

FIRST FINANCIAL BANCORP /OH/
Form DEF 14A
April 13, 2012

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities

Exchange Act of 1934

Filed by the Registrant
Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
 Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
 Definitive Proxy Statement
 Definitive Additional Materials
 Soliciting Material Pursuant to §240.14a-12

First Financial Bancorp.
(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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(3) Filing Party:

(4) Date Filed:

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

To Be Held May 22, 2012

Cincinnati, Ohio

April 13, 2012

To the Shareholders:

The Annual Meeting of Shareholders of First Financial Bancorp. (the “Company”) will be held at the First Financial Center at 255 E. Fifth Street, 29th Floor, Cincinnati, OH 45202 on Tuesday, May 22, 2012, at 10:00 a.m., local time, for the following purposes:

1. To elect the following nominees as directors with terms expiring in 2013: David S. Barker, Cynthia O. Booth, Mark A. Collar, Claude E. Davis, Murph Knapke, Susan L. Knust, William J. Kramer, and Maribeth S. Rahe.
2. Approve the 2012 Stock Plan.
3. Approve amendments to the 2009 Non-Employee Director Stock Plan.
4. Ratify (non-binding) the appointment of Ernst & Young as the Company’s independent registered accounting firm for the fiscal year ending December 31, 2012.
5. Advisory (non-binding) vote on executive compensation (“Say-on-Pay”).
6. To consider and act upon such other matters as may properly come before the Annual Meeting or any adjournment thereof.

Important Notice regarding the availability of Proxy Materials for the Annual Meeting of Shareholders:

The proxy statement and 2011 Annual Report are available at www.bankatfirst.com/investor

Shareholders of record of the Company at the close of business on March 26, 2012, are entitled to notice of and to vote at the Annual Meeting and at any adjournment thereof. Each shareholder is entitled to one vote for each common share held regarding each matter properly brought before the Annual Meeting.

Your Board of Directors unanimously recommends that you vote:

“FOR” the election of each of the director nominees listed in this proxy statement;

“FOR” the 2012 Stock Plan;

“FOR” the amendments to the 2009 Non-Employee Director Stock Plan;

“FOR” the ratification of Ernst & Young as our independent auditors; and

“FOR” the non-binding resolution regarding executive compensation.

By Order of the Board of Directors,
Gregory A. Gehlmann
/s/ Gregory A. Gehlmann
General Counsel and Secretary

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255 E. Fifth Street, Suite 700

Cincinnati, Ohio 45202

(877)-322-9530

PROXY STATEMENT

ANNUAL MEETING OF SHAREHOLDERS

Approximate Date to Mail – April 13, 2012

INTRODUCTION

We are sending this proxy statement and the accompanying proxy card to you as a shareholder of First Financial Bancorp., an Ohio corporation (“First Financial” or the “Company”), in connection with the solicitation of proxies for the Annual Meeting of Shareholders (the “Annual Meeting”) to be held at the Company’s headquarters: First Financial Center, 255 E. Fifth Street, 29th Floor, Cincinnati, Ohio 45202, on Tuesday, May 22, 2012, at 10:00 a.m., local time. First Financial’s Board of Directors is soliciting proxies for use at the Annual Meeting, or at any postponement or adjournment thereof. Only shareholders of record as of the close of business on March 26, 2012, which we refer to as the record date, will be entitled to vote at the Annual Meeting.

In this proxy statement, the “Company,” “First Financial,” “we,” “our” or “us” all refer to the company named First Financial Bancorp and its subsidiaries. We also refer to the Board of Directors of First Financial Bancorp as the “board” or the “Board.”

INFORMATION ABOUT THE ANNUAL MEETING

What matters will be voted upon at the Annual Meeting? Assuming a quorum is present, the following proposals will be voted on at the Annual Meeting:

- Elect the following nominees as directors with terms expiring in 2013: David S. Barker, Cynthia O. Booth, Mark A. Collar, Claude E. Davis, Murph Knapke, Susan L. Knust, William J. Kramer, and Maribeth S. Rahe (Proposal No. 1)
- Approve the 2012 Stock Plan (Proposal No. 2)
- Approve amendments to the 2009 Non-Employee Director Stock Plan (Proposal No. 3)
- Ratify (non-binding) the appointment of Ernst & Young as the Company's independent registered accounting firm for the fiscal year ending December 31, 2012 (Proposal No. 4)
- Advisory (non-binding) vote on executive compensation ("Say-on-Pay") (Proposal No. 5)
- To consider and act upon such other matters as may properly come before the Annual Meeting or any adjournment thereof

Who can vote? You are entitled to vote if you held First Financial common shares as of the close of business on March 26, 2012, the record date for the Annual Meeting.

Each shareholder is entitled to one vote for each common share held on March 26, 2012. At the close of business on March 26, 2012, there were 58,499,863 common shares outstanding and entitled to vote. The common shares are First Financial's only voting securities entitled to vote at the meeting.

Regardless of the number of shares you own, it is important that you vote on the proposals.

How do I vote? Your common shares may be voted by one of the following methods:

- § by traditional proxy card via the U.S. Mail;
- § by submitting a proxy via the Internet;
- § by submitting a proxy by phone; or
- § in person at the meeting.

Submitting a Proxy by Telephone or via the Internet. If you are a shareholder of record (that is, if your common shares are registered with First Financial in your own name), you may submit a proxy by telephone, or via the Internet. To vote via the Internet, access www.proxyvote.com and follow the on-screen instructions. You will need your control number from your proxy card available when you vote via the Internet or by telephone. Telephone voting is available toll free at 1-800-690-6903 from a touch-tone phone.

If your common shares are registered in the name of a broker, a financial institution or another nominee (i.e., you hold your common shares in “street name”), your nominee may be participating in a program that allows you to submit a proxy by telephone or via Internet. If so, the voting form your nominee sent you will provide instructions for submitting your proxy by telephone or via the Internet. The last-dated proxy you submit (by any means) will supersede any previously submitted proxy. Also, if you submit a proxy by telephone or via the Internet, and later decide to attend the Annual Meeting, you may revoke your previously submitted proxy and vote in person at the Annual Meeting.

The deadline for submitting a proxy by telephone or via the Internet as a shareholder of record is 11:59 p.m. Eastern Time, on May 21, 2012. For shareholders whose common shares are registered in the name of a broker, a financial institution or another nominee, please consult the instructions provided by your nominee for information about the deadline for submitting a proxy by telephone or via the Internet.

Voting in Person. If you attend the Annual Meeting, you may deliver your completed proxy card in person or you may vote by completing a ballot, which will be available at the Annual Meeting.

If you hold your common shares in “street name” through a broker, a financial institution or another nominee, then that nominee is considered the shareholder of record for voting purposes and should give you instructions for voting your common shares. As a beneficial owner, you have the right to direct that nominee how to vote the common shares held in your account. Your nominee may only vote the common shares of First Financial that it holds for you in accordance with your instructions. If you have instructed a broker, a financial institution or another nominee to vote your common shares, the above-described options for revoking your proxy do not apply and instead you must follow the instructions provided by your nominee to change your vote.

If you hold your common shares in “street name” and wish to attend the Annual Meeting and vote in person, you must bring an account statement or letter from your broker, financial institution or other nominee authorizing you to vote on behalf of such nominee. The account statement or letter must show that you were the direct or indirect beneficial owner of the common shares on March 26, 2012, the record date for voting at the Annual Meeting.

How will my common shares be voted? Those common shares represented by properly executed proxy cards that are received prior to the Annual Meeting or by properly authenticated Internet or telephone votes that are submitted prior to the deadline for doing so, and not subsequently revoked, will be voted in accordance with your instructions by your proxy. If you submit a valid proxy card prior to the Annual Meeting, or timely submit your proxy by telephone or via the Internet, but do not complete the voting instructions, your proxy will vote your common shares as recommended by the Board of Directors, except in the case of broker non-votes where applicable, as follows:

- § **“FOR”** the director nominees;
- § **“FOR”** the 2012 Stock Plan;
- § **“FOR”** amendments to the 2009 Non-Employee Director Stock Plan;
- § **“FOR”** the ratification of Ernst & Young as our independent auditors; and
- § **“FOR”** the non-binding resolution regarding executive compensation.

If you hold your shares in a bank or brokerage account, you should be aware that if you fail to instruct your bank or broker how to vote within ten days of the Annual Meeting, the bank or broker is not permitted to vote your shares in its discretion on your behalf on non-routine items. If you want to assure that your shares are voted in accordance with your wishes on the non-routine matters in this proxy statement, you should complete and return your voting instruction form before May 19, 2012.

No appraisal rights exist for any action proposed to be taken at the Annual Meeting. If any other matters are properly presented for voting at the Annual Meeting, the persons named as proxies will vote on those matters, to the extent permitted by applicable law, in accordance with their best judgment.

What if my common shares are held through the First Financial Bancorp 401(k) Savings Plan? If you participate in the First Financial Bancorp 401(k) Savings Plan (the “401(k) Plan”) and common shares have been allocated to your account in the Savings Plan, you will be entitled to instruct the trustee of the 401(k) Plan, confidentially, as to how to vote those common shares. You will receive your voting instructions card separately. If you give no voting instructions to the trustee of the 401(k) Plan, the trustee will vote the common shares allocated to your 401(k) plan account pro rata in accordance with the instructions received from other participants in the 401(k) Plan who have voted.

Can the proxy materials be accessed electronically? We are sending the proxy materials for the Annual Meeting to shareholders on or about April 13, 2012. Our proxy statement for the Annual Meeting and a sample of the form of proxy card sent to our shareholders by us are available at www.bankatfirst.com/investor.

How do I change or revoke my proxy? Shareholders who submit proxies retain the right to revoke them at any time before they are exercised. Unless revoked, the common shares represented by such proxies will be voted at the Annual Meeting and any adjournment thereof. You may revoke your proxy at any time before it is actually exercised at the Annual Meeting by giving notice of revocation to First Financial in writing, by accessing the Internet site prior to the deadline for submitting proxies electronically, by using the toll-free telephone number stated on the proxy card prior to the deadline for transmitting proxies electronically or by attending the Annual Meeting and giving notice of revocation in person. The last-dated proxy you submit (by any means) will supersede any previously-submitted proxy. If you hold your common shares in “street name” and instructed your broker, financial institution or other nominee to vote your common shares and you would like to revoke or change your vote, you must follow the instructions of your nominee.

If I vote in advance, can I still attend the Annual Meeting? Yes. You are encouraged to vote promptly. Please return your signed proxy card by mail or by submitting your proxy electronically by telephone or via the Internet so that your common shares will be represented at the Annual Meeting. However, voting your common shares does not affect your right to attend the Annual Meeting and vote your common shares in person.

What constitutes a quorum and how many votes are required for adoption of the proposals? Under First Financial's Regulations, a quorum is a majority of the common shares outstanding. Common shares may be present in person or represented by proxy at the Annual Meeting. Both abstentions and broker non-votes are counted as being present for purposes of determining the presence of a quorum. There were 58,499,863 First Financial common shares outstanding and entitled to vote on March 26, 2012, the record date. A majority of the outstanding common shares, or 29,249,932 common shares, present in person or represented by proxy, will constitute a quorum. A quorum must exist to conduct business at the Annual Meeting.

If a broker indicates on the form of proxy that it does not have discretionary authority as to certain common shares to vote on a particular matter, those common shares will be considered as present for the purpose of determining the presence of a quorum but not entitled to vote with respect to that matter. New York Stock Exchange ("NYSE") rules determine whether proposals presented at shareholder meetings are routine or not routine. If a proposal is routine, a broker or other entity holding shares for an owner in street name may vote on the proposal without receiving voting instructions from the owner. If a proposal is not routine, the broker or other entity may vote on the proposal only if the owner has provided voting instructions. A broker non-vote occurs when the broker or other entity is unable to vote on a proposal because the proposal is not routine and the owner does not provide any instructions. The election of directors and the shareholder proposal are non-routine items. If you submit your proxy but indicate that you want to "ABSTAIN" with respect to any proposal, your shares will be counted for purposes of whether a quorum exists.

Votes Required for the Approval of the Proposals. The election of directors requires the affirmative vote of a plurality of the common shares present, represented, and entitled to vote at the annual meeting. However, we have adopted certain requirements in the event a nominee receives a greater number of “withhold” votes than “for” votes. See “Corporate Governance – Policy on Majority Voting.” With respect to Proposals 2, 3, 4 and 5, the affirmative vote of a majority of the common shares validly cast for or against the proposal will be required for approval of the amendments.

