1st Source® Corporation

INVESTOR PRESENTATION

Symbol: SRCE

www.1stsource.com

FORWARD-LOOKING STATEMENT DISCLOSURE

Except for historical information, the matters discussed may include "forward-looking statements." Generally, words such as "believe," "possible," "expect," "intend," "estimate," "anticipate," "project," "will," "contemplate," "seek," "plan," "assume," "targeted," "continue," "remain," "should," "indicate," "would," "may" indicate forward-looking statements. Those statements are subject to material risks and uncertainties. 1st Source cautions readers not to place undue reliance on any forward-looking statements, which speak only as of the date made. 1st Source may make other written or oral forward-looking statements from time to time. The audience is advised that various important factors could cause 1st Source's actual results or circumstances for future periods to differ materially from those anticipated or projected in such forward-looking statements. Such factors, among others, include changes in laws, regulations or accounting principles generally accepted in the United States; 1st Source's competitive position within its markets served; increasing consolidation within the banking industry; unforeseen changes in interest rates; unforeseen downturns in the local, regional or national economies or in the industries in which 1st Source has credit concentrations; and other risks discussed in 1st Source's filings with the Securities and Exchange Commission (SEC), including its Annual Report on Form 10-K, which filings are available from the SEC. 1st Source undertakes no obligation to publicly update or revise any forward-looking statements.

MISSION AND VISION

Mission

To help our clients achieve security, build wealth and realize their dreams by offering straight talk, sound advice and keeping their best interests in mind for the long-term.

Vision

- Offer our clients the highest-quality service
- Support a proud family of colleagues who personify the 1st Source spirit of partnership
- Be the financial institution of choice in each market we serve
- Remain independent and nurture pride of ownership among all 1st Source colleagues
- Achieve long-term superior financial results

CORPORATE OVERVIEW

$5.0 billion Community Bank with International Reach

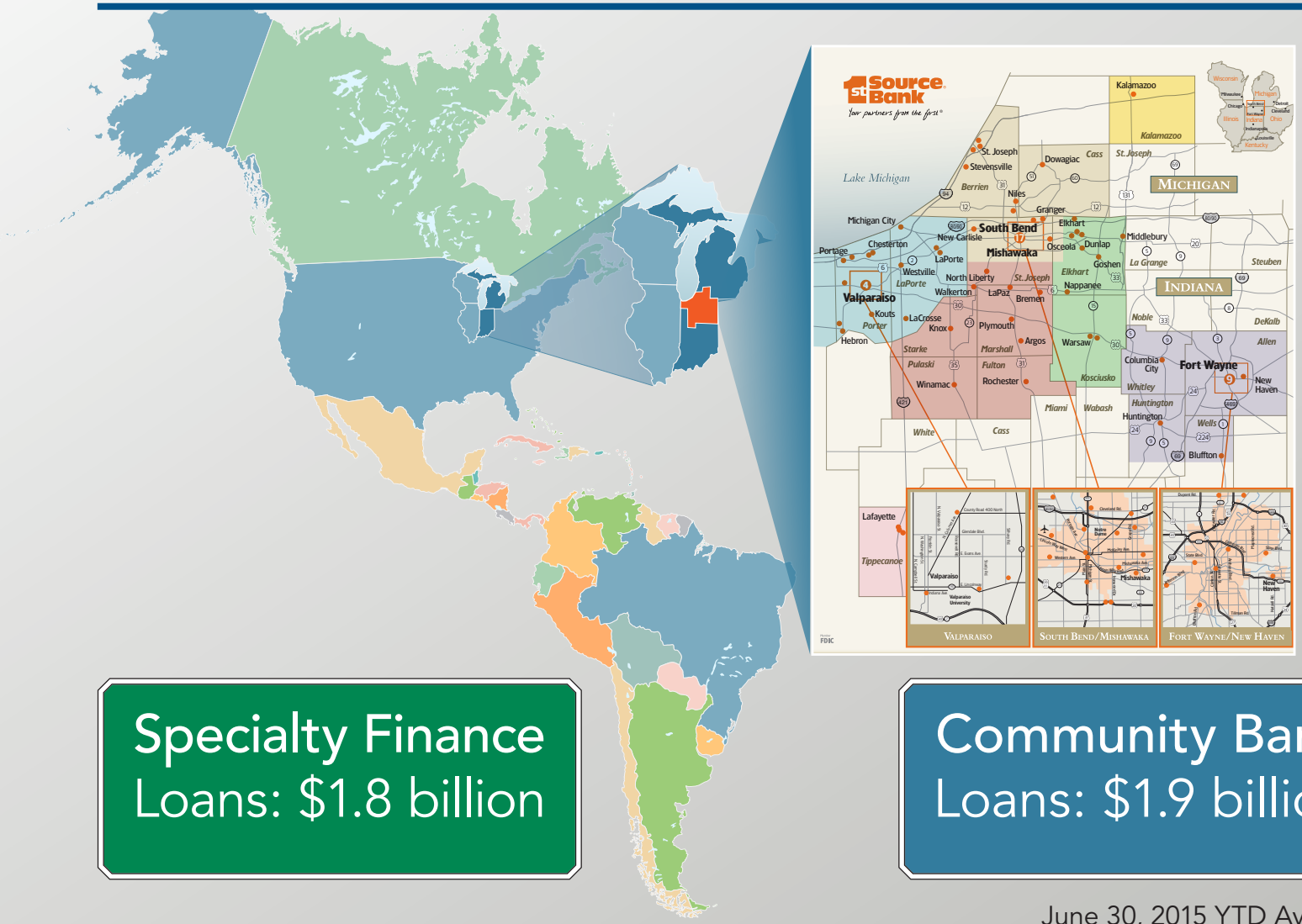
Community Banking:

- Personal and business banking, payment services, lending, mortgage, and leasing
- Investment management, trust and estate planning, and retirement planning services
- Business and consumer insurance sales

Specialty Finance:

- Auto rental and leasing, shuttle busses, and funeral cars
- Truck rental and leasing, and environmental equipment
- Construction machinery
- Personal and corporate aircraft

MARKET AREA

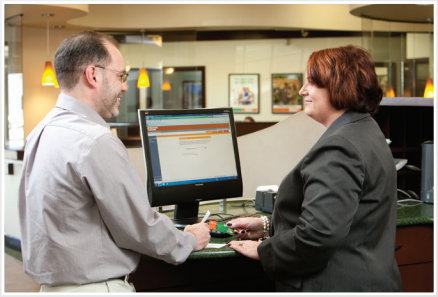


Specialty Finance
Loans: $1.8 billion

Community Bank
Loans: $1.9 billion

June 30, 2015 YTD Averages

BUSINESS MIX (LOANS AND LEASES)







Personal Community Banking	31%	51%
Business Community Banking	69%	
Specialty Finance		49%

As of 6/30/15

COMMUNITY BANKING

- 81 Banking Centers
- 101 Twenty-four hour ATMs
- 8 1st Source Insurance offices
- 8 Trust & Wealth Management locations with approximately $4.0 billion of assets under management

In person, online, over the phone or via mobile






COMMUNITY BANKING MARKET AREA



Higher Education



Steel Production



Regional Medical Hub



Medical Devices



Agriculture



Distribution Hub



Recreational Vehicle Manufacturing

17 – County Market

Market Households	788,652
Client Households	99,897
Penetration	12.7%
Businesses (approx)	74,600
Business Clients	14,545
Penetration	19.5%

As of December 31, 2014

SPECIALTY FINANCE GROUP SERVICES



Aircraft Financing — $725MM

Aircraft financing primarily for new and used general aviation aircraft (including helicopters) for private and corporate users, some for aircraft distributors and dealers, air charter operators, air cargo carriers, and other aircraft operators



Auto and Light Truck Division — $414MM

Auto/light truck financing for automobile rental and leasing companies, light truck rental and leasing companies, and special purpose vehicle users: shuttle busses, funeral cars, etc.



