Investor Presentation

Second Quarter 2019

first financial bancorp

Forward Looking Statement 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: (i) economic, market, liquidity, credit, interest rate, operational and technological risks associated with the Company's business; (ii) 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; (iii) management's ability to effectively execute its business plans; (iv) mergers and acquisitions, including costs or difficulties related to the integration of acquired companies; (v) the possibility that any of the anticipated benefits of the Company's merger with MainSource Financial Group, Inc. will not be realized or will not be realized within the expected time period; (vi) the effect of changes in accounting policies and practices; (vii) changes in consumer spending, borrowing and saving and changes in unemployment; (viii) changes in customers' performance and creditworthiness; and (ix) the costs and effects of litigation and of unexpected or adverse outcomes in such litigation. Additional factors that may cause our actual results to differ materially from those described in our forward-looking statements can be found in the Form 10-K for the year ended December 31, 2018, 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.
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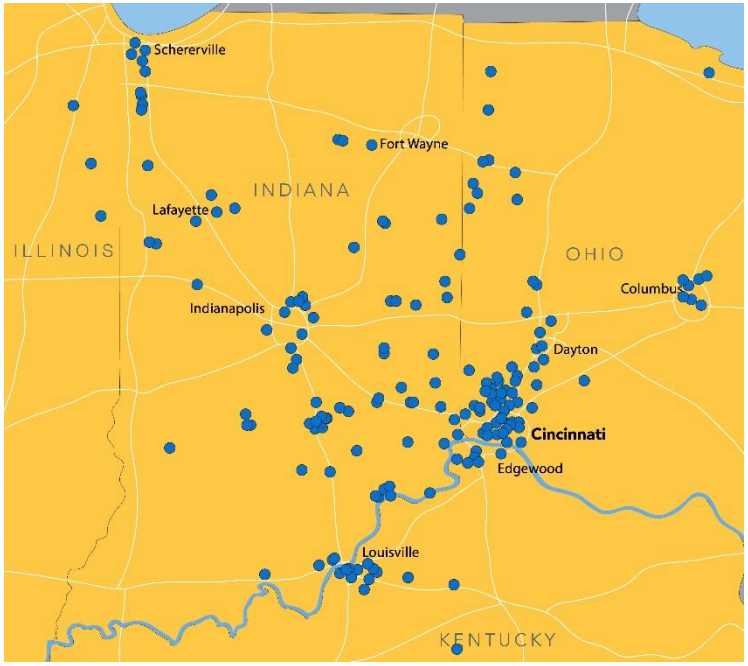
About First Financial Bancorp

Financial Performance

Appendix

Company Overview



Overview

Founded: 1863

Headquarters: Cincinnati, Ohio

Banking Centers: 159

Assets: $14.4 billion

Loans: $9.0 billion

Deposits: $10.1 billion

Wealth Mgmt: $4.4 billion

- $2.7 billion AUM
- $1.7 billion brokerage

Lines of Business

Commercial

- C&I, O-CRE, ABL, Equipment Finance, Treasury

Retail Banking

- Consumer, Business Banking, Small Business

Mortgage Banking

Wealth Management / Private Banking

Investment Commercial Real Estate

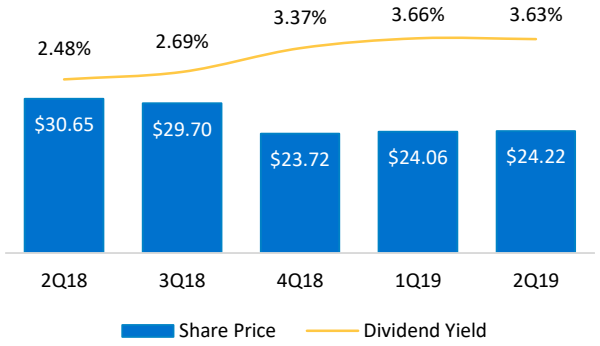
Commercial Finance





www.bankatfirst.com

NASDAQ: FFBC



FIRST
first financial bancorp

Current Priorities

- Achieve targeted income and balance sheet growth objectives
- Develop / begin implementation of strategic technology roadmap
- Execute acquisition strategy
  - Prioritize fee based businesses: wealth, capital markets
  - In-market bank acquisitions that provide improved market share or niche businesses / expertise
- Continue transformation of distribution network
  - Open new flagship location in downtown Cincinnati
  - Consolidate / close existing locations
  - Speed transition to advising functions
  - Limited openings in strategic locations
- Drive associate engagement and cultural development
- Complete development of CECL framework

Bannockburn Transaction Overview

- First Financial will acquire Cincinnati based Bannockburn Global Forex, LLC ("BBFX"), a capital markets firm specializing in foreign exchange payments, hedging, and other fee-based advisory services to small and medium enterprise ("SME") clients
- Highly-additive transaction, consistent with FFBC's previously communicated strategic focus on growing fee income

Strategic Benefits

- Adds >$30mm of fee income
- FFBC Fee Income / Revenue increases by ~400 bps
- Meaningful cross-sell opportunities to both sets of existing clients
- Counter-cyclical – BBFX's activity increases in downturns

Transaction Detail

- ~$110mm transaction value
- ~4.7mm shares and $3.7mm in cash[1]
- All key BBFX team members will enter into retention agreements
- BBFX team previously worked at a large regional bank under FFB's Chief Commercial Executive

Financial Impact

- Low-single digit GAAP EPS accretion / mid-single digit Cash EPS accretion
- Enhances ROA and ROATCE
- IRR > 40%; ~100% free cash flow generation
- TBV earnback < 5 years

Attractive risk / reward profile, with shared history and strong cultural alignment

1 Consideration includes an option for BBFX shareholders to elect up to $50 million in cash at close in exchange for 2.06 million shares if FFBC stock price as of three days before closing is less than $24.25

4th & Vine – Opened 8/12/19

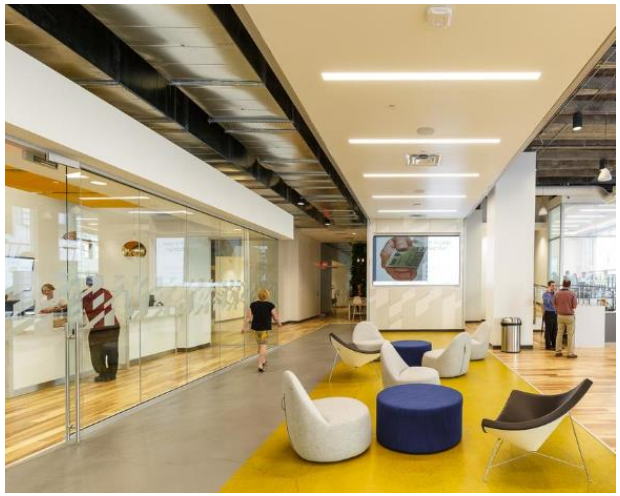
- New 15,000 sq. ft. First Innovation Center and Downtown Cincinnati Banking Hub Site
- Multi-use spaces free for the community including multiple conference rooms, areas for shared workspace, and 5,000 sq. ft. for seminars and events
- Financial wellbeing tech table
- Office/workspace for front facing associates representing most revenue lines of business
- Includes 1,500 sq. ft. full service branch
- Dog friendly