Please note that under the New York Stock Exchange, or NYSE, rules affecting all public companies, brokers that have not received voting instructions from their customers 10 days prior to the Annual Meeting date may vote their customers’ shares in the brokers’ discretion on the proposal regarding the ratification of the appointment of independent auditors (Proposal 2) because this is considered “discretionary” under NYSE rules. If your broker is an affiliate of the Company, NYSE policy states that, in the absence of your specific voting instructions, your shares may only be voted in the same proportion as all other shares are voted with respect to each proposal.

Under NYSE rules, each other proposal is a “non-discretionary” item, which means that member brokers who have not received instructions from the beneficial owners of the Company’s common stock do not have discretion to vote the shares of our common stock held by those beneficial owners on those proposals. This means that brokers may not vote your shares in the election of directors (Proposal 1), on the proposals to amend or approve the stock plans described in the proposals (Proposals 2 and 3), or on the proposal to approve executive compensation on a nonbinding advisory basis (Proposal 5), unless you provide specific instructions as to how to vote. We encourage you to provide instructions to your broker regarding the voting of your shares.

An abstention be counted as present for the purposes of Proposals 2, 3, 4 and 5 and thus have the same effect as a vote against any proposal.

It is our policy to keep confidential proxy cards, ballots and voting tabulations that identify individual shareholders. However, exceptions to this policy may be necessary in some instances to comply with legal requirements and, in the case of any contested proxy solicitation, to verify the validity of proxies presented by any person and the results of the voting. Inspectors of election and any employees associated with processing proxy cards or ballots and tabulating the vote must acknowledge their responsibility to comply with this policy of confidentiality.

Who pays the cost of proxy solicitation? We will pay the costs of preparing, assembling, printing and mailing this proxy statement, the accompanying proxy card and other related materials and all other costs incurred in connection with the solicitation of proxies on behalf of the Board of Directors, other than the Internet access and telephone usage charges mentioned above. Although we are soliciting proxies by mailing these proxy materials to our shareholders, our directors, officers and employees also may solicit proxies by further mailing, personal contact, telephone, facsimile or electronic mail without receiving any additional compensation for such solicitations. Arrangements will also be made with brokerage firms, financial institutions and other nominees who are record holders of common

shares for the forwarding of solicitation materials to the beneficial owners of such common shares. We will reimburse these brokers, financial institutions and nominees for their reasonable out-of-pocket costs in connection therewith.

We have retained Advantage Proxy to aid in the solicitation of proxies for the Annual Meeting. Advantage Proxy will receive a base fee of \$5,500 plus reimbursement of out-of-pocket fees and expenses for its proxy solicitation services.

Who should I call if I have questions concerning this proxy solicitation or the proposals to be considered at the Annual Meeting? If you have any questions concerning the proposals to be considered at the Annual Meeting or voting your shares, please call our investor relations department at 877-322-9530.

Does First Financial send multiple proxy statements to two or more registered shareholders who share an address? Only one copy of this proxy statement and the Notice of the Annual Meeting are being delivered to previously notified registered shareholders who share an address unless First Financial has received contrary instructions from one or more of the shareholders. A separate proxy card is being included for each account at the shared address.

Registered shareholders who share an address and would like to receive a separate proxy statement for the Annual Meeting may contact First Financial Bancorp Investor Relations to request a copy. Call 877-322-9530 or send a written request to: Kenneth J. Lovik, VP, Investor Relations & Corporate Development, First Financial Bancorp, 255 E. Fifth Street, Suite 700, Cincinnati, Ohio 45202.

Are there any rules regarding admission to the Annual Meeting? Yes. You are entitled to attend the Annual Meeting only if you were, or you hold a valid legal proxy naming you to act for, one of our shareholders on the voting record date. At the entrance we will verify that your name appears in our stock records or will verify appropriate information to verify you as a shareholder. Cameras (including cell phones with photographic capabilities), recording devices, and other electronic devices will not be permitted at the meeting.

PRINCIPAL SHAREHOLDERS

The table below identifies all persons known to us to own beneficially more than 5% of our outstanding common shares as of the voting record date.

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership of Common Shares	Percentage of Class		
First Financial Bank, National Association 300 High Street Hamilton, OH 45011-0476	2,735,757 (1)	4.68	%	
BlackRock, Inc. 40 East 52nd Street New York, NY 10022	4,379,659 (2)	7.49	%	
Westwood Management Corp. 200 Crescent Court, Suite 1200 Dallas, TX 75201	3,878,898 (3)	6.63	%	
The Vanguard Group, Inc. 100 Vanguard Blvd. Malvern, PA 19355	3,048,319 (4)	5.21	%	

Information based upon a Schedule 13G/A filed on February 10, 2012. These shares are held by the trust department of First Financial Bank, National Association (“First Financial Bank”) (the “Trustee”) in its fiduciary capacity under various agreements. Trustee has sole voting power for 1,826,713 shares; shared voting power for 909,044 shares; sole dispositive power for 1,162,582 shares; and shared dispositive power for 1,401,838 shares. Officers and directors of the Company disclaim beneficial ownership of the common shares beneficially owned by the Trustee.

- (2) Information based upon a Schedule 13G/A filed on February 13, 2012. BlackRock has sole voting and dispositive power for 4,379,659 shares.
- (3) Information based upon a Schedule 13G/A filed on February 14, 2012. Westwood has sole voting power for 3,379,512 shares; shared voting power for 100,779 shares; and sole dispositive power for 3,878,898 shares.
- (4) Information based on a Schedule 13G filed on February 10, 2012. Vanguard has sole power to vote for 89,380 shares; sole dispositive power for 2,958,939 shares; and shared dispositive power for 89,390 shares.

**SHAREHOLDINGS OF DIRECTORS, EXECUTIVE OFFICERS
AND NOMINEES FOR DIRECTOR**

As of March 26, 2012, the directors of the Company, including the eight nominees for election as directors, the executive officers of the Company named in the Summary Compensation Table who are not also directors and all executive officers and directors of the Company as a group beneficially owned common shares of the Company as set forth below.

Name	Position	Amount and Nature of Beneficial Ownership		
		Common Shares Beneficially Owned Excluding Options (1)	Stock Options Exercisable within 60 Days of Record Date (2)	Total Common Shares Beneficially Owned (1)
J. Wickliffe Ach	Director	9,996 (3)	—	9,996
David S. Barker	Director	5,439 (4)	—	5,439
Cynthia O. Booth	Director	1,662 (4)	—	1,662
Donald M. Cisle, Sr.	Director	175,248 (3)	8,663	183,911
Mark A. Collar	Director	9,066 (5)	—	9,066
Claude E. Davis	Director, President & CEO	245,120 (7)	663,300	908,420
Corinne R. Finnerty	Director	40,271 (3)	8,663	48,934
Murph Knapke	Director	76,403 (5)	—	76,403
Susan L. Knust	Director	22,505 (6)	8,663	31,168
William J. Kramer	Director	25,465 (5)	8,663	34,128
Richard E. Olszewski	Director	30,639 (3)	8,663	39,302
Maribeth S. Rahe	Director	8,316	—	8,316
J. Franklin Hall	EVP & Chief Financial Officer	61,191 (7)	115,800	176,991
C. Douglas Lefferson	EVP & Chief Banking Officer	73,888 (7)	163,200	237,088
Samuel J. Munafo	EVP, Chief Commercial Lending Officer(8)	62,509 (7)	19,500	82,009
Gregory A. Gehlmann	EVP & General Counsel	54,292 (7)	100,000	154,292
A All executive officers, directors and nominees as a group (17 persons)		905,003	1,105,115	2,010,118

(1) Includes shares held in the name of spouses, minor children, trusts and estates as to which beneficial ownership may be disclaimed.

At March 26, 2012, other than Claude Davis (1.55%), no director or executive officer beneficially owned at least 1% of the Company's common shares. However, all of the directors and executive officers as a group (17 persons) beneficially owned approximately 3.46% of the Company's outstanding common shares. Percent ownership numbers are computed based on the sum of (a) 58,499,863 common shares outstanding on March 26, 2012 and (b) the number of common shares to which the group has the right to acquire beneficial ownership upon the exercise of options which are currently exercisable or will first become exercisable within 60 days after March 26, 2012 (assumes all options are exercised). Fractional shares are rounded to the nearest whole number.

- (2) 181,452 options have a strike price above the closing price of First Financial common stock on March 26, 2012, which was \$17.37 per share.

- (3) Includes 3,800 restricted shares that vest 1/3 equally over a three-year period beginning May 25, 2011 of which 1,265 have vested. Director retains voting and dividend rights on unvested shares. However, dividends on unvested shares are held in escrow until vested. See "Board Compensation."

- (4) Includes 1,239 restricted shares that vest on May 24, 2012. Director retains voting and dividend rights on unvested shares. However, dividends on unvested shares are held in escrow until vested. See "Board Compensation."

- (5) Includes 8,022 restricted shares that vest 1/3 equally over a three-year period beginning June 15, 2010 of which 5,342 have vested. Director retains voting and dividend rights on unvested shares. See "Board Compensation."

(6) Ms. Knust shares voting and investment power for 1,725 shares which are held by K.P. Properties of Ohio LLC, of which Ms. Knust and her husband are the only two members. Includes 1,239 restricted shares that vest on May 24, 2012. Director retains voting and dividend rights on unvested shares. However, dividends on unvested shares are held in escrow until vested. See “Board Compensation.”

(7) Includes unvested restricted shares (Davis—117,790; Hall—32,218; Lefferson—36,459; Gehlmann—28,551; and all executive officers as a group (5)—218,011). Officers retain voting and dividend (at times subject to escrow until vesting) rights on unvested shares. For vesting schedules, see “Grants of Plan-Based Awards” and “Outstanding Equity Awards at Fiscal Year-End.” Mr. Munafo did not hold any restricted shares as of the Voting Record Date.

(8) Title as of December 31, 2011. Note that Mr. Munafo left the Company on January 3, 2012. Stock information is based on Company records on January 3, 2012 as Mr. Munafo is no longer subject to the reporting requirements of the SEC.

PROPOSAL 1—ELECTION OF DIRECTORS

Our Board of Directors currently consists of twelve members, eleven of whom are non-employee directors. Our Regulations provide that the Board of Directors shall consist of not less than nine or more than 25 persons, with the exact number to be fixed and determined from time to time by resolution of the Board of Directors or by resolution of the shareholders at any annual or special meeting of shareholders. Any vacancy may be filled by the Board of Directors in accordance with law and the Company’s Regulations for the remainder of the full term of the vacant directorship. However, pursuant to the Company’s corporate governance principles, any new director appointed to fill a vacancy will stand for election to fill the remaining term at the next meeting of shareholders after his/her appointment.

In 2011, the Board of Directors and shareholders approved amendments to the Articles of Incorporation and Regulations to phase out the classification of the Board and to provide for the annual election of Directors. Pursuant to the amendments, those Directors previously elected for three-year terms will complete their three-year term, while Directors nominated for re-election at the 2011 Annual Meeting were elected to serve one-year terms expiring at the 2012 Annual Meeting. Pursuant to the amendments, the Board of Directors is currently in the middle of a tiered declassification process.

Our Board has approved the nomination of eight persons as candidates for election as director, each for a one-year term. The terms of the remaining directors in Class III will continue as indicated below. It is intended that the accompanying proxy will be voted for the election of David S. Barker, Cynthia O. Booth, Mark A. Collar, Claude E. Davis, Murph Knapke, Susan L. Knust, William J. Kramer and Maribeth S. Rahe, incumbent directors. The Corporate Governance and Nominating Committee (“CGNC”) recommended all eight nominees to the Board of Directors, which approved the eight nominees. In the event that any one or more of such nominees becomes unavailable or unable to serve as a candidate, the accompanying proxy will be voted to elect the remaining nominees and any substitute

nominee or nominees designated by the Board. The eight nominees for director receiving the most votes at the Annual Meeting will be elected as directors. See, however, “Corporate Governance - Policy on Majority Voting.”