Construction Equipment Financing — $422MM

Construction equipment financing for infrastructure projects (i.e., asphalt and concrete plants, bulldozers, excavators, cranes, and loaders, etc.)



Medium and Heavy Duty Truck Division — $245MM

The medium and heavy duty truck division finances highway tractors and trailers and delivery trucks for the commercial trucking industry and trash and recycling equipment for municipalities and private businesses as well as equipment for landfills

As of 6/30/15

EXPERIENCED AND PROVEN TEAM

Executive Team

- 7 executives with an average 37 years each of banking experience and 24 years with 1st Source

Business Banking Officers

- 39 business banking officers with an average 23 years each of lending experience and 12 years with 1st Source

Specialty Finance Group Officers

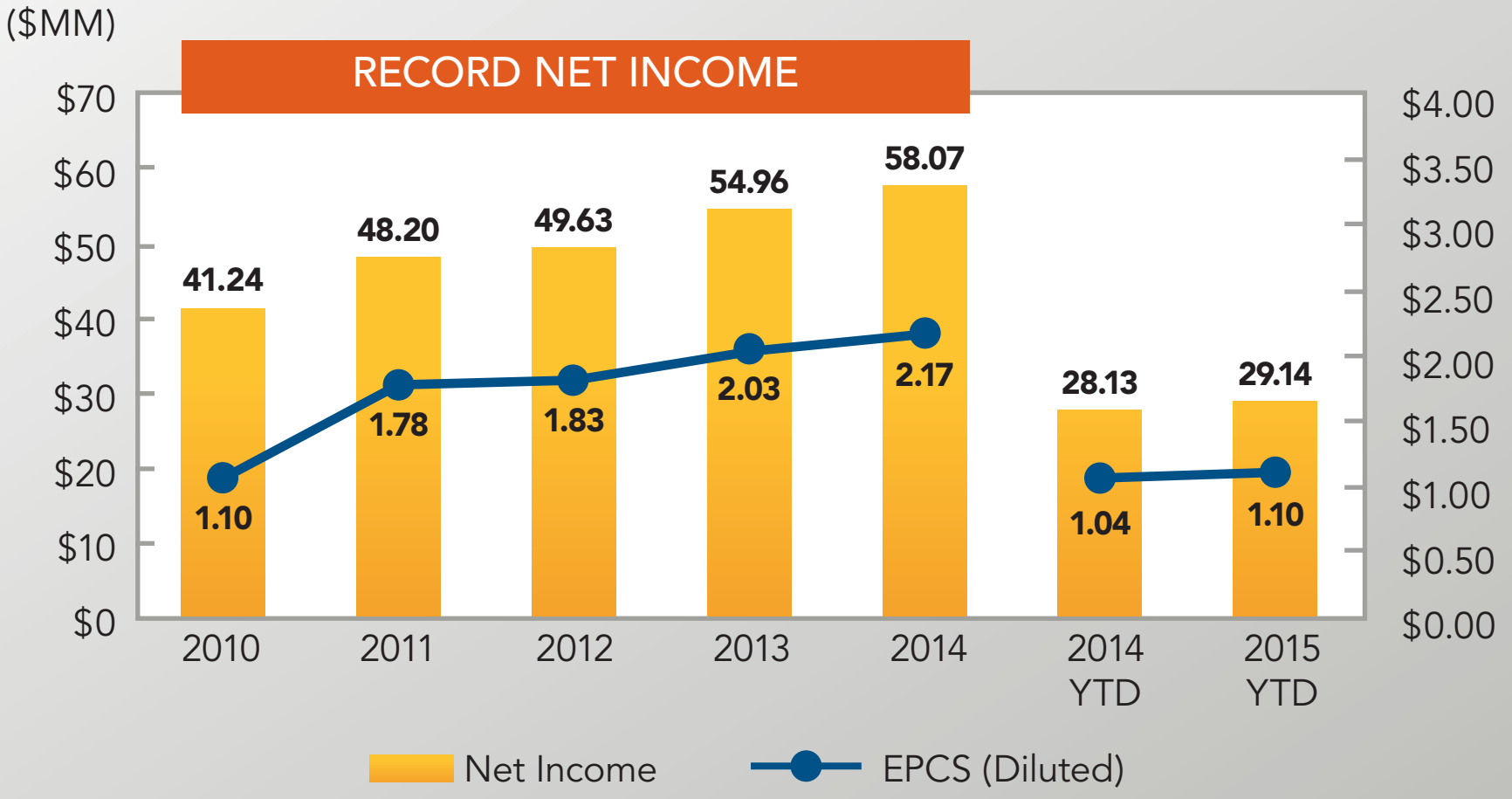
- 26 specialty finance group officers with an average 28 years each of lending experience and 12 years with 1st Source

PERFORMANCE - CLIENT

- #1 deposit share in our 15 contiguous county market
- #1 SBA Lender in every county where located
- #2 SBA Lender in State of Indiana
- SBA Great Lakes Community Lender of the Year – 2014
- Indiana SBA Community Lender Award – 2014
- Best Bank for Business – Northwest Indiana Business Quarterly
- Best Bank for Obtaining a Business Loan – Northwest Indiana Business Quarterly
- Best Bank of Marshall County – Readers of Plymouth Pilot
- A Favorite Bank– Readers of the Elkhart Truth
- Highest Customer Advocacy Score among banks in Midwest – APECS, 2014 & 2015

