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LCNB CORP.
PROSPECTUS

for the issuance of up to
888,888 common shares
of LCNB Corp.

FIRST CAPITAL
BANCSHARES, INC.
PROXY STATEMENT

for the Special Meeting of Shareholders
to be held on December 31, 2012
at 9:00 a.m., local time

MERGER PROPOSAL — YOUR VOTE IS VERY IMPORTANT

LCNB Corp. (“LCNB”), and First Capital Bancshares, Inc. (“First Capital”), have entered into an Agreement and Plan of Merger dated as of October 9, 2012 (the “merger agreement”), which provides for the merger of First Capital with and into LCNB (the “merger”). Consummation of the merger is subject to certain conditions, including, but not limited to, obtaining the requisite vote of the shareholders of First Capital and the approval of the merger by various regulatory agencies.

The Board of Directors of First Capital has called a special meeting of its shareholders to vote on the adoption and approval of the merger agreement. The time, date and place of the First Capital special meeting is as follows: 9:00 a.m., local time, on December 31, 2012, at 33 West Main Street, Chillicothe, Ohio 45601. The adoption and approval of the merger agreement by the shareholders of First Capital requires the affirmative vote of the holders of at least two-thirds of the shares of First Capital common stock outstanding and entitled to vote at the special meeting.

Under the terms of the merger agreement, shareholders of First Capital will be entitled to receive after the merger is completed, for each share of First Capital common stock:

\$30.76 in cash, or

2.329 LCNB common shares (subject to an adjustment based upon the average closing price of LCNB common shares for the 25 trading days prior to the effective date of the merger), or

a combination of both.

The form of consideration to be received by each First Capital shareholder is subject to reallocation in order to ensure that no more than 50% and no less than 40% of the merger consideration will consist of cash and no more than 60% and no less than 50% of the merger consideration will consist of LCNB common shares.

LCNB will not issue any fractional shares of common shares in connection with the merger. Instead, each holder of First Capital common shares who would otherwise be entitled to receive a fraction of a share of LCNB common shares (after taking into account all shares of First Capital common shares owned by such holder at the effective time

of the merger) will receive cash, without interest, in an amount equal to the fractional share to which such holder would otherwise be entitled multiplied by the closing price of one share of LCNB common stock on the closing date of the merger.

As of November 8, 2012, 636,102 shares of First Capital common stock were outstanding.

LCNB common shares are traded on the NASDAQ Capital Market (NASDAQ symbol "LCNB").

An investment in the common shares of LCNB involves certain risks. For a discussion of these risks, see "Risk Factors" beginning on page 8 of this proxy statement/prospectus.

Whether or not you plan to attend the special meeting of shareholders of First Capital, please complete, sign and return the enclosed proxy card in the enclosed postage-paid envelope.

Not voting by proxy or at the special meeting will have the same effect as voting against the adoption and approval of the merger agreement. We urge you to read carefully this proxy statement/prospectus, which contains a detailed description of the merger, the merger agreement and related matters.

This proxy statement/prospectus is dated November 29, 2012 and, together with the enclosed proxy card of First Capital, is being first mailed to shareholders of First Capital on or about November 30, 2012.

Sincerely,

/s/ Thomas W. Beard

Thomas W. Beard
President & Chief Executive Officer
First Capital Bancshares, Inc.

The securities to be issued in connection with the merger described in this proxy statement/prospectus are not savings accounts, deposit accounts or other obligations of any bank or savings association and are not insured by the Federal Deposit Insurance Corporation, the Deposit Insurance Fund or any other federal or state governmental agency. Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the LCNB common shares to be issued in the merger or determined if this proxy statement/prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

This document does not constitute an offer to sell, or a solicitation of an offer to buy, any securities, or the solicitation of a proxy, in any jurisdiction to or from any person to whom it is unlawful to make any such offer or solicitation in such jurisdiction.

Sources of Information

LCNB has supplied all information contained in this proxy statement/prospectus relating to LCNB, and First Capital has supplied all information contained in this proxy statement/prospectus relating to First Capital.

You should rely only on the information which is contained in this proxy statement/prospectus or to which we have referred in this proxy statement/prospectus. We have not authorized anyone to provide you with information that is different. You should not assume that the information contained in this proxy statement/prospectus is accurate as of any date other than the date of this proxy statement/prospectus.

First Capital Bancshares, Inc.
33 West Main Street
Chillicothe, Ohio 45601
Phone: (740) 774-6777

Notice of Special Meeting of Shareholders
To Be Held at 9:00 a.m., local time, on December 31, 2012, at
33 West Main Street, Chillicothe, Ohio 45601

To the Shareholders of First Capital Bancshares, Inc.:

Notice is hereby given that a special meeting of the shareholders of First Capital Bancshares, Inc. will be held at 9:00 a.m., local time, on December 31, 2012, at 33 West Main Street, Chillicothe, Ohio 45601, for the purpose of considering and voting on the following matters:

1. A proposal to adopt and approve the Agreement and Plan of Merger dated as of October 9, 2012, by and between LCNB Corp. and First Capital Bancshares, Inc.;
2. A proposal to approve the adjournment of the special meeting, if necessary, to solicit additional proxies in the event there are not sufficient votes at the time of the special meeting to adopt and approve the Agreement and Plan of Merger; and
3. Any other business which properly comes before the special meeting or any adjournment or postponement of the special meeting. The Board of Directors of First Capital Bancshares, Inc. is unaware of any other business to be transacted at the special meeting.

Holders of record of shares of First Capital Bancshares, Inc. common stock at the close of business on November 8, 2012, the record date, are entitled to notice of and to vote at the special meeting and any adjournment or postponement of the special meeting. The affirmative vote of the holders of at least two-thirds is required to adopt and approve the Agreement and Plan of Merger.

A proxy statement/prospectus and proxy card for the special meeting are enclosed. A copy of the Agreement and Plan of Merger is attached as Annex A to the proxy statement/prospectus.

Your vote is very important, regardless of the number of shares of First Capital Bancshares, Inc. common stock you own. Please vote as soon as possible to make sure that your shares of common stock are represented at the special meeting. If you are a holder of record, you may cast your vote in person at the special meeting or, to ensure that your shares of First Capital Bancshares, Inc. common stock are represented at the special meeting, you may vote your shares by completing, signing and returning the enclosed proxy card. If your shares are held in a stock brokerage account or by a bank or other nominee (in "street name"), please follow the voting instructions provided by your broker, bank or nominee.

The First Capital Bancshares, Inc. Board of Directors unanimously recommends that you vote (1) "FOR" the adoption and approval of the Agreement and Plan of Merger and (2) "FOR" the proposal to adjourn the special meeting, if necessary, to solicit additional proxies.

By Order of the Board of Directors,

/s/ Thomas W. Beard

Thomas W. Beard
President & Chief Executive Officer
First Capital Bancshares, Inc.

November 29, 2012

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Questions and Answers About the Merger and the Special Meeting

Q. Why am I receiving this proxy statement/prospectus?

A: You are receiving this proxy statement/prospectus because LCNB Corp. (“LCNB”) and First Capital Bancshares, Inc. (“First Capital”) have agreed to a merger of First Capital with and into LCNB pursuant to the terms of the merger agreement attached to this proxy statement/prospectus as Annex A. The merger agreement must be adopted and approved by the holders of at least two-thirds of the shares of First Capital common stock outstanding and entitled to vote at the special meeting, in accordance with Section 1701.78 of the Ohio General Corporation Law and First Capital’s Articles of Incorporation.

This proxy statement/prospectus contains important information about the merger and the special meeting of the shareholders of First Capital, and you should read it carefully. The enclosed voting materials allow you to vote your shares of First Capital common stock without attending the special meeting.

Q. Why are LCNB and First Capital proposing to merge?

A: First Capital believes that the merger is in the best interests of its shareholders and other constituencies because, among other reasons, the merger consideration will provide enhanced value and increased liquidity to First Capital shareholders. Furthermore, as a result of the merger, First Capital will become part of a larger banking institution which will have an improved ability to compete with larger financial institutions and better serve its customers’ needs while maintaining a community bank philosophy that both institutions currently share.

LCNB believes that the merger will benefit LCNB and its shareholders because the merger will enable LCNB to expand its business into the markets currently served by First Capital, which will be new markets for LCNB, and strengthen the competitive position of the combined organization. Furthermore, LCNB believes its increased asset size after the merger will create additional economies of scale and provide additional opportunities for asset and earnings growth in an extremely competitive banking environment.

Q: What will First Capital shareholders receive in the merger?

A: Under the terms of the merger agreement, shareholders of First Capital will be entitled to receive after the merger is completed, for each share of First Capital common stock:

\$30.76 in cash, or

2.329 LCNB common shares (subject to an adjustment based upon the average closing price of LCNB common shares for the 25 trading days prior to the effective date of the merger), or

a combination of both.

The form of consideration to be received by each First Capital shareholder is subject to reallocation in order to ensure that no more than 50% and no less than 40% of the merger consideration will consist of cash and no more than 60% and no less than 50% of the merger consideration will consist of LCNB common shares.

LCNB will not issue any fractional shares of common shares in connection with the merger. Instead, each holder of First Capital common shares who would otherwise be entitled to receive a fraction of a share of LCNB common shares (after taking into account all shares of First Capital common shares owned by such holder at the effective time of the merger) will receive cash, without interest, in an amount equal to the fractional share to which such holder

would otherwise be entitled multiplied by the closing price of one share of LCNB common stock on the closing date of the merger.

Q: When and where will the First Capital special meeting of shareholders take place?

A: The special meeting of shareholders of First Capital will be held at 9:00 a.m., local time, on December 31, 2012, at 33 West Main Street, Chillicothe, Ohio 45601.

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Q: What matters will be considered at the First Capital special meeting?

A: The shareholders of First Capital will be asked to (1) vote to adopt and approve the merger agreement; (2) vote to approve the adjournment of the special meeting to solicit additional proxies if there are not sufficient votes at the time of the special meeting to adopt and approve the merger agreement; and (3) vote on any other business which properly comes before the special meeting.

Q: Is my vote needed to adopt and approve the merger agreement?

A: The adoption and approval of the merger agreement by the shareholders of First Capital requires the affirmative vote of the holders of at least two-thirds of the shares of First Capital common stock outstanding and entitled to vote at the special meeting. The special meeting may be adjourned, if necessary, to solicit additional proxies in the event there are not sufficient votes at the time of the special meeting to adopt and approve the merger agreement. The affirmative vote of the holders of a majority of the shares of First Capital common stock represented, in person or proxy, at the special meeting is required to adjourn the special meeting.

Q: How do I vote?

A: If you were the record holder of shares of First Capital common stock as of November 8, 2012, you may vote in person by attending the special meeting or, to ensure that your shares of First Capital common stock are represented at the special meeting, you may vote your shares by signing and returning the enclosed proxy card in the postage-paid envelope provided.

If you hold shares of First Capital common stock in the name of a broker, bank or other nominee, please see the discussion below regarding shares held in "street name."

Q: What will happen if I fail to vote or abstain from voting?

A: If you fail to vote or if you mark "ABSTAIN" on your proxy card with respect to the proposal to adopt and approve the merger agreement, it will have the same effect as a vote "AGAINST" the proposal.

If you mark "ABSTAIN" on your proxy card with respect to the proposal to approve the adjournment of the First Capital special meeting, if necessary, to solicit additional proxies, it will have the same effect as a vote "AGAINST" the proposal. The failure to vote, however, will have no effect on the proposal to approve the adjournment of the First Capital special meeting, if necessary, to solicit additional proxies.

