

# FIRST

## investor presentation

- Third Quarter 2023



**first**<sup>®</sup> first financial bancorp

# forward looking statements disclosure

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

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

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

# forward looking statements disclosure

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

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

# presentation contents



About First Financial Bancorp

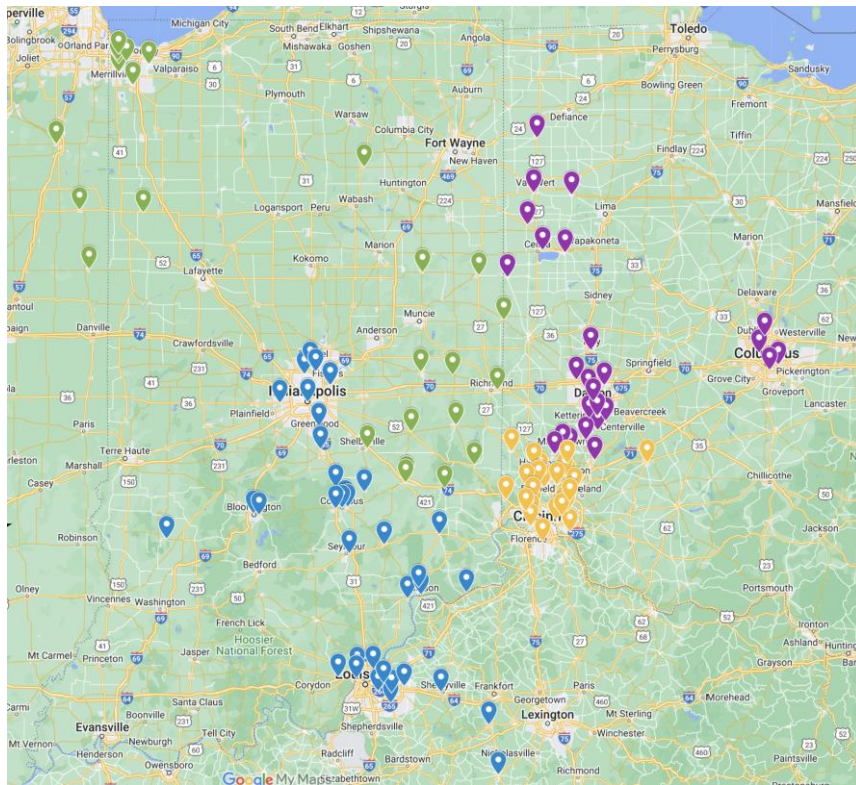
Financial Performance

Appendix

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# overview



**\$17.1B**

in assets

**\$10.6B/\$12.9B**

loans / deposits

**\$4.8B**

wealth management <sup>(1)</sup>

**2.12%**

3Q Adj. PTPP ROAA<sup>(2)</sup>

NASDAQ: **FFBC**

Headquarters: **Cincinnati, Ohio**

Founded: **1863**

Banking Centers: **130**

Employees: **2,121**

Market Cap <sup>(9/30/23)</sup>: **\$1.9B**

Dividend Yield <sup>(9/30/23)</sup>: **4.7%**

CET1 Ratio: **11.60%**



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## Lines of Business

### Commercial

C&I, O-CRE, ABL, Equipment Finance,  
Treasury, Bannockburn Global Forex

### Retail Banking

Consumer, Small Business

### Mortgage Banking

### Wealth Management / Affluent Banking

### Investment Commercial Real Estate

### Commercial Finance

Oak Street Funding / Franchise  
Summit Funding Group

<sup>1</sup> Includes brokerage assets under care.

<sup>2</sup> Non-GAAP financial measure which management believes facilitates a better understanding of the Company's financial condition. See Appendix for Non-GAAP reconciliation.

# key investment highlights



## Proven & sustainable business model spanning 160 years

- Well managed through past credit cycles
- Conservative operating philosophy
- Consistent profitability – 132 consecutive quarters



## Premier Midwest franchise with top quartile performance



## High quality balance sheet & robust capital position (11.60% CET1)



## Prudent risk management & credit culture with strong asset quality



## Increased scale to continue investments in technology



## Track record of well-executed acquisitions with a well-defined M&A strategy



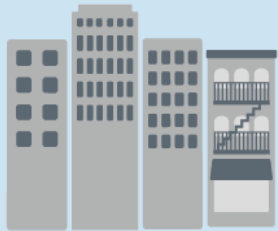
## Experienced and proven management team

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# complementary market centric strategies

## METRO MARKETS



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

▼ Low brand awareness  
Low market share

Loans **\$3.1B** / Deposits **\$2.9B**

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

Loans **\$1.8B** / Deposits **\$4.8B**

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

Loans **\$3.9B** / Deposits **\$5.0B**

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

Loans **\$1.9B** / Deposits **\$0.2B**

Oak Street Funding

First Franchise Capital

Bannockburn Global Forex

Summit Funding Group

# key business lines

Diversified financial holding company with comprehensive and innovative solutions for individuals and businesses

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 yellow  
**CARDINAL**  
ADVISORY GROUP  
a first financial company

 **BANNOCKBURN**  
GLOBAL FOREX

**oak street**  
funding 

**FIRST**  
first franchise capital®

 **SUMMIT**  
Funding Group  
a first financial bank company

Full suite of diversified financial products for individuals and businesses

**\$17.1 Billion**  
Assets

**\$12.9 Billion**  
Deposits

**23.76%**  
Adjusted MRQ  
ROATCE

Wealth & asset management services for individuals and businesses

**\$4.8 Billion**  
Assets Under Care

**\$24.4 Million**  
LTM Revenue

**\$434 Million**  
LTM Wealth Advisory  
Sales

**~8,750**  
Relationships

Foreign currency advisory, hedge analytics, and transaction processing for closely held enterprises

**9 Offices**  
Across the U.S.

**\$64.9 Million**  
Record LTM Revenue

**2,000+**  
Clients

Specialty lender to insurance industry, RIAs, CPAs and indirect auto finance companies

**\$682 Million**  
Loans

**~12%**  
YoY Loan Growth

**7%**  
of Overall Portfolio

Specialty lender to quick-serve restaurant franchisees

**\$241 Million**  
Loans

**2%**  
of Overall Portfolio

Full-service equipment financing company

**\$400+ Million**  
2022 Originations

**4<sup>th</sup>**  
Largest Independent  
U.S. Equipment  
Finance Platform At  
Acquisition

High Yielding Portfolio

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# diversified lines of business

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## 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

Relationships	4,018
Commitments	\$4.1B
Balances	\$2.6B
Business Deposits	\$1.8B
Pub Fund Deposits	\$1.6B

#### 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

#### 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	299,983	32,795	
Total Deposit Balance	\$5.9B	\$1.5B	\$0.1B
Total Loan Balance	\$0.9B	\$0.3B	

### 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 \$225MM
- Avg loan size \$311K

#### 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	2,751	\$3.0B
Brokerage	5,916	\$1.5B
RPS	86	\$0.3B

#### 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 & Northern OH	\$0.8B
Southern OH	\$1.6B
Indiana	\$0.5B
Healthcare	\$0.3B
Small Exposure	\$0.2B
Affordable	\$0.1B

#### 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
- Registered Investment Advisors
- Multi-Unit Restaurant Franchisees
- Certified Public Accountants
- Commercial Automotive Portfolios
- Clients looking for Equipment Leasing and Financing Expertise

#### Current Portfolio

Oak Street Funding	\$0.7B
First Franchise Capital	\$0.2B
Summit Funding Group <sup>(1)</sup>	\$0.7B