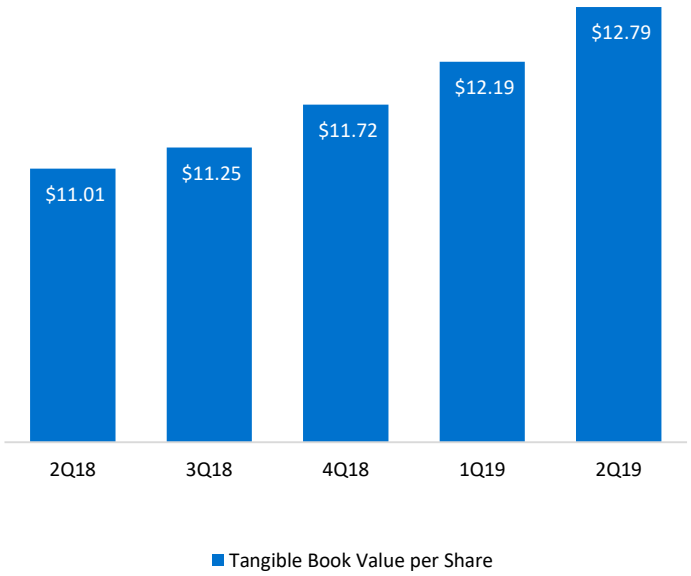




4TH & VINE
a FIRST financial community

Capital Strategy & Deployment

Tangible Book Value Per Share



Strategy & Deployment

- 2Q19 share repurchase inactivity primarily due to previously announced Bannockburn acquisition
- Board of directors approved $0.01 increase in dividend to $0.23; results in a 3.8% dividend yield
- Targeted dividend payout ratio remains 40-45%

Revenue Growth Strategies

LOB | Go-to-Market

Product & Pricing

- Regional pricing strategy
- Treasury Management product investments
- Investments in Product Management

Talent Expansion

- Up-Market Commercial talent acquisition
- Added Chief Digital Officer; building out team
- Added Enterprise Product Executive
- Added Client Experience Executive

Client Experience

- Improved Cash Management Platform
- Improved Online Banking Product
- Blend
- nCino

Distribution

Defined Models

- Community
- Metro
- Headquarters
- National
- Digital

Capacity Plans

- Increased physical distribution network
- Closed 48 locations since merger
- Aligned sales teams to distribution models

Expanded Capabilities

- Rollout of "in-house" derivatives desk capabilities
- Exploit untapped Wealth Management opportunities for expanded client base

Technology

Enterprise Data Management

- Investment in data warehouse
- Enabling data as a strategic asset
- Connection into CRM platform

Enterprise CRM

- Company-wide implementation of SFDC
- Marketing automation and sales enablement program development
- Sales Management
- Operational Integration

Digital Transformation

- Roadmap Creation
- Resource Allocation
- Enhanced Client Experience

Talent

Staffing Model

- Defined new company FTE targets
- Larger salesforce in targeted Lines of Business

Culture

- Change Management through merger
- Refreshed Corporate Strategic Intent
- Attraction/recruitment engagement and retention programs

Franchise Growth Plans

FIRST first financial bank

Go-to-Market Strategies

COMMERCIAL BANKING

Vision
To be known and operate as the Premier Business Bank and to provide banking solutions to the business, to the owner(s) and to their employees.

Target Audience
- High Demander
- $10MM-100MM Sales Revenue
- 50+ Employees

Current Portfolio
Approx 500 Relationships
$2.4B Commitments
$1.8B Balances
$1.1B Business Deposits
$1.4B Pub Fund Deposits

Value Proposition
We offer the products of our large regional competitors and, through **personal relationship building**, we become their trusted financial partner.

Business Line Goals
- Loan Growth
- Deposit Growth
- Fee Revenue

RETAIL BANKING

Vision
Achieve organic growth by creating long-lasting relationships by finding ways to help our clients succeed.

Target Audience
- Consumers
- Small Business
- Business Banking

Goals
- Core Deposit Growth
- Client Retention
- Share of Wallet
- Business Banking

Value Proposition
Centers on our ability to remain relevant and offer the products and services that our larger competitors do, but with a level of client intimacy that is difficult for larger competitors to sustain. Our clients look to us as their partner, and we will seek to provide them every product and service that they need—but nothing that they don't.

Current Portfolio

	Consumer	Business	Pub Funds
Number of Clients	326,705	32,930	
Total Deposit Balance	$5.2B	$1.1B	$186MM
Total Loan Balance	$901MM	$1.2B	

MORTGAGE

Vision
To be known as a premier mortgage lender in our communities by leveraging our relationships, exceptional client service and a comprehensive selection of product options to assist our clients in obtaining their dream of homeownership.

Target Audience
Clients looking to purchase or refinance a home less than $2.5MM

Current State
- Qtr Orig Volume $202MM
- Avg loan size $207K

Business Objectives
- Grow the business
- Focus on CRA
- Regulatory Compliance
- Customer Satisfaction

Value Proposition
A team of mortgage experts that deliver a fast, consistent experience for our clients by offering a suite of products to meet the needs of all client segments.

WEALTH MANAGEMENT

Vision
Utilize a holistic wealth management approach to grow, preserve and protect client wealth.

Target Audience

Mass Affluent:	$150-$499K HH income $250K-$1MM in AUM
High Net Worth:	$500K+ HH Income $1MM-$10MM in AUM
Plan Sponsors:	$1-$20MM Plan Size 100+ Participants

Value Proposition
- Convenient and efficient venue to comprehensively address all financial/banking needs
- Investment Management Process
- Expertise - Trust, Estate, Financial Planning, RPS
- Best in Class Brokerage Platform

Current Portfolio

	Relationships	Assets
Trust & Investments	2,238	$2.5B
Brokerage	8,815	$1.7B
RPS	87	$256MM

Business Line Goals
- AUM Growth
- New Client Acquisition
- Maintain Top Quartile Investment Outcomes

INVESTMENT COMMERCIAL REAL ESTATE

Vision
To be recognized by professional developers and investors as the market leader. Through constant monitoring and application of our strategy we will build a high performing portfolio with acceptable risk and excellent financial returns.

Current Portfolio

Central OH	$591MM
Southern OH	$1.0B
Indiana	$619MM
Healthcare	$224MM

Business Line Goals
- Loan Growth
- Swap Revenue
- Deposit Growth

Target Audience
Professional investors/developers with proven track-record to weather down-cycles

COMMERCIAL FINANCE

Vision
To be the market leader in client experience for commercial financing by delivering unique and diverse product offerings through cutting-edge technology and exceptional client service.

Target Audience
- Insurance Businesses (Retail, Wholesale, MGA, MGU, Risk Retention Groups, Carriers)
- Registered Investment Advisors
- Multi-Unit Restaurant Franchisees
- Certified Public Accountants
- Commercial Automotive Portfolios
- Third-Party Loan Servicing

Current Portfolio

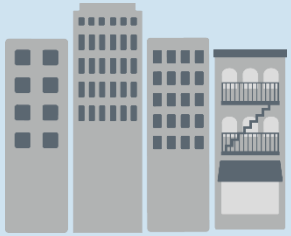
FRA	$532MM
OSF	$567MM

Value Proposition
Fulfill the unique capital needs for our targeted cash flow-based industries while providing extraordinary service to our borrowers.

Business Line Goals
- Portfolio Growth
- Revenue Growth

Market Centric Strategies

METRO MARKETS



Louisville, KY
Columbus, OH
Indianapolis, IN
Dayton, OH

▼ Low brand awareness
Low market share

- Build relationships through becoming the Premier Business Bank
- Bank the business, the business owners and the employees
- Leads to targeted growth across all business lines

COMMUNITY MARKETS



Southeastern IN
South Central IN
Northwest IN
Northern OH

▲ High brand awareness
High market share

- Deepen relationships
- Expand product offering
- Word-of-mouth referrals
- Leads to organic growth

HEADQUARTERS

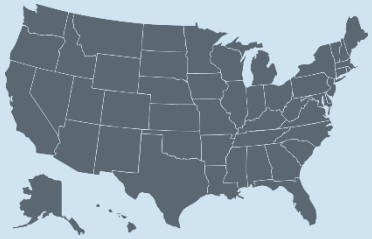


Greater Cincinnati
Northern KY

4th in market share
All business lines represented

- Hometown Community
- Significant branch network
- Alternative to larger banks
- Mass player, based on brand, reputation and legacy
- Visible presence
- Large associate population