Q: How will my common shares be voted if I return a blank proxy card?

A: If you sign, date and return your proxy card and do not indicate how you want your shares of First Capital common stock to be voted, then your shares will be voted "FOR" the adoption and approval of the merger agreement and, if necessary, "FOR" the approval of the adjournment of the special meeting to solicit additional proxies.

Q: If my shares of First Capital common stock are held in a stock brokerage account or by a bank or other nominee (in "street name"), will my broker, bank or other nominee vote my shares for me?

A: You must provide your broker, bank or nominee (the record holder of your common shares) with instructions on how to vote your shares of First Capital common stock. Please follow the voting instructions provided by your broker, bank or nominee.

If you do not provide voting instructions to your broker, bank or nominee, then your shares of First Capital common stock will not be voted by your broker, bank or nominee.

Q: Can I change my vote after I have submitted my proxy?

A: Yes. You may revoke your proxy at any time before a vote is taken at the special meeting by:

filing a written notice of revocation with the Secretary of First Capital, at 33 West Main Street, Chillicothe, Ohio 45601;

executing and returning another proxy card with a later date; or

attending the special meeting and giving notice of revocation in person.

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Attendance at the special meeting will not, by itself, revoke your proxy.

If you have instructed your broker, bank or nominee to vote your shares of First Capital common stock, you must follow directions received from your broker, bank or nominee to change your vote.

Q: If I do not favor the adoption and approval of the merger agreement, what are my rights?

A: If you are a First Capital shareholder as of November 8, 2012, record date and you do not vote your shares in favor of the adoption and approval of the merger agreement, you will have the right under Section 1701.85 of the Ohio General Corporation Law to demand the fair cash value for your shares of First Capital common stock. The right to make this demand is known as “dissenters’ rights.” To exercise your dissenters’ rights, you must deliver to First Capital a written demand for payment of the fair cash value of your shares before the vote on the merger is taken at the special shareholders’ meeting. The demand for payment must include your address, the number and class of First Capital shares owned by you, and the amount you claim to be the fair cash value of the your First Capital shares. For additional information regarding dissenters’ rights, see “Dissenters’ Rights” on page 20 of this proxy statement/prospectus and the complete text of the applicable sections of Section 1701.85 of the Ohio General Corporation Law attached to this proxy statement/prospectus as Annex B.

Q: When is the merger expected to be completed?

A: We are working to complete the merger as quickly as we can. We expect to complete the merger late in the fourth quarter of 2012 or in the first quarter of 2013, assuming shareholder approval and all applicable governmental approvals have been received by that date and all other conditions precedent to the merger have been satisfied or waived.

Q: Should I send in my First Capital stock certificates now?

A: No. Please do not send in your First Capital stock certificates with your proxy card. You will receive an election form in the near future permitting you to indicate whether you want stock, cash or a combination. Please follow the instructions on the election form and return it to Registrar & Transfer Company, LCNB’s stock transfer agent. By doing this prior to the special meeting or the merger closing, it will facilitate your receipt of the merger consideration after the closing. If you do not make an election as to consideration, your shares will be treated as “No Election Shares” which is explained more fully on page 37. Shortly after the merger is completed, LCNB’s exchange agent, Registrar & Transfer Company, will mail to you transmittal materials that you will need to complete and return with your First Capital stock certificates. You should not surrender your First Capital stock certificates for exchange until you receive these transmittal materials from the exchange agent. For additional information, see “The Merger Agreement – Surrender of certificates” beginning on page 37 of this proxy statement/prospectus.

Q: What do I need to do now?

A: After carefully reviewing this proxy statement/prospectus, including its annexes, please complete, sign and date the enclosed proxy card and return it in the enclosed postage-paid envelope as soon as possible. By submitting your proxy, you authorize the individuals named in the proxy to vote your shares of First Capital common stock at the special meeting of shareholders of First Capital in accordance with your instructions. Your vote is very important. Whether or not you plan to attend the special meeting, please submit your proxy with voting instructions to ensure that your shares of First Capital common stock will be voted at the special meeting.

Q: Who can answer my questions?

A: If you have questions about the merger or desire additional copies of this proxy statement/prospectus or additional proxy cards, please contact:

Thomas W. Beard
President & Chief Executive Officer
First Capital Bancshares, Inc.
33 West Main Street
Chillicothe, Ohio 45601
Phone: (740) 774-6777

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Summary

This summary highlights selected information from this proxy statement/prospectus. It does not contain all of the information that may be important to you. You should read carefully this entire document and its annexes and all other documents to which this proxy statement/prospectus refers before you decide how to vote. Page references are included in this summary to direct you to a more complete description of topics discussed in this proxy statement/prospectus.

LCNB Corp.
2 North Broadway
Lebanon, Ohio 45036
Phone: (513) 932-1414 or (800) 344-2265

LCNB is a financial holding company registered under the Bank Holding Company Act of 1956, as amended, and was incorporated under the laws of the State of Ohio in 1998. LCNB has one wholly-owned subsidiary – LCNB National Bank.

LCNB National Bank's main office is located in Warren County, Ohio and 24 branch offices are located in Warren, Butler, Clinton, Clermont, Hamilton, and Montgomery Counties, Ohio. In addition, LCNB National Bank operates 31 automated teller machines in its market area.

LCNB National Bank is a full service community bank offering a wide range of commercial and personal banking services. Deposit services include checking accounts, NOW accounts, savings accounts, club accounts, money market deposit accounts, Classic 50 accounts (a Senior Citizen program), individual retirement accounts, certificates of deposit and online and mobile banking. Deposits of LCNB National Bank are insured up to applicable limits by the Deposit Insurance Fund, which is administered by the Federal Deposit Insurance Corporation (the "FDIC").

At September 30, 2012, LCNB had 194 full-time and 64 part-time employees, total assets of \$817 million, total loans of \$455 million, total deposits of \$701 million, and total shareholders' equity of \$82 million.

LCNB common shares are traded on the NASDAQ Capital Market. LCNB common shares are traded through broker/dealers and in private transactions, and quotations are reported on NASDAQ under the symbol "LCNB." LCNB is subject to the reporting requirements under the Securities Exchange Act of 1934, as amended, and, therefore, files reports, proxy statements and other information with the Securities and Exchange Commission. See "Where You Can Find More Information" beginning on page 51 of this proxy statement/prospectus.

First Capital Bancshares, Inc.
33 West Main Street
Chillicothe, Ohio 45601
Phone: (740) 774-6777

First Capital is a bank holding company registered under the Bank Holding Company Act of 1956, as amended, and was incorporated under the laws of the State of Ohio in 1997. First Capital has one wholly-owned subsidiary – The Citizens National Bank of Chillicothe ("Citizens National Bank").

Citizens National Bank is a national bank originally chartered in 1900. Citizens National Bank's main office is located in Chillicothe, Ross County, Ohio and its five branch offices and banking centers are located in Ross and Fayette Counties, Ohio.

Citizens National Bank is a full service community bank offering a wide range of commercial and personal banking services. Deposit services include a variety of checking accounts, savings accounts and certificates of deposit. Deposits of Citizens National Bank are insured up to applicable limits by the Deposit Insurance Fund, which is administered by the FDIC.

At September 30, 2012, First Capital had total assets of \$152.0 million, total deposits of \$135.6 million, total loans of \$102.7 million, and total shareholders' equity of \$14.0 million.

First Capital common shares are not traded on an established market.

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The merger (page 36)

The merger agreement provides for the merger of First Capital with and into LCNB, with LCNB surviving the merger. Immediately following the merger, First Capital's wholly-owned banking subsidiary, Citizens National Bank, will be merged with and into LCNB National Bank. The merger agreement is attached to this proxy statement/prospectus as Annex A and is incorporated in this proxy statement/prospectus by reference. We encourage you to read the merger agreement carefully, as it is the legal document that governs the merger.

What First Capital shareholders will receive in the merger (page 36)

Under the terms of the merger agreement, shareholders of First Capital will be entitled to receive after the merger is completed, for each share of First Capital common stock:

\$30.76 in cash, or

2.329 LCNB common shares (subject to an adjustment based upon the average closing price of LCNB common shares for the 25 trading days prior to the effective date of the merger), or

a combination of both.

The form of consideration to be received by each First Capital shareholder is subject to reallocation in order to ensure that no more than 50% and no less than 40% of the merger consideration will consist of cash and no more than 60% and no less than 50% of the merger consideration will consist of LCNB common shares.

LCNB will not issue any fractional shares of common shares in connection with the merger. Instead, each holder of First Capital common shares who would otherwise be entitled to receive a fraction of a share of LCNB common shares (after taking into account all shares of First Capital common shares owned by such holder at the effective time of the merger) will receive cash, without interest, in an amount equal to the fractional share to which such holder would otherwise be entitled multiplied by the closing price of one share of LCNB common stock on the closing date of the merger.

First Capital special meeting of shareholders (page 19)

A special meeting of shareholders of First Capital will be held at 9:00 a.m., local time, on December 31, 2012, at 33 West Main Street, Chillicothe, Ohio 45601, for the purpose of considering and voting on the following matters:

a proposal to adopt and approve the merger agreement;

a proposal to approve the adjournment of the special meeting, if necessary, to solicit additional proxies, in the event there are not sufficient votes at the time of the special meeting to adopt and approve the merger agreement; and

any other business which properly comes before the special meeting or any adjournment or postponement of the special meeting. The First Capital Board of Directors is presently unaware of any other business to be transacted at the special meeting.

You are entitled to vote at the special meeting if you owned shares of First Capital common stock as of the close of business on November 8, 2012. As of November 8, 2012, a total of 636,102 shares of First Capital common stock were outstanding and eligible to be voted at the First Capital special meeting.

Required vote (page 19)

The adoption and approval of the merger agreement will require the affirmative vote of the holders of at least 424,068 shares of First Capital common stock, which is two-thirds of the shares of First Capital common stock outstanding and entitled to vote at the First Capital special meeting. A quorum, consisting of the holders of 424,068 of the outstanding shares of First Capital common stock, must be present in person or by proxy at the First Capital special meeting before any action, other than the adjournment of the special meeting, can be taken. The affirmative vote of the holders of a majority of the shares of First Capital common stock represented, in person or proxy, at the special meeting is required to adjourn the special meeting, if necessary, to solicit additional proxies.

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As of November 8, 2012, directors and executive officers of First Capital and their respective affiliates beneficially owned an aggregate of 169,269 shares of First Capital common stock, an amount equal to approximately 26.61% of the outstanding shares of First Capital common stock. All of the directors of First Capital, who collectively had the power to vote approximately 26.42% of the outstanding shares of First Capital common stock as of October 9, 2012, entered into a voting agreement with LCNB pursuant to which they agreed, subject to certain terms and conditions, to vote all of their shares in favor of the adoption and approval of the merger agreement. As of the date of this proxy statement/prospectus, LCNB and its directors, executive officers and affiliates beneficially owned no shares of First Capital common stock.

Recommendation to First Capital shareholders (page 19)

The Board of Directors of First Capital unanimously approved the merger agreement. The Board of Directors of First Capital believes that the merger is fair to and in the best interests of First Capital and its shareholders, and, as a result, the directors unanimously recommend that First Capital shareholders vote “FOR” the adoption and approval of the merger agreement. In reaching this decision, the Board of Directors of First Capital considered many factors which are described in the section captioned “The Proposed Merger – First Capital’s background and reasons for the merger” beginning on page 21 of this proxy statement/prospectus.

