

Company Press Release

First Bancorp of Indiana, Inc. Announces Financial Results

EVANSVILLE, Ind., April 20, 2012. First Bancorp of Indiana, Inc., (OTCBB:FBPI), the holding company for First Federal Savings Bank, reported earnings of \$196,000 for the quarter ended March 31, 2012, compared to net income of \$177,000 in the same quarter last year. The Company recognized earnings of \$864,000 through the first nine months of fiscal 2012, up from \$639,000 for the same period in fiscal 2011. The higher comparative quarterly and year-to-date earnings were due partly to a decrease in costs of funds that more than offset lower loan and investment yields. In addition, impairment charges recorded on certain investment securities reduced current quarter and year-to-date net income approximately \$89,000 and \$112,000, respectively, compared to \$103,000 and \$429,000 for the same periods last fiscal year. These charges, which are presented as a reduction of noninterest income, do not represent realized losses and the eventual recovery of a significant portion of the charges is possible. Finally, increases in noninterest expenses for the comparative periods reflect personnel expenses associated with an expansion of the business lending department.

At approximately 8.7%, 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 paid a dividend of 15.5 cents per outstanding share for the sixteenth consecutive quarter.

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>3/31/2012</u>	<u>6/30/2011</u>
<u>Selected Balance Sheet Data:</u>	<i>(unaudited)</i>	
Total assets	376,491	356,121
Investment securities	125,992	126,647
Loans receivable, net	172,449	150,019
Deposit accounts	261,573	234,949
Borrowings	73,155	83,155
Stockholders' equity	34,370	33,077

	Three months		Nine months	
	ended March 31,		ended March 31,	
	2012	2011	2012	2011
<u>Operating Results:</u>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>
Interest income	3,323	3,483	10,304	10,978
Interest expense	1,169	1,461	3,593	4,705
Net interest income	2,154	2,022	6,711	6,273
Provision for loan losses	70	150	320	400
Net interest income after provision	2,084	1,872	6,391	5,873
Noninterest income	704	613	2,325	1,722
Noninterest expense	2,652	2,338	7,833	7,002
Income before income taxes and cumulative effect of a change in accounting principle	136	147	883	593
Income taxes	-60	-30	19	-46
Net income	196	177	864	639