first financial bancorp

First Financial Bancorp Announces Third Quarter 2023 Financial Results and Quarterly Dividend

- **Earnings per diluted share of $0.66; $0.67 on an adjusted[1] basis; 10% increase YoY**
- **Return on average assets of 1.48%; 1.49% on an adjusted[1] basis**
- **Net interest margin on FTE basis[1] of 4.33%; 15 bp decrease from linked quarter**
- **Loan growth of $96.6 million; 3.6% on an annualized basis**
- **Average deposit balances increased 3.8% on an annualized basis, excluding brokered deposits**
- **Strong adjusted[1] fee income of $56.8 million driven by the leasing and wealth management**
- **Quarterly dividend of $0.23 approved by Board of Directors**

Cincinnati, Ohio - October 24, 2023. First Financial Bancorp. (Nasdaq: FFBC) ("First Financial" or the "Company") announced financial results for the three and nine months ended September 30, 2023.

For the three months ended September 30, 2023, the Company reported net income of $63.1 million, or $0.66 per diluted common share. These results compare to net income of $65.7 million, or $0.69 per diluted common share, for the second quarter of 2023. For the nine months ended September 30, 2023, First Financial had earnings per diluted share of $2.09 compared to $1.57 for the same period in 2022.

Return on average assets for the third quarter of 2023 was 1.48% while return on average tangible common equity was 23.60%[1]. These compare to return on average assets of 1.55% and return on average tangible common equity of 25.27%[1] in the second quarter of 2023.

Third quarter 2023 highlights include:

- Net interest margin of 4.28%, or 4.33% on a fully tax-equivalent basis[1]
  - 15 bp decrease to 4.33% from 4.48% in the second quarter due to increasing deposit costs
  - Higher asset yields significantly offset 37 bp increase in cost of deposits
  - Average deposit balances increased $73.3 million with growth in money market accounts and retail CDs offsetting declines in noninterest bearing checking and savings accounts

- Noninterest income of $56.6 million, or $56.8 million as adjusted[1]
  - Foreign exchange income of $13.4 million reflected continued strong activity
  - Record wealth management fees of $6.9 million; 3.4% increase from linked quarter
  - Leasing business income of $14.5 million; 41.6% increase from linked quarter
  - Adjusted[1] $0.2 million for losses on investment securities and other items not expected to recur

- Noninterest expenses of $122.0 million, or $121.5 million as adjusted[1]
  - $1.4 million increase from linked quarter driven primarily by higher employee costs, leasing expenses and fraud losses
  - Second quarter adjustments[1] include costs related to our online banking conversion and other costs not expected to recur such as acquisition, severance and branch consolidation costs
  - Efficiency ratio of 57.5%; 57.3% as adjusted[1]

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(1) Non-GAAP measure. For details on the calculation of these non-GAAP financial measures and a reconciliation to the GAAP financial measure, see the sections titled "Use of Non-GAAP Financial Measures" in this release and "Appendix: Non-GAAP to GAAP Reconciliation" in the accompanying slide presentation.

(2) The consolidated balance sheets at December 31, 2022 and September 30, 2022 include assets acquired and liabilities assumed in the acquisition of Summit Financial Group. The fair value measurements of assets acquired and liabilities assumed are subject to refinement for up to one year after the closing date of the acquisition as additional information relative to closing date fair values becomes available. These fair value measurements were considered final as of December 31, 2022.

- Moderate loan growth during the quarter
    - Loan balances increased $96.6 million compared to the first quarter
    - Growth of 3.6% on an annualized basis
    - Residential mortgages and finance leases drove quarterly growth

- Total Allowance for Credit Losses of $162.2 million; Total quarterly provision expense of $11.7 million
    - Loans and leases - ACL of $145.2 million; decreased 5 bps to 1.36% of total loans
    - Unfunded Commitments - ACL of $17.0 million
    - Provision expense driven by net charge-offs; Classified assets increased slightly to $140.6 million
    - Net charge-offs 61 bps of total loans and included $6.1 million from loan sale and $6.9 million from a COVID impacted business

- Capital ratios remain solid
    - Total capital ratio increased 7 bps to 13.51%
    - Tier 1 common equity increased 26 bps to 11.60%
    - Tangible common equity decreased 6 bps to 6.50%(1); 9.07%(1) excluding impact from AOCI
    - Tangible book value per share of $10.91(1)

Additionally, the board of directors approved a quarterly dividend of $0.23 per common share for the next regularly scheduled dividend, payable on December 15, 2023 to shareholders of record as of December 1, 2023.

Archie Brown, President and CEO, commented on the quarter, “Overall, I am pleased with our third quarter performance. Strong net interest income and robust fee income led to a 13% increase in net income from the third quarter of 2022. Adjusted return on assets was 1.49% and adjusted return on average tangible common equity was 23.8%. As expected, higher deposit costs led to a slight reduction in earnings on a linked quarter basis. Even so, our net interest margin was 4.33% for the quarter, which was at the high end of our expectations.”

Mr. Brown continued, “Loan growth was in line with expectations for the period, led by growth in the Leasing and Mortgage portfolios. We expect moderate loan growth over the remainder of the year. Deposit balances were stable during the quarter. While the change in mix from non-interest bearing to CDs and Money Market accounts continued, we experienced slight growth in total balances and our loan to deposit ratio remained flat at 82%. Our fee income continued to exceed expectations this quarter, with strong performance from wealth management, equipment leasing, Bannockburn, and mortgage banking.”

Mr. Brown commented on asset quality, "Credit trends were mixed during the period, and we experienced elevated net charge-offs. During the third quarter we elected to sell approximately $32 million in commercial real estate loans and incurred a $6.1 million loss on the sale. We also recorded a $6.9 million loss on a large C&I loan that was negatively impacted during Covid and has been unable to rebound in the period since. Additionally, nonaccrual loan balances increased during the period due to the downgrade of one office loan whose major tenant vacated the space during the quarter. Classified Assets remain low and we expect provision expense to to be fairly stable in the fourth quarter.”

Mr. Brown concluded, "We remain pleased with our high net interest margin, favorable fee income trends and robust earnings. During the quarter, our regulatory capital levels strengthened, and our strong earnings helped to maintain the tangible common equity ratio despite the negative impact to AOCI from the increase in market rates. We are encouraged by our performance in 2023 and we believe we are well positioned to navigate the current economic environment and continue to deliver strong results.”

Full detail of the Company’s third quarter 2023 performance is provided in the accompanying financial statements and slide presentation.

Teleconference / Webcast Information
First Financial's executive management will host a conference call to discuss the Company's financial and operating results on Wednesday, October 25, 2023 at 8:30 a.m. Eastern Time. Members of the public who would like to listen to the conference call should dial (888) 550-5723 (U.S. toll free) or (646) 960-0471 (U.S. local), access code 5048068. The number should be dialed five to ten minutes prior to the start of the conference call. A replay of the conference call will be available beginning one hour after the completion of the live call at (800) 770-2030 (U.S. toll free), (647) 362-9199 (U.S. local), access code 5048068. The recording will be available until November 8, 2023. The conference call will also be accessible as an audio webcast via the Investor Relations section of the Company's website at www.bankatfirst.com. The webcast will be archived on the Investor Relations section of the Company's website for 12 months.

Press Release and Additional Information on Website
This press release as well as supplemental information are available to the public through the Investor Relations section of First Financial's website at www.bankatfirst.com.

Use of Non-GAAP Financial Measures
This earnings release contains GAAP financial measures and Non-GAAP financial measures where management believes it to be helpful in understanding the Company's results of operations or financial position. Where Non-GAAP financial measures are used, the comparable GAAP financial measures, as well as a reconciliation to the comparable GAAP financial measure, can be found in the section titled "Appendix: Non-GAAP to GAAP Reconciliation" in the accompanying slide presentation.

Forward-Looking Statements

Certain statements contained in this report which are not statements of historical fact constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Words such as ''believes,'' ''anticipates,'' "likely," "expected," "estimated," ''intends'' and other similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. Examples of forward-looking statements include, but are not limited to, statements we make about (i) our future operating or financial performance, including revenues, income or loss and earnings or loss per share, (ii) future common stock dividends, (iii) our capital structure, including future capital levels, (iv) our plans, objectives and strategies, and (v) the assumptions that underlie our forward-looking statements.

As with any forecast or projection, forward-looking statements are subject to inherent uncertainties, risks and changes in circumstances that may cause actual results to differ materially from those set forth in the forward-looking statements. Forward-looking statements are not historical facts but instead express only management's beliefs regarding future results or events, many of which, by their nature, are inherently uncertain and outside of management's control. It is possible that actual results and outcomes may differ, possibly materially, from the anticipated results or outcomes indicated in these forward-looking statements. Important factors that could cause actual results to differ materially from those in our forward-looking statements include the following, without limitation:

- economic, market, liquidity, credit, interest rate, operational and technological risks associated with the Company's business;
- future credit quality and performance, including our expectations regarding future loan losses and our allowance for credit losses
- the effect of and changes in policies and laws or regulatory agencies, including the Dodd-Frank Wall Street Reform and Consumer Protection Act and other legislation and regulation relating to the banking industry;
- Management's ability to effectively execute its business plans;
- mergers and acquisitions, including costs or difficulties related to the integration of acquired companies;
- the possibility that any of the anticipated benefits of the Company's acquisitions will not be realized or will not be realized within the expected time period;
- the effect of changes in accounting policies and practices;
- changes in consumer spending, borrowing and saving and changes in unemployment;
- changes in customers' performance and creditworthiness;
- the costs and effects of litigation and of unexpected or adverse outcomes in such litigation;

- current and future economic and market conditions, including the effects of changes in housing prices, fluctuations in unemployment rates, U.S. fiscal debt, budget and tax matters, geopolitical matters, and any slowdown in global economic growth;
- the adverse impact on the U.S. economy, including the markets in which we operate, of the novel coronavirus, which causes the Coronavirus disease 2019 ("COVID-19"), global pandemic, and the impact on the performance of our loan and lease portfolio, the market value of our investment securities, the availability of sources of funding and the demand for our products;
- our capital and liquidity requirements (including under regulatory capital standards, such as the Basel III capital standards) and our ability to generate capital internally or raise capital on favorable terms;
- financial services reform and other current, pending or future legislation or regulation that could have a negative effect on our revenue and businesses, including the Dodd-Frank Act and other legislation and regulation relating to bank products and services;
- the effect of the current interest rate environment or changes in interest rates or in the level or composition of our assets or liabilities on our net interest income, net interest margin and our mortgage originations, mortgage servicing rights and mortgage loans held for sale;
- the effect of a fall in stock market prices on our brokerage, asset and wealth management businesses;
- a failure in or breach of our operational or security systems or infrastructure, or those of our third-party vendors or other service providers, including as a result of cyber attacks;
- the effect of changes in the level of checking or savings account deposits on our funding costs and net interest margin; and
- our ability to develop and execute effective business plans and strategies.

Additional factors that may cause our actual results to differ materially from those described in our forward-looking statements can be found in our Form 10-K for the year ended December 31, 2022, as well as our other filings with the SEC, which are available on the SEC website at www.sec.gov.

All forward-looking statements included in this filing are made as of the date hereof and are based on information available at the time of the filing. Except as required by law, the Company does not assume any obligation to update any forward-looking statement.

About First Financial Bancorp.

First Financial Bancorp. is a Cincinnati, Ohio based bank holding company. As of September 30, 2023, the Company had $17.1 billion in assets, $10.6 billion in loans, $12.9 billion in deposits and $2.1 billion in shareholders' equity. The Company's subsidiary, First Financial Bank, founded in 1863, provides banking and financial services products through its six lines of business: Commercial, Retail Banking, Investment Commercial Real Estate, Mortgage Banking, Commercial Finance and Wealth Management. These business units provide traditional banking services to business and retail clients. Wealth Management provides wealth planning, portfolio management, trust and estate, brokerage and retirement plan services and had approximately $3.3 billion in assets under management as of September 30, 2023. The Company operated 130 full service banking centers as of September 30, 2023, located in Ohio, Indiana, Kentucky and Illinois, while the Commercial Finance business lends into targeted industry verticals on a nationwide basis. Additional information about the Company, including its products, services and banking locations, is available at www.bankatfirst.com.

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Selected Financial Information
September 30, 2023

(unaudited)

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FIRST FINANCIAL BANCORP.
CONSOLIDATED FINANCIAL HIGHLIGHTS

(Dollars in thousands, except per share data)

(Unaudited)

	Three Months Ended,					Nine months ended,	
	Sep. 30, 2023	June 30, 2023	Mar. 31, 2023	Dec. 31, 2022	Sep. 30, 2022	Sep. 30, 2023	Sep. 30, 2022
RESULTS OF OPERATIONS							
Net income	$ 63,061	$ 65,667	$ 70,403	$ 69,086	$ 55,705	$ 199,131	$ 148,526
Net earnings per share - basic	$ 0.67	$ 0.70	$ 0.75	$ 0.74	$ 0.60	$ 2.12	$ 1.59
Net earnings per share - diluted	$ 0.66	$ 0.69	$ 0.74	$ 0.73	$ 0.59	$ 2.09	$ 1.57
Dividends declared per share	$ 0.23	$ 0.23	$ 0.23	$ 0.23	$ 0.23	$ 0.69	$ 0.69
KEY FINANCIAL RATIOS							
Return on average assets	1.48 %	1.55 %	1.69 %	1.63 %	1.35 %	1.57 %	1.22 %
Return on average shareholders' equity	11.62 %	12.32 %	13.71 %	13.64 %	10.58 %	12.53 %	9.29 %
Return on average tangible shareholders' equity [1]	23.60 %	25.27 %	29.02 %	29.93 %	22.29 %	25.87 %	19.14 %
Net interest margin	4.28 %	4.43 %	4.51 %	4.43 %	3.93 %	4.41 %	3.49 %
Net interest margin (fully tax equivalent) [1][2]	4.33 %	4.48 %	4.55 %	4.47 %	3.98 %	4.45 %	3.53 %
Ending shareholders' equity as a percent of ending assets	12.49 %	12.54 %	12.53 %	12.01 %	12.00 %	12.49 %	12.00 %
Ending tangible shareholders' equity as a percent of:							
Ending tangible assets [1]	6.50 %	6.56 %	6.47 %	5.95 %	5.79 %	6.50 %	5.79 %
Risk-weighted assets [1]	7.88 %	8.03 %	7.87 %	7.32 %	7.21 %	7.88 %	7.21 %
Average shareholders' equity as a percent of average assets	12.70 %	12.60 %	12.29 %	11.98 %	12.75 %	12.53 %	13.15 %
Average tangible shareholders' equity as a percent of average tangible assets [1]	6.69 %	6.57 %	6.21 %	5.84 %	6.49 %	6.49 %	6.85 %
Book value per share	$ 22.39	$ 22.52	$ 22.29	$ 21.51	$ 21.03	$ 22.39	$ 21.03
Tangible book value per share [1]	$ 10.91	$ 11.02	$ 10.76	$ 9.97	$ 9.48	$ 10.91	$ 9.48
Common equity tier 1 ratio [3]	11.60 %	11.34 %	11.00 %	10.83 %	10.82 %	11.60 %	10.82 %
Tier 1 ratio [3]	11.94 %	11.68 %	11.34 %	11.17 %	11.17 %	11.94 %	11.17 %
Total capital ratio [3]	13.51 %	13.44 %	13.11 %	13.09 %	13.15 %	13.51 %	13.15 %
Leverage ratio [3]	9.59 %	9.33 %	9.03 %	8.89 %	8.88 %	9.59 %	8.88 %
AVERAGE BALANCE SHEET ITEMS							
Loans [4]	$10,623,734	$10,513,505	$10,373,302	$10,059,119	$ 9,597,197	$10,504,431	$ 9,411,807
Investment securities	3,394,237	3,560,453	3,635,317	3,705,304	4,003,472	3,529,119	4,142,157
Interest-bearing deposits with other banks	386,173	329,584	318,026	372,054	317,146	344,844	295,174
Total earning assets	$14,404,144	$14,403,542	$14,326,645	$14,136,477	$13,917,815	$14,378,394	$13,849,138
Total assets	$16,951,389	$16,968,055	$16,942,999	$16,767,598	$16,385,989	$16,954,178	$16,253,031
Noninterest-bearing deposits	$ 3,493,305	$ 3,663,419	$ 3,954,915	$ 4,225,192	$ 4,176,242	$ 3,702,189	$ 4,187,145
Interest-bearing deposits	9,293,860	9,050,464	8,857,226	8,407,114	8,194,781	9,068,783	8,375,581
Total deposits	$12,787,165	$12,713,883	$12,812,141	$12,632,306	$12,371,023	$12,770,972	$12,562,726
Borrowings	$ 1,403,071	$ 1,523,699	$ 1,434,338	$ 1,489,088	$ 1,406,718	$ 1,453,588	$ 1,071,845
Shareholders' equity	$ 2,153,601	$ 2,137,765	$ 2,082,210	$ 2,009,564	$ 2,089,179	$ 2,124,787	$ 2,137,615
CREDIT QUALITY RATIOS							
Allowance to ending loans	1.36 %	1.41 %	1.36 %	1.29 %	1.27 %	1.36 %	1.27 %
Allowance to nonaccrual loans	193.75 %	276.70 %	409.46 %	464.58 %	341.61 %	193.75 %	341.61 %
Allowance to nonperforming loans	193.75 %	276.70 %	409.46 %	335.94 %	262.09 %	193.75 %	262.09 %
Nonperforming loans to total loans	0.70 %	0.51 %	0.33 %	0.38 %	0.48 %	0.70 %	0.48 %
Nonaccrual loans to total loans	0.70 %	0.51 %	0.33 %	0.28 %	0.37 %	0.70 %	0.37 %
Nonperforming assets to ending loans, plus OREO	0.71 %	0.51 %	0.33 %	0.39 %	0.48 %	0.71 %	0.48 %
Nonperforming assets to total assets	0.44 %	0.32 %	0.21 %	0.23 %	0.28 %	0.44 %	0.28 %
Classified assets to total assets	0.82 %	0.81 %	0.94 %	0.75 %	0.69 %	0.82 %	0.69 %
Net charge-offs to average loans (annualized)	0.61 %	0.22 %	0.00 %	(0.01)%	0.07 %	0.28 %	0.08 %

(1) Non-GAAP measure. For details on the calculation of these non-GAAP financial measures and a reconciliation to the GAAP financial measure, see the sections titled “Use of Non-GAAP Financial Measures” in this release and “Appendix: Non-GAAP to GAAP Reconciliation” in the accompanying slide presentation.
(2) The tax equivalent adjustment to net interest income recognizes the income tax savings when comparing taxable and tax-exempt assets and assumes a 21% tax rate. Management believes that it is a standard practice in the banking industry to present net interest margin and net interest income on a fully tax equivalent basis. Therefore, management believes these measures provide useful information to investors by allowing them to make peer comparisons. Management also uses these measures to make peer comparisons.
(3) September 30, 2023 regulatory capital ratios are preliminary.
(4) Includes loans held for sale.