NATIONAL



Industry Specific

▶ Niche offering

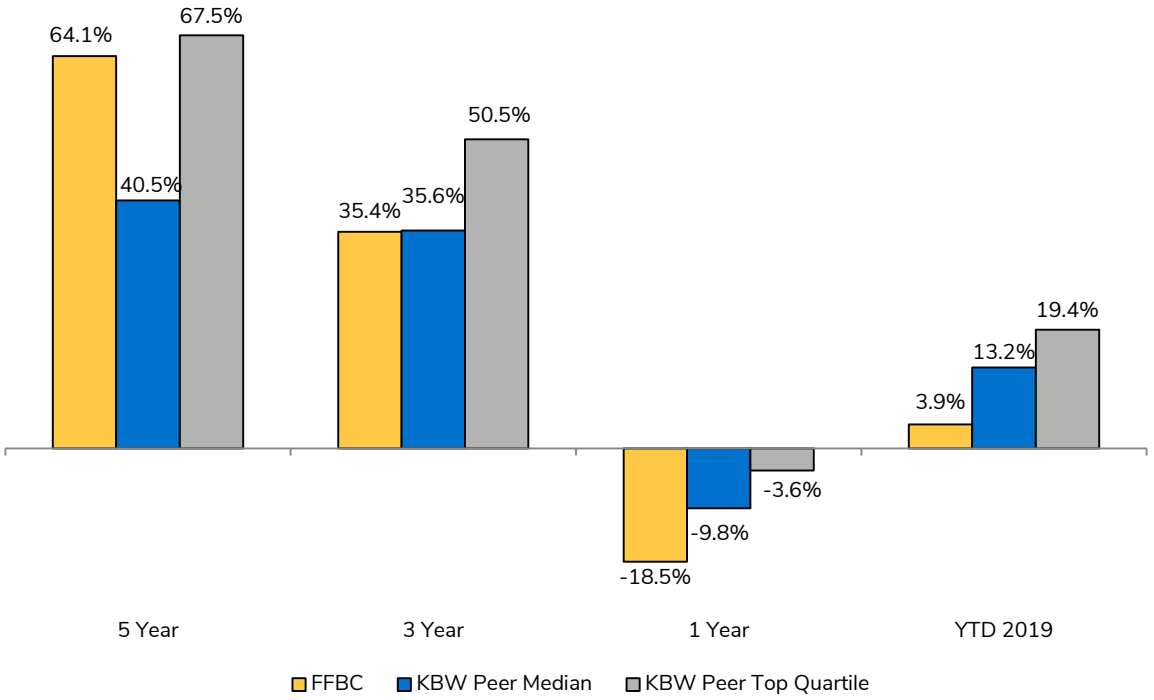
- Oak Street Funding
- First Franchise Capital

Invest in First Financial

- Experienced and proven management team
- Increased scale to invest in franchise
- Proven & sustainable business model
  - Well managed through the cycle
  - Conservative operating philosophy
  - Consistent profitability – 115 consecutive quarters
- Top quartile performer – ROAA, ROATCE, Efficiency
- Robust capital management
  - Prudent steward of shareholders' capital
- Strong asset quality
- Well defined M&A strategy
  - Selective markets, products & asset diversification

Invest in First Financial

Total Shareholder Return[1,2,3,4]



[1] Includes dividend reinvestment.
[2] Peer group includes KBW regional bank index peers.
[3] Based on stock price as of 06/30/2019.
[4] Beginning date is 07/01/2018 for the 1-year return, 07/01/2016 for the 3-year return, and 07/01/2014 for the 5-year return.



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2Q 2019 Results

115th Consecutive Quarter of Profitability

Profitability

- Net income = $52.7 million or $0.53 per diluted share. Adjusted[1] net income = $57.4 million or $0.58 per diluted share,[2].
- Return on average assets = 1.50%. Adjusted[1] return on average assets = 1.63%.
- Return on average shareholders' equity = 9.85%. Adjusted[1] return on average shareholders' equity = 10.72%.
- Return on average tangible common equity = 17.33%[1]. Adjusted[1] return on average tangible common equity = 18.87%.

Income Statement

- Net interest income = $122.3 million.
- Net interest margin of 3.99% on a GAAP basis; 4.04% on a fully tax equivalent basis[1].
- Noninterest income = $34.6 million; $34.6 million[1] as adjusted.
- Noninterest expense = $84.4 million; $78.9 million[1] as adjusted for merger related items.
- Efficiency ratio = 53.76%. Adjusted [1] efficiency ratio = 50.26%.
- Effective tax rate of 20.0%. Adjusted [1] effective tax rate of 19.6%.

Balance Sheet

- EOP assets increased $363.4 million compared to the linked quarter to $14.4 billion.
- EOP loans increased $171.6 million compared to the linked quarter to $9.0 billion.
- Average deposits increased $28.7 million compared to the linked quarter to $10.1 billion.
- EOP investment securities increased $46.9 million compared to the linked quarter.

Asset Quality

- Provision expense = $6.7 million. Net charge-offs = $1.8 million. NCOs / Avg. Loans = 0.08% annualized.
- Nonperforming Loans / Total Loans = 0.99%. Nonperforming Assets / Total Assets = 0.62%.
- ALLL / Nonaccrual Loans = 119.86%. ALLL / Total Loans = 0.69%. Classified Assets / Total Assets = 1.02%.

Capital

- Total capital ratio = 14.20%.
- Tier 1 common equity ratio = 12.00%.
- Tangible common equity ratio = 9.34%.
- Tangible book value per share = $12.79.

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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 reconciliation.
[2] See Slide 17 for Adjusted Earnings detail.

2Q 2019 Highlights

- Solid quarterly earnings
  - Adjusted[1] earnings per share - $0.58
  - Adjusted[1] return on assets – 1.63%
  - Adjusted[1] return on average tangible common equity – 18.87%
  - Net income reduced by $5.2 million of severance and merger related expenses
- Strong loan growth
  - Loan balances increased $171.6 million compared to the linked quarter
  - Strong growth surpassed expectations; driven by ICRE and mortgage banking
- Modest deposit growth primarily in public funds and retail CDs
  - Seasonal public fund growth and higher retail CDs more than offset declines in money markets and brokered CDs
- Net interest margin in line with expectations
  - Decline driven by higher funding costs and day count
- Strong fee income growth
  - $7.8 million, or 29.1% increase in fee income compared to the linked quarter
  - Driven by record client derivative fees and strong mortgage banking activity in addition to higher bankcard and service charge income
- Disciplined expense management
  - Adjusted[1] noninterest expense of $78.9 million; Includes $0.8 million contribution to the First Financial Foundation
- Stable credit quality continues to be affected by franchise relationship discussed in the first quarter
  - Provision expense of $6.7 million; $4.0 million of additional reserves related to the franchise relationship
- Strong Capital ratios
  - Total capital of 14.20%; Tier 1 common equity of 12.00%; Tangible common equity of 9.34%
  - Tangible book value increased to $12.79

[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[1] Net Income

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

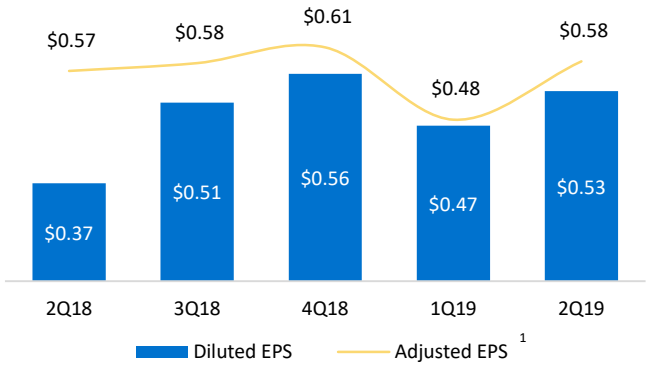
	2Q 2019			1Q 2019		
	As Reported	Adjusted		As Reported	Adjusted	
Net interest income	$ 122,302	$ 122,302		$ 121,515	$ 121,515	
Provision for loan and lease losses	$ 6,658	$ 6,658		$ 14,083	$ 14,083	
Noninterest income	$ 34,638	$ 34,638		$ 26,827	$ 26,827	
less: gains (losses) on investment securities	-	52	A	-	(34)	A
Total noninterest income	$ 34,638	$ 34,586		$ 26,827	$ 26,861	
Noninterest expense	$ 84,378	$ 84,378		$ 78,499	$ 78,499	
less: severance and merger-related expenses	-	5,187	A	-	1,734	A
less: other	-	336	A	-	78	A
Total noninterest expense	$ 84,378	$ 78,855		$ 78,499	$ 76,687	
Income before income taxes	$ 65,904	$ 71,375		$ 55,760	$ 57,606	
Income tax expense	$ 13,201	$ 13,201		$ 9,921	$ 9,921	
less: tax effect of executive compensation	-	365		-	-	
plus: tax effect of adjustments						
(A) @ 21% statutory rate	-	1,150		-	388	
Total income tax expense	$ 13,201	$ 13,986		$ 9,921	$ 10,309	
Net income	$ 52,703	$ 57,389		$ 45,839	$ 47,297	
Net earnings per share - diluted	$ 0.53	$ 0.58		$ 0.47	$ 0.48	
Pre-tax, pre-provision return on average assets	2.06%	2.22%		2.03%	2.08%	