Opinion of First Capital’s financial advisor (page 25)

The First Capital Board of Directors has received the written opinion of its financial advisor, Sterne Agee & Leach, Inc. (“Sterne Agee”), to the effect that, as of the date of the opinion, the merger consideration is fair, from a financial point of view, to the holders of shares of First Capital common stock. First Capital has agreed to pay advisory fees of \$250,000 for its services in connection with the merger.

The full text of the fairness opinion, which outlines the matters considered and qualifications and limitations on the review undertaken by Sterne Agee in rendering its opinion, is attached as Annex C to this proxy statement/prospectus. We encourage you to read this fairness opinion in its entirety.

Material federal income tax consequences of the merger (page 31)

We intend that the merger will be treated as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the “Internal Revenue Code”), and that, accordingly, for federal income tax purposes (i) no gain or loss will be recognized by LCNB or First Capital as a result of the merger, (ii) First Capital shareholders who receive solely LCNB common shares in exchange for shares of First Capital common stock in the merger will recognize no gain or loss (other than the gain or loss to be recognized as to cash received in lieu of fractional LCNB common shares), and their basis in and holding periods for LCNB common shares received may vary among shares if blocks of First Capital common shares were acquired at different times or for different prices, and (iii) First Capital shareholders who receive solely cash in exchange for shares of First Capital common stock in the merger will recognize gain or loss equal to the difference between the amount of cash received and their tax basis in their shares. First Capital shareholders receiving both LCNB common shares and cash for their First Capital shares generally will recognize gain (but not loss) in an amount equal to the lesser of (i) their gain realized (i.e., the excess, if any, of the sum of the amount of cash and the fair market value of the LCNB common shares received over their adjusted cash basis in the First Capital shares surrendered) and (ii) the amount of cash received in the merger.

First Capital shareholders who exercise dissenters’ rights and receive cash for their shares of First Capital common stock generally will recognize gain or loss for federal income tax purposes.

All First Capital shareholders should read carefully the description under the section captioned “The Proposed Merger—Material federal income tax consequences,” and should consult their own tax advisors concerning these matters.

Interests of directors and executive officers of First Capital (page 30)

The directors and some of the executive officers of First Capital have interests in the merger that are different from, or in addition to, the interests of First Capital shareholders generally. These include:

change in control payments pursuant to the Citizens National Bank Executive Employment Agreements;

continued indemnification of directors and officers and continued insurance for directors and officers of First Capital for events occurring before the merger;

the covenant of LCNB to cause John Kochensparger III to be elected or appointed to the boards of directors of LCNB and LCNB National Bank and to be nominated for an additional three-year term; and

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the appointment of the directors of First Capital to serve on an LCNB Advisory board for a period of at least one year following the merger for a fee of \$500 per quarterly meeting.

The First Capital Board of Directors was aware of these interests and considered them in approving the merger agreement. See “The Proposed Merger – Interests of First Capital directors and executive officers in the merger” beginning on page 30 of this proxy statement/prospectus.

Dissenters’ rights (page 20)

Under Ohio law, if you do not vote in favor of the adoption and approval of the merger agreement and if you deliver a written demand for payment for the fair cash value of your shares of First Capital common stock prior to the First Capital special meeting, you will be entitled, if and when the merger is completed, to receive the fair cash value of your shares of First Capital common stock. The right to make this demand is known as “dissenters’ rights.” Your right to receive the fair cash value of your shares of First Capital common stock, however, is contingent upon your strict compliance with the procedures set forth in Section 1701.85 of the Ohio General Corporation Law. For additional information regarding your dissenters’ rights, see “Dissenters’ Rights” on page 20 of this proxy statement/prospectus and the complete text of Section 1701.85 of the Ohio General Corporation Law attached to this proxy statement/prospectus as Annex B.

Certain differences in shareholder rights (page 45)

When the merger is completed, some First Capital shareholders will receive LCNB common shares and, therefore, will become LCNB shareholders. As LCNB shareholders, your rights will be governed by LCNB’s Amended and Restated Articles of Incorporation and Regulations, as well as Ohio law. See “Comparison of certain rights of LCNB and First Capital shareholders” beginning on page 45 of this proxy statement/prospectus.

Conditions to the merger (page 38)

The completion of the merger depends upon the satisfaction of a number of conditions set forth in the merger agreement, including the adoption and approval of the merger agreement by First Capital shareholders and the receipt of all necessary governmental and regulatory approvals. LCNB and First Capital have submitted an application to the Office of the Comptroller of the Currency to receive approval of the merger; this application is currently pending. LCNB and First Capital will submit an application to the Board of Governors of the Federal Reserve System shortly upon obtaining necessary approval of the merger from the Office of the Comptroller of the Currency.

Termination of the merger agreement (page 42)

LCNB and First Capital may mutually agree to terminate the merger agreement and abandon the merger at any time before the merger is effective, whether before or after shareholder approval, if the Board of Directors of each approves such termination by vote of a majority of the members of its entire Board. In addition, either LCNB or First Capital, acting alone, may terminate the merger agreement and abandon the merger at any time before the merger is effective under the following circumstances:

if any of the required regulatory approvals is denied;

if the First Capital shareholders do not adopt and approve the merger agreement at the First Capital special meeting;

if there is a material breach by the other party of any representation, warranty, covenant or agreement contained in the merger agreement that cannot be or has not been cured within 30 days of notice of the breach; or

if the merger has not been consummated by June 30, 2013, unless the failure to complete the merger by that date is due to the knowing action or inaction of the party seeking to terminate.

Acquisition proposals and termination fee (page 43)

If First Capital or its subsidiary executes a definitive agreement in connection with, or closes, an acquisition proposal (as defined in the merger agreement) with any person or entity other than LCNB and its subsidiaries, First Capital must pay LCNB the sum of \$784,000 immediately after the earlier of such execution or closing. See “The Merger Agreement – Acquisition proposals and termination fee” beginning on page 43 of this proxy statement/prospectus.

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Risk Factors

The merger and the acquisition of LCNB common shares involve significant risks. In addition to the other information included in this proxy statement/prospectus, you should consider carefully the risk factors described below in deciding whether to vote to adopt and approve the merger agreement. In addition, please refer to the section captioned "Forward-Looking Statements" beginning on page 12 of this proxy statement/prospectus.

Risks Related to the Merger

The market value of the LCNB common shares you receive in the merger may decrease if there are fluctuations in the market price of the LCNB common shares prior to or following the merger.

Under the terms of the merger agreement, shareholders of First Capital will be entitled to receive after the merger is completed, for each share of First Capital common stock:

\$30.76 in cash, or

2.329 LCNB common shares (subject to an adjustment based upon the average closing price of LCNB common shares for the 25 trading days prior to the effective date of the merger), or

a combination of both.

The form of consideration to be received by each First Capital shareholder is subject to reallocation in order to ensure that no more than 50% and no less than 40% of the merger consideration will consist of cash and no more than 60% and no less than 50% of the merger consideration will consist of LCNB common shares.

The share exchange ratio (2.329 LCNB common shares for each share of First Capital common stock owned) was established and agreed to by LCNB and First Capital based upon the average closing price of LCNB's common shares for 25 trading days preceding the execution of the merger agreement. The exchange ratio will be adjusted in the event of an increase or decrease in the 25 trading day average closing price of LCNB common shares of 10% or more (less than \$11.89 or greater than \$14.53) prior to the consummation of the merger.

As of November 28, 2012, the last practicable trading day for which information was available prior to the date of this proxy statement/prospectus, the last reported sales price reported on the NASDAQ Capital Market for LCNB common shares was \$13.75 a share. The market price of the LCNB common shares may decrease, however, following the date of this proxy statement/prospectus and prior to the closing of the merger. Moreover, you will not receive your merger consideration until several days after the closing of the merger, during which the market price of the LCNB common shares may decrease. If there is a decrease in the market price of the LCNB common shares during this period, you will not be able to sell any of the LCNB common shares that you may be entitled to receive in the merger to avoid losses resulting from such decrease in the market price of the LCNB common shares.

You may receive a form of consideration different from the form of consideration you elect.

The consideration you receive in the merger is subject to the requirement that the aggregate cash consideration that will be paid to First Capital shareholders, including cash paid to shareholders who properly exercise dissenters' rights and cash paid in lieu of the issuance of fractional shares, will be an amount equal to the number of shares to which the holders have elected to receive cash consideration multiplied by \$30.76 per share, subject to certain adjustments. Under the terms of the merger agreement, shareholders of First Capital will be entitled to receive after the merger is completed, for each share of First Capital common stock: (i) \$30.76 in cash, (ii) 2.329 LCNB common

shares (subject to an adjustment based upon the average closing price of LCNB common shares for the 25 trading days prior to the effective date of the merger), or (iii) a combination of both. The form of consideration to be received by each First Capital shareholder is subject to reallocation in order to ensure that no more than 50% and no less than 40% of the merger consideration will consist of cash and no more than 60% and no less than 50% of the merger consideration will consist of LCNB common shares. The merger agreement contains proration and allocation methods to achieve this result. If you elect to receive all cash and the available cash is oversubscribed, then you may receive a portion of the merger consideration in the form of LCNB common shares. If you elect to receive all LCNB common shares and the available stock is oversubscribed, then you may receive a portion of the merger consideration in cash. If you elect a combination of cash and LCNB common shares, you may not receive the specific combination you request.

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LCNB could experience difficulties in managing its growth and effectively integrating the operations of First Capital and Citizens National Bank.

The earnings, financial condition and prospects of LCNB after the merger will depend in part on LCNB's ability to integrate successfully the operations of First Capital and Citizens National Bank and to continue to implement its own business plan. LCNB may not be able to achieve fully the strategic objectives and projected operating efficiencies in the merger. The costs or difficulties relating to the integration of First Capital and Citizens National Bank with the LCNB organization may be greater than expected or the cost savings from any anticipated economies of scale of the combined organization may be lower or take longer to realize than expected. Inherent uncertainties exist in integrating the operations of any acquired entity, and LCNB may encounter difficulties, including, without limitation, loss of key employees and customers, the disruption of its ongoing business or possible inconsistencies in standards, controls, procedures and policies. These factors could contribute to LCNB not fully achieving the expected benefits from the merger.

The merger agreement limits First Capital's ability to pursue alternatives to the merger with LCNB, may discourage other acquirers from offering a higher valued transaction to First Capital and may, therefore, result in less value for the First Capital shareholders.

The merger agreement contains a provision that, subject to certain limited exceptions, prohibits First Capital from soliciting, negotiating, or providing confidential information to any third party relating to any competing proposal to acquire First Capital or any of its subsidiaries. In addition, if First Capital executes a definitive agreement in respect of, or closes, an acquisition transaction with a third party, the merger agreement provides that First Capital must pay a \$784,000 termination fee to LCNB. These provisions of the merger agreement could discourage a potential competing acquirer that might have an interest in acquiring First Capital, even if it were prepared to pay a higher per share price than proposed in the merger agreement.

The fairness opinion obtained by First Capital from its financial advisor will not reflect changes in circumstances prior to the merger.

Sterne Agee, the financial advisor to First Capital, delivered a written fairness opinion to the Board of Directors of First Capital dated October 9, 2012. The fairness opinion states that, as of the date of the opinion, the merger consideration set forth in the merger agreement was fair, from a financial point of view, to the holders of shares of First Capital common stock. However, the fairness opinion does not reflect changes that may occur or may have occurred after the date on which it was delivered, including changes to the operations and prospects of LCNB or First Capital, changes in general market and economic conditions, or other changes. Any such changes may alter the relative value of LCNB and First Capital.