FIRST FINANCIAL BANCORP.
CONSOLIDATED STATEMENTS OF INCOME

(Dollars in thousands, except per share data)

(Unaudited)

	Three months ended, Sep. 30,			Nine months ended, Sep. 30,		
	2023	2022	% Change	2023	2022	% Change
Interest income						
Loans and leases, including fees	$ 192,261	$ 122,170	57.4 %	$ 546,354	$ 306,443	78.3 %
Investment securities						
Taxable	31,297	26,331	18.9 %	95,226	72,066	32.1 %
Tax-exempt	3,522	5,014	(29.8)%	10,499	14,361	(26.9)%
Total investment securities interest	34,819	31,345	11.1 %	105,725	86,427	22.3 %
Other earning assets	5,011	1,597	213.8 %	12,488	2,222	462.0 %
Total interest income	232,091	155,112	49.6 %	664,567	395,092	68.2 %
Interest expense						
Deposits	57,069	6,386	793.7 %	132,817	11,972	1,009.4 %
Short-term borrowings	14,615	6,158	137.3 %	43,101	8,041	436.0 %
Long-term borrowings	4,952	4,676	5.9 %	14,644	13,832	5.9 %
Total interest expense	76,636	17,220	345.0 %	190,562	33,845	463.0 %
Net interest income	155,455	137,892	12.7 %	474,005	361,247	31.2 %
Provision for credit losses-loans and leases	12,907	7,898	63.4 %	34,270	(1,958)	N/M
Provision for credit losses-unfunded commitments	(1,234)	386	(419.7)%	(1,393)	3,641	(138.3)%
Net interest income after provision for credit losses	143,782	129,608	10.9 %	441,128	359,564	22.7 %
Noninterest income						
Service charges on deposit accounts	6,957	6,279	10.8 %	20,443	21,656	(5.6)%
Wealth management fees	6,943	5,487	26.5 %	19,990	17,858	11.9 %
Bankcard income	3,406	3,484	(2.2)%	10,690	10,644	0.4 %
Client derivative fees	1,612	1,447	11.4 %	4,444	3,619	22.8 %
Foreign exchange income	13,384	11,752	13.9 %	45,321	35,373	28.1 %
Leasing business income	14,537	7,127	104.0 %	38,466	20,450	88.1 %
Net gains from sales of loans	4,086	3,729	9.6 %	10,260	12,842	(20.1)%
Net gain (loss) on sale of investment securities	(4)	(179)	(97.8)%	(407)	(176)	131.3 %
Net gain (loss) on equity securities	(54)	(701)	(92.3)%	4	(1,954)	(100.2)%
Other	5,761	4,109	40.2 %	16,218	13,294	22.0 %
Total noninterest income	56,628	42,534	33.1 %	165,429	133,606	23.8 %
Noninterest expenses						
Salaries and employee benefits	75,641	66,808	13.2 %	222,094	195,747	13.5 %
Net occupancy	5,809	5,669	2.5 %	17,100	16,774	1.9 %
Furniture and equipment	3,341	3,222	3.7 %	10,020	9,990	0.3 %
Data processing	8,473	8,497	(0.3)%	27,364	25,095	9.0 %
Marketing	2,598	2,523	3.0 %	7,560	6,546	15.5 %
Communication	744	657	13.2 %	2,022	1,993	1.5 %
Professional services	2,524	2,346	7.6 %	6,778	6,719	0.9 %
State intangible tax	981	1,090	(10.0)%	2,930	3,311	(11.5)%
FDIC assessments	2,665	1,885	41.4 %	8,297	5,021	65.2 %
Intangible amortization	2,600	2,783	(6.6)%	7,801	8,612	(9.4)%
Leasing business expense	8,877	5,746	54.5 %	23,545	14,302	64.6 %
Other	7,791	23,842	(67.3)%	23,841	36,797	(35.2)%
Total noninterest expenses	122,044	125,068	(2.4)%	359,352	330,907	8.6 %
Income before income taxes	78,366	47,074	66.5 %	247,205	162,263	52.3 %
Income tax expense (benefit)	15,305	(8,631)	(277.3)%	48,074	13,737	250.0 %
Net income	$ 63,061	$ 55,705	13.2 %	$ 199,131	$ 148,526	34.1 %
ADDITIONAL DATA						
Net earnings per share - basic	$ 0.67	$ 0.60		$ 2.12	$ 1.59	
Net earnings per share - diluted	$ 0.66	$ 0.59		$ 2.09	$ 1.57	
Dividends declared per share	$ 0.23	$ 0.23		$ 0.69	$ 0.69	
Return on average assets	1.48 %	1.35 %		1.57 %	1.22 %	
Return on average shareholders' equity	11.62 %	10.58 %		12.53 %	9.29 %	
Interest income	$ 232,091	$ 155,112	49.6 %	$ 664,567	$ 395,092	68.2 %
Tax equivalent adjustment	1,659	1,712	(3.1)%	4,684	4,804	(2.5)%
Interest income - tax equivalent	233,750	156,824	49.1 %	669,251	399,896	67.4 %
Interest expense	76,636	17,220	345.0 %	190,562	33,845	463.0 %
Net interest income - tax equivalent	$ 157,114	$ 139,604	12.5 %	$ 478,689	$ 366,051	30.8 %
Net interest margin	4.28 %	3.93 %		4.41 %	3.49 %	
Net interest margin (fully tax equivalent) [1]	4.33 %	3.98 %		4.45 %	3.53 %	
Full-time equivalent employees	2,121	2,072				

[1] The tax equivalent adjustment to net interest income recognizes the income tax savings when comparing taxable and tax-exempt assets and assumes a 21% tax rate. Management believes that it is a standard practice in the banking industry to present net interest income on a fully tax equivalent basis. Therefore, management believes these measures provide useful information to investors by allowing them to make peer comparisons. Management also uses these measures to make peer comparisons.

FIRST FINANCIAL BANCORP.
CONSOLIDATED QUARTERLY STATEMENTS OF INCOME

(Dollars in thousands, except per share data)

(Unaudited)

	2023				
	Third Quarter	Second Quarter	First Quarter	Year to Date	% Change Linked Qtr.
Interest income					
Loans and leases, including fees	$ 192,261	$ 184,387	$ 169,706	$ 546,354	4.3 %
Investment securities					
Taxable	31,297	32,062	31,867	95,226	(2.4)%
Tax-exempt	3,522	3,513	3,464	10,499	0.3 %
Total investment securities interest	34,819	35,575	35,331	105,725	(2.1)%
Other earning assets	5,011	3,933	3,544	12,488	27.4 %
Total interest income	232,091	223,895	208,581	664,567	3.7 %
Interest expense					
Deposits	57,069	44,292	31,456	132,817	28.8 %
Short-term borrowings	14,615	15,536	12,950	43,101	(5.9)%
Long-term borrowings	4,952	4,835	4,857	14,644	2.4 %
Total interest expense	76,636	64,663	49,263	190,562	18.5 %
Net interest income	155,455	159,232	159,318	474,005	(2.4)%
Provision for credit losses-loans and leases	12,907	12,719	8,644	34,270	1.5 %
Provision for credit losses-unfunded commitments	(1,234)	(1,994)	1,835	(1,393)	(38.1)%
Net interest income after provision for credit losses	143,782	148,507	148,839	441,128	(3.2)%
Noninterest income					
Service charges on deposit accounts	6,957	6,972	6,514	20,443	(0.2)%
Wealth management fees	6,943	6,713	6,334	19,990	3.4 %
Bankcard income	3,406	3,692	3,592	10,690	(7.7)%
Client derivative fees	1,612	1,827	1,005	4,444	(11.8)%
Foreign exchange income	13,384	15,039	16,898	45,321	(11.0)%
Leasing business income	14,537	10,265	13,664	38,466	41.6 %
Net gains from sales of loans	4,086	3,839	2,335	10,260	6.4 %
Net gain (loss) on sale of investment securities	(4)	(384)	(19)	(407)	(99.0)%
Net gain (loss) on equity securities	(54)	(82)	140	4	34.1 %
Other	5,761	5,377	5,080	16,218	7.1 %
Total noninterest income	56,628	53,258	55,543	165,429	6.3 %
Noninterest expenses					
Salaries and employee benefits	75,641	74,199	72,254	222,094	1.9 %
Net occupancy	5,809	5,606	5,685	17,100	3.6 %
Furniture and equipment	3,341	3,362	3,317	10,020	(0.6)%
Data processing	8,473	9,871	9,020	27,364	(14.2)%
Marketing	2,598	2,802	2,160	7,560	(7.3)%
Communication	744	644	634	2,022	15.5 %
Professional services	2,524	2,308	1,946	6,778	9.4 %
State intangible tax	981	964	985	2,930	1.8 %
FDIC assessments	2,665	2,806	2,826	8,297	(5.0)%
Intangible amortization	2,600	2,601	2,600	7,801	0.0 %
Leasing business expense	8,877	6,730	7,938	23,545	31.9 %
Other	7,791	8,722	7,328	23,841	(10.7)%
Total noninterest expenses	122,044	120,615	116,693	359,352	1.2 %
Income before income taxes	78,366	81,150	87,689	247,205	(3.4)%
Income tax expense (benefit)	15,305	15,483	17,286	48,074	(1.1)%
Net income	$ 63,061	$ 65,667	$ 70,403	$ 199,131	(4.0)%
ADDITIONAL DATA					
Net earnings per share - basic	$ 0.67	$ 0.70	$ 0.75	$ 2.12	
Net earnings per share - diluted	$ 0.66	$ 0.69	$ 0.74	$ 2.09	
Dividends declared per share	$ 0.23	$ 0.23	$ 0.23	$ 0.69	
Return on average assets	1.48 %	1.55 %	1.69 %	1.57 %	
Return on average shareholders' equity	11.62 %	12.32 %	13.71 %	12.53 %	
Interest income	$ 232,091	$ 223,895	$ 208,581	$ 664,567	3.7 %
Tax equivalent adjustment	1,659	1,601	1,424	4,684	3.6 %
Interest income - tax equivalent	233,750	225,496	210,005	669,251	3.7 %
Interest expense	76,636	64,663	49,263	190,562	18.5 %
Net interest income - tax equivalent	$ 157,114	$ 160,833	$ 160,742	$ 478,689	(2.3)%
Net interest margin	4.28 %	4.43 %	4.51 %	4.41 %	
Net interest margin (fully tax equivalent) (1)	4.33 %	4.48 %	4.55 %	4.45 %	
Full-time equivalent employees	2,121	2,193	2,066		

(1) The tax equivalent adjustment to net interest income recognizes the income tax savings when comparing taxable and tax-exempt assets and assumes a 21% tax rate. Management believes that it is a standard practice in the banking industry to present net interest income on a fully tax equivalent basis. Therefore, management believes these measures provide useful information to investors by allowing them to make peer comparisons. Management also uses these measures to make peer comparisons.

FIRST FINANCIAL BANCORP.
CONSOLIDATED QUARTERLY STATEMENTS OF INCOME

(Dollars in thousands, except per share data)

(Unaudited)

	2022				
	Fourth Quarter	Third Quarter	Second Quarter	First Quarter	Full Year
Interest income					
Loans and leases, including fees	$ 152,299	$ 122,170	$ 97,091	$ 87,182	$ 458,742
Investment securities					
Taxable	30,248	26,331	23,639	22,096	102,314
Tax-exempt	4,105	5,014	4,916	4,431	18,466
Total investment securities interest	34,353	31,345	28,555	26,527	120,780
Other earning assets	3,262	1,597	505	120	5,484
Total interest income	189,914	155,112	126,151	113,829	585,006
Interest expense					
Deposits	16,168	6,386	2,963	2,623	28,140
Short-term borrowings	11,091	6,158	1,566	317	19,132
Long-term borrowings	4,759	4,676	4,612	4,544	18,591
Total interest expense	32,018	17,220	9,141	7,484	65,863
Net interest income	157,896	137,892	117,010	106,345	519,143
Provision for credit losses-loans and leases	8,689	7,898	(4,267)	(5,589)	6,731
Provision for credit losses-unfunded commitments	1,341	386	3,481	(226)	4,982
Net interest income after provision for credit losses	147,866	129,608	117,796	112,160	507,430
Noninterest income					
Service charges on deposit accounts	6,406	6,279	7,648	7,729	28,062
Wealth management fees	5,648	5,487	6,311	6,060	23,506
Bankcard income	3,736	3,484	3,823	3,337	14,380
Client derivative fees	1,822	1,447	1,369	803	5,441
Foreign exchange income	19,592	11,752	13,470	10,151	54,965
Leasing business income	11,124	7,127	7,247	6,076	31,574
Net gains from sales of loans	2,206	3,729	5,241	3,872	15,048
Net gain (loss) on sale of investment securities	(393)	(179)	0	3	(569)
Net gain (loss) on equity securities	1,315	(701)	(1,054)	(199)	(639)
Other	4,579	4,109	5,723	3,462	17,873
Total noninterest income	56,035	42,534	49,778	41,294	189,641
Noninterest expenses					
Salaries and employee benefits	73,621	66,808	64,992	63,947	269,368
Net occupancy	5,434	5,669	5,359	5,746	22,208
Furniture and equipment	3,234	3,222	3,201	3,567	13,224
Data processing	8,567	8,497	8,334	8,264	33,662
Marketing	2,198	2,523	2,323	1,700	8,744
Communication	690	657	670	666	2,683
Professional services	3,015	2,346	2,214	2,159	9,734
State intangible tax	974	1,090	1,090	1,131	4,285
FDIC assessments	2,173	1,885	1,677	1,459	7,194
Intangible amortization	2,573	2,783	2,915	2,914	11,185
Leasing business expense	6,061	5,746	4,687	3,869	20,363
Other	15,902	23,842	5,572	7,383	52,699
Total noninterest expenses	124,442	125,068	103,034	102,805	455,349
Income before income taxes	79,459	47,074	64,540	50,649	241,722
Income tax expense (benefit)	10,373	(8,631)	13,020	9,348	24,110
Net income	$ 69,086	$ 55,705	$ 51,520	$ 41,301	$ 217,612
ADDITIONAL DATA					
Net earnings per share - basic	$ 0.74	$ 0.60	$ 0.55	$ 0.44	$ 2.33
Net earnings per share - diluted	$ 0.73	$ 0.59	$ 0.55	$ 0.44	$ 2.30
Dividends declared per share	$ 0.23	$ 0.23	$ 0.23	$ 0.23	$ 0.92
Return on average assets	1.63 %	1.35 %	1.28 %	1.03 %	1.33 %
Return on average shareholders' equity	13.64 %	10.58 %	9.84 %	7.53 %	10.34 %
Interest income	$ 189,914	$ 155,112	$ 126,151	$ 113,829	$ 585,006
Tax equivalent adjustment	1,553	1,712	1,625	1,467	6,357
Interest income - tax equivalent	191,467	156,824	127,776	115,296	591,363
Interest expense	32,018	17,220	9,141	7,484	65,863
Net interest income - tax equivalent	$ 159,449	$ 139,604	$ 118,635	$ 107,812	$ 525,500
Net interest margin	4.43 %	3.93 %	3.41 %	3.11 %	3.73 %
Net interest margin (fully tax equivalent) [1]	4.47 %	3.98 %	3.45 %	3.16 %	3.77 %
Full-time equivalent employees	2,070	2,072	2,096	2,050	

[1] The tax equivalent adjustment to net interest income recognizes the income tax savings when comparing taxable and tax-exempt assets and assumes a 21% tax rate. Management believes that it is a standard practice in the banking industry to present net interest income on a fully tax equivalent basis. Therefore, management believes these measures provide useful information to investors by allowing them to make peer comparisons. Management also uses these measures to make peer comparisons.

