

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of report (Date of earliest event reported): October 26, 2023

OLD NATIONAL BANCORP
(Exact name of Registrant as specified in its charter)

Indiana
(State or other jurisdiction of incorporation)

001-15817
(Commission File Number)

35-1539838
(IRS Employer Identification No.)

One Main Street
Evansville, Indiana
(Address of Principal Executive Offices)

47708
(Zip Code)

Registrant's telephone number, including area code: (773) 765-7675

(Former name or former address if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, no par value	ONB	The NASDAQ Stock Market LLC
Depository Shares, each representing a 1/40th interest in a share of Non-Cumulative Perpetual Preferred Stock, Series A	ONBPP	The NASDAQ Stock Market LLC
Depository Shares, each representing a 1/40th interest in a share of Non-Cumulative Perpetual Preferred Stock, Series C	ONBPO	The NASDAQ Stock Market LLC

Indicate by check mark whether the Registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (s230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (s240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the Registrant has elected not to use extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 8.01 Other Events.

On October 26, 2023, Old National Bancorp (the “Company”) and CapStar Financial Holdings, Inc. (“CapStar”) issued a joint press release announcing the execution of an Agreement and Plan of Merger, dated as of October 26, 2023, by and between the Company and CapStar pursuant to which, upon the terms and subject to the conditions set forth therein, the Company will acquire CapStar and CapStar Bank, CapStar’s wholly-owned bank subsidiary.

The transaction is expected to close in the second quarter of 2024, subject to the receipt of regulatory approvals and the approval of CapStar’s shareholders.

Under the terms of the agreement, shareholders of CapStar will receive, in respect of each share of common stock of CapStar held by them, 1.155 shares of common stock of the Company.

A copy of the joint press release issued by the Company and CapStar is filed as Exhibit 99.1 to this Current Report on Form 8-K. A copy of the Company’s investor presentation related to its acquisition of CapStar is filed as Exhibit 99.2 to this Current Report on Form 8-K.

FORWARD-LOOKING STATEMENTS

This Current Report on Form 8-K contains “forward-looking statements” within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. In general, forward-looking statements can be identified through use of words such as “may,” “believe,” “expect,” “anticipate,” “intend,” “will,” “should,” “plan,” “estimate,” “predict,” “continue” and “potential” or the negative of these terms or other comparable terminology, and include statements related to the expected timing, completion, financial benefits, and other effects of the proposed merger of CapStar with and into the Company (the “Merger”). Forward-looking statements are not historical facts and represent management’s beliefs, based upon information available at the time the statements are made, with regard to the matters addressed; they are not guarantees of future performance. Actual results may prove to be materially different from the results expressed or implied by the forward-looking statements. Forward-looking statements are subject to numerous assumptions, risks and uncertainties that change over time and could cause actual results or financial conditions to differ materially from those expressed in or implied by such statements.

Factors that could cause or contribute to such differences include, but are not limited to, (1) expected cost savings, synergies and other financial benefits from the Merger not being realized within the expected time frames and costs or difficulties relating to integration matters being greater than expected, (2) the ability of CapStar to obtain the necessary approval by its shareholders, (3) the ability of the Company and CapStar to obtain required governmental approvals of the Merger, and (4) the failure of the closing conditions in the definitive merger agreement to be satisfied, or any unexpected delay in closing the Merger. Further information regarding additional factors that could affect the forward-looking statements can be found in the cautionary language included under the headings “Forward-Looking Statements” (in the case of the Company), “Cautionary Note Regarding Forward-Looking Statements” (in the case of CapStar), and “Risk Factors” in the Company’s and CapStar’s Annual Reports on Form 10-K for the year ended December 31, 2022, and other documents subsequently filed by the Company or CapStar with the U.S. Securities and Exchange Commission (“SEC”).

ADDITIONAL INFORMATION AND WHERE TO FIND IT

In connection with the proposed Merger, the Company will file with the SEC a Registration Statement on Form S-4 that will include a Proxy Statement of CapStar and a Prospectus of the Company, as well as other relevant documents concerning the proposed transaction. INVESTORS AND SECURITY HOLDERS, PRIOR TO MAKING ANY INVESTMENT OR VOTING DECISION, ARE URGED TO READ THE REGISTRATION STATEMENT AND PROXY STATEMENT/PROSPECTUS WHEN IT BECOMES AVAILABLE (AND ANY OTHER DOCUMENTS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION IN CONNECTION WITH THE MERGER OR INCORPORATED BY REFERENCE INTO THE PROXY STATEMENT/PROSPECTUS) BECAUSE SUCH DOCUMENTS WILL CONTAIN IMPORTANT INFORMATION REGARDING THE PROPOSED MERGER.

Investors and security holders may obtain free copies of these documents and other documents filed with the SEC on its website at www.sec.gov. Investors and security holders may also obtain free copies of the documents filed with the SEC by (i) the Company on its website at <https://ir.oldnational.com/financials/sec-filings/default.aspx>. and (ii) CapStar on its website at <https://ir.capstarbank.com/financial-information/sec-filings>.