<sup>(1)</sup> Includes operating leases

#### Value Proposition

Fulfill the unique financing needs of our customers while providing extraordinary service and industry expertise

#### Business Line Goals

- Portfolio Growth
- Revenue Growth

# 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 new commercial sales talent to Chicago and Cleveland
- Added talent in Wealth Mgmt.:
  - Succession planning
  - Investment banking
  - Fixed income

### 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

### Capacity Plans

- Increased physical distribution network
- Closed 67 locations in last 5 years<sup>1</sup>
- Aligned sales teams to distribution models

### Expanded Capabilities

- Acquired Bannockburn enabling us to provide foreign exchange services
- Rollout of “in-house” derivatives desk capabilities
- Investment in Wealth Mgmt.:
  - Business succession
  - Fixed income strategies
  - Alternative investments
  - Improved digital platform
- Acquired Summit providing significant improvement to lease product offering
- Acquired Brady Ware Capital specializing in investment banking for mid-sized businesses

## 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 company FTE targets
- Larger salesforce in targeted Lines of Business

### Culture

- Diversity and inclusion is a strategic priority
- Refreshed Corporate Strategic Intent
- Attraction/recruitment engagement and retention programs

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# 3Q 2023 results

## 132nd Consecutive Quarter of Profitability

### Profitability

- Net income – \$63.1 million or \$0.66 per diluted share. Adjusted<sup>1</sup> net income – \$63.5 million or \$0.67 per diluted share
- Return on average assets – 1.48%. Adjusted<sup>1</sup> return on average assets – 1.49%
- Return on average shareholders' equity – 11.62%. Adjusted<sup>1</sup> return on average shareholders' equity – 11.70%
- Return on average tangible common equity – 23.60%<sup>1</sup>. Adjusted<sup>1</sup> return on average tangible common equity – 23.76%

### Income Statement

- Net interest income – \$155.5 million
- Net interest margin of 4.28% on a GAAP basis; 4.33% on a fully tax equivalent basis<sup>1</sup>
- Noninterest income – \$56.6 million; \$56.8 million as adjusted<sup>1</sup>
- Noninterest expense – \$122.0 million; \$121.5 million as adjusted<sup>1</sup>
- Efficiency ratio – 57.55%. Adjusted<sup>1</sup> efficiency ratio – 57.27%
- Effective tax rate of 19.5%. Adjusted<sup>1</sup> effective tax rate of 19.6%

### Balance Sheet

- EOP assets decreased \$35.3 million compared to the linked quarter to \$17.1 billion
- EOP loans increased \$96.6 million compared to the linked quarter to \$10.6 billion
- Average deposits increased \$73.3 million compared to the linked quarter to \$12.8 billion
- EOP investment securities decreased \$214.3 million compared to the linked quarter

### Asset Quality

- Provision expense - \$11.7 million
- Net charge-offs – \$16.4 million. NCOs / Avg. Loans – 0.61% annualized
- Classified Assets / Total Assets - 0.82%
- NPA / Total Assets – 0.44%
- ACL / Total Loans – 1.36%

### Capital

- Total capital ratio – 13.51%
- Tier 1 common equity ratio – 11.60%
- Tangible common equity ratio – 6.50%. Adjusted<sup>1</sup> Tangible common equity ratio – 9.07%
- Tangible book value per share – \$10.91

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

# 3Q 2023 highlights

- Quarterly earnings driven by strong net interest margin and robust fee income
  - Adjusted<sup>1</sup> earnings per share – \$0.67
  - Adjusted<sup>1</sup> return on assets – 1.49%
  - Adjusted<sup>1</sup> pre-tax, pre-provision return on assets – 2.12%
  - Adjusted<sup>1</sup> return on average tangible common equity – 23.76%
- End of period loan balances increased during the period, in line with expectations
  - EOP loan balances increased \$96.6 million compared to the linked quarter; 3.6% on an annualized basis
  - Growth included a \$72.1 million increase in residential mortgage loans and a \$58.5 million increase in finance leases
- Total average deposit balances increased \$73.3 million, or 2.3% annualized
  - Growth in money market and retail CD balances offset declines in low-cost transaction accounts due to rate environment
  - \$252.7 million increase in money market accounts; \$118.9 million increase in retail CDs
  - Decline of \$125.0 million in noninterest bearing deposit balances from linked quarter
  - Average noninterest bearing deposits were 27.3% of average total deposits at September 30, 2023
  - Total average deposits, excluding brokered, increased 3.8% on an annualized basis compared to the linked quarter
- Net interest margin (FTE) decreased 15 bps to 4.33%, in line with expectations
  - Lower margin from second quarter driven by increased funding costs
  - 16 bp increase in earning asset yields partially offset 37 bp increase in cost of deposits
- Adjusted<sup>1</sup> noninterest income of \$56.8 million
  - Record wealth management fees of \$6.9 million
  - Strong foreign exchange income of \$13.4 million
  - Leasing business revenue of \$14.5 million, an increase of \$4.3 million, or 41.6%, compared to linked quarter
  - Adjusted<sup>1</sup> \$0.2 million for losses on investment securities and other items not expected to recur

# 3Q 2023 highlights

- Adjusted<sup>1</sup> noninterest expense of \$121.5 million, a 4.0% increase from second quarter
  - Adjustments<sup>1</sup> include costs related to our online banking conversion as well as other costs not expected to recur such as acquisition, severance and branch consolidation costs
  - Increase driven by higher employee costs, leasing expenses, and fraud losses
  - Efficiency ratio of 57.5%; 57.3% as adjusted<sup>1</sup>
- Allowance for credit loss (ACL) and provision expense increased compared to linked quarter
  - Total ACL of \$162.2 million; provision expense of \$11.7 million
    - Loans and leases - ACL of \$145.2 million; 1.36% of total loans
    - Unfunded Commitments - ACL of \$17.0 million
  - Increase in provision expense driven by net charge-offs
  - NPA to total assets of 0.44%
  - \$16.4 million in net charge-offs for the quarter; 61 bps as a percentage of loans on an annualized basis
    - \$6.1 million charge-off resulting from \$32 million loan sale; sale not concentrated in any particular industry
    - \$6.9 million charge-off of large C&I loan that was negatively impacted by the Covid pandemic and has been unable to rebound
  - Classified assets remained stable at 0.82% of assets
  - Nonaccrual loans of \$74.9 million; \$21.2 million increase compared to linked quarter due to the downgrade of one large CRE relationship
- Capital ratios in excess of targets
  - Total capital ratio of 13.51%
  - Tier 1 common equity of 11.60%; 26 basis point increase from linked quarter
  - Tangible book value decreased by \$0.11, or 1.0%, to \$10.91 due to decline in AOCI
  - Tangible common equity decreased 6 bps to 6.50%; 9.07%<sup>1</sup> excluding (\$410.0) million of AOCI
  - No shares repurchased in third quarter

# adjusted net income<sup>1</sup>

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

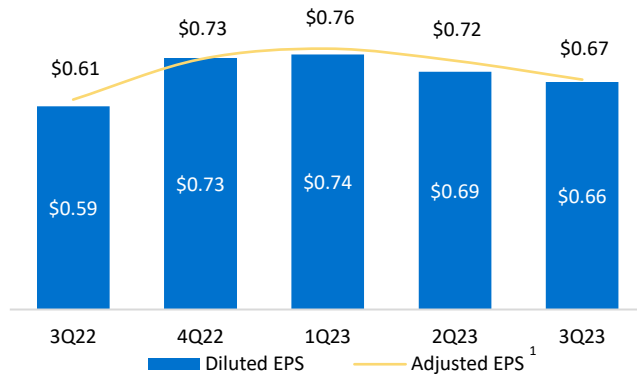
	3Q 2023		2Q 2023	
	As Reported	Adjusted <sup>1</sup>	As Reported	Adjusted <sup>1</sup>
Net interest income	\$ 155,455	\$ 155,455	\$ 159,232	\$ 159,232
Provision for credit losses-loans and leases	\$ 12,907	\$ 12,907	\$ 12,719	\$ 12,719
Provision for credit losses-unfunded commitments	\$ (1,234)	\$ (1,234)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