FIRST FINANCIAL BANCORP.
CONSOLIDATED STATEMENTS OF CONDITION

(Dollars in thousands)

(Unaudited)

	Sep. 30, 2023	June 30, 2023	Mar. 31, 2023	Dec. 31, 2022	Sep. 30, 2022	% Change Linked Qtr.	% Change Comp Qtr.
ASSETS							
Cash and due from banks	$ 220,335	$ 217,385	$ 199,835	$ 207,501	$ 195,553	1.4 %	12.7 %
Interest-bearing deposits with other banks	452,867	485,241	305,465	388,182	338,978	(6.7)%	33.6 %
Investment securities available-for-sale	3,044,361	3,249,404	3,384,949	3,409,648	3,531,353	(6.3)%	(13.8)%
Investment securities held-to-maturity	81,236	82,372	83,070	84,021	85,823	(1.4)%	(5.3)%
Other investments	133,725	141,892	143,606	143,160	138,767	(5.8)%	(3.6)%
Loans held for sale	12,391	15,267	9,280	7,918	10,684	(18.8)%	16.0 %
Loans and leases							
Commercial and industrial	3,420,873	3,433,162	3,449,289	3,410,272	3,139,219	(0.4)%	9.0 %
Lease financing	399,973	360,801	273,898	236,124	176,072	10.9 %	127.2 %
Construction real estate	578,824	536,464	525,906	512,050	489,446	7.9 %	18.3 %
Commercial real estate	3,992,654	4,048,460	4,056,627	4,052,759	3,976,345	(1.4)%	0.4 %
Residential real estate	1,293,470	1,221,484	1,145,069	1,092,265	1,024,596	5.9 %	26.2 %
Home equity	743,991	728,711	724,672	733,791	737,318	2.1 %	0.9 %
Installment	160,648	165,216	204,372	209,895	202,267	(2.8)%	(20.6)%
Credit card	56,386	55,911	53,552	51,815	52,173	0.8 %	8.1 %
Total loans	10,646,819	10,550,209	10,433,385	10,298,971	9,797,436	0.9 %	8.7 %
Less:							
Allowance for credit losses	(145,201)	(148,646)	(141,591)	(132,977)	(124,096)	(2.3)%	17.0 %
Net loans	10,501,618	10,401,563	10,291,794	10,165,994	9,673,340	1.0 %	8.6 %
Premises and equipment	192,572	192,077	188,959	189,080	189,067	0.3 %	1.9 %
Operating leases	136,883	132,272	153,986	91,738	84,851	3.5 %	61.3 %
Goodwill	1,005,868	1,005,828	1,005,738	1,001,507	998,422	0.0 %	0.7 %
Other intangibles	86,378	88,662	91,169	93,919	96,528	(2.6)%	(10.5)%
Accrued interest and other assets	1,186,618	1,078,186	1,076,033	1,220,648	1,280,427	10.1 %	(7.3)%
Total Assets	$ 17,054,852	$ 17,090,149	$ 16,933,884	$ 17,003,316	$ 16,623,793	(0.2)%	2.6 %
LIABILITIES							
Deposits							
Interest-bearing demand	$ 2,880,617	$ 2,919,472	$ 2,761,811	$ 3,037,153	$ 2,980,465	(1.3)%	(3.4)%
Savings	4,023,455	3,785,445	3,746,403	3,828,139	3,980,020	6.3 %	1.1 %
Time	2,572,909	2,484,780	2,336,368	1,700,705	1,242,412	3.5 %	107.1 %
Total interest-bearing deposits	9,476,981	9,189,697	8,844,582	8,565,997	8,202,897	3.1 %	15.5 %
Noninterest-bearing	3,438,572	3,605,181	3,830,102	4,135,180	4,137,038	(4.6)%	(16.9)%
Total deposits	12,915,553	12,794,878	12,674,684	12,701,177	12,339,935	0.9 %	4.7 %
Federal funds purchased and securities sold under agreements to repurchase	0	0	0	0	3,535	0.0 %	100.0 %
FHLB short-term borrowings	755,000	1,050,300	1,089,400	1,130,000	972,600	(28.1)%	(22.4)%
Other	219,188	165,983	128,160	157,156	184,912	32.1 %	18.5 %
Total short-term borrowings	974,188	1,216,283	1,217,560	1,287,156	1,161,047	(19.9)%	(16.1)%
Long-term debt	340,902	339,963	342,647	346,672	355,116	0.3 %	(4.0)%
Total borrowed funds	1,315,090	1,556,246	1,560,207	1,633,828	1,516,163	(15.5)%	(13.3)%
Accrued interest and other liabilities	694,700	595,606	577,497	626,938	773,563	16.6 %	(10.2)%
Total Liabilities	14,925,343	14,946,730	14,812,388	14,961,943	14,629,661	(0.1)%	2.0 %
SHAREHOLDERS' EQUITY							
Common stock	1,636,054	1,632,659	1,629,428	1,634,605	1,631,696	0.2 %	0.3 %
Retained earnings	1,101,905	1,060,715	1,016,893	968,237	920,943	3.9 %	19.6 %
Accumulated other comprehensive income (loss)	(410,005)	(353,010)	(328,059)	(358,663)	(354,570)	16.1 %	15.6 %
Treasury stock, at cost	(198,445)	(196,945)	(196,766)	(202,806)	(203,937)	0.8 %	(2.7)%
Total Shareholders' Equity	2,129,509	2,143,419	2,121,496	2,041,373	1,994,132	(0.6)%	6.8 %
Total Liabilities and Shareholders' Equity	$ 17,054,852	$ 17,090,149	$ 16,933,884	$ 17,003,316	$ 16,623,793	(0.2)%	2.6 %

FIRST FINANCIAL BANCORP.
AVERAGE CONSOLIDATED STATEMENTS OF CONDITION

(Dollars in thousands)

(Unaudited)

	Quarterly Averages					Year-to-Date Averages	
	Sep. 30, 2023	June 30, 2023	Mar. 31, 2023	Dec. 31, 2022	Sep. 30, 2022	Sep. 30, 2023	Sep. 30, 2022
ASSETS							
Cash and due from banks	$ 211,670	$ 221,527	$ 218,724	$ 218,216	$ 228,068	$ 217,281	$ 239,219
Interest-bearing deposits with other banks	386,173	329,584	318,026	372,054	317,146	344,844	295,174
Investment securities	3,394,237	3,560,453	3,635,317	3,705,304	4,003,472	3,529,119	4,142,157
Loans held for sale	15,420	11,856	5,531	8,639	12,283	10,972	14,427
Loans and leases							
Commercial and industrial	3,443,615	3,469,683	3,456,681	3,249,252	3,040,547	3,456,612	2,888,291
Lease financing	371,598	323,819	252,219	203,790	158,667	316,316	136,392
Construction real estate	547,884	518,190	536,294	501,787	469,489	534,165	468,108
Commercial real estate	4,024,798	4,050,946	4,017,021	4,028,944	3,969,935	4,030,950	4,044,214
Residential real estate	1,260,249	1,181,053	1,115,889	1,066,859	998,476	1,186,259	946,417
Home equity	735,251	726,333	728,185	735,039	728,791	729,949	716,333
Installment	164,092	172,147	205,934	208,484	164,063	180,571	143,403
Credit card	60,827	59,478	55,548	56,325	54,946	58,637	54,222
Total loans	10,608,314	10,501,649	10,367,771	10,050,480	9,584,914	10,493,459	9,397,380
Less:							
Allowance for credit losses	(150,297)	(145,578)	(136,419)	(127,541)	(119,000)	(144,149)	(124,145)
Net loans	10,458,017	10,356,071	10,231,352	9,922,939	9,465,914	10,349,310	9,273,235
Premises and equipment	194,228	190,583	190,346	189,342	190,738	191,733	191,814
Operating leases	132,984	138,725	107,092	88,365	83,970	126,362	73,126
Goodwill	1,005,844	1,005,791	1,005,713	998,575	999,690	1,005,783	999,960
Other intangibles	87,427	89,878	92,587	95,256	97,781	89,945	100,370
Accrued interest and other assets	1,065,389	1,063,587	1,138,311	1,168,908	986,927	1,088,829	923,549
Total Assets	$ 16,951,389	$ 16,968,055	$ 16,942,999	$ 16,767,598	$ 16,385,989	$ 16,954,178	$ 16,253,031
LIABILITIES							
Deposits							
Interest-bearing demand	$ 2,927,416	$ 2,906,855	$ 2,906,712	$ 3,103,091	$ 3,105,547	$ 2,913,737	$ 3,177,253
Savings	3,919,590	3,749,902	3,818,807	3,943,342	4,036,565	3,829,802	4,085,787
Time	2,446,854	2,393,707	2,131,707	1,360,681	1,052,669	2,325,244	1,112,541
Total interest-bearing deposits	9,293,860	9,050,464	8,857,226	8,407,114	8,194,781	9,068,783	8,375,581
Noninterest-bearing	3,493,305	3,663,419	3,954,915	4,225,192	4,176,242	3,702,189	4,187,145
Total deposits	12,787,165	12,713,883	12,812,141	12,632,306	12,371,023	12,770,972	12,562,726
Federal funds purchased and securities sold under agreements to repurchase	10,788	21,881	26,380	16,167	32,637	19,626	34,028
FHLB short-term borrowings	878,199	1,028,207	925,144	944,320	892,786	943,678	581,470
Other	175,682	132,088	139,195	184,439	131,237	149,122	91,654
Total short-term borrowings	1,064,669	1,182,176	1,090,719	1,144,926	1,056,660	1,112,426	707,152
Long-term debt	338,402	341,523	343,619	344,162	350,058	341,162	364,693
Total borrowed funds	1,403,071	1,523,699	1,434,338	1,489,088	1,406,718	1,453,588	1,071,845
Accrued interest and other liabilities	607,552	592,708	614,310	636,640	519,069	604,831	480,845
Total Liabilities	14,797,788	14,830,290	14,860,789	14,758,034	14,296,810	14,829,391	14,115,416
SHAREHOLDERS' EQUITY							
Common stock	1,634,102	1,631,230	1,633,396	1,632,941	1,631,078	1,632,912	1,635,103
Retained earnings	1,076,515	1,034,092	989,777	941,987	899,524	1,033,779	869,574
Accumulated other comprehensive loss	(358,769)	(330,263)	(339,450)	(361,284)	(236,566)	(342,898)	(156,047)
Treasury stock, at cost	(198,247)	(197,294)	(201,513)	(204,080)	(204,857)	(199,006)	(211,015)
Total Shareholders' Equity	2,153,601	2,137,765	2,082,210	2,009,564	2,089,179	2,124,787	2,137,615
Total Liabilities and Shareholders' Equity	$ 16,951,389	$ 16,968,055	$ 16,942,999	$ 16,767,598	$ 16,385,989	$ 16,954,178	$ 16,253,031

FIRST FINANCIAL BANCORP.
NET INTEREST MARGIN RATE/VOLUME ANALYSIS

(Dollars in thousands)
(Unaudited)

	Quarterly Averages									Year-to-Date Averages			
	September 30, 2023			June 30, 2023			September 30, 2022			September 30, 2023		September 30, 2022	
	Balance	Interest	Yield	Balance	Interest	Yield	Balance	Interest	Yield	Balance	Yield	Balance	Yield
Earning assets													
Investments:													
Investment securities	$ 3,394,237	$ 34,819	4.07 %	$ 3,560,453	$ 35,575	4.01 %	$ 4,003,472	$ 31,345	3.11 %	$ 3,529,119	4.01 %	$ 4,142,157	2.79 %
Interest-bearing deposits with other banks	386,173	5,011	5.15 %	329,584	3,933	4.79 %	317,146	1,597	2.00 %	344,844	4.84 %	295,174	1.01 %
Gross loans (1)	10,623,734	192,261	7.18 %	10,513,505	184,387	7.03 %	9,597,197	122,170	5.05 %	10,504,431	6.95 %	9,411,807	4.35 %
Total earning assets	14,404,144	232,091	6.39 %	14,403,542	223,895	6.23 %	13,917,815	155,112	4.42 %	14,378,394	6.18 %	13,849,138	3.81 %
Nonearning assets													
Allowance for credit losses	(150,297)			(145,578)			(119,000)			(144,149)		(124,145)	
Cash and due from banks	211,670			221,527			228,068			217,281		239,219	
Accrued interest and other assets	2,485,872			2,488,564			2,359,106			2,502,652		2,288,819	
Total assets	$ 16,951,389			$ 16,968,055			$ 16,385,989			$ 16,954,178		$ 16,253,031	
Interest-bearing liabilities													
Deposits:													
Interest-bearing demand	$ 2,927,416	$ 12,953	1.76 %	$ 2,906,855	$ 8,351	1.15 %	$ 3,105,547	$ 2,404	0.31 %	$ 2,913,737	1.28 %	$ 3,177,253	0.16 %
Savings	3,919,590	19,853	2.01 %	3,749,902	14,055	1.50 %	4,036,565	2,199	0.22 %	3,829,802	1.45 %	4,085,787	0.13 %
Time	2,446,854	24,263	3.93 %	2,393,707	21,886	3.67 %	1,052,669	1,783	0.67 %	2,325,244	3.64 %	1,112,541	0.50 %
Total interest-bearing deposits	9,293,860	57,069	2.44 %	9,050,464	44,292	1.96 %	8,194,781	6,386	0.31 %	9,068,783	1.96 %	8,375,581	0.19 %
Borrowed funds													
Short-term borrowings	1,064,669	14,615	5.45 %	1,182,176	15,536	5.27 %	1,056,660	6,158	2.31 %	1,112,426	5.18 %	707,152	1.52 %
Long-term debt	338,402	4,952	5.81 %	341,523	4,835	5.68 %	350,058	4,676	5.30 %	341,162	5.74 %	364,693	5.07 %
Total borrowed funds	1,403,071	19,567	5.53 %	1,523,699	20,371	5.36 %	1,406,718	10,834	3.06 %	1,453,588	5.31 %	1,071,845	2.73 %
Total interest-bearing liabilities	10,696,931	76,636	2.84 %	10,574,163	64,663	2.45 %	9,601,499	17,220	0.71 %	10,522,371	2.42 %	9,447,426	0.48 %
Noninterest-bearing liabilities													
Noninterest-bearing demand deposits	3,493,305			3,663,419			4,176,242			3,702,189		4,187,145	
Other liabilities	607,552			592,708			519,069			604,831		480,845	
Shareholders' equity	2,153,601			2,137,765			2,089,179			2,124,787		2,137,615	
Total liabilities & shareholders' equity	$ 16,951,389			$ 16,968,055			$ 16,385,989			$ 16,954,178		$ 16,253,031	
Net interest income	$ 155,455			$ 159,232			$ 137,892			$ 474,005		$ 361,247	
Net interest spread			3.55 %			3.78 %			3.71 %		3.76 %		3.33 %
Net interest margin			4.28 %			4.43 %			3.93 %		4.41 %		3.49 %
Tax equivalent adjustment			0.05 %			0.05 %			0.05 %		0.04 %		0.04 %
Net interest margin (fully tax equivalent)			4.33 %			4.48 %			3.98 %		4.45 %		3.53 %

(1) Loans held for sale and nonaccrual loans are included in gross loans.

FIRST FINANCIAL BANCORP.

NET INTEREST MARGIN RATE/VOLUME ANALYSIS [1]

(Dollars in thousands)

(Unaudited)

	Linked Qtr. Income Variance			Comparable Qtr. Income Variance			Year-to-Date Income Variance		
	Rate	Volume	Total	Rate	Volume	Total	Rate	Volume	Total
Earning assets									
Investment securities	$ 552	$ (1,308)	$ (756)	$ 9,724	$ (6,250)	$ 3,474	$ 37,663	$ (18,365)	$ 19,298
Interest-bearing deposits with other banks	297	781	1,078	2,518	896	3,414	8,467	1,799	10,266
Gross loans [2]	3,811	4,063	7,874	51,513	18,578	70,091	183,082	56,829	239,911
Total earning assets	4,660	3,536	8,196	63,755	13,224	76,979	229,212	40,263	269,475
Interest-bearing liabilities									
Total interest-bearing deposits	$ 10,678	$ 2,099	$ 12,777	$ 43,934	$ 6,749	$ 50,683	$ 110,693	$ 10,152	$ 120,845
Borrowed funds									
Short-term borrowings	516	(1,437)	(921)	8,347	110	8,457	19,358	15,702	35,060
Long-term debt	108	9	117	447	(171)	276	1,822	(1,010)	812
Total borrowed funds	624	(1,428)	(804)	8,794	(61)	8,733	21,180	14,692	35,872
Total interest-bearing liabilities	11,302	671	11,973	52,728	6,688	59,416	131,873	24,844	156,717
Net interest income [1]	$ (6,642)	$ 2,865	$ (3,777)	$ 11,027	$ 6,536	$ 17,563	$ 97,339	$ 15,419	$ 112,758

[1] Not tax equivalent.

