

## **Company Press Release**

### **First Bancorp of Indiana, Inc. Announces Financial Results**

EVANSVILLE, Ind., January 22, 2010. First Bancorp of Indiana, Inc., (OTCBB:FBPI), the holding company for First Federal Savings Bank, reported earnings of \$350,000 for the quarter ended December 31, 2009, compared to net income of \$429,000 in the same quarter last year. Through the first six months of fiscal 2010 earnings decreased slightly to \$855,000 from \$887,000 for the same period in fiscal 2009. The lower comparative earnings, both for the quarterly and year-to-date periods, were attributed, in part, to increased provisions for loan losses. In addition, significantly higher FDIC insurance premiums partly offset greater noninterest income. FDIC insurance expenses totaling \$237,000 were recorded in the first half fiscal 2010 compared to \$68,000 for the same period the preceding year. The current year-to-date results have further strengthened First Federal's tier one capital ratio from 8.40% to approximately 8.90%. This ratio and the Bank's other capital measurements continue to comfortably exceed all regulatory standards for "well-capitalized" financial institutions.

Current year-to-date earnings represented 50 cents per average outstanding share (diluted) compared to 52 cents for the six months ended December 31, 2008. The Company paid a dividend of 15.5 cents during the most recent quarter, unchanged from the preceding six 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)

<b><u>Selected Balance Sheet Data:</u></b>	<b><u>12/31/2009</u></b> <i>(unaudited)</i>	<b><u>6/30/2009</u></b>
Total assets	349,131	358,647
Investment securities	97,852	91,499
Loans receivable, net	187,125	204,252
Deposit accounts	218,244	228,748
Borrowings	95,655	95,655
Equity capital	31,244	28,949

	<b>Three months</b> <b>ended December 31,</b> <b>2009</b>		<b>Six months</b> <b>ended December 31,</b> <b>2009</b>	
<b><u>Operating Results:</u></b>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>
Interest income	4,382	4,974	8,962	10,053
Interest expense	1,982	2,564	4,129	5,318
Net interest income	2,400	2,410	4,833	4,735
Provision for loan losses	400	300	700	550
Net interest income after provision	2,000	2,110	4,133	4,185
Noninterest income	685	541	1,426	1,163
Noninterest expense	2,293	2,110	4,526	4,188
Income before income taxes	392	541	1,033	1,160
Income taxes	42	112	178	273
Net income	350	429	855	887

**For further information:**  
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