This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

PARTICIPANTS IN THE SOLICITATION

The Company, CapStar and certain of their directors and executive officers may be deemed participants in the solicitation of proxies from shareholders of CapStar in connection with the proposed Merger. Information regarding the directors and executive officers of the Company and CapStar and other persons who may be deemed participants in the solicitation of the shareholders of CapStar in connection with the Merger will be included in the proxy statement/prospectus for CapStar's special meeting of shareholders, which will be filed by the Company and CapStar with the SEC. Information about the directors and officers of the Company and their ownership of the Company's common stock can also be found in the Company's definitive proxy statement in connection with its 2023 annual meeting of shareholders, as filed with the SEC on March 30, 2023, and other documents subsequently filed by the Company with the SEC. Additional information regarding the interests of such participants will be included in the proxy statement/prospectus and other relevant documents regarding the Merger filed with the SEC when they become available.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No. Description

[99.1](#) Joint Press Release of Old National Bancorp and CapStar Financial Holdings, Inc., dated October 26, 2023

[99.2](#) Old National Bancorp Investor Presentation, dated October 26, 2023

104 Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: October 26, 2023

OLD NATIONAL BANCORP

By: /s/ Nicholas J. Chulos
Nicholas J. Chulos
Executive Vice President and
Chief Legal Officer



NEWS RELEASE

FOR IMMEDIATE RELEASE

October 26, 2023

Old National Contacts:

Media: Rick Vach (904) 535-9489

Investors: Lynell Durchholz (812) 464-1366

CapStar Contact:

Michael J. Fowler (615) 732-7404

Old National to Partner with Nashville-based CapStar Partnership includes \$3.3 billion in total assets and four high-growth metro markets

EVANSVILLE, IN & NASHVILLE, TN – Old National Bancorp (NASDAQ: ONB) (“Old National”) and CapStar Financial Holdings, Inc. (NASDAQ: CSTR) (“CapStar”) jointly announced today that they have entered into a definitive merger agreement for Old National to acquire CapStar in an all-stock transaction. Combining the two organizations will strengthen Old National’s recently formed Nashville presence and add several new high-growth markets.

Old National entered the Tennessee market in 2022 when it introduced a Nashville-based 1834 Wealth team (Old National’s high-net-worth division). More recently, Old National added a Nashville-based Commercial banking and lending team. The combination with CapStar accelerates Old National’s Tennessee presence bringing \$3.3 billion in total assets, \$2.3 billion in total loans, and \$2.8 billion in deposits as of September 30, 2023, with top-10 deposit market share in the Nashville MSA and recent entry into Asheville, North Carolina.

“This partnership with CapStar – one of the most highly respected and successful community banks in Tennessee – is a tremendous cultural fit and a natural extension of our growth strategy,” said Old National CEO Jim Ryan. “By establishing a full-service banking presence in Nashville and several other strong Tennessee and North Carolina communities, we can more fully serve our existing Nashville-area clients while also introducing our client- and community-focused brand of banking to the surrounding region.”

“Over the past five years, our team has repositioned CapStar, strengthening its performance and long-term prospects,” said Timothy K. Schools, CapStar President and Chief Executive Officer. “In looking to the next five years, it is my belief Old National’s like-minded culture and scale best positions our employees, customers, and shareholders to continue our positive momentum. Excitingly, CapStar employees will be a major contributor to strengthen Old National’s recent entry into Nashville. Old National has hired market-leading individuals we are well familiar with, and shareholders greatly benefit from a material increase in dividends and daily trading volume while receiving a very attractively priced stock with strong potential for upside.”

North Carolina and Tennessee ranked first and third in CNBC’s 2023 annual ranking of America’s Top States for Business. CapStar’s markets include four of the fastest growing metro areas across the Southeast, of which Nashville is one of the [25 fastest in the United States](#). CapStar’s financial performance ranks first among all Tennessee-based banks and fourth across the Southeast within S&P Global Market Intelligence’s ranking of banks with assets of \$3 to \$10 billion.

Additionally, CapStar has been recognized as the highest-performing publicly traded Tennessee-based bank by Bank Director each of the past three years.

The partnership transaction includes 23 total banking centers in the following locations:

- Nashville MSA – 7 locations
- Athens, TN – 2 locations
- Wayne County, TN – 3 locations
- Lawrence County, TN – 2 locations
- Monroe County, TN – 2 locations
- Coffee County, TN – 2 locations
- Etowah, TN – 1 location
- Cleveland, TN – 1 location
- Chattanooga, TN – 1 location
- Knoxville, TN – 1 location
- Asheville, NC – 1 location

Under the terms of the merger agreement, each outstanding share of CapStar common stock will be converted into the right to receive 1.155 shares of Old National common stock, valuing the transaction at approximately \$344.4 million, or \$16.64 per share, based on Old National's 30-day volume weighted average closing stock price ending October 25, 2023. The definitive merger agreement has been approved by the Board of Directors of each company. The transaction remains subject to regulatory approval and the vote of CapStar shareholders. The transaction is anticipated to close in the second quarter of 2024.

