Investor Presentation

Third 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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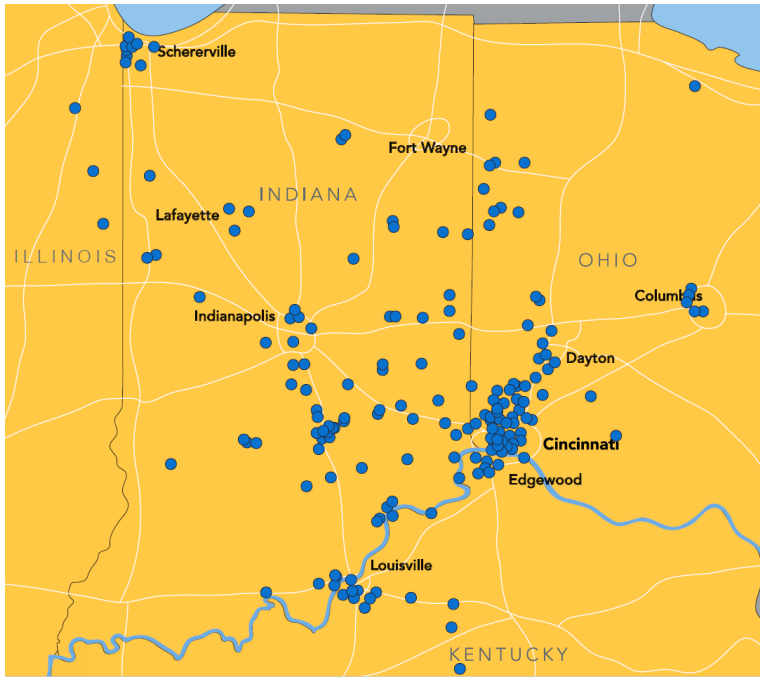
Company Overview



Overview

Founded: 1863

Headquarters: Cincinnati, Ohio

Banking Centers: 145

Assets: $14.5 billion

Loans: $9.1 billion

Deposits: $10.1 billion

Wealth Mgmt: $4.5 billion

- $2.9 billion AUM
- $1.6 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

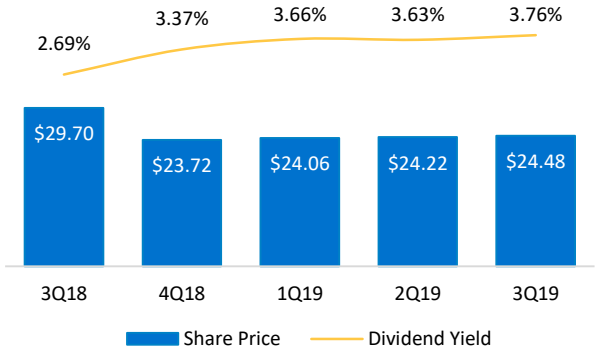
Commercial Finance





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 acquired 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

- ~$114.6mm transaction value
- ~2.6mm shares and $53.7mm in cash
- 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

4th & Vine – Opened 8/12/19

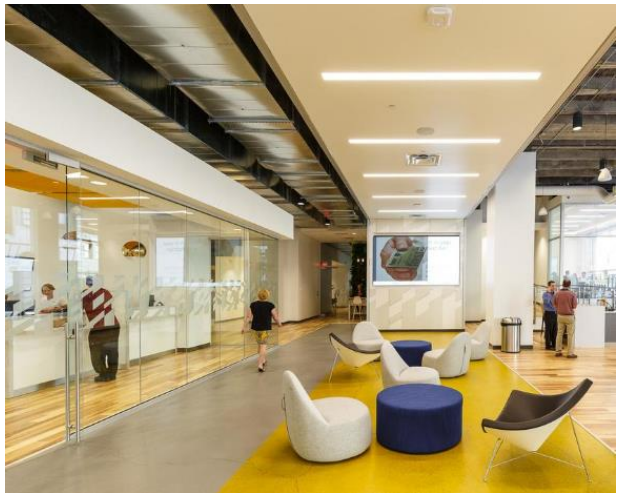
- New 15,000 sq. ft. First Innovation Center and Downtown Cincinnati Banking Hub Site
- Multi-use spaces free for the community including multiple conference rooms, areas for shared workspace, and 5,000 sq. ft. for seminars and events
- Financial wellbeing tech table
- Office/workspace for front facing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











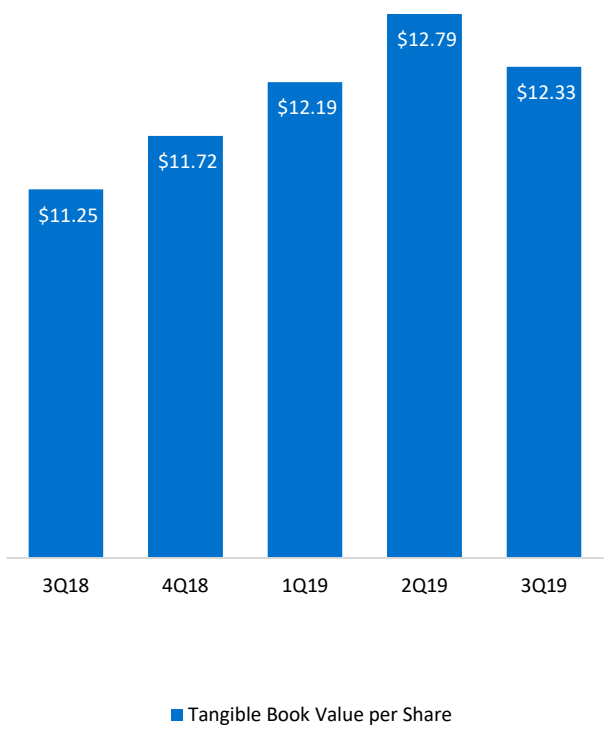
4TH & VINE
a FIRST financial community

Technology Investments

- Rolled out Salesforce CRM across enterprise (Jan 2019)
- Formed Enterprise Digital Solutions Group (April 2019)
  - Led by new Chief Digital Officer with Retail / Consumer Products background
  - EDS team 2x growth by YE 2019
- Implemented Enterprise Workflow Solution across enterprise (1H 2019)
- Industry leading digital mortgage origination solution (live 3Q 2019)
- Industry leading commercial loan origination solution (live 3Q 2019)
- Continued investment in Enterprise Data Enablement Program
- Enhanced online deposit account opening solution (target go-live YE 2019)

Capital Strategy & Deployment

Tangible Book Value Per Share



Strategy & Deployment

- Successfully closed Bannockburn acquisition
- Repurchased 1.1 million shares
- Third quarter dividend increased $0.01 to $0.23; results in a 3.8% dividend yield
- Targeted dividend payout ratio increased to 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 – Mortgage Origination
- nCino – Commercial loan origination and online account opening

Distribution

Defined Models

- Community
- Metro
- Headquarters
- National
- Digital

Capacity Plans

- Increased physical distribution network
- Closed 48 locations since merger including 8 in 3Q of 2019
- 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
- Increased 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
$2.3B Commitments
$1.7B Balances
$1.1B Business Deposits
$1.3B 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
- Added new Forex product line through Bannockburn acquisition

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	323,919	32,703	
Total Deposit Balance	$5.1B	$1.2B	$174MM
Total Loan Balance	$882MM	$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 $249MM
- Avg loan size $216K

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	$2.6B
Brokerage	8,530	$1.6B
RPS	87	$245MM

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	$762MM
Southern OH	$1.1B
Indiana	$675MM
Healthcare	$247MM

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	$474MM
OSF	$578MM

Value Proposition

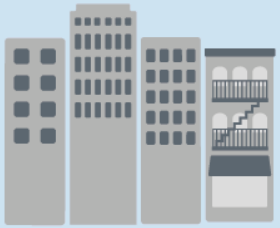
Fulfill the unique capital needs for our targeted cash flow-based industries while providing extraordinary service to our borrowers.

