

First Midwest Bancorp, Inc. (NASDAQ: FMBI; Itasca, IL) has agreed to acquire Standard Bancshares, Inc. (Private; Hickory Hills, IL)

Deal Value: Approximately \$365 Million

Sandler O'Neill acted as exclusive financial advisor and rendered a fairness opinion to First Midwest Bancorp, Inc. in this transaction. This transaction represents Sandler O'Neill's 85th bank or thrift transaction nationwide since January 1, 2015 representing \$24.2 billion in aggregate transaction value. Sandler O'Neill has served as a financial advisor on more bank and thrift transactions and for a greater aggregate deal value than any other investment bank during that time period.¹

Since January 1, 2008, Sandler O'Neill has advised on every bank or thrift transaction in the Chicago MSA with a transaction value greater than \$50 million, representing over \$1.7 billion in aggregate transaction value.¹

Since January 1, 2015, Sandler O'Neill has advised on 16 of the 20 largest bank or thrift transactions, representing over \$19.5 billion in aggregate transaction value.¹

First Midwest Bancorp, Inc. ("First Midwest"), the parent company of First Midwest Bank, today announced that it has entered into a definitive agreement to acquire Standard Bancshares, Inc. ("Standard"), the holding company for Standard Bank and Trust Company, headquartered in Hickory Hills, Illinois.

Founded in 1947, Standard operates 35 banking offices in the southwest Chicago suburbs and adjacent markets in northwest Indiana. Standard has total assets of approximately \$2.5 billion with \$2.1 billion in deposits, of which over 90% are core deposits, and \$1.8 billion in loans, of which 80% are commercial-related.

The merger agreement provides for a fixed exchange ratio of 0.4350 shares of First Midwest common stock for each share of Standard common stock. Based upon First Midwest's June 28, 2016 closing price of \$16.11 per share, the overall transaction is valued at approximately \$365 million, including Standard's common stock, stock options, phantom stock and stock settled rights.

First Midwest's President and Chief Executive Officer, Michael L. Scudder said, "We could not be more excited to welcome Standard's clients and colleagues to the First Midwest team. This combination further positions us as metro Chicago's premier commercial bank, strengthens our leading south metro market presence and continues our expansion into northwest Indiana. At the same time, Standard's strong commercial franchise reinforces our commitment to relationship-based business banking as well as adds talented leadership and depth to our collective teams. We greatly look forward to better serving our collective clients through a full range of quality products and services offered through a more robust banking network."

"We are extremely pleased and excited to join First Midwest," said Lawrence P. Kelley, Standard's President and Chief Executive Officer. "First Midwest shares our unparalleled commitment to serving its clients as their most trusted financial partner. As part of the First Midwest team, we will continue to provide the highly personalized experience our clients have come to expect while providing our clients with an expanded suite of products and services. This partnership will be a long-term benefit to our shareholders, clients and the communities we serve."

Upon closing of the transaction, Larry Kelley will serve as the Market President for First Midwest in its south metro Chicago and northwest Indiana markets, and will serve on the Board of Directors of First Midwest Bank.

It is anticipated that the transaction will close in late 2016 or early 2017. The transaction remains subject to customary regulatory approvals and closing conditions, as well as the approvals of First Midwest and Standard shareholders.

Financial Highlights

(Dollars in millions)

	First Midwest	Standard
Total Assets	\$10,729	\$2,455
Total Net Loans	\$7,754	\$1,806
Total Deposits	\$8,781	\$2,161
Total Equity	\$1,225	\$252
TCE / TA	8.25%	10.23%

Financial data as of March 31, 2016

¹ Excludes terminated transactions and self-advisory roles

Source: SNL Financial, Company Documents, Press Release

Pro Forma Map



Note: Map excludes First Midwest branches outside of Chicago-Naperville-Elgin, IL-IN-WI and Ottawa-Peru, IL MSAs

Sandler O'Neill Contacts:

Bill Burgess
Principal
(312) 281-3442

Benjamin Schmitt
Director
(312) 281-3482

Matthew Proven
Associate
(312) 281-3413

Scott Matthews
Analyst
(312) 281-3441