



**\*\*PRESS RELEASE\*\***

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**FIRST BANCORP OF INDIANA, INC.  
ANNOUNCES QUARTERLY CASH DIVIDEND**

Evansville, Indiana: May 22, 2008. The Board of Directors of First Bancorp of Indiana, Inc. (OTC Pink Sheets: FBPI) at its regular meeting on May 21, 2008, declared a quarterly cash dividend of \$0.155 per share, payable to stockholders of record as of June 2, 2008. The dividend will be paid on or about June 16, 2008. The annual dividend rate on this quarterly declaration represents a 3.3% increase over the annual dividend rate associated with the previous semi-annual dividend and results in an annualized dividend yield of 4.81% based on the \$12.90 price for the last reported trade on May 21, 2008. Going forward, the Board intends to make dividend determinations on a quarterly basis after having paid dividends semi-annually since 2000.

First Bancorp of Indiana, Inc. is the holding company for First Federal Savings Bank, Evansville, Indiana, a federally chartered savings bank which converted from mutual to stock form on April 7, 1999. The Company's shares are expected to be accepted shortly for trading on the Over the Counter Bulletin Board after all necessary paperwork has been completed.