Keefe, Bruyette & Woods, A *Stifel Company*, served as financial advisor and Dykema Gossett, PLLC acted as legal advisor to Old National.

Morgan Stanley & Co. LLC served as financial advisor and Wachtell, Lipton, Rosen & Katz acted as legal advisor to CapStar.

CONFERENCE CALL AND WEBCAST

Old National will hold a conference call and live webcast at 4:00 p.m. Central Time on Thursday, October 26, 2023, to discuss the acquisition of CapStar Financial Holdings, Inc. The live audio webcast link and corresponding presentation slides will be available on the Company's Investor Relations web page at oldnational.com and will be archived there for 12 months. To listen to the live conference call, dial U.S. (888) 300-3045 or International (646) 568-1027, Conference ID Code 7918950. A replay of the call will also be available from approximately 8:00 a.m. Central Time on October 27 through November 10. To access the replay, dial U.S. (800) 770-2030 or International (647) 362-9199, Conference ID Code 7918950.

ABOUT OLD NATIONAL

Old National Bancorp is the holding company of Old National Bank, which is the sixth largest commercial bank headquartered in the Midwest. With approximately \$49 billion of assets and \$28 billion of assets under management, Old National ranks among the top 30 banking companies headquartered in the U.S. Tracing our roots to 1834, Old National Bank has focused on community banking by building long-term, highly valued partnerships with clients and in the communities it serves. In addition to providing extensive services in retail and commercial banking, Old National offers comprehensive wealth management, investment, and capital market services. For more information and financial data, please visit Investor Relations at oldnational.com.

ABOUT CAPSTAR

CapStar Bank, with assets of \$3.3 billion, provides a relationship-based and highly personal banking experience to small to mid-sized private businesses, professionals, and individuals. Focused on delivering superior flexibility, responsiveness, and customer service, CapStar serves customers through highly-skilled employees, digital channels, as well as 23 financial centers across 13 Tennessee counties. For more information about CapStar, please visit [capstarbank.com](https://www.capstarbank.com).

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This release contains "forward-looking statements" within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. In general, forward-looking statements can be identified through use of words such as "may," "believe," "expect," "anticipate," "intend," "will," "should," "plan," "estimate," "predict," "continue" and "potential" or the negative of these terms or other comparable terminology, and include statements related to the expected timing, completion, financial benefits, and other effects of the proposed merger of CapStar with and into Old National (the "Merger"). Forward-looking statements are not historical facts and represent management's beliefs, based upon information available at the time the statements are made, with regard to the matters addressed; they are not guarantees of future performance. Actual results may prove to be materially different from the results expressed or implied by the forward-looking statements. Forward-looking statements are subject to numerous assumptions, risks and uncertainties that change over time and could cause actual results or financial conditions to differ materially from those expressed in or implied by such statements.

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Investors and security holders may obtain free copies of these documents and other documents filed with the SEC on its website at www.sec.gov. Investors and security holders may also obtain free copies of the documents filed with the SEC by (i) Old National on its website at <https://ir.oldnational.com/financials/sec-filings/default.aspx>, and (ii) CapStar on its website at <https://ir.capstarbank.com/financial-information/sec-filings>.

This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

PARTICIPANTS IN THE SOLICITATION

Old National, CapStar and certain of their directors and executive officers may be deemed participants in the solicitation of proxies from shareholders of CapStar in connection with the proposed Merger. Information regarding the directors and executive officers of Old National and CapStar and other persons who may be deemed participants in the solicitation of the shareholders of CapStar in connection with the proposed Merger will be included in the proxy statement/prospectus for CapStar's special meeting of shareholders, which will be filed by Old National with the SEC. Information about the directors and officers of Old National and their ownership of Old National's common stock can be found in Old National's definitive proxy statement in connection with its 2023 annual meeting of shareholders, as filed with the SEC on March 30, 2023, and other documents subsequently filed by Old National with the SEC. Information about the directors and officers of CapStar and their ownership of CapStar's common stock can be found in CapStar's definitive proxy statement in connection with its 2023 annual meeting of shareholders, as filed with the SEC on March 10, 2023, and other documents subsequently filed by CapStar with the SEC. Additional information regarding the interests of such participants will be included in the proxy statement/prospectus and other relevant documents regarding the proposed Merger filed with the SEC when they become available.

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 **OLD NATIONAL BANCORP**

To Partner With

 **CAPSTAR**
FINANCIAL HOLDINGS, INC.

OCTOBER 26, 2023

Expanding Nashville Presence; Positioned for Growth in Attractive

● Forward Looking Statements

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Transaction Highlights

Expanding Nashville Presence; Positioned for Growth in Highly Attractive Markets

Leverages ONB Capabilities in Growth Markets

- ✓ CapStar is a dynamic \$3 billion asset bank with top 10 deposit market share in Nashville
- ✓ Meaningful expansion in growth markets
- ✓ ONB brings a larger balance sheet with greater capabilities and larger product suite to CapStar's clients
- ✓ ONB's deposit strength will support growth opportunities and the ability to scale and expand throughout CapStar's current markets of operation