The merger may not result in increased liquidity for First Capital shareholders with respect to the portion of their shares of First Capital common stock to be exchanged for LCNB common shares because a limited trading market exists for LCNB's common shares.

Although the common shares of LCNB are quoted on the NASDAQ Capital Market, trading in LCNB common shares is not active, and the spread between the bid and the asked price is often wide. As a result, you may not be able to sell your shares on short notice, and the sale of a large number of shares at one time could temporarily depress the market price. The price at which you may be able to sell your common shares may be significantly lower than the price at which you could buy LCNB common shares at that time.

Certain of First Capital's officers and directors have interests that are different from, or in addition to, interests of First Capital's stockholders generally.

The directors and officers of First Capital have interests in the merger that are different from, or in addition to, the interests of First Capital stockholders generally. These include: agreements that certain officers of Citizens National Bank had in place in the event a change of control occurred; provisions in the merger agreement relating to indemnification of directors and officers and insurance for directors and officers of First Capital for events occurring before the merger; appointment to an Advisory Board that will be comprised of all members of the First Capital Board of Directors who are also directors of Citizens National Bank; and the appointment of John Kochensparger III to be elected or appointed to the boards of directors of LCNB and LCNB National Bank to serve on such boards for an initial term to expire on the date of the LCNB annual shareholder meeting in 2015.

Failure to complete the merger could negatively impact the value of First Capital's stock and future businesses and financial results of LCNB and First Capital

If the merger is not completed, the ongoing businesses of LCNB and First Capital may be adversely affected and LCNB and First Capital will be subject to several risks, including the following:

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LCNB and First Capital will be required to pay certain costs relating to the merger, whether or not the merger is completed, such as legal, accounting, financial advisor and printing fees;

under the merger agreement, First Capital is subject to certain restrictions on the conduct of its business before completing the merger, which may adversely affect its ability to execute certain of its business strategies; and

matters relating to the merger may require substantial commitments of time and resources by LCNB and First Capital management, which could otherwise have been devoted to other opportunities that may have been beneficial to LCNB and First Capital as independent companies, as the case may be.

In addition, if the merger is not completed, First Capital may experience negative reactions from its customers and employees. First Capital also could be subject to litigation related to any failure to complete the merger or to enforcement proceedings commenced against LCNB and First Capital to perform their respective obligations under the agreement of merger.

First Capital shareholders will have a reduced ownership and voting interest after the merger and will exercise less influence over management of the combined organization.

First Capital shareholders currently have the right to vote in the election of the First Capital board of directors and on various other matters affecting First Capital. Upon the completion of the merger, many of the First Capital shareholders will become shareholders of LCNB with a percentage ownership of the combined organization that is much smaller than the shareholder's percentage ownership of First Capital.

Risks Related to LCNB's Business

Like all financial companies, LCNB's business and results of operations are subject to a number of risks, many of which are outside of our control. In addition to the other information in this report, readers should carefully consider that the following important factors, among others, could materially impact our business and future results of operations.

Changes in interest rates could adversely affect our financial condition and results of operations.

Our results of operations depend substantially on our net interest income, which is the difference between (i) the interest earned on loans, securities and other interest-earning assets and (ii) the interest paid on deposits and borrowings. These rates are highly sensitive to many factors beyond our control, including general economic conditions, inflation, recession, unemployment, money supply and the policies of various governmental and regulatory authorities. If the interest we pay on deposits and other borrowings increases at a faster rate than the interest we receive on loans and other investments, our net interest income and therefore earnings, could be adversely affected. Earnings could also be adversely affected if the interest we receive on loans and other investments falls more quickly than the interest we pay on deposits and borrowings. While we have taken measures intended to manage the risks of operating in a changing interest rate environment, there can be no assurance that these measures will be effective in avoiding undue interest rate risk.

Increases in interest rates also can affect the value of loans and other assets, including our ability to realize gains on the sale of assets. We originate loans for sale and for our portfolio. Increasing interest rates may reduce the origination of loans for sale and consequently the fee income we earn on such sales. Further, increasing interest rates may adversely affect the ability of borrowers to pay the principal or interest on loans and leases, resulting in an increase in non-performing assets and a reduction of income recognized.

Changes in national and local economic and political conditions could adversely affect our earnings, as our borrowers' ability to repay loans and the value of the collateral securing our loans decline and as loans and deposits decline.

There are inherent risks associated with our lending activities, including credit risk, which is the risk that borrowers may not repay outstanding loans or the value of the collateral securing loans will decrease. Conditions such as inflation, recession, unemployment, changes in interest rates and money supply and other factors beyond our control may adversely affect the ability of our borrowers to repay their loans and the value of collateral securing the loans, which could adversely affect our earnings. Because we have a significant amount of real estate loans, a decline in the value of real estate could have a material adverse affect on us. As of September 30, 2012, 60% of our loan portfolio consisted of commercial and industrial, commercial real estate, real estate construction, installment and agricultural loans, all of which are generally viewed as having more risk of default than residential real estate loans and all of which, with the exception of installment loans, are typically larger than residential real estate loans. Residential real estate loans held in the portfolio are typically originated using conservative underwriting standards that does not include sub-prime lending. We attempt to manage credit risk through a program of underwriting standards, the review of certain credit decisions and an on-going process of assessment of the quality of the credit already extended. Economic and political changes could also adversely affect our deposits and loan demand, which could adversely affect our earnings and financial condition. Since substantially all of our loans are to individuals and businesses in Ohio, any decline in the economy of this market area could have a materially adverse effect on our credit risk and on our deposit and loan levels.

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Recent developments in the residential mortgage and related markets and the economy may adversely affect our business.

Recently, the residential mortgage market in the United States, including Ohio, has been negatively impacted by several economic factors. Included among those factors are decreasing housing values and increased credit standards for borrowers. As a result, across Ohio and the United States, delinquencies, foreclosures and losses with respect to residential construction and mortgage loans have increased and may continue to increase. Additionally, the lower housing prices and appraisal values may result in additional delinquencies and loan losses. While the residential real estate loans held in our portfolio are typically originated using conservative underwriting standards and do not include sub-prime loans, we do originate and hold fixed- and adjustable-rate loans and residential construction loans. If the residential loan market continues to deteriorate, especially in Ohio and our local markets, our financial condition and results of operation could be adversely affected.

Difficult conditions in the financial markets may adversely affect our business and results of operations.

Our financial performance depends on the quality of loans in our portfolio. That quality may be adversely affected by several factors, including underwriting procedures, collateral quality or geographic or industry conditions. Market turmoil and tightening of credit have led to an increased level of commercial and consumer delinquencies and defaults, reduced consumer confidence, increased market volatility and widespread reduction of business activity. In addition, our credit risk may be increased when our collateral cannot be sold or is sold at prices not sufficient to recover the full amount of the loan balance. Deterioration in our ability to collect our loans receivable may adversely affect our profitability and financial condition.

We operate in an extremely competitive market, and our business will suffer if we are unable to compete effectively.

In our market area, we encounter significant competition from other banks, savings and loan associations, credit unions, mortgage banking firms, securities brokerage firms, asset management firms and insurance companies. The increasingly competitive environment is a result primarily of changes in regulation and the accelerating pace of consolidation among financial service providers. LCNB is smaller than many of our competitors. Many of our competitors have substantially greater resources and lending limits than we do and may offer services that we do not or cannot provide.

Legislative or regulatory changes or actions could adversely impact the financial services industry.

The financial services industry is extensively regulated. Banking laws and regulations are primarily intended for the protection of consumers, depositors and the deposit insurance fund, not to benefit our shareholders. Changes to laws and regulations or other actions by regulatory agencies may negatively impact us, possibly limiting the services we provide, increasing the ability of non-banks to compete with us or requiring us to change the way we operate. Regulatory authorities have extensive discretion in connection with their supervisory and enforcement activities, including the ability to impose restrictions on the operation of an institution and the ability to determine the adequacy of an institution's allowance for loan losses. Failure to comply with applicable laws, regulations and policies could result in sanctions being imposed by the regulatory agencies, including the imposition of civil money penalties, which could have a material adverse effect on our operations and financial condition.

Our ability to pay cash dividends is limited.

We are dependent primarily upon the earnings of our operating subsidiary for funds to pay dividends on our common shares. The payment of dividends by us and our subsidiary is subject to certain regulatory restrictions. As a result, any payment of dividends in the future will be dependent, in large part, on our ability to satisfy these regulatory

restrictions and our subsidiary's earnings, capital requirements, financial condition and other factors. Although our financial earnings and financial condition have allowed us to declare and pay periodic cash dividends to our shareholders, there can be no assurance that our dividend policy or size of dividend distribution will continue in the future.

The preparation of financial statements requires management to make estimates about matters that are inherently uncertain.

Management's accounting policies and methods are fundamental to how we record and report our financial condition and results of operations. Our management must exercise judgment in selecting and applying many of these accounting policies and methods in order to ensure that they comply with generally accepted accounting principles and reflect management's judgment as to the most appropriate manner in which to record and report our financial condition and results of operations. One of the most critical estimates is the level of the allowance of loan losses. Due to the inherent nature of these estimates, we cannot provide absolute assurance that we will not significantly increase the allowance for loan losses or sustain loan losses that are significantly higher than the provided allowance.

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Trading in our common shares is very limited, which may adversely affect the time and the price at which you can sell your LCNB common shares.

Although the common shares of LCNB are quoted on the NASDAQ Capital Market, trading in LCNB common shares is not active, and the spread between the bid and the asked price is often wide. As a result, you may not be able to sell your shares on short notice, and the sale of a large number of shares at one time could temporarily depress the market price. The price at which you may be able to sell your common shares may be significantly lower than the price at which you could buy LCNB common shares at that time.

Our organizational documents and the large percentage of shares controlled by management and family members of management may have the effect of discouraging a third party from acquiring us.

Our Amended and Restated Articles of Incorporation and Regulations contain provisions that make it more difficult for a third party to gain control or acquire us without the consent of the board of directors. These provisions could also discourage proxy contests and may make it more difficult for dissident shareholders to elect representatives as directors and take other corporate actions. Moreover, as of November 8, 2012, directors and executive officers controlled the vote of 5.48% of the outstanding common shares of LCNB in addition to the 14.03% of the outstanding shares with respect to which LCNB National Bank controls the vote as trustee and an additional 0.23% owned by relatives of directors. The provisions in our Amended and Restated Articles and Regulations and the percentage of voting control by LCNB affiliates and relatives could have the effect of delaying or preventing a transaction or a change in control that a shareholder might deem to be in the best interests of that shareholder.

Forward-Looking Statements

Certain statements contained in this proxy statement/prospectus which are not statements of historical fact constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including, without limitation, the statements specifically identified as forward-looking statements within this proxy statement/prospectus. Examples of forward-looking statements include: (a) projections of income or expense, earnings per share, the payment or non-payment of dividends, capital structure and other financial items; (b) statements of plans and objectives of each of LCNB and First Capital, or their respective directors and officers, including those relating to products or services; (c) statements of future economic results; and (d) statements of assumptions underlying the foregoing statements.

The Private Securities Litigation Reform Act of 1995 provides a “safe harbor” for forward-looking statements to encourage companies to provide prospective information as long as those statements are identified as forward-looking and are accompanied by meaningful cautionary statements identifying the important factors that could cause actual results to differ materially from those discussed in the forward-looking statements. We desire to take advantage of the “safe harbor” provisions of that Act.