Set forth below is certain information concerning the Company’s nominees and directors. For information regarding ownership of shares of the Company by nominees and directors of the Company, see “Shareholdings of Directors, Executive Officers and Nominees for Director” above. There are no arrangements or understandings between any director or any nominee, and any other person pursuant to which such director or nominee is or was nominated to serve as director.

Name and Age (1)	Position with Company and/or Principal Occupation or Employment For the Last Five Years	Director Since
Nominees for One Year Term:		
David S. Barker 58	<p>President and Chief Executive Officer, SIHO Insurance Services, Columbus, Indiana (community health care benefits company serving over 70,000 members throughout southern Indiana). Mr. Barker has been employed in the insurance industry for more than 25 years. He is active in many civic and community endeavors, including serving as current Chairman of the Columbus Area Economic Growth Council and past Chairman of both the Columbus Area Chamber of Commerce and the Bartholomew County United Way, as well as serving as a board member of the Riley's Children's Foundation (Columbus Leadership Team) and the Heritage Fund Community Foundation and a member of the IUPUC board of advisors. Director of First Financial Bank, N.A. Hamilton, Ohio since 2010.</p> <p>Mr. Barker is an important member of the business community in Columbus, Indiana and we will look to his leadership and guidance as we continue to build our presence in key southern Indiana markets. Furthermore, his experience as the President of a company provides the board with insight on executive matters.</p>	2010
Cynthia O. Booth 53	<p>President and Chief Executive Officer, COBCO Enterprises, Cincinnati, Ohio (owns and directs the operations of six McDonald's restaurants throughout the area) since 2000. Prior to forming COBCO, Ms. Booth served as Senior Vice President—Director of Community Development for Firststar Bank (now U.S. Bank) in Cincinnati and before that was President of Diversified Solutions, Inc., a bank consulting firm. She is active in several civic and community organizations, including serving on the Boards of Trustees of Denison University and the Cincinnati Museum Center and the Board of Directors of the YWCA of Greater Cincinnati. President, Black McDonald's Owners Association for the State of Ohio; previously served on the boards of the American Red Cross, United Way and the Cincinnati branch of the Federal Reserve Bank of Cleveland. Director of First Financial Bank, N.A. Hamilton, Ohio since 2010.</p> <p>Ms. Booth brings deep banking experience to the board, including extensive knowledge in residential real estate lending, regulatory relations, the Community Reinvestment Act and other regulatory compliance, private banking and human resources. Furthermore, her experience in the restaurant franchise area provides valuable insight into one of our more unique areas of lending through our subsidiary First Franchise Capital Corporation.</p>	2010
Mark A. Collar 58	<p>Chairman, Third Frontier Advisory Board (provides direction for State of Ohio's investment in high tech industry); Member of the Executive Committee, BioOhio, Inc. (non-profit organization which promotes the acceleration and growth of life science</p>	2009

companies in Ohio); venture partner at Triathlon Medical Ventures, Cincinnati, Ohio; Director (since February 2008), AtriCure, Inc. (ATRC), West Chester, Ohio, a publicly-traded medical device company. Previously held numerous positions within The Procter & Gamble Company since 1975 including: President, Global Pharmaceuticals & Personal Health from 2005-2007; President, Global Pharmaceuticals, from 2002-2005; and Vice President, Global Pharmaceuticals, from 1997–2002. Director of First Financial Bank, N.A., Hamilton, Ohio since 2009.

Mr. Collar brings a wealth of knowledge from his 32+ years at Procter & Gamble, including marketing, competitive market analysis, operations, mergers and acquisitions, financial management, sales, corporate strategy, risk management, regulatory, and quality control. Mr. Collar's leadership roles in a number of organizations, including his membership on another publicly traded company board, provide us with insights into a number of opportunistic fields as well as dealing with government officials and agencies.

Claude E. Davis President and Chief Executive Officer of the Company and Director and Chairman of
51 the Board of First Financial Bank, N.A., Hamilton, Ohio since October 2004; Trustee,
2004 Hamilton Community Foundation and Butler University; Member, Cincinnati Business
Committee, Commercial Club of Cincinnati, and Young President's Organization -
Indiana. Chair and Director of First Financial Bank since 2004.

Mr. Davis' years of experience in the banking industry as well as his extensive financial background provide leadership to the Board. As CEO, he is intimately familiar with all aspects of our business activities. His involvement in other boards and organizations give him insight on important societal and economic issues relevant to our Company's business.

Partner of Knapke Law Office, Celina, Ohio; Chair of the Company; Director of First Financial Bank, N.A., Hamilton, Ohio since 2005; former Director and Chair of Community First Bank & Trust, Celina, Ohio.

Murph
Knapke

1983

64 Mr. Knapke has tenure with our Company and/or a bank affiliate since 1983 and provides valuable historical perspective in both the company and the banking industry. His deep roots in the Celina, Ohio area provide representation on the board for our Northwest Ohio market. His years as a practicing attorney give him enhanced perspective on legal and regulatory issues as well as board fiduciary duties.

Managing Partner of K.P. Properties of Ohio LLC (industrial real estate); Managing Partner of Omega Warehouse Services LLC (public warehousing); former President of Precision Packaging and Services, Inc; former Director of Middletown Regional Health System (renamed Atrium Medical System), Middletown, Ohio; Director of First Financial Bank, N.A., Hamilton, Ohio since 2005.

Susan L.
Knust

2005

58 As a seasoned business owner and entrepreneur for 28 years in the areas of manufacturing, warehousing and industrial real estate, Ms. Knust brings valuable insight to the board in strategic and other matters. Ms. Knust's business interests are similar in size to our key client base and she also had an understanding of our growing Cincinnati market area. Also, as a female business owner, her perspective and experiences have proven valuable to us during a time when women-owned businesses are more prevalent.

Vice President of Operations, Val-Co Companies, Inc., Coldwater, Ohio (VP & General Manager 2002–2008), an international company that manufactures products for the agricultural and horticultural industries; previously President of Pax Steel Products, Inc., from 1984–2002 (predecessor corporation to Val-Co); employed by Deloitte & Touche, LLP, Dayton, Ohio from 1982–1984; former director and Chair of the audit committee of an affiliate bank from 1987 to 2005. Director of First Financial Bank, N.A., Hamilton, Ohio since 2005.

William
J. Kramer

2005

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Mr. Kramer has been a CPA since 1984 with both public accounting and private company experience with substantial experience in financial reporting and accounting controls. He qualifies as an audit committee financial expert. Furthermore, his tenure with our Company and/or a bank affiliate since 1987 provides valuable historical perspective in both the Company and the banking industry.

Maribeth S. Rahe President & CEO, Fort Washington Investment Advisors, Inc., an investment management firm and wholly owned subsidiary of Western & Southern Financial Group, Cincinnati, Ohio (since 2003). 2010

63 Chair, Board of Directors, Capital Analysts Incorporated, a wholly owned subsidiary of Western & Southern. Director, Consolidated Communications Holdings, Inc., Mattoon, IL (Nasdaq – CNSL) (rural local exchange carrier) (member of Audit, Compensation and Governance (Chair) Committees). Ms. Rahe’s local civic and philanthropic involvement includes the Cincinnati Arts Association, Cincinnati Women’s Executive Forum, Cincy Tech, United Way Investment Committee, Xavier University Williams College of Business Board of Executive Advisors, Cincinnati USA Regional Chamber of Commerce, Sisters of Notre Dame de Namur and Rush-Presbyterian-St. Luke’s Medical Center. Director of First Financial Bank, N.A. Hamilton, Ohio since 2010.

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Ms. Rahe is well-known in Cincinnati and is a recognized leader in the financial services community, both locally and nationally with over 40 years in the financial services industry (of which 28 has been in banking), including more than 25 years in management/executive management and board experience at other financial institutions. She brings a seasoned perspective, insight, and financial acumen into issues and strategies relating to our business, including regulatory relationships and enterprise risk management. Her knowledge and expertise will serve us well as we continue executing our client-centered business model.

Class III Directors -
Terms Expiring in 2013:

J. Wickliffe Ach	<p>President and CEO, Hixson Inc, Cincinnati, Ohio, an architectural engineering firm since 1983. Director of First Financial Bank, N.A., Hamilton, Ohio since 2007. Board member: Hixson, Inc. (Chair) & Setzer Corp. He is involved in a number of business and civic organizations, including World Choir Games, Work Resource Center/Easter Seals, Crayons to Computers (free store for teachers), Chief Executives and World Presidents Organizations and Hamilton County Development Co.</p>	2007
63	<p>As a seasoned business owner and entrepreneur, Mr. Ach brings valuable insight to the board in strategic and cultural matters. Mr. Ach's involvement in the Cincinnati business community provides added understanding of our growing Cincinnati market area. Furthermore, his specific background in architectural engineering provides added value in our branch expansion plans.</p> <p>Managing member, The Cisle Co. LLC, Hamilton, Ohio (consulting and development business). Retired President, Don S. Cisle Contractor, Inc., Hamilton, Ohio, (construction contractor), which closed and sold its assets in 2009; former President of Seward Murphy, Inc., a family owned investment company dissolved in 2009; Director of First Financial Bank, N.A., Hamilton, Ohio since 1996.</p>	
Donald M. Cisle, Sr.		1996
57	<p>As a native of Hamilton, Ohio, our bank's headquarters, his long history with our Company provides our board and management with valuable insight into the history of the Company. Furthermore, as a significant long-term shareholder, Mr. Cisle brings us insight into our retail shareholder base and we believe is further aligned with the interests of our shareholders. Finally, Mr. Cisle's years as a small business owner provides us with added understanding of the issues such businesses face.</p>	
Corinne R. Finnerty	<p>Partner, law firm of McConnell Finnerty Waggoner PC, North Vernon, Indiana (trial attorney); Director of First Financial Bank, N.A., Hamilton, Ohio since 1997; currently serving as member (Former Chair) of the Indiana Supreme Court Disciplinary Commission, the body which has responsibility for the enforcement of the "Rules of Professional Conduct" for the approximately 17,000 licensed attorneys in the State of Indiana; former Director and Chair of CPX, Inc., North Vernon, Indiana; former director of an affiliate bank from 1987 to 2005. Ms. Finnerty is Vice Chair of the Company's Board.</p>	1998
55		

Ms. Finnerty's deep roots in the North Vernon, Indiana area provide representation on the board for our southeast Indiana market. Her participation for seven years on the Indiana Supreme Court Disciplinary Commission allows her to provide insight on governance and ethical issues. Furthermore, her years as a practicing attorney, including the representation of financial institutions for over thirty years, give her enhanced perspective on legal and regulatory issues.

Operator of two 7-Eleven Food Stores in Griffith, Indiana. Director of First Financial Bank, N.A., Hamilton, Ohio since 2005; former director of an affiliate bank from 1995 to 2005.

Richard E. Olszewski

2005

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Mr. Olszewski's 35 years of community service and 15 years of service to our Company provides us with a deeper understanding of our important northwest Indiana market. Furthermore his business and retail experience as a small business owner provides our Company with a better understanding of a key client constituency.

(1) Ages are listed as of December 31, 2011.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE "FOR" THE ELECTION OF EACH OF THE NOMINEES.

proposal 2 - Approval of the 2012 stock plan

Shareholders are being asked to approve the adoption of the First Financial Bancorp. 2012 Stock Plan (the "Plan"). The Compensation Committee approved, and the Board subject to shareholder approval, adopted the Plan on February 28, 2012. If approved by our shareholders, the Plan will become the sole means by which the Company may grant long-term Stock-based compensation awards to its key employees. The Plan will also become the primary means by which the Company may grant Stock-based awards to our non-employee directors. If the Plan is not approved, there will be no more shares available for issuance to key employees after June 15, 2012. The purpose of the Plan is to recognize the contributions made to First Financial and its subsidiaries by employees and non-employee directors, to provide such persons with additional incentive to devote themselves to the future success of First Financial and its subsidiaries, and to improve the ability of First Financial and its subsidiaries to attract, retain and motivate such individuals, by providing them with the opportunity to acquire or increase their proprietary interest in First Financial through receipt of awards of or relating to the stock of First Financial.

Shareholder Approval Requirement

The Board has submitted the Plan for shareholder approval to qualify stock options as incentive stock options for purposes of Section 422 of the Code;

qualify certain compensation under the Plan as performance-based compensation for purposes of Section 162(m) of the Code,

· satisfy Nasdaq Stock Market (“Nasdaq”) guidelines relating to equity compensation awards, and

· provide us with the ability to competitively compensate our key employees while aligning their interests with that of our shareholders.

