

A panoramic view of the Chicago skyline at sunset. The sky is filled with vibrant orange, yellow, and blue clouds. The city lights are beginning to glow, and the Willis Tower is the most prominent feature on the right side of the frame.

 Nasdaq : THFF



**First Financial Corporation**





## Forward-looking Information

This presentation contains future oral and written statements of the Company and its management, forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 with respect to the financial condition, results of operations, plans, objectives, future performance and business of the Company. Forward-looking statements are generally identifiable by the use of words such as “believe”, “expect”, “anticipate”, “estimate”, “could”, and other similar expressions. All statements in this presentation, including forward-looking statements, speak only as of today’s date, and the Company undertakes no obligation to update any statement in light of new information or future events.

A number of factors, many of which are beyond the ability of the Company to control or predict, could cause actual results to differ materially from those in its forward-looking statements. Additional information is included in the Company’s filings with the Securities and Exchange Commission.

Factors that could have a material adverse effect on the Company’s financial condition, results of operations and future prospects can be found in the “Risk Factors” section in the Company’s Annual Report on Form 10-K for the year ended December 31, 2023 and elsewhere in the Company’s periodic and current reports filed with the Securities and Exchange Commission.

These factors include, but are not limited to, the effects of future economic, business and market conditions and changes, domestic and foreign, including competition, governmental policies and seasonality; legislative and regulatory changes, including changes in banking, securities and tax laws and regulations and their application by Company regulators, and changes in the scope and cost of FDIC insurance and other coverages; the risks of changes in interest rates on the levels, composition and costs of deposits, loan demand and other interest sensitive assets and liabilities; the failure of assumptions and estimates underlying the establishment of reserves for possible loan losses, analysis of capital needs and other estimates; changes in borrowers’ credit risks and payment behaviors; and changes in the availability and cost of credit and capital.



**Norman D. Lowery**

President & Chief Executive Officer

**Rodger A. McHargue**

Chief Financial Officer, SVP

**Stephen P. Panagouleas**

Chief Credit Officer, SVP





## First Financial Corporation

Indiana's first multi-bank holding company  
Established 1984

### 90 Locations

83 full-service banking centers  
7 loan production offices

### \$5.4 Billion in Assets

### \$1.9 Billion

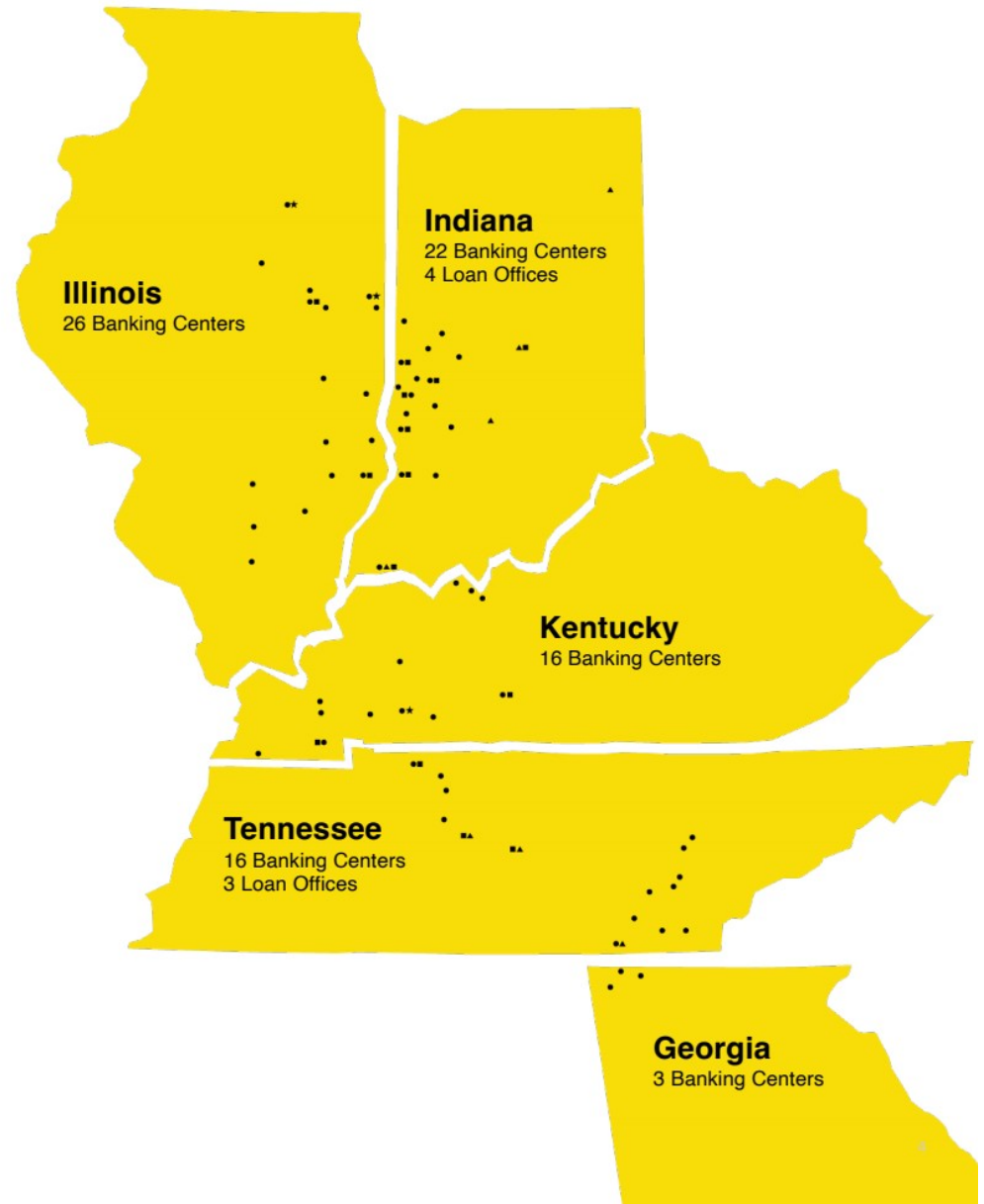
Trust and Assets Under Management

### First Financial Bank

Primary subsidiary founded in 1834  
Oldest national bank in Indiana  
5th oldest national bank in the U.S.

