAST challenge session are conducted with a board-level committee to review and approve the stress test results.

V. Quantitative Results

This section shows Old National's DFAST results under the hypothetical Severely Adverse economic scenario for the nine-quarter time horizon beginning January 1, 2017, and ending March 31, 2019.

Aggregate Loan Losses

Aggregate loan loss projections are the same for Old National Bancorp and Old National Bank. Table 1 depicts the cumulative loan losses over the nine-quarter planning horizon for the severely adverse scenario. The significant increase in loan losses in the Severely Adverse economic scenario is mostly driven by higher unemployment and declining real estate collateral prices.

TABLE 1

Supervisory Severely Adverse Scenario
Nine Quarter Cumulative Loss Results (Q1 2017 through Q1 2019)
Regulatory Call Report Portfolio Segmentation
$ in millions

	Old National Bancorp & Bank	
	Loss $	**Loss %** [1]
Closed-end 1-4 family residential properties secured by first liens	$27.32	1.26%
Junior Liens and HELOCs	12.57	2.34%
Commercial and Industrial	38.97	3.00%
Commercial Real Estate [2]	87.45	3.18%
Automobile and Other Consumer	25.82	2.31%
All other loans and leases	5.84	0.93%
Total	**$197.97**	**2.33%**

(1) Loss % is calculated by adding the nine quarters of losses and dividing by the nine-quarter average loan balance for each portfolio
(2) Commercial real estate includes multifamily, construction loans, and non-farm non-residential loans.

Pre-Provision Net Revenue, Provision Expense & Net Income

Table 2 depicts the cumulative pre-provision net revenue, provision expense, realized gains and losses on securities, taxes, and net income over the nine-quarter planning horizon for the severely adverse scenario.

TABLE 2
Supervisory Severely Adverse Scenario
Nine Quarter Cumulative Net Income and Percentage of Average Assets

$ in millions	Old National Bancorp		Old National Bank	
	$	% of Average Assets [1]	$	% of Average Assets [1]
Pre-Provision Net Revenue [2]	$302.94	2.13%	$343.48	2.42%
Provision Expense	$210.56	1.48%	$210.56	1.48%
Realized Gains/Loss on Securities	($3.11)	-0.02%	($3.11)	-0.02%
Taxes	$16.15	0.11%	$34.90	0.25%
Net Income	**$73.12**	**0.51%**	**$94.90**	**0.67%**

(1) Calculated by dividing the nine-quarter cumulative totals for each line by average total assets over the same time period.

(2) Pre-Provision Net Revenue includes estimates for operational losses resulting from the hypothetical severely adverse scenario.

Capital

Table 3 depicts the regulatory capital ratios and risk-weighted assets at the beginning (Q4 2016), end (Q1 2019), and lowest ratio observed throughout the nine-quarter planning horizon of the Supervisory Severely Adverse economic scenario. The lowest quarter and the ending quarter capital ratios for both Old National Bancorp and Old National Bank all exceed the fully phased 2019 Basel III minimums including capital conservation buffers.

TABLE 3
Supervisory Severely Adverse Scenario
Regulatory Capital Ratios

$ in millions	Old National Bancorp			Old National Bank			Basel III 2019 Minimum[1]
	Q4 2016	Q1 2019	Lowest Quarter	Q4 2016	Q1 2019	Lowest Quarter	
Tier 1 Common Ratio	11.51%	11.89%	10.28%	11.83%	13.21%	10.99%	7.00%
Tier 1 Capital Ratio	11.65%	12.39%	10.60%	11.83%	13.21%	10.99%	8.50%
Tier 1 Leverage Ratio	8.43%	8.60%	7.63%	8.55%	9.18%	8.01%	4.00% [2]
Total Capital Ratio	12.18%	13.13%	11.85%	12.35%	13.95%	12.24%	10.50%
Risk-weighted Assets (end of period)	$10,100	$9,030		$10,039	$9,027		

(1) Each ratio, excluding the leverage ratio, represents the fully phased 2019 minimum including capital conservation buffer.

(2) The leverage ratio of 4.0% represents the "adequately capitalized" minimum. The leverage ratio "w ell capitalized" minimum is 5.0%.

VI. Changes in Old National Bancorp's Capital Ratios

Figures 1 through 4 show the primary drivers of change in Old National Bancorp's regulatory capital ratios over the nine-quarter planning horizon under the hypothetical supervisory severely adverse economic scenario. The decline in each capital ratio is primarily driven by higher provision expense due to severe economic conditions, and common dividends to shareholders. Old National's Pre-Provision Net Revenue is negatively impacted by lower net interest margins due to low interest rate assumptions in the severely adverse scenario, and operational losses assumed in the hypothetical scenario. The "Taxes & Other" category decreases each capital ratio primarily due to income taxes and changes in disallowed intangibles. For the total capital ratio, the Taxes & Other category also includes allowance for loan losses allowable in tier 2 capital. As described in the Capital section, Old National Bancorp's lowest quarter and the ending quarter capital ratios exceed the fully phased 2019 Basel III minimums including capital conservation buffers.