Key Plan Features

The Plan contains certain features that the Board believes are consistent with the interests of shareholders and sound governance principles. Provided below is a summary of these key Plan features.

· Incorporates flexible award alternatives to respond to evolving compensation best practices and regulatory requirements.

· Simplifies Plan administration by consolidating the director stock compensation plan and the key employee stock compensation plan into a single plan.

· Limits the number of shares available under the Plan to 1,750,000 shares, which represents approximately 3% of our issued and outstanding common shares as of December 31, 2011. We will not roll over any shares remaining for grant in the 2009 Employee Stock Plan when it expires in June 2012.

Prohibits granting discounted stock options and stock appreciation rights.

Requires shareholder approval of any amendment or modification of the Plan or awards that would result in repricing of previously granted awards.

Prohibits the use of shares under the Plan that were previously used by a participant to satisfy his or her tax obligations with respect to an award or to pay the purchase price of an option or to satisfy the base price of a stock appreciation right.

Incorporates executive compensation best practices by designating the Compensation Committee as the Plan administrator, which is comprised solely of non-employee, independent directors.

Maximizes the Company's ability to deduct incentive compensation by qualifying the performance incentive awards granted under the Plan as "performance-based compensation" under Section 162(m) of the Code.

Places restrictions on the payment of dividends so that no dividends will be paid prior to the date the option or stock appreciation right is exercised or, in the case of other types of awards, the date the award vests.

Allows for clawbacks with respect to awards granted under the Plan.

Authorizes the Committee to forfeit or recoup a participant's awards in the event the participant violates certain employment restrictions or is terminated for cause.

Plan Purpose

The Plan is intended to become our primary means for granting equity incentive compensation awards to key employees and non-employee directors. The 2009 Employee Stock Plan (the "2009 Employee Plan") and 2009 Non-Employee Director Stock Plan (the "2009 Director Plan") were each approved by our shareholders for three year terms at the 2009 annual shareholder meeting. As of December 31, 2011, 1,048,331 and 52,380 shares remained available for issuance under the 2009 Employee Plan and 2009 Director Plan, respectively.

Set forth below is a summary of the number of shares that may be issued upon exercise of outstanding stock-based awards and a summary of the number of shares remaining available for future issuance under the Company's stock award plans. Based on the information provided below, the Board has determined that it is necessary to establish a new stock-based compensation plan and to authorize additional shares to be issued under that plan to continue to provide incentives to key employees and non-employee directors.

Equity Compensation Plan Information (as of December 31, 2011)

Plan category	Number of securities to be issued upon exercise of outstanding options, warranties and rights	Weighted-average exercise price of outstanding options, warranties and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
	(a)	(b)(1)	(c)(1)
Equity compensation plans approved by security holders	2,364,926	\$ 13.99	1,100,711
Equity compensation plans not approved by security holders	N/A	N/A	N/A

The securities included in this column are available for issuance under First Financial's 2009 Employee Stock Plan (2009 Employee Plan), 2009 Non-Employee Director Stock Plan (Director Plan), 1999 Stock Option Plan for Non-Employee Directors (1999 Directors Plan) and its 1999 Stock Incentive Plan for Officers and Employees (Incentive Plan). All four plans include provisions regarding adjustments to the number of securities available for future issuance under the respective plans in the event of a merger, reorganization, consolidation, recapitalization, reclassification, split-up, spin-off, separation, liquidation, stock dividend, stock split, reverse stock split, property dividend, share repurchase, share combination, share exchange, issuance of warrants, rights or debentures or other (1) change in corporate structure of First Financial affecting First Financial's common shares. In any of the foregoing events, the Director Plan permits the Board of Directors and the Incentive Plan permits the Board of Directors or the Compensation Committee to make such substitution or adjustments in the aggregate number and kind of shares available for issuance under the respective plans as the Board of Directors (or, in the cases of the Stock Plan and the Incentive Plan, the Compensation Committee) may determine to be appropriate in its sole discretion. Of the securities reported in column (c) 52,380 are available for future issuance under the Director Plan, and 1,048,331 are available under the 2009 Employee Plan. At April 1, 2012, 52,380 shares are available for future issuance under the Director Plan and 787,164 are available under the 2009 Employee Plan.

N/A - Not applicable.

Effect on Existing Stock Plans

The 2009 Employee Plan expires on June 15, 2012. As of April 1, 2012, there were 37,164 shares available for restricted stock and restricted stock units issuance and 750,000 for stock option and stock appreciation right grants under the 2009 Employee Plan (the Company has not granted any options since 2008). If the Plan is approved by shareholders, no further awards will be made under the 2009 Employee Plan. Outstanding awards made under the 2009 Employee Plan will continue to be governed by the terms of that plan until such awards have become exercised, forfeited, canceled, vested, expired or otherwise terminated in accordance with the terms of such grants. If the Plan is not approved, we will not have any means of granting stock to our key employees after June 15, 2012 (the date the 2009 Employee Plan expires).

In addition, the Board will seek approval from shareholders to extend the term of the 2009 Director Plan so that the Company may use the remaining shares available under the 2009 Director Plan to make awards to non-employee directors. See Proposal 2 for a more detailed discussion of the proposed amendments to the 2009 Director Plan. We anticipate that there are sufficient shares available under the 2009 Director Plan to make grants over a period of three to five years. Once the shares available under the 2009 Director Plan have been exhausted, the Company will make grants to our non-employee directors under the Plan.

Plan Summary

Below is a summary of the material features of the Plan and its operation. This summary does not purport to be a complete description of all of the provisions of the Plan. It is qualified in its entirety by reference to the full text of the Plan, a copy of which is attached hereto as *Appendix A* and is incorporated by reference to this proposal.

Purpose of the Plan. The purpose of the Plan is to promote the interests of the Company and its subsidiaries through grants of stock options, stock appreciation rights, restricted stock and stock units. The stock-based incentive compensation available under the Plan is intended (1) to attract and retain key employees and directors, (2) to provide an additional incentive to the recipient to work to increase the value of our stock, and (3) to provide each recipient with a stake in our future which corresponds to the stake of each of our shareholders. The Plan provides an essential component of the total compensation package offered to our key employees and directors. The Board of Directors continues to believe that these types of stock-based incentives are important factors in attracting, retaining and rewarding employees and directors and closely aligning their interests with those of shareholders. The Plan reflects the importance placed by us on motivating the Company's employees and directors to achieve superior results over the long-term.

Administration of the Plan. The Plan is administered by a committee of the Board (the "Committee"). It consists of 2 or more "outside directors" who are also "non-employee directors" as required by Section 162(m) of the Code and Rule 16b-3 of the Securities Exchange Act of 1934. The Compensation Committee meets these requirements and the Board intends for the Compensation Committee to be the "Committee" under the Plan. The Committee has the power in its discretion to grant awards under the Plan, to determine the terms of such awards, to interpret the provisions of the Plan and to take action as it deems necessary or advisable for the administration of the Plan.

Number of Authorized Shares. The total number of shares authorized and available for issuance under the Plan is 1,750,000. Under the terms of the Plan, the maximum number of shares of full value stock awards (restricted stock and RSUs) that may be granted is 1,750,000. We are asking our shareholders to authorize a number of shares available under the Plan to a level that we believe will, on the basis of current expectations, be sufficient during the Plan's proposed five-year term.

In the event we have certain changes in our capitalization, such as stock dividends or stock splits, or we have a corporate transaction, such as a reorganization, separation or liquidation, merger, consolidation, or acquisition of property or stock, the Committee will adjust in an equitable manner the number, kind or class of shares reserved under the Plan and the individual and aggregate limits imposed on grants to the extent required to preserve the economic value of the awards. The Board will make similar adjustments to shares underlying any grant previously made of restricted stock or RSUs and any related grant or forfeiture conditions and to shares related to previously granted options and the option price and to SARs and the SAR share value. If we assume awards or grant substitute awards in a corporate transaction for awards previously granted by another company we acquire ("Substitute Awards"), our Substitute Awards will not reduce the shares authorized for issuance under the Plan or any individual or aggregate annual limits.

Payment of the exercise price or applicable taxes made by delivery of shares to, or withholding of shares by, the Committee in satisfaction of a participant's obligation, will not result in additional shares becoming available for subsequent awards under the Plan.

Termination and Amendment of the Plan. Unless earlier terminated by the Board or the Committee, the Plan will terminate five (5) years after the date it was approved by our shareholders.

In addition, the Board or the Committee may, at any time and for any reason, suspend or terminate the Plan or from time to time amend the Plan, provided that any amendment to the Plan will be submitted to our shareholders for approval if such shareholder approval is required by any federal or state law or regulation or the rules of the Nasdaq (or any stock exchange on which the shares may then be listed or quoted). Even if the Plan is suspended or terminated, the Committee shall still retain authority to exercise powers given to it under the Plan with respect to awards granted under the Plan before the suspension or termination.

Eligibility and Participation. Any key officer or non-employee director of the Company or any of its subsidiaries or affiliates is eligible to receive an award under the Plan. As of December 31, 2011, we had approximately 1,656 employees and 11 non-employee directors.

Types of Awards under the Plan. The Plan authorizes the Committee to grant awards to participants in any of the following forms, subject to such terms, conditions, and provisions as the Committee may determine to be necessary or desirable:

- stock options, either incentive stock options (“ISOs”) or nonqualified stock options (“NQSOs”);
 - stock appreciation rights (“SARs”);
 - restricted stock;
 - restricted stock units (“RSUs”); and
- restricted stock, stock options, SARs, or RSUs with performance-based conditions to vesting or exercisability.

ISOs may not be granted to non-employee directors. In addition, we currently do not have any present intention of utilizing RSUs or SARs. However, the Plan permits us to grant RSUs and SARs to maximize the flexibility of the Plan over its term.

Options and SARs. Stock options entitle the option holder to purchase shares at a price established by the Committee. Options may be either ISOs or NQSOs. SARs entitle the SAR holder to receive cash equal to the positive difference (if any) between the SAR share value and the fair market value of the shares on the exercise date. We have historically awarded ISOs and NQSOs to our employees and may award NQSOs to our directors. We do not currently have a practice of awarding SARs to employees or directors.

Exercise Price. The exercise price of an option or the share value of a SAR is the fair market value of the underlying shares on the date of grant. The Plan prohibits any repricing, replacement, re-grant or modification of stock options or SARs that would reduce the exercise price of the stock options or SARs without shareholder approval, other than in connection with a change in our capitalization or certain corporate transactions described above in “Number of Authorized Shares.”

Vesting/Expiration of Options. The Committee determines the terms under which options and SARs vest and become exercisable. Option awards may contain provisions that allow the option holder to exercise the option after his or her termination of service due to death or disability or for such other reason established by the Committee. Any part of the option that has not been exercised by the end of the option term expires and is forfeited. Option and SAR terms may not exceed 10 years from the date of grant.

Exercise of Options. An option holder may exercise an option by completing and delivering the applicable form to the record keeper as specified by the Committee. The option holder must state the number of shares for which the option is being exercised and must tender payment for the shares. The Committee may, in its discretion, accept cash, check or electronic funds transfer, previously acquired shares (valued at the fair market value on the date of exercise) and held for the period required by the Committee. In the alternative, the Committee may reduce the number of shares deliverable upon exercise of the option through an established net exercise process or the Committee may permit payment through a broker-facilitated cashless exercise program.

Exercise of SARs. Upon exercise of a SAR, a participant will be entitled to receive cash or shares, or a combination of both, as specified in the award agreement, having an aggregate fair market value equal to the excess of (i) the fair market value of one share on the date of exercise, over (ii) the SAR share value, multiplied by the number of shares covered by the SAR or the number being exercised.

Termination of Options and SARs. In the event that a participant's service with us and all of our subsidiaries terminates prior to the expiration of an option or SAR, the participant's right to exercise vested options or SARs generally terminates, provided that the Committee may specify in the applicable option or SAR agreement those circumstances in which the participant may exercise his or her option after termination of service.

