OLD NATIONAL BANCORP /IN/
Form 424B2
May 19, 2005

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PROSPECTUS SUPPLEMENT
(To Prospectus Dated December 9, 2004)

$50,000,000
Old National Bancorp
5.00% Senior Notes due 2010

The notes will bear interest at the rate of 5.00% per year. Interest on the notes is payable on May 20 and November 20 of each year, beginning on November 20, 2005. The notes will mature on May 20, 2010. The notes are not redeemable prior to maturity.

The notes will be senior obligations of our company and will rank equally with all of our other unsecured senior indebtedness.

The notes are not deposits or other obligations of a depository institution and are not insured by the Federal Deposit Insurance Corporation or any other governmental agency.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the related prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	Per Note	Total
Public Offering Price	99.930%	$ 49,965,000
Underwriting Discount	0.600%	$ 300,000
Proceeds to Old National (before expenses)	99.330%	$ 49,665,000

Interest on the notes will accrue from May 20, 2005 to date of delivery.

The underwriter expects to deliver the notes to purchasers on or about May 20, 2005.

Citigroup

May 17, 2005

You should rely only on the information contained in or incorporated by reference in this prospectus supplement and the accompanying prospectus. We have not authorized anyone to provide you with different information. We are not making an offer of these securities in any state or other jurisdiction where the offer is not permitted. You should not assume that the information contained in this prospectus supplement or the accompanying prospectus is accurate as of any date other than the date on the front of this prospectus supplement.

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THE COMPANY

We are a financial holding company incorporated in the State of Indiana in 1982 and we maintain our principal executive office in Evansville, Indiana. Through our wholly owned bank subsidiary, Old National Bank, we provide a wide range of services, including commercial and consumer loan and depository services, lease financing and other traditional banking services. Through our non-bank affiliates, we provide services to supplement the banking business including fiduciary and wealth management services, investment and brokerage services, investment consulting, insurance and other financial services.

At March 31, 2005, we had, on a consolidated basis, total assets of $8.8 billion, total deposits of $6.4 billion, net loans of $4.9 billion and shareholders equity of $671 million. Our common stock is listed on the New York Stock Exchange under the symbol ONB.

Recent Developments

On April 21, 2005, our Board of Directors approved the redemption of our 9.500% Junior Subordinated Debentures due 2030 and the corresponding redemption by ONB Capital Trust I of all of its outstanding 9.500% Trust Preferred Securities. The Trust Preferred Securities will be redeemed on May 23, 2005 at a redemption price of $25 per Trust Preferred Security plus accumulated and unpaid distributions to May 23, 2005. As of the date of this prospectus supplement, there are $50 million aggregate liquidation amount of Trust Preferred Securities of ONB Capital Trust I outstanding.

On March 29, 2005, we announced the acquisition of J.W.F. Insurance Companies, Inc. and the acquisition of the assets of J.W.F. Specialty Company, Inc., each of which is an Indianapolis based insurance agency. The transactions were completed on May 1, 2005 for an aggregate purchase price of $18.5 million (plus acquisition costs) in cash and shares of our common stock.

During the quarter ended March 31, 2005, we committed to a plan to sell selected non-strategic assets to better align our operations with our market and product focus. As a result, we are currently in negotiations to sell the J.W. Terrill Insurance Agency in St. Louis, Missouri and the Fund Evaluation Group in Cincinnati, Ohio.

CONSOLIDATED RATIO OF EARNINGS TO FIXED CHARGES

The following table sets forth our consolidated ratio of earnings to fixed charges for the periods indicated. For purposes of computing these ratios, earnings represent income before taxes from continuing operations, fixed charges, and amortization of capitalized interest less interest capitalized. Fixed charges, excluding interest on deposits, consist of interest expense, excluding interest on deposits, capitalized interest, and one-third of rental expense for all operating leases, which we believe to be representative of the interest portion of rental expense. Fixed charges, including interest on deposits, consist of interest expense, including interest on deposits, capitalized interest, and one-third of rental expense for all operating leases.

	Three Months Ended March 31, 2005	Years Ended December 31, 2004	2003	2002	2001	2000
Consolidated Ratio of Earnings to Fixed Charges						
Excluding interest on deposits	2.49	2.16	2.18	3.05	2.39	1.74
Including interest on deposits	1.52	1.40	1.37	1.58	1.35	1.21

USE OF PROCEEDS

The net proceeds from the sale of the notes will be used by us to redeem our 9.500% Junior Subordinated Debentures due 2030 in order to cause the corresponding redemption by ONB Capital Trust I of its 9.500% Trust Preferred Securities. See The Company Recent Developments. Pending this use, the proceeds from the offering may be invested in short-term investments.