### Terre Haute, Indiana

Headquarters





### **Our Vision**

To enhance our clients' abilities to spend, save, borrow and invest.

### **Our Mission**

To deliver financial solutions that are simple, fast and easy.

### **Our Values**

We build strong relationships and treat each other with dignity and respect.

We embrace the diversity of our customers and co-workers.

We apply the highest standards of excellence to everything we do.

We work as a team to deliver world-class customer service.

We get involved in our communities.

We recognize profitability is essential to our future success.



### **5-Star Rating**

BauerFinancial

### **Top 50 Best U.S. Bank**

Bank Director Magazine

### **Best Ag Lender**

Pennyrile's Best Magazine

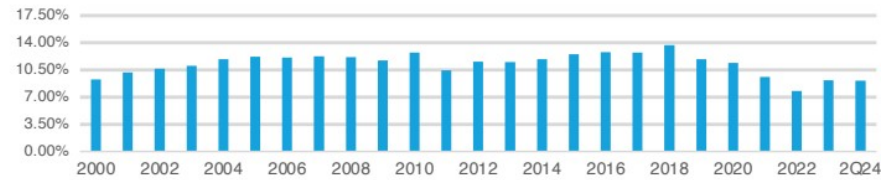
### **Best Bank**

Tribune-Star Readers' Choice

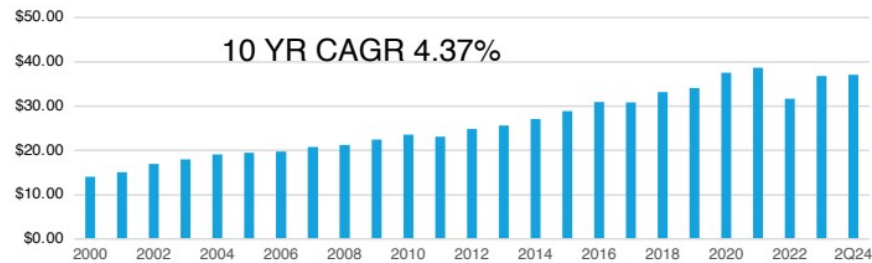


# Strong Capital

## TCE



## TBV



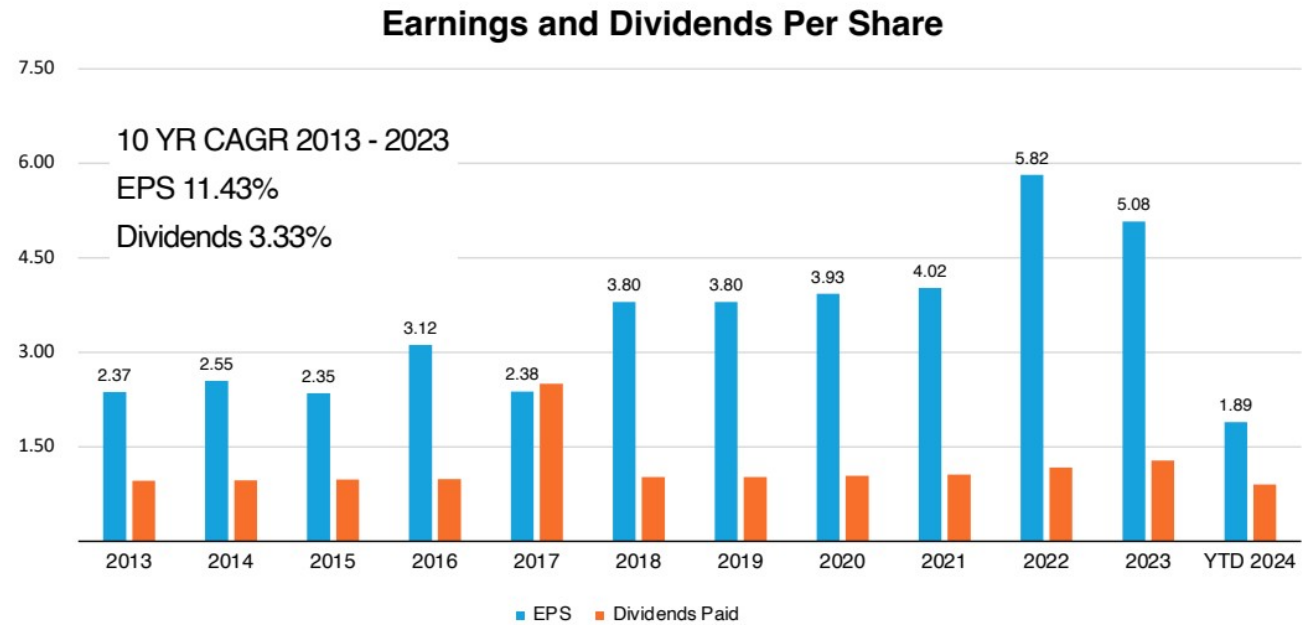
## Key Capital Ratios and Per Share Data

As of June 30, 2024

Total Risk Based	15.81%
Tier 1 Risk Based	14.82%
Tier 1 Leverage	12.14%
Book Value	\$44.92
Tangible Book Value	\$37.12



# History of Earnings and Dividend Growth





## History of Shares Repurchases

Announced	Repurchase Amount	Shares	Amount	Completed
April 21, 2022	10%	1,243,531		In Progress **
July 21, 2021	5%	652,411	\$28,335,713	3/4/22
October 29, 2020	5%	685,726	\$29,300,476	6/25/21
February 3, 2016	5%	637,500	\$21,677,750	11/30/20
August 25, 2014	5%	667,700	\$21,627,262	8/19/15

\*\*As of 06/30/2024 purchased 724,671 for \$29,132,283. 518,860 shares remain.