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



Southern 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

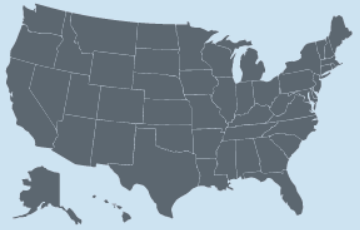


Greater Cincinnati
Northern KY

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

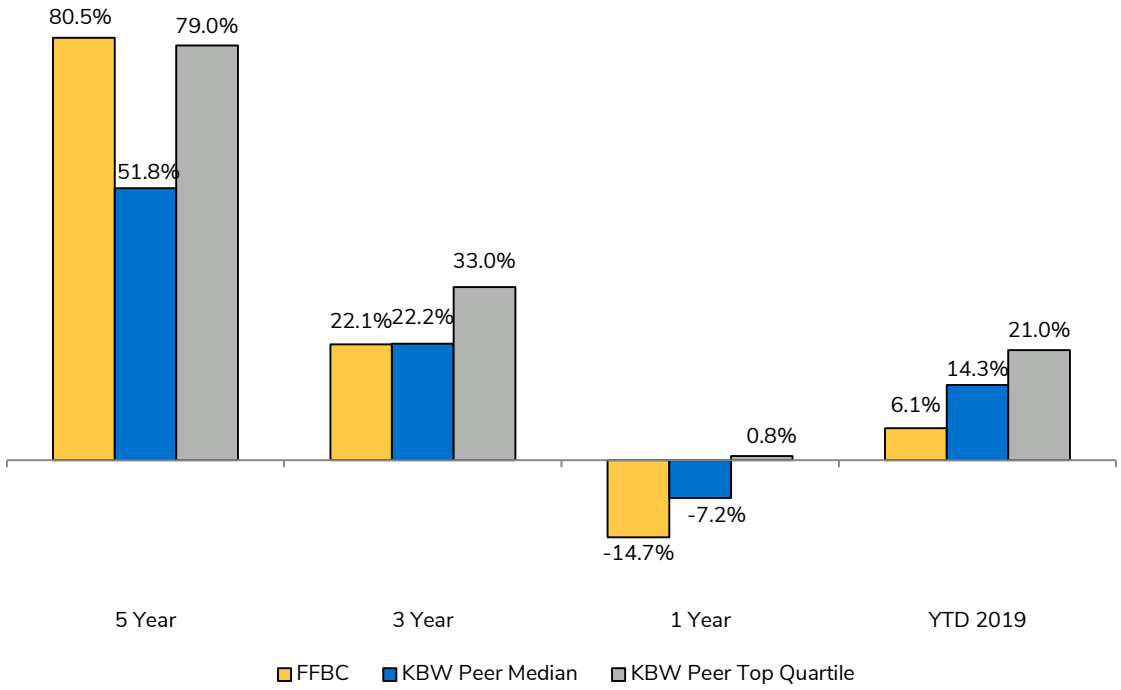
- Oak Street Funding
- First Franchise Capital
- Bannockburn Global Forex

Invest in First Financial

- Experienced and proven management team
- Increased scale to invest in technology
- Proven & sustainable business model
  - Well managed through the cycle
  - Conservative operating philosophy
  - Consistent profitability – 116 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 09/30/2019.
[4] Beginning date is 10/01/2018 for the 1-year return, 10/01/2016 for the 3-year return, and 10/01/2014 for the 5-year return.

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3Q 2019 Results

116th Consecutive Quarter of Profitability

Profitability

- Net income = $50.9 million or $0.51 per diluted share. Adjusted[1] net income = $55.5 million or $0.56 per diluted share,[2].
- Return on average assets = 1.41%. Adjusted[1] return on average assets = 1.54%.
- Return on average shareholders' equity = 9.13%. Adjusted[1] return on average shareholders' equity = 9.96%.
- Return on average tangible common equity = 16.15%[1]. Adjusted[1] return on average tangible common equity = 17.63%.

Income Statement

- Net interest income = $121.5 million.
- Net interest margin of 3.91% on a GAAP basis; 3.96% on a fully tax equivalent basis[1].
- Noninterest income = $33.1 million; $32.9 million[1] as adjusted.
- Noninterest expense = $86.2 million; $80.3 million[1] as adjusted for merger related items.
- Efficiency ratio = 55.75%. Adjusted [1] efficiency ratio = 52.00%.
- Effective tax rate of 19.6%. Adjusted [1] effective tax rate of 19.5%.

Balance Sheet

- EOP assets increased $42.8 million compared to the linked quarter to $14.5 billion.
- EOP loans increased $82.9 million compared to the linked quarter to $9.1 billion.
- Average deposits decreased $78.2 million compared to the linked quarter to $10.0 billion.
- EOP investment securities decreased $310.5 million compared to the linked quarter.

Asset Quality

- Provision expense = $5.2 million. Net charge-offs = $10.2 million. NCOs / Avg. Loans = 0.45% annualized.
- Nonperforming Loans / Total Loans = 0.87%. Nonperforming Assets / Total Assets = 0.56%.
- ALLL / Nonaccrual Loans = 93.18%. ALLL / Total Loans = 0.62%. Classified Assets / Total Assets = 0.92%.

Capital

- Total capital ratio = 13.62%.
- Tier 1 common equity ratio = 11.52%.
- Tangible common equity ratio = 9.17%.
- Tangible book value per share = $12.33.

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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 18 for Adjusted Earnings detail.

3Q 2019 Highlights

- Solid quarterly earnings
  - Adjusted[1] earnings per share - $0.56
  - Adjusted[1] return on assets – 1.54%
  - Adjusted[1] return on average tangible common equity – 17.63%
  - Net income reduced by $5.2 million of severance and merger related expenses
- Loan growth in line with expectations
  - Loan balances increased $82.9 million compared to the linked quarter
  - 3.7% annualized growth in line with expectations; driven by lCRE and mortgage banking
- Modest decline in average deposits primarily in public funds and money markets
  - Seasonal decline in public fund and lower money markets more than offset increases in retail CDs and noninterest bearing accounts
- Solid net interest margin in line with expectations
  - Decline driven by lower asset yields; partially offset by stronger than expected loan fees and favorable shift in funding costs and mix
- Strong fee income
  - $1.4 million, or 40% increase in mortgage banking income driven by strong origination activity
  - $1.7 million foreign exchange income from Bannockburn
  - Sustained level of client derivative fees
  - Durbin impact of $3.2 million on bankcard income
- Disciplined expense management
  - Adjusted[1] noninterest expense of $80.3 million; Includes $5.2 million of severance and merger related costs, $0.7 million in branch consolidation expenses and approximately $1.0 million of transitory costs
- Stable credit quality continues to be affected by franchise relationships previously discussed
  - Provision expense of $5.2 million
  - $10.2 million of net charge-offs included $6.3 million related to three franchise relationships discussed in prior periods
  - Nonperforming Assets / Total Assets = 0.56%; Classified Assets / Total Assets = 0.92%.
- Strong Capital ratios
  - Total capital of 13.62%; Tier 1 common equity of 11.52%; Tangible common equity of 9.17%
  - Tangible book value decreased to $12.33
  - Repurchased 1.1 million shares during the 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[1] Net Income