Forward-looking statements are subject to numerous assumptions, risks and uncertainties. Actual results could differ materially from those contained or implied by such forward-looking statements because of various factors and possible events, including those factors specifically identified as “Risk Factors” in this proxy statement/prospectus beginning on page 8.

Forward-looking statements speak only as of the date on which they are made, and, except as may be required by law, neither LCNB nor First Capital undertakes any obligation to update any forward-looking statement to reflect events or circumstances after the date on which the statement is made. All subsequent written and oral forward-looking statements attributable to LCNB or First Capital or any person acting on behalf of either of them are qualified in their entirety by the cautionary statements set forth in this proxy statement/prospectus.

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Selected Historical Consolidated Financial Data of LCNB Corp.

The tables below contain information regarding the financial condition and earnings of LCNB Corp. for the five years ended December 31, 2011, and the nine months ended September 30, 2011 and 2012. This information is based on information contained in LCNB's quarterly reports on Form 10-Q and annual reports on Form 10-K filed with the Securities and Exchange Commission.

	At or for the Years Ended December 31,					At or for the Nine Months Ended September 30,	
	2011	2010	2009	2008	2007	2012	2011
	(Dollars in thousands, except ratios and per share data)						
Income Statement:							
Interest income	\$ 32,093	34,031	34,898	34,398	32,041	22,706	24,205
Interest expense	6,387	8,334	10,060	13,421	13,838	3,784	4,976
Net interest income	25,706	25,697	24,838	20,977	18,203	18,922	19,229
Provision for loan losses	2,089	1,680	1,400	620	266	742	1,476
Net interest income after provision for loan losses	23,617	24,017	23,438	20,357	17,937	18,180	17,753
Non-interest income	7,764	8,887	7,180	6,759	6,614	6,296	5,783
Non-interest expenses	21,849	21,277	20,686	18,555	16,991	16,342	16,528
Income before income taxes	9,532	11,627	9,932	8,561	7,560	8,134	7,008
Provision for income taxes	2,210	2,494	2,245	2,134	1,823	2,023	1,640
Net income from continuing operations	7,322	9,133	7,687	6,427	5,737	6,111	5,368
Income from discontinued operations, net of tax	793	240	79	176	217	-	793
Net income	8,115	9,373	7,766	6,603	5,954	6,111	6,161
Preferred stock dividends and discount accretion	-	-	1,108	-	-	--	-
Net income available to common shareholders	\$ 8,115	9,373	6,658	6,603	5,954	6,111	6,161
Dividends per common share (1)	\$ 0.64	0.64	0.64	0.64	0.62	0.48	0.48

Basic earnings per common share (1):							
Continuing operations	1.09	1.37	0.99	0.96	0.90	0.91	0.80
Discontinued operations	0.12	0.03	0.01	0.03	0.04	-	0.12
Diluted earnings per common share (1):							
Continuing operations	1.08	1.36	0.98	0.96	0.90	0.90	0.80
Discontinued operations	0.12	0.03	0.01	0.03	0.04	-	0.12

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Balance Sheet:

Securities	\$ 267,771	251,053	217,639	139,272	90,154	281,280	282,182
Loans, net	458,331	452,350	457,418	451,343	444,419	454,541	446,295
Total assets	791,570	760,134	734,409	649,731	604,058	817,192	808,559
Total deposits	663,562	638,539	624,179	577,622	535,929	701,080	689,697
Short-term borrowings	21,596	21,691	14,265	2,206	1,459	12,076	12,386
Long-term debt	21,373	23,120	24,960	5,000	5,000	14,049	21,718
Total shareholders' equity	77,960	70,707	65,615	58,116	56,528	82,131	77,460

Selected
Financial Ratios
and Other Data:

Return on average assets	1.02%	1.22%	1.07%	1.03%	1.08%	1.01%	1.04%
Return on average equity	10.89%	13.36%	10.43%	11.35%	11.41%	10.17%	11.22%
Equity-to-assets ratio	9.85%	9.30%	8.93%	8.94%	9.36%	10.05%	9.58%
Dividend payout ratio	52.89%	45.71%	64.39%	64.65%	65.96%	52.75%	52.17%
Net interest margin, fully taxable equivalent	3.70%	3.89%	3.96%	3.74%	3.77%	3.55%	3.73%

(1) All per share data in 2007 has been adjusted to reflect a 100% stock dividend accounted for as stock split.

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Selected Historical Financial Data of First Capital Bancshares, Inc.

The following tables set forth selected consolidated historical financial and other data of First Capital Bancshares, Inc. and its subsidiary for the periods and at the dates indicated. The information at and for the years ended December 31, 2011 is derived in part from audited consolidated financial statements that do not appear in this document. The information at September 30, 2012 and for the nine months ended September 30, 2012 and 2011, is unaudited and reflects only normal recurring adjustments that are, in the opinion of management, necessary for a fair presentation of the results for the interim periods presented. The results of operations for the nine months ended September 30, 2012, are not necessarily indicative of the results to be achieved for all of 2012.

Selected Financial Condition Data:	At	At December 31,	
	September 30, 2012	2011	2010
	(In thousands)		
Total assets	\$ 152,107	\$ 148,235	\$ 143,787
Cash and cash equivalents	18,934	11,679	13,040
Investment securities, available for sale	21,491	21,834	18,803
Loans	102,670	105,948	101,822
Allowance for loan losses	(1,311)	(1,142)	(1,087)
Other real estate owned	87	882	1,549
Bank owned life insurance	3,692	3,569	3,444
Goodwill and other intangibles	1,216	1,233	1,256
Deposits	135,651	132,047	128,054
Borrowed funds	1,815	1,865	1,930
Total shareholders' equity	14,021	13,653	12,973

Selected Operating Data:	Nine Months Ended		Year Ended	
	September 30, 2012	September 30, 2011	December 31, 2011	December 31, 2010
	(In thousands)			
Interest income	\$ 4,853	\$ 5,130	\$ 6,859	\$ 6,998
Interest expense	640	836	1,089	1,434
Net interest income	4,213	4,294	5,770	5,564
Provision for loan losses	270	375	450	450
Net interest income after provision for loan losses	3,943	3,919	5,320	5,114
Other income	532	598	756	807
Other expenses	3,715	3,628	4,884	4,855
Income before federal income tax expense	760	889	1,192	1,066
Income tax expense	199	234	316	259
Net income	\$ 561	\$ 655	\$ 876	\$ 807
Net income per common share (basic and diluted)	\$ 0.88	\$ 1.03	\$ 1.38	\$ 1.27

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	At or For the Nine Months Ended September 30, (6)		At or For the Years Ended December 31,	
	2012	2011	2011	2010
Selected Financial Ratios and Other Data:				
Performance Ratios:				
Return on assets (ratio of net income to average total assets)	0.50%	0.60%	0.60%	0.57%
Return on equity (ratio of net income to average equity)	5.41	6.60	6.58	6.31
Interest rate spread (1)	3.98	4.24	4.24	4.15
Net interest margin (2)	4.13	4.42	4.42	4.37
Dividend payout ratio (3)	34.0	29.1	47.2	47.3
Efficiency ratio (4)	77.9	73.8	74.5	75.8
Non-interest expense to average total assets	3.30	3.34	3.34	3.40
Average interest-earning assets to average interest-bearing liabilities	124.9	121.2	122.3	119.5
Average equity to average total assets	9.2	9.1	9.1	9.0
Asset Quality Ratios:				
Non-performing assets to total assets	1.09	1.77	2.02	2.57
Non-performing loans to total loans	1.53	1.63	1.95	2.11
Allowance for loan losses to total loans held-for-investment	1.28	1.03	1.08	1.07
Capital Ratios:				
Total capital (to risk-weighted assets) (5)	15.8	15.0	14.6	14.8
Tier I capital (to risk-weighted assets) (5)	14.6	13.9	13.5	13.7
Tier I capital (to adjusted assets) (5)	9.3	9.5	9.3	9.3
Other Data:				
Number of full service offices	6	6	6	6
Full time equivalent employees	47	47	47	46

(1) The interest rate spread represents the difference between the weighted-average yield on interest earning assets and the weighted-average costs of interest-bearing liabilities.

(2) The net interest margin represents net interest income as a percent of average interest-earning assets for the period.

(3) Dividend payout ratio is calculated as total dividends declared for the year divided by net income for the year.

(4) The efficiency ratio represents non-interest expense divided by the sum of net interest income and non-interest income.

(5) Capital ratios are presented for Citizens National Bank only.

(6) Ratios are annualized, where appropriate.

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Comparative Per Share Data

The following table sets forth for LCNB and First Capital certain historical, pro forma and pro forma-equivalent per share financial information. The information is derived from and should be read together with the historical consolidated financial statements of LCNB that are incorporated by reference in this proxy statement/prospectus. While helpful in illustrating the financial characteristics of the combined company under one set of assumptions, the pro forma data does not reflect certain anticipated costs and benefits of the merger and, accordingly, does not attempt to predict or suggest future results. It also does not necessarily reflect what the historical results of the combined company would have been had the merger been consummated at the beginning of the periods presented. The pro forma data gives effect to the merger and is based on numerous assumptions and estimates. The pro forma combined per share data and First Capital equivalent pro forma per share data are prepared assuming a maximum of 888,888 common shares will be issued in the merger. See “The Merger Agreement – Conversion of First Capital common stock” on page 36.

	At or for the Year Ended December 31, 2011	At or for the Nine Months Ended September 30, 2012
Earnings per share: Basic		
LCNB total historical	\$ 1.21	\$ 0.91
First Capital historical	1.38	0.88
Pro forma total combined	1.17	0.87
Equivalent pro forma for one share of First Capital common stock	2.72	2.02
Earnings per share: Diluted		
LCNB total historical	1.20	0.90
First Capital historical	1.38	0.88
Pro forma combined	1.16	0.86
Equivalent pro forma for one share of First Capital common stock	2.70	2.00
Cash dividends declared per share		
LCNB historical	0.64	0.48
First Capital historical	0.65	0.30
Pro forma combined	0.64	0.48
Equivalent pro forma for one share of First Capital common stock	1.49	1.12
Book value per share:		
LCNB historical	11.63	12.20
First Capital historical	21.46	22.04
Pro forma combined	11.78	12.25
Equivalent pro forma for one share of First Capital common stock	27.44	28.54

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Market Price and Dividend Information

LCNB common shares are traded on the NASDAQ Capital Market under the symbol “LCNB”. The shares of First Capital common stock are not traded on an established market. Shares of First Capital common stock are traded through broker/dealers and in private transactions.

The information presented in the following table reflects the last reported sale price on the NASDAQ Capital Market for LCNB common shares as of October 9, 2012, the last trading day preceding our public announcement of the merger, and on November 28, 2012, the last practicable day for which information was available prior to the date of this proxy statement/prospectus. The table also presents the equivalent price per share of First Capital, giving effect to the merger as of such dates. The “First Capital Bancshares, Inc. Equivalent Per Share Price” is determined by multiplying the exchange ratio of 2.329 by the closing sale price of LCNB common shares on the dates indicated. No assurance can be given as to what the market price of LCNB common shares will be if and when the merger is consummated.

	LCNB Common Shares	First Capital Bancshares, Inc. Equivalent Per Share Price
October 9, 2012	\$ 13.40	\$ 31.21
November 28, 2012	\$ 13.75	\$ 32.03

The following table lists the high and low prices per share for LCNB common shares and First Capital common shares and the cash dividends declared by each company for the periods indicated.