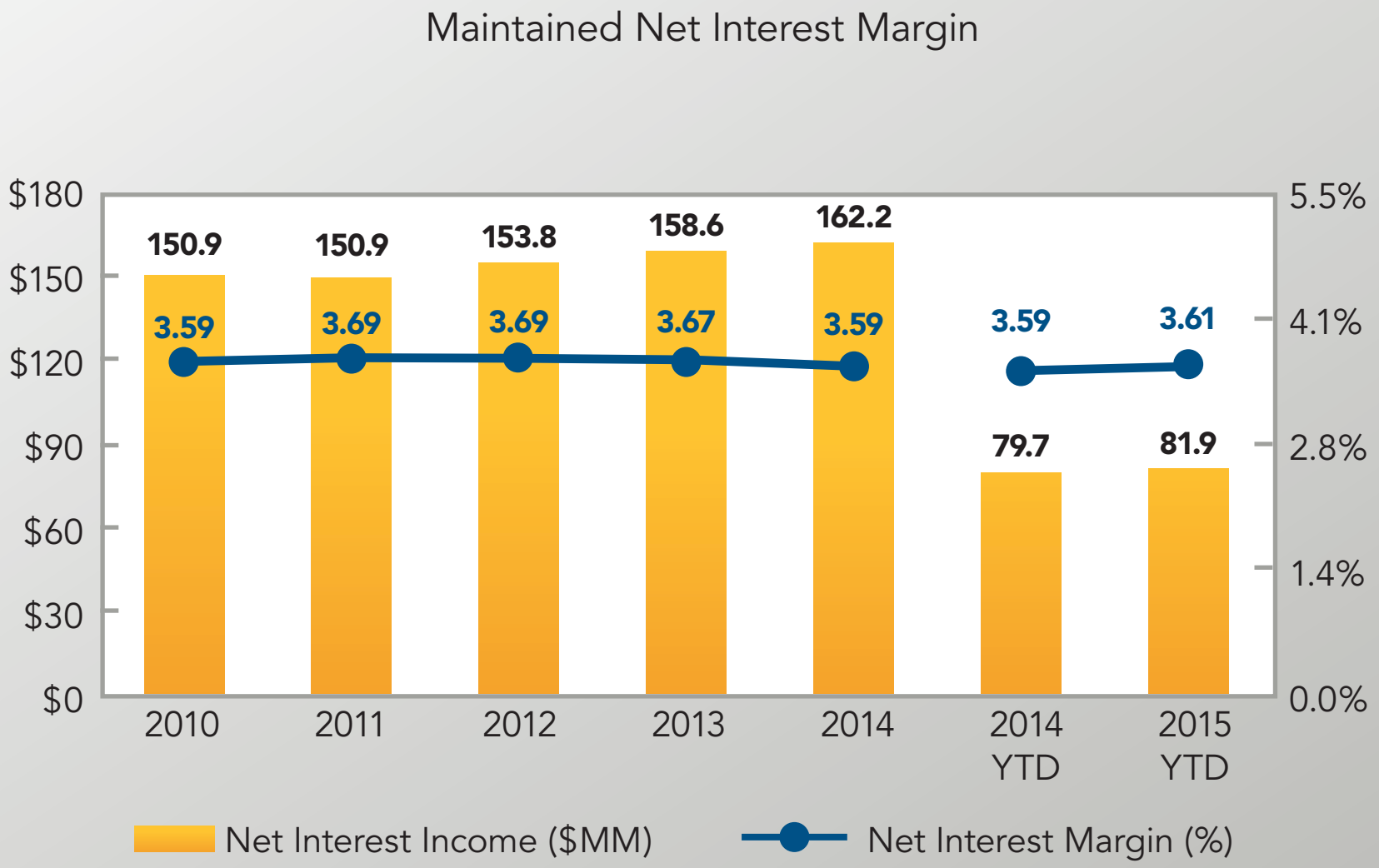
FINANCIAL RESULTS

NET INCOME & EARNINGS PER SHARE*

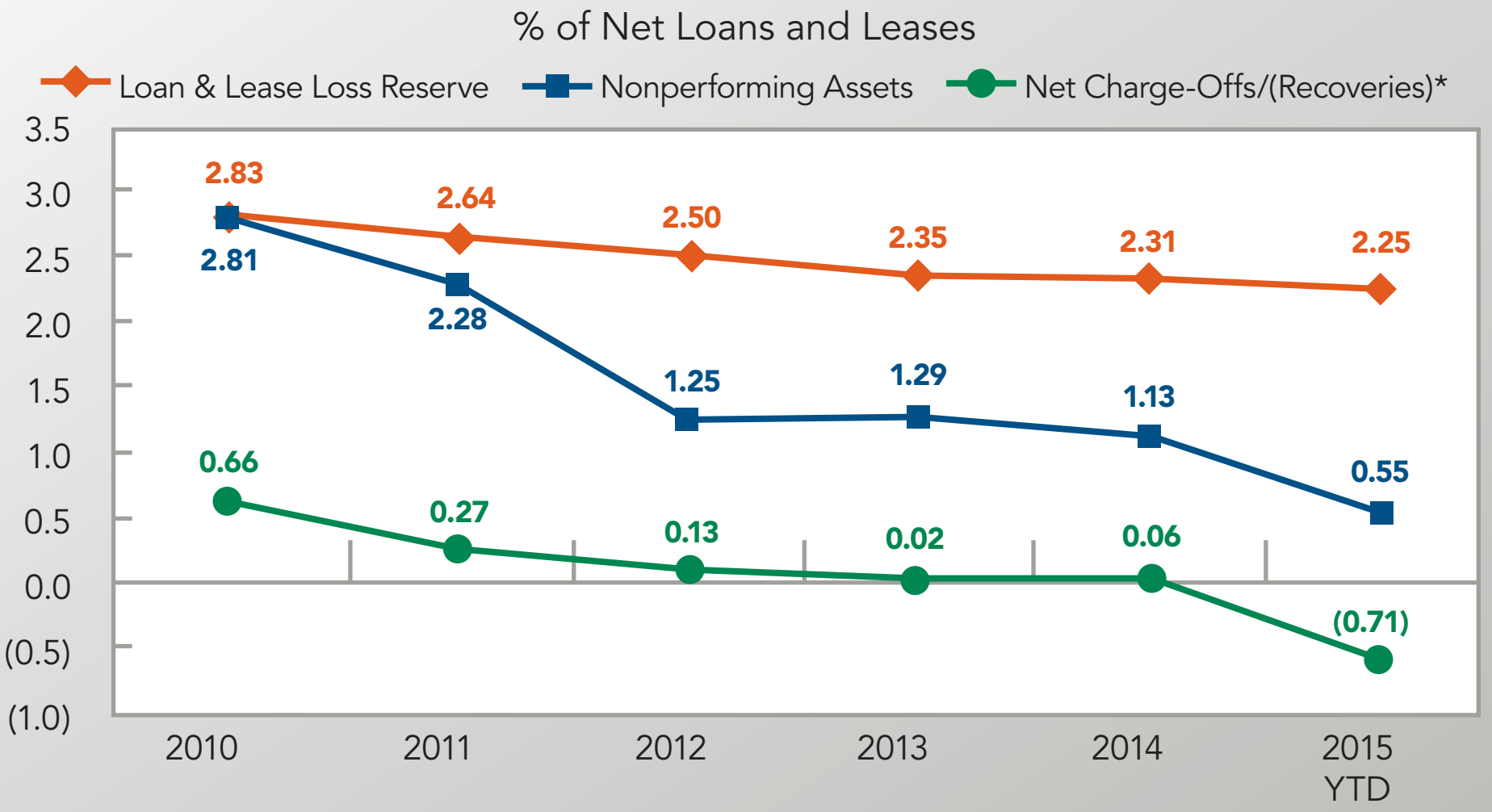


* Note: EPCS adjusted for 10% stock dividend declared July 22, 2015.

NET INTEREST MARGIN (FTE)