[2] Loans held for sale and nonaccrual loans are included in gross loans.

FIRST FINANCIAL BANCORP.
CREDIT QUALITY
(Dollars in thousands)
(Unaudited)

	Sep. 30, 2023	June 30, 2023	Mar. 31, 2023	Dec. 31, 2022	Sep. 30, 2022	Nine months ended, Sep. 30, 2023	Nine months ended, Sep. 30, 2022
ALLOWANCE FOR CREDIT LOSS ACTIVITY							
Balance at beginning of period	$ 148,646	$ 141,591	$ 132,977	$ 124,096	$ 117,885	$ 132,977	$ 131,992
Provision for credit losses	12,907	12,719	8,644	8,689	7,898	34,270	(1,958)
Gross charge-offs							
Commercial and industrial	9,207	2,372	730	334	1,947	12,309	5,565
Lease financing	76	90	13	0	13	179	152
Construction real estate	0	0	0	0	0	0	0
Commercial real estate	6,008	2,648	66	245	3	8,722	3,422
Residential real estate	10	20	0	79	119	30	145
Home equity	54	21	91	72	45	166	88
Installment	1,349	1,515	1,524	717	294	4,388	832
Credit card	319	274	217	212	237	810	695
Total gross charge-offs	17,023	6,940	2,641	1,659	2,658	26,604	10,899
Recoveries							
Commercial and industrial	335	631	109	293	90	1,075	646
Lease financing	1	1	1	0	13	3	49
Construction real estate	0	0	0	0	0	0	0
Commercial real estate	39	153	2,238	1,327	561	2,430	2,977
Residential real estate	44	113	66	15	35	223	159
Home equity	125	232	80	88	185	437	810
Installment	87	90	54	68	29	231	97
Credit card	40	56	63	60	58	159	223
Total recoveries	671	1,276	2,611	1,851	971	4,558	4,961
Total net charge-offs	16,352	5,664	30	(192)	1,687	22,046	5,938
Ending allowance for credit losses	$ 145,201	$ 148,646	$ 141,591	$ 132,977	$ 124,096	$ 145,201	$ 124,096
NET CHARGE-OFFS TO AVERAGE LOANS AND LEASES (ANNUALIZED)							
Commercial and industrial	1.02 %	0.20 %	0.07 %	0.01 %	0.24 %	0.43 %	0.23 %
Lease financing	0.08 %	0.11 %	0.02 %	0.00 %	0.00 %	0.07 %	0.10 %
Construction real estate	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %
Commercial real estate	0.59 %	0.25 %	(0.22)%	(0.11)%	(0.06)%	0.21 %	0.01 %
Residential real estate	(0.01)%	(0.03)%	(0.02)%	0.02 %	0.03 %	(0.02)%	0.00 %
Home equity	(0.04)%	(0.12)%	0.01 %	(0.01)%	(0.08)%	(0.05)%	(0.13)%
Installment	3.05 %	3.32 %	2.89 %	1.24 %	0.64 %	3.08 %	0.69 %
Credit card	1.82 %	1.47 %	1.12 %	1.07 %	1.29 %	1.48 %	1.16 %
Total net charge-offs	0.61 %	0.22 %	0.00 %	(0.01)%	0.07 %	0.28 %	0.08 %
COMPONENTS OF NONPERFORMING LOANS, NONPERFORMING ASSETS, AND UNDERPERFORMING ASSETS							
Nonaccrual loans (1)							
Commercial and industrial	$ 17,152	$ 21,508	$ 13,971	$ 8,242	$ 8,719	$ 17,152	$ 8,719
Lease financing	7,731	4,833	175	178	199	7,731	199
Construction real estate	0	0	0	0	0	0	0
Commercial real estate	33,019	11,876	5,362	5,786	13,435	33,019	13,435
Residential real estate	12,328	11,697	11,129	10,691	10,250	12,328	10,250
Home equity	3,937	3,239	3,399	3,123	3,445	3,937	3,445
Installment	774	568	544	603	279	774	279
Nonaccrual loans	74,941	53,721	34,580	28,623	36,327	74,941	36,327
Accruing troubled debt restructurings (TDRs) (2)	N/A	N/A	N/A	10,960	11,022	N/A	11,022
Total nonperforming loans (2)	74,941	53,721	34,580	39,583	47,349	74,941	47,349
Other real estate owned (OREO)	142	281	191	191	22	142	22
Total nonperforming assets (2)	75,083	54,002	34,771	39,774	47,371	75,083	47,371
Accruing loans past due 90 days or more	698	873	159	857	139	698	139
Total underperforming assets (2)	$ 75,781	$ 54,875	$ 34,930	$ 40,631	$ 47,510	$ 75,781	$ 47,510
Total classified assets (2)	$ 140,552	$ 138,909	$ 158,984	$ 128,137	$ 114,956	$ 140,552	$ 114,956
CREDIT QUALITY RATIOS							
Allowance for credit losses to							
Nonaccrual loans	193.75 %	276.70 %	409.46 %	464.58 %	341.61 %	193.75 %	341.61 %
Nonperforming loans	193.75 %	276.70 %	409.46 %	335.94 %	262.09 %	193.75 %	262.09 %
Total ending loans	1.36 %	1.41 %	1.36 %	1.29 %	1.27 %	1.36 %	1.27 %
Nonperforming loans to total loans	0.70 %	0.51 %	0.33 %	0.38 %	0.48 %	0.70 %	0.48 %
Nonaccrual loans to total loans	0.70 %	0.51 %	0.33 %	0.28 %	0.37 %	0.70 %	0.37 %
Nonperforming assets to							
Ending loans, plus OREO	0.71 %	0.51 %	0.33 %	0.39 %	0.48 %	0.71 %	0.48 %
Total assets	0.44 %	0.32 %	0.21 %	0.23 %	0.28 %	0.44 %	0.28 %
Nonperforming assets, excluding accruing TDRs to							
Ending loans, plus OREO	0.71 %	0.51 %	0.33 %	0.28 %	0.37 %	0.71 %	0.37 %
Total assets	0.44 %	0.32 %	0.21 %	0.17 %	0.22 %	0.44 %	0.22 %
Classified assets to total assets	0.82 %	0.81 %	0.94 %	0.75 %	0.69 %	0.82 %	0.69 %

(1) Nonaccrual loans include nonaccrual TDRs of $10.0 million and $12.8 million, as of December 31, 2022 and September 30, 2022, respectively.

(2) Upon adoption of ASU 2022-02 as of January 1, 2023, the TDR model was eliminated. Prospectively, disclosures will include modifications of loans to borrowers experiencing financial difficulty (FDM). FDMs are excluded from nonperforming, underperforming and classified assets.

FIRST FINANCIAL BANCORP.
CAPITAL ADEQUACY

(Dollars in thousands, except per share data)

(Unaudited)

	Sep. 30, 2023	June 30, 2023	Mar. 31, 2023	Dec. 31, 2022	Sep. 30, 2022	Nine months ended, Sep. 30, 2023	Nine months ended, Sep. 30, 2022
PER COMMON SHARE							
Market Price							
High	$ 24.02	$ 22.27	$ 26.24	$ 26.68	$ 23.75	$ 26.24	$ 26.73
Low	$ 19.19	$ 18.20	$ 21.30	$ 21.56	$ 19.02	$ 18.20	$ 19.02
Close	$ 19.60	$ 20.44	$ 21.77	$ 24.23	$ 21.08	$ 19.60	$ 21.08
Average shares outstanding - basic	94,030,275	93,924,068	93,732,532	93,590,674	93,582,250	93,896,716	93,507,831
Average shares outstanding - diluted	95,126,269	95,169,348	94,960,158	94,831,788	94,793,766	95,085,871	94,504,453
Ending shares outstanding	95,117,180	95,185,483	95,190,406	94,891,099	94,833,964	95,117,180	94,833,964
Total shareholders' equity	$ 2,129,509	$ 2,143,419	$ 2,121,496	$ 2,041,373	$ 1,994,132	$2,129,509	$1,994,132
REGULATORY CAPITAL	*Preliminary*					*Preliminary*	
Common equity tier 1 capital	$ 1,527,793	$ 1,481,913	$ 1,432,332	$ 1,399,420	$ 1,348,413	$1,527,793	$1,348,413
Common equity tier 1 capital ratio	11.60 %	11.34 %	11.00 %	10.83 %	10.82 %	11.60 %	10.82 %
Tier 1 capital	$ 1,572,248	$ 1,526,362	$ 1,476,734	$ 1,443,698	$ 1,392,565	$1,572,248	$1,392,565
Tier 1 ratio	11.94 %	11.68 %	11.34 %	11.17 %	11.17 %	11.94 %	11.17 %
Total capital	$ 1,778,993	$ 1,756,968	$ 1,707,270	$ 1,691,255	$ 1,640,052	$1,778,993	$1,640,052
Total capital ratio	13.51 %	13.44 %	13.11 %	13.09 %	13.15 %	13.51 %	13.15 %
Total capital in excess of minimum requirement	$ 396,083	$ 384,735	$ 339,585	$ 334,316	$ 330,973	$ 396,083	$ 330,973
Total risk-weighted assets	$13,170,574	$13,068,888	$13,025,567	$12,923,233	$12,467,422	$13,170,574	$12,467,422
Leverage ratio	9.59 %	9.33 %	9.03 %	8.89 %	8.88 %	9.59 %	8.88 %
OTHER CAPITAL RATIOS							
Ending shareholders' equity to ending assets	12.49 %	12.54 %	12.53 %	12.01 %	12.00 %	12.49 %	12.00 %
Ending tangible shareholders' equity to ending tangible assets [1]	6.50 %	6.56 %	6.47 %	5.95 %	5.79 %	6.50 %	5.79 %
Average shareholders' equity to average assets	12.70 %	12.60 %	12.29 %	11.98 %	12.75 %	12.53 %	13.15 %
Average tangible shareholders' equity to average tangible assets [1]	6.69 %	6.57 %	6.21 %	5.84 %	6.49 %	6.49 %	6.85 %
REPURCHASE PROGRAM [2]							
Shares repurchased	0	0	0	0	0	0	0
Average share repurchase price	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total cost of shares repurchased	N/A	N/A	N/A	N/A	N/A	N/A	N/A

[1] Non-GAAP measure. For details on the calculation of these non-GAAP financial measures and a reconciliation to the GAAP financial measure, see the sections titled “Use of Non-GAAP Financial Measures” in this release and “Appendix: Non-GAAP to GAAP Reconciliation” in the accompanying slide presentation.

[2] Represents share repurchases as part of publicly announced plans.

N/A = Not applicable

earnings presentation

- Third Quarter 2023

EQUAL OPPORTUNITY LENDER
EQUAL HOUSING LENDER
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forward looking statements disclosure

Certain statements contained in this report which are not statements of historical fact constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Words such as ''believes,'' ''anticipates,'' "likely," "expected," "estimated," ''intends'' and other similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. Examples of forward-looking statements include, but are not limited to, statements we make about (i) our future operating or financial performance, including revenues, income or loss and earnings or loss per share, (ii) future common stock dividends, (iii) our capital structure, including future capital levels, (iv) our plans, objectives and strategies, and (v) the assumptions that underlie our forward-looking statements.

As with any forecast or projection, forward-looking statements are subject to inherent uncertainties, risks and changes in circumstances that may cause actual results to differ materially from those set forth in the forward-looking statements. Forward-looking statements are not historical facts but instead express only management's beliefs regarding future results or events, many of which, by their nature, are inherently uncertain and outside of management's control. It is possible that actual results and outcomes may differ, possibly materially, from the anticipated results or outcomes indicated in these forward-looking statements. Important factors that could cause actual results to differ materially from those in our forward-looking statements include the following, without limitation:

- economic, market, liquidity, credit, interest rate, operational and technological risks associated with the Company's business;
- future credit quality and performance, including our expectations regarding future loan losses and our allowance for credit losses;
- the effect of and changes in policies and laws or regulatory agencies, including the Dodd-Frank Wall Street Reform and Consumer Protection Act and other legislation and regulation relating to the banking industry; (iv) management's ability to effectively execute its business plans;
- mergers and acquisitions, including costs or difficulties related to the integration of acquired companies;
- the possibility that any of the anticipated benefits of the Company's acquisitions will not be realized or will not be realized within the expected time period;
- the effect of changes in accounting policies and practices;
- changes in consumer spending, borrowing and saving and changes in unemployment;
- changes in customers' performance and creditworthiness;
- the costs and effects of litigation and of unexpected or adverse outcomes in such litigation;
- current and future economic and market conditions, including the effects of changes in housing prices, fluctuations in unemployment rates, U.S. fiscal debt, budget and tax matters, geopolitical matters, and any slowdown in global economic growth;
- the adverse impact on the U.S. economy, including the markets in which we operate, of the novel coronavirus, which causes the Coronavirus disease 2019 ("COVID-19"), global pandemic, and the impact on the performance of our loan and lease portfolio, the market value of our investment securities, the availability of sources of funding and the demand for our products;
- our capital and liquidity requirements (including under regulatory capital standards, such as the Basel III capital standards) and our ability to generate capital internally or raise capital on favorable terms;

forward looking statements disclosure

- financial services reform and other current, pending or future legislation or regulation that could have a negative effect on our revenue and businesses, including the Dodd-Frank Act and other legislation and regulation relating to bank products and services;
- the effect of the current interest rate environment or changes in interest rates or in the level or composition of our assets or liabilities on our net interest income, net interest margin and our mortgage originations, mortgage servicing rights and mortgage loans held for sale;
- the effect of a fall in stock market prices on our brokerage, asset and wealth management businesses;
- a failure in or breach of our operational or security systems or infrastructure, or those of our third-party vendors or other service providers, including as a result of cyber attacks;
- the effect of changes in the level of checking or savings account deposits on our funding costs and net interest margin; and
- our ability to develop and execute effective business plans and strategies.

Additional factors that may cause our actual results to differ materially from those described in our forward-looking statements can be found in our Form 10-K for the year ended December 31, 2022, as well as our other filings with the SEC, which are available on the SEC website at www.sec.gov.

All forward-looking statements included in this filing are made as of the date hereof and are based on information available at the time of the filing. Except as required by law, the Company does not assume any obligation to update any forward-looking statement.

3Q 2023 results

132nd Consecutive Quarter of Profitability

Profitability	• Net income – \$63.1 million or \$0.66 per diluted share. Adjusted[1] net income – \$63.5 million or \$0.67 per diluted share • Return on average assets – 1.48%. Adjusted [1] return on average assets – 1.49% • Return on average shareholders' equity – 11.62%. Adjusted[1] return on average shareholders' equity – 11.70% • Return on average tangible common equity – 23.60%[1]. Adjusted[1] return on average tangible common equity – 23.76%
Income Statement	• Net interest income – \$155.5 million • Net interest margin of 4.28% on a GAAP basis; 4.33% on a fully tax equivalent basis[1] • Noninterest income – \$56.6 million; \$56.8 million as adjusted[1] • Noninterest expense – \$122.0 million; \$121.5 million as adjusted[1] • Efficiency ratio – 57.55%. Adjusted[1] efficiency ratio – 57.27% • Effective tax rate of 19.5%. Adjusted[1] effective tax rate of 19.6%
Balance Sheet	• EOP assets decreased \$35.3 million compared to the linked quarter to \$17.1 billion • EOP loans increased \$96.6 million compared to the linked quarter to \$10.6 billion • Average deposits increased \$73.3 million compared to the linked quarter to \$12.8 billion • EOP investment securities decreased \$214.3 million compared to the linked quarter
Asset Quality	• Provision expense - \$11.7 million • Net charge-offs – \$16.4 million. NCOs / Avg. Loans – 0.61% annualized • Classified Assets / Total Assets - 0.82% • NPA / Total Assets – 0.44% • ACL / Total Loans – 1.36%
Capital	• Total capital ratio – 13.51% • Tier 1 common equity ratio – 11.60% • Tangible common equity ratio – 6.50%. Adjusted[1] Tangible common equity ratio – 9.07% • Tangible book value per share – \$10.91

[1] Non-GAAP financial measure which management believes facilitates a better understanding of the Company's financial condition. See Appendix for Non-GAAP reconciliation.