Stock Awards and Performance Shares

Issuance. The Company may grant restricted stock and RSUs to employees and directors. Such awards may vest as a result of continued service to the Company or may vest solely upon achievement of applicable performance criteria established by the Committee. Stock awards may be denominated in shares or units payable in shares (for example, performance vested restricted stock), and may be settled in cash, shares, or a combination of cash and shares. Restricted stock granted to participants may not be sold, transferred, pledged or otherwise encumbered or disposed of during the restricted period established by the Committee. The Committee may impose additional restrictions on a participant's right to dispose of or to encumber restricted stock, including satisfaction of performance objectives.

Termination of Stock Awards. In the event a participant's service with us and all of our subsidiaries terminates prior to the vesting of a stock award, that award will be forfeited unless the terms of the award, as approved by the

Committee at the time of grant, provide for accelerated vesting.

Qualifying Performance-Based Compensation. The Committee may specify that the grant, retention, vesting, or issuance of any award, (whether in the form of a stock option, SAR, restricted stock, RSU or a performance award) or the amount to be paid out under any award, will be subject to or based on performance objectives or other standards of financial performance and/or personal performance evaluations, whether or not established and administered in accordance with the requirements of Section 162(m) of the Code for awards intended to qualify as performance-based compensation.

Establishment of Performance Goals. At the beginning of each performance period the Committee will establish performance goals applicable to performance awards. To the extent that performance conditions under the Plan are applied to awards intended to qualify as performance-based compensation under Section 162(m), such performance goals will be objectively measurable and will be based upon the achievement of a specified percentage or level of one or more of the following performance measures, subject to any objectively verifiable adjustment(s) permitted and pre-established by the Committee in accordance with Section 162(m) of the Code, as determined by the Committee in its sole discretion:

- return measures (including, but not limited to return over capital costs, return on assets, cash return on assets, return on tangible equity or cash return on equity)
 - expenses
 - revenue growth
 - efficiency ratios
- earnings measures (including, but not limited to, cash operating earnings per share of Stock or growth (excluding one-time, non-core items), operating earnings per share of stock (excluding one-time, non-core items), cash earnings per share of stock, net earnings, earnings before interest expense, taxes, depreciation, amortization and other non-cash items and earnings before interest and taxes)
 - economic value added
 - net income available to common shareholders
 - book value per share
 - pre-tax income or growth
 - operating leverage
 - net interest margin
 - Tier 1 capital
 - risk-adjusted net interest margin
 - total risk-based capital ratio
 - tangible equity and tangible assets

- consolidated net income
 - stock performance measures (including, but not limited to, market capitalization and stock price)
- tangible book value per share
 - loan balances or growth
 - deposit balances or growth
 - low cost deposit balances or growth
 - total shareholder return
 - other financial, accounting or quantitative objective established by the Committee

Performance goals may be based on one or more business criteria, one or more of our business units or divisions, our subsidiaries or affiliates, or the Company as a whole, and if so desired by the Committee, by comparison with a peer group of companies. Performance awards granted under the Plan may contain such additional terms and conditions, not inconsistent with the terms of the Plan, as the Committee may determine, provided that, if the performance awards are intended to qualify as performance-based compensation under Section 162(m) of the Code, such additional terms and conditions are also not inconsistent with Section 162(m) of the Code.

Following the end of each performance period, the Committee shall certify the level of achievement with respect to each performance measure and determine the corresponding amount payable with respect to the applicable award. In determining the amount payable with respect to an award, the Committee may exercise its discretion to adjust the amount payable with respect to the award, but may not exercise discretion to increase the amount payable under an award to the extent the award is intended to satisfy the requirements of performance-based compensation under Section 162(m) of the Code.

Other Plan Features

Other Awards. The Committee may, at any time and from time to time, grant other stock-based awards under the Plan in lieu of delivering cash or stock under another shareholder approved plan or arrangement of the Company. Subject to the terms of the Plan and such other shareholder approved plan or arrangement of the Company, the Committee shall determine the terms and conditions of such other stock-based awards, including without limitation, the persons eligible for such other awards and the payment and vesting provisions of such awards.

Limited Transferability of Awards. Unless the Committee determines otherwise, awards may not be sold, pledged, assigned, hypothecated, transferred, or disposed of in any manner other than by will or by the laws of descent or distribution, and during the participant's lifetime, may be exercised only by the participant (or his personal representative or guardian if the participant is incapacitated).

Tax Withholding. The Committee may require payment, or withhold payments made pursuant to awards, to satisfy applicable withholding tax requirements.

Change in Control. The Plan generally provides that unvested awards accelerate and are vested upon a change in control; provided that performance-based awards may be prorated to reflect payment for less than a full performance period and may be paid contingent upon achievement of applicable performance criteria if the Committee is able to determine the level of achievement of the applicable performance measures as of the time of the change in control. However, with respect to restricted stock and RSUs granted to a Non-Employee Director, such awards become vested upon the Non-Employee Director's termination of service within 12 months of the change in control.

Rights as Shareholders. Until exercised, holders of options shall have no rights as a shareholder with respect to those options. With respect to restricted shares, except as limited by the Plan or award agreement, the recipient shall have all of the voting rights of a shareholder of the Company holding the class or series of common shares that is the subject of the restricted stock. If so determined by the Board or the Committee in the applicable award agreement and provided that sufficient shares are available under the Plan for such reinvestment, (1) cash dividends on the class or series of common shares that is the subject of the restricted stock award shall be automatically deferred and reinvested in additional restricted stock, held subject to the vesting of the underlying restricted stock and (2) dividends payable in common stock shall be paid in the form of restricted stock of the same class as the common stock with which such dividend was paid, held subject to the vesting of the underlying restricted stock. Alternatively, the Board or Committee can determine to hold cash dividends on unvested stock in escrow until such restrictions are removed. With respect to SARs and RSUs, a participant shall have no rights as a shareholder with respect to such awards until the shares underlying such awards are properly issued to the participant.

U.S. Federal Income Tax Consequences.

Stock options. There are no federal income tax consequences to a participant or us upon the grant of an ISO or an NQSO under the Plan.

Upon exercise of an NQSO, the option holder generally recognizes ordinary income in an amount equal to: (i) the fair market value of the acquired shares on the date of exercise, reduced by (ii) the exercise price the participant pays for the shares received in the exercise. Provided we satisfy applicable reporting requirements, we are entitled to a tax

deduction in the same amount as the participant includes as ordinary income.

An option retains its status as an ISO during the period the option holder is an employee and, if the ISO does not expire at termination, for three months after his termination of employment (with certain exceptions for death and disability). Upon the exercise of an ISO, an option holder generally recognizes no immediate taxable income. When the option holder sells shares acquired through the exercise of an ISO, the gain is treated as long-term capital gain (or the loss is a long-term capital loss) unless the sale is a “disqualifying disposition.” A “disqualifying disposition” occurs if the option holder sells shares acquired on exercise within two years from the grant date of the ISO or within one year from the date of exercise. On a disqualifying disposition, the option holder includes the gain realized on the sale of the shares as ordinary income (or ordinary loss). Gain (or loss) is determined by subtracting the exercise price paid from the larger of (i) the fair market value of the shares on the exercise date, or (ii) the amount realized by the option holder on the sale. The gain may constitute a tax preference item for computing the participant’s alternative minimum tax.

Generally, we will not be entitled to any tax deduction for the grant or exercise of an ISO. If, however, the sale of shares acquired through exercise of an ISO is a disqualifying disposition, then provided we satisfy applicable reporting requirements, we will be entitled to a deduction in the same amount the participant includes in income.

SARs. There are no federal income tax consequences to either a participant or us upon the grant of a SAR. However, the participant generally will recognize ordinary income upon the exercise of a SAR in an amount equal to the aggregate amount of cash and the fair market value of the shares received upon exercise. Provided we satisfy applicable reporting requirements, we will be entitled to a deduction equal to the amount included in the participant’s income.

Restricted Stock & RSUs. Except as otherwise provided below, there are no federal income tax consequences to either a participant or us upon the grant of restricted stock or an RSU. With respect to restricted stock, the participant recognizes ordinary income in an amount equal to the fair market value on the date of vesting. Subject to Section 162(m) of the Code, and provided we satisfy applicable reporting requirements, we will be entitled to a corresponding deduction. Notwithstanding the above, a recipient of a restricted stock grant that is subject to a substantial risk of forfeiture may make an election under Section 83(b) of the Code, within 30 days after the date of the grant, to recognize ordinary income as of the date of grant and we will be entitled to a corresponding deduction at that time.

When an RSU is settled, the participant will recognize ordinary income in an amount equal to the fair market value of the shares received or, if the RSU is paid in cash, the amount paid. If the Committee allows deferrals of RSUs, the participant's tax on the RSU will be postponed until the participant receives the stock or cash. No deferral will be allowed if the Committee determines it will result in additional income tax under Section 409A. The terms of any such deferral will be determined in accordance with and under the terms of the deferral plan.

Golden Parachute Payments. Awards that are granted, accelerated or enhanced upon the occurrence of, or in anticipation of, a change in control may give rise, in whole or in part, to "excess parachute payments" under Section 280G and Section 4999 of the Code. With respect to any excess parachute payment, the participant would be subject to a 20% excise tax on, and we would be denied a deduction for, the "excess" amount.

Section 162(m). Section 162(m) of the Code generally provides that publicly held companies may not deduct compensation paid to certain of their top executive officers (generally, our NEOs excluding the principal financial officer) to the extent such compensation exceeds \$1 million per officer in any year. Certain limited exceptions to Section 162(m) apply with respect to "performance-based compensation" that complies with conditions imposed by Section 162(m) rules, provided the material terms of such performance goals are disclosed to and approved by shareholders, as we have asked shareholders to do at the 2012 annual meeting (for example, *see* "Qualifying Performance-Based Compensation" above). Stock options, SARs and performance awards granted under the Plan and described above are intended to constitute qualified performance-based compensation eligible for such exceptions.

409A. We intend, that, to the extent any provisions of the Plan or any awards granted under the Plan are subject to Section 409A (which relates to nonqualified deferred compensation) of the Code, they will be interpreted and administered in good faith in accordance with Section 409A requirements and that the Committee will have the authority to amend any outstanding awards so that they are in compliance with Section 409A or qualify for an exemption from Section 409A. The Company will not indemnify any participant for taxes or penalties imposed by Section 409A.

New Plan Awards.

No determination has yet been made as to the amount or terms of any stock-based incentives under the Plan.

Board Recommendation

THE BOARD UNANIMOUSLY RECOMMENDS THAT YOU VOTE “FOR” APPROVAL OF THE FIRST FINANCIAL BANCORP 2012 STOCK PLAN.

proposal 3 - approval of AMENDMENTS TO THE 2009 non-employee director

On June 15, 2009 the Company's shareholders voted to approve the 2009 Non-Employee Director Stock Plan (the "Director Plan"). As of December 31, 2011, there were 52,380 shares that remain available for issuance under the Director Plan. However, the Director Plan was approved by shareholders with an original term of three (3) years, and therefore it expires on June 15, 2012 and thus no new awards may be granted under the plan after that date. Accordingly, the Board has adopted an amendment and restatement of the Plan, subject to shareholder approval, to (i) extend the term of the Director Plan for an additional five (5) years or, if earlier, until all remaining shares are issued under the Plan and (ii) modify the vesting schedule of awards granted on or after the 2012 shareholder meeting to reflect the fact that directors are now elected to a term of one year.

We are asking for shareholder approval so that we will be able to grant stock options and/or restricted stock awards to the directors of the Company who are not also employees of the Company (the "Non-Employee Directors") under the Director Plan. We believe that extending the term of the Director Plan will better allow us to more efficiently utilize the shares reserved for use under the Director Plan. Notwithstanding the requested extension of the term of the Director Plan, the approval of the Director Plan for a term of an addition five (5) years shall not result in the extension of the term of any outstanding option or award previously granted under the Director Plan. Other than with respect to the extension of the term of the Director Plan, the terms of the Director Plan remain unchanged from the version of the Director Plan submitted for shareholder approval on June 15, 2009.

Below is a summary of the material features of the Director Plan and its operation. This summary does not purport to be a complete description of all of the provisions of the Director Plan. It is qualified in its entirety by reference to the full text of the Director Plan, a copy of which is attached hereto as *Appendix B* and is incorporated by reference to this proposal.