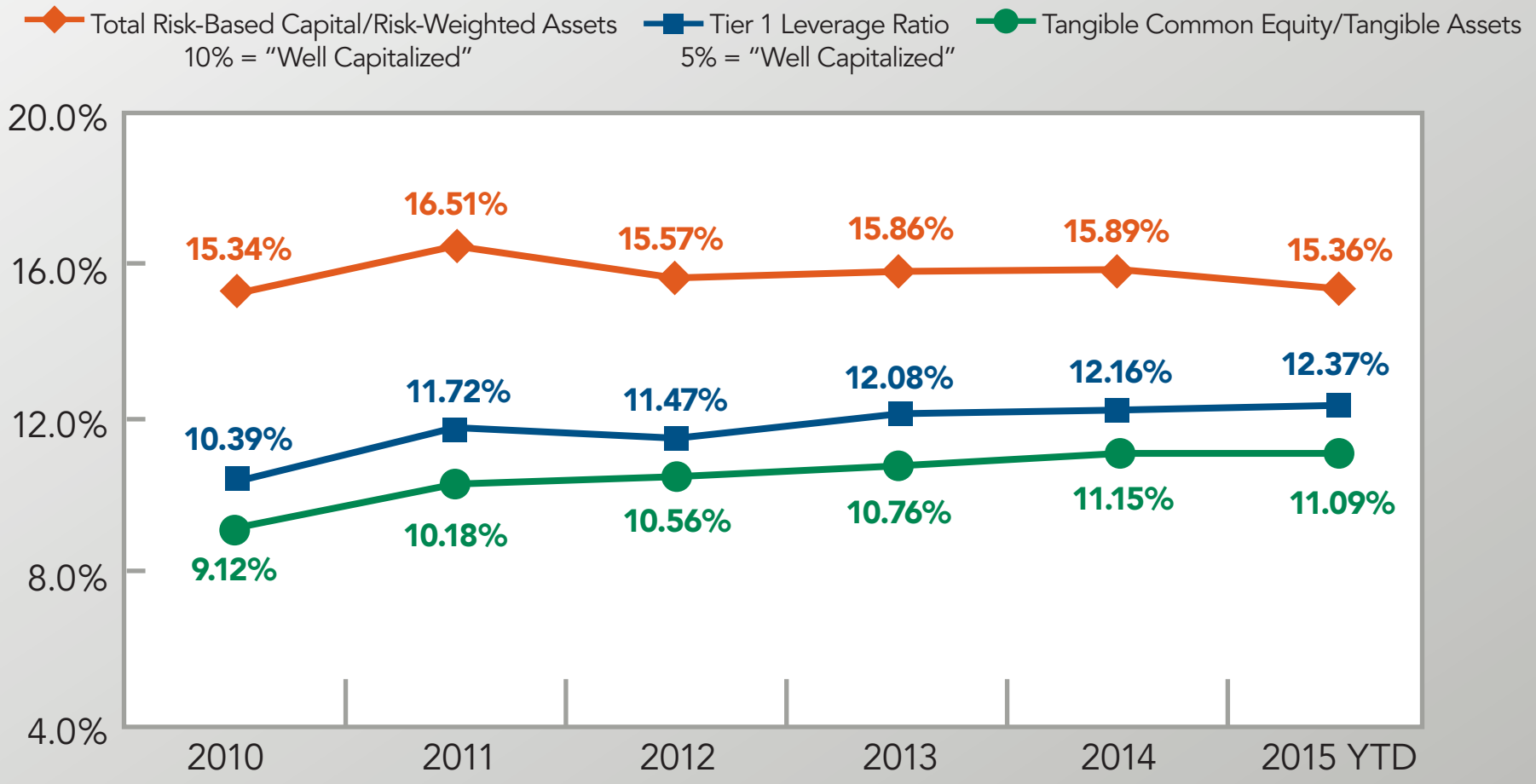
STRONG CREDIT QUALITY



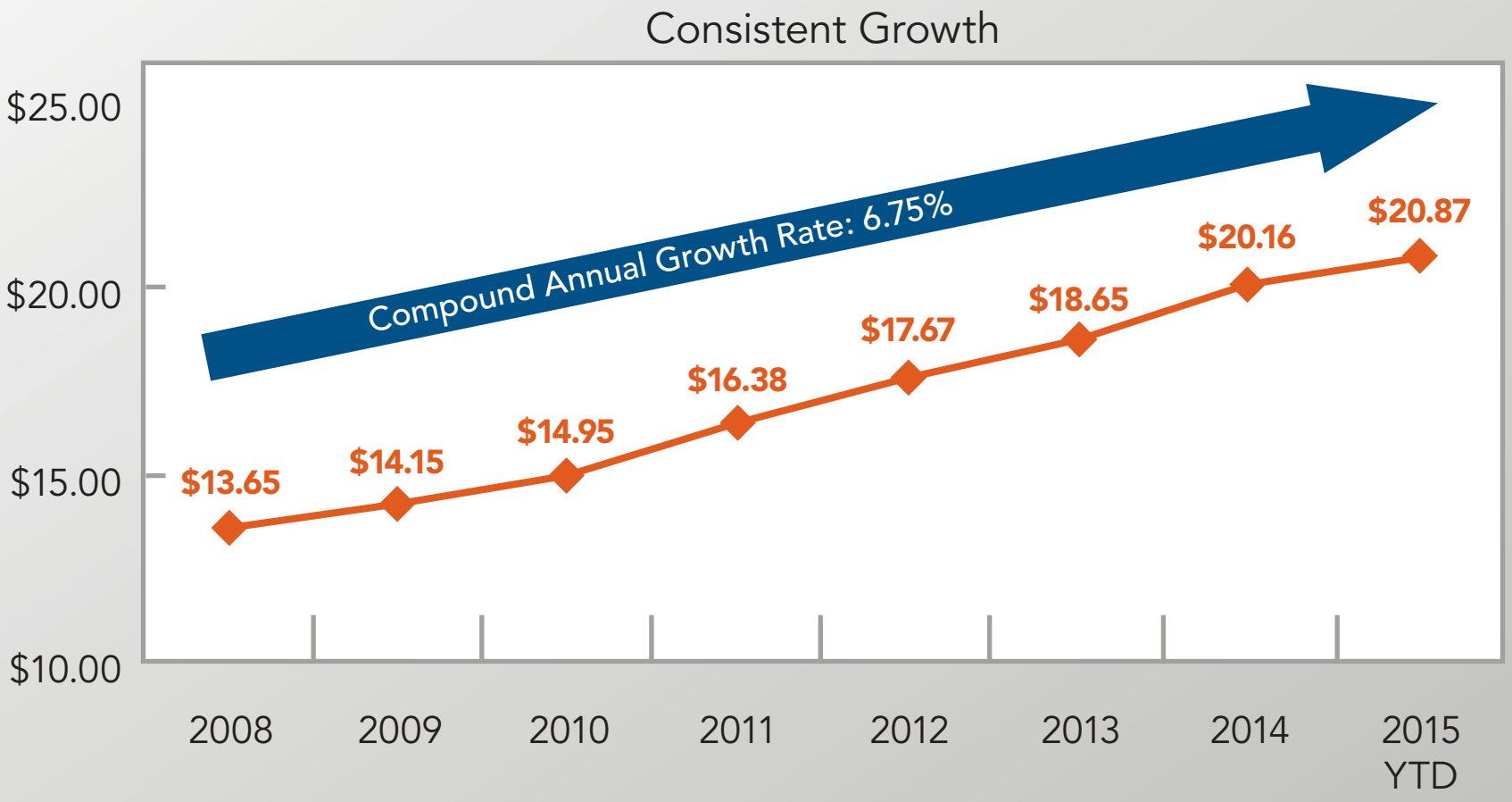
* Note: 2015 YTD net charge-offs/(recoveries) have been annualized

