

Company Press Release

First Bancorp of Indiana, Inc. Announces Financial Results

EVANSVILLE, Ind., April 18, 2014. First Bancorp of Indiana, Inc., (OTCBB:FBPI), the holding company for First Federal Savings Bank, reported earnings of \$412,000 for the quarter ended March 31, 2014. Although lower than the \$471,000 for the same quarter last year, net income improved from the \$321,000 reported last quarter. The Company recognized earnings of \$1,033,000 through the first nine months of fiscal 2014, down from \$1,252,000 for the same period in fiscal 2013. The lower fiscal 2014 comparative results were due largely to reduced gains from sales of newly originated mortgage loans as refinancing activity slowed significantly. The slowdown led to a 19.5% decrease in noninterest income for the quarter and a 13.4% decline for the fiscal year to date. Although residential mortgage activity remains well below pre-recession levels, net loans grew 8.2% over the past 12 months contributing to a 10.5% improvement in net interest income for the comparative quarters.

At approximately 8.8%, 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 24th 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.

CONTACT: Michael H. Head, President and CEO, First Bancorp of Indiana, 812-492-8100.

First Bancorp of Indiana, Inc.
Consolidated Financial Highlights
(in thousands)

	<u>3/31/2014</u>	<u>6/30/2013</u>
<u>Selected Balance Sheet Data:</u>	<i>(unaudited)</i>	
Total assets	381,254	376,940
Investment securities	85,324	87,376
Loans receivable, net	230,945	213,994
Deposit accounts	267,158	264,948
Borrowings	73,155	73,155
Stockholders' equity	35,074	34,454

	Three months		Nine months	
	ended March 31,		ended March 31,	
	2014	2013	2014	2013
<u>Operating Results:</u>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>
Interest income	3,385	3,186	9,878	9,867
Interest expense	833	876	2,514	2,864
Net interest income	2,552	2,310	7,364	7,003
Provision for loan losses	65	55	195	280
Net interest income after provision	2,487	2,255	7,169	6,723
Noninterest income	813	1,010	2,528	2,920
Noninterest expense	2,800	2,783	8,586	8,361
Income before income taxes and cumulative effect of a change in accounting principle	500	482	1,111	1,282
Income taxes	88	11	78	30
Net income	412	471	1,033	1,252