Purpose of the Plan. The purpose of the Director Plan is to promote the long-term success of the Company and its subsidiaries by creating a long-term mutuality of interests between the Non-Employee Directors and our shareholders through the granting of stock options and/or restricted stock awards, to provide an additional inducement for the Non-Employee Directors to remain with the Company, and to provide a means through which we may attract qualified persons to serve as Non-Employee Directors.

Administration of the Director Plan. The Director Plan will be administered by the Board, which has delegated its powers under the Director Plan to the Compensation Committee, which shall consist of two or more directors who are "outside directors" and "non-employee" directors. The Non-Employee Directors to whom stock options and restricted stock awards are granted, the timing of grants, the number of shares subject to any stock option and restricted stock award, the exercise price of any stock option, the periods during which any stock option may be exercised and restricted stock awards shall vest, and the term of any stock option shall be as provided in the Director Plan unless provided for otherwise by the Board pursuant to the terms of the Director Plan.

Shares Subject to the Director Plan. Initially, a total of 75,000 shares were available for issuance under the Director Plan. Subsequent to its approval, the Company has granted awards to its non-employee directors under the plan totaling 22,620 shares. As of December 31, 2011 (and as of April 1, 2012), 52,380 shares remain available for issuance under the Director Plan. The Director Plan authorizes the issuance of either stock options or restricted stock awards. Shares issuable under the Director Plan as restricted stock awards or stock options may be authorized and unissued or shares previously issued that we have reacquired. Any shares subject to grants under the Director Plan which expire or are terminated, forfeited, or canceled without having been exercised or vested in full, shall be available for new grants.

Eligibility. Stock options and restricted stock awards may be granted under the Director Plan to the non-employee directors of the Company. There are currently eleven (11) non-employee directors.

Terms and Conditions of Awards.

Types of Awards. The Director Plan provides for the issuance of stock options and/or restricted shares.

Exercise Price. With respect to any option issued under the Director Plan, the price for shares issued upon exercise of stock options will be 100% of the fair market value of the shares on the date the option is granted.

Form of Consideration Upon Exercise of Options. The option price for each stock option will be payable in cash (including by check, bank draft or money order) or by other shares of our stock.

Term. If a Non-Employee Director terminates his service for a reason other than death, disability, retirement or a change in control of the Company, the options will expire within three months of such termination (or immediately if such termination is for cause.) If a Non-Employee Director dies, becomes disabled or retires, the Non-Employee Director will have 12 months from the date of such event to exercise any previously vested options. If a Non-Employee Director terminates in connection with a change in control, the Non-Employee Director will have until the first day of the seventh month following such termination to exercise his or her options. No Options may be exercised more than 10 years from the date of grant.

Other Provisions. The stock option agreement or restricted stock agreement for each grant of stock options or restricted stock award may contain other terms, provisions, and conditions not inconsistent with the Director Plan, as may be determined by the Board.

Rights as Shareholders. Until exercised, holders of options shall have no rights as a shareholder with respect to those options. With respect to restricted shares, except as limited by the Director Plan or award agreement, the grantee shall have all of the rights of a shareholder of the Company holding the class or series of common shares that is the subject of the restricted stock, including, if applicable, the right to vote the shares and, if granted by the Committee, the right to receive any cash dividends. If so determined by the Board or the Committee in the applicable award agreement and provided that sufficient shares are available under the Director Plan for such reinvestment, (1) cash dividends on the class or series of common shares that is the subject of the restricted stock award shall be automatically deferred and reinvested in additional restricted stock, held subject to the vesting of the underlying restricted stock and (2) dividends payable in common stock shall be paid in the form of restricted stock of the same class as the common stock with which such dividend was paid, held subject to the vesting of the underlying restricted stock. Alternatively, the Board or Committee can determine to hold cash dividends on unvested stock in escrow until such restrictions are removed.

Adjustments. The number of shares available under the Director Plan, the number of shares to be granted for each stock option or restricted stock award, and the number of shares subject to outstanding stock options or restricted stock awards will be adjusted to reflect any stock split, stock dividend or other event generally affecting the number of shares of Common Shares as necessary to preserve the economic value of the award.

Vesting. Awards typically vest immediately prior to the first shareholder meeting for the year following the year in which the award is granted. However, if the Non-Employee Director is elected to a term of more than one year, the awards typically vest in increments during such term. Restricted stock awards become fully vested upon the Non-Employee Director's death, disability or retirement.

Acceleration of Awards in the Event of a Change In Control. Options become fully vested upon a change in control of the Company. All awards become fully vested upon a Non-Employee Director's termination of service in connection with a change in control

Amendment and Termination. The Board may modify, amend, or terminate the Director Plan in any respect; except that if at any time the approval of the shareholders of the Company is required the Board may not effect the modification, amendment, or termination without shareholder approval. No amendment, alteration, suspension, or termination of the Director Plan shall impair the rights of any participant, unless mutually agreed to in writing. Unless earlier terminated by the Board, the Director Plan will terminate five (5) years after the date it is approved by the shareholders of the Company.

Federal Income Tax Consequences. The following discussion is intended to be a summary and is not a comprehensive description of the federal tax laws, regulations, and policies affecting the Company and recipients of awards under the Director Plan. Any descriptions of the provisions of any law, regulation, or policy are qualified in their entirety by reference to the particular law, regulation, or policy. Any change in applicable law or regulation or the policies of various taxing authorities may have a significant effect on this summary.

A participant who receives stock options will not recognize taxable income for federal income tax purposes at the time the option is granted. However, the participant will recognize compensation taxable as ordinary income at the time of exercise for all shares that are not subject to a substantial risk of forfeiture. The amount of such compensation will be the difference between the option price and the fair market value of the shares on the date of exercise of the option. We will be entitled to a deduction for federal income tax purposes at the same time and in the same amount as the participant is deemed to have recognized compensation income with respect to shares received upon the exercise of the stock options. The participant's basis in the shares will be adjusted by adding the amount so recognized as compensation to the purchase price paid by the participant for the shares. The participant will recognize gain or loss when he or she disposes of shares obtained upon exercise of a stock option in an amount equal to the difference between the selling price and the participant's tax basis in such shares. Such gain or loss will be treated as long-term or short-term capital gain or loss, depending upon the holding period.

A participant who receives restricted stock awards under the Director Plan will not recognize taxable income for federal income tax purposes when the restricted stock award is granted provided the award is subject to a substantial risk of forfeiture at the time of grant. Once the award is vested and the shares are distributed, the participant will generally be required to include in ordinary income for the taxable year in which the vesting date occurs an amount equal to the fair market value of the shares on the vesting date. We will generally be allowed to claim a deduction for compensation expense in a like amount.

In the event dividends are paid on unvested restricted share awards, such dividends will be taxed as ordinary income.

The preceding statements are intended to summarize the general principles of current federal income tax law applicable to awards under the Director Plan. State and local tax consequences may also be significant.

Board Recommendation

THE BOARD UNANIMOUSLY RECOMMENDS THAT YOU VOTE “FOR” APPROVAL OF THE AMENDMENTS TO THE 2009 NON-EMPLOYEE DIRECTOR STOCK PLAN.

PROPOSAL 4—RATIFICATION OF THE APPOINTMENT OF AUDITORS

The Audit Committee of the board has appointed Ernst & Young LLP as First Financial’s auditors for the year 2012 and, if shareholders do not ratify the appointment, the Audit Committee will consider whether or not to retain Ernst & Young in the future. Even if the appointment is ratified, the Audit Committee, at its discretion, may change the appointment at any time during the year if it determines that such appointment would be in the best interests of the Company and its shareholders.

Ernst & Young were the Company’s auditors for the year ended December 31, 2011, and a representative of the firm is expected to attend the meeting, respond to appropriate questions and, if the representative desires, which is not now anticipated, make a statement.

The Board of Directors unanimously recommends a vote “FOR” the ratification of the appointment of Ernst & Young LLP as the Company’s independent registered accounting firm for the fiscal year ended December 31, 2012.

PROPOSAL 5—ADVISORY RESOLUTION ON EXECUTIVE COMPENSATION

We are asking shareholders to approve an advisory resolution on the Company's executive compensation as reported in this proxy statement. As described below in the "Compensation Discussion and Analysis" section and tabular disclosure and accompanying narrative discussions of the Named Executive Officer ("NEO") compensation in this proxy statement, the Compensation Committee believes that the balanced compensation mix consisting of base salary, annual cash incentives and long-term equity awards is fair and equitable and aligns management's interests with the interests of stockholders.

Base salary is designed to meet a minimum level of compensation necessary to attract and retain highly qualified employees. There were no increases in base salary in 2011 for NEOs.

Long-term equity awards are designed to reward executives for individual and Company performance, and to retain and motivate talented executives in this challenging regulatory and economic environment. Awards are subject to a three-year vesting period and are based in Company stock to align with the interests of and returns experienced by shareholders. In 2011, restricted stock target award levels as a percentage of base salary were increased (10% for Mr. Davis, 20% for Messrs. Hall and Lefferson, 22% for Mr. Gehlmann, and 0% for Mr. Munafa) thereby placing a greater percentage of the NEOs total compensation at risk and subject to longer-term performance.

Annual cash incentives are designed to reward executives for achieving short-term business objectives that generally have long-term impact on the success of the Company and shareholder return. In 2011, we outperformed our peers which resulted in a 150.9% payout under the Key Executive Short-Term Incentive Plan with the amount in excess of 100% being paid in restricted stock that vests over three years.

- Beginning January 1, 2011, there are no tax gross-ups for our NEOs under the new employment agreements.
- We maintain clawbacks for certain incentive compensation to our NEOs.

We urge shareholders to read the "Compensation Discussion and Analysis" of this proxy statement, which describes in more detail how our executive compensation policies and procedures operate and are designed to achieve our compensation objectives, as well as the Summary Compensation Table and other related compensation tables and narrative, which provide detailed information on the compensation of our Named Executive Officers. The Compensation Committee and the Board of Directors believe that the policies and procedures articulated in the "Compensation Discussion and Analysis" are effective in achieving our goals and that the compensation of our Named Executive Officers reported in this proxy statement has contributed to the Company's recent and long-term success.

In 2011, 2010 and 2009, shareholders approved the compensation of our NEOs with FOR votes of over 97%, 95% and 74%, respectively, of the votes cast. This year, we once again are asking shareholders to approve the following advisory resolution:

RESOLVED, that the shareholders of First Financial Bancorp (the “Company”) approve, on an advisory basis, the compensation of the Company’s Named Executive Officers disclosed in the Compensation Discussion and Analysis, the Summary Compensation Table and the related compensation tables, notes and narrative in the proxy statement for the Company’s 2012 Annual Meeting of Shareholders.

This advisory resolution, commonly referred to as a “say-on-pay” resolution, is non-binding on the Board of Directors. Although non-binding, the board and the Compensation Committee will review and consider the voting results when making future decisions regarding our executive compensation program. In response to our shareholder vote in 2011, we are currently conducting a “say-on-pay” advisory vote on an annual basis.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE “FOR” THE APPROVAL OF THE ADVISORY RESOLUTION ON EXECUTIVE COMPENSATION.

CORPORATE GOVERNANCE

General

The business and affairs of the Company are managed under the direction of the Board of Directors. Members of the Board are kept informed through discussions with the President and the Company's other officers, by reviewing materials provided to them and by participating in meetings of the Board and its committees. All members of the Board also served as directors of the Company's subsidiary bank, First Financial Bank, N.A.

Board Leadership Structure

The Board is led by a non-executive Chair. The current Chairman of the Board, Murph Knapke, who is an independent director, presides over each board meeting and performs such other duties as may be incident to the office. Although our corporate documents would allow our Chair to hold the position of Chief Executive Officer, our Corporate Governance Principles provides that these two positions at First Financial Bancorp must be separate. Your board believes this separation allows our Chair to provide additional independent oversight of management. The offices of the Chair and CEO at the Company have been separate since 1997.