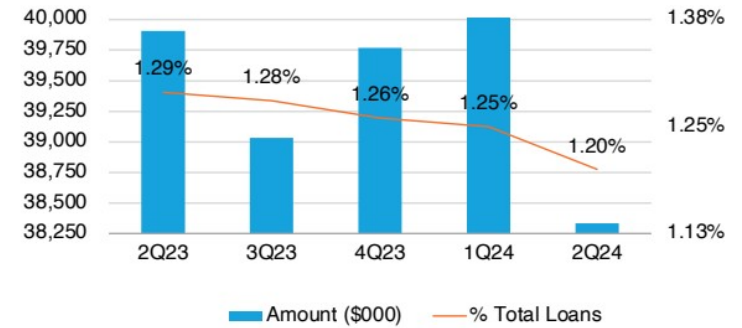




## Strong Asset Quality

- Centralized committee structure
- We are an in-market lender to clients
- Disciplined underwriting

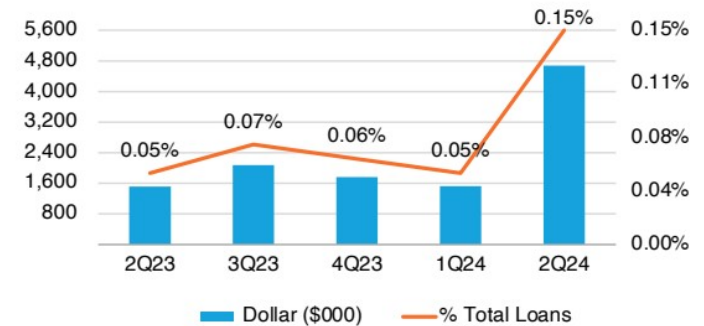
### Reserves / Loans



### Non-Performing Assets

	NPA (\$000)	Total NPAS/ Loans
2Q23	16,302	0.52%
3Q23	15,671	0.40%
4Q23	24,556	0.78%
1Q24	24,252	0.76%
2Q24	15,916	0.50%