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CAPITALIZATION

The following table summarizes our capitalization as of March 31, 2005 on an historical basis and as adjusted to reflect the issuance and sale of the notes and the application of the proceeds therefrom as described under Use of Proceeds. The information set forth below should be read together with our historical financial statements and the notes to those financial statements incorporated by reference into this prospectus supplement and the accompanying prospectus.

	March 31, 2005	
	Actual	As Adjusted
	(In thousands of dollars)	
Long-Term Debt		
Senior debt		
Old National	$ 110,000	$ 160,000(1)
Subsidiaries(2)	747,741	747,741
Total senior debt	857,741	907,741
Subordinated debt(2)	150,000	150,000
Junior subordinated debentures	150,000	100,000(3)
Other		
Capital lease obligation	4,515	4,515
SFAS 133 fair value hedge and other basis adjustments	(6,661)	(6,661)
Total other	(2,146)	(2,146)
Total long-term debt	1,155,595	1,155,595
Shareholders Equity		
Preferred stock, 2,000,000 shares authorized, no shares issued or outstanding		
Common stock, $1.00 stated value, 150,000,000 shares authorized and 68,717,000 shares issued and outstanding	$ 68,717	$ 68,717
Capital surplus	613,857	613,857
Retained earnings	5,469	5,469
Accumulated other comprehensive income (loss), net of tax	(17,454)	(17,454)
Total shareholders equity	670,589	670,589
Total Capitalization	$ 1,826,184	$ 1,826,184
Short-Term Debt	$ 493,312	$ 493,312

(1) Reflects $110 million of Old National s senior debt and the issuance of the notes offered hereby.

(2) These obligations are direct obligations of our subsidiaries and as such, constitute claims against those subsidiaries prior to our equity interests in those subsidiaries.

(3) Reflects the redemption of $50 million aggregate principal amount of 9.500% Junior Subordinated Debentures due 2030 with the proceeds from the sale of the notes offered hereby.

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SUMMARY FINANCIAL INFORMATION

The following summary consolidated financial information of Old National as of and for each of the years ended December 31, 2004, 2003 and 2002 has been derived from our audited financial statements. The summary consolidated financial information of Old National as of and for the three months ended March 31, 2005 and 2004 has been derived from our unaudited consolidated financial statements. The information set forth below should be read together with our historical financial statements and the notes to those financial statements incorporated by reference into this prospectus supplement and the accompanying prospectus, which financial statements and related notes, other than those included in our Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2005, have not been reclassified to reflect discontinued operations. The results of operation for the three months ended March 31, 2005 are not necessarily indicative of the results expected for the year ended December 31, 2005 or for any other interim period.

	Three Months Ended March 31,		Years Ended December 31,		
	2005	2004	2004	2003	2002
	(In thousands of dollars)				
	(Unaudited)				
Consolidated Income Statement Data					
Interest income	$ 102,768	$ 108,109	$ 417,120	$ 469,698	$ 547,379
Interest expense	44,130	43,010	166,391	197,741	257,954
Net interest income	58,638	65,099	250,729	271,957	289,425
Provision for loan losses	5,100	7,500	22,400	85,000	33,500
Net interest income after provision for loan losses	53,538	57,599	228,329	186,957	255,925
Noninterest income	35,726	37,506	150,363	164,059	147,891
Noninterest expense	66,077	73,848	308,708	275,801	252,318
Income before income taxes and discontinued operations	23,187	21,257	69,984	75,215	151,498
Income tax expense	3,747	2,667	5,164	7,273	34,198
Net income from continuing operations	19,440	18,590	64,820	67,942	117,300
Income (loss) from discontinued operations, net of tax expense (benefit)	(984)	919	2,751	2,471	632
Net income	$ 18,456	$ 19,509	$ 67,571	$ 70,413	$ 117,932
Consolidated Balance Sheet Data					
Securities	$ 2,937,666	$ 2,873,526	$ 3,012,751	$ 2,917,245	$ 3,077,798

Loans(1)	4,972,024	5,577,549	4,987,326	5,586,455	5,769,635
Total assets	8,793,047	9,267,289	8,898,304	9,363,232	9,612,556
Deposits	6,361,663	6,385,103	6,414,263	6,493,092	6,439,280
Long-term debt	1,155,595	1,533,202	1,312,661	1,624,092	1,234,014
Shareholders equity	670,589	740,861	703,208	715,490	740,710
Consolidated Capital Ratios					
Tier 1 risk-based capital ratio	11.01%	11.08%	11.18%	10.96%	11.12%
Total risk-based capital ratio	14.72	14.76	14.90	14.65	14.75
Leverage ratio	7.76	7.53	7.68	7.35	7.53