The Board's Role in Risk Oversight

Assessing and managing risk is the responsibility of management of First Financial. Our Board of Directors, with the assistance of the Risk Committee and other Board committees as discussed below, reviews and oversees our Enterprise Risk Management ("ERM") program, which is an enterprise-wide program designed to enable effective and efficient identification and management of critical enterprise risks and to facilitate the incorporation of risk consideration into decision-making. The ERM program was established to clearly define risk management roles and responsibilities, bring together senior management to discuss risk and promote visibility and constructive dialogue around risk at all levels of the organization. The Company's risk governance structure starts with each line of business being responsible for managing its own risks. In addition, the Board of Directors and executive management have appointed a Chief Risk Officer to support the risk-oversight responsibilities of the Board and its committees and to involve management in risk management by establishing committees comprised of management personnel who are assigned responsibility for oversight of particular risk areas in the organization. An Enterprise Risk Management Committee ("ERMC") comprised of senior management is the senior most focal point within our Company to monitor, evaluate and recommend comprehensive policies and solutions to deal with all aspects of risk and to assess the adequacy of any risk remediation plans in the Company's businesses. Currently reporting up to the ERMC are various risk-related committees whose members are comprised of lines of business, risk management and senior officers. The Chief Risk Officer provides the board with a quarterly risk profile of the Company, as well as the results of the

ERMC. Under the ERM program, management develops a holistic portfolio of Company enterprise risks by facilitating business and function risk assessments, performing targeted risk assessments and incorporating information regarding specific categories of risk gathered from various internal Company operations. Management then develops risk response plans for risks categorized as needing management focus and response and monitors other identified risk focus areas. Management provides regular reports on the risk portfolio and risk response and monitoring efforts to the ERMC and to the Risk Committee.

Our Board assumes a significant oversight role in risk management both through its actions as a whole and through its committees.

The Risk Committee assists the Board in overseeing enterprise-wide risks, including credit risk, market risk, liquidity risk, operational risk, regulatory, legal risk and reputation risk. The Risk Committee's role and its relationship with the Board regarding risk oversight are more fully described under "Meetings of the Board of Directors and Committees of the Board – Board Committees - Risk Committee."

The Compensation Committee evaluates, with our senior officers, risks posed by our incentive compensation programs and seeks to limit any unnecessary or excessive risks these programs may pose to us, in order to avoid programs that might encourage such risks. The Compensation Committee's role and its relationship with the Board are more fully described under "Committees of the Board – Compensation Committee" and "Compensation Committee Report."

The Audit Committee reviews our systems to manage and monitor financial risk with management and our internal audit department. The Audit Committee's role and its relationship with the Board are more fully described under "Committees of the Board – Audit Committee."

Effective 2012, the M&A/Capital Markets Committee will oversee the Company's investment portfolio. This committee's role and relationship with the board are more fully described under "Committees of the Board – M&A/Capital Markets Committee."

Select members of management attend all Board meetings and are available for questions regarding particular areas of risk. While each of these committees is responsible for evaluating certain risks and overseeing the management of these risks, the entire Board of Directors is regularly informed through committee reports about such risks.

Director Independence

The Board of Directors has determined that eleven (11) of its current twelve (12) members are independent directors as that term is defined under the rules of the Nasdaq. All directors, other than our CEO, Claude E. Davis, are independent directors. To assist it in making determinations of independence, the Board has concluded that the following relationships are immaterial and that a director whose only relationships with the Company and its affiliates fall within these categories is independent:

A loan made by the First Financial Bank to a director, his or her immediate family or an entity affiliated with a director or his or her immediate family, or a loan personally guaranteed by such persons if such loan (i) complies with federal regulations on insider loans, where applicable; and (ii) is not classified by the bank's credit committee or by any bank regulatory agency which supervised the bank as substandard, doubtful or loss;

A deposit, trust, insurance brokerage, investment advisory, securities brokerage or similar client relationship between First Financial Bank or its subsidiaries and a director, his or her immediate family or an affiliate of his or her immediate family if such relationship is on customary and usual market terms and conditions;

- The employment by the Company or its subsidiaries of any immediate family member of the director if the employee serves below the level of a Senior Vice President;

Purchases of goods or services by the Company or any of its subsidiaries from a business in which a director or his or her spouse or minor children is a partner, shareholder or officer, if the director, his or her spouse and minor children own five (5%) percent or less of the equity interests of that business and do not serve as an executive officer of the business; or

Purchases of goods or services by the Company, or any of its subsidiaries, from a director or a business in which the director or his or her spouse or minor children is a partner, shareholder or officer if the annual aggregate purchases of goods or services from the director, his or her spouse or minor children or such business in the last calendar year does not exceed the greater of \$200,000 or 5% of the gross revenues of the business.

Pursuant to its charter, the Audit Committee reviews and ratifies all related transactions. Any loans to a director or a related interest are approved by the board in accordance with banking laws. For a discussion of such relationships, see “—Other Business Relationships.”

Transactions with Related Parties / Other Business Relationships

Corinne R. Finnerty, a director of the Company, is a shareholder and an officer of McConnell Finnerty Waggoner PC, which has been retained by First Financial Bank, N.A. and previous Company bank subsidiaries during the prior fiscal year and the current fiscal year. During 2011, the Company’s subsidiaries paid the firm \$37,554 in legal fees and reimbursable expenses. The Board of Directors has determined that these payments, which are below the applicable limits established by the rules of the Nasdaq, do not affect Ms. Finnerty’s status as an independent director.

Effective 2011, the Board adopted changes to its Corporate Governance Principles that provides that no director shall perform professional services for the Company or its affiliates. Such prohibition shall apply to such services provided (1) directly by the director (or an immediate family member) or (2) where the director (or an immediate family member) is affiliated with the organization that provides the professional services to the Company. Professional services can be characterized as advisory in nature, generally involves access to sensitive company information or to strategic decision-making, and typically have a commission- or fee-based payment structure. For the purposes of these Principles, professional services generally include, but are not limited to the following: investment services; insurance services, accounting/auditing services, consulting services, marketing services, legal services, property management services, realtor services, lobbying services, executive search services and IT consulting services. This prohibition shall not apply to services initiated prior to January 1, 2011.

Indebtedness of Directors and Management

Some of the officers and directors of the Company and the companies with which they are associated were clients of the banking subsidiary of the Company. The loans to such officers and directors and the companies with which they are associated (a) were made in the ordinary course of business, (b) were made on substantially the same terms, including interest and nature of collateral, as those prevailing at the time for comparable transactions with other persons and (c) did not involve more than the normal risk of collectability or present other unfavorable features.

First Financial Bank has had, and expects to have in the future, banking transactions in the ordinary course of business with directors, officers, principal shareholders and their associates on the same terms, including interest rates and collateral on loans, as those prevailing at the same time for comparable transactions with others. We presume that extensions of credit which comply with the Federal Reserve Regulation O to be consistent with director independence. In other words, we do not consider normal, arms-length credit relationships entered into in the ordinary course of business to negate a director's independence.

Board Self-Assessment

The board conducts a self-assessment annually, which our Corporate Governance and Nominating Committee ("CGNC") reviews and discusses with the Board. In addition, each of the committees of the Board is expected to conduct periodic self-assessments.

Director Education

The Board recognizes the importance of its members keeping current on Company and industry issues and their responsibilities as directors. All new directors attend orientation training soon after being elected to the Board. Also, the Board encourages attendance at continuing education programs for Board members, which may include internal strategy or topical meetings, third-party presentations, and externally-offered programs.

Nominating Procedures

It is the CGNC's policy that it will consider director candidates recommended by shareholders in accordance with the procedures outlined in the Company's Regulations. Under those procedures, shareholders who wish to nominate individuals for election as directors must provide:

- The name and address of the shareholder making the nomination and the name and address of the proposed nominee;
- The age and principal occupation or employment of the proposed nominee;
- The number of common shares of the Company beneficially owned by the proposed nominee;
- A representation that the shareholder making the nomination:
 - Is a holder of record of shares entitled to vote at the meeting, and
 - Intends to appear in person or by proxy at the meeting to make the nomination;
- A description of all arrangements or understandings between the shareholder making the nomination and the proposed nominee;
- Any additional information regarding the proposed nominee required by the proxy rules of the Securities and Exchange Commission (the "SEC") to be included in a proxy statement if the proposed nominee has been nominated by the Company's Board of Directors; and
- The consent of the proposed nominee to serve as a director if elected.

In order to be recommended for a position on the Company's Board of Directors by the committee, a proposed nominee must, at a minimum, (i) be able to comply with the Company's Corporate Governance Principles, and (ii) through a combination of experience and education have the skills necessary to make an effective contribution to the Board of Directors. In accordance with the Company's Regulations, no one may be elected to the Board of Directors after reaching his or her seventieth birthday.

In connection with next year's Annual Meeting of Shareholders, the committee will consider director nominees recommended by shareholders provided that notice of a proposed nomination is received by the Company no later than February 21, 2013, as provided in the Company's Regulations. Notice of a proposed nomination must include the information outlined above and should be sent to First Financial Bancorp, Attention: Gregory A. Gehlmann, General Counsel & Secretary 255 E. Fifth Street, Suite 700, Cincinnati, OH 45202.

Director Qualifications/Diversity

The committee identifies nominees for director through recommendations by shareholders and through its own search efforts, which may include the use of external search firms. The committee evaluates nominees for director based upon criteria established by the committee and applies the same evaluation process to all director nominees regardless of whether the nominee is recommended by a shareholder. The criteria evaluated by the committee include, among other things, the candidate's judgment, integrity, leadership ability, business experience and ability to contribute to board member diversity (including, but not limited to gender, race, ethnicity, as well as experience, geography, qualifications, attributes and skills) in a wide variety of areas. Although our Corporate Governance Principles discuss its importance, we have not established a particular policy regarding the consideration of diversity in identifying director nominees. However, the CGNC recognizes that racial and gender diversity of the Board is an important part of its analysis as to whether the Board constitutes a body that possesses a variety of complimentary skills and experiences. The committee also considers whether the candidate meets independence standards, is "financially literate" or a "financial expert," is available to serve, and is not subject to any disqualifying factor. No one individual trait is given particular weight in the decision process. We believe each of the Company's directors and director nominees possess the personal characteristics needed for the responsibilities as a director.

Stock Ownership Guidelines

The Company requires directors to own First Financial stock equal to at least three times the director's annual retainer within three years of first becoming a director of the Company. All directors who have been non-employee directors for at least three years are in compliance with this requirement. The requirement in the First Financial Bank, N.A. Bylaws that directors own at least \$1,000 of First Financial stock upon election or appointment to the Board is still in place. The Company recently revised the guidelines for directors to include 4,000 shares or three times the annual retainer whichever is less. This revision to the guidelines will be in effect on the date of the 2012 shareholder meeting. The Company also implemented stock ownership and retention guidelines for its NEOs. For NEO ownership and

retention guidelines, see “Compensation Discussion and Analysis – Other Guidelines and Procedures Affecting Executive Compensation – Share Ownership and Share Retention Guidelines.”

Director Change in Status

In the event of a change in the principal occupation, business association or residence of a director, such director shall submit his/her resignation to the Chair of the CGNC. The CGNC shall determine if it is in the best interest of the Company to accept the resignation or to allow for such director to continue serving as a member of the Board of Directors.

Other Directorships and Committee Memberships

To preserve independence and to avoid conflicts of interest, directors are to limit the number of other public company boards on which they serve to three or fewer. Directors are to advise the Chairman of the Board and the Chair of the CGNC before accepting an invitation to serve on another public company board. Members of the Audit and Compensation Committees are discouraged from serving on a number of similar committees of other public companies that would affect their ability to function effectively on the Boards and their committees. In addition:

- The CEO is limited to serving on the boards of no more than two additional public companies.
- Absent prior approval by the CGNC, all Board members are expected to limit their board membership on non-public/charitable organizations to no more than five.

Code of Business Conduct and Ethics and Corporate Governance Principles

We have adopted a Code of Business Conduct and Ethics which applies to all First Financial (including subsidiaries) directors, officers and employees. The code governs the actions and working relationships of First Financial employees, officers and directors. The code addresses, among other items, conflicts of interest, corporate opportunities, confidentiality, fair dealing, protection and proper use of corporate assets and compliance with laws, rules and regulations and encourages the reporting of any illegal or unethical behavior.

We also maintain a Code of Ethics for Senior Financial Officers which addresses some of the same issues as the Code of Business Conduct such as the importance of honesty, integrity and confidentiality, but establishes specific standards related to financial controls and reporting for senior financial officers of First Financial. We will disclose any substantive amendments to or waiver from provisions of the code made with respect to the Chief Executive Officer, principal financial officer or principal accounting officer on our website.