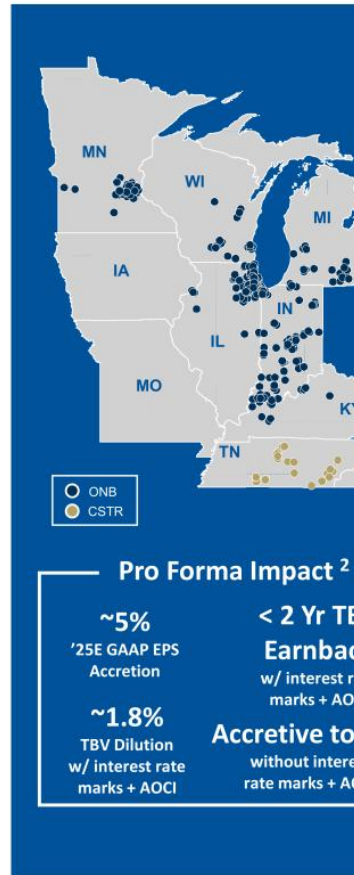
Financially Compelling

- ✓ Attractive financial metrics and disciplined pricing
 - 106% of tangible book value & 6.2x '24E EPS with cost savings ¹
 - ~5% accretive to 2025 consensus GAAP EPS
 - ~1.8% TBV dilution at closing with an earnback < 2 years
 - Expected to be approximately neutral to pro forma capital at closing (~11% CET1 at closing)

Low Risk

- ✓ Highly compatible, relationship-based business philosophies & operating culture
- ✓ Similar credit underwriting culture
- ✓ CapStar cumulative NCOs since 2009 of < 3% vs U.S. Commercial Banks of ~13% ³
- ✓ Retention of key market personnel
- ✓ ONB track record of successful partnerships and integrations

1. Based on ONB closing price of \$13.34 as of 10/25/23.
 2. See appendix for additional detail. Pro forma impact is presented for illustrative purposes only. Inclusive of all purchase accounting adjustments and restructuring charges. "Without interest rate marks + AOCI" removes the impact of purchase accounting interest rate marks and reverses the impact of AOCI. The tangible book value ("TBV") earnback is calculated using the crossover method.
 3. Aggregate industry data as compiled by S&P Capital IQ Pro.

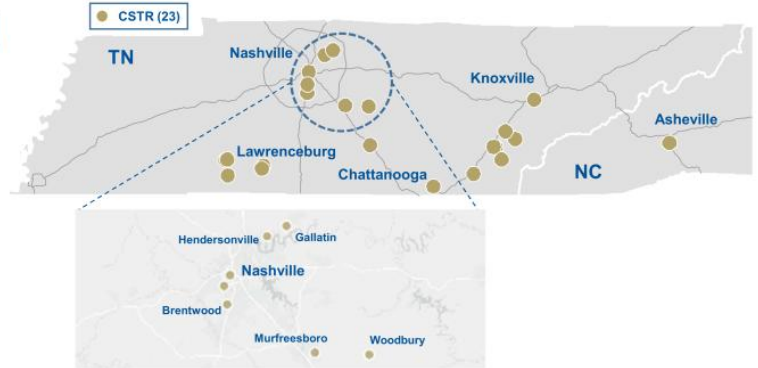


Overview of CapStar Financial Holdings, Inc.

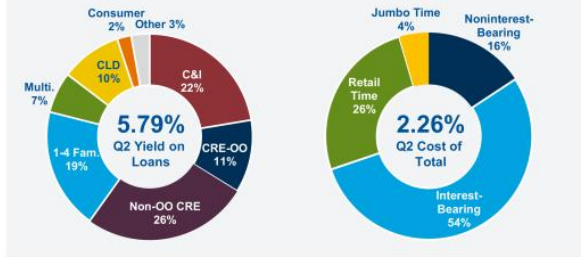
A Top 10 Nashville Franchise

Key Franchise & Financial Highlights

President and Chief Executive Officer	Timothy K. Schools
Headquarters	Nashville, TN
Branches	23
Ticker	CSTR
Profitability	
	YTD (6/30)
Return on Average Assets	0.91%
Return on Average Tangible Common Equity	9.4%
Net Interest Margin	3.15%
Efficiency Ratio	66%
Nonint. Inc. / Revenue	21%
Balance Sheet, Capital & Asset Quality	
	YTD (6/30)
Assets (\$M)	\$3,179
Gross Loans HFI (\$M)	\$2,359
Deposits (\$M)	\$2,711
Loans / Deposits	87%
Tangible Common Equity / Tangible Assets	9.6%
CET1 Ratio	12.4%
ACL / Loans	1.08%



Loans & Deposits ¹



Nashville MSA Deposit Market Share ²

Rank	Institution	Branches	Deposits (\$B)	Mkt Share (%)
1	Pinnacle Financial Partners (TN)	34	\$19.5	20.8%
2	Bank of America Corporation (NC)	32	\$13.5	14.4%
3	Regions Financial Corp. (AL)	64	\$10.0	10.7%
4	Truist Financial Corp. (NC)	35	\$8.2	8.7%
5	First Horizon Corp. (TN)	40	\$5.8	6.2%
6	FB Financial Corp. (TN)	25	\$4.9	5.2%
7	Wilson Bank Holding Co. (TN)	27	\$3.7	4.0%
8	U.S. Bancorp (MN)	34	\$3.4	3.7%
9	Fifth Third Bancorp (OH)	39	\$3.0	3.2%
10	CapStar Finl Hldgs Inc (TN)	7	\$1.6	1.7%

OLD NATIONAL BANCORP



Source: S&P Capital IQ Pro and Company documents. Financial data as of 6/30/23.