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

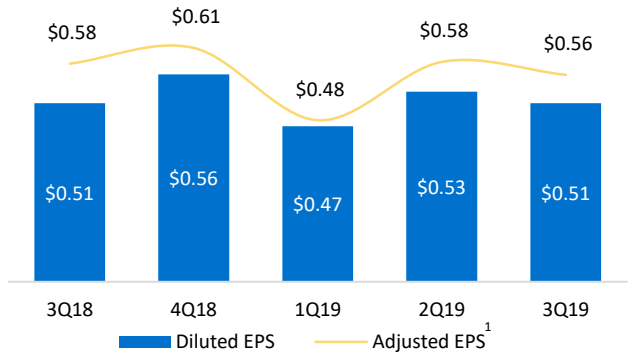
	3Q 2019		2Q 2019	
	As Reported	Adjusted	As Reported	Adjusted
Net interest income	$ 121,535	$ 121,535	$ 122,302	$ 122,302
Provision for loan and lease losses	$ 5,228	$ 5,228	$ 6,658	$ 6,658
Noninterest income	$ 33,140	$ 33,140	$ 34,638	$ 34,638
less: gains (losses) on investment securities	-	208 A	-	52 A
Total noninterest income	$ 33,140	$ 32,932	$ 34,638	$ 34,586
Noninterest expense	$ 86,226	$ 86,226	$ 84,378	$ 84,378
less: severance and merger-related expenses	-	5,192 A	-	5,187 A
less: other	-	711 A	-	336 A
Total noninterest expense	$ 86,226	$ 80,323	$ 84,378	$ 78,855
Income before income taxes	$ 63,221	$ 68,916	$ 65,904	$ 71,375
Income tax expense	$ 12,365	$ 12,365	$ 13,201	$ 13,201
less: tax effect of executive compensation	-	269	-	365
plus: tax effect of adjustments				
(A) @ 21% statutory rate	-	1,315	-	1,150
Total income tax expense	$ 12,365	$ 13,411	$ 13,201	$ 13,986
Net income	$ 50,856	$ 55,505	$ 52,703	$ 57,389
Net earnings per share - diluted	$ 0.51	$ 0.56	$ 0.53	$ 0.58
Pre-tax, pre-provision return on average assets	1.90%	2.05%	2.06%	2.22%

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

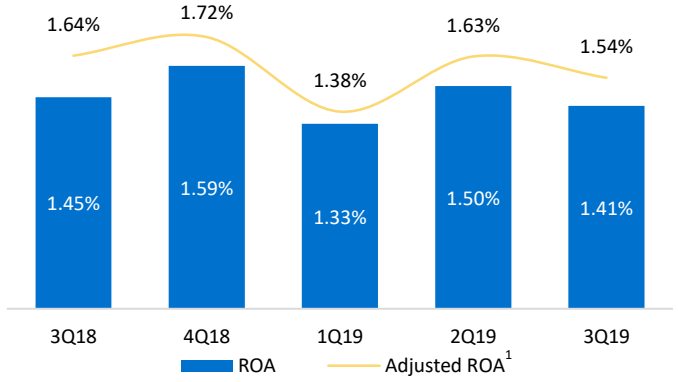
All dollars shown in thousands, except per share amounts.

Profitability

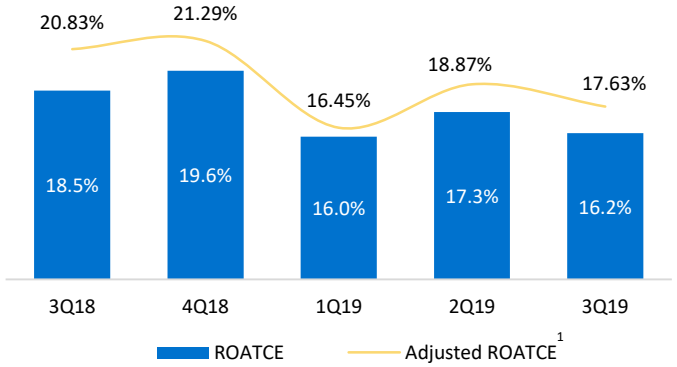
Diluted EPS



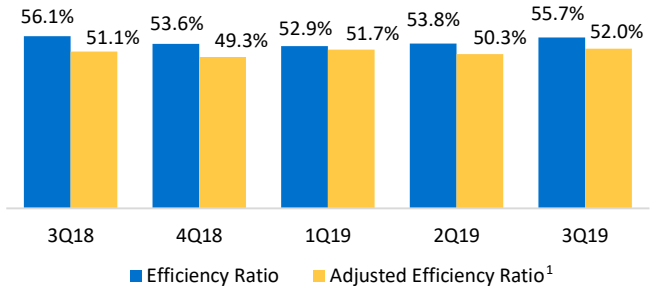
Return on Average Assets



Return on Avg Tangible Common Equity



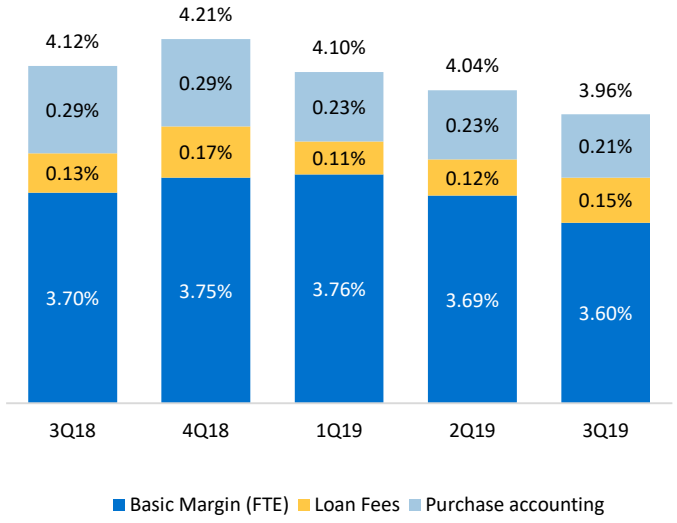
Efficiency Ratio



[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)

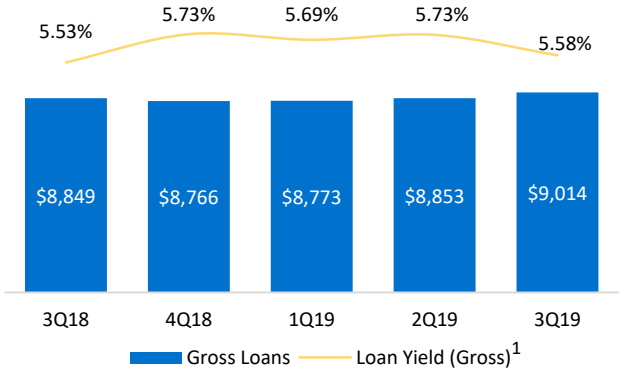


3Q19 NIM (FTE) Progression

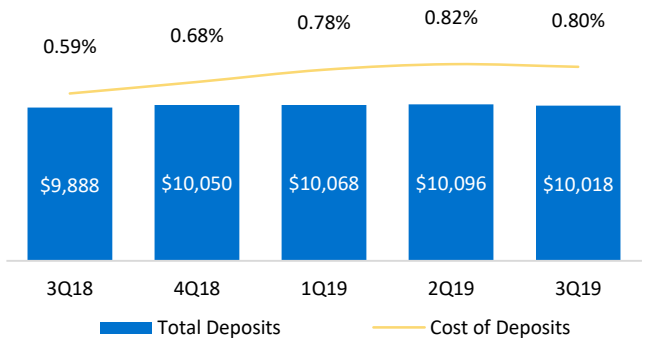
2Q19	**4.04%**
Asset yield and mix	-0.09%
Loan fees	0.03%
Funding costs and mix	0.02%
Purchase accounting	-0.02%
Day count	-0.02%
3Q19	**3.96%**

