

Company Press Release

First Bancorp of Indiana, Inc. Announces Financial Results

EVANSVILLE, Ind., January 30, 2019. First Bancorp of Indiana, Inc., (OTCBB:FBPI), the holding company for First Federal Savings Bank, reported earnings of \$832,000 for the quarter ended December 31, 2018, compared to net income of \$185,000 in the same quarter last year. The quarter-over-quarter change was attributed largely to a 9.1% improvement in net interest income combined with an 8.2% decrease in noninterest expenses. The successful resolution of a troubled loan was responsible for the higher noninterest income in the most recent quarter. Earnings for second quarter last fiscal year included an \$89,000 one-time charge to income tax expense related to the corporate tax reform legislation.

The Company recognized earnings of \$1.2 million in the first half of fiscal 2019, nearly double the same period last fiscal year. Total interest income improved 13.1% thanks to net loan growth of \$14.4 million over the past twelve months along with improved loan yields. Intense competition for deposits led to a 36.1% increase in total interest expense. Personnel costs and professional fees were the greatest contributors to the 4.6% reduction in noninterest expenses between the comparative six-month periods.

At 8.2%, First Federal's tier one capital ratio was well in excess of the five percent regulatory standard for "well-capitalized" financial institutions. The bank's other capital measurements also continue to comfortably exceed "well-capitalized" standards. In addition, First Bancorp has paid a dividend of 15.5 cents per outstanding share for 43 consecutive quarters.

Certain information in this press release may constitute forward-looking information that involves risks and uncertainties that could cause actual results to differ materially from those estimated. Persons are cautioned that such forward-looking statements are not guarantees of future performance and are subject to various factors that could cause actual results to differ materially from those estimated. Undue reliance should not be placed on such forward-looking statements.

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First Bancorp of Indiana, Inc.
Consolidated Financial Highlights
(in thousands)

	<u>12/31/2018</u>	<u>6/30/2018</u>
<u>Selected Balance Sheet Data:</u>	<i>(unaudited)</i>	
Total assets	441,392	434,533
Investment securities	85,235	84,486
Loans receivable, net	301,771	280,423
Deposit accounts	304,708	294,640
Borrowings	96,229	100,155
Stockholders' equity	36,493	35,326

	Three months		Six months	
	ended December 31,		ended December 31,	
	2018	2017	2018	2017
<u>Operating Results:</u>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>
Interest income	4,330	3,750	8,333	7,367
Interest expense	1,109	798	2,120	1,558
Net interest income	3,221	2,952	6,213	5,809
Provision for loan losses	20	0	30	0
Net interest income after provision	3,201	2,952	6,183	5,809
Noninterest income	934	702	1,645	1,634
Noninterest expense	3,153	3,435	6,420	6,731
Income before income taxes and cumulative effect of a change in accounting principle	982	219	1,408	712
Income taxes	150	34	171	88
Net income	832	185	1,237	624