Quarter Ended	LCNB Common Shares			First Capital Common Shares		
	High	Low	Dividends	High	Low	Dividends
October 1, 2012 to November 28, 2012	\$ 13.75	\$ 13.75	--	No Trade	No Trade	--
September 30, 2012	\$ 13.75	\$ 12.84	\$ 0.16	\$ 13.90	\$ 13.90	--
June 30, 2012	\$ 14.49	\$ 12.80	\$ 0.16	\$ 20.00	\$ 20.00	\$ 0.30
March 31, 2012	\$ 13.44	\$ 12.34	\$ 0.16	\$ 15.00	\$ 13.75	--
December 31, 2011	\$ 13.70	\$ 12.22	\$ 0.16	No Trade	No Trade	\$ 0.35
September 30, 2011	\$ 14.22	\$ 11.85	\$ 0.16	\$ 13.50	\$ 13.50	--
June 30, 2011	\$ 13.00	\$ 11.70	\$ 0.16	No Trade	No Trade	\$ 0.30
March 31, 2011	\$ 12.25	\$ 11.56	\$ 0.16	No Trade	No Trade	--
December 31, 2010	\$ 12.35	\$ 11.20	\$ 0.16	No Trade	No Trade	\$ 0.35
September 30, 2010	\$ 12.50	\$ 11.25	\$ 0.16	\$ 14.50	\$ 14.00	--
June 30, 2010	\$ 13.00	\$ 10.34	\$ 0.16	\$ 14.50	\$ 14.00	\$ 0.25
March 31, 2010	\$ 12.50	\$ 10.50	\$ 0.16	No Trade	No Trade	--

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The Special Meeting of Shareholders of First Capital

Purpose, time and place of the special meeting

This proxy statement/prospectus is being provided to First Capital shareholders in connection with the solicitation of proxies by the First Capital Board of Directors for use at the special meeting of shareholders to be held at 9:00 a.m., local time, on December 31, 2012, at 33 West Main Street, Chillicothe, Ohio 45601, including any adjournments of the special meeting. At the special meeting, the shareholders of First Capital will be asked to consider and vote upon the following matters:

a proposal to adopt and approve the merger agreement;

a proposal to approve the adjournment of the special meeting, if necessary, to solicit additional proxies, in the event there are not sufficient votes at the time of the special meeting to adopt and approve the merger agreement; and

any other business which properly comes before the special meeting or any adjournment or postponement of the special meeting. The Board of Directors of First Capital is unaware of any other business to be transacted at the special meeting.

The Board of Directors of First Capital believes that the merger with LCNB is in the best interests of First Capital shareholders and recommends that you vote (1) "FOR" the adoption and approval of the merger agreement and (2) "FOR" the proposal to adjourn the special meeting of First Capital shareholders, if necessary, to solicit additional proxies.

Record date; shares of First Capital common stock outstanding and entitled to vote

The Board of Directors of First Capital has fixed the close of business on November 8, 2012, as the record date for determining the First Capital shareholders who are entitled to notice of and to vote at the First Capital special meeting of shareholders. Only holders of shares of First Capital common stock at the close of business on the record date will be entitled to notice of and to vote at the First Capital special meeting.

As of the close of business on November 8, 2012, there were 636,102 shares of First Capital common stock outstanding and entitled to vote at the special meeting. The shares of First Capital common stock were held of record by approximately 250 shareholders. Each share of First Capital common stock entitles the holder to one vote on all matters properly presented at the special meeting.

Votes required; quorum

Under Ohio law and First Capital's Articles of Incorporation, the adoption and approval of the merger agreement requires the affirmative vote of the holders of at least two-thirds of the shares of First Capital common stock outstanding and entitled to vote at the special meeting. Approval of an adjournment of the special meeting requires the affirmative vote of the holders of a majority of the First Capital common shares represented, in person or by proxy, at the special meeting.

As of November 8, 2012, directors and executive officers of First Capital and their respective affiliates beneficially owned an aggregate of 169,269 shares of First Capital common stock, an amount equal to approximately 26.61% of the outstanding shares of First Capital common stock. All of the directors of First Capital, who collectively had the power to vote approximately 26.42% of the outstanding shares of First Capital common stock as of October 9, 2012, entered into a voting agreement with LCNB pursuant to which they agreed, subject to certain terms and conditions, to vote all of their shares in favor of the adoption and approval of the merger agreement. As of the date of this proxy statement/prospectus, LCNB and its directors, executive officers and affiliates beneficially owned no shares of First

Capital common stock.

Brokers who hold shares of First Capital common stock in “street name” for the beneficial owners cannot vote these shares of First Capital common stock on the adoption and approval of the merger agreement without specific instructions from the beneficial owners. Because the adoption and approval of the merger agreement requires the affirmative vote of at least two-thirds of the shares of First Capital common stock outstanding and entitled to vote at the First Capital special meeting, if you fail to vote or if you mark “ABSTAIN” on your proxy card, or if your shares of First Capital common stock are held in “street name” and you fail to instruct your broker how to vote, it will have the same effect as a vote “AGAINST” the adoption and approval of the merger agreement.

A quorum, consisting of the holders of a majority of the outstanding shares of First Capital common stock, must be present in person or by proxy at the First Capital special meeting before any action, other than the adjournment of the special meeting, can be taken. A properly executed proxy card marked “ABSTAIN” will be counted for purposes of determining whether a quorum is present.

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The First Capital Board of Directors does not expect any matter other than the adoption and approval of the merger agreement and, if necessary, the approval of the adjournment of the special meeting to solicit additional proxies, to be brought before the First Capital special meeting. If any other matters are properly brought before the special meeting for consideration, shares of First Capital common stock represented by properly executed proxy cards will be voted, to the extent permitted by applicable law, in the discretion of the persons named in the proxy card in accordance with their best judgment.

Solicitation and revocation of proxies

A proxy card accompanies each copy of this proxy statement/prospectus mailed to First Capital shareholders. Your proxy is being solicited by the Board of Directors of First Capital. Whether or not you attend the special meeting, the First Capital Board of Directors urges you to return your properly executed proxy card as soon as possible. If you return your properly executed proxy card prior to the special meeting and do not revoke it prior to its use, the shares of First Capital common stock represented by that proxy card will be voted at the special meeting or, if appropriate, at any adjournment of the special meeting. The First Capital common shares will be voted as specified on the proxy card or, in the absence of specific instructions to the contrary, will be voted "FOR" the adoption and approval of the merger agreement and, if necessary, "FOR" the approval of the adjournment of the special meeting to solicit additional proxies.

If you have returned a properly executed proxy card, you may revoke it at any time before a vote is taken at the special meeting by:

filing a written notice of revocation with the Secretary of First Capital, at 33 West Main Street, Chillicothe, Ohio 45601;

executing and returning another proxy card with a later date; or

attending the special meeting and giving notice of revocation in person.

Your attendance at the special meeting will not, by itself, revoke your proxy.

If you hold your shares of First Capital common stock in "street name" through a broker, bank or other nominee, you must provide your broker, bank or nominee (the record holder of your shares of common stock) with instructions on how to vote your shares of common stock. Your broker, bank or other nominee will provide you with a proxy card and voting instructions. If you have instructed your broker, bank or other nominee to vote your common shares, you must follow the directions received from your broker, bank or other nominee to change or revoke your vote.

First Capital will bear its own cost of solicitation of proxies on behalf of the First Capital Board of Directors. Proxies will be solicited by mail, and may be further solicited by additional mailings, personal contact, telephone, facsimile or electronic mail, by directors, officers and employees of First Capital, none of whom will receive additional compensation for their solicitation activities. First Capital will also pay the standard charges and expenses of brokerage houses, voting trustees, banks, associations and other custodians, nominees and fiduciaries, who are record holders of First Capital common shares not beneficially owned by them, for forwarding this proxy statement/prospectus and other proxy solicitation materials to, and obtaining proxies from, the beneficial owners of shares of First Capital common stock entitled to vote at the special meeting.

Dissenters' Rights

Rights of dissenting First Capital shareholders

Shareholders of First Capital are entitled to certain dissenters' rights pursuant to Sections 1701.78, 1701.84(A) and 1701.85 of the Ohio General Corporation Law. Section 1701.85 generally provides that shareholders of First Capital will not be entitled to such rights without strict compliance with the procedures set forth in Section 1701.85, and failure to take any one of the required steps may result in the termination or waiver of such rights. Specifically, any First Capital shareholder who is a record holder of First Capital common shares on the November 8, 2012, record date for the First Capital special meeting and whose shares are not voted in favor of the adoption of the merger agreement may be entitled to be paid the "fair cash value" of such First Capital common shares after the effective time of the merger. To be entitled to such payment, a shareholder must deliver to First Capital a written demand for payment of the fair cash value of the shares held by such shareholder, before the vote on the merger proposal is taken, and the shareholder must otherwise comply with Section 1701.85. Any written demand must specify the shareholder's name and address, the number and class of shares held by him or her on the First Capital record date, and the amount claimed as the "fair cash value" of such First Capital common shares. See the text of Section 1701.85 of the Ohio General Corporation Law attached as Annex B to this proxy statement/prospectus for specific information on the procedures to be followed in exercising dissenters' rights.

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If First Capital so requests, dissenting shareholders must submit their share certificates to First Capital within fifteen days of such request, for endorsement on such certificates by First Capital that demand for appraisal has been made. Failure to comply with such request will terminate the dissenting shareholders' rights. Such certificates will be promptly returned to the dissenting shareholders by First Capital. If First Capital and any dissenting shareholder cannot agree upon the "fair cash value" of the First Capital common shares, either may, within three months after service of demand by the shareholder, file a petition in the Court of Common Pleas of Warren County, Ohio, for a determination of the "fair cash value" of such dissenting shareholder's First Capital common shares. The fair cash value of a First Capital common share to which a dissenting shareholder is entitled to under Section 1701.85 will be determined as of the day prior to the special meeting. The court may appoint one or more appraisers to determine the "fair cash value" and, if the court approves the appraisers' report, judgment will be entered for the "fair cash value", and the costs of the proceedings, including reasonable compensation of the appraisers, will be assessed or apportioned as the court considers equitable.

If a First Capital shareholder exercises his or her dissenters' rights under Section 1701.85, all other rights with respect to such shareholder's First Capital common shares will be suspended until First Capital purchases the shares, or the right to receive the fair cash value is otherwise terminated. Such rights will be reinstated should the right to receive the fair cash value be terminated other than by the purchase of the shares.

The foregoing description of the procedures to be followed in exercising dissenters' rights pursuant to Section 1701.85 of the Ohio General Corporation Law may not be complete and is qualified in its entirety by reference to the full text of Section 1701.85 attached as Annex B to this proxy statement/prospectus.

The Proposed Merger

The proposed merger

The merger agreement provides for the merger of First Capital with and into LCNB, with LCNB surviving the merger. Immediately following the merger, and upon the receipt of the required regulatory approvals, Citizens National Bank will be merged with and into LCNB National Bank.

The merger agreement is attached to this proxy statement/prospectus as Annex A and is incorporated in this proxy statement/prospectus by reference. You are encouraged to read the merger agreement carefully, as it is the legal document that governs the merger.

First Capital's background and reasons for the merger

Background of the Merger

The First Capital board of directors periodically reviews and discusses with management the business, strategic direction, performance and prospects of First Capital in the context of the then-current and prospective business and regulatory environment, and Citizens National Bank's size and resources relative to its competitors. In recent periods, First Capital remained profitable and maintained strong asset quality when many financial institutions have incurred operating losses and struggled to maintain asset quality. However, the board of directors has noted the difficulty in profitably growing and operating a financial institution under current economic conditions. At the same time, like most small financial institutions, First Capital has experienced increasing costs for technology and regulatory compliance. Finally, First Capital's ability to deliver additional value to its shareholders has been limited by the relative illiquidity of its stock and the poor performance of the overall bank stock market.

