

Company Press Release

First Bancorp of Indiana, Inc. Announces Financial Results

EVANSVILLE, Ind., October 18, 2011. First Bancorp of Indiana, Inc., (OTCBB:FBPI), the holding company for First Federal Savings Bank, reported earnings of \$308,000 for the first fiscal quarter ended September 30, 2011. The company earned \$82,000 during the same quarter a year ago as impairment charges recorded on certain investment securities reduced net income approximately \$320,000. Such charges, which were nominal in the most recent quarter, do not represent realized losses and the eventual recovery of the total investment is possible. Strong loan growth for the first quarter of fiscal 2012 contributed to the improvement in net interest income compared to the same quarter in fiscal 2011. At approximately 9.26%, 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 fourteenth 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 Information
(in thousands)

	<u>9/30/2011</u>	<u>6/30/2011</u>
<u>Selected Balance Sheet Data:</u>	<i>(unaudited)</i>	
Total assets	354,452	356,121
Investment securities	121,146	126,647
Loans receivable, net	162,649	150,019
Deposit accounts	240,523	234,949
Borrowings	73,155	83,155
Stockholders' equity	33,896	33,077
	Three months	
	ended September 30,	
	2011	2010
<u>Selected Operating Data:</u>	<i>(unaudited)</i>	
Interest income	3,530	3,889
Interest expense	1,237	1,665
Net interest income	2,293	2,224
Provision for loan losses	150	150
Net interest income after provision	2,143	2,074
Noninterest income	719	266
Noninterest expense	2,527	2,375
Income before income taxes and cumulative effect of a change in accounting principle	335	-35
Income taxes	27	-117
Net income	308	82