STRONG CAPITAL POSITION

Common Equity Tier 1/Risk-Weighted Assets = 12.72%; "Well Capitalized" = 6.50%



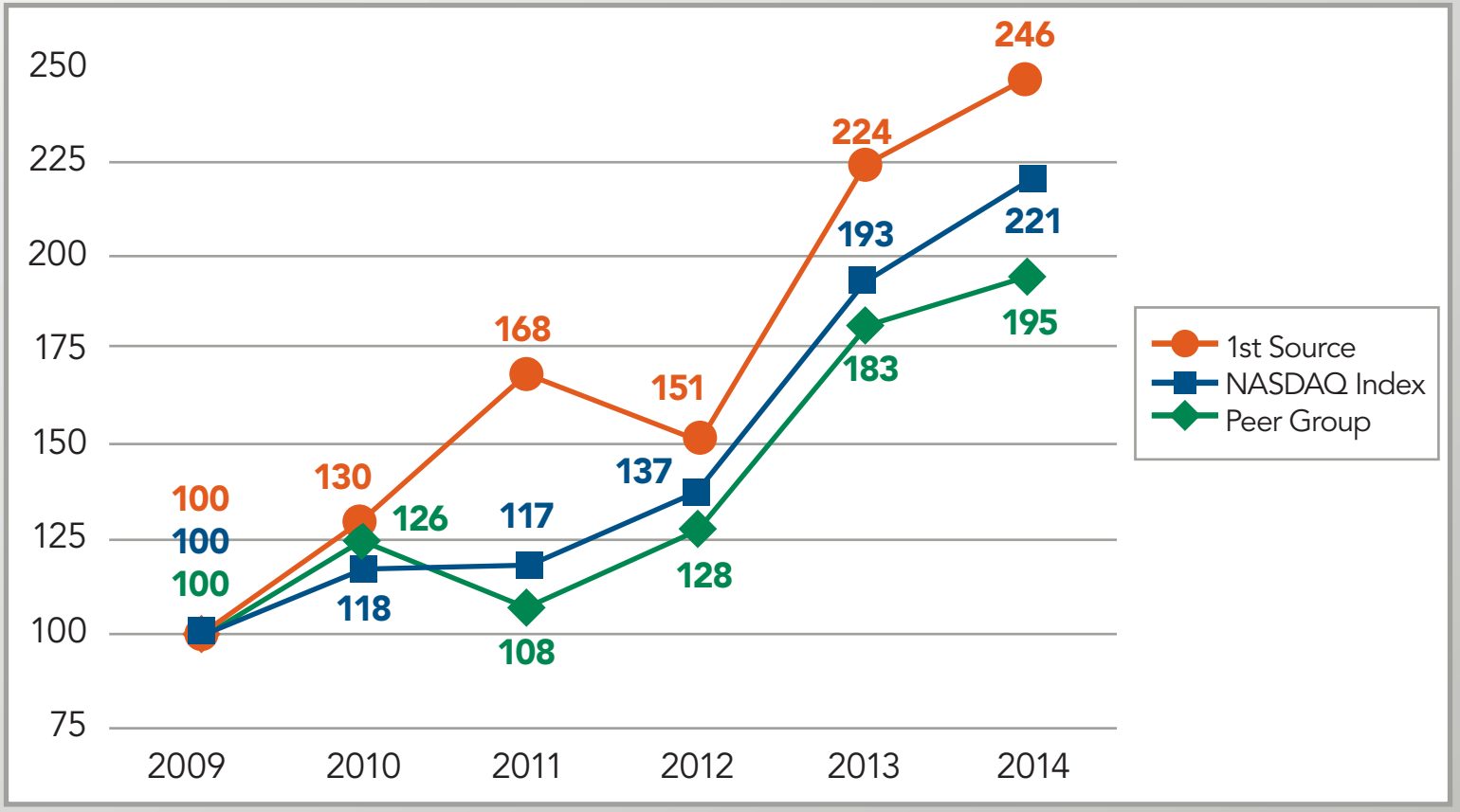
TANGIBLE BOOK VALUE PER COMMON SHARE*



* Note: Adjusted for 10% stock dividend declared July 22, 2015.

COMPARISON OF FIVE YEAR CUMULATIVE TOTAL RETURN*

1st Source Growth of 146% vs. Peer Group Growth of 95%



* Assumes $100 invested on December 31, 2009, in 1st Source common stock, NASDAQ market index and peer group index. Total return assumes reinvestment of dividends.

PERFORMANCE – FINANCIAL

- Honor Roll of Bank Superior Performers for 10 Years – KBW, 2012-2015
- #8 of 93 banks – Bank Director Magazine
- #25 – Forbes list of America's Best Banks based on asset quality, capital adequacy and profitability
- Top 31 Performing Banks in U.S. – Sandler O'Neill All Stars
- #38 soundest bank in U.S. – The Banker Magazine (#859 on global list)
- Top 15th Percentile of Community Banks – Seifried & Brew
- 5 Star "Superior" Rating – Bauer Financial
- 27 years of consecutive dividend growth



INVESTMENT CONSIDERATIONS

- Consistent and superior financial performance with a focus on long-term earnings per share and tangible book value growth
- Experienced and proven team with significant investment in bank
- Diversification of product mix and geography with asset generation capability
- Leading market share in community banking markets
- Stable credit quality, strongly reserved
- Strong capital position and 27 consecutive years of dividend growth
- Balance Sheet is asset sensitive – positioned for rising rates over time

