



## **Standard Bancshares, Inc. Announces Strategic Recapitalization**

*To Raise in Excess of \$130 million in New Capital*

Nov. 7, 2012, 4:15 p.m. EST

HICKORY HILLS, Ill., Nov. 7, 2012 /PRNewswire via COMTEX/ -- Standard Bancshares, Inc., ("the Company") parent company of Standard Bank and Trust Co., today announced that it has entered into definitive agreements with institutional investors in connection with the placement of an aggregate of more than \$130 million in newly-issued common stock of the Company.

"This capital infusion, which marks an important milestone in Standard's history, will significantly improve our balance sheet and capital position, while allowing the Company to fully repay its TARP obligation," said Lawrence P. Kelley, President, Chief Executive Officer and Vice Chairman of the Company. "As a result, we will better be able to meet the needs of our retail and commercial banking customers, and take advantage of anticipated growth opportunities in the consolidating Midwestern banking market. This capital strength will also enable us to continue our longstanding commitments to the civic and charitable organizations in the neighborhoods and communities that Standard serves."

Company Chairman Timothy J. Gallagher, whose family has long been a major shareholder and will remain so, said, "Our family is pleased that Standard Bank will be able to continue its mission of serving the financial needs of working families, businesses and professionals. We especially appreciate the dedication and loyalty of our customers and team members as we worked our way through what was a difficult period for the economy and many community banks, including Standard, these past four years. As we expand and grow, we are confident that our customers and employees will benefit from the opportunities that will be created."

The Company announced that Mr. Gallagher, will continue as Chairman of the Standard Bank and Trust Co. board and as a member of the Company's board upon completion of the transaction. In addition, the Company announced that veteran Chicago area bankers Robert A. Rosholt and Allen Koranda will join the Company's board once the transaction is completed. Mr. Rosholt, who will become lead independent director, formerly served as Executive Vice President and Chief Financial Officer at First Chicago, First Chicago NBD, and Bank One, and is currently Chairman of the Board of HCC Insurance Holdings, Inc. Mr. Koranda is the former Chairman and CEO of MAF Bancorp, Inc., which was the holding company for MidAmerica Bank. The Company's current management team will remain in place.

Investors in the recapitalization include an investment entity managed by Stone Point Capital LLC, and investment entities managed by or clients of Pantheon Ventures (US) LP, Cohesive Capital Partners, W Capital Partners, Constellation Wealth Advisors LLC, Athena Capital Advisors LLC, and others. Closing of the capital raise is anticipated to be in the 1st quarter of 2013 and is subject to regulatory approvals and other customary closing conditions.

River Branch Capital LLC and Stifel, Nicolaus & Company, Incorporated are acting as placement agents and Kirkland & Ellis, LLP is acting as legal advisor to Standard Bancshares, Inc.

#### ADDITIONAL INFORMATION

Any securities issued in the private placement described in this press release will not be registered under the Securities Act of 1933, as amended, or applicable state securities laws, and unless so registered, any such securities sold may not be offered or sold in the United States except pursuant to an exemption from the registration requirements of the Securities Act and applicable state securities laws. This press release does not constitute an offer to sell or the solicitation of an offer to buy securities, nor shall it constitute an offer, solicitation or sale in any jurisdiction in which such offer, solicitation or sale is unlawful.

About Standard Bancshares, Inc.

Standard Bancshares, Inc., through its Standard Bank and Trust Co. community banking subsidiary, delivers a wide range of retail, commercial and wealth management services to a diverse and growing client base. The locally-owned and managed Company, which was founded in 1947, operates 42 full service banking locations throughout the Chicago area and Northwest Indiana and is committed to supporting and investing in the neighborhoods and communities it serves. As of Sept. 30, 2012 the Company had \$2.2 billion in assets.

SOURCE Standard Bancshares, Inc.

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