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

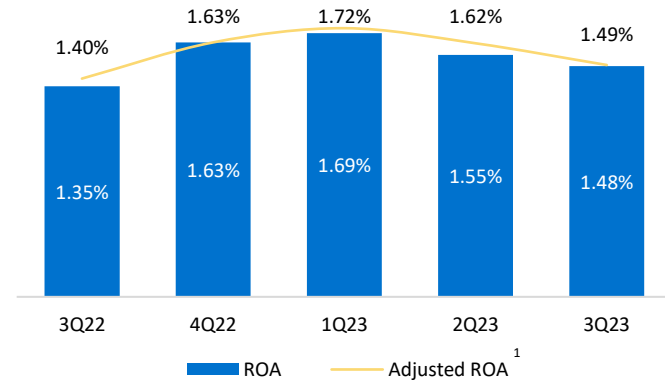
All dollars shown in thousands, except per share amounts

# profitability

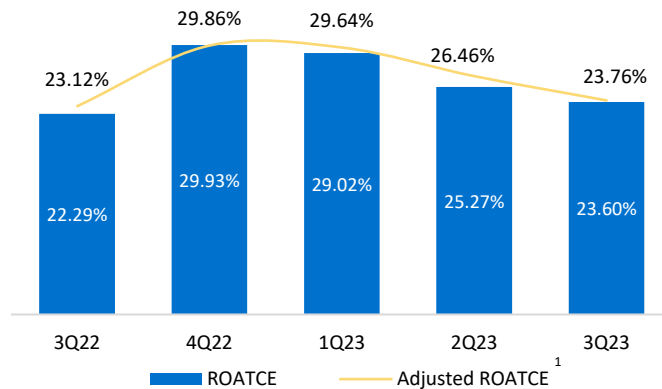
## Diluted EPS



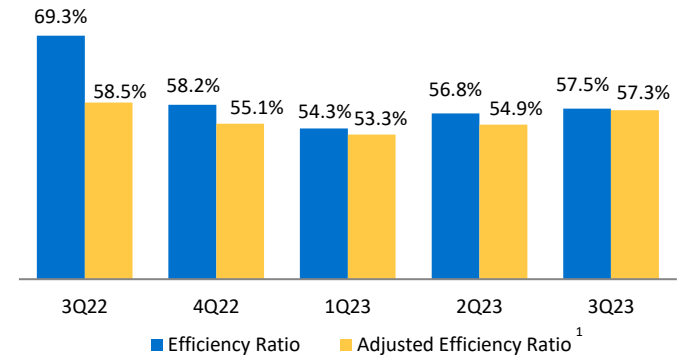
## Return on Average Assets



## Return on Avg Tangible Common Equity



## Efficiency Ratio



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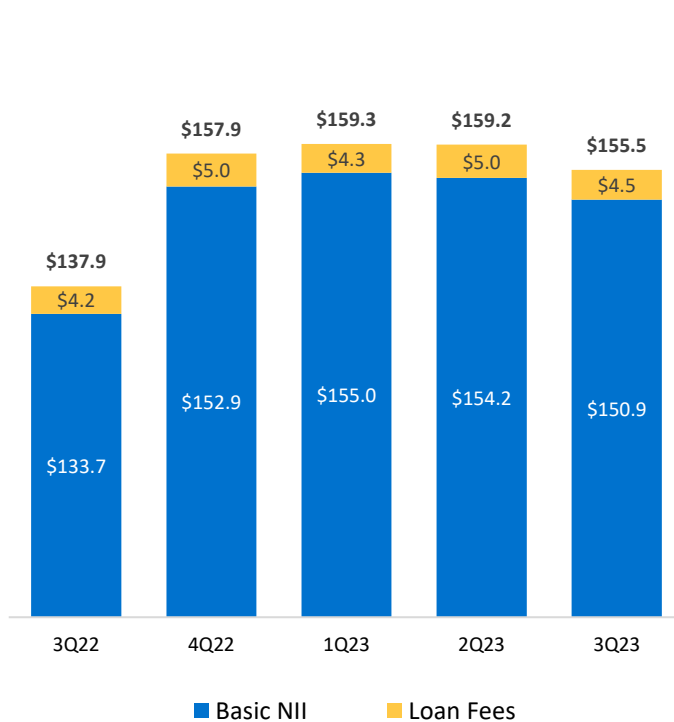
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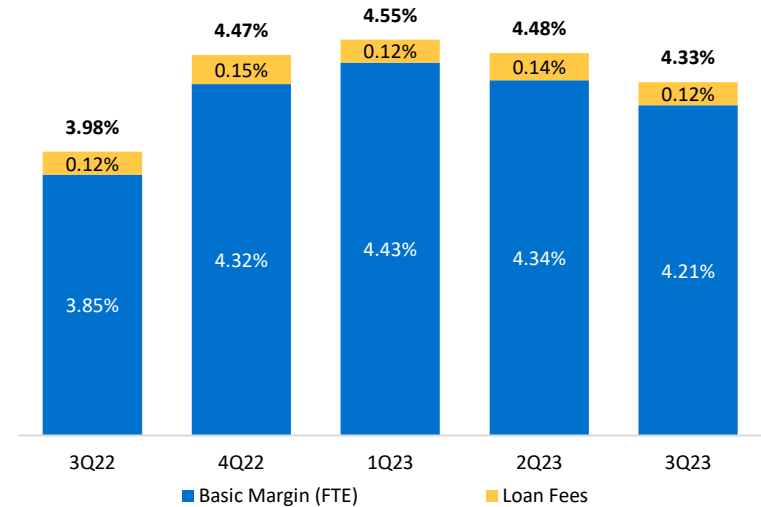