FIGURE 1

Supervisory Severely Adverse Scenario
Old National Bancorp
Tier 1 Capital Ratio Bridge

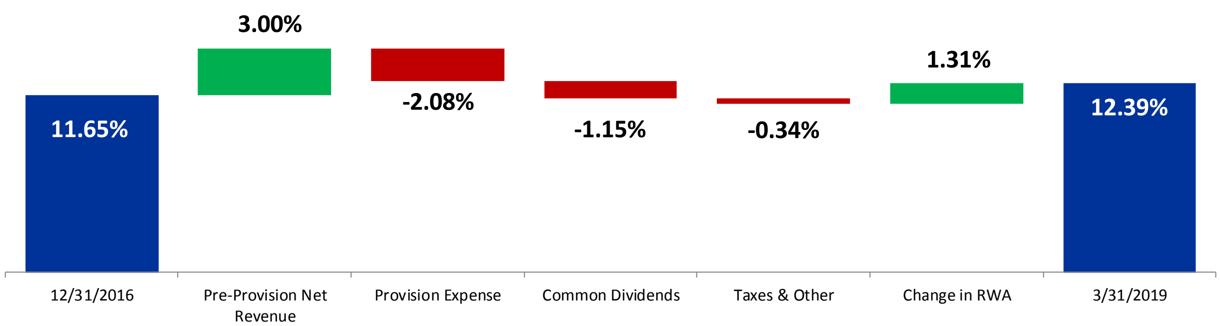

FIGURE 2

Supervisory Severely Adverse Scenario
Old National Bancorp
Tier 1 Common Ratio Bridge

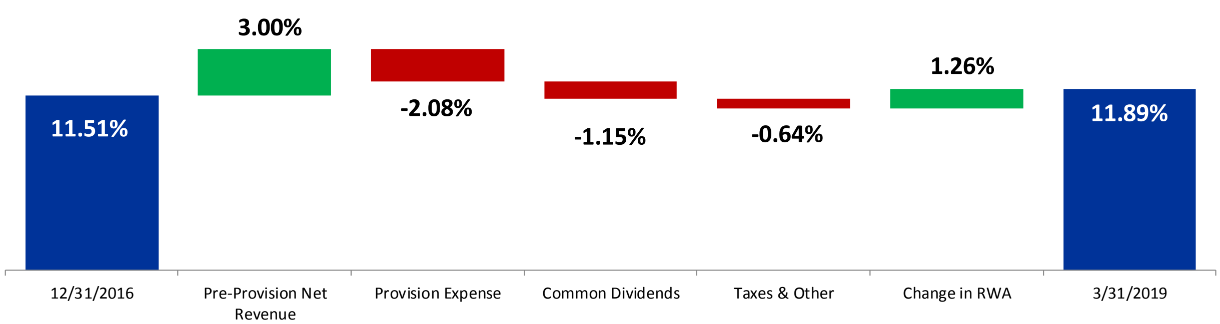

FIGURE 3

Supervisory Severely Adverse Scenario
Old National Bancorp
Tier 1 Leverage Ratio Bridge

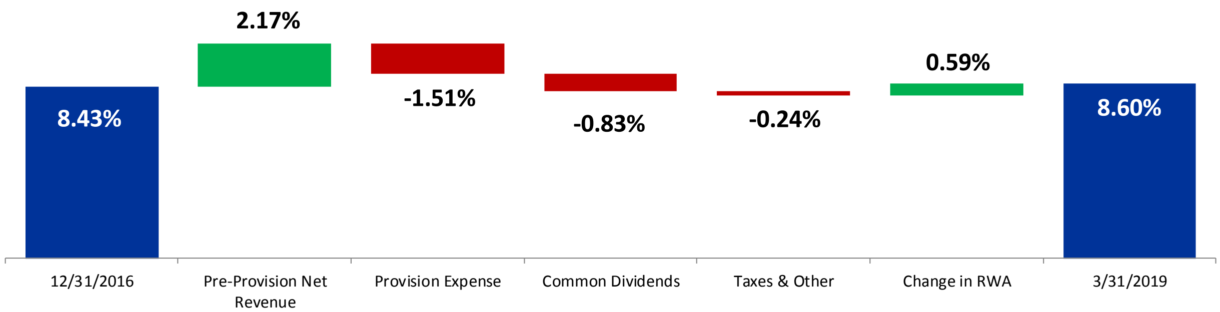

FIGURE 4

Supervisory Severely Adverse Scenario
Old National Bancorp
Total Capital Ratio Bridge