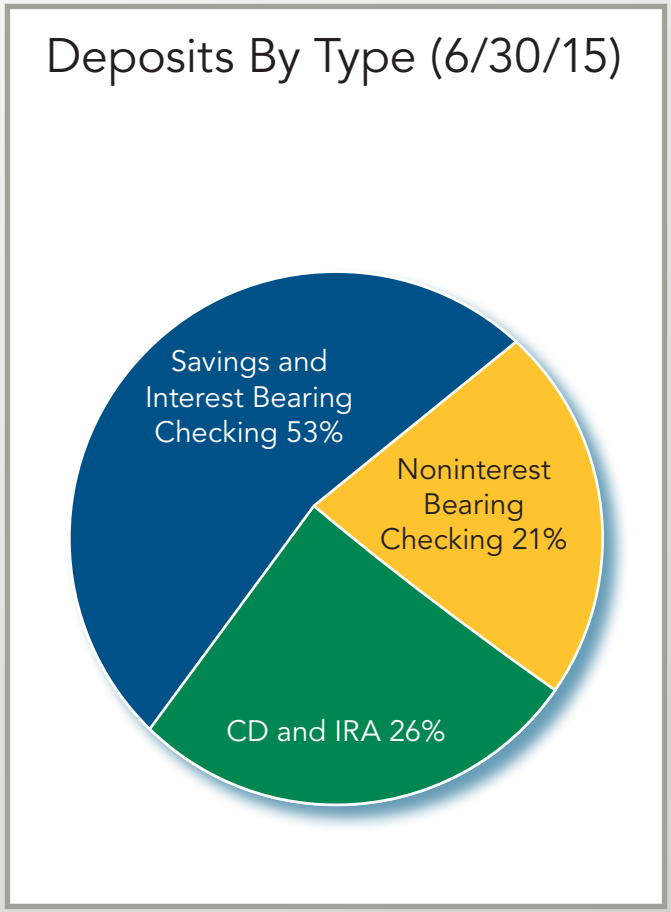
CONTACT INFORMATION

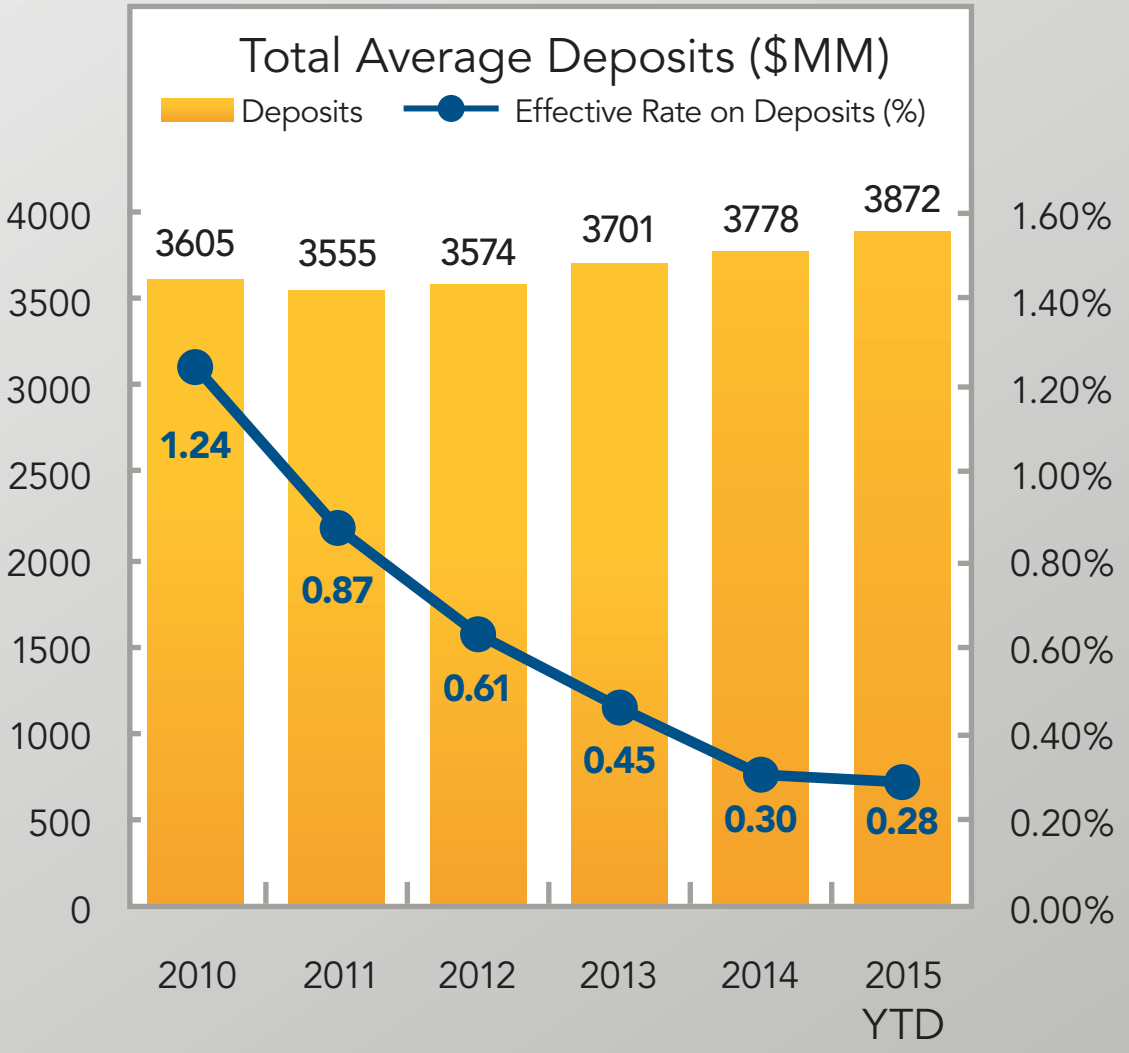
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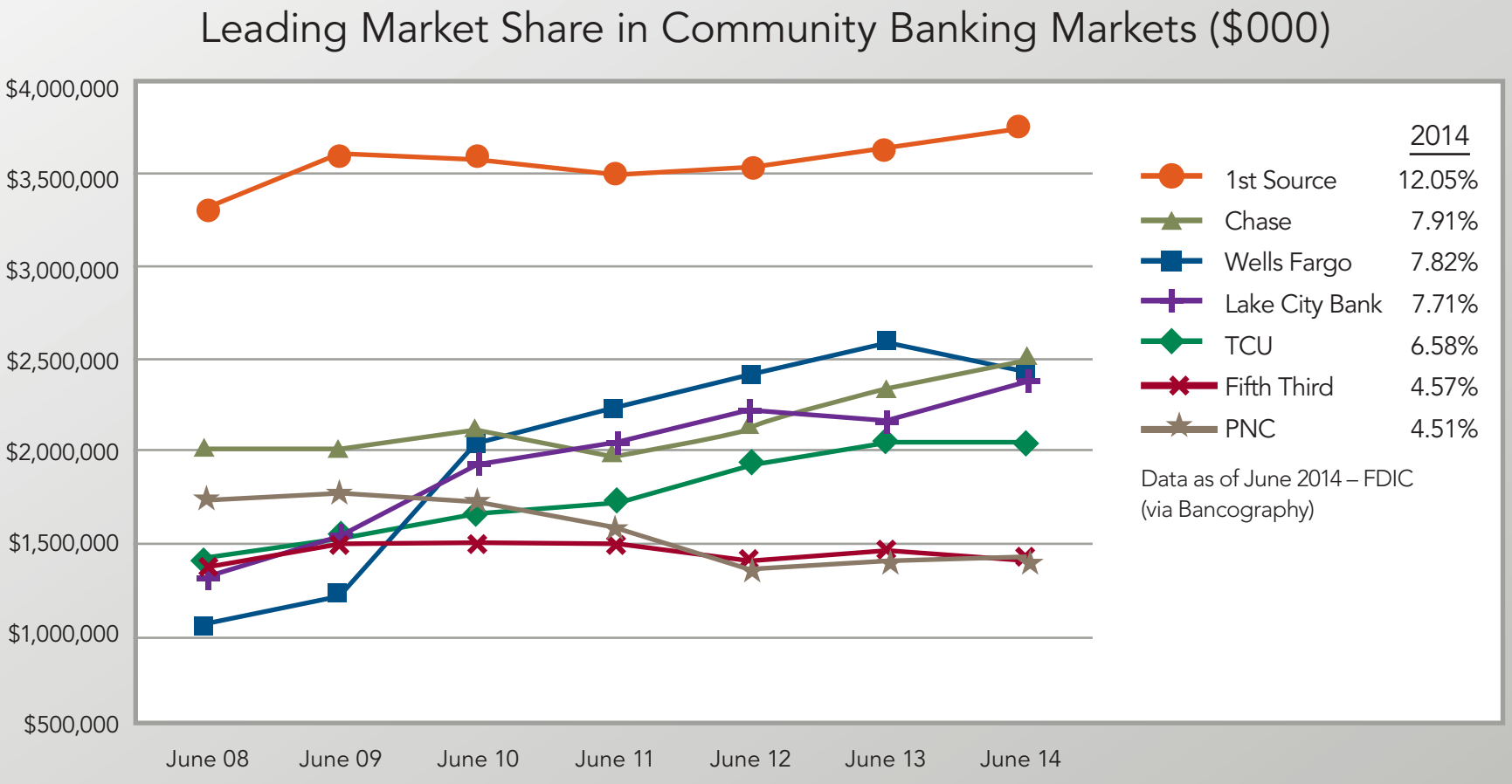
APPENDIX

