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With Proxy Statement and Notice of Annual Meeting

Dear Fellow Shareholder:

For your company and for our nation, 2011 can best be described as a transformational year. As the months unfolded, we saw our economy – and along with it the financial services industry – begin to regain its footing on the heels of the Great Recession. We also witnessed the continued evolution of a new and unprecedented era of financial regulation.

For Old National, the most significant storyline of an eventful 2011 was our success in forging new partnerships that strengthened and transformed your company in many ways. Three major transactions fueled a strong earnings year and expanded our reach within several key markets.

While acquisition activity dominated the headlines, there were other key indicators of progress for your company which we will detail in this letter. We also hope to illustrate that 2011 was a year in which Old National made significant strides toward becoming a true high performance company – the kind of company that you, as an owner, richly deserve.

Welcome to Old National

The past 12 months afforded us the opportunity to welcome new clients and associates to Old National from Bloomington, Indiana-based Monroe Bancorp and Evansville, Indiana-based Integra Wealth Management and Trust. We also completed the FDIC-assisted acquisition of the former Integra Bank, also headquartered in Evansville.

Ultimately the success of any acquisition is defined by client retention. We are pleased to report that your company continues to exceed our retention targets while also meeting or exceeding all acquisition-related financial metrics. Just as importantly for an organization that prides itself on community engagement, Old National has received positive feedback from our new associates and the clients and communities they serve. This is a strong testament to the passion, character and dedication of Old National associates, many of whom devoted considerable time outside their normal work schedules to ensure that each new client and each new associate was made to feel welcome.

Monroe Bancorp acquisition

On January 1, 2011, Old National Bancorp completed its merger with Monroe Bancorp. This momentum-building partnership, which added \$574.0 million of core deposits and \$419.4 million of loans to the Old National franchise while increasing our presence in Bloomington, and surrounding communities, has proved to be a model acquisition in every respect. From a cultural standpoint, the union of Old National and Monroe has been seamless; and its positive impact on our bottom line has exceeded expectations.

Integra Wealth Management and Trust acquisition

On June 1, 2011, your company completed the acquisition of Integra Wealth Management and Trust, a division of the former Integra Bank. The outstanding success of this partnership can be credited directly to our experienced and energetic Old National Wealth Management and Trust team that displayed a true bias for action in the hours following the announcement. As a result of their hard work and expertise, we were extremely successful in retaining a large percentage of these valued client relationships.

FDIC-assisted Integra Bank acquisition

On July 29, 2011, your company acquired certain assets and assumed substantially all deposits and certain liabilities of Integra Bank in an FDIC-assisted transaction. Of the 52 former Integra banking centers that were part of this acquisition, 32 have been consolidated. We also completed the sale of the deposits of four former Integra branches located in the Chicago area, as the Chicago market does not fit our strategic goals for expansion.

The fact that many employees of the former Integra Bank were friends and neighbors of Old National associates made this acquisition especially challenging. It cannot be overemphasized how much empathy, compassion and dedication Old National associates displayed throughout this process.

It also bears noting that your company went above and beyond what is typical of an acquirer in an FDIC-assisted transaction to make sure every employee from the former Integra Bank had the tools and resources necessary for a successful transition. This included temporarily shifting Talent Acquisition Manager Ron Hagy into the role of Transition Services Manager. Under the strong leadership of Ron and his team, Old National provided former Integra employees with extensive one-on-one career counseling, group workshop opportunities and scholarship assistance at Ivy Tech University in Evansville.

2011 Results

Old National recorded strong full year 2011 earnings of \$.76 per common share, which equates to net income available to common shareholders of \$72.5 million. Compared to full year 2010, this represents an almost 90 percent increase in net income available to common shareholders. It is important to note that these results were impacted by approximately \$17.7 million in acquisition-related expenses. In addition, average core deposits for full year 2011 were up \$800 million over 2010 – \$6.3 billion compared to \$5.5 billion. On average, noninterest-bearing checking accounts were \$373 million higher than 2010.