Average Balance Sheet

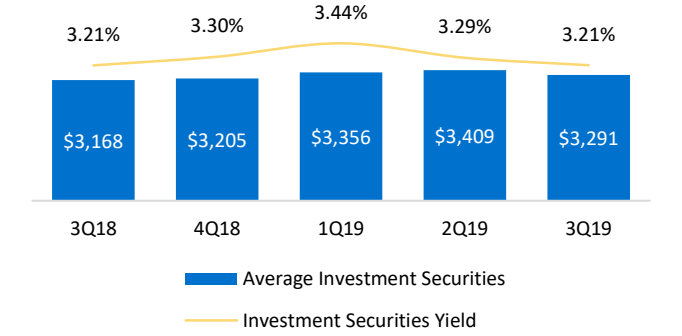
Average Loans



Average Deposits



Average Securities

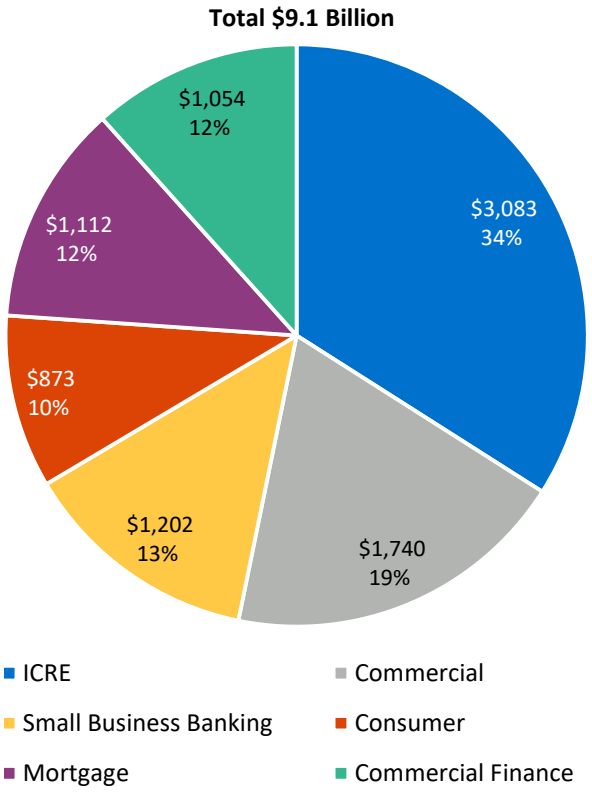


All dollars shown in millions

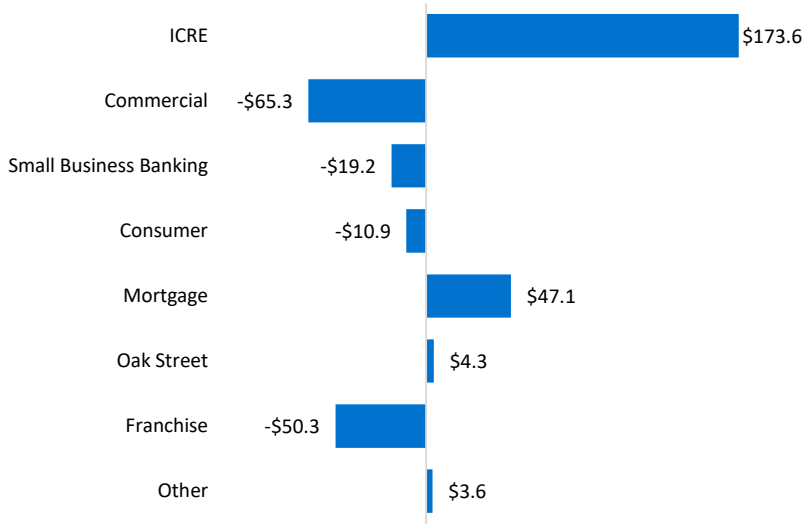
[1] Includes loans fees and purchase accounting accretion

Loan Portfolio

Loan LOB Mix (EOP)



Net Loan Change-LOB (Linked Quarter)



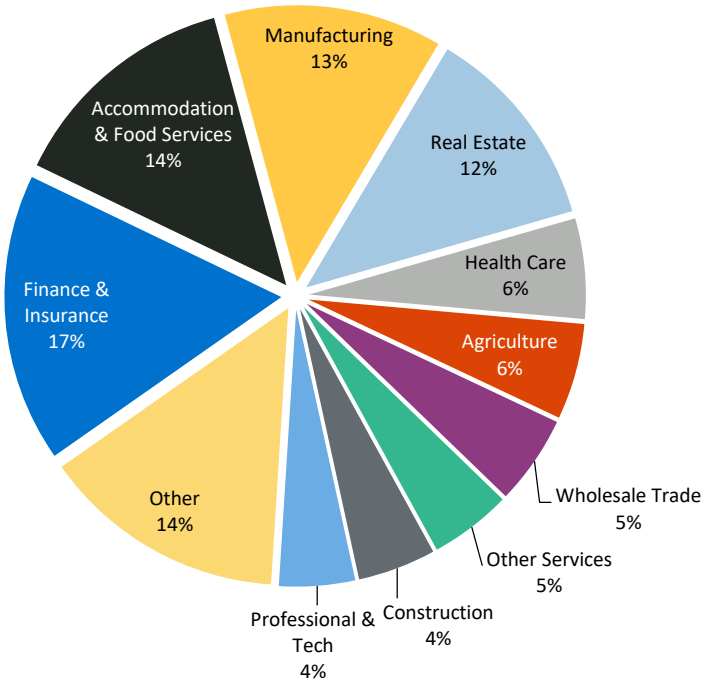
Total growth/(decline):
$82.9 million

All dollars shown in millions.

Loan Portfolio

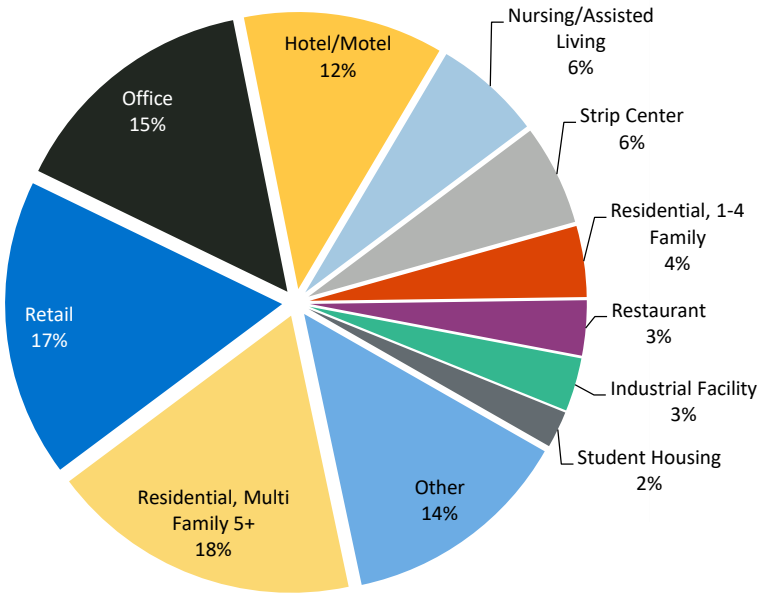
C&I Loans by Industry [1]

C&I Loans: $3.6B



CRE Loans by Collateral [2]

