

HOWE BARNES IS PLEASED TO ANNOUNCE
OUR RECENT ADVISORY TRANSACTION



*has signed a definitive agreement
to combine in a merger-of-equals
transaction with*



September 2007

Howe Barnes acted as financial advisor to
MidWestOne Financial Group, Inc. in this
transaction.

MidWestOne Financial Group, Inc., Oskaloosa, Iowa, has signed a definitive agreement to combine in a merger-of-equals transaction with ISB Financial Corp., Iowa City, Iowa. Under the terms of the agreement, MidWestOne shareholders will receive 0.95 shares of ISB common stock for each share of MidWestOne common stock. At announcement, the transaction value per share is \$26.13 and the aggregate transaction value is approximately \$101 million.

The combined organization will have 29 full-service banking offices and total assets of approximately \$1.5 billion and deposits of approximately \$1.1 billion. The combination will create the 3rd largest independent publicly traded bank holding company headquartered in Iowa.

The acquisition is expected to close in the first quarter of 2008, subject to shareholder and regulatory approvals.

Deal Overview

Combined Company Name:	MidWestOne Financial Group, Inc.
Future Headquarters:	Iowa City, IA
Board of Directors:	Split 50% / 50%
Management:	Split Responsibilities

**Financials as of June 30, 2007*

Deal Pricing

Deal Price Per Share / LTM Earnings Per Share	17.4x
Deal Price Per Share / Book Value Per Share	152.5%
Deal Price Per Share / Tangible Book Per Share	197.5%
Premium to Core Deposits	10.6%
Market Premium (as of Sept. 11, 2007)	53.8%

Source: SNL Financial

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