1. Bank-level loan and deposit composition as of 6/30/23.

2. Deposit market share data as of 6/30/23 and is pro forma for pending or recently completed acquisitions.

A Platform for Growth in Highly Attractive Markets



Best State Rankings

- Tennessee ranked #2 and North Carolina #7 nationally for Long-Term Fiscal Stability



States Americans Headed to Most

- Tennessee ranked #6 and North Carolina #4 nationally for relocations in 2022

AMERICA'S TOP STATES FOR BUSINESS 2023

OVERALL RANK	STATE	WORK FORCE	INFRA-STRUCTURE	ECONOMY	LIFE, HEALTH & INCLUSION	COST OF DOING BUSINESS	TECHN & INNOVATION	BUSINESS FRIENDLI-NESS	EDUCA
1	North Carolina	1	16	3	34	18	6	10	7
2	Virginia	7	10	13	16	34	15	6	1
3	Tennessee	9	3	5	43	7	27	19	5
4	Georgia	8	1	4	39	27	19	35	21
5	Minnesota	17	3	24	4	39	4	30	13
6	Texas	2	24	2	50	16	8	25	35
7	Washington	5	23	17	7	37	3	22	32
8	Florida	15	14	1	41	26	20	26	36
9	Utah	6	29	6	38	22	23	7	44
10	Michigan	24	26	29	24	6	12	15	36



America's Top States for Business

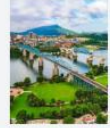
- North Carolina and Tennessee ranked #1 and #3 overall
- North Carolina and Tennessee ranked #3 and #5 in Economy

Nashville, TN



\$1.6B
CSTR Deposits
#10
Deposit Market Share
6.1%
Proj. Pop Growth
\$78K
Med. HHI

Chattanooga, TN



\$40M
CSTR Deposits
#24
Deposit Market Share
3.2%
Proj. Pop Growth
\$63K
Med. HHI

Knoxville, TN



\$37M
CSTR Deposits
#37
Deposit Market Share
4.1%
Proj. Pop Growth
\$64K
Med. HHI

Asheville, NC



\$10M
CSTR Deposits
#18
Deposit Market Share
3.7%
Proj. Pop Growth
\$62K
Med. HHI



Nashville Accolades

- #1 – "Hottest Job Market in the Country for 2022" (Wall Street Journal, 2023)
- #1 – "Large Cities in U.S. for Pandemic Recovery in 2023" (Center City District, 2023)

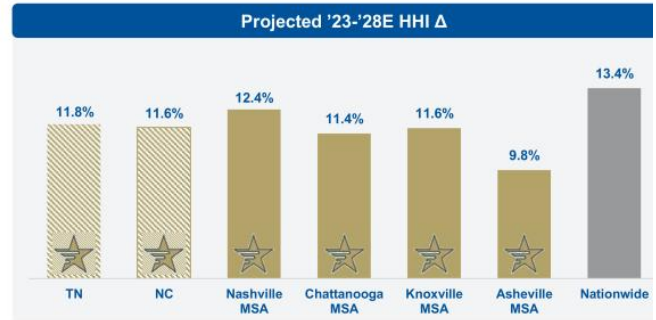
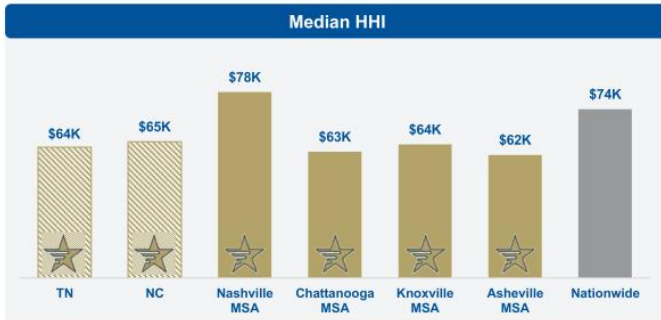
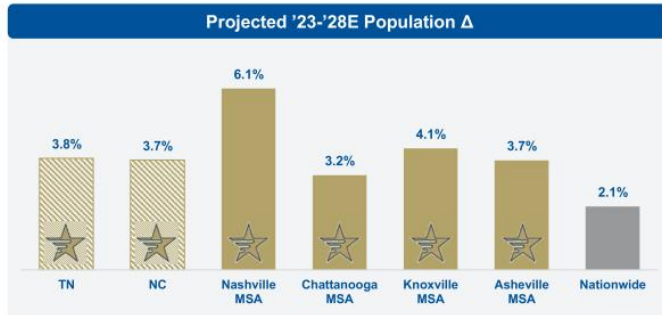
According to the U.S. Census Bureau (from 2020-2021), the South was the most populous of the nation's four regions and the only region that had positive net domestic migration (movement of people from one area to another within the U.S.); North Carolina ranked 4th and Tennessee ranked 8th in the nation for numeric population growth.