3Q 2023 highlights

- Quarterly earnings driven by strong net interest margin and robust fee income
  - Adjusted[1] earnings per share – $0.67
  - Adjusted[1] return on assets – 1.49%
  - Adjusted[1] pre-tax, pre-provision return on assets – 2.12%
  - Adjusted[1] return on average tangible common equity – 23.76%

- End of period loan balances increased during the period, in line with expectations
  - EOP loan balances increased $96.6 million compared to the linked quarter; 3.6% on an annualized basis
  - Growth included a $72.1 million increase in residential mortgage loans and a $58.5 million increase in finance leases

- Total average deposit balances increased $73.3 million, or 2.3% annualized
  - Growth in money market and retail CD balances offset declines in low-cost transaction accounts due to rate environment
  - $252.7 million increase in money market accounts; $118.9 million increase in retail CDs
  - Decline of $125.0 million in noninterest bearing deposit balances from linked quarter
  - Average noninterest bearing deposits were 27.3% of average total deposits at September 30, 2023
  - Total average deposits, excluding brokered, increased 3.8% on an annualized basis compared to the linked quarter

- Net interest margin (FTE) decreased 15 bps to 4.33%, in line with expectations
  - Lower margin from second quarter driven by increased funding costs
  - 16 bp increase in earning asset yields partially offset 37 bp increase in cost of deposits

- Adjusted[1] noninterest income of $56.8 million
  - Record wealth management fees of $6.9 million
  - Strong foreign exchange income of $13.4 million
  - Leasing business revenue of $14.5 million, an increase of $4.3 million, or 41.6%, compared to linked quarter
  - Adjusted[1] $0.2 million for losses on investment securities and other items not expected to recur

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[1] Non-GAAP financial measure which management believes facilitates a better understanding of the Company's financial condition. See Appendix for Non-GAAP reconciliations.

EQUAL OPPORTUNITY LENDER EQUAL HOUSING LENDER FDIC

3Q 2023 highlights

- Adjusted[1] noninterest expense of $121.5 million, a 4.0% increase from second quarter
  - Adjustments[1] include costs related to our online banking conversion as well as other costs not expected to recur such as acquisition, severance and branch consolidation costs
  - Increase driven by higher employee costs, leasing expenses, and fraud losses
  - Efficiency ratio of 57.5%; 57.3% as adjusted[1]

- Allowance for credit loss (ACL) and provision expense increased compared to linked quarter
  - Total ACL of $162.2 million; provision expense of $11.7 million
    - Loans and leases - ACL of $145.2 million; 1.36% of total loans
    - Unfunded Commitments - ACL of $17.0 million
  - Increase in provision expense driven by net charge-offs
  - NPA to total assets of 0.44%
  - $16.4 million in net charge-offs for the quarter; 61 bps as a percentage of loans on an annualized basis
    - $6.1 million charge-off resulting from $32 million loan sale; sale not concentrated in any particular industry
    - $6.9 million charge-off of large C&I loan that was negatively impacted by the Covid pandemic and has been unable to rebound
  - Classified assets remained stable at 0.82% of assets
  - Nonaccrual loans of $74.9 million; $21.2 million increase compared to linked quarter due to the downgrade of one large CRE relationship

- Capital ratios in excess of targets
  - Total capital ratio of 13.51%
  - Tier 1 common equity of 11.60%; 26 basis point increase from linked quarter
  - Tangible book value decreased by $0.11, or 1.0%, to $10.91 due to decline in AOCI
  - Tangible common equity decreased 6 bps to 6.50%; 9.07%[1] excluding ($410.0) million of AOCI
  - No shares repurchased in third quarter

[1] Non-GAAP financial measure which management believes facilitates a better understanding of the Company's financial condition. See Appendix for Non-GAAP reconciliations.

adjusted net income[1]

The table below lists certain adjustments that the Company believes are significant to understanding its quarterly performance.

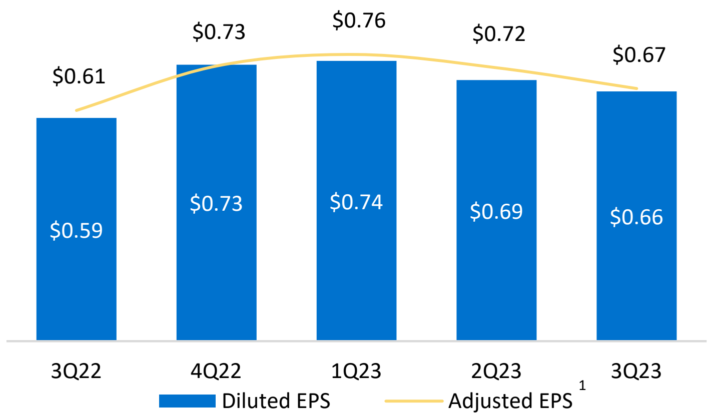
	3Q 2023			2Q 2023		
	As Reported	Adjusted [1]		As Reported	Adjusted [1]	
Net interest income	$ 155,455	$ 155,455		$ 159,232	$ 159,232	
Provision for credit losses-loans and leases	$ 12,907	$ 12,907		$ 12,719	$ 12,719	
Provision for credit losses-unfunded commitments	$ (1,234)	$ (1,234)		$ (1,994)	$ (1,994)	
Noninterest income	$ 56,628	$ 56,628		$ 53,258	$ 53,258	
less: gains (losses) on security transactions	-	(58)	A	-	(466)	A
less: other	-	(94)	A	-	227	A
Total noninterest income	$ 56,628	$ 56,780		$ 53,258	$ 53,497	
Noninterest expense	$ 122,044	$ 122,044		$ 120,615	$ 120,615	
less: tax credit investment writedown	-	104	A	-	984	A
less: online banking conversion costs	-	787	A	-	1,717	A
less: other	-	(395)	A	-	1,044	A
Total noninterest expense	$ 122,044	$ 121,548		$ 120,615	$ 116,870	
Income before income taxes	$ 78,366	$ 79,014		$ 81,150	$ 85,134	
Income tax expense	$ 15,305	$ 15,305		$ 15,483	$ 15,483	
plus: after-tax impact of tax credit investment @ 21%	-	82		-	81	
plus: tax effect of adjustments (A) @ 21% statutory rate	-	136		-	837	
Total income tax expense	$ 15,305	$ 15,523		$ 15,483	$ 16,401	
Net income	$ 63,061	$ 63,491		$ 65,667	$ 68,733	
Net earnings per share - diluted	$ 0.66	$ 0.67		$ 0.69	$ 0.72	
Pre-tax, pre-provision return on average assets	2.11%	2.12%		2.17%	2.27%	

[1] Non-GAAP financial measure which management believes facilitates a better understanding of the Company's financial condition. See Appendix for Non-GAAP reconciliations.

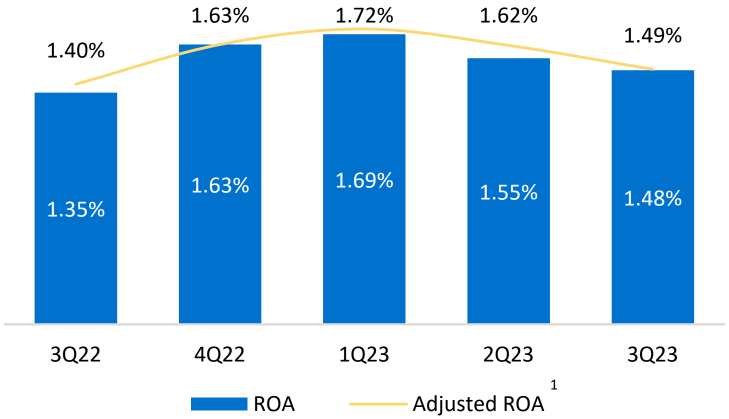
All dollars shown in thousands, except per share amounts

profitability

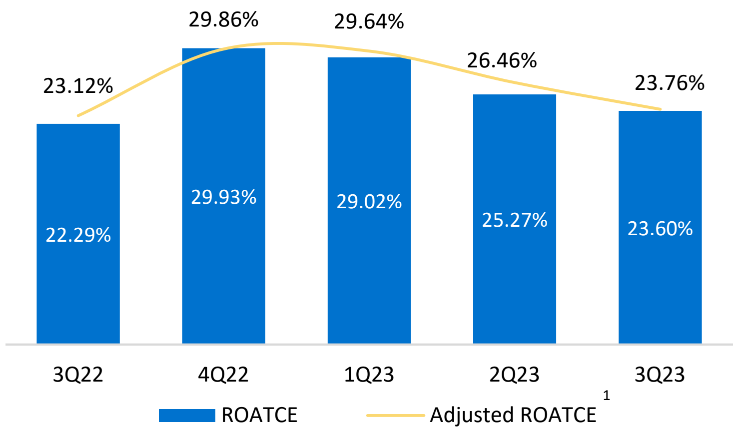
Diluted EPS



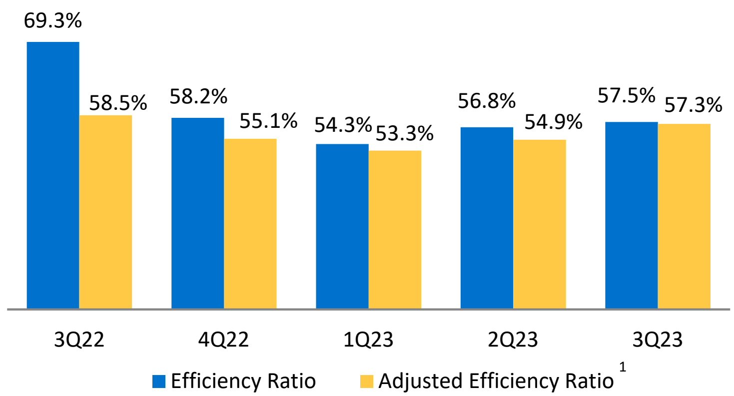
Return on Average Assets



Return on Avg Tangible Common Equity



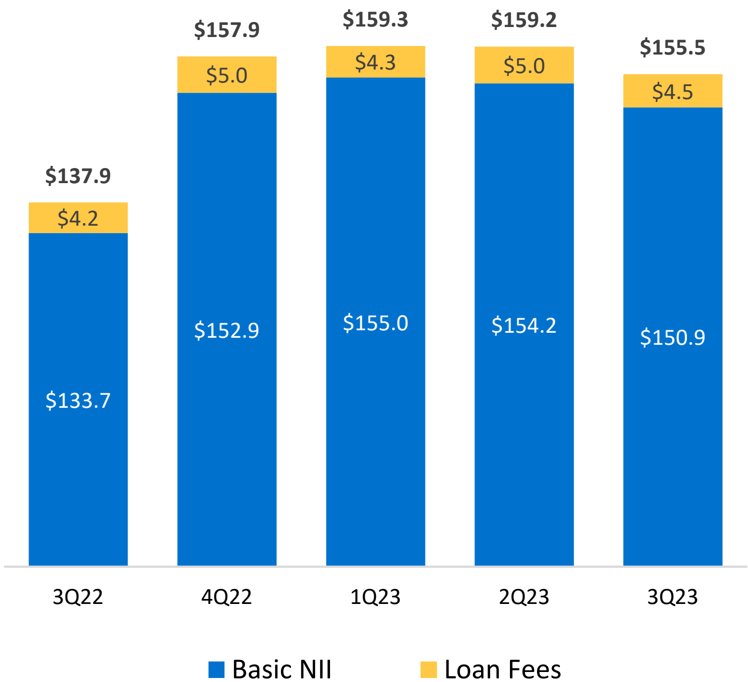
Efficiency Ratio



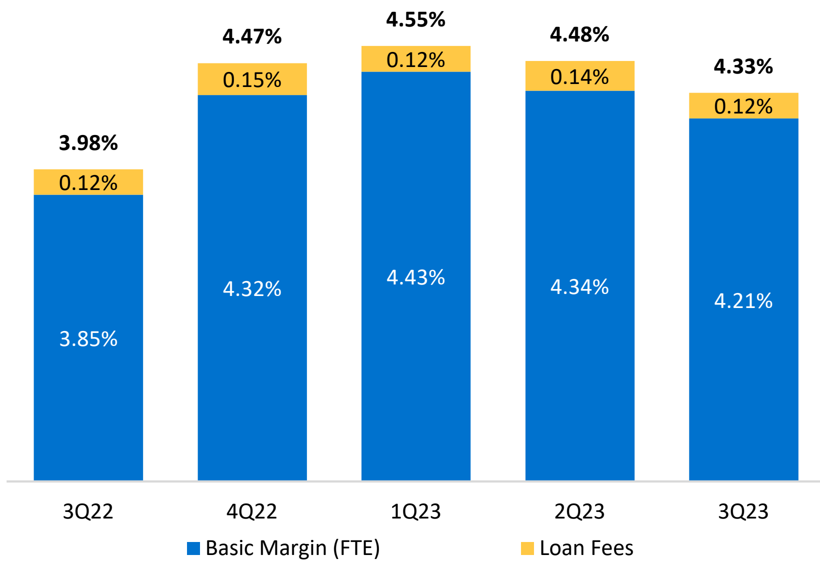
[1] Non-GAAP financial measure which management believes facilitates a better understanding of the Company's financial condition. See Appendix for Non-GAAP reconciliation.

net interest income & margin

Net Interest Income



Net Interest Margin (FTE)



3Q23 NIM (FTE) Progression

2Q23	**4.48%**
Asset yields/mix	0.17%
Deposit & funding costs/mix	-0.31%
Other	-0.01%
3Q23	**4.33%**

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All dollars shown in millions

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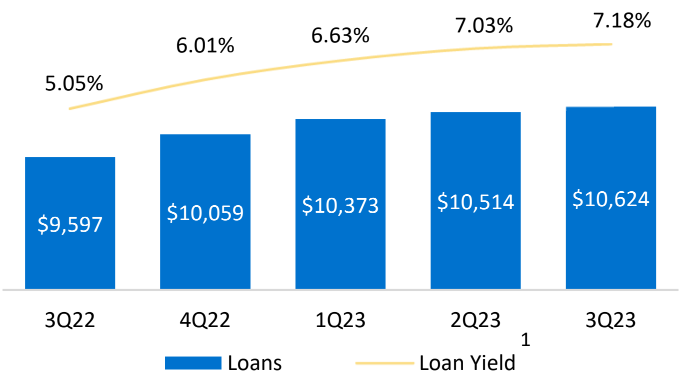
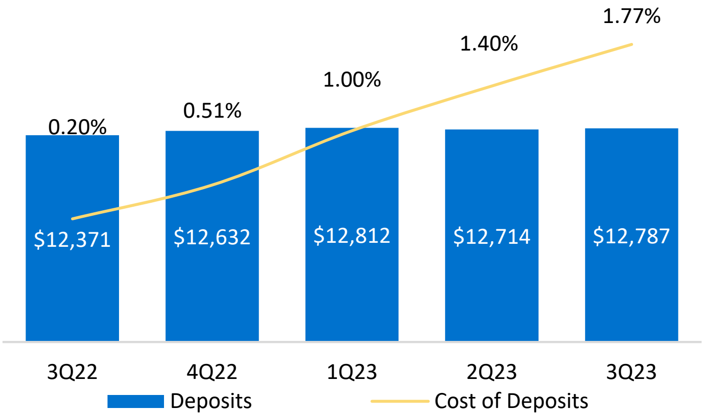
average balance sheet

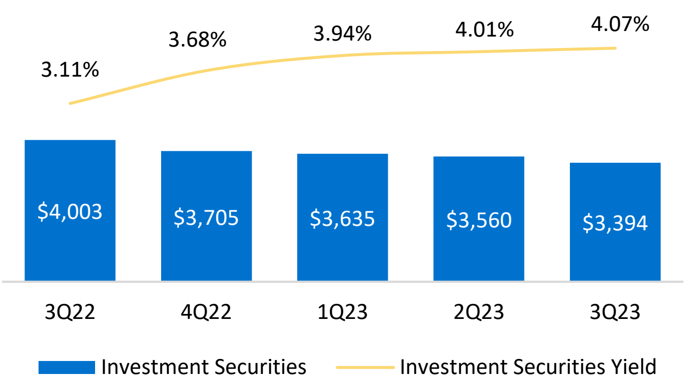
Average Loans



Average Deposits



Average Securities



All dollars shown in millions
[1] Includes loans fees and loan accretion

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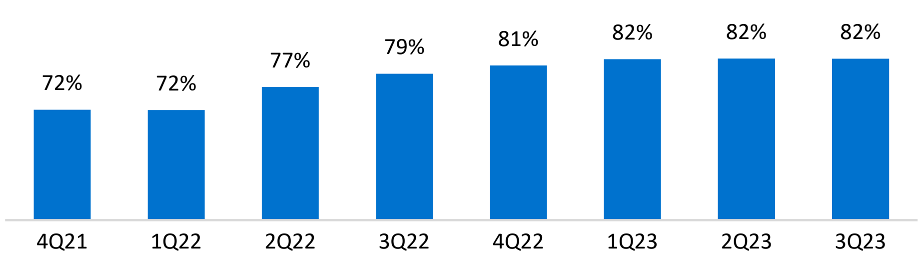
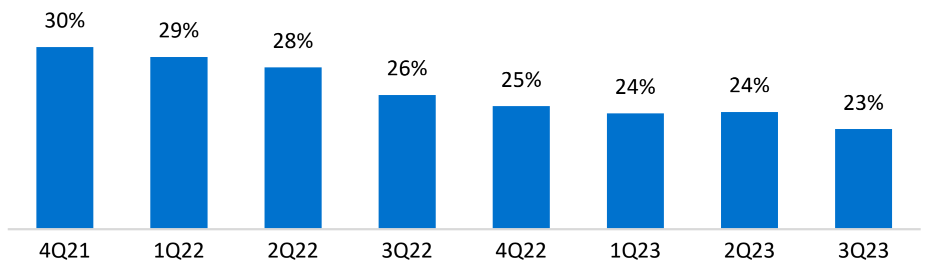
liquidity and beta profile

Liquidity Trends

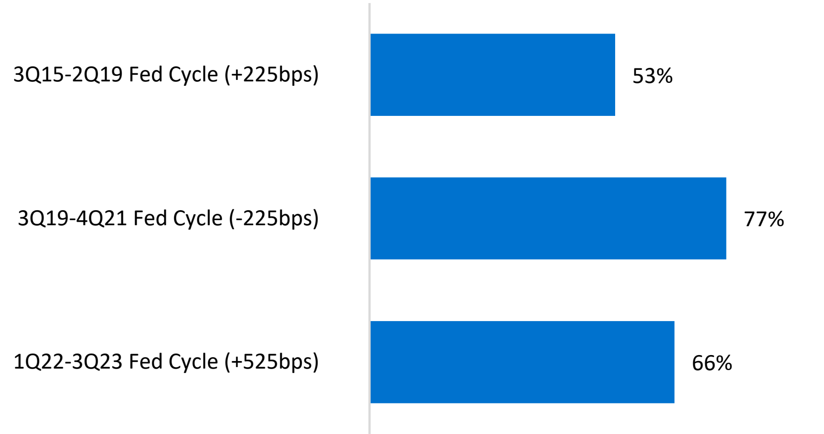




Historical Deposit and Loan Betas[1]

Total Deposit Beta

Loan Beta



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[1]Historical data adjusted for the merger with MainSource Financial Group, Inc. using the sum of the individual components.