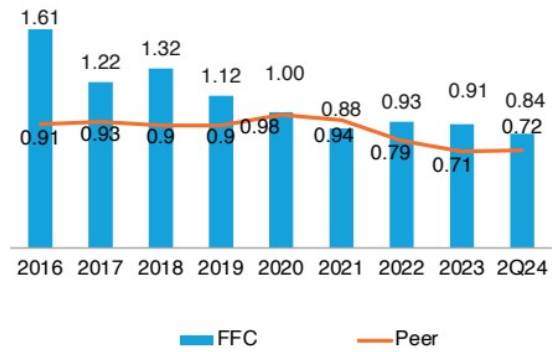
### Net Charge-offs





# Better than Peer Performance

### Non-interest Income % Avg Assets



FFIEC BHC UBPR Data

### Return on Assets

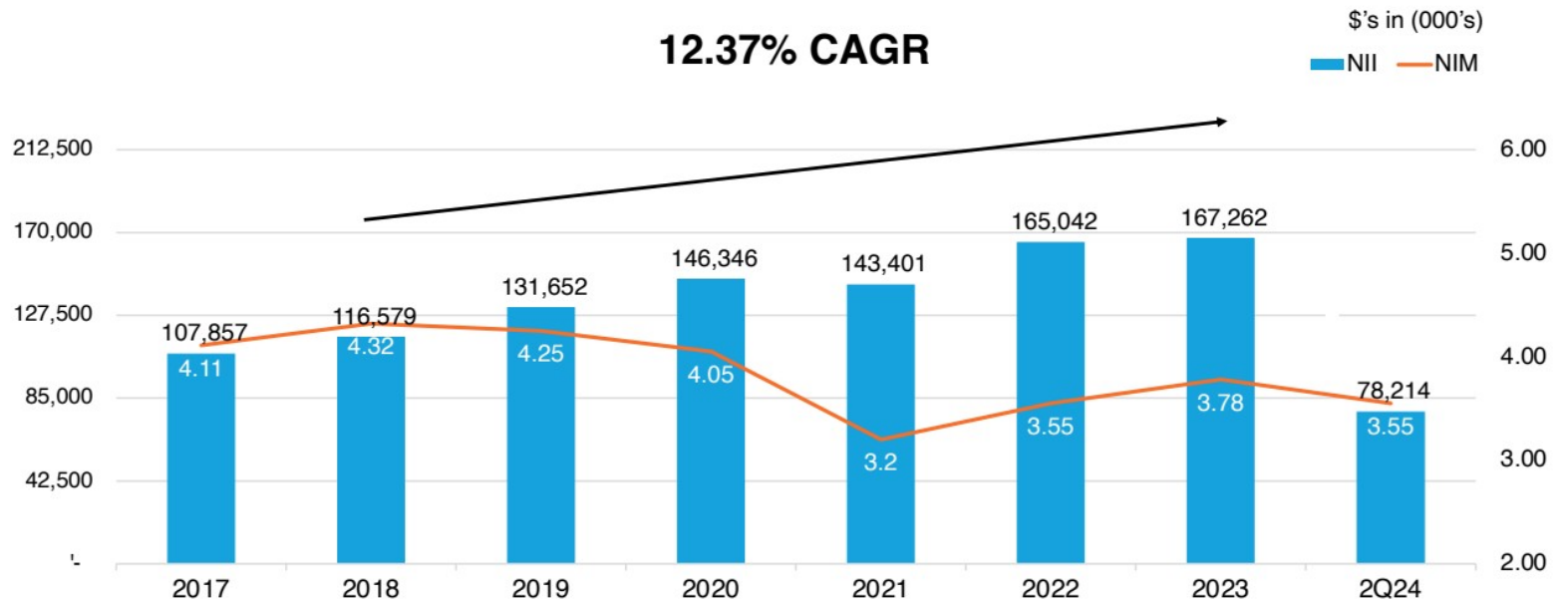


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# Net Interest Income

Loan Growth Driving Growth in Income

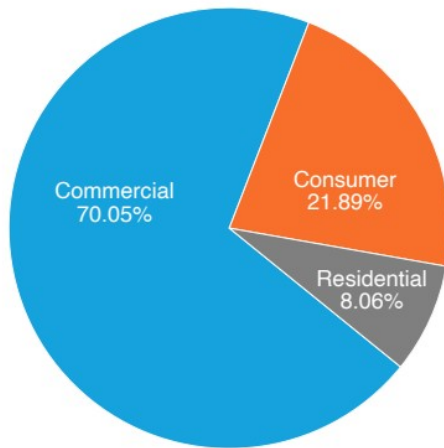




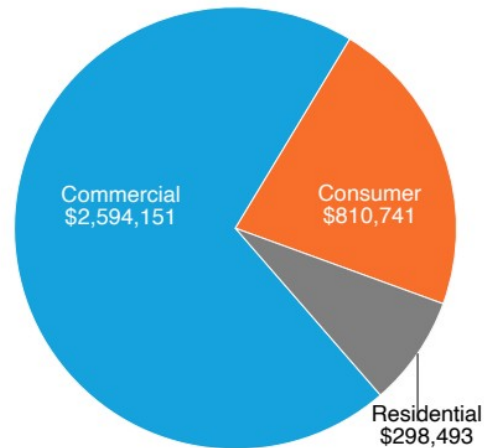
# Diversified Loan Portfolio

As of 7/31/24

### Loan Portfolio

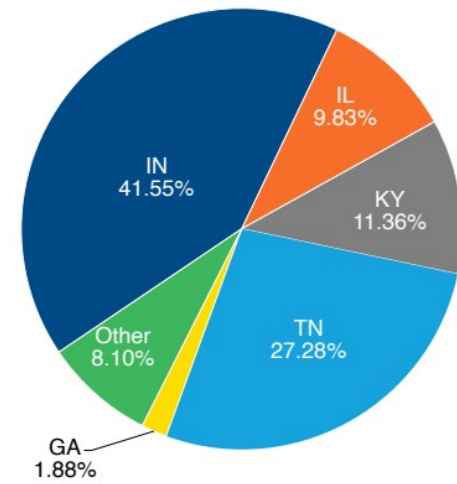


### Balance (\$000)



Total \$3,703,385

### Commercial Loans By State







# Consumer Loan Portfolio

As of 7/31/24

**Total Loans \$810,741,317**

**97.14% Secured Consumer Loans**

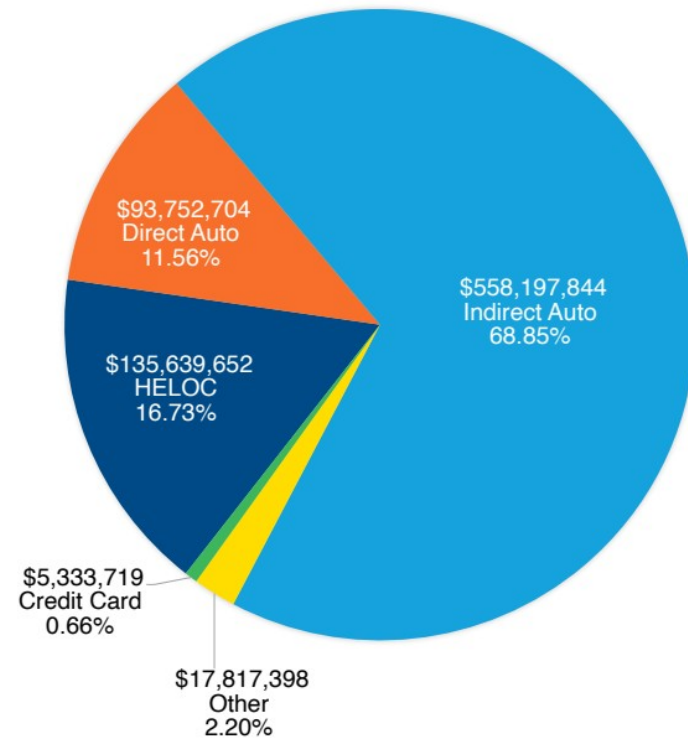
- 66.9%  $\geq$  700 FICO
- 19.0%  $\geq$  650 to 699
- 10.2%  $\geq$  600 to 650
- 3.9%  $<$  600 (Includes No Score)

**68.85% Indirect Auto (\$558,197,844)**

- 13.1% New (\$73,181,673)
- 86.9% Used (\$485,016,171)