# net interest income & margin

## Net Interest Income



## Net Interest Margin (FTE)

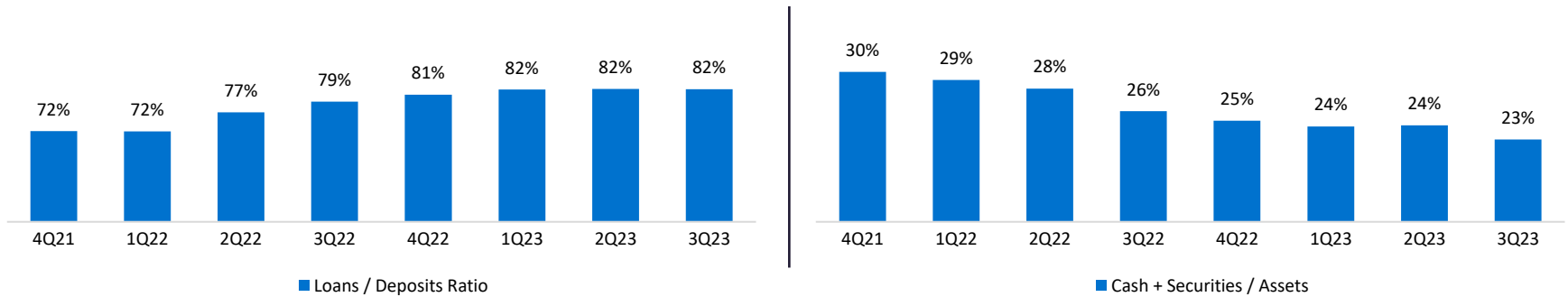


## 3Q23 NIM (FTE) Progression

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

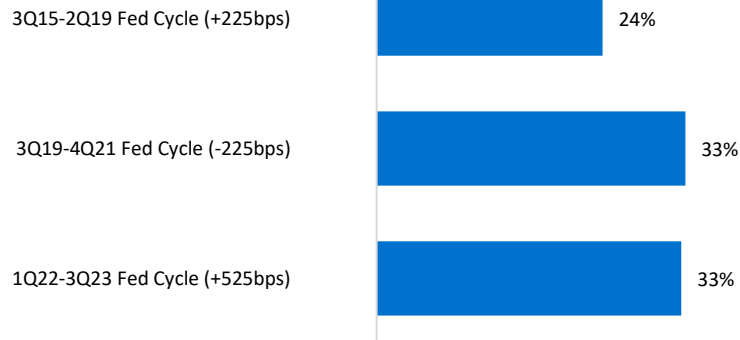
# liquidity and beta profile

## Liquidity Trends

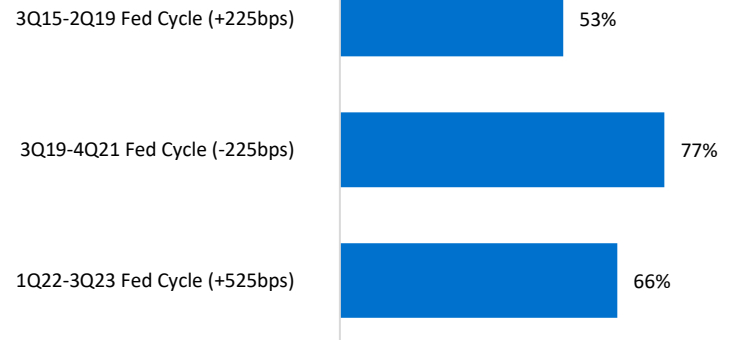


## Historical Deposit and Loan Betas<sup>1</sup>

### Total Deposit Beta

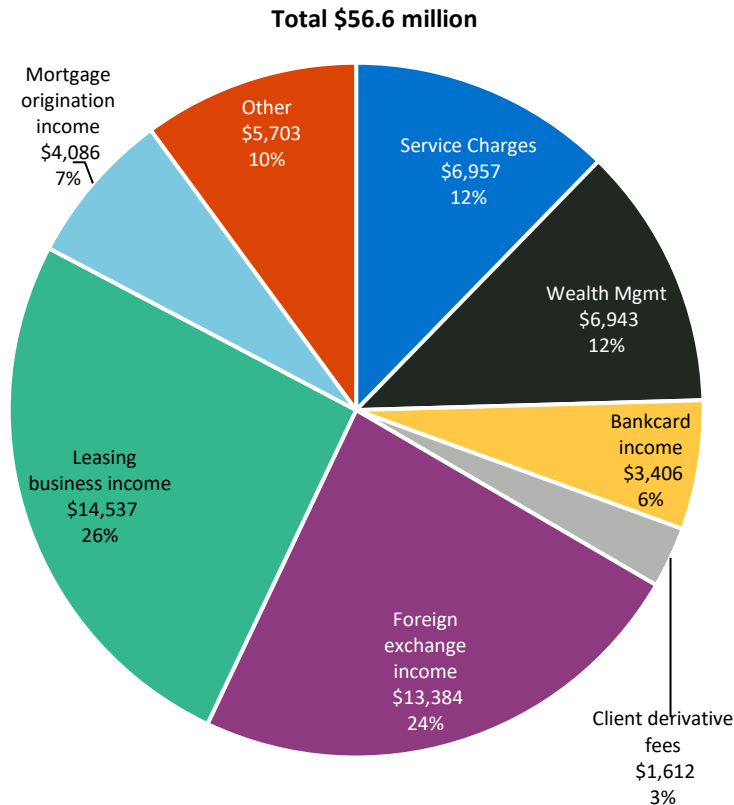


### Loan Beta



# noninterest income

## Noninterest Income



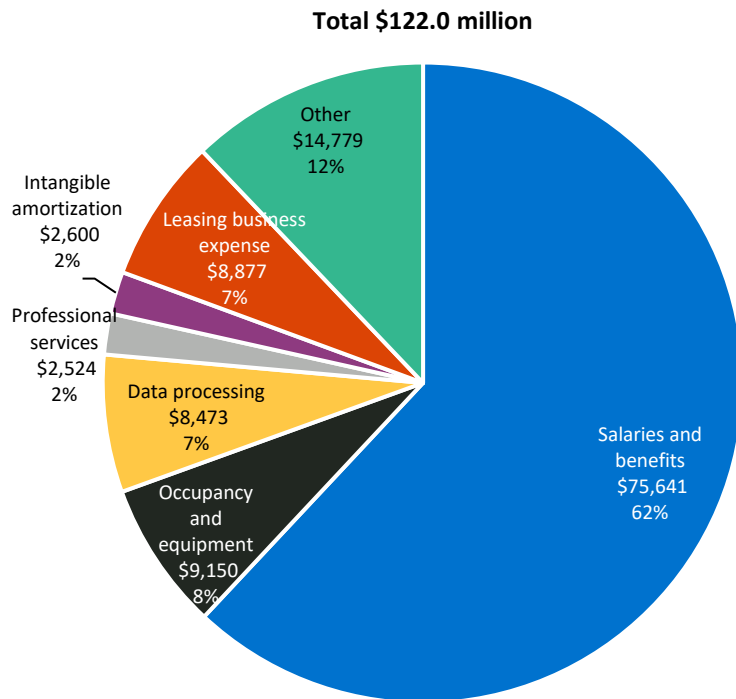
All dollars shown in thousands

## 3Q23 Highlights

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

# noninterest expense

## Noninterest Expense

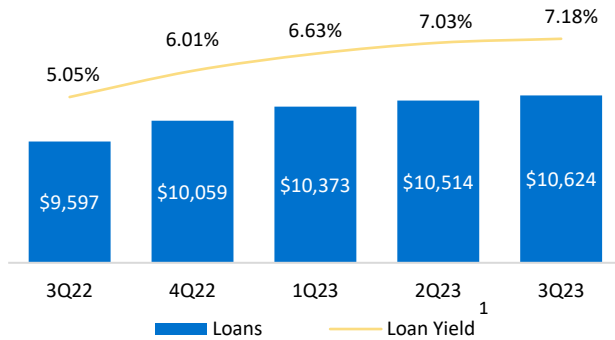


## 3Q23 Highlights

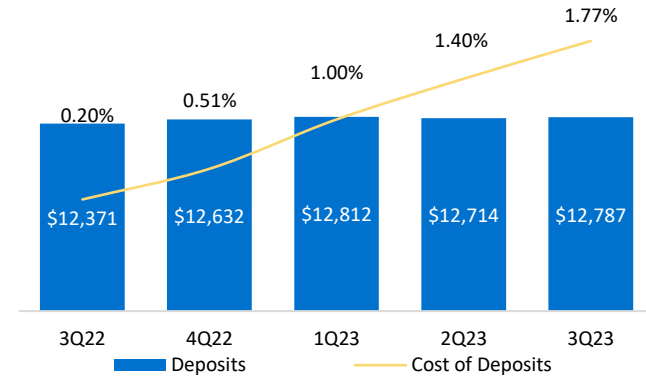
- Core expenses increased \$4.7 million, or 4%, primarily due to higher employee costs, elevated fraud losses and a \$2.1 million increase in leasing business expenses
- \$0.5 million of adjustments include:
  - Costs related to online banking conversion, as well as other costs not expected to recur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

