



Claude Davis, First Financial CEO (left), and Archie Brown, MainSource Bank president and CEO

DYNAMIC DUO

MainSource Financial Group

By Symone C. Skrzycki

Dollars and 'sense'

What started as a profile of a growing MainSource Bank took a new turn in late July. Now, combine the following and what do you get?

- \$1 billion merger
- A community development plan that includes \$1 million in support
- Boundless potential

Answer? The new First Financial Bank, created by the merging of First Financial Bancorp and MainSource Financial Group.

"It's an acquisition whereby First Financial (headquartered in Cincinnati) is acquiring MainSource (based in Greensburg)," shares Archie Brown, MainSource president and CEO. "They're about \$8.7 billion in assets and we're about \$4.6 billion in assets. Right now, if we were to merge today, that would be about a \$13.3 billion company."

The combined institution will be headquartered in Cincinnati and operate under the First Financial name. It will serve Indiana, Ohio and Kentucky.

"We believe that once this merger is complete, we'll be a best-in-class, Midwest, kind of super community bank," he comments enthusiastically. "We're creating a best-in-class financial company with more product and technology capabilities, and I believe a much better long-term sustainable growth than MainSource could have been able to accomplish on its own."

The transaction is expected to close in early 2018.

Wealth of knowledge

Upon the merger, Brown will become First Financial's president and CEO. Meanwhile, Claude Davis, current First Financial CEO, will serve as executive chairman.

"You don't see that often, where both CEOs remain for an extended period," Brown reflects. "But we both believe that we're creating a much larger company. To have us both working in partnership to lead the companies together and be (involved) for an extended period, we think that's going to create the most successful merger – the least

amount of risk to make the merger successful. Also, we believe there's just a tremendous amount of work to do in terms of the integration."

Growing and giving back

In April, MainSource nearly doubled its presence in Greater Louisville by acquiring FCB Bancorp.

"Louisville comes out as a pretty big positive," Brown declares, citing community outreach as an example. "We're already fairly philanthropic there. As a bigger company, we'll probably be more so."

Making a difference extends to MainSource's roots in Greensburg, where it was founded in 1904. The new organization will provide \$1 million to the community over a five-year period following the merger.

"It's \$200,000 per year for local philanthropy," Brown observes. "Today, that would be about a 20% increase over what we're currently doing in the community. It's a fairly significant commitment to make for an extended period. I'm sure we'll continue to do more beyond the five (years), but we just wanted to make sure the community understood, 'Hey, the next five, we're going to do what we've been doing – plus some.'"

'Vaulting ahead'

Brown estimates that approximately 150 to 170 MainSource positions likely will be eliminated from Greensburg/Decatur County over the next 12 to 15 months. However, the company has committed to retaining a minimum of 100 jobs in the community.

"About half the employees that work for MainSource in Greensburg drive from outside the county (areas such as Indianapolis; Columbus, Indiana; and Cincinnati). Even though we'll see some positions move from Greensburg, in many cases, they'll be available in one of these other areas. And many of our employees that are driving in can potentially have opportunities in (new) locations that will be coming up."

Brown has high hopes for the future.

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“We’ve (MainSource) made great strides in getting footholds into major metropolitan markets around us – whether it be Indianapolis or Cincinnati or Louisville. But we still saw a lot of work ahead to get to the level of presence we needed to meet our objectives. And we saw that what this (merger) did is, it was going to accelerate our efforts by more than five to 10 years in terms of getting the additional locations,

the additional technology, the additional capabilities that we’ll have now immediately upon the closing of the merger.

“(In Indiana), the new First Financial, once we merge, will have the sixth largest deposit base in the state. We’ll have more than an \$800-million deposit presence in Indianapolis. It really vaults us ahead compared to where MainSource would have been on its own.”