**Asset Quality**

- 30 – 89 day YTD Average
- Past Due 1.395%





# Mortgage Loan Portfolio

As of 7/31/24

**Total Loans \$264,393,582**

## 58% YTD Production Sold

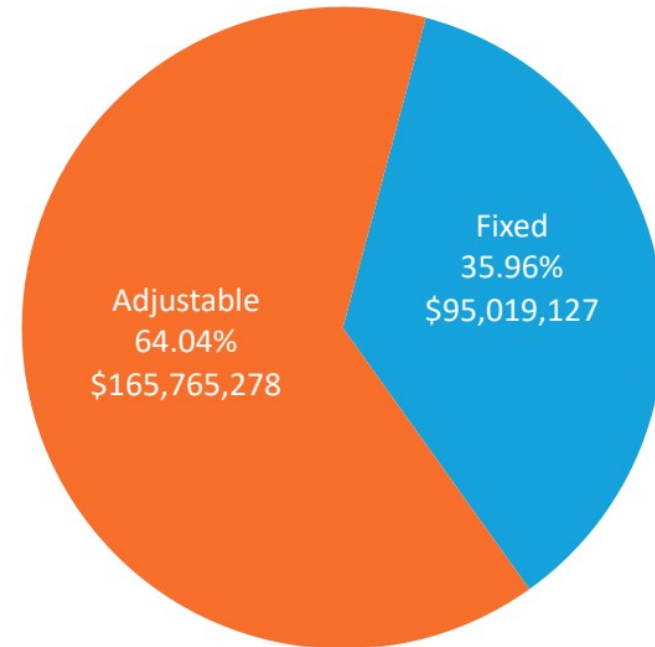
- Average New Production LTV 77.2%
- Average New Production FICO 728
- Primarily in-market lender

## Portfolio

- Underwritten to FHLMC Guidelines
- Average credit score 738
- Average DTI 32%
- Average Amortized LTV 67.8%
- Updated LTV 51.5%

## Asset Quality

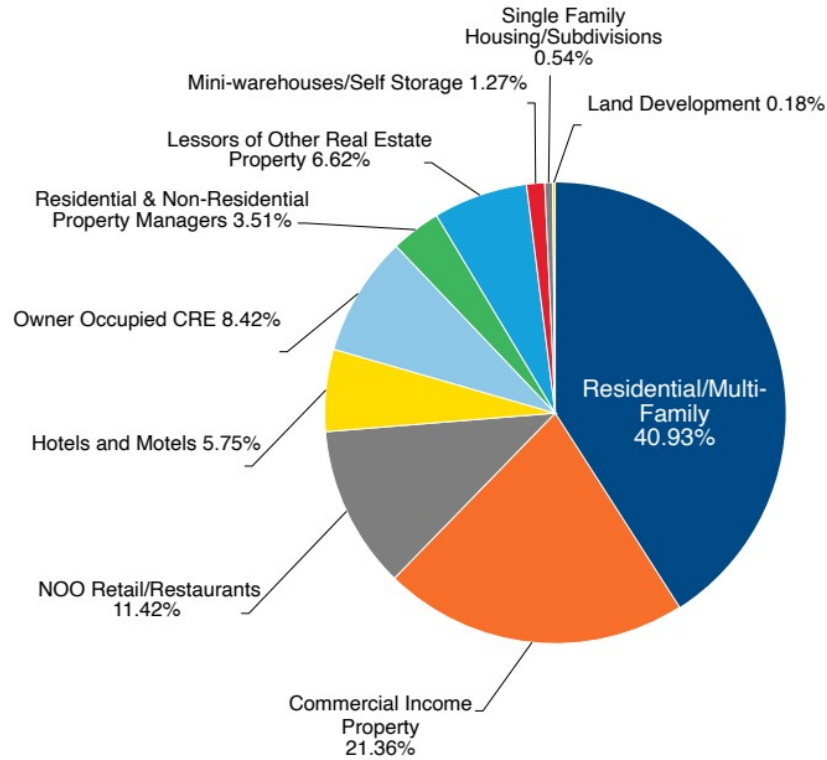
- YTD average past due 1.36%





# Commercial Real Estate Loan Mix

As a % of CRE (Period Ended 6/30/24)



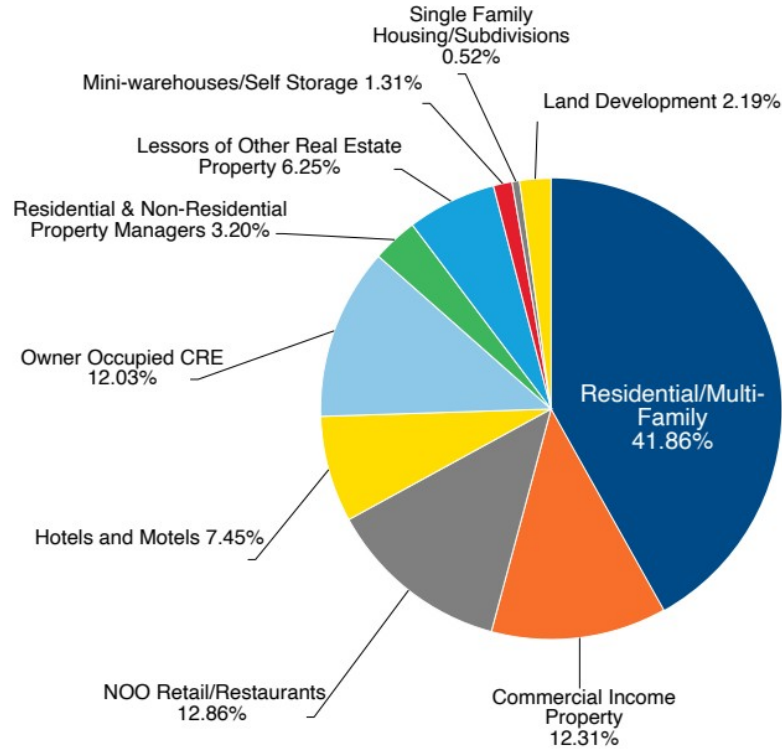
## Total Commercial Real Estate Loans

Residential/Multi-family	\$474,552,650
Commercial Income Property	\$247,702,683
NOO Retail	\$132,455,294
Owner Occupied CRE	\$97,614,216
Lessors of Other Real Estate Property	\$76,734,379
Hotel/Motel	\$66,696,916
Residential & Non-Residential Property Management	\$40,642,500
Mini-warehouse/Self-Storage	\$14,740,114
Single Family Housing	\$6,265,965
Land Development	\$2,107,370
<b>Total</b>	<b>\$1,159,512,087</b>