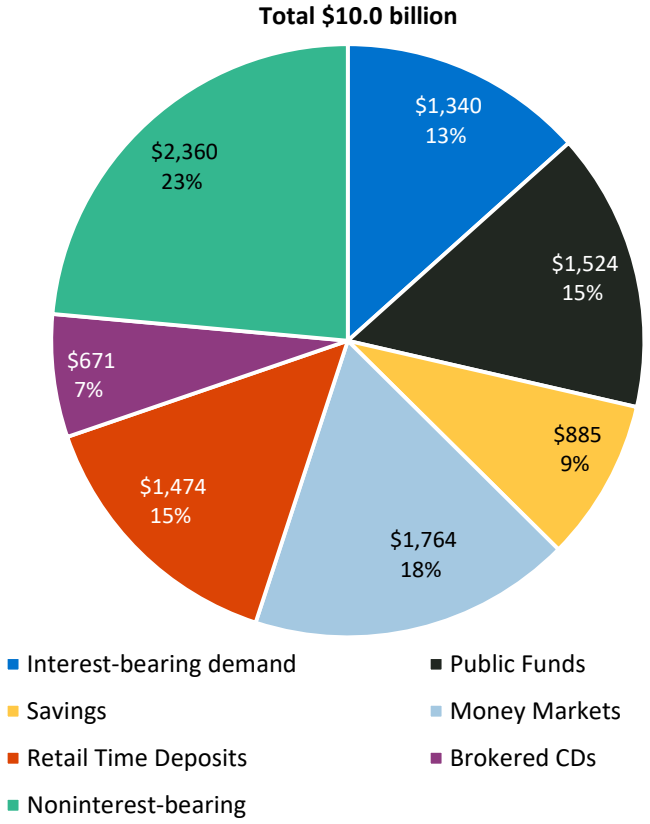
CRE Loans: $3.4B



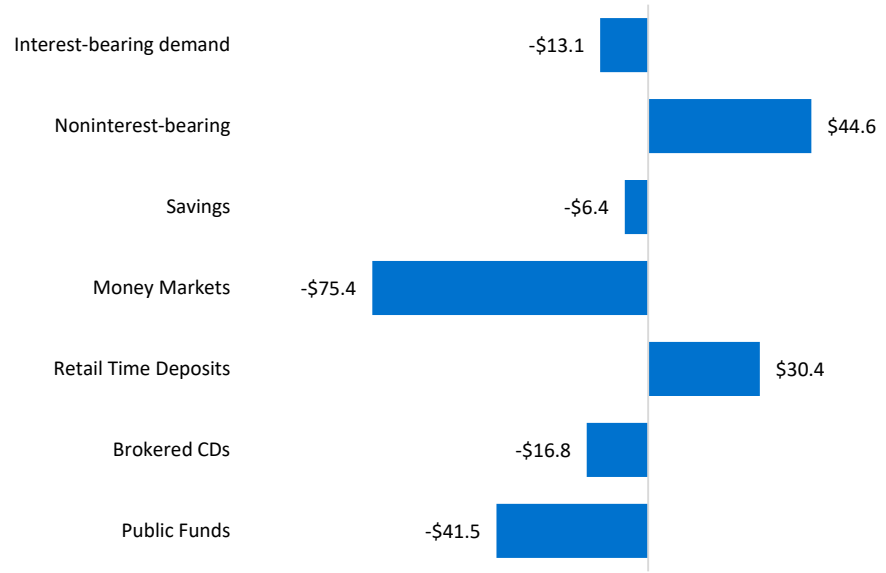
[1] Industry types included in Other representing greater than 1% of total C&I loans include Retail Trade, Public Administration, Transportation & Warehousing, Waste Management, Arts & Recreation, and Educational Services. Includes owner-occupied CRE.
[2] Collateral types included in Other representing greater than 1% of total CRE loans include Medical Office, Warehouse, Mini Storage, Vacant Land Not Held for Development, and Real Estate IUB Other.

Deposits

Deposit Product Mix (Avg)



3Q19 Average Deposit Progression



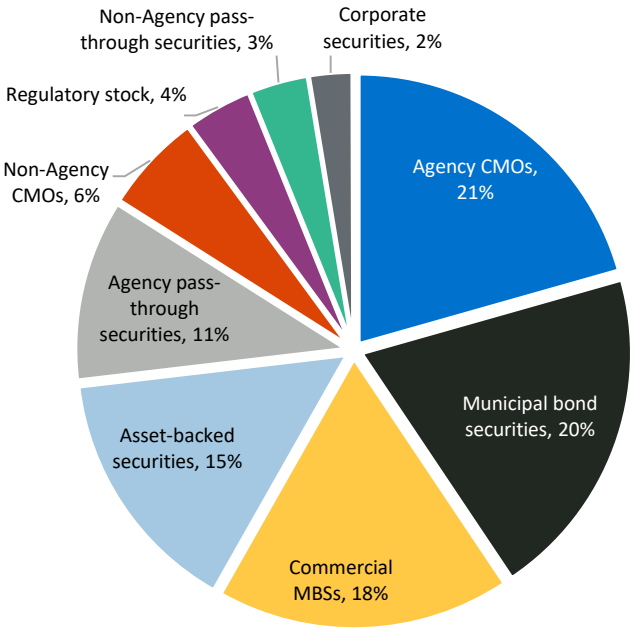
Total growth/(decline): ($78.2) million

All dollars shown in millions.

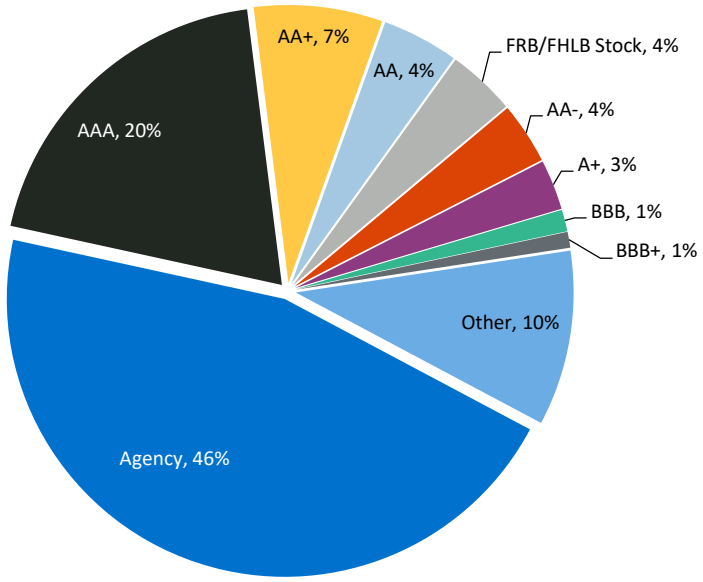
Investment Portfolio

- Total EOP investments of approximately $3.1 billion
- Reduced portfolio balance by approximately $310 million during the third quarter of 2019
- Investment portfolio / total assets = approximately 22%
- Portfolio duration = estimated 2.8 years