While acquisition activity contributed significantly to our positive 2011 performance, there were other factors that led to your company's success:

Provision Expense and Credit Quality

Overall, 2011 saw Old National benefit from well-controlled credit metrics (excluding loans covered by the Integra-related FDIC loss-share agreement). Provision expense for full year 2011 was \$6.5 million, or \$24.3 million less than 2010.

In addition, net loan charge-offs, excluding covered loans, fell to .53% for the full year 2011 – a substantial decrease from our full year 2010 mark of .75%.

Capital Management

Old National's capital position remained well above regulatory standards during the year, with regulatory tier 1 and total risk-based capital ratios of 13.5% and 15.0%, respectively, at December 31, 2011. The fact that we were able to remain a well capitalized institution despite a year of acquisition activity illustrates the strength and stability of your company.

Our confidence in Old National's capital position is also what led your Board of Directors to declare an increase in the quarterly cash dividend on January 26, 2012, to \$.09 per share on the Company's outstanding shares.

We also continued our ongoing capital management strategy throughout 2011, which includes the ability to repurchase, as conditions warrant, up to 2.0 million shares of ONB common stock through January 31, 2013. These shares may be purchased from time to time in either the open market or in privately negotiated transactions, in accordance with SEC regulations.

Expense Management

Controlling expenses remained a company-wide focus. When you include all operating costs, expenses at the legacy company (which excludes Integra and Monroe operations) were nearly \$13 million lower than 2010.

While we continued to make progress toward our aspirational efficiency ratio of 65%, we were hampered somewhat by revenue challenges related to the economic and regulatory environment. While we are not satisfied with our current position, we are confident that yet-to-be-realized cost savings from our FDIC-assisted acquisition of Integra, coupled with a major focus on loan growth in 2012, will significantly accelerate progress toward our target.

Stock Price

In last year's Annual Report letter, it was noted that a review of financial stocks prior to the mid-1990s showed that banks were viewed primarily as long-term value stocks as opposed to growth stocks. It was further noted that we anticipate a return to this more traditional valuation of financial stocks once the economy fully stabilizes. A year later, we believe this assessment still holds true.

While lingering economic headwinds and concern over the regulatory environment continued to impact financial stocks throughout 2011, Old National did see improvement over the previous year's performance. With regard to stock price performance, your company finished 2011 in the top quartile (eight out of 31) for our peer group. We are confident in both our short-term and long-term growth strategies, which will continue to focus on risk-managed revenue growth, expense management initiatives and strategic partnership opportunities.

We continue to feel very strongly that our commitment to being an industry leader in corporate governance and transparency coupled with our consistent, conservative approach to managing risk and capital, positions us well for the future. To us, this basic, risk-measured approach continues to define Old National stock as a prudent long-term investment.

The true strength of Old National: our people

Without a doubt, the associates who work hard every day to drive value for you - our owners - continue to be the strength of Old National. In 2011, our associates donated nearly 77,000 volunteer hours within their communities. In addition, your company recorded a 74% satisfaction rate on our annual associate satisfaction survey (the benchmark for the financial industry is 65%, meaning any score above 65% is considered strong).

Old National also continues to shine as a leader in ethics and risk management, having been named one of the "World's Most Ethical Companies for 2012" by Ethisphere - an independent firm that examines a company's organizational health and culture, ethics and compliance programs and corporate governance systems. This deeply prestigious annual honor, reserved for fewer than 150 companies worldwide, is a powerful reflection of the integrity and ethical commitment of the associates who shape our culture and personify our vision and values.

Looking ahead to 2012

Our goals for 2012 are similar to those we shared with you a year ago: increase revenue, reduce expenses and target acquisition opportunities that align with our financial and strategic goals. At every level of the organization, we are focused on these goals and confident in our ability to execute our strategy.

Committed to revenue growth

Organic loan growth was elusive in 2011, due in large part to the economic and regulatory challenges facing all community banks. While we remain steadfastly committed to the same conservative, risk-conscious approach to lending that has enabled us to remain strong and secure during difficult times, we do recognize how vital it is to generate new loan growth in 2012 and beyond. We believe your company is in a tremendous position to generate this revenue in the coming months due to our 2011 partnerships and the new client base they bring. In addition, we announced in January 2012 our acquisition of Columbus-based Indiana Community Bancorp. This newest transaction, which includes 17 banking centers and nearly \$985 million in total assets, fulfills a vital strategic goal by giving Old National a strong new presence in a high growth region and allows us to introduce our products and services to an attractive new customer base.