# Commercial Real Estate Loan Mix

As a % of CRE (Period Ended 7/31/24)



## Total Commercial Real Estate Loans

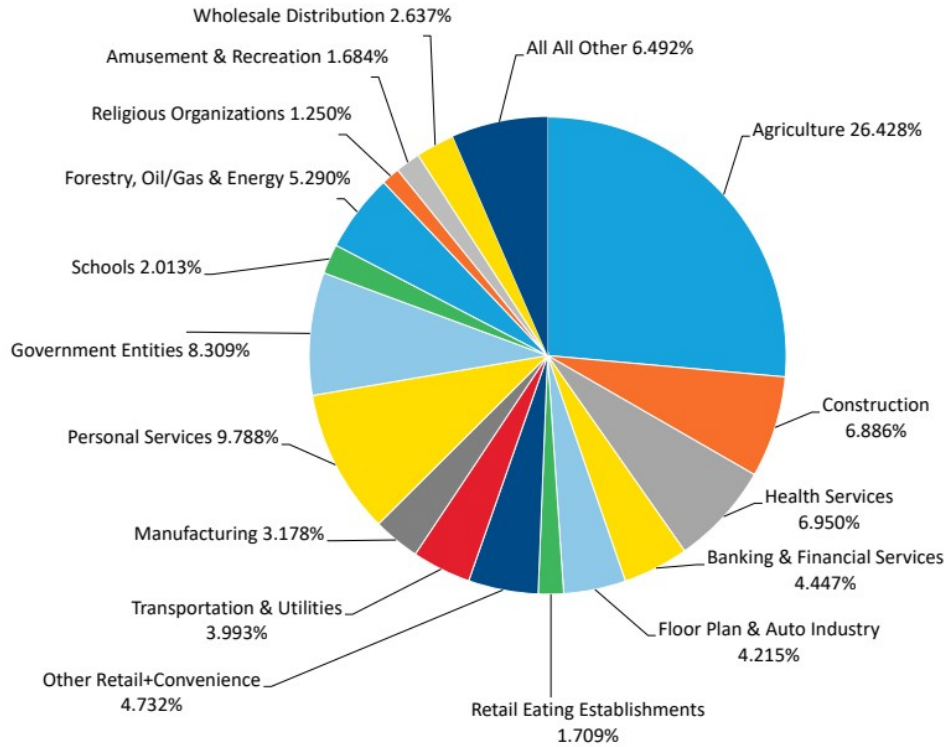
Residential/Multi-family	\$593,337,102
NOO Retail	\$182,264,167
Commercial Income Property	\$174,497,539
Owner Occupied CRE	\$170,564,064
Hotel/Motel	\$105,621,517
Lessors of Other Real Estate Property	\$88,573,198
Residential & Non-Residential Property Management	\$45,334,481
Land Development	\$31,061,657
Mini-warehouse/Self-Storage	\$18,635,703
Single Family Housing	\$7,390,364
<b>Total</b>	<b>\$1,417,279,792</b>





# Commercial & Industrial Loan Mix

As a % of Total C & I Loans (Period Ended 6/30/24)