Source: S&P Capital IQ Pro, CNBC, Wall Street Journal, Center City District, U.S. News and U-Haul.

Appendix

Demographically Accretive Markets



Deposits by Market

Deposits and Key Demographics by County ¹

County	MSA	Branches	Deposits In Market (\$M)	Market Rank	Population (000s)	'23 - '28 Proj. Pop. Δ	2023 Median HHI (\$000s)	'23 - '28 Proj. HHI Δ
Metro Markets								
Davidson	Nashville	2	\$1,102	10	714	2.8%	\$71.4	12.1%
McMinn	Athens	3	\$449	1	54	2.7%	\$55.5	13.8%
Sumner	Nashville	2	\$186	11	206	7.1%	\$76.7	11.7%
Williamson	Nashville	1	\$180	15	265	9.5%	\$122.9	6.8%
Bradley	Cleveland	1	\$66	8	111	4.4%	\$61.2	12.2%
Hamilton	Chattanooga	1	\$40	15	373	3.7%	\$65.5	11.7%
Knox	Knoxville	1	\$37	26	493	4.8%	\$66.8	11.7%
Rutherford	Nashville	1	\$33	16	363	8.8%	\$76.9	13.7%
Buncombe	Asheville	1	\$10	16	276	4.2%	\$61.1	9.7%
Community Markets								
Coffee	Tulahoma	2	\$191	2	60	4.8%	\$57.4	8.8%
Monroe	--	2	\$134	4	47	2.8%	\$52.0	9.4%
Lawrence	Lawrenceburg	2	\$112	3	45	3.6%	\$49.3	10.8%
Cannon	Nashville	1	\$106	1	15	2.5%	\$60.6	5.9%
Wayne	--	3	\$79	3	16	0.6%	\$54.4	15.5%

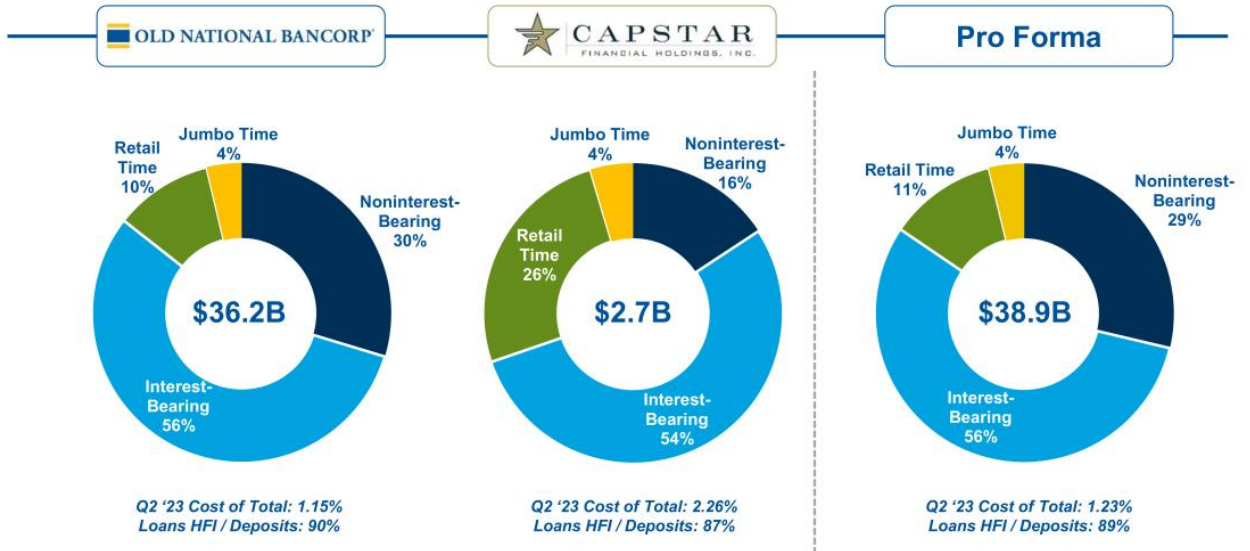
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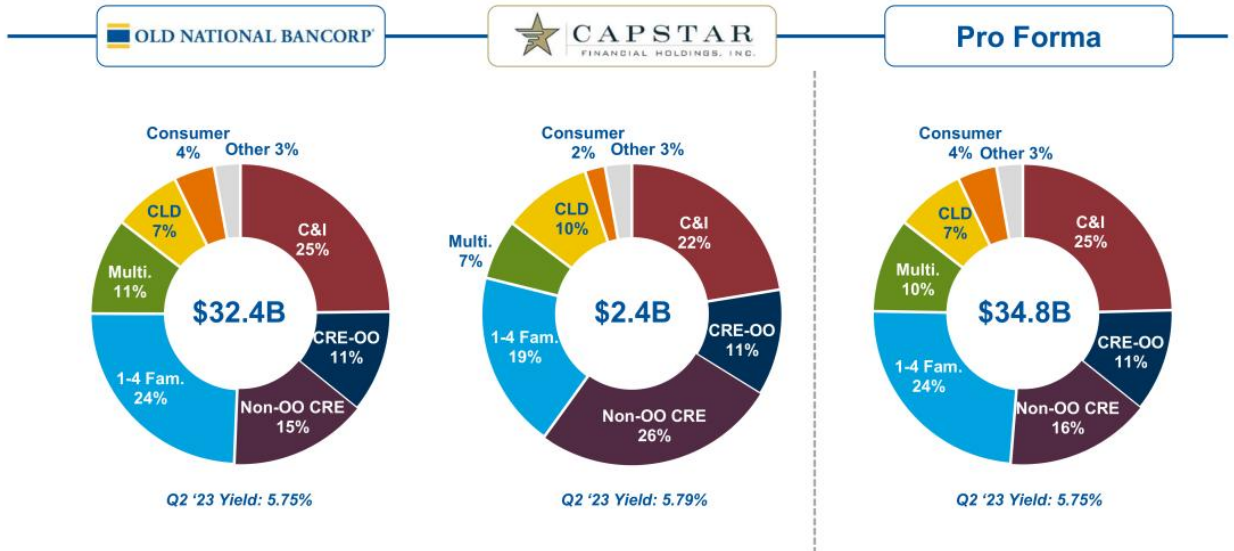
Source: S&P Capital IQ Pro and Company documents.