DEPOSIT COMPOSITION



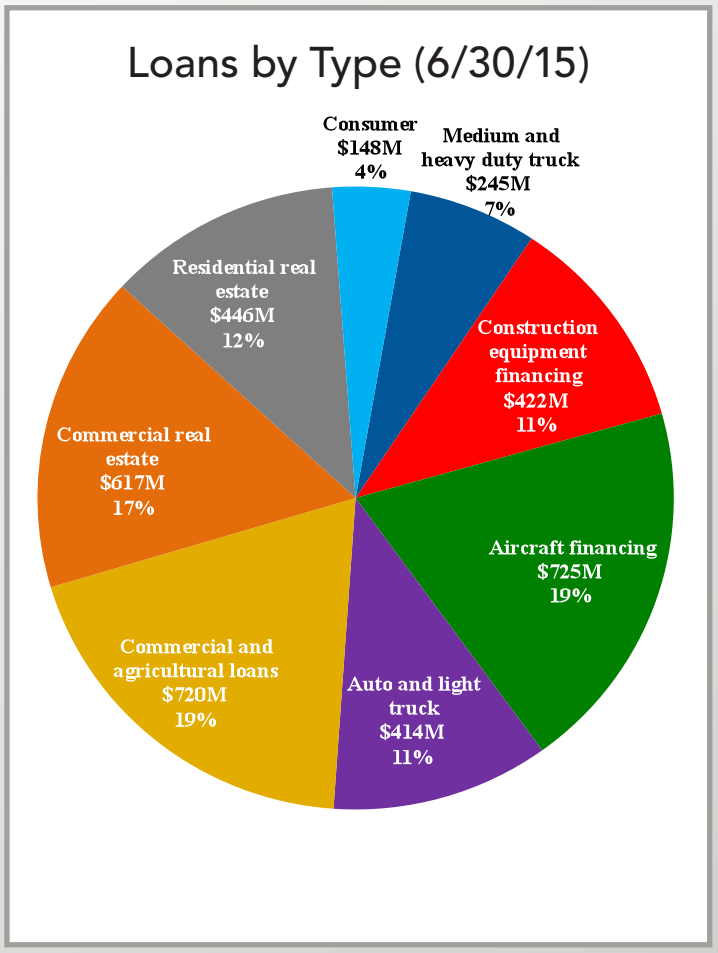


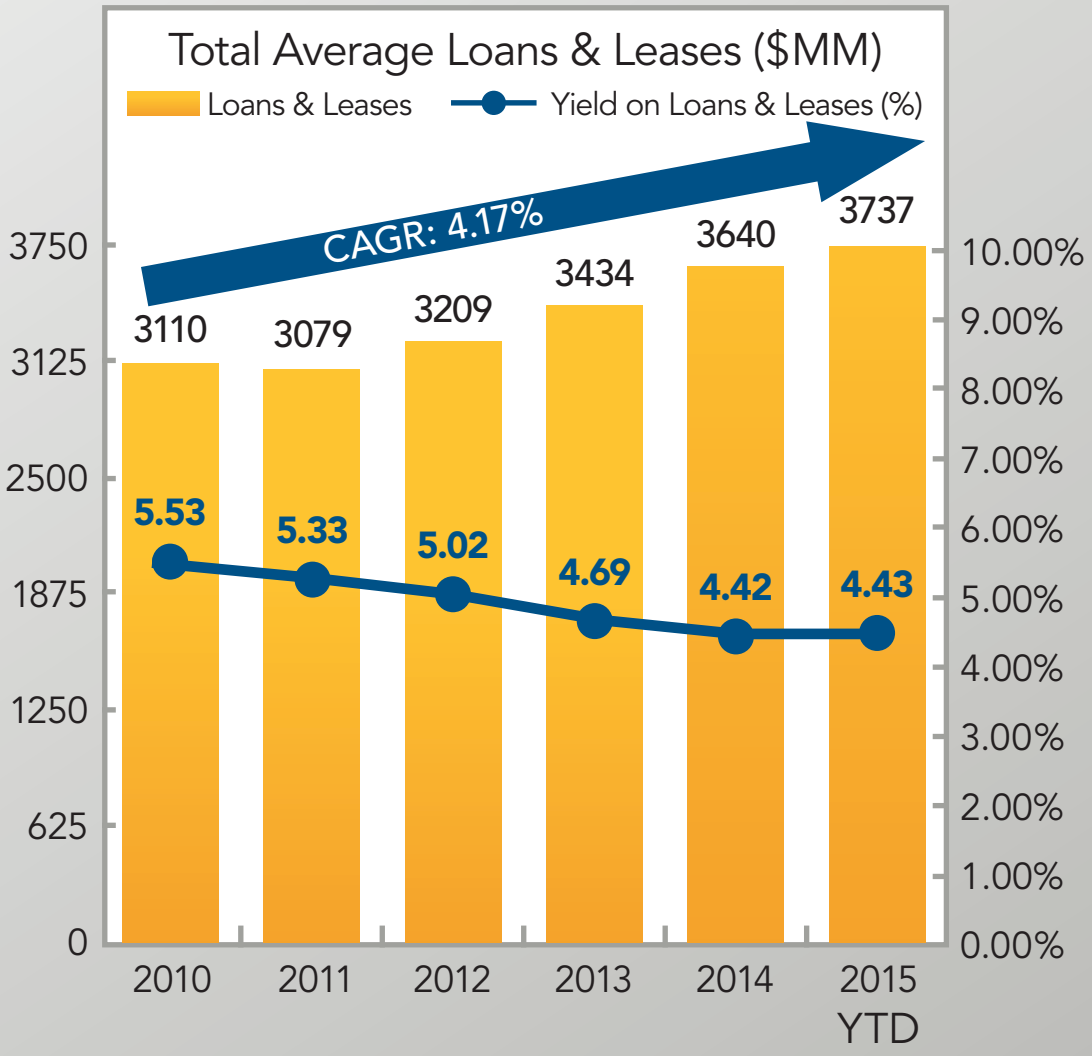
DEPOSIT MARKET SHARE – 15 CONTIGUOUS MARKET*



*Includes Allen, Elkhart, Fulton, Huntington, Kosciusko, LaPorte, Marshall, Porter, Pulaski, St. Joseph, Starke, Wells, and Whitley counties in the State of Indiana, and Berrien and Cass counties in the State of Michigan.