# average balance sheet

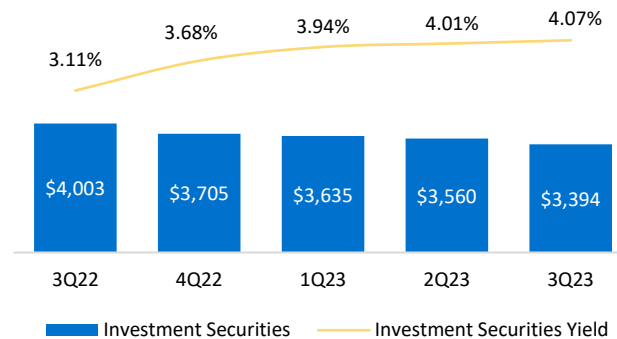
## Average Loans



## Average Deposits



## Average Securities



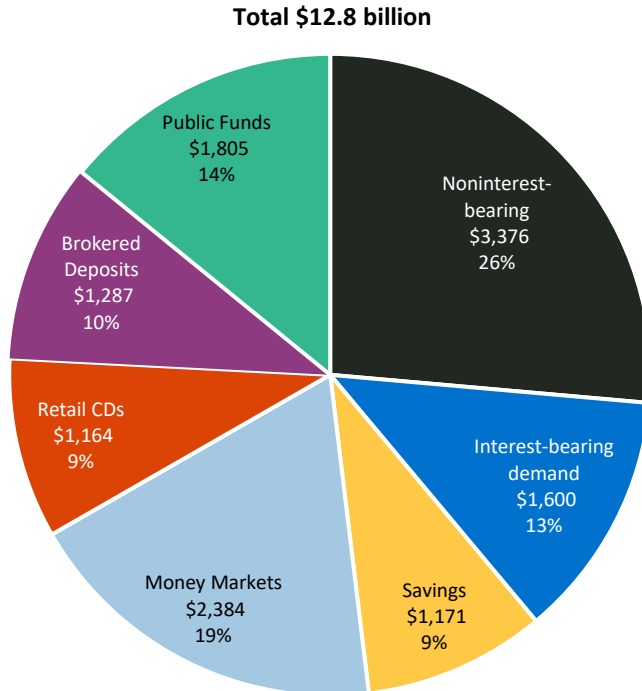
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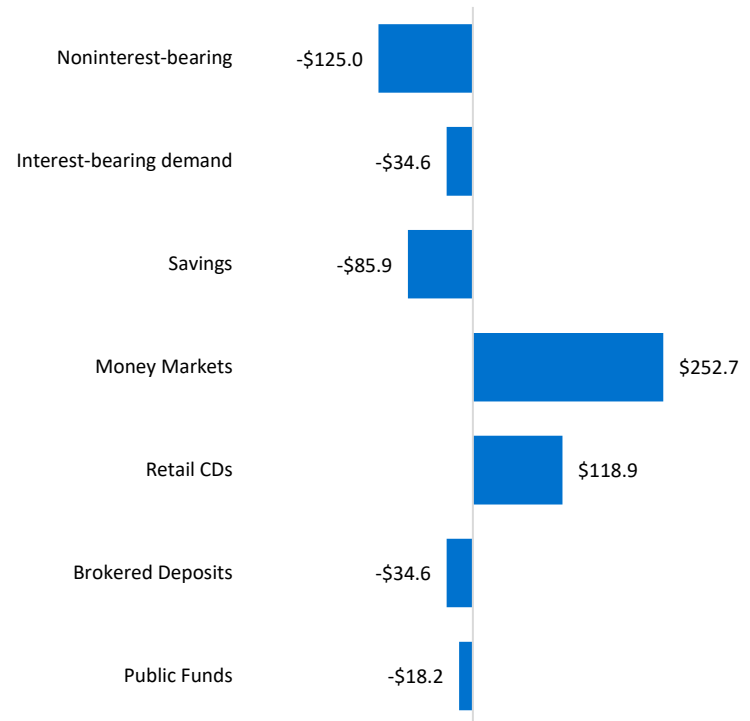
All dollars shown in millions  
<sup>1</sup> Includes loans fees and loan accretion

