

Company Press Release

First Bancorp of Indiana, Inc. Announces Financial Results

EVANSVILLE, Ind., August 20, 2018. First Bancorp of Indiana, Inc., (OTCBB:FBPI), the holding company for First Federal Savings Bank, reported earnings of \$1.1 million for the fiscal year ended June 30, 2018, up 18.8% from the preceding fiscal year. Interest income improved 8.3% in fiscal 2018 as net loans grew \$25.1 million, or 9.8%. Despite upward market pressures, total funding costs increased only marginally as certain higher cost borrowings matured early in fiscal 2018. Noninterest income was down 5.6% this past year due, in part, to reduced rental income and the termination of the securities brokerage relationship. Noninterest expenses for fiscal 2018 were 9.4% greater than the prior year with compensation and benefits responsible for the majority of the additional costs.

At approximately 8.4%, First Federal's tier one capital ratio at June 30, 2018, 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 cash dividend of 15.5 cents per outstanding share for 41 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>6/30/2018</u>	<u>6/30/2017</u>
<u>Selected Balance Sheet Data:</u>	<i>(unaudited)</i>	
Total assets	434,584	422,239
Investment securities	84,486	90,815
Loans receivable, net	280,422	255,324
Deposit accounts	294,640	278,443
Borrowings	100,155	103,155
Stockholders' equity	35,326	36,560

	Three months		Year	
	ended June 30,		ended June 30,	
	2018	2017	2018	2017
<u>Operating Results:</u>	<i>(unaudited)</i>		<i>(unaudited)</i>	
Interest income	3,767	3,511	14,915	13,773
Interest expense	892	796	3,263	3,108
Net interest income	2,875	2,715	11,652	10,665
Provision for loan losses	0	815	0	825
Net interest income after provision	2,875	1,900	11,652	9,840
Noninterest income	668	784	3,056	3,239
Noninterest expense	3,533	3,073	13,607	12,437
Income before income taxes and cumulative effect of a change in accounting principle	10	-389	1,101	642
Income taxes	-101	-275	31	-259
Net income	111	-114	1,070	901