



Old National Bancorp to acquire Founders Financial Corporation

Founders Financial Corporation

Founders Financial Corporation (“Founders”), headquartered in Grand Rapids, Michigan, is the bank holding company for Founders Bank & Trust (the “Bank”). Founded in 1991, and boasting 78 consecutive profitable quarters, Founders Bank & Trust operates four full-service banking centers in economically vibrant Kent County, home to Grand Rapids and several of Michigan's largest employers including Amway, Meijer, Spectrum Health and Steelcase. As of June 30, 2014, Founders Bank & Trust had total assets of approximately \$466 million, gross loans of \$355 million, total deposits of \$378 million, and \$353 million of trust assets under management.

Old National Bancorp

Old National Bancorp (NASDAQ: ONB) (“Old National”) was founded in Evansville, Indiana in 1834, with nearly \$10.4 billion in total assets and 173 banking centers as of June 30, 2014, Old National, the parent company of Old National Bank, is the largest financial services holding company headquartered in Indiana. On a pro forma basis, including the acquisition of Ann Arbor-based United Bancorp, Inc. (NASDAQ: UBMI) scheduled to close on July 31, 2014, Old National Bank will have 36 branches and approximately \$1.6 billion of deposits in the State of Michigan.

The Transaction

On July 28, 2014, Old National and Founders announced the execution of a definitive agreement under which Old National will acquire Founders through a stock and cash merger. Subject to the terms and conditions set forth in the merger agreement, which was unanimously approved by the boards of both companies, shareholders of Founders will receive 3.25 shares of Old National common stock and \$38.00 in cash for each share of Founders stock. Based upon the July 25, 2014, closing price of \$13.87 per share of Old National common stock, the transaction is valued at approximately \$83.08 per share of Founders common stock, or approximately \$88.2 million. Based on the June 30, 2014 shareholders’ equity at Founders, the transaction value represents a multiple of 2.13x book value. The transaction value is likely to change due to fluctuations in the price of Old National common stock.

The merger is expected to close in the first half of 2015 and is subject to approval by Founders' shareholders, regulatory approvals and other customary closing conditions provided in the merger agreement.

Donnelly Penman & Partners initiated the transaction, acted as financial advisor to Founders and assisted in the negotiations in connection with the transaction and delivered a fairness opinion. Please contact [John Donnelly](#) at (313) 393-3054, [Andrew Christians](#), CFA at (313) 393-3074, or [Gregory Cunningham](#) at (313) 393-3070 for further information.

Donnelly Penman & Partners

Donnelly Penman & Partners is one of the largest independently owned investment banking firms headquartered in the Midwest. We provide comprehensive advisory services to both public and private companies, including mergers and acquisitions, capital raising, due diligence, and general financial advisory services. In addition, we are a FINRA licensed broker dealer and member SIPC.

Donnelly Penman & Partners is owned by the employees of the firm, who have successfully completed more than 260 transactions and advisory engagements since the firm's inception in September 2000. Its principals have more than 110 years of investment banking experience collectively.

Announced July 2014

(Grand Rapids, MI)

bank holding company of

has agreed to be acquired by

(Evansville, IN)

Sell Side Advisory