1. Deposit market share data as of 6/30/23 and is pro forma for pending or recently completed acquisitions.

Pro Forma Bank-Level Deposit Composition



Pro Forma Bank-Level Loan Composition



Key Transaction Assumptions

Consideration	<p>100% Stock</p> <p>1.155 shares of Old National common stock to be issued for each share of CapStar common stock</p> <p>\$15.41 per share based on Old National closing price of \$13.34 as of 10/25/23</p> <p>Aggregate transaction value of \$320 million</p>
Cost Savings / Synergies	<p>Cost saves equal to 40.0% of CSTR's noninterest expense (50% phased in 2024; 100% in years thereafter)</p> <p>Revenue synergies were identified, but not included</p>
Merger Costs	<p>One-time pre-tax merger expenses of \$40 million, fully-realized in pro forma tangible book value estimate at closing</p>
Credit	<p>Total gross credit mark of \$27.5 million pre-tax, or ~1.20% of CapStar's loans HFI</p> <ul style="list-style-type: none"> \$11.0 million (40%) of the total mark allocated to purchase credit deteriorated (PCD) loans, recorded into ACL \$16.5 million (60%) of the total mark allocated to non-PCD loans, recorded as a net of loan discount (accreted to earnings straight-line over 4 year Non-PCD CECL reserve of \$16.5 million established Day 2 via provision expense (CECL "double-count")
Other Fair Value	<p>\$91.7 million pre-tax loan write-down, accreted over 4 years using straight-line methodology</p> <p>\$79.4 million pre-tax unrealized AFS loss already in equity, accreted over 5 years using straight-line methodology</p> <p>\$7.9 million pre-tax write-down on funding liabilities, amortized over remaining lives of individual liabilities</p> <p>\$4.0 million pre-tax fixed asset write-up, amortized over 25 years using straight-line methodology</p>
Intangibles	<p>Core deposit intangible of 2.75% of non-time deposits, amortized sum-of-years digits over 10 years</p>
Other	<p>Estimated Durbin impact of ~\$1.5 million after-tax annually on the income statement</p> <p>Expected Closing of Q2 2024</p>

Pro Forma 2025E Earnings Buildup

Bridge to 2025E Pro Forma Earnings (\$mm)



Overview of Earnings Adjustments

- A Reset Earnings / Fair Value Marks**
 - Represents durable earnings
 - Fair value mark resets balance sheet to current rates
- B Cost Savings**
 - 40% of CSTR's 2025E expense base
 - Bottom-up identification of savings
 - Expense synergies driven by reduction in duplicative vendor and support staffing functions
 - Adjacent market merger (in contrast to in-market, overlapping) - Avoids customer facing employee disruption
 - CSTR Q2 efficiency of 67% vs ONB level of 51%
- C Other Merger Impacts**
 - Amortization of CDI (assumes reversal of CSTR's existing intangible amortization)
 - Interchange revenue dis-synergy: ~\$1.5 million after-tax
 - Accretion of non-PCD credit mark 'double-count'
 - Cost of transaction financing of 5.50%

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Source: S&P Capital IQ Pro & FactSet; Market data as of 10/25/23.
Note: All impacts are shown on an after-tax basis.