# deposits

## Deposit Product Mix (Avg)



## 3Q23 Average Deposit Progression

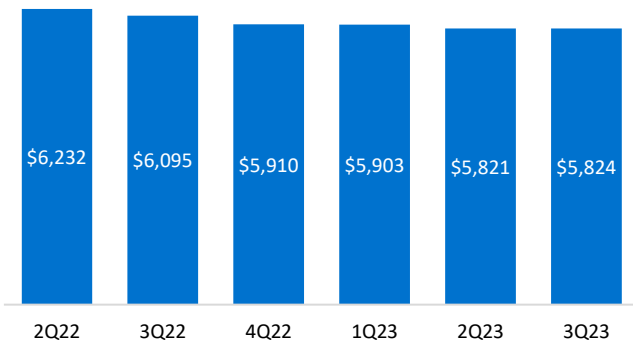


Total growth/(decline):  
\$73.3 million

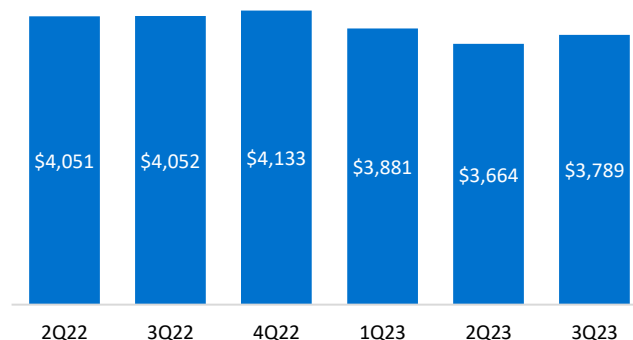
All dollars shown in millions

# average deposit trends

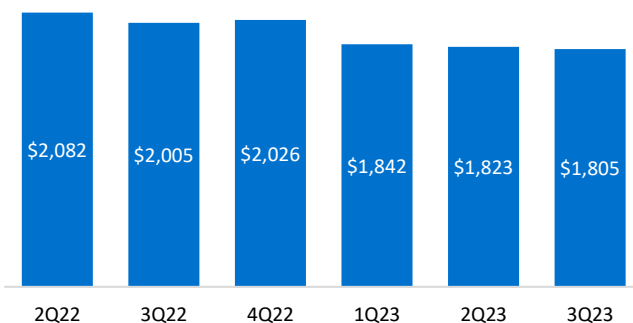
## Personal



## Business



## Public Funds



## Uninsured Deposits

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

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

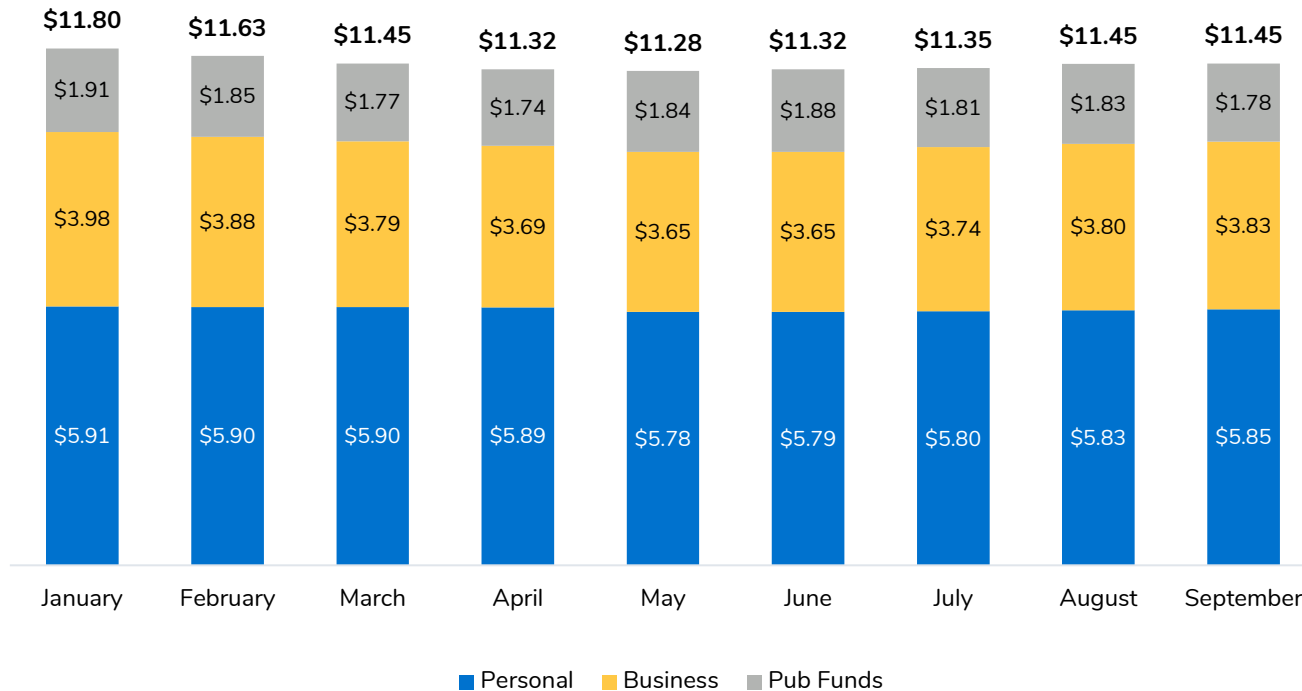
All dollars shown in millions

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# average deposit trends-continued

## 2023 Average deposits by month



All dollars shown in billions



# deposit concentrations

## Business Deposits by Sector

NAICS Sector	9/30/23	% of Total Deposits
Manufacturing	\$567.7	4.4%
Real Estate and Rental and Leasing	469.9	3.7%
Finance and Insurance	463.3	3.6%
Construction	357.4	2.8%
Professional, Scientific, and Technical Services	293.4	2.3%
Other Services (except Public Administration)	276.0	2.2%
Health Care and Social Assistance	225.2	1.8%
Retail Trade	198.4	1.6%
Accommodation and Food Services	138.8	1.1%
Wholesale Trade	132.6	1.0%
Agriculture, Forestry, Fishing and Hunting	91.2	0.7%
Administrative and Support and Waste Management	83.3	0.7%
Arts, Entertainment, and Recreation	75.4	0.6%
Transportation and Warehousing	74.9	0.6%
Educational Services	64.7	0.5%
Other	315.3	2.5%
<b>Grand Total</b>	<b>\$3,827.4</b>	<b>29.9%</b>

# borrowing capacity & cash/investment liquidity

## Borrowing Capacity

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

(dollars shown in thousands)

## Cash/Investment Liquidity

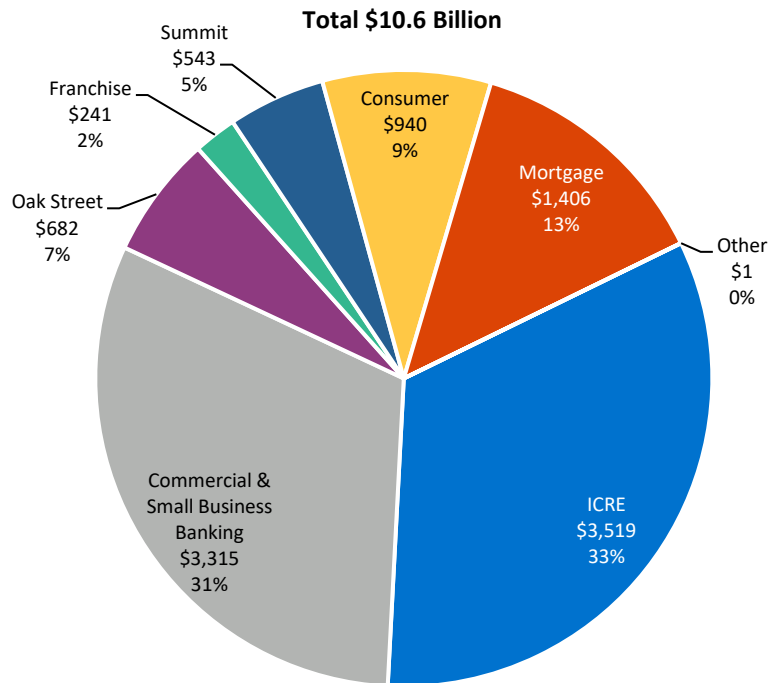
- Interest-bearing deposits with other banks of \$453 million
- Investment securities portfolio:
  - 97% of investment portfolio classified as available-for-sale
  - \$662.5 million of expected cash flow from securities portfolio in next 12 months
  - \$624.4 million of floating rate securities with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

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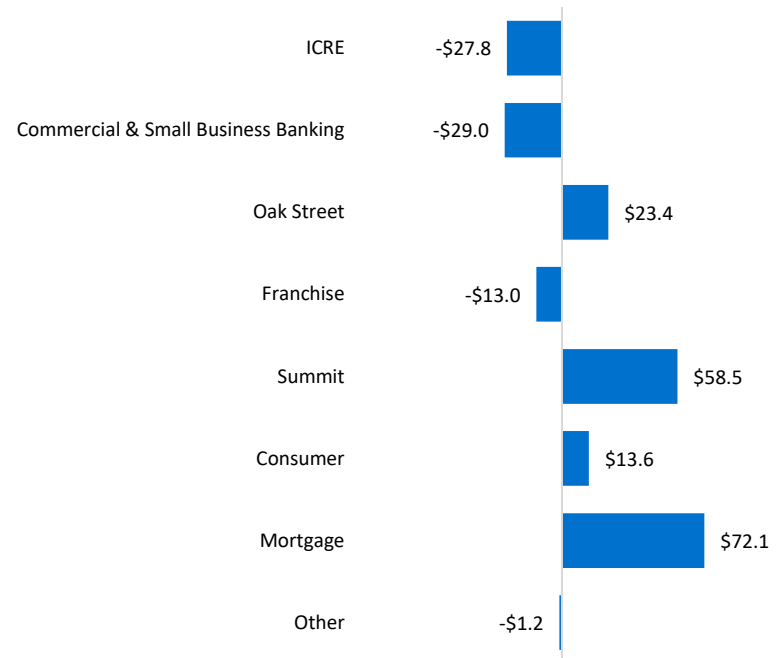
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# loan portfolio