Management of First Capital has from time to time communicated informally with representatives of other financial institutions (including representatives of LCNB) and investment banking firms regarding industry trends and issues. In a number of these communications, discussions were held as to whether First Capital could more effectively enhance shareholder value and address operational and regulatory challenges through a business combination with a larger institution.

In May 2012, the board of directors reviewed First Capital's business plan and discussed its strategic options. The board of directors discussed the expense and revenue challenges of operating a community financial institution and enhancing stockholder value in today's environment. Among the factors considered were the current low interest rates and flat yield curve, slow economy, high level of competition, increasing compliance burden, increasing technology expense and potential for additional burdensome regulation. After extensive discussion, the board of directors concluded that it was in the best interests of stockholders to consider whether it would be prudent to find a potential strategic partner for First Capital. To this end, the board of directors requested that Sterne Agee make a presentation to the board of directors regarding the current mergers and acquisitions environment.

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At a board meeting held on June 18, 2012, representatives of Sterne Agee discussed the mergers and acquisitions climate, First Capital's potential value in a transaction and the techniques First Capital could use to achieve the best transaction for stockholders. Following the presentation, the board of directors again reviewed the company's business plan and its operating challenges and, after extensive discussion, concluded that it appeared to be in the best interests of stockholders to seek a combination with a larger institution. At this meeting, the board of directors appointed a committee, consisting of Chairman Kochensparger, President, Chief Executive Officer and Director Thomas W. Beard and Director C. Patrick McAllister, to oversee the potential combination of First Capital.

At a special board meeting held June 20, 2012, the board of directors met with counsel experienced in merger and acquisition transactions. The meeting began with an in depth review of the directors' fiduciary duties including their duties to stockholders. The board of directors then discussed how a merger transaction might take place and what procedures could be put in place to protect stockholder interests. Finally, the board of directors discussed various issues which could arise in connection with a merger transaction. At a board meeting held June 25, 2012, the board of directors reviewed all of the issues and then approved the engagement of Sterne Agee for financial advisory services.

Over the next month, management and Sterne Agee, with the assistance of counsel, prepared a confidential information memorandum that would be provided to potential merger partners. Following detailed discussions with the board of directors regarding which parties would have the most interest and ability to merge with First Capital on attractive terms, Sterne Agee contacted 20 parties, without disclosing the identity of First Capital, to determine their potential interest in engaging in a merger transaction with First Capital. Of these 20 parties, 11 expressed interest in executing a confidentiality agreement in order to obtain additional information, including the identity of First Capital, and 10 parties actually executed such an agreement. Five parties, including LCNB Corp., subsequently submitted initial indications of interest with respect to engaging in a merger transaction with First Capital.

Sterne Agee reviewed the initial indications of interest with the board of directors on August 6, 2012. Sterne Agee reviewed the financial and non-financial aspects of each bid, including historical financial information regarding each potential merger partner and pro forma financial analysis of the financial impact of a merger on each potential merger partner. Of the five indications of interest, four specified a range of prices per share at which the bidding party would be interested in acquiring First Capital. The initial bids of the five parties ranged from a low bid of \$24.48 per share to a high bid of \$29.70 per share. Sterne Agee recommended that each party be offered one more opportunity to revise and clarify their bids prior to due diligence. The board of directors discussed the fact that multiple bids had ranges with close or overlapping valuations, and instructed Sterne Agee to contact each of the bidders to request that they submit an updated indication of interest.

Sterne Agee reviewed the updated indications of interest with the board of directors on August 10, 2012. Four of the five bidders had submitted updated proposals, while one company declined to submit a revised bid. All four revised letters (including a revised letter from LCNB) indicated either an increase in the proposed purchase price when compared to the initial bid, or a willingness to focus on the higher end of the initial bid range. In order to encourage price competition while minimizing the likelihood of disruption and/or a leak of confidential information, the board of directors determined to invite two parties to conduct due diligence and present final indications of interest for board review. The board of directors selected LCNB and one other party ("Company B"), based upon their offering the two highest prices and the board's analysis of their financial position and common stock. The board of directors also instructed Sterne Agee to request that each such final party make an in-person presentation to the board of directors regarding why such party's offer was in the best interest of First Capital's shareholders.

LCNB and Company B conducted due diligence on First Capital during August 2012, and representatives of each party made a presentation to the First Capital board of directors during this time period. At a board of directors meeting held on September 7, 2012, the board of directors reviewed final indications of interest from LCNB and Company B. LCNB offered the highest price per share for First Capital common stock (\$30.76 per share compared to

\$29.70 for Company B). After extensive review and discussion with Sterne Agee, based on the specified prices per share as well as the pro forma financial effects of a merger on the two parties and their common stock, the board of directors selected LCNB as the party with which First Capital would negotiate going forward. The board of directors also instructed Sterne Agee to seek protection for the pricing of the transaction as well as a cash-stock election that could provide for more than 50% stock if shareholders of First Capital so elect.

In September 2012, legal counsel to LCNB provided an initial draft of the agreement of merger. During September 2012, management of First Capital conducted “reverse” due diligence on LCNB. The committee of the board of directors discussed the merger agreement negotiations in detail with legal counsel and Sterne Agee over the next few weeks and, at a meeting of the board of directors on October 1, 2012, legal counsel and Sterne Agee reviewed with the board of directors the negotiations to date and management presented the results of its due diligence review of LCNB.

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On October 5, 2012, the board of directors of First Capital held a meeting, during which management, Sterne Agee and legal counsel reviewed in detail with the board of directors the draft agreement of merger. Legal counsel again discussed the fiduciary obligations of the board of directors with respect to merger transactions. Following this meeting, the parties continued negotiations regarding the definitive agreement of merger.

At a board of directors meeting held on October 9, 2012, legal counsel discussed with the board of directors the changes that had been made to the merger agreement since the board of directors' previous review on October 5, 2012. Also, on October 9, 2012, representatives of Sterne Agee discussed with the board of directors a range of matters, including the matters set forth in "—Opinion of First Capital Bancshares, Inc's Financial Advisor." After this discussion, Sterne Agee provided the board of directors its oral opinion (subsequently confirmed in writing) that, as of the date of the merger agreement, and based upon and subject to the considerations described in its opinion, the proposed merger consideration was fair, from a financial point of view, to holders of First Capital common stock.

Following these presentations, the First Capital board of directors meeting continued with discussions among the directors of the board, Sterne Agee and legal counsel. After extensive discussion, a consideration of First Capital's strategic options under its business plan and consideration of the factors described under "—First Capital's Reasons for the Merger," the First Capital board of directors determined that the proposed merger with LCNB presented the best opportunity for enhancing First Capital shareholder value. Accordingly, the First Capital's board of directors determined that the transaction was advisable and in the best interests of First Capital and its shareholders, and the First Capital board of directors unanimously approved the merger with LCNB.

Following approval of the board of directors, on October 9, 2012 the parties executed the merger agreement and publicly announced the transaction.

First Capital's Reasons for the Merger

First Capital's board of directors determined that agreement of merger and the merger consideration were in the best interests of First Capital and its shareholders and recommends that First Capital shareholders vote in favor of the approval and adoption of the merger agreement.

In its deliberations and in making its determination, First Capital's board of directors considered many factors including, without limitation, the following:

First Capital's community banking orientation and its compatibility with LCNB and LCNB National Bank;

the business, earnings, operations, financial condition, management, prospects, capital levels and asset quality of both First Capital and LCNB;

the challenges to operating a small community bank in the current economic, regulatory and technological environment;

LCNB's access to capital and managerial resources relative to that of First Capital;

the provisions of the merger agreement;

the premium represented by the value of the merger consideration over the trading prices of the stock before the announcement of the merger and the book value per share of First Capital common stock;

its desire to provide shareholders with the prospects for greater future appreciation on their investments in First Capital common stock than the amount the board of directors believed that First Capital could achieve independently;

the greater liquidity of LCNB common stock, which is traded on the NASDAQ Capital Market;

the process utilized to solicit indications of interest from other potential merger partners and the indications of interest received from other potential merger partners;

pricing and other data from other similar transactions;

the opinion delivered by Sterne Agee that the merger consideration is fair, from a financial standpoint, to the shareholders of First Capital;

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Citizens National Bank's potential to better serve its customers and enhance its competitive position in the communities in which it operates due to LCNB's ability to offer more diverse financial products and services as a larger and more highly capitalized institution;

the amount and terms of the termination fee;

the effect of the merger on First Capital's employees, customers and community; and

the dividend accretion to First Capital shareholders who receive LCNB common shares in exchange for their First Capital common shares.

The above discussion of the information and factors considered by First Capital's board of directors is not intended to be exhaustive, but includes all material factors considered by the board in arriving at its determination to approve, and to recommend that the First Capital shareholders vote to approve the merger agreement. The First Capital board of directors did not assign any relative or specific weights to the above factors, and individual directors may have given differing weights to different factors.

Recommendation of the First Capital Board of Directors

The Board of Directors of First Capital unanimously recommends that First Capital shareholders vote for approval and adoption of the merger and the merger agreement.

LCNB's reasons for the merger

LCNB believes that the merger is in the best interests of LCNB and its shareholders. In reaching this determination, the LCNB Board consulted with management, as well as its financial and legal advisors, and considered the projected pro forma impact of the merger and a number of other factors, including, without limitation, the following:

The long-term interests of LCNB and its shareholders, as well as the interests of LCNB employees, customers, creditors and the communities in which LCNB operates.

The opportunity to acquire a 100-year old bank with deep community banking relationships.

Enhanced market share in Ohio with incremental high-quality, low-cost core deposits.

First Capital's branches are in markets in which LCNB would like to expand. By merging with First Capital rather than opening new branches, LCNB would not be increasing the number of competitors in an already competitive market.

The cost of acquiring First Capital, its branch network and customer base is estimated to be equivalent to the cost of building new branch facilities, which would not provide any customers, revenue stream, employees or community goodwill.

LCNB believes it can realize cost savings and other benefits of size and operating efficiencies.

LCNB believes that the merger should assist LCNB in maintaining its status as an independent holding company and LCNB National Bank as a community bank.

The size and structure of the transaction allows LCNB to maintain its strong capital position and fund the cash portion of the transaction through current operations. Additionally, the merged banks will also maintain a strong capital position allowing the organization to expand within its new markets.

The board of directors of LCNB also considered a variety of risks and other potentially negative factors in deliberations concerning the merger. In particular, the board of directors of LCNB considered:

the costs associated with the regulatory approval process, the costs associated with calling a special meeting of the First Capital shareholders and other merger-related costs; and

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the risks associated with combining the operations of First Capital with LCNB's existing operations, including difficulty in combining corporate, accounting, financial information and information systems.

Opinion of First Capital's financial advisor

Sterne Agee is acting as financial advisor to First Capital in connection with the merger. Sterne Agee is a nationally recognized investment banking firm with substantial expertise in transactions similar to the merger. As part of its investment banking activities, Sterne Agee is regularly engaged in the valuation of financial institutions and their securities in connection with mergers and acquisitions and other corporate transactions. Sterne Agee acted as financial advisor to First Capital in connection with the proposed merger and participated in certain of the negotiations leading to the execution of the merger agreement. Other than with respect to the proposed merger, Sterne Agee has had no other relationship with First Capital in the past two years.