Managing expenses and controlling costs

We began 2012 with declining expenses and we continue to realize cost savings associated with our 2011 acquisitions. Eventually we expect additional positive movement in our efficiency ratio as a result of our Indiana Community Bancorp acquisition. In addition, our credit costs are well controlled and reflective of a relatively lower risk loan portfolio. We possess a strong balance sheet with a tremendous base of low cost deposits.

Just as we did in 2011, we continue to look for ways to enhance your company's efficiency numbers through process improvements, organizational streamlining and other cost reduction strategies. We assure you that continued improvement in this area remains a vitally important part of our strategy as we look to increase shareholder value.

Targeting additional partners

Our merger and acquisition strategy is simple and straightforward. We focus on community banks in growth markets that are either within or near our existing franchise. Such strategic consolidations improve your company's bottom line while expanding our distribution network, which helps build long-term shareholder value.

Prospective Old National partners must align well strategically and culturally; pass a rigorous due diligence process; meet or exceed key financial targets; and enhance your company's mission of being a true community bank. We believe we have found such a partner in Indiana Community Bancorp, and we will continue to actively pursue additional opportunities in the months to come.

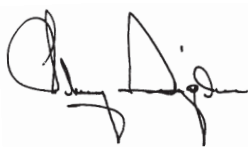
Other considerations

As for the economy, we continue to be of the opinion that we are in a slow recovery that is likely to require at least another year to fully stabilize. We also believe that the Federal Reserve's decision to keep both long- and short-term interest rates low for an indefinite period will pose revenue growth challenges that we will need to work hard to overcome.

From a regulatory standpoint, 2011 witnessed the continued evolution of the Dodd-Frank Act, the emergence of the Consumer Financial Protection Bureau and a number of other issues of concern for the financial industry. While there is very little doubt that the current regulatory environment will persist in posing some challenges for Old National and all financial institutions, we are confident that your company is well equipped to respond to issues that may surface. We will continue to monitor all proposed financial legislation and regulatory changes, and we will continue to work closely with our regulators to ensure that we remain flexible and compliant.

Throughout 2012 and beyond, we will remain committed to our strategic imperatives and diligent in our adherence to our vision, values and goals, always with the understanding that the ultimate driver of any decision must be the value we create for you, the owners of Old National Bancorp.

Sincerely,



Larry Dunigan
Chairman
Old National Bancorp Board of Directors

In appreciation

Joseph D. "Joe" Barnette Jr., an esteemed member of the Old National Bancorp Board of Directors since January 2005, is retiring from the Board in May of this year. During his tenure, Barnette proved to be a tremendous leader, motivator and collaborator. Most recently he chaired the Risk and Credit Policy Committee. He also served on the Compensation and Management Development and Merger and Acquisition committees.

His extensive community involvement includes service on a number of boards in addition to Old National's, including the Arthur Jordan Foundation, Women's Fund of Central Indiana and the Pacers Foundation.

We are extremely grateful for the passion, perspective and leadership that Joe provided during these past seven years. His relentless enthusiasm and commitment to excellence have created a legacy that will continue to benefit Old National for years to come.



Bob Jones
President and Chief Executive Officer
Old National Bancorp

Old National Bancorp Board of Directors

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Chief Ethics Officer

Old National Bancorp

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Old National Bancorp (NYSE: ONB) is the largest financial services holding company headquartered in Indiana and, with \$8.6 billion in assets, ranks among the top 100 banking companies in the United States. Since its founding in Evansville in 1834, Old National has focused on community banking by building long-term, highly valued partnerships with clients in its primary footprint of Indiana, Illinois and Kentucky. In addition to providing extensive services in retail and commercial banking, wealth management, investments and brokerage, Old National also owns Old National Insurance which is one of the top 100 largest agencies in the U.S. and the 10th largest bank-owned insurance agency. For more information and financial data, please visit Investor Relations at oldnational.com.