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

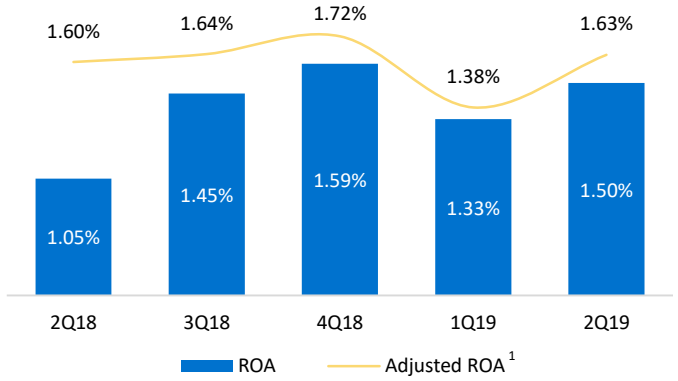
All dollars shown in thousands, except per share amounts.

Profitability

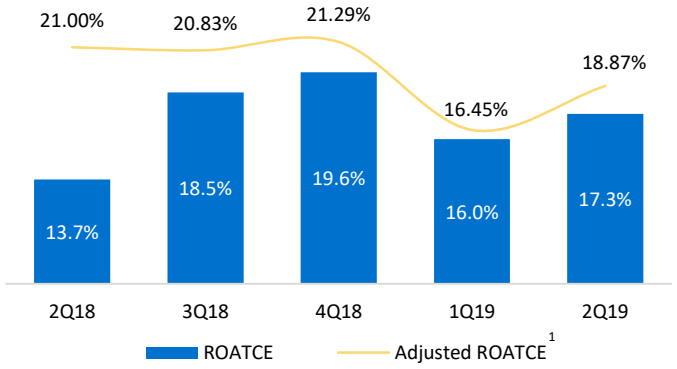
Diluted EPS



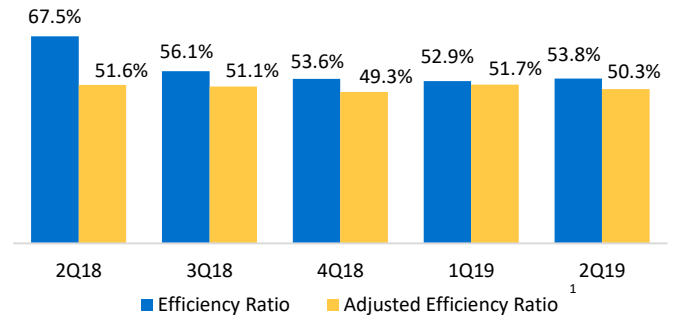
Return on Average Assets



Return on Avg Tangible Common Equity



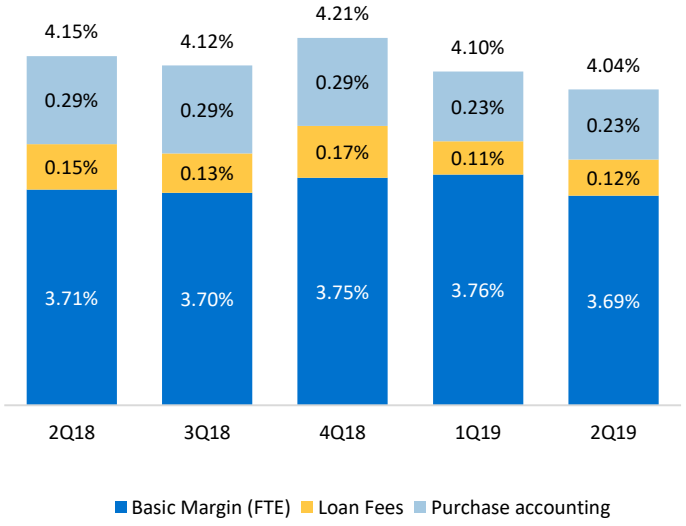
Efficiency Ratio



[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 Margin

Net Interest Margin (FTE)

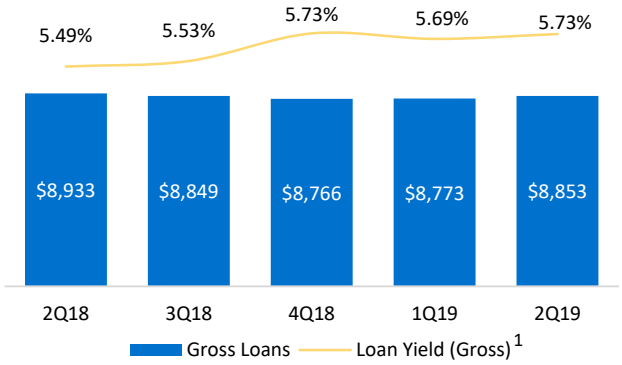


2Q19 NIM (FTE) Progression

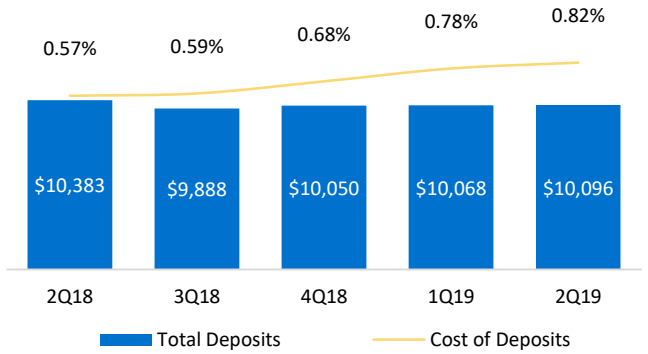
1Q19	**4.10%**
Asset yield and mix	-0.01%
Loan fees	0.01%
Funding costs and mix	-0.05%
Purchase accounting	0.01%
Day count	-0.02%
2Q19	**4.04%**