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	Three Months Ended March 31,		Years Ended December 31,		
	2005	2004	2004	2003	2002
Consolidated Loan Performance Data					
Allowance for loan losses at period end	$ 86,307	$ 100,645	$ 85,749	$ 95,235	$ 87,742
Allowance to period-end loans ratio(1)	1.74%	1.80%	1.72%	1.70%	1.52%
Net charge-offs(2)	$ 4,542	$ 3,471	$ 32,641	$ 68,171	$ 19,999
Total non-performing loans	$ 55,172	$ 107,122	$ 54,890	$ 104,627	$ 100,287
Non-performing loans as a percent of period-end loans(1)	1.11%	1.92%	1.10%	1.87%	1.74%
Accruing loans past due 90 days or more	$ 1,782	$ 2,334	$ 2,414	$ 5,120	$ 9,516
Selected Consolidated Performance Ratios					
Return on assets	0.84%	0.84%	0.74%	0.74%	1.27%
Return on equity	10.48	10.68	9.51	9.48	17.05
Net interest margin	3.22	3.37	3.31	3.37	3.65
Efficiency ratio(3)	66.1	67.9	72.6	59.8	56.1
Net income per share from continuing operations	$ 0.28	$ 0.27	$ 0.93	$ 0.97	$ 1.66
Net income per share (diluted)	0.27	0.28	0.97	1.00	1.67

(1) Loans include residential loans held for sale.

(2) Net charge-offs include write-downs on loans transferred to held for sale.

(3) Based on income from continuing operations and excludes gains on branch divestitures.

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DESCRIPTION OF NOTES

The following description of the terms of the notes supplements and, to the extent inconsistent with, replaces the description of our senior debt securities included in the accompanying prospectus under the heading Description of Debt Securities.

General

The notes are being issued under a senior debt indenture, dated as of July 23, 1997, between Old National, as issuer, and J.P. Morgan Trust Company, National Association (as successor to Bank One, NA), as trustee. The notes are a separate series of senior debt securities, as described in the accompanying prospectus. Reference is made to the accompanying prospectus for a detailed summary of additional terms and provisions of the notes and the senior debt indenture. Capitalized terms not defined in this prospectus supplement have the meanings ascribed to them in the accompanying prospectus and in the senior debt indenture.

The notes initially will be limited to $50,000,000 aggregate principal amount. Old National may from time to time, without the consent of the existing holders of the notes, create and issue additional notes with the same terms except for the issue price and issue date so that the new securities may be consolidated and form a single series with the notes.

The notes will mature on May 20, 2010. The notes are not redeemable prior to the maturity date. The notes are not entitled to any sinking fund.

The notes will be issued in fully registered book-entry form without coupons and in denominations of $1,000 and integral multiples of $1,000 in excess thereof. We do not intend to apply for the listing of the notes on a national securities exchange.

Ranking

The notes will be direct, unsecured and unsubordinated obligations of Old National. Because Old National is a holding company, the right of Old National, and therefore the right of creditors of Old National (including the holders of the notes), to participate in any distribution of the assets of any subsidiary of Old National upon its liquidation or reorganization or otherwise is necessarily subject to the prior claims of creditors of the subsidiary, except to the extent that claims of Old National itself as a creditor of the subsidiary may be recognized. As of March 31, 2005, Old National s subsidiaries had outstanding approximately $7.8 billion of obligations, including approximately $6.4 billion of deposit liabilities, to which the notes would be effectively subordinate.

Interest

The notes will bear interest at the rate per annum of 5.00% from May 20, 2005, or from the most recent interest payment date to which interest has been paid or provided for, payable semi-annually on May 20 and November 20 each year, beginning on November 20, 2005. Interest will be paid to the persons in whose names the notes are registered at the close of business on the May 5 or November 5, as the case may be, next preceding the applicable interest payment date.

Interest payments in respect of the notes will equal the amount of interest accrued from and including the immediately preceding interest payment date in respect of which interest has been paid or duly made available for payment (or from and including the date of issue, if no interest has been paid or duly made available for payment with respect to the notes) to but excluding the applicable interest payment date or maturity date, as the case may be. Interest on the notes will be computed on the basis of a 360-day year of twelve 30-day months.

If the maturity date or any interest payment date falls on a day that is not a business day, the required payment of principal and interest will be made on the next succeeding business day as if made on the date that the payment was due and no interest will accrue on that payment for the period from and

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after the maturity date or interest payment date, as the case may be, to the date of that payment on the next succeeding business day. The term business day means any day that is not a Saturday, Sunday or legal holiday on which banking institutions or trust companies in The City of New York are authorized or obligated by law or regulation to close.

Governing Law

The indenture and the notes will be governed by, and construed in accordance with, the laws of the State of New York.