Portfolio Composition

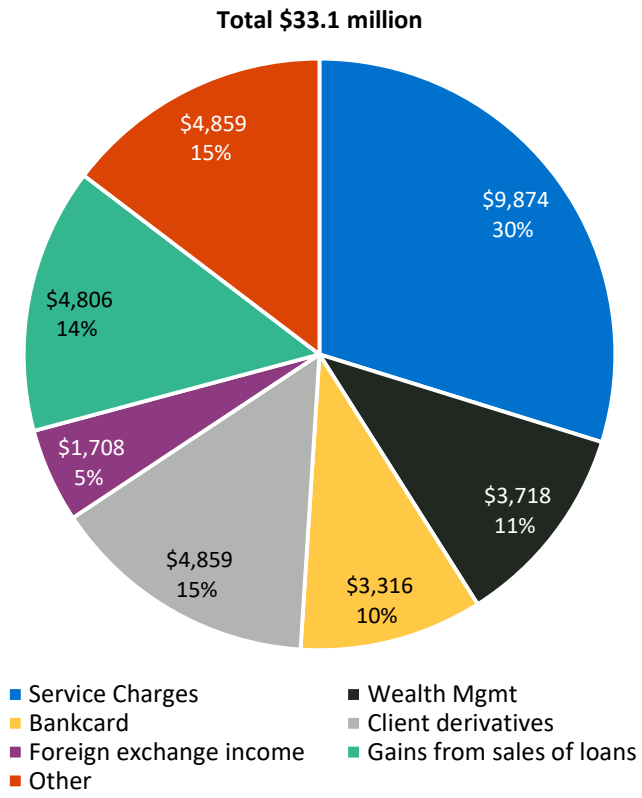


Portfolio Quality



Noninterest Income

Noninterest Income

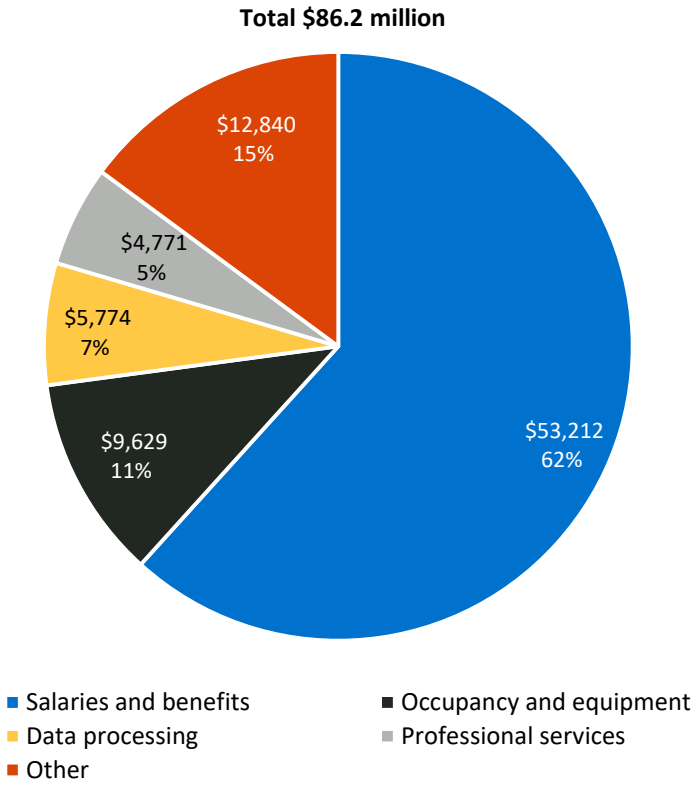


3Q19 Highlights

- $4.9 million of derivative fees in line with record second quarter
- Mortgage banking income increased $1.4 million, or 40%, compared to the linked quarter
- Continued deposit service charge momentum
- $1.7 million of foreign exchange income from Bannockburn acquisition
- $3.2 million, or 49%, decline in bankcard income due to Durbin compared to the linked quarter

Noninterest Expense

Noninterest Expense

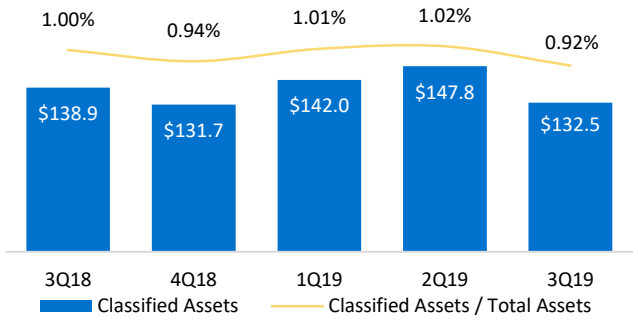


3Q19 Highlights

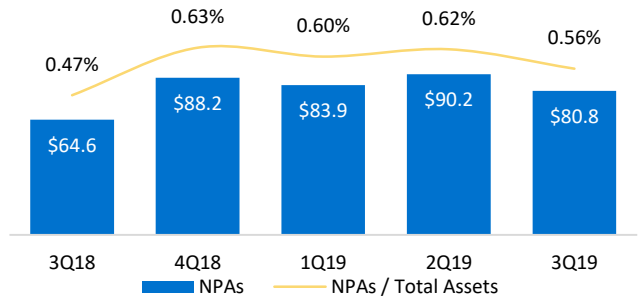
- Includes $5.2 million of severance and merger related costs
- $0.7 million related to branch consolidations
- FDIC assessment credit recognized in 3Q19; $2.2 million change compared to 2Q19
- Salaries and benefits impacted by $0.7 million related to Bannockburn and $1.1 million of commissions and incentives
- Total noninterest expense includes approximately $1.0 million of transitory costs not expected to recur (recruiting, fraud losses, OREO)

Asset Quality

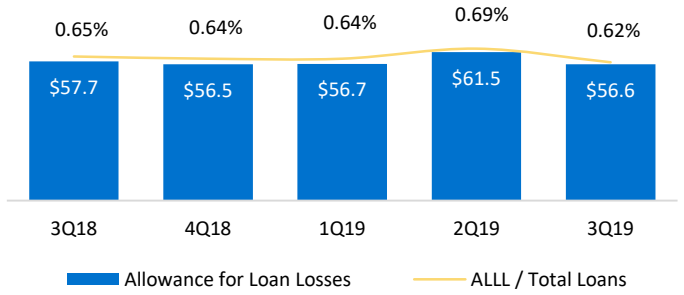
Classified Assets / Total Assets



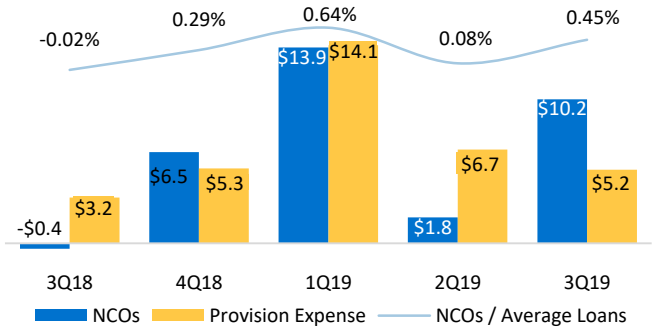
Nonperforming Assets / Total Assets



Allowance / Total Loans



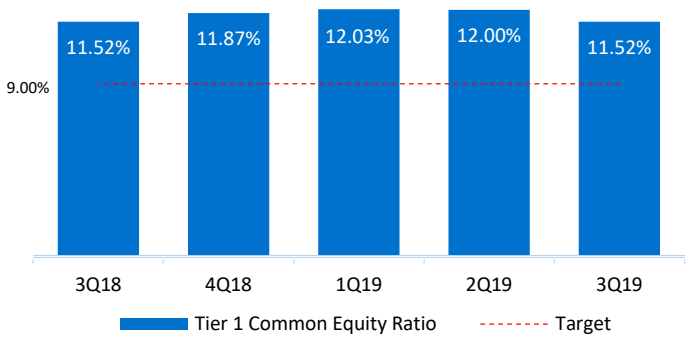
Net Charge Offs & Provision Expense



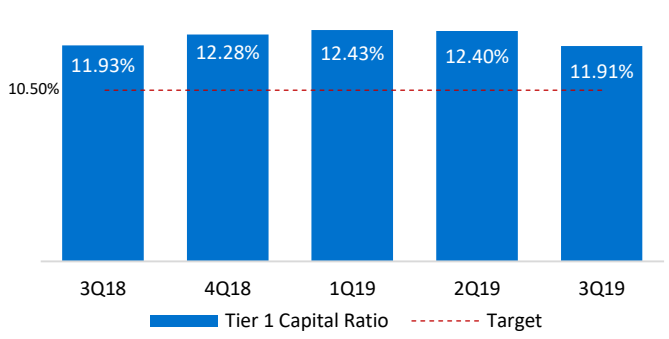
All dollars shown in millions.