Average Balance Sheet

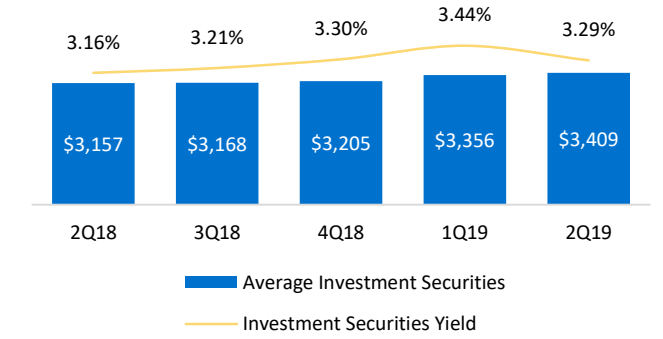
Average Loans



Average Deposits



Average Securities

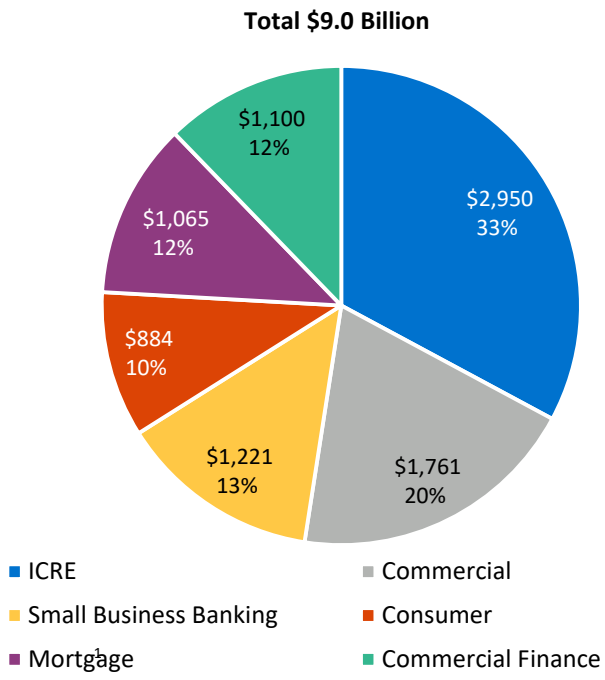


All dollars shown in millions

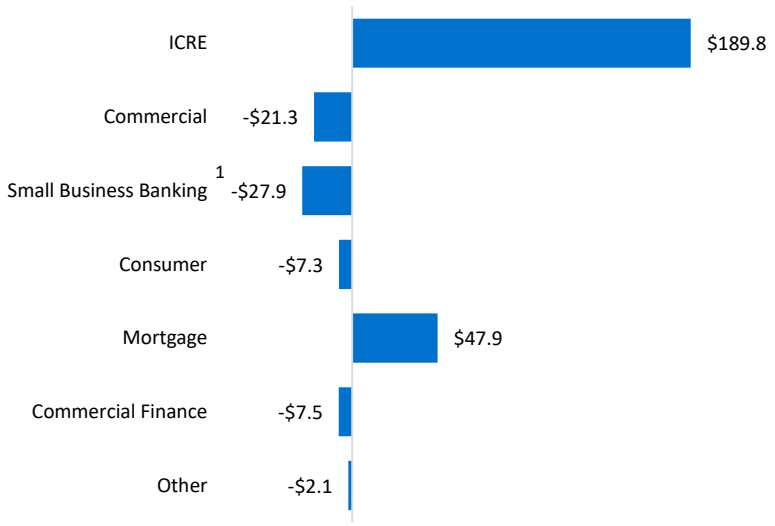
[1] Includes loans fees and purchase accounting accretion

Loan Portfolio

Loan LOB Mix (EOP)



Net Loan Change-LOB (Linked Quarter)



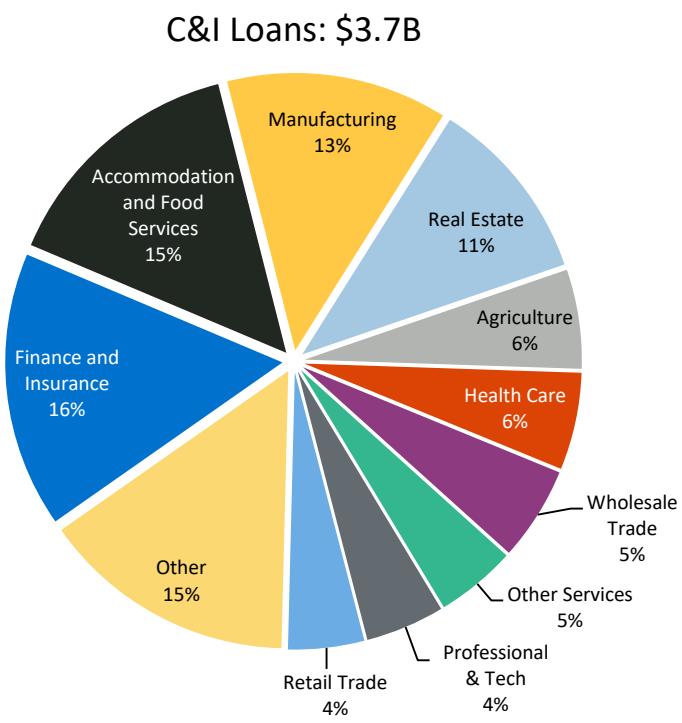
Total growth/(decline):
$171.6 million

[1] Decline primarily related to commercial real estate loans

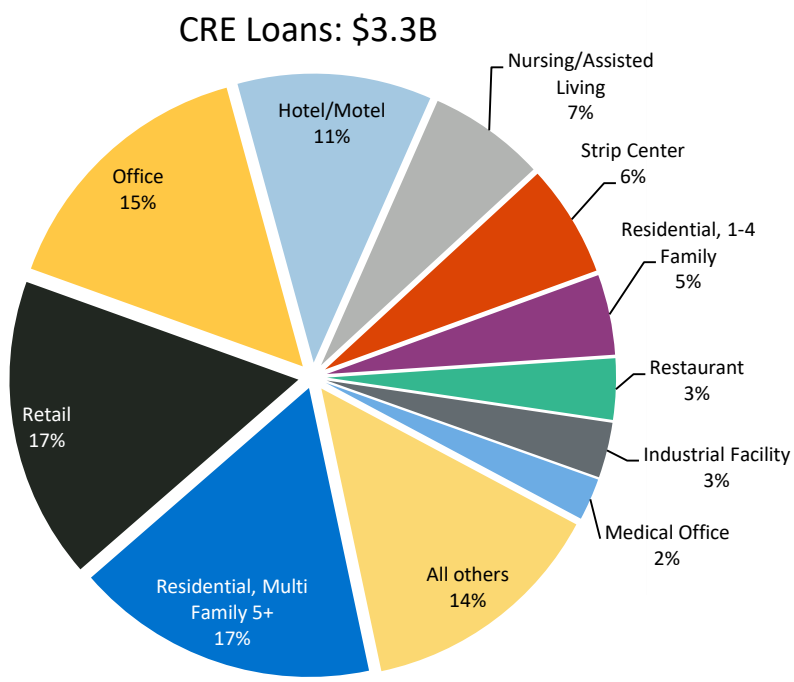
All dollars shown in millions.

Loan Portfolio

C&I Loans by Industry [1]



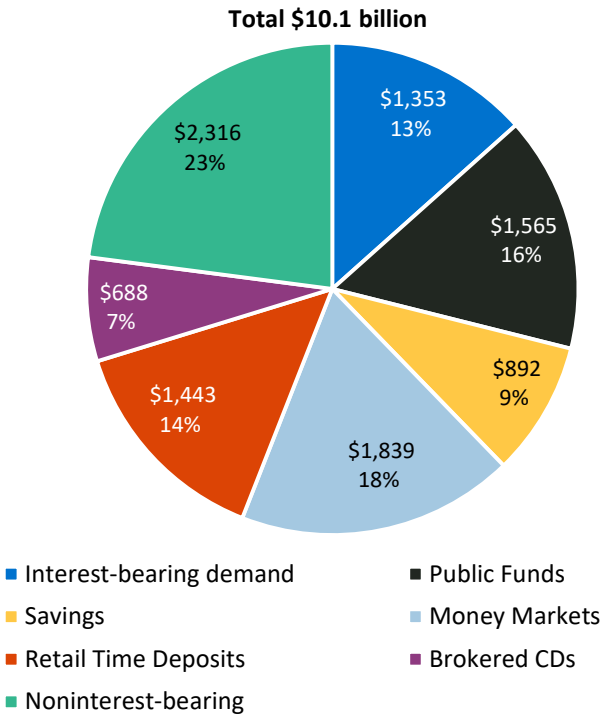
CRE Loans by Collateral [2]