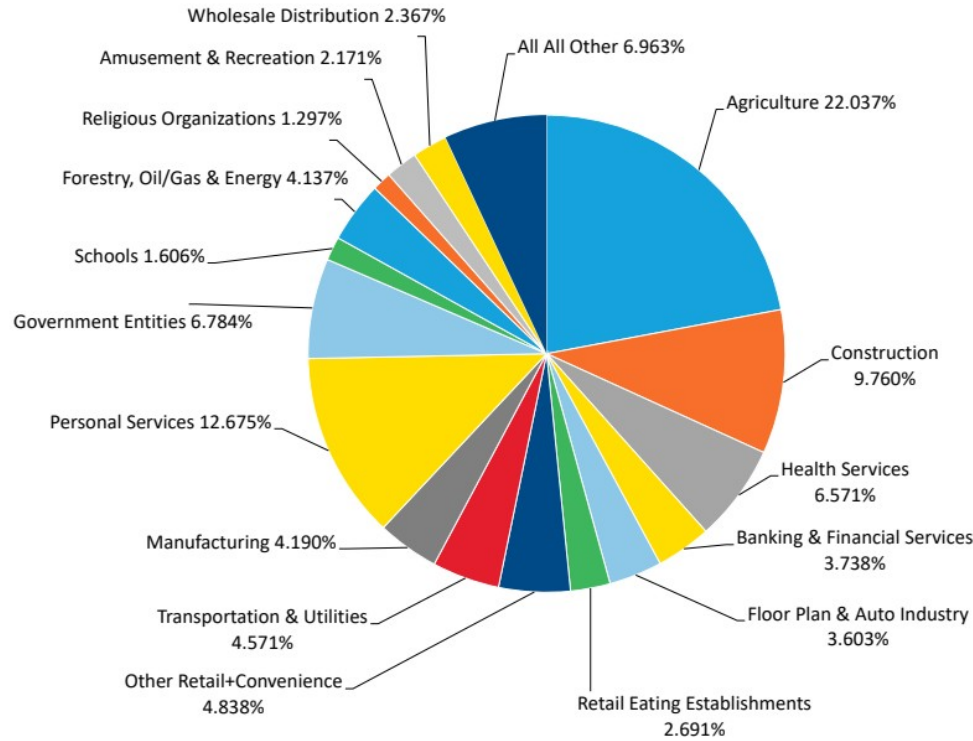


Agriculture	26.428%	\$257,806,625
Personal Services	9.788%	\$95,485,350
Government Entities	8.309%	\$81,055,623
Health Services	6.950%	\$67,796,521
Construction	6.886%	\$67,175,327
Other Retail + Convenience	4.732%	\$46,161,664
Transportation & Utilities	3.993%	\$38,951,102
Floor Plans & Auto Industry	4.215%	\$41,122,442
Banking & Financial Services	4.447%	\$43,379,720
Forestry, Oil, Gas & Energy	5.290%	\$51,605,541
Manufacturing	3.178%	\$31,000,834
Wholesale Distribution	2.637%	\$25,725,773
Schools	2.013%	\$19,637,168
Amusement & Recreation	1.684%	\$16,428,871
Religious Organizations	1.250%	\$12,190,733
Retail Eating Establishments	1.709%	\$16,670,188
All Other	6.492%	\$63,327,725
<b>Total</b>	<b>100.000%</b>	<b>\$975,521,206</b>



# Commercial & Industrial Loan Mix

As a % of Total C & I Loans (Period Ended 7/31/24)



Agriculture	22.037%	\$259,352,880
Personal Services	12.675%	\$149,166,239
Construction	9.760%	\$114,862,116
Government Entities	6.784%	\$79,839,522
Health Services	6.571%	\$77,326,505
Other Retail + Convenience	4.838%	\$56,932,511
Transportation & Utilities	4.571%	\$53,800,248
Manufacturing	4.190%	\$49,312,032
Forestry, Oil, Gas & Energy	4.137%	\$48,903,641
Banking & Financial Services	3.738%	\$43,995,875
Floor Plans & Auto Industry	3.603%	\$42,405,866
Retail Eating Establishments	2.691%	\$31,668,532
Wholesale Distribution	2.367%	\$27,859,481
Amusement & Recreation	2.171%	\$25,555,241
Schools	1.606%	\$18,903,641
Religious Organizations	1.297%	\$15,264,854
All Other	6.963%	\$81,941,189
<b>Total</b>	<b>100.000%</b>	<b>\$1,176,871,207</b>



# Commercial Production Pipeline

As of 07/31/24

## Production YTD

Region	Term Production	Line Production
Central	\$53,060,761	\$11,877,275
West	\$26,636,876	\$3,575,000
Southern	\$50,055,581	\$23,258,250
Mid-South	\$66,238,098	\$11,978,052
Indy / Ft. Wayne LPO	\$57,382,499	\$1,000,000
East TN	N/A	N/A
<b>Total</b>	<b>\$253,373,815</b>	<b>\$51,688,577</b>

## Current Pipeline Dollars

Region	Pipeline	New Money
Central	\$145,376,988	\$73,430,861
West	\$162,734,845	\$108,077,817
Southern	\$144,357,734	\$134,186,764
Mid-South	\$288,231,225	\$156,898,363
Indy / Ft. Wayne LPO	\$233,252,884	\$190,995,978
East TN	\$33,173,991	\$32,843,963
<b>Total</b>	<b>\$1,007,127,667</b>	<b>\$696,433,746</b>

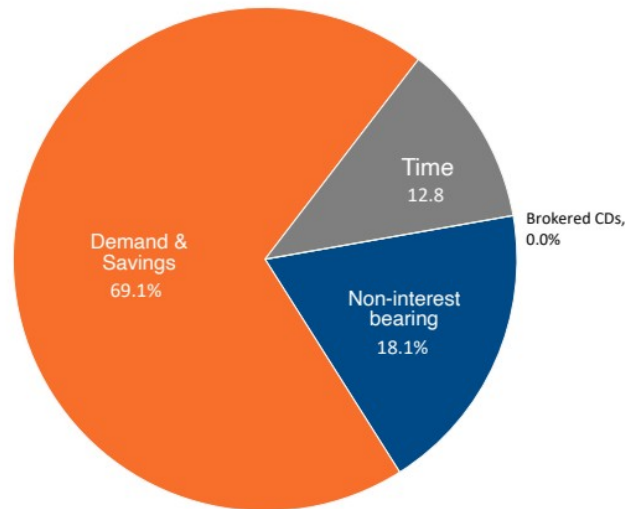
## Current New Money Pipeline by Location

Region	Pipeline \$
Terre Haute Market Area	\$27,454,188
Champaign, IL MSA Bloomington, IL MSA	\$35,286,000
Vincennes Market Area	\$78,286,999
Clarksville, TN / Nashville, TN / Murfreesboro, TN	\$81,692,243
Central Indiana / Indpls. MSA	\$112,560,334
Chattanooga/Knoxville	\$40,732,020
All Other Markets	\$320,421,962
<b>Total</b>	<b>\$696,433,746</b>