On October 9, 2012, Sterne Agee rendered its oral opinion, which was subsequently confirmed in writing, to the Board of Directors of First Capital that, as of such date, the per share consideration to be received by the holders of First Capital common stock from LCNB in connection with the merger was fair to First Capital shareholders as of that date, from a financial point of view.

The full text of Sterne Agee's written opinion dated October 9, 2012, which sets forth the assumptions made, procedures followed, matters considered and limitations of the review undertaken, is attached as Appendix C to this proxy statement and is incorporated herein by reference. Holders of First Capital common stock are urged to read this opinion carefully and in its entirety in connection with this prospectus/proxy statement. The summary of the opinion of Sterne Agee set forth in this prospectus/proxy statement is qualified in its entirety by reference to the full text of such opinion. The opinion of Sterne Agee will not reflect any developments that may occur or may have occurred after the date of its opinion and prior to the completion of the merger.

Sterne Agee's opinion speaks only as of the date of the opinion. The opinion is directed to the First Capital board of directors and addresses only the fairness, from a financial point of view, of the consideration offered to the First Capital shareholders. It does not address the underlying business decision to proceed with the merger and does not constitute a recommendation to any First Capital shareholder as to how the shareholder should vote at the First Capital Special Meeting on the merger or any related matter.

In connection with rendering its opinion on October 9, 2012, Sterne Agee reviewed and considered amongst other things:

the merger agreement;

certain publicly-available financial and business information of First Capital and LCNB;

certain information, including financial forecasts, relating to the business, earnings, cash flow, assets, liabilities, liquidity and prospects of First Capital and LCNB;

materials detailing the merger prepared by First Capital, LCNB and their affiliates and by their legal and accounting advisors;

the results of conversations with members of senior management and representatives of both First Capital and LCNB;

certain financial metrics of First Capital and LCNB compared to other selected banks and thrifts that Sterne Agee deemed to be relevant;

the terms of the merger relative to selected prior mergers and acquisitions involving a depository institution as the selling entity;

the market prices and valuation multiples for the LCNB common shares compared with those of certain publicly traded depository institutions that Sterne Agee deemed to be relevant;

the impact of the merger on certain balance sheet and capital ratios of LCNB as of June 30, 2012;

the consideration offered relative to First Capital's book value and tangible book value as of June 30, 2012;

the consideration offered relative to First Capital's stand-alone estimated earnings per share for the projected fiscal years ending December 31, 2012 and 2013;

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the overall environment for depository institutions in the United States; and

such other financial studies, analyses and investigations and took into account such other matters as it deemed appropriate for purposes of this opinion, including its assessment of general economic, market and monetary conditions.

In preparing the opinion, Sterne Agee assumed and relied upon, without independent verification, the accuracy and completeness of the information provided by First Capital, LCNB and their affiliates for the purposes of the opinion. In addition, where appropriate, Sterne Agee relied upon publicly available information, without independent verification, that Sterne Agee believes to be reliable, accurate, and complete; however, Sterne Agee cannot guarantee the reliability, accuracy, or completeness of any such publicly available information. Sterne Agee was not engaged to express, and is not expressing, any opinion with respect to any other transactions or alternative proposed transactions, if any, between First Capital and LCNB. With respect to the financial forecasts supplied to Sterne Agee, Sterne Agee has assumed that they were reasonably prepared and reflect the best currently available estimates and judgments of First Capital as to future operating and financial performance of First Capital and its affiliates. In addition, Sterne Agee has assumed that the Agreement is a valid, binding and enforceable agreement upon the parties and their affiliates and will not be terminated or breached by either party. Sterne Agee has also assumed that there have been no material changes in the assets, liabilities, financial condition, results of operations, business or prospects of First Capital, LCNB and their affiliates since either (i) the date of the last financial statements made available to Sterne Agee and (ii) the date of the Agreement, and that no legal, political, economic, regulatory or other developments have occurred or will occur that will adversely affect these entities. Sterne Agee did not make an independent evaluation of the assets or liabilities of First Capital, LCNB or their affiliates, including, but not limited to, any derivative or off-balance sheet assets or liabilities. Sterne Agee has relied upon and assumed, without assuming any responsibility for independent verification, the accuracy and completeness of all of the financial, legal, regulatory, tax, accounting and other information provided to, discussed with or reviewed by Sterne Agee. Sterne Agee has assumed that all required governmental, regulatory, shareholder and third party approvals have or will be received in a timely fashion and without any conditions or requirements that could adversely affect the Merger.

The projections furnished to Sterne Agee and used by it in certain of its analyses were prepared by First Capital's and LCNB's senior management teams. The projections were based on numerous variables and assumptions, which are inherently uncertain, including factors related to general economic and competitive conditions. Accordingly, actual results could vary significantly from those set forth in the projections.

For purposes of rendering its opinion, Sterne Agee assumed that, in all respects material to its analyses:

the merger will be completed substantially in accordance with the terms set forth in the merger agreement with no additional payments or adjustments to the merger consideration;

the representations and warranties of each party in the merger agreement and in all related documents and instruments referred to in the merger agreement are true and correct;

each party to the merger agreement and all related documents will perform all of the covenants and agreements required to be performed by such party under such documents;

all conditions to the completion of the merger will be satisfied without any waiver; and

in the course of obtaining the necessary regulatory, contractual, or other consents or approvals for the merger, no restrictions, including any divestiture requirements, termination or other payments or amendments or modifications, will be imposed that will have a material adverse effect on the future results of operations or financial condition of

the combined entity or the contemplated benefits of the merger, including the cost savings and related expenses expected to result from the merger.

Sterne Agee further assumed that the merger will be accounted for as a purchase transaction under generally accepted accounting principles, and that the merger will qualify as a tax-free reorganization for United States federal income tax purposes.

In performing its analyses, Sterne Agee made numerous assumptions with respect to industry performance, general business, economic, market and financial conditions and other matters, which are beyond the control of Sterne Agee, First Capital and LCNB. Any estimates contained in the analyses performed by Sterne Agee are not necessarily indicative of actual values or future results, which may be significantly more or less favorable than suggested by these analyses. Additionally, estimates of the value of businesses or securities do not purport to be appraisals or to reflect the prices at which such businesses or securities might actually be sold. Accordingly, these analyses and estimates are inherently subject to substantial uncertainty. In addition, the Sterne Agee opinion was among several factors taken into consideration by the First Capital board of directors in making its determination to approve the merger agreement and the merger. Consequently, the analyses described below should not be viewed as determinative of the decision of the First Capital board of directors with respect to the fairness of the merger consideration.

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The following is a summary of the material analyses presented by Sterne Agee to the First Capital board of directors on October 9, 2012, in connection with its fairness opinion. The summary is not a complete description of the analyses underlying the Sterne Agee opinion or the presentation made by Sterne Agee to the First Capital board of directors, but summarizes the material analyses performed and presented in connection with such opinion. The preparation of a fairness opinion is a complex analytic process involving various determinations as to the most appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances. In arriving at its opinion, Sterne Agee did not attribute any particular weight to any analysis or factor that it considered, but rather made qualitative judgments as to the significance and relevance of each analysis and factor. The financial analyses summarized below include information presented in tabular format. The tables alone do not constitute a complete description of the financial analyses. Accordingly, Sterne Agee believes that its analyses and the summary of its analyses must be considered as a whole and that selecting portions of its analyses and factors or focusing on the information presented below in tabular format, without considering all analyses and factors or the full narrative description of the financial analyses, including the methodologies and assumptions underlying the analyses, could create a misleading or incomplete view of the process underlying its analyses and opinion.

Summary of Proposal

Sterne Agee reviewed the financial terms of the proposed merger, in which, pursuant to the terms of the merger agreement, each outstanding share of common stock of First Capital will be converted into the right to receive at the election of the holder thereof, the following:

- (i) A number of LCNB Common Shares determined by application of the Exchange Ratio of 2.329, subject to change based on the market price of LCNB for the 25 trading days prior to closing as described in the merger agreement;
- (ii) Cash in the amount of \$30.76; or
- (iii) A combination of cash and stock consideration subject to the limitations as described in the merger agreement.

Sterne Agee also considered the possibility that the exchange ratio would be decreased in the event that LCNB's 25-day average share price at closing exceeded \$14.53 and that the exchange ratio would be increased in the event that LCNB's 25-day average share price at closing was less than \$11.89. Based upon the 25-day average stock price of LCNB as of October 8, 2012 of \$13.21 per share, Sterne Agee calculated the implied transaction value of \$30.76 per share. Based upon the financial information at or for the twelve months ended June 30, 2012, Sterne Agee calculated the following transaction ratios:

Transaction Value / Tangible Book Value per Share	155.0%
Transaction Value / Last Twelve Months Earnings per Share	21.6x
Core Deposit Premium	5.4%

Comparable Transaction Analysis

Sterne Agee reviewed publicly available information related to comparable mergers and acquisitions. The selected transactions included ten transactions announced from January 1, 2010 through October 8, 2012 involving target banks and thrifts headquartered in the Midwest region of the United States (IA, IL, IN, KS, KY, MI, MN, MO, ND, NE, OH, SD, WI). Additionally, the selected transactions meet the following criteria at the time the transaction was announced:

Deal value was greater than \$5.0 million;

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Buyer was a bank or bank holding company or a thrift or thrift holding company;

The target company's total assets were between \$50.0 million and \$300.0 million;

The target company's non-performing assets to total assets ratio was less than 2.0%; and

The target company's last twelve months return on average assets ratio was between 0.25% and 1.25%.

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The transactions included in the analysis were:

Acquiror	Target
Heartland Financial USA, Inc.	First Shares, Inc.
Buena Vista Bancorp, Inc.	PDR Bancshares, Inc.
Reliable Community Bancshares, Inc.	First Southeast Missouri Bancorporation, Inc.
PSB Holdings, Inc.	Marathon State Bank
Elkhart Financial Corporation	First National Bank of Elkhart
Goering Management Company	Home State Bancshares, Inc.
American State Bancshares, Inc.	Rose Hill Bancorp, Inc.
First Prestonsburg Bancshares, Inc.	Short Holding Company
Vogel Bancshares, Inc.	Farmers Savings Bank
First State Associates, Inc.	Farmers State Holding Company

Transaction multiples for the merger were derived from an offer price of \$30.76 per share for First Capital. For each precedent transaction, Sterne Agee derived and compared, among other things, the implied ratio of price per common share paid for the acquired company to:

Tangible book value per share of the acquired company based on the most recent reported financial statements of the company available prior to the announcement of the acquisition;

Tangible equity premium to core deposits (total deposits less time deposits greater than \$100,000) based on the most recent reported financial statements of the company available prior to the announcement of the acquisition; and

The last twelve months earnings per share based most recent reported financial statements of the company available prior to the announcement of the acquisition.

The results of the analysis are set forth in the following table:

Transaction Price to:	LCNB/ First Capital Merger	Comparable Transactions Minimum	Comparable Transactions Median	Comparable Transactions Maximum
Tangible Book Value	155%	85 %	117%	195%
Core Deposit Premium	5.4%	(2.5)%	1.9%	7.4%
LTM Earnings Per Share	21.6x	8.7 x	14.6x	34.7x

Applying these transaction multiples to First Capital's June 30, 2012 period ended financials results in the following implied First Capital per share values:

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LCNB/ First Capital	Comparable Transactions	Comparable Transactions	Comparable
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