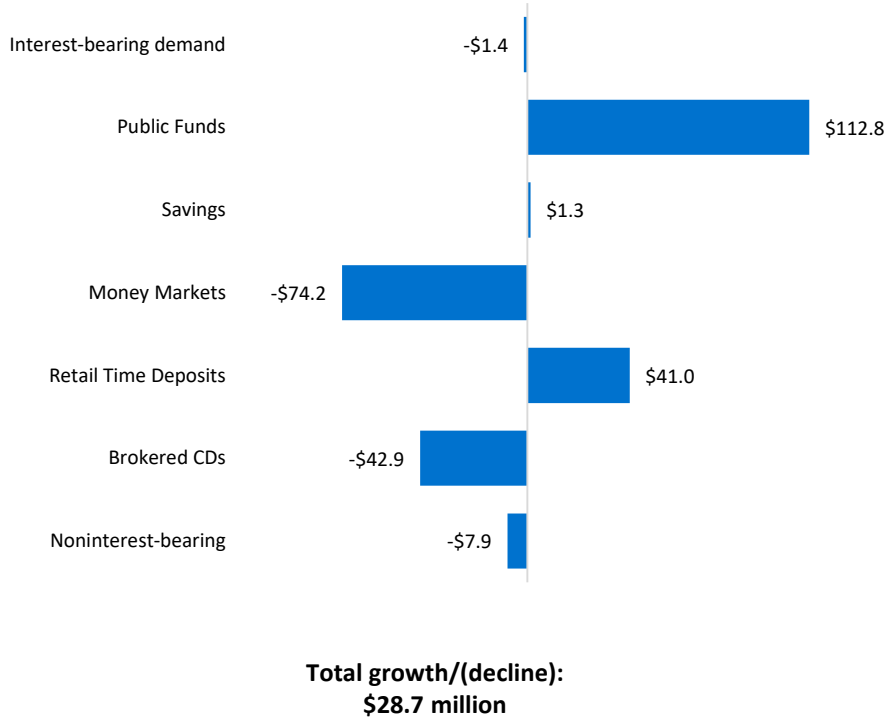
[1] Industry types included in Other representing greater than 1% of total C&I loans include Construction, Public Administration, Transportation & Warehousing, Waste Management, Arts, Entertainment, & Recreation, and Educational Services. Includes owner-occupied CRE.
[2] Collateral types included in Other representing greater than 1% of total CRE loans include Student Housing, Warehouse, Commercial Lot, Mini Storage, and Real Estate IUB Other.

Deposits

Deposit Product Mix (Avg)



2Q19 Average Deposit Progression

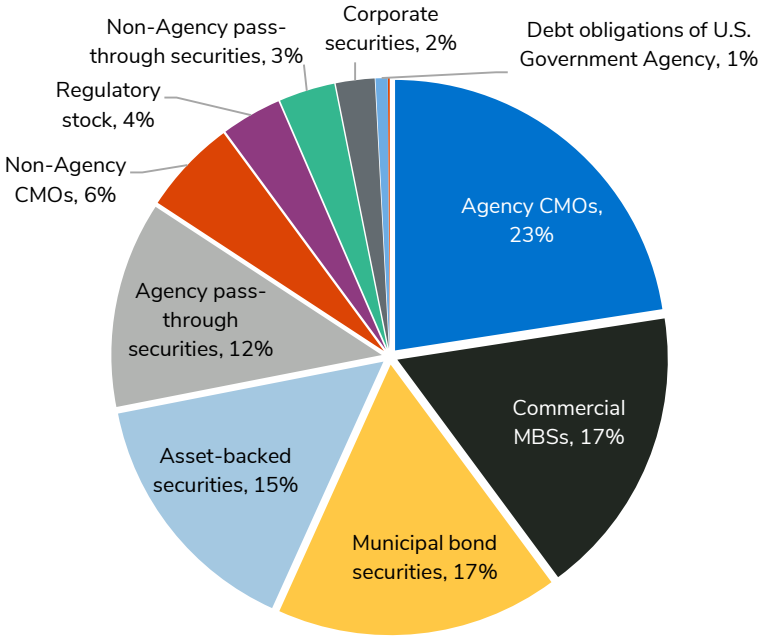


All dollars shown in millions.

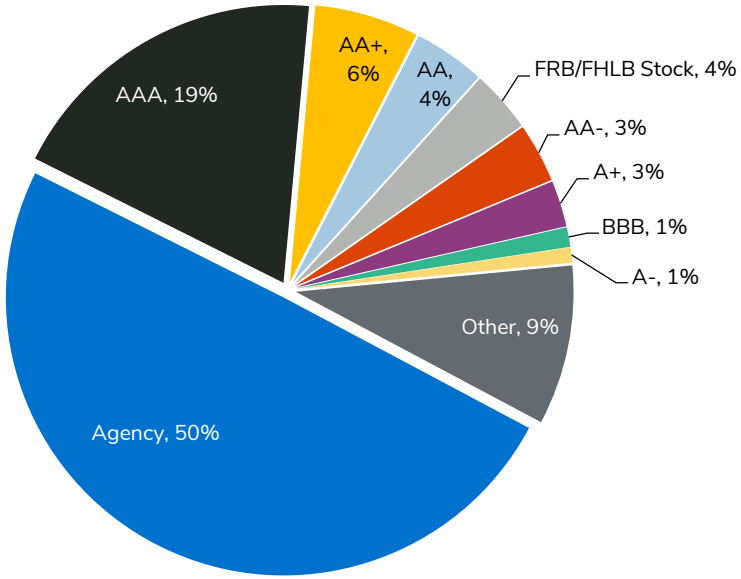
Investment Portfolio

- Total EOP investments of approximately $3.4 billion
- Investment portfolio / total assets = approximately 24%
- Portfolio duration = estimated 3.0 years

Portfolio Composition

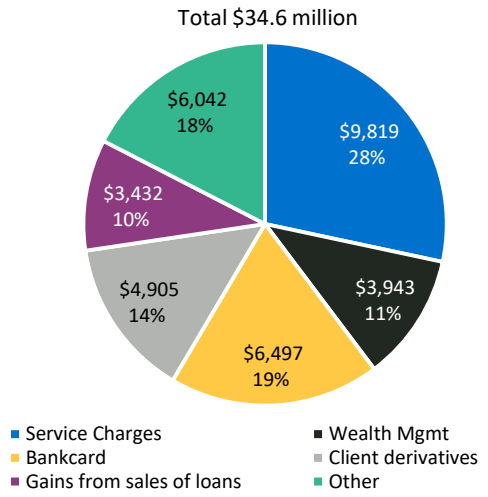


Portfolio Quality

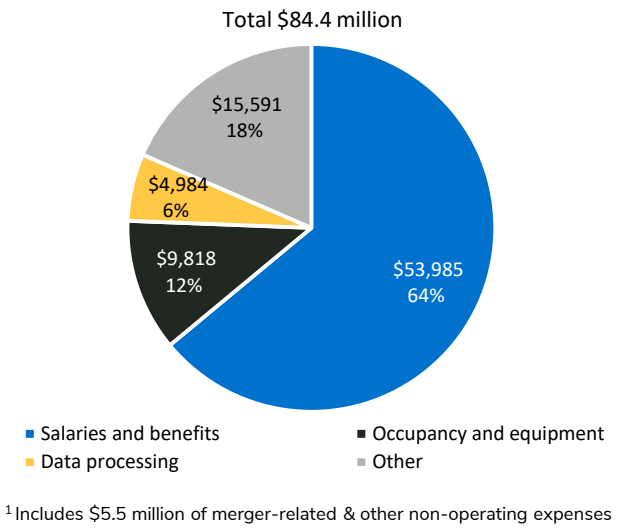


Noninterest Income and Noninterest Expense

Noninterest Income

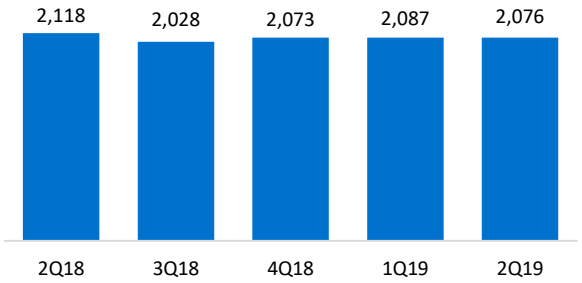


Noninterest Expense[1]



[1] Includes $5.5 million of merger-related & other non-operating expenses

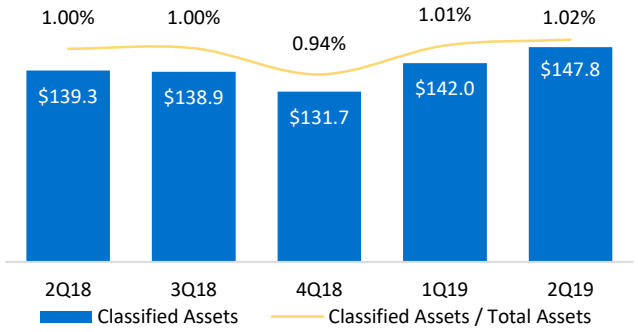
FTE



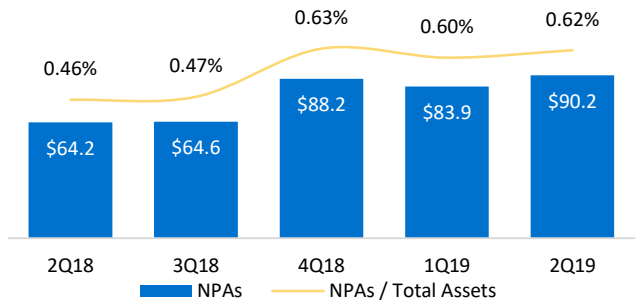
All dollars shown in thousands.