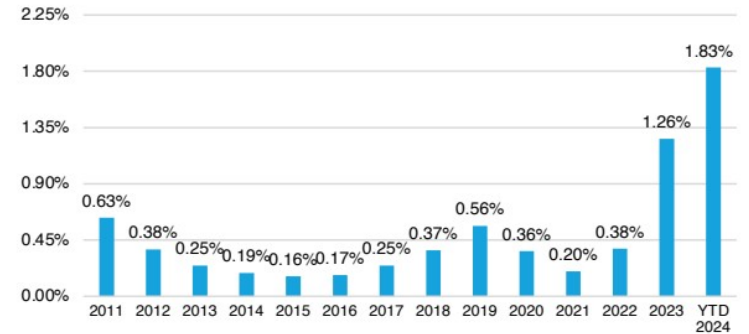
# Strong Core Deposit Franchise

### Deposit Mix

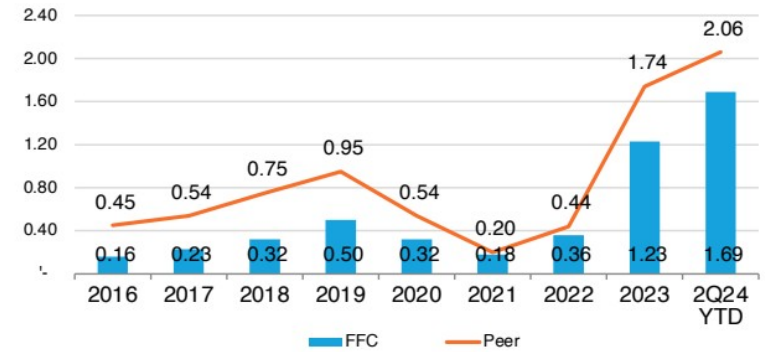


Average account tenure 13.5 years
Estimated uninsured deposits as 38.0% of total deposits
Estimated uninsured less collateralized as 20.3% total deposits
Cycle to date deposit beta 33.87%

### Cost of Deposits



### BHC UBPR Interest Expense



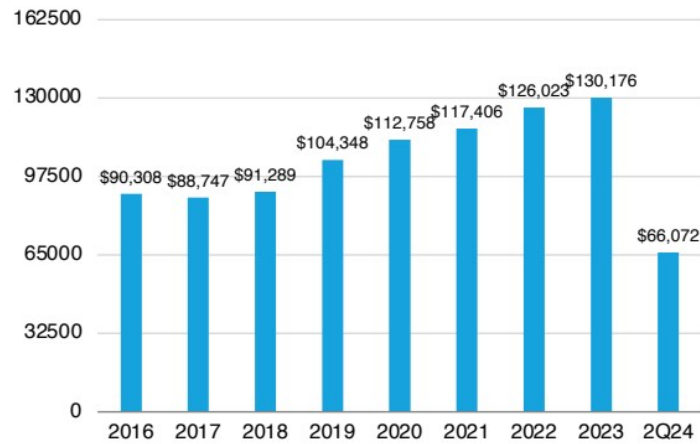
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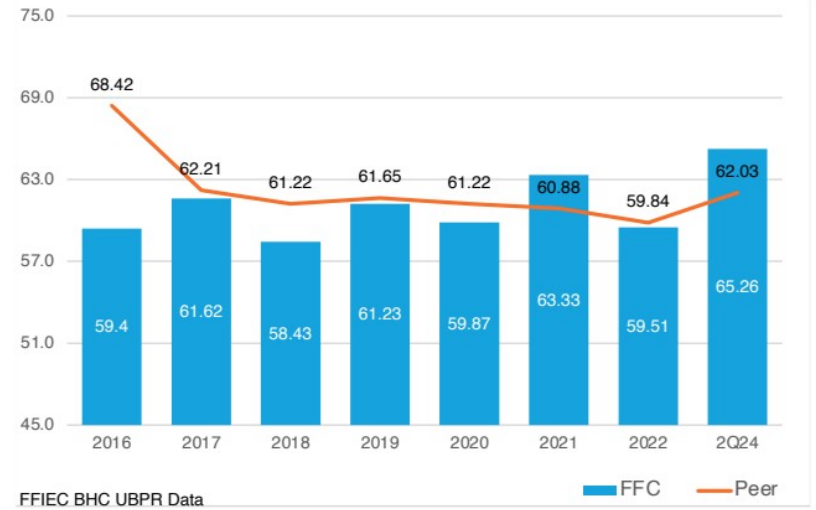
# Disciplined Expense Management

### Non-interest Expense



Acquired HopFed Bancorp on 7/27/2019  
Acquired Hancock Bancorp on 11/5/2021

### Efficiency



FFIEC BHC UBPR Data



## Trust and Asset Management

### **\$1.9 Billion Trust Assets Under Management**

Trust Services include:

- Professional Farm Management
- Trust Administration
- Estate Administration
- Retirement Services
- Corporate Trust Services

### **Trust & Asset Management**

	<b>2022</b>	<b>2023</b>
Revenue (\$000)	5,155	5,155
Income before Tax	1,586	1,258



## Key Investment Points

### Well-positioned for sustainable and profitable growth

- Diversified business model with strong risk management
- High-caliber team members focused on customer service and technology optimization
- Expanding presence in larger growth markets
- Commercial banking focus with quality core deposits
- Demonstrated ability to successfully complete mergers and acquisitions
- Unblemished track record of delivering shareholder value
- Over 30 consecutive years of increased shareholder dividends




## 4-Year Financial Highlights

	2020	2021	2022	2023	2Q24
<b>Net Interest Income</b>	146,346	143,401	165,042	167,262	78,213
<b>Provision</b>	10,528	2,466	<2,025>	7,295	4,766
<b>Non-interest Income</b>	42,476	42,084	46,716	42,702	19,336
<b>Non-interest Expense</b>	112,758	117,406	126,023	130,176	66,072
<b>Net Income</b>	53,844	52,987	71,109	60,672	22,293
<b>Earnings Per Share (diluted)</b>	3.93	4.02	5.82	5.08	1.89
<b>Total Assets</b>	4,557,544	5,175,099	4,989,281	4,851,614	4,891,068
<b>Net Interest Margin</b>	4.05	3.20	3.54	3.78	3.55
<b>Return on Average Assets</b>	1.25	1.10	1.41	1.26	0.93
<b>Return on Average Equity</b>	9.07	8.87	14.37	12.47	8.57

Dollars in millions except per share data



Thank You!

 Nasdaq : THFF

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