

## Company Press Release

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

EVANSVILLE, Ind., October 22, 2009. First Bancorp of Indiana, Inc., (OTCBB:FBPI), the holding company for First Federal Savings Bank, reported earnings of \$505,000 for the first fiscal quarter ended September 30, 2009, compared to net income of \$458,000 in the same quarter last year. The increased earnings were attributed largely to an improved net interest margin and gains from loan sales that more than offset increased provisions for loan losses and vastly higher FDIC deposit insurance premiums. The first quarter results strengthened First Federal's tier one capital ratio from 8.40% to approximately 8.84%. This ratio and the bank's other capital measurements continue to comfortably exceed all regulatory standards for "well-capitalized" financial institutions.

First quarter earnings represented 29 cents per average outstanding share (diluted) compared to 27 cents for the quarter ended September 30, 2008. The Company paid a dividend of 15.5 cents during the most recent quarter, unchanged from the preceding five 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 Information**  
(in thousands)

	<u>9/30/2009</u>	<u>6/30/2009</u>
<b><u>Selected Balance Sheet Data:</u></b>	<i>(unaudited)</i>	
Total assets	346,065	358,647
Investment securities	99,864	91,499
Loans receivable, net	195,883	204,252
Deposit accounts	214,230	228,748
Borrowings	95,655	95,655
Equity capital	30,937	28,949
	<b>Three months</b>	
	<b>ended September 30,</b>	
	<b>2009</b>	<b>2008</b>
<b><u>Selected Operating Data:</u></b>	<i>(unaudited)</i>	
Interest income	4,579	5,079
Interest expense	2,146	2,754
Net interest income	2,433	2,325
Provision for loan losses	300	250
Net interest income after provision	2,133	2,075
Noninterest income	740	622
Noninterest expense	2,232	2,078
Income before income taxes and cumulative effect of a change in accounting principle	641	619
Income taxes	136	161
Net income	505	458

**For further information:**

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