Asset Quality

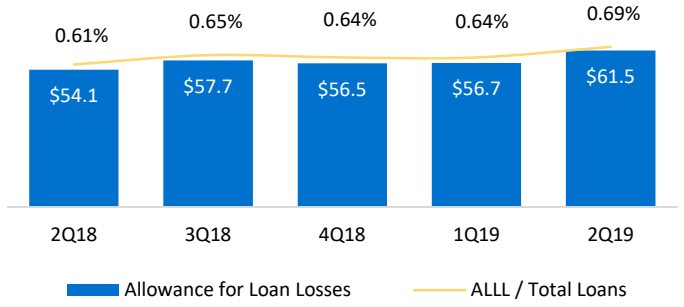
Classified Assets / Total Assets



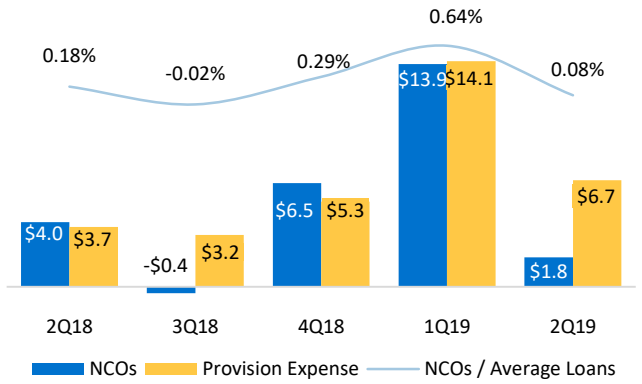
Nonperforming Assets / Total Assets



Allowance / Total Loans



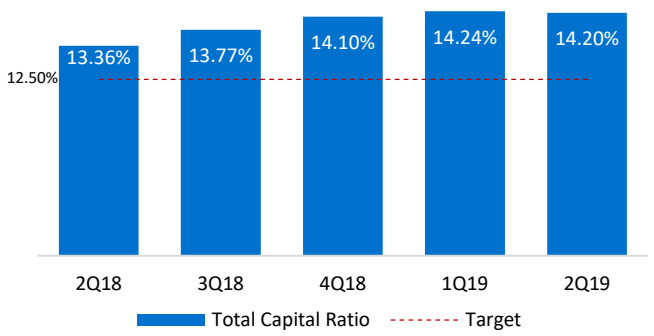
Net Charge Offs & Provision Expense



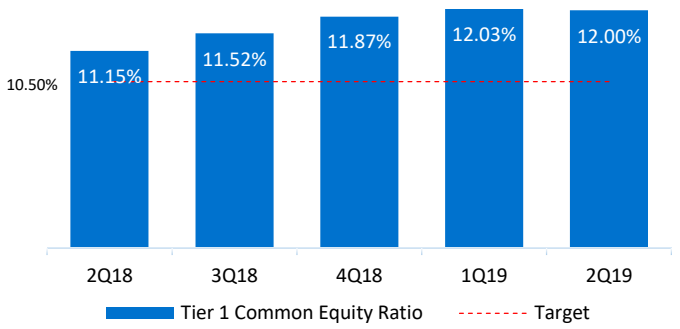
All dollars shown in millions.

Capital

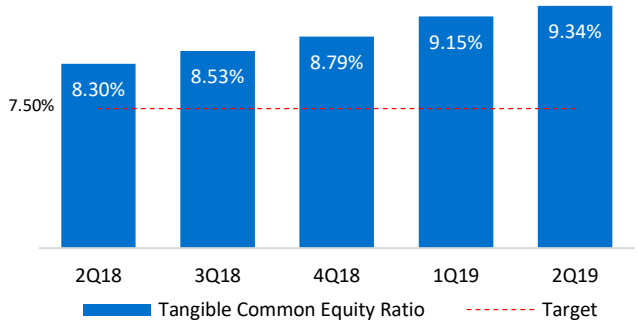
Total Capital Ratio



Tier 1 Common Equity Ratio



Tangible Common Equity Ratio



All capital numbers are considered preliminary.

3Q19 Outlook[1]

Balance Sheet	Annualized loan growth expected to be in the mid single digits on a percentage basis
Net Interest Margin	NIM (FTE) 3.70 - 3.75%, excluding purchase accounting impact Compares to 3.81% in 2Q19
Credit	Credit outlook remains stable
Noninterest income[2]	$27 - $29 million Includes $3 million expected impact from Durbin
Noninterest Expense[2]	$77 - $79 million Efficiency ratio of 51 – 53%
Capital	All capital ratios expected to exceed current internal targets Flexibility to evaluate additional deployment opportunities
Taxes	Effective tax rate of approximately 19.5%
M&A Update	Bannockburn expected to close in late third quarter

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

[2] Management's estimated outlook excludes merger-related activities.



Presentation Contents

About First Financial Bancorp

Financial Performance

Appendix

Appendix: Our Markets

Greater Cincinnati

Loans	$2.7 billion
Deposits	$3.0 billion
Deposit Market Share	#4 (3.2%)
Banking Centers	54
Fortune 500 Companies	8

Indianapolis

Loans	$1.0 billion
Deposits	$0.7 billion
Deposit Market Share	#14 (1.6%)
Banking Centers	10
Fortune 500 Companies	2

Central OH

Loans	$1.1 billion
Deposits	$0.4 billion
Deposit Market Share	#13 (0.8%)
Banking Centers	5
Fortune 500 Companies	5

Louisville

Loans	$0.6 billion
Deposits	$0.4 billion
Deposit Market Share	#12 (1.9%)
Banking Centers	13
Fortune 500 Companies	3

Community Markets

Loans	$1.6 billion
Deposits	$4.5 billion
Banking Centers	77

Commercial Finance (National)

Loans	$1.1 billion

All numbers as of 06/30/2019 except deposit market share which is as of 6/30/2018.
Loan and deposit balances exclude special assets, loan marks, other out of market and corporately held balances.

Appendix: Non-GAAP Measures

The Company's earnings release and accompanying presentation contain 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				
	June 30, 2019	Mar. 31, 2019	Dec. 31, 2018	Sep. 30, 2018	June 30, 2018
Net interest income	$ 122,302	$ 121,515	$ 125,959	$ 123,485	$ 123,979
Tax equivalent adjustment	1,416	1,523	1,442	1,567	1,420
Net interest income - tax equivalent	$ 123,718	$ 123,038	$ 127,401	$ 125,052	$ 125,399
Average earning assets	$ 12,294,911	$ 12,163,751	$ 12,003,073	$ 12,056,627	$ 12,120,000
Net interest margin[1]	3.99 %	4.05 %	4.16 %	4.06 %	4.10 %
Net interest margin (fully tax equivalent)[1]	4.04 %	4.10 %	4.21 %	4.12 %	4.15 %

[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.