Book-Entry Only Issuance

Upon issuance, the notes will be represented by one or more global securities deposited with or on behalf of The Depository Trust Company, which we refer to as DTC, who will act as depositary with respect to the notes. The global securities representing the notes will be registered in the name of a nominee of DTC. This means that we will not issue certificates to you for the notes. Each global security will be issued to DTC, which will keep a computerized record of its participants (for example, a broker) whose clients have purchased the notes. Each participant will then keep a record of its clients. Except under the circumstances described in the accompanying prospectus under the heading Global Securities, the notes will not be issuable in definitive form.

A further description of DTC s procedures with respect to global securities representing the notes is set forth in the accompanying prospectus under the heading Global Securities.

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UNDERWRITING

Subject to the terms and conditions stated in the underwriting agreement dated the date of this prospectus supplement, Citigroup Global Markets Inc., which we refer to as Citigroup or the underwriter, has agreed to purchase, and we have agreed to sell to the underwriter, $50,000,000 principal amount of notes.

The underwriting agreement provides that the obligations of the underwriter to purchase the notes included in this offering are subject to approval of legal matters by counsel and to other conditions. The underwriter is obligated to purchase all the notes if it purchases any of the notes.

The underwriter proposes to offer some of the notes directly to the public at the public offering price set forth on the cover page of this prospectus supplement and some of the notes to dealers at the public offering price less a concession not to exceed 0.500% of the principal amount of the notes. The underwriters may allow, and dealers may reallow, a concession not to exceed 0.250% of the principal amount of the notes on sales to other dealers. After the initial offering of the notes to the public, the representatives may change the public offering price and concessions.

The following table shows the underwriting discounts and commissions that we are to pay to the underwriter in connection with this offering (expressed as a percentage of the principal amount of the notes).

	Paid by Old National
Per note	0.600%

In connection with the offering, Citigroup may purchase and sell notes in the open market. These transactions may include over-allotment, syndicate covering transactions and stabilizing transactions. Over-allotment involves syndicate sales of notes in excess of the principal amount of notes to be purchased by the underwriter in the offering, which creates a syndicate short position. Syndicate covering transactions involve purchases of the notes in the open market after the distribution has been completed in order to cover syndicate short positions. Stabilizing transactions consist of certain bids or purchases of notes made for the purpose of preventing or retarding a decline in the market price of the notes while the offering is in progress.

The underwriter also may impose a penalty bid. Penalty bids permit the underwriter to reclaim a selling concession from a syndicate member when Citigroup, in covering syndicate short positions or making stabilizing purchases, repurchases notes originally sold by that syndicate member.

Any of these activities may have the effect of preventing or retarding a decline in the market price of the notes. They may also cause the price of the notes to be higher than the price that otherwise would exist in the open market in the absence of these transactions. The underwriter may conduct these transactions in the over-the-counter market or otherwise. If the underwriter commences any of these transactions, it may discontinue them at any time.

We estimate that our total expenses for this offering, exclusive of underwriting discounts and commissions, will be $75,000.

The underwriter has performed investment banking and advisory services for us from time to time for which it has received customary fees and expenses. The underwriter may, from time to time, engage in transactions with and perform services for us in the ordinary course of its business.

We have agreed to indemnify the underwriter against certain liabilities, including liabilities under the Securities Act of 1933, or to contribute to payments the underwriter may be required to make because of any of those liabilities.

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LEGAL MATTERS

The validity of the notes will be passed upon for us by Krieg DeVault LLP, Indianapolis, Indiana and for the underwriter by Sidley Austin Brown & Wood llp, New York, New York.

EXPERTS

The consolidated financial statements of Old National Bancorp and its subsidiaries at December 31, 2004 and 2003 and for each of the three fiscal years in the period ended December 31, 2004 and management s assessment of the effectiveness of internal control over financial reporting (which is included in Management s Report on Internal Control over Financial Reporting) as of December 31, 2004, which are incorporated in this prospectus supplement and the accompanying prospectus by reference to Old National Bancorp s Annual Report on Form 10-K for the fiscal year ended December 31, 2004, have been so incorporated in reliance upon the report of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given upon the authority of said firm as experts in accounting and auditing.

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PROSPECTUS

$750,000,000

OLD NATIONAL BANCORP

Debt Securities
Common Stock
Preferred Stock
Depositary Shares
Units
Warrants
of
OLD NATIONAL BANCORP

Capital Securities
of
ONB CAPITAL TRUST III
ONB CAPITAL TRUST IV
ONB CAPITAL TRUST V
ONB CAPITAL TRUST VI
Guaranteed to the extent set forth
in this prospectus by
OLD NATIONAL BANCORP

We will provide the specific terms of these securities in supplements to this prospectus. You should read this prospectus and the applicable prospectus supplement carefully before you invest.

Our common stock is listed on the New York Stock Exchange under the symbol ONB.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The securities are not deposits or other obligations of any bank or savings association and are not insured by the Federal Deposit Insurance Corporation, the Bank Insurance Fund or any other governmental agency.

This prospectus is dated December 9, 2004.

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