LOAN DISTRIBUTION AND PERFORMANCE

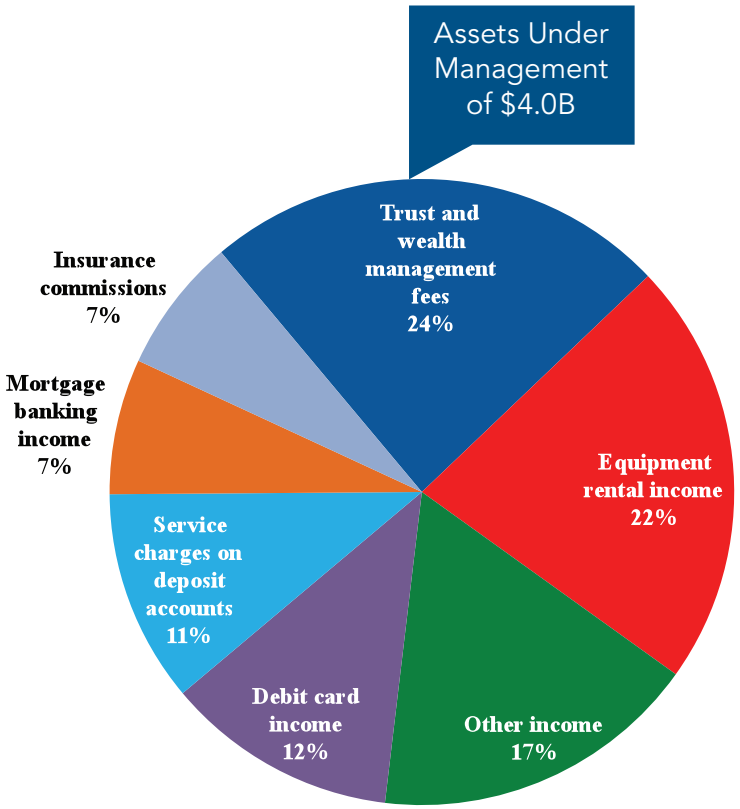




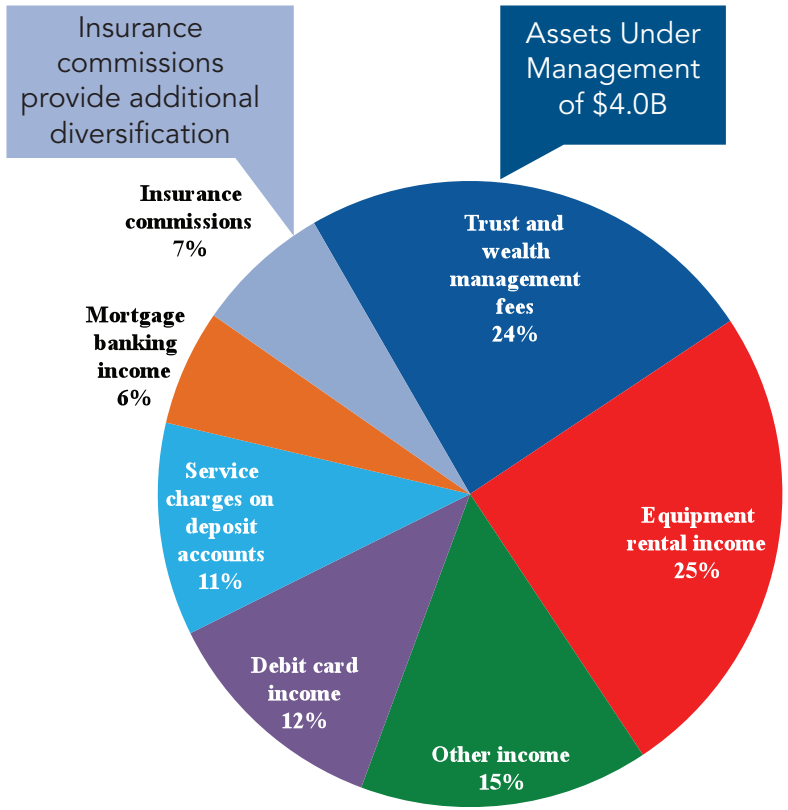
DIVERSE SOURCES OF NONINTEREST INCOME

Noninterest Income Composition

YTD 12/31/14 = $77.9M



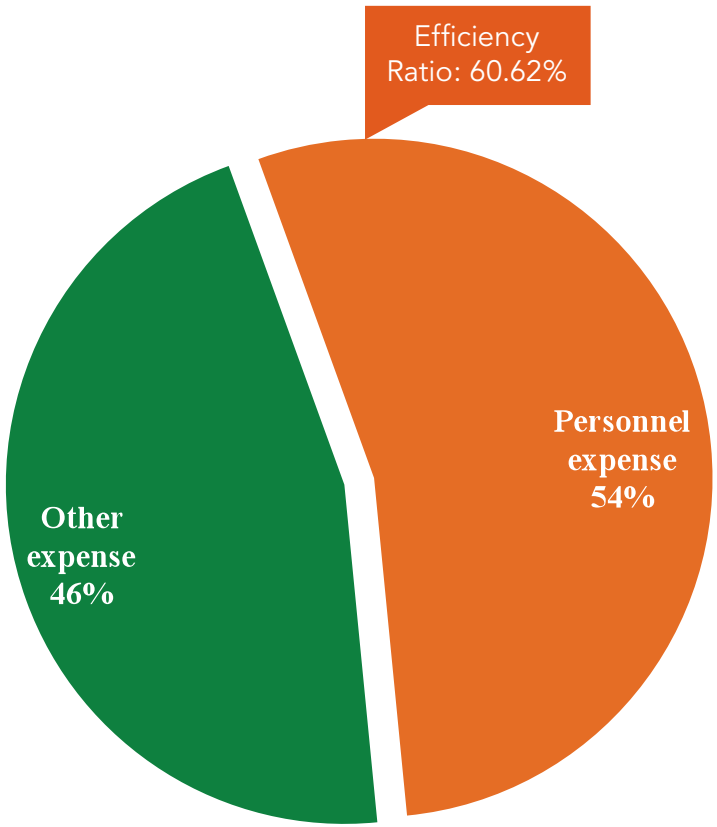
YTD 6/30/15 = $41.3M



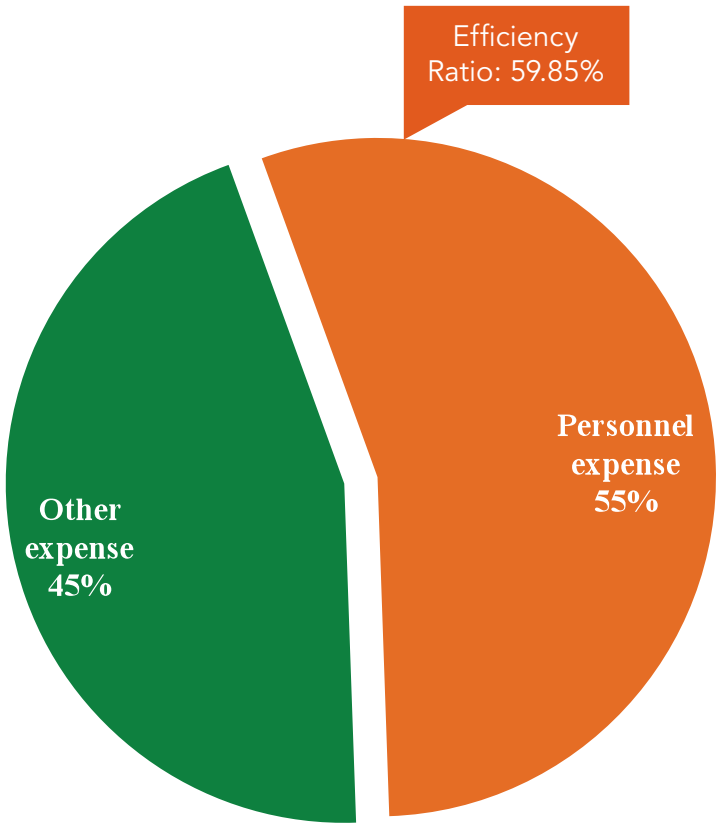
NONINTEREST EXPENSE

Noninterest Expense Composition

YTD 12/31/14 = $150.0M

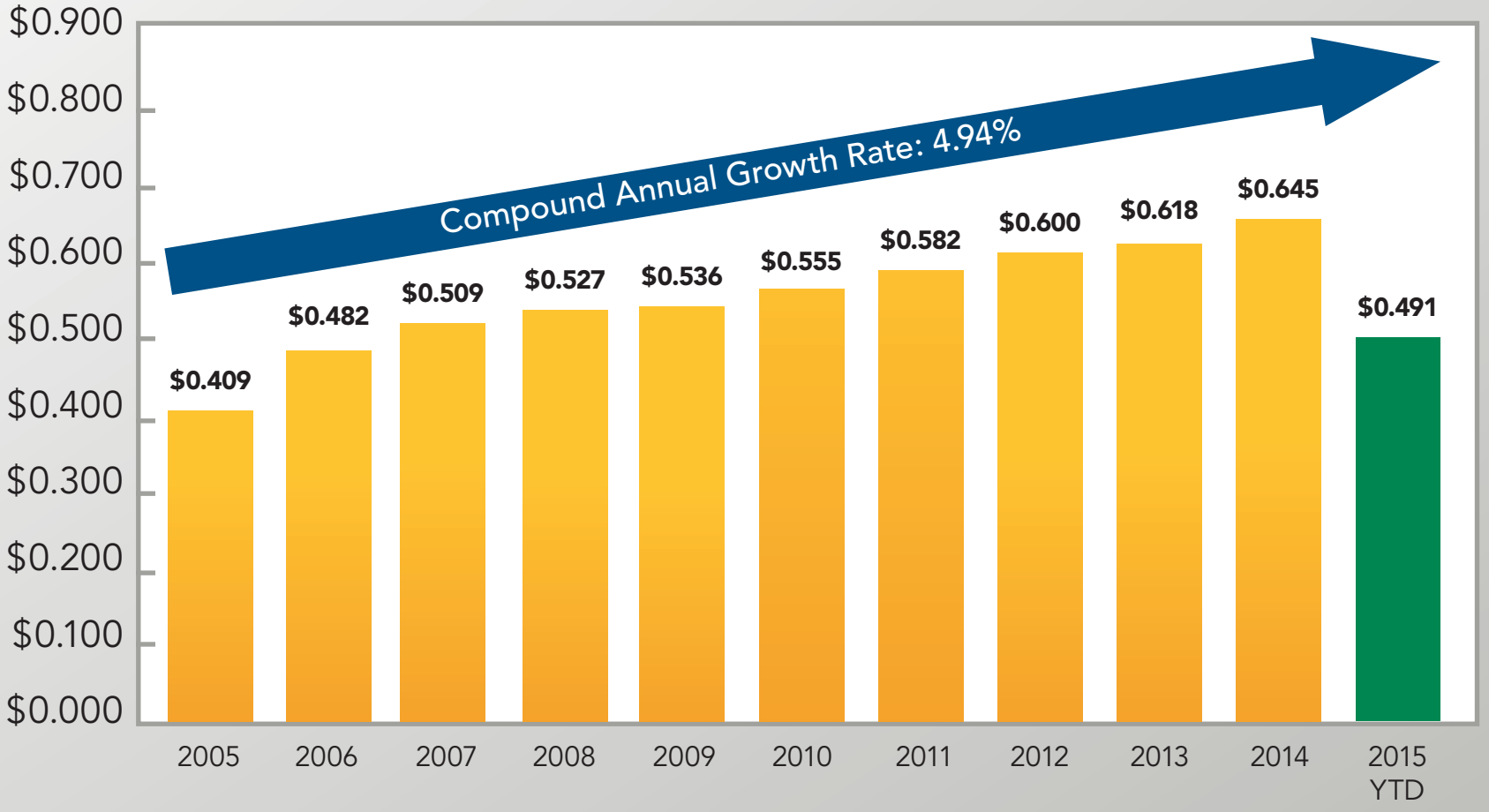


YTD 6/30/15 = $76.3M



COMMON DIVIDENDS PER SHARE*

27 YEARS OF CONSECUTIVE DIVIDEND GROWTH



* Note: Adjusted for 10% stock dividend declared July 22, 2015.

PERFORMANCE RECOGNITION

CLIENT

Northwest Indiana Business Quarterly Magazine

Recognized as
'Best Bank for Business,' and
'Best Bank for Obtaining a Business Loan' in Michiana

SBA
Small Business Administration

Great Lakes Community Lender of the Year for 2014

2014 Indiana SBA Community Lender Award

APECS®

Customer Advocacy Award

Midwestern Region

2014 and 2015

FINANCIAL

★★★★★

BauerFinancial

5 Star "Superior" Rating

Highest rating possible. Based on capital ratio, profitability/loss trend, credit quality and CRA ratings

BankDirector

Bank Performance Scorecard

Ranked #8 of 93 banks on list, based on profitability, capital strength and credit quality.

KBW, Inc

2012 – 2015

Bank Honor Roll of Superior Performers

Seifried & Brew

Top 15th Percentile
of Community Banks