Capital

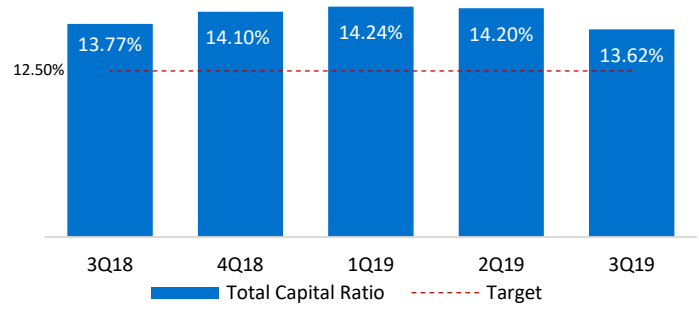
Tier 1 Common Equity Ratio



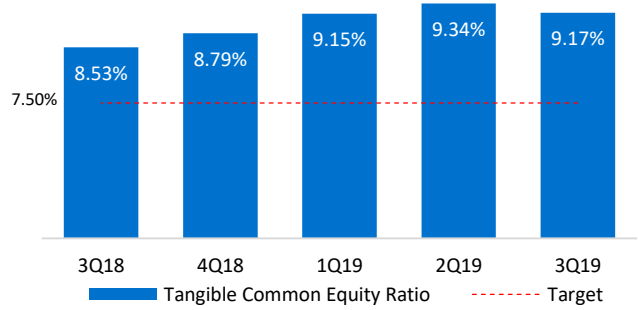
Tier 1 Capital Ratio



Total Capital Ratio



Tangible Common Equity Ratio



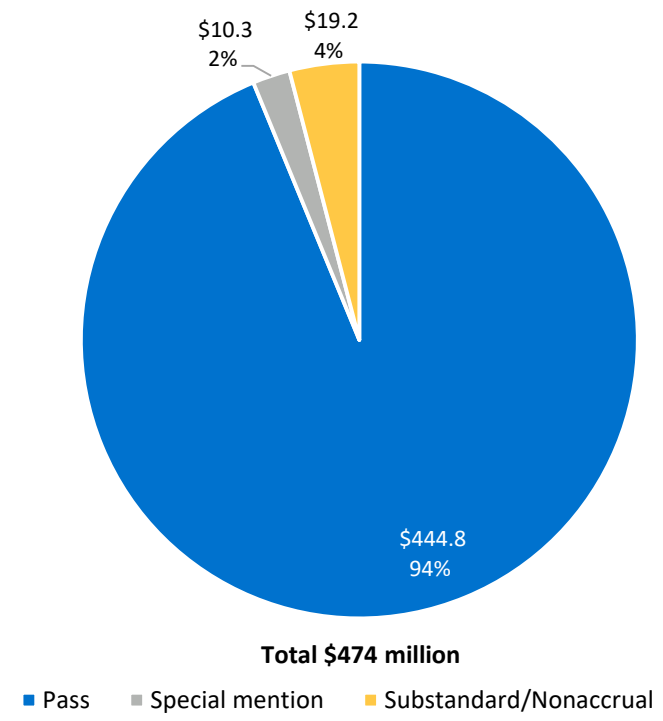
All capital numbers are considered preliminary.

Franchise Lending

Portfolio Overview

- Well-regarded national brand concepts
  - Financing for acquisition, development of new stores, and remodeling of existing stores
  - Top 15 concepts comprise 87% of portfolio outstandings
- Disciplined portfolio management
  - Annual concept reviews
  - Annual reviews of borrower relationships
  - Ongoing monitoring of borrower financial performance
- Granular portfolio
  - Average relationship: $2.6 million
  - Top 10 relationships comprise 29% of the portfolio and are performing well
    - 7 of 10 include real estate collateral
  - Largest relationship exposure is $17.1 million
- Strategic portfolio management
  - Balance 12/31/2018 – $556 million
  - Balance 09/30/2019 – $474 million

Quality Portfolio



All dollars shown in millions.

4Q19 Outlook[1]

Balance Sheet	• Annualized loan growth expected to be in the low single digits on a percentage basis
Net Interest Margin	• 4Q19 NIM (FTE) 3.65% - 3.70%, assuming no further rate cuts and excluding purchase accounting • NIM (FTE) expected to decline 6 - 8 bps for each 25 bps decline in rates
Credit	• Credit outlook remains stable
Noninterest income[2]	• $34 – $36 million • Includes $6.0 million of anticipated foreign exchange revenue
Noninterest Expense[2]	• $84 - $86 million • Includes $5.0 million related to Bannockburn
Capital	• All capital ratios expected to exceed current internal targets • Flexibility to consider additional deployment opportunities
Taxes	• Effective tax rate of approximately 17.5%, which includes a 2% reduction from anticipated recognition of tax credits during the 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.

CECL Update

- Established cross-functional Steering Committee tasked with managing the implementation
- Developed a transparent, consistent model
  - Multiple model dry/parallel runs
  - Qualitative framework to account for the drivers of credit losses not captured by the quantitative model
- Model validated by independent third party
- Estimated that reserve will increase to between 1.12% and 1.32% of total loans upon adoption
  - Total reserve estimated to be $100 to $120 million, an increase of approximately $60 million
  - Increase significantly impacted by required reserve on acquired loans
- Estimate is subject to change based upon the following
  - Continued review of the model
  - Finalization of internal controls ensuring model effectiveness
  - Current and forecasted macroeconomic conditions
  - Composition of the loan and lease portfolio at the time of adoption
  - Management's judgment



Presentation Contents

About First Financial Bancorp

Financial Performance

Appendix

Appendix: Our Markets

Greater Cincinnati

Loans	$2.6 billion
Deposits	$3.1 billion
Deposit Market Share	#4 (2.8%)
Banking Centers	52
Fortune 500 Companies	8

Indianapolis

Loans	$1.1 billion
Deposits	$0.6 billion
Deposit Market Share	#14 (1.5%)
Banking Centers	10
Fortune 500 Companies	2

Central OH

Loans	$0.7 billion
Deposits	$0.3 billion
Deposit Market Share	#15 (0.8%)
Banking Centers	5
Fortune 500 Companies	5

Louisville

Loans	$0.5 billion
Deposits	$0.4 billion
Deposit Market Share	#14 (1.6%)
Banking Centers	11
Fortune 500 Companies	3

Community Markets

Loans	$2.2 billion
Deposits	$4.5 billion
Banking Centers	67

Commercial Finance (National)

Loans	$1.1 billion

FIRST
first financial bancorp

All numbers as of 09/30/2019 except deposit market share which is as of 6/30/2019.
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				
	Sep. 30, 2019	June 30, 2019	Mar. 31, 2019	Dec. 31, 2018	Sep. 30, 2018
Net interest income	$ 121,535	$ 122,302	$ 121,515	$ 125,959	$ 123,485
Tax equivalent adjustment	1,759	1,416	1,523	1,442	1,567
Net interest income - tax equivalent	$ 123,294	$ 123,718	$ 123,038	$ 127,401	$ 125,052
Average earning assets	$ 12,343,327	$ 12,294,911	$ 12,163,751	$ 12,003,073	$ 12,056,627
Net interest margin[1]	3.91 %	3.99 %	4.05 %	4.16 %	4.06 %
Net interest margin (fully tax equivalent)[1]	3.96 %	4.04 %	4.10 %	4.21 %	4.12 %

