

Company Press Release

First Bancorp of Indiana, Inc. Announces Financial Results

EVANSVILLE, Ind., January 31, 2020. First Bancorp of Indiana, Inc., (OTCBB:FBPI), the holding company for First Federal Savings Bank, reported earnings of \$519,000 for the quarter ended December 31, 2019, compared to net income of \$832,000 in the same quarter last year. Similarly, earnings of \$920,000 for the first half of fiscal 2020 were down from \$1.2 million last fiscal year-to-date. The results partly reflect margin compression traced to the 75 basis points of cuts to the Prime rate since the beginning of fiscal 2020. In addition, the prior-year quarter included \$227,000 of noninterest income from the successful resolution of a troubled loan. Compensation and data processing costs were the greatest contributors to the 3.5% increase 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 47 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>12/31/2019</u>	<u>6/30/2019</u>
<u>Selected Balance Sheet Data:</u>	<i>(unaudited)</i>	
Total assets	453,913	431,120
Investment securities	57,800	84,347
Loans receivable, net	312,142	296,137
Deposit accounts	316,056	293,107
Borrowings	95,155	95,209
Stockholders' equity	38,343	37,914

	Three months		Six months	
	ended December 31,		ended December 31,	
	2019	2018	2019	2018
<u>Operating Results:</u>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>
Interest income	4,343	4,330	8,727	8,333
Interest expense	1,234	1,109	2,433	2,120
Net interest income	3,109	3,221	6,294	6,213
Provision for loan losses	20	20	80	30
Net interest income after provision	3,089	3,201	6,214	6,183
Noninterest income	764	934	1,459	1,645
Noninterest expense	3,266	3,153	6,644	6,420
Income before income taxes and cumulative effect of a change in accounting principle	587	982	1,029	1,408
Income taxes	68	150	109	171
Net income	519	832	920	1,237