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borrowing capacity & cash/investment liquidity

Borrowing Capacity

FHLB borrowing availability	$	723,248
Fed Discount Window availability		865,929
Brokered CDs/Deposit placement services		2,051,054
Fed funds		1,543,000
Total as of September 30, 2023	$	5,183,231

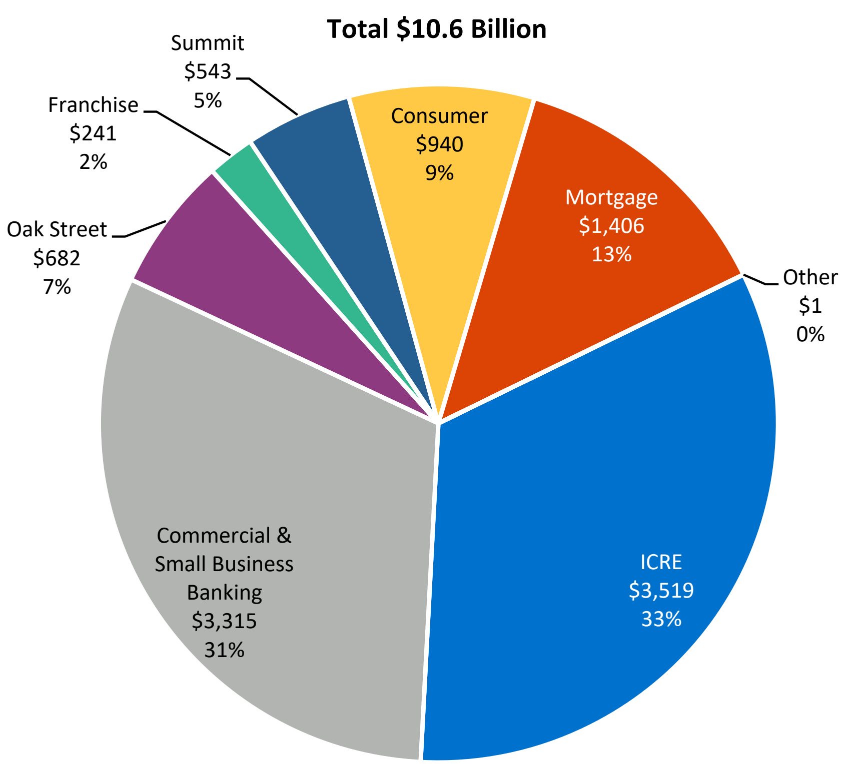
(dollars shown in thousands)

Cash/Investment Liquidity

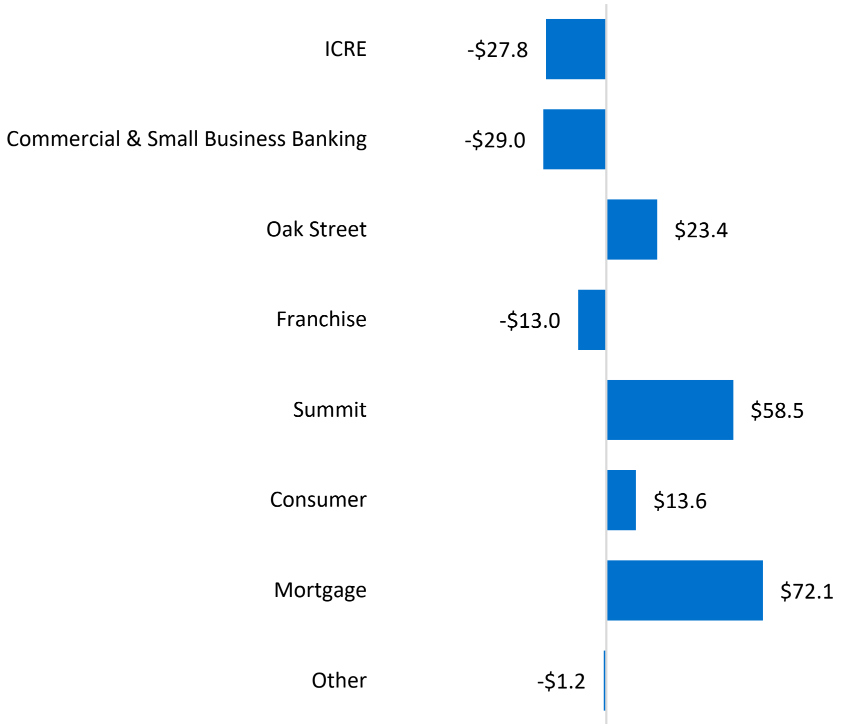
- Interest-bearing deposits with other banks of $453 million
- Investment securities portfolio:
  - 97% of investment portfolio classified as available-for-sale
  - $662.5 million of expected cash flow from securities portfolio in next 12 months
  - $624.4 million of floating rate securities with minimal losses
  - Portfolio duration of 4.5 years at September 30, 2023

loan portfolio

Loan LOB Mix (EOP)



Net Loan Change-LOB (Linked Quarter)



Total growth/(decline): $96.6 million

All dollars shown in millions

loan concentrations

C&I and Owner Occupied CRE Loans by Sector[1]

NAICS Sector	9/30/23	% of Total Loans
Finance and Insurance	$821.6	7.7%
Real Estate and Rental and Leasing	785.3	7.4%
Manufacturing	561.1	5.3%
Accommodation and Food Services	298.4	2.8%
Health Care and Social Assistance	266.0	2.5%
Construction	229.2	2.2%
Professional, Scientific, and Technical Services	202.8	1.9%
Retail Trade	164.2	1.5%
Other Services (except Public Administration)	160.3	1.5%
Agriculture, Forestry, Fishing and Hunting	150.5	1.4%
Wholesale Trade	133.3	1.3%
Transportation and Warehousing	106.6	1.0%
Arts, Entertainment, and Recreation	86.2	0.8%
Administrative and Support and Waste Manageme	71.3	0.7%
Public Administration	60.3	0.6%
Other	118.6	1.1%
Grand Total	**$4,215.8**	**39.6%**

[1] Excludes Summit Funding Group

Investor CRE Loans by Property Type

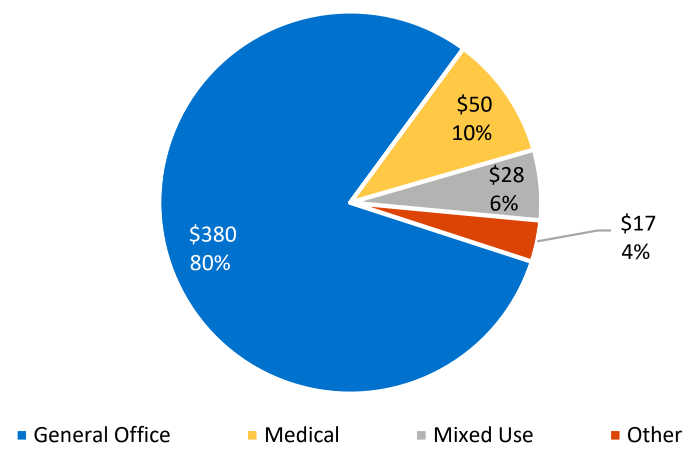
Property Type	9/30/23	% of Total Loans
Residential Multi Family 5+	$1,098.3	10.3%
Retail Property	767.9	7.2%
Office	475.0	4.5%
Industrial	379.0	3.6%
Hospital/Nursing Home	290.6	2.7%
Hotel	206.7	1.9%
Land	94.0	0.9%
Residential 1-4 Family	87.0	0.8%
Other Real Estate	52.0	0.5%
Other	68.8	0.6%
Grand Total	**$3,519.4**	**33.1%**

All dollars shown in millions

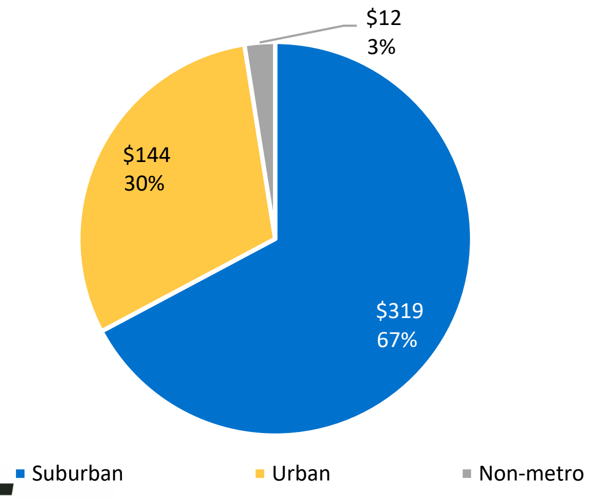
area of focus - office portfolio (non-owner occupied)

- $475 million balance represents 4.5% of total loan portfolio
- 67% of portfolio is suburban
- Average LTV of 62%
- Majority of exposure is in our metro markets and secured by suburban Class A & Class B assets with recourse to the sponsor
- No exposure to gateway cities
- $27 million on nonaccrual status; 2 relationships
- $19 million rated special mention; 3 relationships

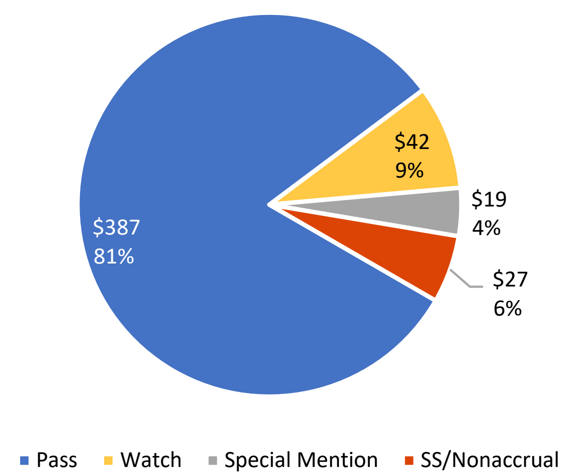
Office Property Type



Office Property Market



Office Risk Classification



All dollars shown in millions

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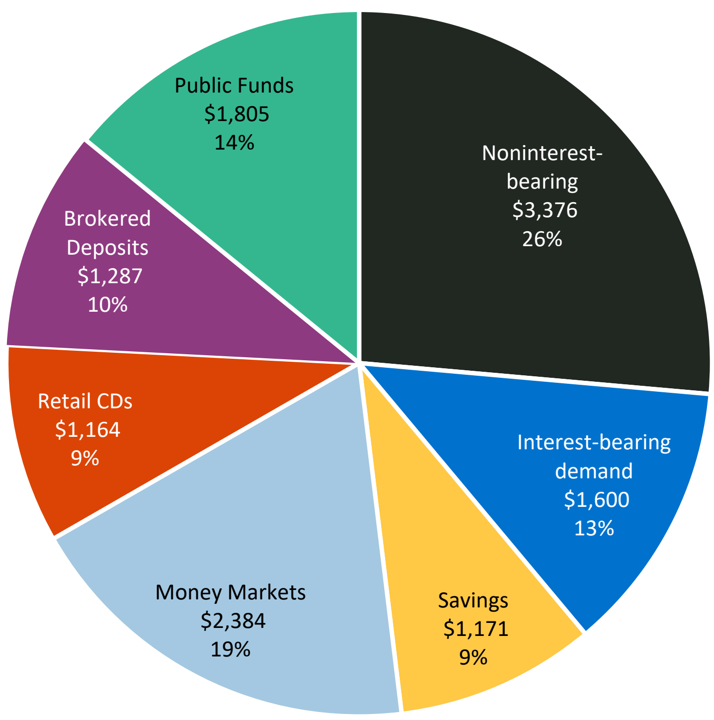
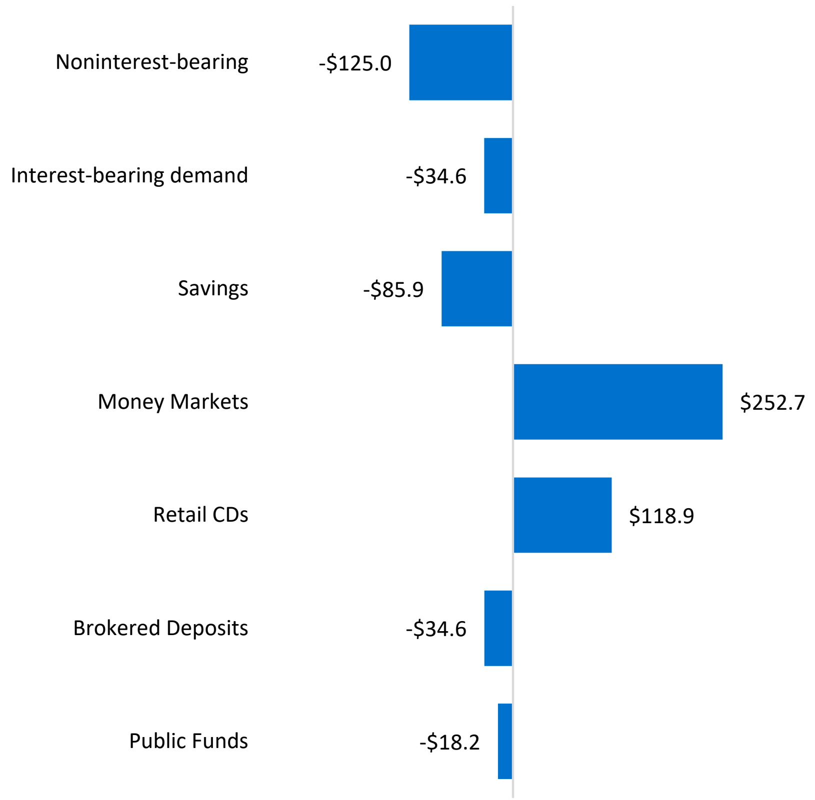
deposits

Deposit Product Mix (Avg)

Total $12.8 billion



3Q23 Average Deposit Progression



Total growth/(decline):
$73.3 million

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All dollars shown in millions

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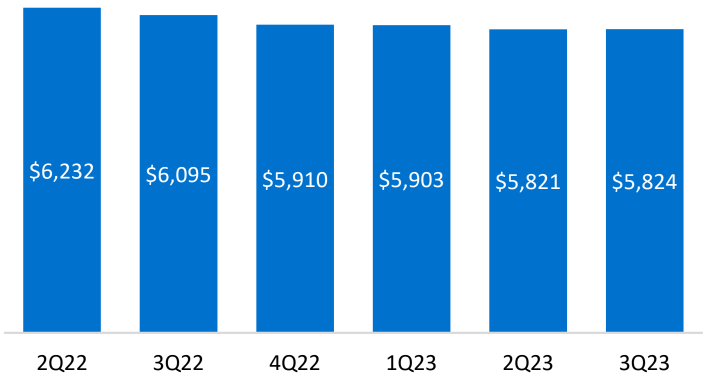
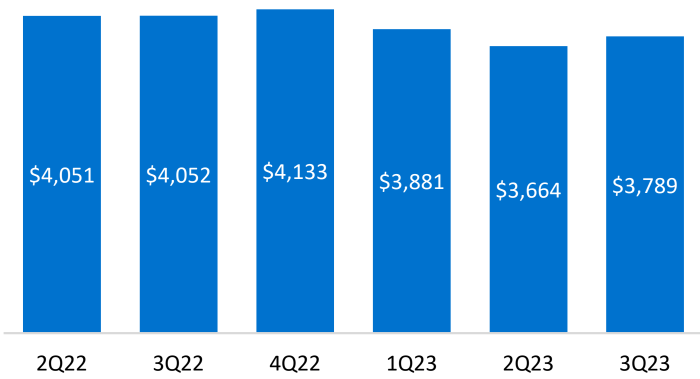
average deposit trends