## Loan LOB Mix (EOP)



## Net Loan Change-LOB (Linked Quarter)



**Total growth/(decline):  
\$96.6 million**

# loan concentrations

## C&I and Owner Occupied CRE Loans by Sector<sup>1</sup>

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

<sup>1</sup> Excludes Summit Funding Group

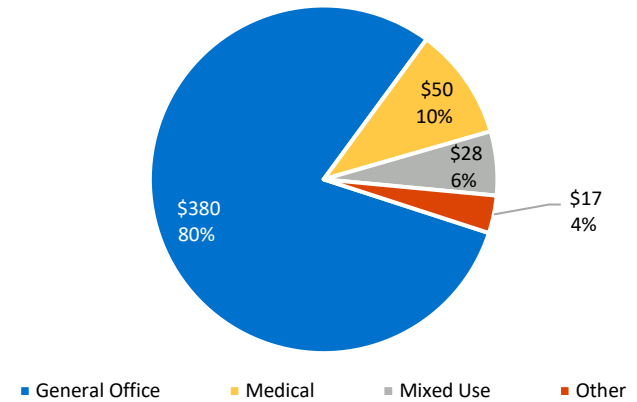
## Investor CRE Loans by Property Type

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

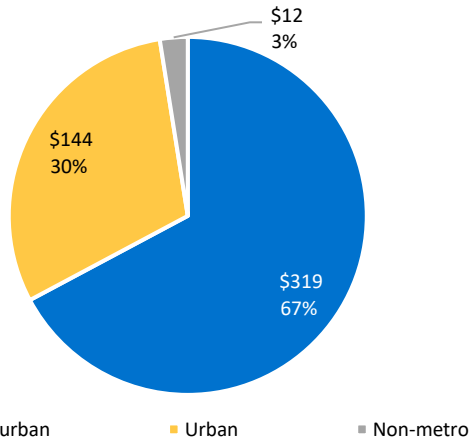
# area of focus - office portfolio (non-owner occupied)

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

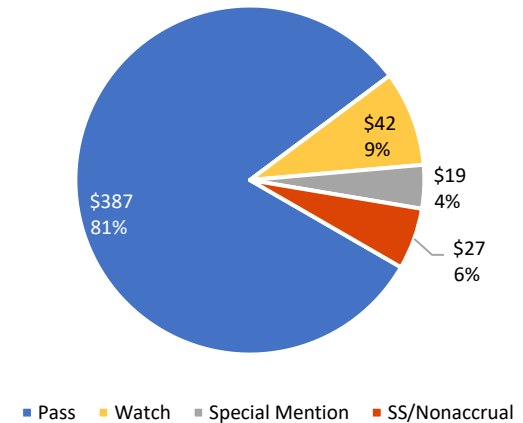
## Office Property Type



## Office Property Market

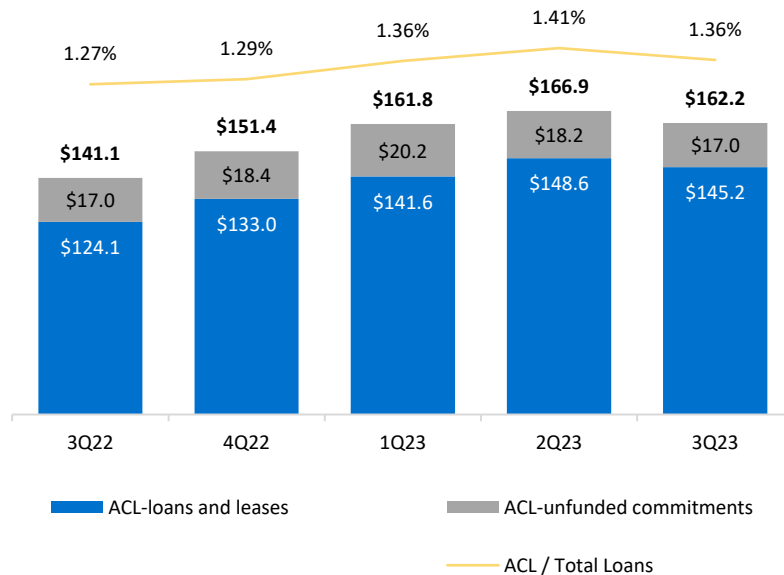


## Office Risk Classification



# current expected credit losses - loans and leases

## ACL / Total Loans



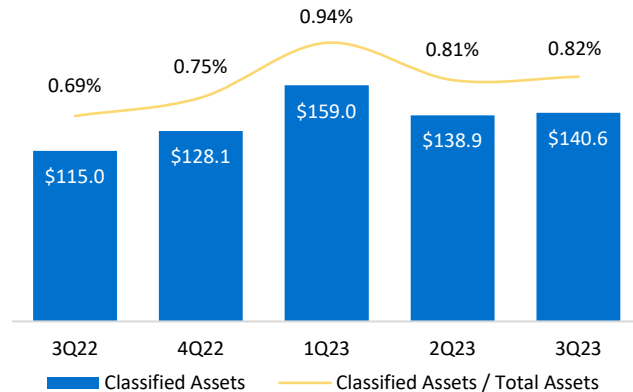
All dollars shown in millions

## 3Q23 Highlights

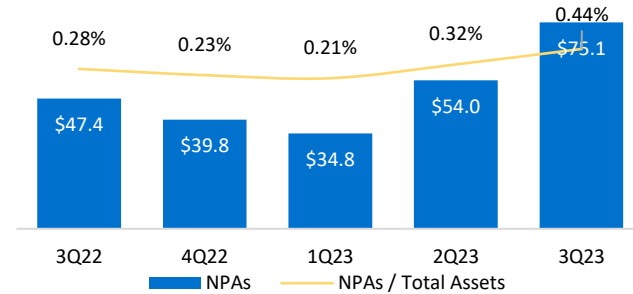
- \$162.2 million combined ACL; \$11.7 million combined provision expense
- \$145.2 million ACL – loans and leases; increase driven by net charge-offs; 1.36% of loan balances
- Utilized Moody's September baseline forecast in quantitative model
- \$17.0 million ACL – unfunded commitments

# asset quality

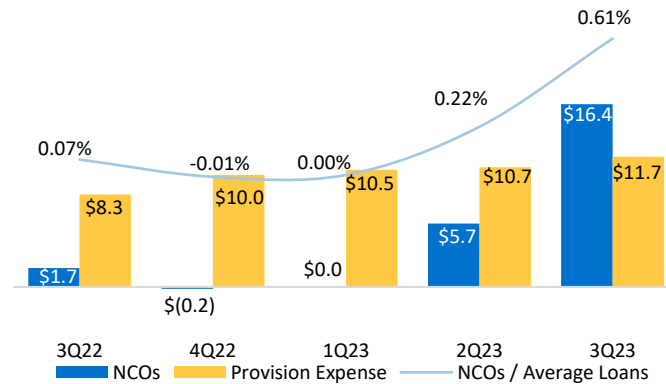
## Classified Assets / Total Assets



## Nonperforming Assets / Total Assets



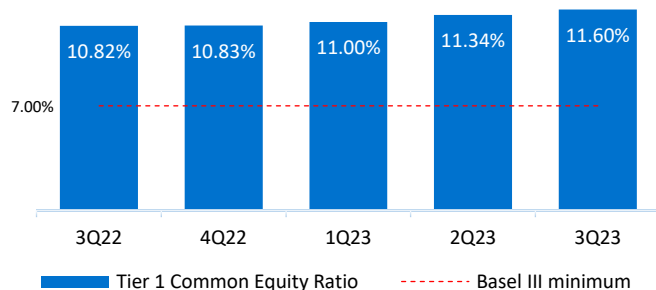
## Net Charge Offs & Provision Expense<sup>1</sup>



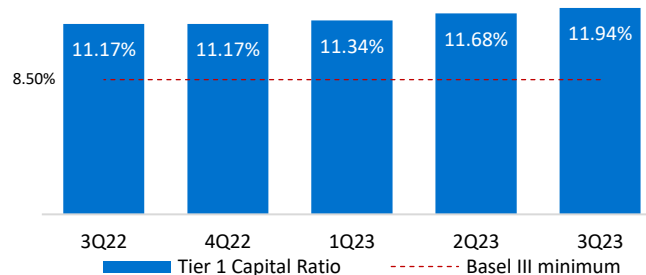
<sup>1</sup> Provision includes both loans & leases and unfunded commitments  
All dollars shown in millions