Appendix: Non-GAAP to GAAP Reconciliation

Additional non-GAAP ratios

(Dollars in thousands, except per share data)	Three months ended					YTD	
	June 30, 2019	Mar. 31, 2019	Dec. 31, 2018	Sep. 30, 2018	June 30, 2018	June 30, 2019	June 30, 2018
Net income (a)	$ 52,703	$ 45,839	$ 55,014	$ 50,657	$ 36,418	$ 98,542	$ 66,924
Average total shareholders' equity	2,146,997	2,094,234	2,042,884	2,021,400	2,000,093	2,120,762	1,467,741
Less:							
Goodwill	(879,726)	(878,541)	(878,669)	(882,917)	(883,179)	(879,137)	(545,507)
Other intangibles	(37,666)	(39,900)	(42,305)	(43,830)	(44,383)	(38,777)	(24,141)
MSR's	(9,906)	(9,896)	(9,986)	(9,183)	(9,895)	(9,901)	(5,714)
Average tangible equity (b)	1,219,699	1,165,897	1,111,924	1,085,470	1,062,636	1,192,947	892,379
Total shareholders' equity	2,188,189	2,130,419	2,078,249	2,035,520	2,012,937	2,188,189	2,012,937
Less:							
Goodwill	(879,727)	(879,727)	(880,251)	(881,033)	(883,025)	(879,727)	(883,025)
Other intangibles	(36,349)	(38,571)	(40,805)	(43,356)	(42,891)	(36,349)	(42,891)
MSR's	(10,086)	(9,891)	(9,974)	(9,971)	(8,740)	(10,086)	(8,740)
Ending tangible equity (c)	1,262,027	1,202,230	1,147,219	1,101,160	1,078,281	1,262,027	1,078,281
Total assets	14,437,663	14,074,263	13,986,660	13,842,667	13,920,167	14,437,663	13,920,167
Less:							
Goodwill	(879,727)	(879,727)	(880,251)	(881,033)	(883,025)	(879,727)	(883,025)
Other intangibles	(36,349)	(38,571)	(40,805)	(43,356)	(42,891)	(36,349)	(42,891)
MSR's	(10,086)	(9,891)	(9,974)	(9,971)	(8,740)	(10,086)	(8,740)
Ending tangible assets (d)	13,511,501	13,146,074	13,055,630	12,908,307	12,985,511	13,511,501	12,985,511
Risk-weighted assets (e)	10,674,394	10,358,805	10,241,159	10,222,466	10,251,147	10,674,394	10,251,147
Total average assets	14,102,733	13,952,551	13,768,958	13,822,675	13,956,360	14,028,058	11,407,429
Less:							
Goodwill	(879,726)	(878,541)	(878,669)	(882,917)	(883,179)	(879,137)	(545,507)
Other intangibles	(37,666)	(39,900)	(42,305)	(43,830)	(44,383)	(38,777)	(24,141)
MSR's	(9,906)	(9,896)	(9,986)	(9,183)	(9,895)	(9,901)	(5,714)
Average tangible assets (f)	$ 13,175,435	$ 13,024,214	$ 12,837,998	$ 12,886,745	$ 13,018,903	$ 13,100,243	$ 10,832,067
Ending shares outstanding (g)	98,647,690	98,613,872	97,894,286	97,914,526	97,904,897	98,647,690	97,904,897
Ratios							
Return on average tangible shareholders' equity (a)/(b)	17.33%	15.95%	19.63%	18.52%	13.75%	16.66%	15.12%
Ending tangible equity as a percent of:							
Ending tangible assets (c)/(d)	9.34%	9.15%	8.79%	8.53%	8.30%	9.34%	8.30%
Risk-weighted assets (c)/(e)	11.82%	11.61%	11.20%	10.77%	10.52%	11.82%	10.52%
Average tangible equity as a percent of average tangible assets (b)/(f)	9.26%	8.95%	8.66%	8.42%	8.16%	9.11%	8.24%
Tangible book value per share (c)/(g)	$ 12.79	$ 12.19	$ 11.72	$ 11.25	$ 11.01	$ 12.79	$ 11.01

Appendix: Non-GAAP to GAAP Reconciliation

Additional non-GAAP measures

(Dollars in thousands, except per share data)	2Q19		1Q19		4Q18		3Q18		2Q18	
	As Reported	Adjusted	As Reported	Adjusted	As Reported	Adjusted	As Reported	Adjusted	As Reported	Adjusted
Net interest income (f)	$ 122,302	$ 122,302	$ 121,515	$ 121,515	$ 125,959	$ 125,959	$ 123,485	$ 123,485	$ 123,979	$ 123,979
Provision for loan and lease losses (j)	6,658	6,658	14,083	14,083	5,310	5,310	3,238	3,238	3,735	3,735
plus: provision expense adjustment										
Noninterest income	34,638	34,638	26,827	26,827	29,504	29,504	28,684	28,684	28,256	28,256
less: gains from the redemption of off balance sheet securitizations						(1,645)				
plus: Bankcard interchange								340		341
less: gains (losses) on sale of investment securities		52		(34)		(60)		(279)		(30)
Total noninterest income (g)	34,638	34,586	26,827	26,861	29,504	27,919	28,684	29,303	28,256	28,627
Noninterest expense	84,378	84,378	78,499	78,499	83,352	83,352	85,415	85,415	102,755	102,755
less: severance and merger-related expenses		5,187		1,734		7,485		7,405		23,943
less: other		336		78						
Total noninterest expense (e)	84,378	78,855	78,499	76,687	83,352	75,867	85,415	78,010	102,755	78,812
Income before income taxes (i)	65,904	71,375	55,760	57,606	66,801	72,701	63,516	71,540	45,745	70,059
Income tax expense	13,201	13,201	9,921	9,921	11,787	11,787	12,859	12,859	9,327	9,327
plus: tax effect of adjustments		785		388		1,239		1,685		5,106
Total income tax expense (h)	13,201	13,986	9,921	10,309	11,787	13,026	12,859	14,544	9,327	14,433
Net income (a)	$ 52,703	$ 57,389	$ 45,839	$ 47,297	$ 55,014	$ 59,675	$ 50,657	$ 56,996	$ 36,418	$ 55,626
Average diluted shares (b)	98,648	98,648	98,436	98,436	98,468	98,468	98,484	98,484	98,432	98,432
Average assets (c)	14,102,733	14,102,733	13,952,551	13,952,551	13,768,958	13,768,958	13,822,675	13,822,675	13,956,360	13,956,360
Average shareholders' equity	2,146,997	2,146,997	2,094,234	2,094,234	2,042,884	2,042,884	2,021,400	2,021,400	2,000,093	2,000,093
Less:										
Goodwill and other intangibles	(927,298)	(927,298)	(928,337)	(928,337)	(930,960)	(930,960)	(935,930)	(935,930)	(937,457)	(937,457)
Average tangible equity (d)	1,219,699	1,219,699	1,165,897	1,165,897	1,111,924	1,111,924	1,085,470	1,085,470	1,062,636	1,062,636
Ratios										
Net earnings per share - diluted (a)/(b)	$ 0.53	$ 0.58	$ 0.47	$ 0.48	$ 0.56	$ 0.61	$ 0.51	$ 0.58	$ 0.37	$ 0.57
Return on average assets - (a)/(c)	1.50%	1.63%	1.33%	1.38%	1.59%	1.72%	1.45%	1.64%	1.05%	1.60%
Pre-tax, pre-provision return on average assets - ((a)+(j)+(h))/(c)	2.06%	2.22%	2.03%	2.08%	2.08%	2.25%	1.92%	2.15%	1.42%	2.12%
Return on average tangible shareholders' equity - (a)/(d)	17.33%	18.87%	15.95%	16.45%	19.63%	21.29%	18.52%	20.83%	13.75%	21.00%
Efficiency ratio - (e)/((f)+(g))	53.8%	50.3%	52.9%	51.7%	53.6%	49.3%	56.1%	51.1%	67.5%	51.6%
Effective tax rate - (h)/(i)	20.0%	19.6%	17.8%	17.9%	17.6%	17.9%	20.2%	20.3%	20.4%	20.6%

fIRST

first financial bancorp

First Financial Bank
First Financial Center
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Cincinnati, OH 45202-4248

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