Pro Forma Earnings Per Share Reconciliation

2025E EPS Reconciliation Build	\$ millions
ONB 2025 net income consensus mean estimate	\$550.9
CSTR 2025 net income consensus mean estimate	\$28.8
After-tax transaction adjustments	
Cost Savings ¹	\$24.7
Cost of Transaction Financing	(1.3)
CSTR Interchange Revenue Dis-Synergy	(1.5)
Accretion of Interest Rate & Fair Value Marks ²	26.2
Accretion of Non-PCD Credit Mark ³	3.2
Elimination of CSTR's Amortization Expense	0.7
Core Deposit Amortization from Transaction ⁴	(7.3)
ONB pro forma net income	\$624.4
ONB weighted average diluted shares outstanding	291.7
Shares issued to CSTR	24.0
Pro forma weighted average diluted shares outstanding	315.7
Pro forma 2025E EPS	\$1.98
ONB standalone EPS	\$1.89
\$ - EPS Accretion to ONB	\$0.09
% - EPS Accretion to ONB	4.7%



- \$32 million in pre-tax cost savings which are 100% realized in 2025.
- Estimated fair value marks accreted/amortized back through earnings based on the estimated expected lives of individual assets and liabilities.
- Non-Purchase Credit Deteriorated credit mark is accreted into earnings over 4 years straight-line.
- Core deposit intangible equal to 2.75% of CSTR's non-time deposits, amortized over 10 years using sum-of-years digits.

Purchase Accounting Summary

Tangible Book Value per Share Build to Close	Basic Shares		
	\$ millions	(millions)	\$ Per Share
ONB tangible book value per share as of 9/30/23 ¹	2,889	293	\$9.87
(+) three quarters of consensus earnings prior to close	408		
(-) three quarters of consensus dividends prior to close	(124)		
(+) amortization of existing intangibles	17		
ONB standalone tangible book value per share at close	\$3,189	293	\$10.90
Pro Forma Merger Adjustments			
ONB standalone tangible book value per share at close	\$3,189	293	\$10.90
(+) Merger consideration	320	24	
(-) Goodwill & intangibles created ²	(78)		
(-) After-tax restructuring expenses	(31)		
(-) Day 2 CECL non-PCD reserve	(13)		
ONB pro forma tangible book value per share at close	\$3,387	316.6	\$10.70
(\$) dilution to ONB			(\$0.20)
(%) dilution to ONB			(1.8%)

Goodwill & Other Intangible Asset Recognition	\$ millions
Merger consideration to common	32
Standalone CSTR tangible book value at close	31
(-) Net Impact of fair value adjustments	(6)
(+) Elimination of DTL on other intangibles	
Adjusted tangible book value at closing	\$25
Excess over adjusted tangible book value	\$6
(-) Core deposit intangible created	(5)
(+) DTL on CDI	1
Goodwill Created	\$2
Goodwill & Intangibles Created	\$7

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Note: Pro forma metrics projected to closing based on financial data as of September 30, 2023; Market data as of 10/25/23.

1. Old National tangible book value equal to common shareholders equity less goodwill and other intangible assets.

2. Based on assumptions as of announcement date; Subject to change at transaction closing.

● Important Information And Where You Can Find It

In connection with the proposed Merger, Old National will file with the SEC a Registration Statement on Form S-4 that will include a Proxy Statement of CapStar and a Prospectus of Old National, as well as other relevant documents concerning the proposed transaction. Investors and security holders, prior to making any investment or voting decision, are urged to read the registration statement and proxy statement/prospectus when it becomes available (and any other documents filed with the SEC in connection with the Merger or incorporated by reference into the proxy statement/prospectus) because such documents will contain important information regarding the proposed Merger.

Investors and security holders may obtain free copies of these documents and other documents filed with the SEC on its website at www.sec.gov. Investors and security holders may also obtain free copies of the documents filed with the SEC by (i) Old National on its website at <https://ir.oldnational.com/financials/sec-filings/default.aspx>, and (ii) CapStar on its website at <https://ir.capstarbank.com/financials/sec-filings>.

This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

Participants in Solicitation

Old National, CapStar and certain of their directors and executive officers may be deemed participants in the solicitation of proxies from shareholders of CapStar in connection with the proposed Merger. Information regarding the directors and executive officers of Old National and CapStar and other persons who may be deemed participants in the solicitation of the shareholders of CapStar in connection with the proposed Merger will be included in the proxy statement/prospectus for CapStar's special meeting of shareholders, which will be filed by Old National with the SEC. Information about the directors and executive officers of Old National and their ownership of Old National's common stock can be found in Old National's definitive proxy statement in connection with its 2023 annual meeting of shareholders, as filed with the SEC on March 30, 2023, and other documents subsequently filed by Old National with the SEC. Information about the directors and officers of CapStar and their ownership of CapStar's common stock can be found in CapStar's definitive proxy statement in connection with its 2023 annual meeting of shareholders, as filed with the SEC on March 10, 2023, and other documents subsequently filed by CapStar with the SEC. Additional information regarding the interests of such participants will be included in the proxy statement/prospectus and other relevant documents regarding the proposed Merger filed with the SEC when they become available.