# capital

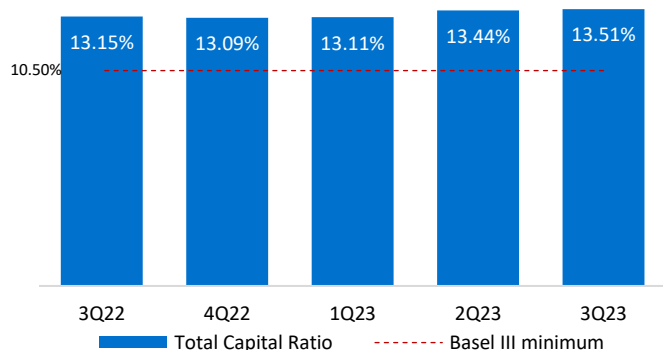
## Tier 1 Common Equity Ratio



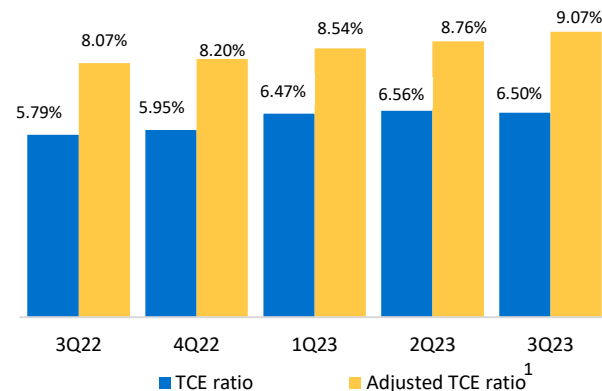
## Tier 1 Capital Ratio



## Total Capital Ratio



## Tangible Common Equity Ratio



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

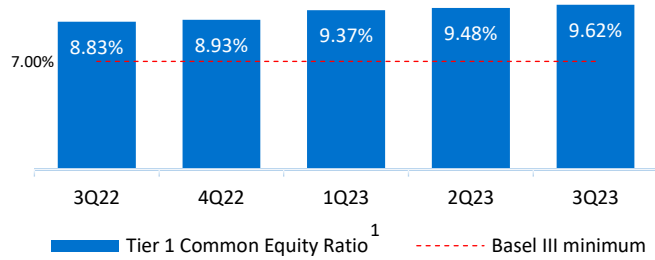
All capital numbers are considered preliminary.

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

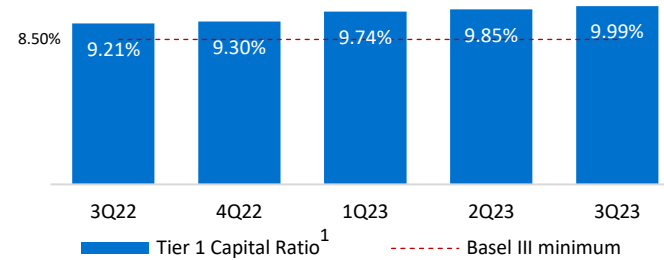


# capital ratios, reflecting all unrealized losses<sup>1</sup>

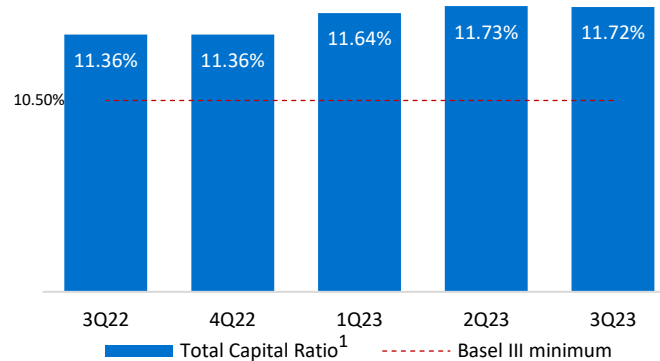
## Tier 1 Common Equity Ratio



## Tier 1 Capital Ratio



## Total Capital Ratio

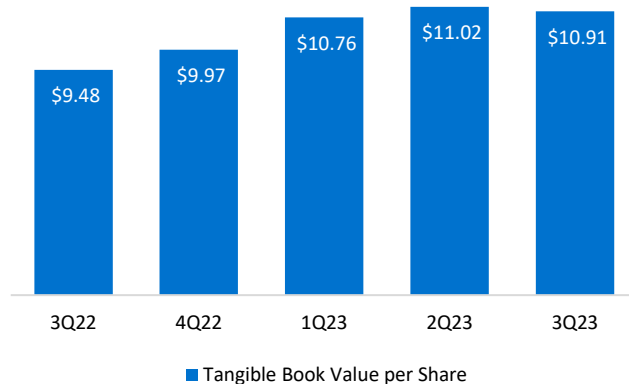


9/30 Risk Weighted Assets = \$13,170,574  
All capital numbers are considered preliminary.

<sup>1</sup> Assumes Company holds cash proceeds of securities sales

# capital strategy

## Tangible Book Value Per Share



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

## Strategy & Deployment

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

# outlook commentary<sup>1</sup>

## Balance Sheet

- Loan balances expected to grow mid single digits in near-term
- Deposit balances expected to increase modestly in near-term
- Investment portfolio expected to modestly decline as cash flows fund loan growth

## Net Interest Margin

- 4.15% - 4.25% with no further Fed tightening actions
- Uncertainty remains around Fed Funds path, deposit repricing, loan growth

## Credit

- Credit costs expected to be similar to 3Q
- Stable ACL coverage as a percentage of loans expected
- Uncertainty regarding inflation and macroeconomic environment

## Noninterest Income

- Total expected fee income of \$55 - 57 million

## Noninterest Expense

- Total noninterest expense expected to be \$121 - 123 million
- Expected to be stable excluding growth in leasing business expense
- Incentive expense will fluctuate with fee income

## Capital

- Expect to maintain dividend at current levels

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

# presentation contents



About First Financial Bancorp

Financial Performance

Appendix

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# appendix: our markets

## • Greater Cincinnati/Dayton

• Loans	\$4.3 billion
• Deposits	\$6.1 billion
• Deposit Market Share	#4 (2.9%)
• Banking Centers	50
• Fortune 500 Companies	5

## • Columbus, OH

• Loans	\$1.4 billion
• Deposits	\$0.4 billion
• Deposit Market Share	#18 (0.4%)
• Banking Centers	4
• Fortune 500 Companies	5

## • Community Markets

• Loans	\$1.8 billion
• Deposits	\$4.8 billion
• Banking Centers	61
• Fortune 500 Companies	1

## • Indianapolis

• Loans	\$1.0 billion
• Deposits	\$0.7 billion
• Deposit Market Share	#14 (1.2%)
• Banking Centers	9
• Fortune 500 Companies	3

## • Louisville

• Loans	\$0.4 billion
• Deposits	\$0.7 billion
• Deposit Market Share	#12 (1.1%)
• Banking Centers	6
• Fortune 500 Companies	1

## • National

• Loans	\$1.9 billion
• Deposits	\$0.2 billion

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All numbers as of 9/30/2023 except deposit market share which is as of 6/30/2023.  
Greater Cincinnati/Dayton and deposit balances include special assets, loan marks, and other out of market and corporately held balances. Loan balances exclude PPP balances.

# appendix: non-GAAP measures

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

# appendix: non-GAAP to GAAP reconciliation

## Net interest income and net interest margin - fully tax equivalent

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

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

All dollars shown in thousands



# appendix: non-GAAP to GAAP reconciliation

## Additional non-GAAP measures

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

All dollars shown in thousands

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