[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	
	Sep. 30, 2019	June 30, 2019	Mar. 31, 2019	Dec. 31, 2018	Sep. 30, 2018	Sep. 30, 2019	Sep. 30, 2018
Net income (a)	$ 50,856	$ 52,703	$ 45,839	$ 55,014	$ 50,657	$ 149,398	$ 117,581
Average total shareholders' equity	2,210,327	2,146,997	2,094,234	2,042,884	2,021,400	2,150,945	1,654,322
Less:							
Goodwill	(899,888)	(879,726)	(878,541)	(878,669)	(882,917)	(886,130)	(659,213)
Other intangibles	(51,365)	(37,666)	(39,900)	(42,305)	(43,830)	(43,019)	(30,776)
MSR's	(10,118)	(9,906)	(9,896)	(9,986)	(9,183)	(9,974)	(6,883)
Average tangible equity (b)	1,248,956	1,219,699	1,165,897	1,111,924	1,085,470	1,211,822	957,450
Total shareholders' equity	2,261,313	2,188,189	2,130,419	2,078,249	2,035,520	2,261,313	2,035,520
Less:							
Goodwill	(937,689)	(879,727)	(879,727)	(880,251)	(881,033)	(937,689)	(881,033)
Other intangibles	(79,506)	(36,349)	(38,571)	(40,805)	(43,356)	(79,506)	(43,356)
MSR's	(10,293)	(10,086)	(9,891)	(9,974)	(9,971)	(10,293)	(9,971)
Ending tangible equity (c)	1,233,825	1,262,027	1,202,230	1,147,219	1,101,160	1,233,825	1,101,160
Total assets	14,480,445	14,437,663	14,074,263	13,986,660	13,842,667	14,480,445	13,842,667
Less:							
Goodwill	(937,689)	(879,727)	(879,727)	(880,251)	(881,033)	(937,689)	(881,033)
Other intangibles	(79,506)	(36,349)	(38,571)	(40,805)	(43,356)	(79,506)	(43,356)
MSR's	(10,293)	(10,086)	(9,891)	(9,974)	(9,971)	(10,293)	(9,971)
Ending tangible assets (d)	13,452,957	13,511,501	13,146,074	13,055,630	12,908,307	13,452,957	12,908,307
Risk-weighted assets (e)	10,883,554	10,674,394	10,358,805	10,241,159	10,222,466	10,883,554	10,222,466
Total average assets	14,320,514	14,102,733	13,952,551	13,768,958	13,822,675	14,126,615	12,221,358
Less:							
Goodwill	(899,888)	(879,726)	(878,541)	(878,669)	(882,917)	(886,130)	(659,213)
Other intangibles	(51,365)	(37,666)	(39,900)	(42,305)	(43,830)	(43,019)	(30,776)
MSR's	(10,118)	(9,906)	(9,896)	(9,986)	(9,183)	(9,974)	(6,883)
Average tangible assets (f)	$ 13,359,143	$ 13,175,435	$ 13,024,214	$ 12,837,998	$ 12,886,745	$ 13,187,492	$ 11,524,486
Ending shares outstanding (g)	100,094,819	98,647,690	98,613,872	97,894,286	97,914,526	100,094,819	97,914,526
Ratios							
Return on average tangible shareholders' equity (a)/(b)	16.15%	17.33%	15.95%	19.63%	18.52%	16.48%	16.42%
Ending tangible equity as a percent of:							
Ending tangible assets (c)/(d)	9.17%	9.34%	9.15%	8.79%	8.53%	9.17%	8.53%
Risk-weighted assets (c)/(e)	11.34%	11.82%	11.61%	11.20%	10.77%	11.34%	10.77%
Average tangible equity as a percent of average tangible assets (b)/(f)	9.35%	9.26%	8.95%	8.66%	8.42%	9.19%	8.31%
Tangible book value per share (c)/(g)	$ 12.33	$ 12.79	$ 12.19	$ 11.72	$ 11.25	$ 12.33	$ 11.25

All dollars shown in thousands.

Appendix: Non-GAAP to GAAP Reconciliation

Additional non-GAAP measures

(Dollars in thousands, except per share data)	3Q19 As Reported	3Q19 Adjusted	2Q19 As Reported	2Q19 Adjusted	1Q19 As Reported	1Q19 Adjusted	4Q18 As Reported	4Q18 Adjusted	3Q18 As Reported	3Q18 Adjusted
Net interest income (f)	$ 121,535	$ 121,535	$ 122,302	$ 122,302	$ 121,515	$ 121,515	$ 125,959	$ 125,959	$ 123,485	$ 123,485
Provision for loan and lease losses (j)	5,228	5,228	6,658	6,658	14,083	14,083	5,310	5,310	3,238	3,238
Noninterest income	33,140	33,140	34,638	34,638	26,827	26,827	29,504	29,504	28,684	28,684
less: gains from the redemption of off balance sheet securitizations								(1,645)		
plus: Bankcard interchange										340
less: gains (losses) on sale of investment securities		208		52		(34)		(60)		(279)
Total noninterest income (g)	33,140	32,932	34,638	34,586	26,827	26,861	29,504	27,919	28,684	29,303
Noninterest expense	86,226	86,226	84,378	84,378	78,499	78,499	83,352	83,352	85,415	85,415
less: severance and merger-related expenses		5,192		5,187		1,734		7,485		7,405
less: other		711		336		78				
Total noninterest expense (e)	86,226	80,323	84,378	78,855	78,499	76,687	83,352	75,867	85,415	78,010
Income before income taxes (i)	63,221	68,916	65,904	71,375	55,760	57,606	66,801	72,701	63,516	71,540
Income tax expense	12,365	12,365	13,201	13,201	9,921	9,921	11,787	11,787	12,859	12,859
plus: tax effect of adjustments		1,046		785		388		1,239		1,685
Total income tax expense (h)	12,365	13,411	13,201	13,986	9,921	10,309	11,787	13,026	12,859	14,544
Net income (a)	$ 50,856	$ 55,505	$ 52,703	$ 57,389	$ 45,839	$ 47,297	$ 55,014	$ 59,675	$ 50,657	$ 56,996
Average diluted shares (b)	99,078	99,078	98,648	98,648	98,436	98,436	98,468	98,468	98,484	98,484
Average assets (c)	14,320,514	14,320,514	14,102,733	14,102,733	13,952,551	13,952,551	13,768,958	13,768,958	13,822,675	13,822,675
Average shareholders' equity	2,210,327	2,210,327	2,146,997	2,146,997	2,094,234	2,094,234	2,042,884	2,042,884	2,021,400	2,021,400
Less:										
Goodwill and other intangibles	(961,371)	(961,371)	(927,298)	(927,298)	(928,337)	(928,337)	(930,960)	(930,960)	(935,930)	(935,930)
Average tangible equity (d)	1,248,956	1,248,956	1,219,699	1,219,699	1,165,897	1,165,897	1,111,924	1,111,924	1,085,470	1,085,470
Ratios										
Net earnings per share - diluted (a)/(b)	$ 0.51	$ 0.56	$ 0.53	$ 0.58	$ 0.47	$ 0.48	$ 0.56	$ 0.61	$ 0.51	$ 0.58
Return on average assets - (a)/(c)	1.41%	1.54%	1.50%	1.63%	1.33%	1.38%	1.59%	1.72%	1.45%	1.64%
Pre-tax, pre-provision return on average assets - ((a)+(j)+(h))/(c)	1.90%	2.05%	2.06%	2.22%	2.03%	2.08%	2.08%	2.25%	1.92%	2.15%
Return on average tangible shareholders' equity - (a)/(d)	16.15%	17.63%	17.33%	18.87%	15.95%	16.45%	19.63%	21.29%	18.52%	20.83%
Efficiency ratio - (e)/((f)+(g))	55.7%	52.0%	53.8%	50.3%	52.9%	51.7%	53.6%	49.3%	56.1%	51.1%
Effective tax rate - (h)/(i)	19.6%	19.5%	20.0%	19.6%	17.8%	17.9%	17.6%	17.9%	20.2%	20.3%

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