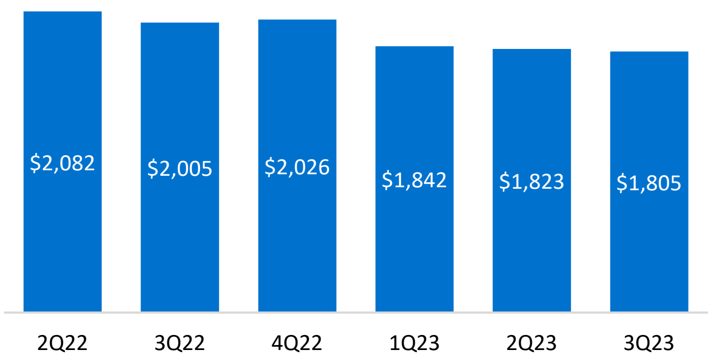
Personal



Business



Public Funds



Uninsured Deposits

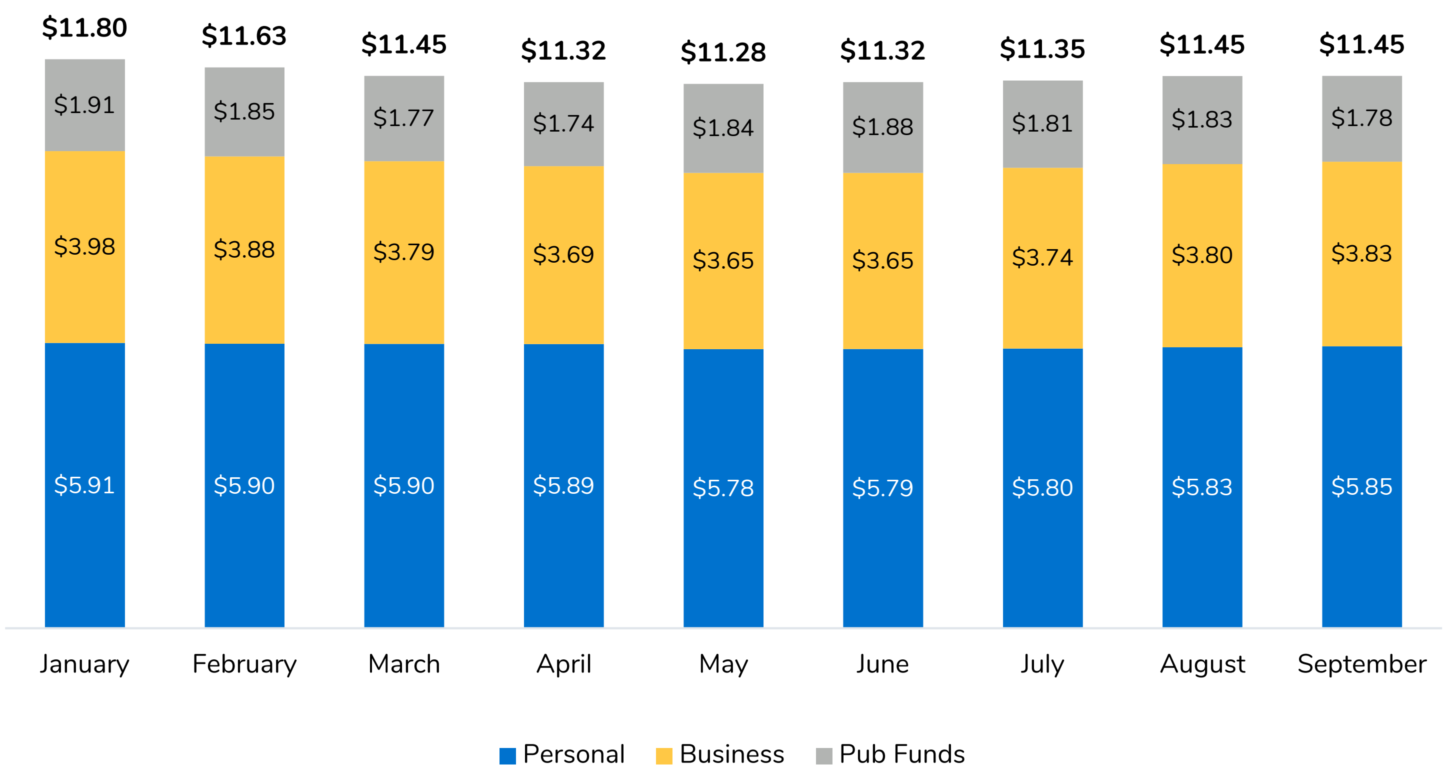
Uninsured deposits (per call report instructions)	$	5,250
Less: Public funds		1,581
Less: Intercompany deposits		654
Adjusted uninsured deposits		3,015
Borrowing capacity		5,183
Borrowing capacity in excess of adjusted uninsured deposits	$	2,168

Borrowing capacity as a % of adjusted uninsured deposits	171.9%
Adjusted uninsured deposits to total deposits	23.3%

All dollars shown in millions

average deposit trends-continued

2023 Average deposits by month



All dollars shown in billions

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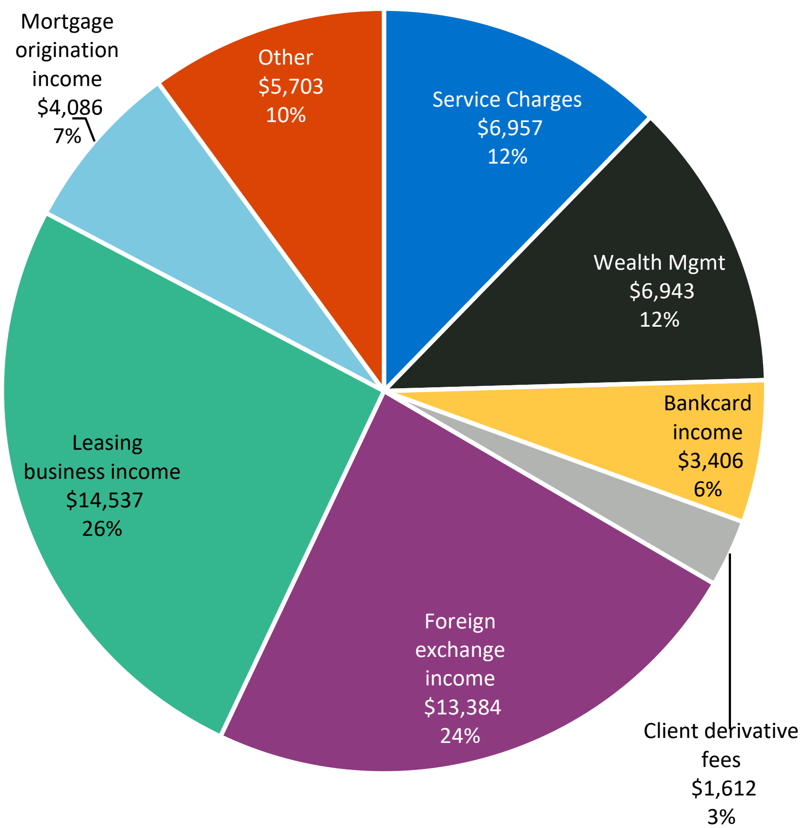
noninterest income

Noninterest Income

Total $56.6 million



All dollars shown in thousands

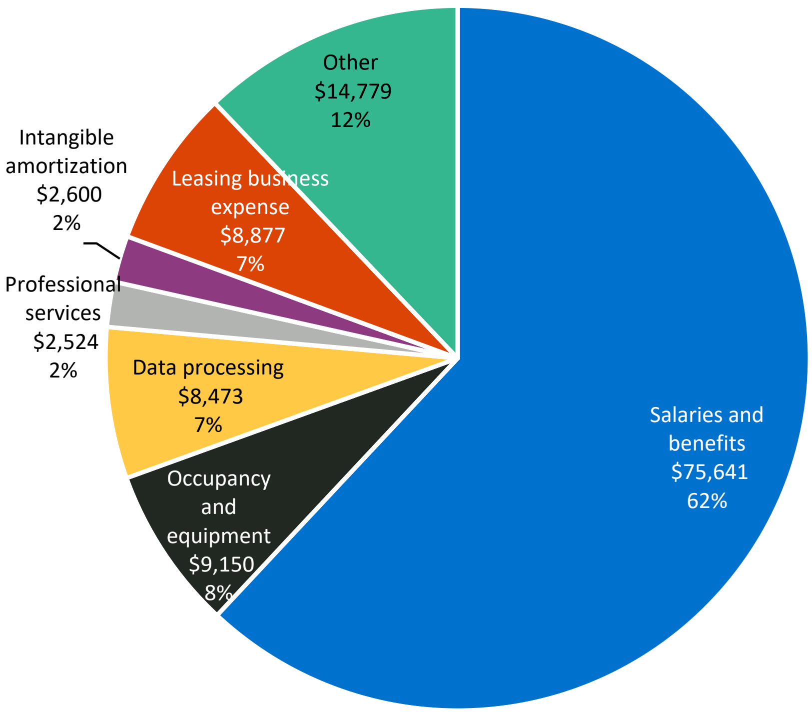
3Q23 Highlights

- Total fee income 26.7% of net revenue
- Foreign exchange income of $13.4 million; decreased $1.7 million, or 11.0%, from the linked quarter
- Leasing business income of $14.5 million; increased $4.3 million, or 41.6%, from the linked quarter
- Record trust and wealth management fees of $6.9 million increased $0.2 million, or 3.4%, from the linked quarter
- Deposit service charge income of $7.0 million remained relatively unchanged from the linked quarter
- Mortgage banking income of $4.1 million; increased $0.2 million, or 6.4%, from the linked quarter
- Client derivative income of $1.6 million; decreased $0.2 million, or 11.8%, from the linked quarter

noninterest expense

Noninterest Expense

Total $122.0 million



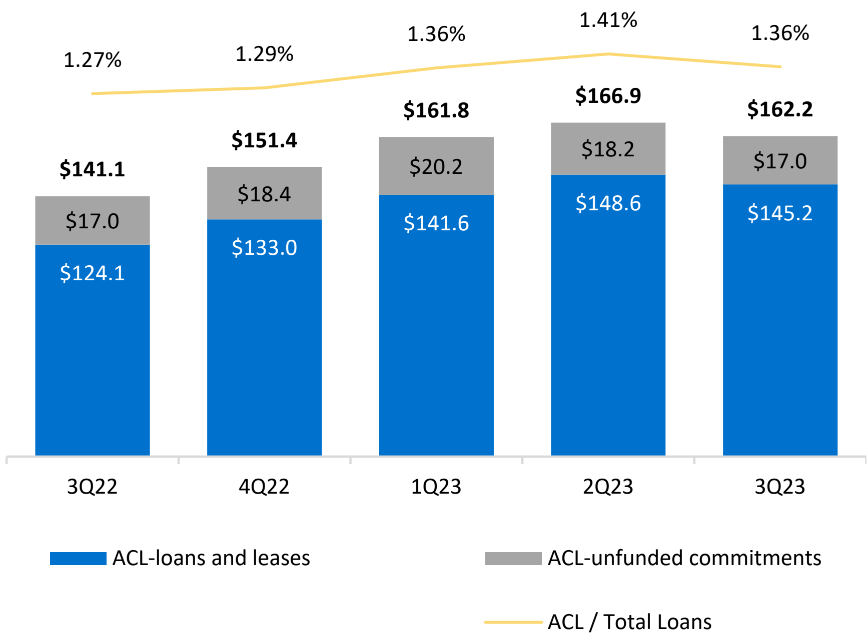
3Q23 Highlights

- Core expenses increased $4.7 million, or 4%, primarily due to higher employee costs, elevated fraud losses and a $2.1 million increase in leasing business expenses
- $0.5 million of adjustments include:
  - Costs related to online banking conversion, as well as other costs not expected to recur such as acquisition, severance and branch consolidation costs

All dollars shown in thousands

current expected credit losses - loans and leases

ACL / Total Loans



All dollars shown in millions

3Q23 Highlights

- $162.2 million combined ACL; $11.7 million combined provision expense
- $145.2 million ACL – loans and leases; increase driven by net charge-offs; 1.36% of loan balances
- Utilized Moody's September baseline forecast in quantitative model
- $17.0 million ACL – unfunded commitments

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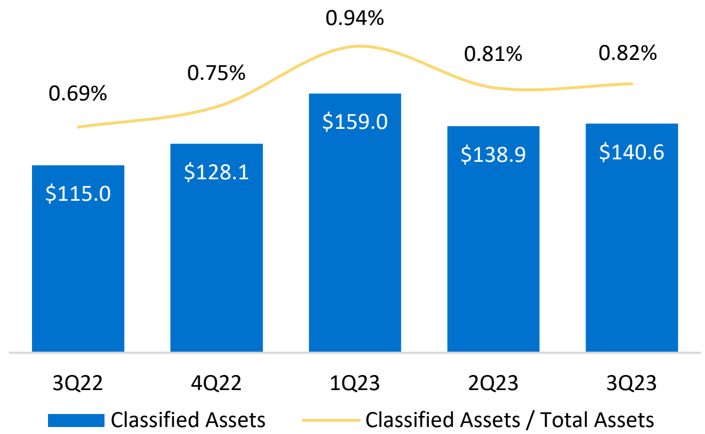
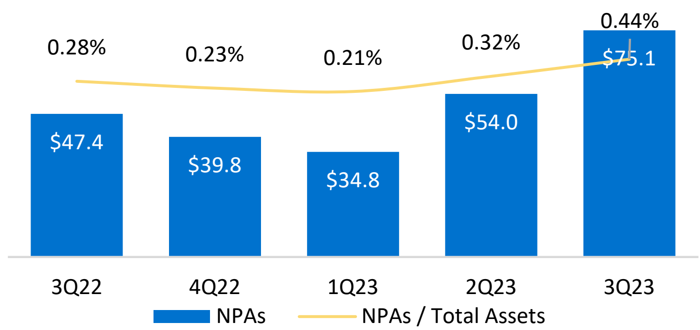
asset quality

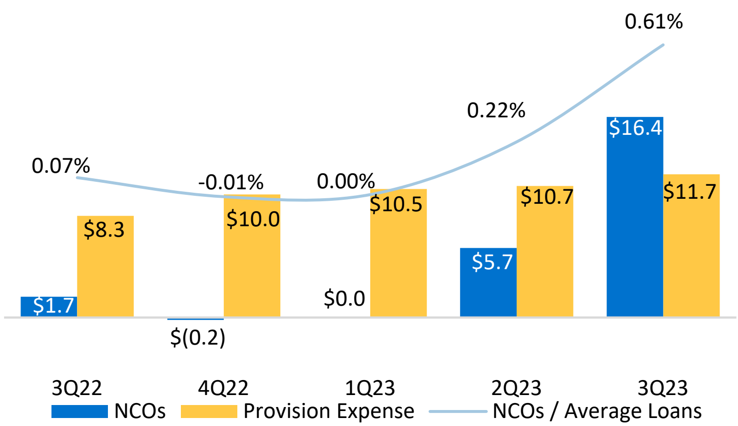
Classified Assets / Total Assets



Nonperforming Assets / Total Assets



Net Charge Offs & Provision Expense[1]



[1] Provision includes both loans & leases and unfunded commitments
All dollars shown in millions

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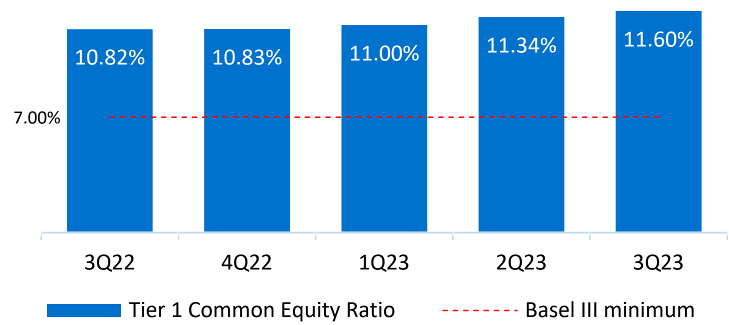
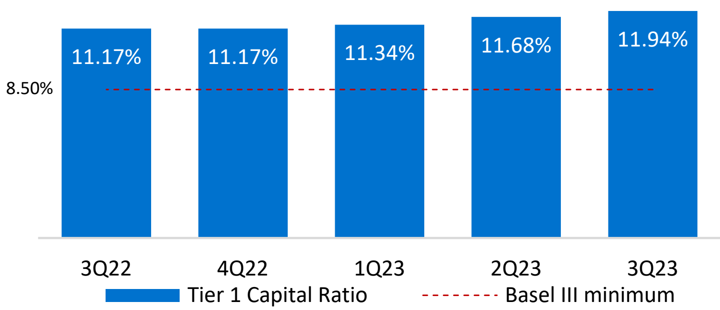
EQUAL HOUSING LENDER
FDIC

capital

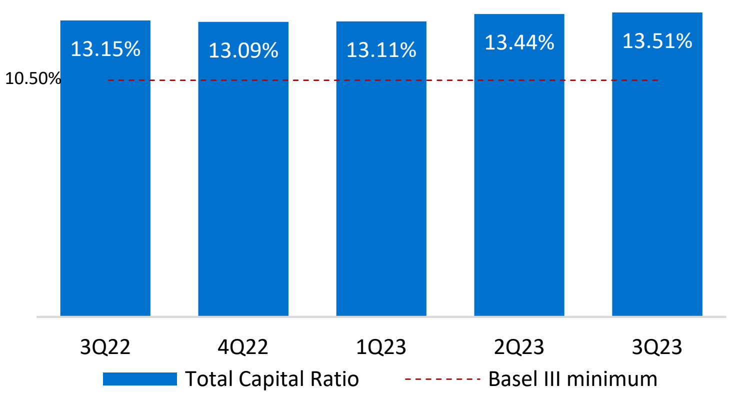
Tier 1 Common Equity Ratio



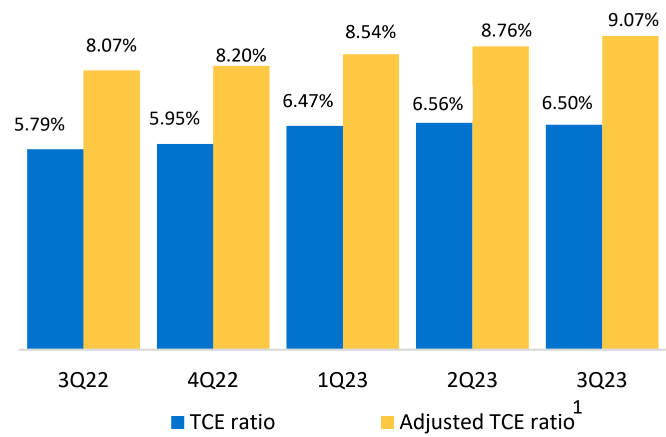
Tier 1 Capital Ratio



Total Capital Ratio



Tangible Common Equity Ratio



9/30 Risk Weighted Assets = $13,170,574

All capital numbers are considered preliminary.

[1] Non-GAAP financial measure which management believes facilitates a better understanding of the Company's financial condition. See Appendix for Non-GAAP reconciliation. Adjusted TCE excludes impact from AOCI

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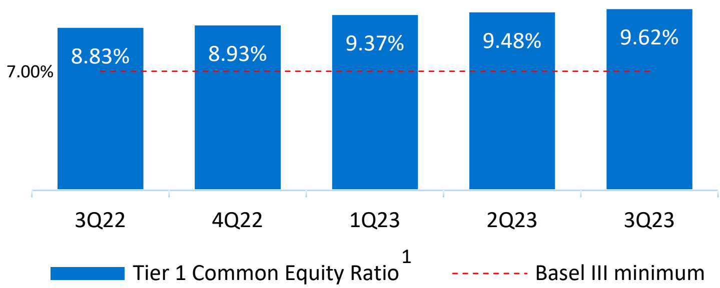
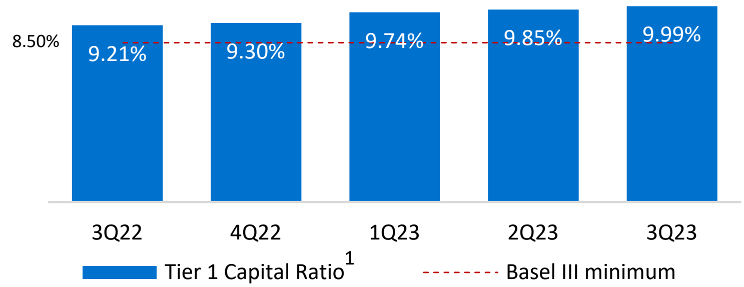
capital ratios, reflecting all unrealized losses[1]

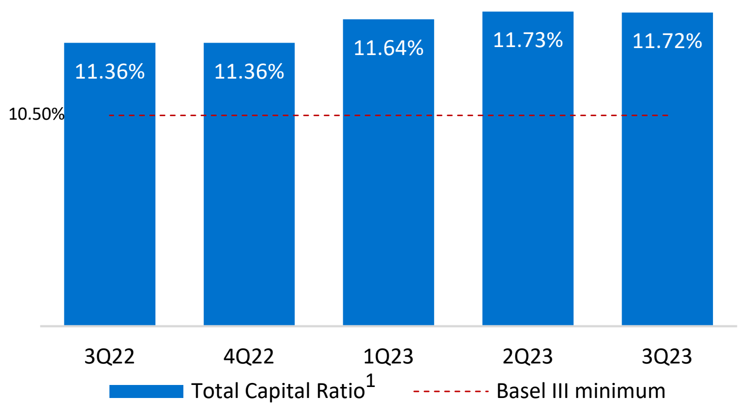
Tier 1 Common Equity Ratio



Tier 1 Capital Ratio



Total Capital Ratio



9/30 Risk Weighted Assets = $13,170,574
All capital numbers are considered preliminary.

[1] Assumes Company holds cash proceeds of securities sales

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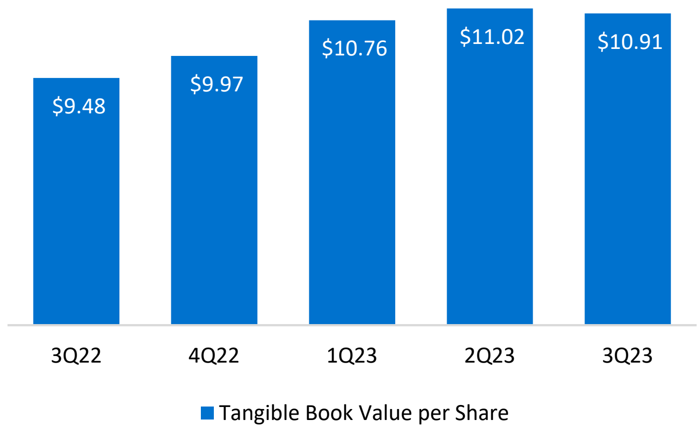
capital strategy

Tangible Book Value Per Share



- Slight decrease in TBV per share driven by decline in AOCI

Strategy & Deployment

- 4.7% annualized dividend yield
- 34.7% of 3Q23 earnings returned to shareholders through common dividend
- Most recent internal stress testing indicates capital ratios above regulatory minimums in all modeled scenarios
- Common dividend expected to remain unchanged in near-term
- No shares repurchased in 3Q23; no plans to repurchase shares in near-term

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outlook commentary[1]

Balance Sheet	• Loan balances expected to grow mid single digits in near-term • Deposit balances expected to increase modestly in near-term • Investment portfolio expected to modestly decline as cash flows fund loan growth
Net Interest Margin	• 4.15% - 4.25% with no further Fed tightening actions • Uncertainty remains around Fed Funds path, deposit repricing, loan growth
Credit	• Credit costs expected to be similar to 3Q • Stable ACL coverage as a percentage of loans expected • Uncertainty regarding inflation and macroeconomic environment
Noninterest Income	• Total expected fee income of $55 - 57 million
Noninterest Expense	• Total noninterest expense expected to be $121 - 123 million • Expected to be stable excluding growth in leasing business expense • Incentive expense will fluctuate with fee income
Capital	• Expect to maintain dividend at current levels

[1] See Forward Looking Statement Disclosure on page 2-3 of this presentation for a discussion of factors that could affect management's expectations and results in future periods.

appendix: non-GAAP measures

The Company's Investor Presentation contains certain financial information determined by methods other than in accordance with accounting principles generally accepted in the United States (GAAP). Such non-GAAP financial information should be considered supplemental to, and not as a substitute for, or superior to, financial measures calculated in accordance with GAAP. However, we believe that non-GAAP reporting provides meaningful information and therefore we use it to supplement our GAAP information. We have chosen to provide this supplemental information to investors, analysts and other interested parties to enable them to perform additional analyses of operating results, to illustrate the results of operations giving effect to the non-GAAP adjustments and to provide an additional measure of performance. We believe this information is helpful in understanding the results of operations separate and apart from items that may, or could, have a disproportional positive or negative impact in any given period. For a reconciliation of the differences between the non-GAAP financial measures and the most comparable GAAP measures, please refer to the following reconciliation tables.

appendix: non-GAAP to GAAP reconciliation

Net interest income and net interest margin - fully tax equivalent

	Three months ended				
	Sep. 30, 2023	June 30, 2023	Mar. 31, 2023	Dec. 31, 2022	Sep. 30, 2022
Net interest income	$ 155,455	$ 159,232	$ 159,318	$ 157,896	$ 137,892
Tax equivalent adjustment	1,659	1,601	1,424	1,553	1,712
Net interest income - tax equivalent	$ 157,114	$ 160,833	$ 160,742	$ 159,449	$ 139,604
Average earning assets	$ 14,404,144	$ 14,403,542	$ 14,326,645	$ 14,136,477	$ 13,917,815
Net interest margin[1]	4.28 %	4.43 %	4.51 %	4.43 %	3.93 %
Net interest margin (fully tax equivalent)[1]	4.33 %	4.48 %	4.55 %	4.47 %	3.98 %

[1] Margins are calculated using net interest income annualized divided by average earning assets.

The tax equivalent adjustment to net interest income recognizes the income tax savings when comparing taxable and tax-exempt assets and assumes a 21% tax rate. Management believes that it is a standard practice in the banking industry to present net interest margin and net interest income on a fully tax equivalent basis. Therefore, management believes these measures provide useful information to investors by allowing them to make peer comparisons. Management also uses these measures to make peer comparisons.

All dollars shown in thousands

appendix: non-GAAP to GAAP reconciliation

Additional non-GAAP ratios

(Dollars in thousands, except per share data)	Three months ended, Sep. 30, 2023	June 30, 2023	Mar. 31, 2023	Dec. 31, 2022	Sep. 30, 2022
Net income (a)	$ 63,061	$ 65,667	$ 70,403	$ 69,086	$ 55,705
Average total shareholders' equity	2,153,601	2,137,765	2,082,210	2,009,564	2,089,179
Less:					
Goodwill	(1,005,844)	(1,005,791)	(1,005,713)	(998,575)	(999,690)
Other intangibles	(87,427)	(89,878)	(92,587)	(95,256)	(97,781)
Average tangible equity (b)	1,060,331	1,042,097	983,910	915,733	991,708
Total shareholders' equity	2,129,509	2,143,419	2,121,496	2,041,373	1,994,132
Less:					
Goodwill	(1,005,868)	(1,005,828)	(1,005,738)	(1,001,507)	(998,422)
Other intangibles	(86,378)	(88,662)	(91,169)	(93,919)	(96,528)
Ending tangible equity (c)	1,037,263	1,048,929	1,024,589	945,947	899,182
Less:					
AOCI	(410,005)	(353,010)	(328,059)	(358,663)	(354,570)
Ending tangible equity less AOCI (d)	1,447,268	1,401,939	1,352,648	1,304,610	1,253,752
Total assets	17,054,852	17,090,149	16,933,884	17,003,316	16,623,793
Less:					
Goodwill	(1,005,868)	(1,005,828)	(1,005,738)	(1,001,507)	(998,422)
Other intangibles	(86,378)	(88,662)	(91,169)	(93,919)	(96,528)
Ending tangible assets (e)	15,962,606	15,995,659	15,836,977	15,907,890	15,528,843
Risk-weighted assets (f)	13,170,574	13,118,477	13,025,552	12,923,233	12,467,422
Total average assets	16,951,389	16,968,055	16,942,999	16,767,598	16,385,989
Less:					
Goodwill	(1,005,844)	(1,005,791)	(1,005,713)	(998,575)	(999,690)
Other intangibles	(87,427)	(89,878)	(92,587)	(95,256)	(97,781)
Average tangible assets (g)	$ 15,858,119	$ 15,872,386	$ 15,844,699	$ 15,673,767	$ 15,288,518
Ending shares outstanding (h)	95,117,180	95,185,483	95,190,406	94,891,099	94,833,964
Ratios					
Return on average tangible shareholders' equity (a)/(b)	23.60%	25.27%	29.02%	29.93%	22.29%
Ending tangible equity as a percent of:					
Ending tangible assets (c)/(e)	6.50%	6.56%	6.47%	5.95%	5.79%
Risk-weighted assets (c)/(f)	7.88%	8.00%	7.87%	7.32%	7.21%
Ending tangible equity excluding AOCI as a percent of:					
Ending tangible assets (d)/(e)	9.07%	8.76%	8.54%	8.20%	8.07%
Average tangible equity as a percent of average tangible assets (b)/(g)	6.69%	6.57%	6.21%	5.84%	6.49%
Tangible book value per share (c)/(h)	$ 10.91	$ 11.02	$ 10.76	$ 9.97	$ 9.48

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All dollars shown in thousands

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appendix: non-GAAP to GAAP reconciliation

Additional non-GAAP measures

	3Q23		2Q23		1Q23		4Q22	
(Dollars in thousands, except per share data)	As Reported	Adjusted	As Reported	Adjusted	As Reported	Adjusted	As Reported	Adjusted
Net interest income (f)	$ 155,455	$ 155,455	$ 159,232	$ 159,232	$ 159,318	$ 159,318	$ 157,896	$ 157,896
Provision for credit losses-loans and leases (j)	12,907	12,907	12,719	12,719	8,644	8,644	8,689	8,689
Provision for credit losses-unfunded commitments (j)	(1,234)	(1,234)	(1,994)	(1,994)	1,835	1,835	1,341	1,341
Noninterest income	56,628	56,628	53,258	53,258	55,543	55,543	56,035	56,035
less: gains (losses) on security transactions		(58)		(466)		121		922
less: other		(94)		227		-		-
Total noninterest income (g)	56,628	56,780	53,258	53,497	55,543	55,422	56,035	55,113
Noninterest expense	122,044	122,044	120,615	120,615	116,693	116,693	124,442	124,442
less: tax credit investment w ritedow n		104		984		104		6,406
less: Summit acquisition costs		787		1,717		31		149
less: Other		(395)		1,044		2,000		558
Total noninterest expense (e)	122,044	121,548	120,615	116,870	116,693	114,558	124,442	117,329
Income before income taxes (i)	78,366	79,014	81,150	85,134	87,689	89,703	79,459	85,650
Income tax expense	15,305	15,305	15,483	15,483	17,286	17,286	10,373	10,373
plus: tax effect of adjustments		82		81		82		5,061
plus: after-tax impact of tax credit investments @ 21%		136		837		423		1,300
Total income tax expense (h)	15,305	15,523	15,483	16,401	17,286	17,791	10,373	16,734
Net income (a)	$ 63,061	$ 63,491	$ 65,667	$ 68,733	$ 70,403	$ 71,912	$ 69,086	$ 68,916
Average diluted shares (b)	95,117	95,117	95,185	95,185	95,190	95,190	94,832	94,832
Average assets (c)	16,951,389	16,951,389	16,968,055	16,968,055	16,942,999	16,942,999	16,767,598	16,767,598
Average shareholders' equity	2,153,601	2,153,601	2,137,765	2,137,765	2,082,210	2,082,210	2,009,564	2,009,564
Less:								
Goodw ill and other intangibles	(1,093,271)	(1,093,271)	(1,095,669)	(1,095,669)	(1,098,300)	(1,098,300)	(1,093,831)	(1,093,831)
Average tangible equity (d)	1,060,331	1,060,331	1,042,097	1,042,097	983,910	983,910	915,733	915,733
Ratios								
Net earnings per share - diluted (a)/(b)	$ 0.66	$ 0.67	$ 0.69	$ 0.72	$ 0.74	$ 0.76	$ 0.73	$ 0.73
Return on average assets - (a)/(c)	1.48%	1.49%	1.55%	1.62%	1.69%	1.72%	1.63%	1.63%
Pre-tax, pre-provision return on average assets - ((a)+(j)+(h))/(c)	2.11%	2.12%	2.17%	2.27%	2.35%	2.40%	2.12%	2.26%
Return on average tangible shareholders' equity - (a)/(d)	23.60%	23.76%	25.27%	26.46%	29.02%	29.64%	29.93%	29.86%
Efficiency ratio - (e)/((f)+(g))	57.5%	57.3%	56.8%	54.9%	54.3%	53.3%	58.2%	55.1%
Effective tax rate - (h)/(i)	19.5%	19.6%	19.1%	19.3%	19.7%	19.8%	13.1%	19.5%

All dollars shown in thousands

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