We have also adopted Corporate Governance Principles, which are intended to provide guidelines for the governance of First Financial by the Board and its committees. The Corporate Governance Principles cover, among other issues, executive sessions of the Board of Directors, director qualifications, director responsibility, director independence, voting for directors, limitations on other boards, continuing education for members of the Board of Directors and internal performance evaluations.

These documents are available within the Investor Relations section of our website at www.bankatfirst.com/investor under the “Corporate Governance” link.

Whistleblower Procedures

The Audit Committee and the Board of Directors have approved procedures for the receipt, retention and treatment of reports or complaints to the Audit Committee regarding accounting, internal accounting controls, auditing matters and legal or regulatory matters. There are also procedures for the submission by the Company or affiliate associates of confidential, anonymous reports to the Audit Committee of concerns regarding questionable accounting or auditing matters.

Succession Planning

In light of the critical importance of executive leadership to First Financial's success, we have instituted an annual succession planning process, which is guided by the CGNC. The process started first for our CEO and has been developed for the CEO's direct reports and will be implemented enterprise-wide for senior-level managers. Management regularly identifies high potential executives for additional responsibilities, new positions, promotions or similar assignments to expose them to diverse operations within the Company, with the goal of developing well-rounded and experienced senior leaders. As part of the annual process, the CEO and talent management collaborate with the CGNC to prepare succession and management development and review. The CGNC reports to the full board on its findings and the Board deliberates in executive session on the CEO succession plan.

Policy on Majority Voting

The Board recognizes that, under the Articles and Regulations, director nominees who receive the greatest number of shareholder votes are automatically elected to the Board of Directors, regardless of whether the votes in favor of such nominees constitute a majority of the voting power of First Financial. Nevertheless, we have adopted a policy on majority voting for the election of directors in our Corporate Governance Principles. You can view these within the Corporate Governance section of our website at www.bankatfirst.com/investor. The policy requires nominees who receive a greater number of votes "withheld" from his or her election than votes "for" his or her election to tender his or her written resignation to the CGNC for consideration by the committee following the certification of the shareholder vote. This requirement applies only in an uncontested election of directors, which is an election in which the only nominees are persons nominated by the Board of Directors.

The committee will then consider such resignation and make a recommendation to the Board concerning whether to accept or reject such resignation. In determining its recommendation to the Board, the committee will consider all factors deemed relevant by members of the committee including, without limitation, the stated reason or reasons why shareholders who cast "withhold" votes for the director did so, the qualifications of the director (including, for example, whether the director serves on the Audit Committee of the Board as an "audit committee financial expert" and whether there are one or more other directors qualified, eligible and available to serve on such committee in such capacity), and whether the director's resignation from the Board would be in the best interest of First Financial and its shareholders.

The committee also will consider a range of possible alternatives concerning the director's tendered resignation as the members of the committee deem appropriate, including, without limitation, acceptance of the resignation, rejection of the resignation, or rejection of the resignation coupled with a commitment to seek to address and cure the underlying reasons reasonably believed by the committee to have substantially resulted in the "withheld" votes. The Board will take formal action on the committee's recommendation no later than 90 days following the certification of the shareholder vote. In considering the committee's recommendation, the Board will consider the information, factors and alternatives considered by the committee and such additional information, factors and alternatives as the Board deems relevant. We will publicly disclose, in a Form 8-K filed with the SEC, the Board's decision, together with a full explanation of the process by which the Board made its decision and, if applicable, the Board's reason or reasons for rejecting the tendered resignation within four business days after the Board makes its decision.

Communicating with the Board of Directors

The Board of Directors has established a process by which shareholders may communicate with the Board of Directors. Shareholders may send communications to the Company's Board of Directors or to individual directors by writing to:

Attn: Board of Directors (or name of individual director)

First Financial Bancorp

255 E. Fifth Street, Suite 700

Cincinnati, OH 45202

Letters mailed to this address will be received by the director who serves as Chair of the Audit Committee or the director who serves as Chair of the Corporate Governance and Nominating Committee, as alternate. A letter addressed to an individual director will be forwarded unopened to that director by the Chair of the Audit Committee.

Information regarding this process is also available within the Investor Relations section of our website at www.bankatfirst.com/investor under the "Corporate Governance" link. For questions regarding this process, shareholders may contact the Company's General Counsel & Secretary, Gregory A. Gehlmann, at First Financial Bancorp, 225 E. Fifth Street, Suite 700, Cincinnati, OH 45202.

Meetings of the Board of Directors and Committees of the Board

Board Meetings

During the last fiscal year, the Board of Directors held eight regularly scheduled meetings. All of the incumbent directors attended 75% or more of those meetings and the meetings held by all board committees on which they served, during the periods that they served as directors.

The Board of Directors believes that it is important for directors to participate in scheduled board and committee meetings and to attend the Annual Meeting. It is the policy of the Board of Directors that directors who participate in fewer than 75% of scheduled board and committee meetings, or who do not attend the Annual Meeting, unless excused by the Board of Directors, are subject to not being re-nominated to the Board of Directors. During 2012, all of the incumbent nominees attended more than 75% of the scheduled meetings. All of the Company's directors attended the 2011 Annual Meeting.

Executive Sessions of Non-Management Directors

The independent directors meet in regularly scheduled meetings at which only the independent directors are present. During 2011, the independent directors held six such meetings.

Board Committees

The Board of Directors has the following standing Committees: Corporate Governance and Nominating, Compensation, Audit, M & A/Capital Markets and Risk. Other committees are formed as needed.

Corporate Governance and Nominating Committee. The CGNC reports to the Board on corporate governance matters, including the evaluation of the Board and its Committees and the recommendation of appropriate Board Committee structures and membership. The Committee also establishes procedures for the director nomination process and recommends director nominees for Board approval. Furthermore, the Committee oversees and monitors the CEO and other executive succession. The Committee is comprised of the following directors, each of whom satisfies the definition of independence for Nominating Committee members under the rules of the Nasdaq and SEC: J. Wickliffe Ach (Chair), Cynthia O. Booth, Corinne R. Finnerty and Richard E. Olszewski. The Committee held four meetings during the 2011 fiscal year.

Compensation Committee. The Compensation Committee's primary responsibilities include:

Determining and approving the compensation of the CEO and each executive officer of the Company as determined pursuant to Rule 16a-1(f) under the Securities Exchange Act of 1934;

Evaluating the performance of the Company's CEO for all elements of compensation and other executive officers with respect to incentive goals and objectives approved by the committee and then approving all executive officers' compensation based on those evaluations and other individual performance evaluations provided to the committee;

Reviewing and evaluating all benefit plans of the Company in accordance with applicable laws, rules and regulations;

Overseeing the preparation of the compensation discussion and analysis and recommending to the full Board its inclusion in the annual proxy statement in accordance with applicable laws, rules and regulations;

Annually reviewing the executive incentive compensation arrangements to see that such arrangements do not encourage such officers to take unnecessary and excessive risks that threaten the value of the Company; and

Recommending to the Board of Directors compensation for directors.

The Committee has the authority to retain compensation consultants to assist in the evaluation of director and executive compensation. During 2011, the Committee utilized the services of an independent compensation consultant.

The Compensation Committee is comprised of the following directors, each of whom satisfies the definition of independence for Compensation Committee members under the rules of the Nasdaq and SEC: Susan L. Knust (Chair), J. Wickliffe Ach, David S. Barker, and William J. Kramer. The Compensation Committee held five meetings during 2011.

Audit Committee. The Audit Committee oversees the audit functions of the Company and First Financial Bank, N.A. The Committee is responsible for overseeing the Company's accounting and financial reporting processes, the external auditors' qualifications and independence, the performance of the Company's internal audit function and the external auditors, and the Company's compliance with applicable legal and regulatory requirements. The Committee is comprised of the following directors, each of whom satisfies the definition of independence for Audit Committee members under the rules of the Nasdaq and the SEC: William J. Kramer (Chair), David S. Barker, Donald M. Cisle, Sr., and Maribeth S. Rahe. The Board of Directors has determined William J. Kramer is an Audit Committee financial expert serving on the Audit Committee. The Audit Committee held nine meetings during the fiscal year.

Risk Committee. The Risk Committee oversees enterprise-wide risks, including interest rate, credit, reputation, strategic, technology, operational, legal, regulatory, governance, reputation, market, liquidity and reporting risks. To the extent it deems necessary or appropriate, the Risk Committee carries out the following responsibilities, among others:

Review and approve significant risk assessment and risk management policies, and develop and implement additional policies relating to risk assessment and risk management;

- Evaluate risk exposure and tolerance;
- Consult with the Chief Risk Officer regarding credit and other risks, as appropriate; and
- Consult with the Audit and Compensation Committees regarding financial and compensation risks, as appropriate.

The Risk Committee is comprised of the following directors, each of whom satisfies the definition of independence for Risk Committee members under the rules of the Nasdaq and SEC: Richard E. Olszewski (Chair), Mark A. Collar, Corrine R. Finnerty and Cynthia O. Booth. The Risk Committee held four meetings during 2011.

M&A/Capital Markets Committee. This Committee is comprised of the following directors, each of whom satisfies the definition of independence for M&A/Capital Markets Committee members under the rules of the Nasdaq and SEC: Murph Knapke (Chair), David S. Barker, Mark A. Collar, William J. Kramer and Maribeth S. Rahe. Effective 2012, the Committee will be responsible for oversight of the Company’s investment portfolio. The Committee held four meetings during the 2011 fiscal year and will adopt a charter in 2012.

Availability of Committee Charters. The Corporate Governance and Nominating, Compensation, Risk and Audit Committees operate pursuant to separate written charters adopted by the Board. Each committee reviews the charter at least annually. Copies of the charters are available within the Investor Relations section of our website at www.bankatfirst.com/investor under the “Corporate Governance” link. The information contained on the website is not incorporated by reference or otherwise considered a part of this document.

BOARD COMPENSATION FOR FISCAL 2011

The Compensation Committee reviews the individual components and total amount of director compensation at least annually. The Compensation Committee will recommend changes in director compensation to the Board aided by its review of competitive pay data for non-employee directors of the financial services companies in the Company’s Peer Group. It may recommend changes to director compensation more or less frequently based on its analysis of this competitive data. The Compensation Committee uses the same Peer Group for this purpose as used by the committee to determine competitive pay for named executives. See “-External Benchmarks” in the CD&A. The Compensation Committee has retained Towers Watson to act as the Committee’s independent compensation consultant.

Name	Fees Earned or Paid in Cash	Stock Awards (\$)(3)	All Other Compensation	Total (\$)
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	(\$)(1)(2)		(\$)(4)	
J. Wickliffe Ach	\$ 45,500	\$	\$ 531	46,031
David S. Barker	39,500	20,000(3)	542	60,042
Cynthia O. Booth	32,000	20,000(3)	—	52,000
Donald M. Cisle, Sr.	38,000		531	38,531
Mark A. Collar	36,500		2,543	39,043
Corinne R. Finnerty	36,750		531	37,281
Murph Knapke	71,250	—	2,543	73,793
Susan L. Knust	44,250	20,000(3)	430	64,680
William J. Kramer	48,000		2,543	50,543
Richard E. Olszewski	44,250		531	44,781
Maribeth S. Rahe	38,000	20,000(3)	542	58,542

(1) Includes retainers, board and committee attendance fees and retainers for committee chairs for both First Financial Bancorp and First Financial Bank.

Pursuant to the Company's Director Fee Stock Plan, directors may elect to have all or any part of the annual (2)retainer fee paid in the Company's common shares. See also "- Director Stock Fee Plan." This column includes shares purchased under such plan as follows:

Name	Amount of Fees Used to Purchase Common Shares
J. Wickliffe Ach	\$ 5,000
David S. Barker	10,000
Cynthia O. Booth	6,000
Mark A. Collar	2,000
Corinne R. Finnerty	13,200
Murph Knapke	13,200
Susan L. Knust	10,000
William J. Kramer	13,200
Richard E. Olszewski	13,200
Maribeth S. Rahe	20,000

Total value is computed utilizing the grant date market value for restricted stock awards. See Note 20—Stock Options and Awards of the Company’s Annual Report on Form 10-K for additional information on valuation methodology (3) each director received 1,239 shares. Based on the closing price of First Financial’s common shares as of the date of grant (May 24, 2011) of \$16.14 per share. All shares vest on May 24, 2012. Dividends on unvested restricted stock are held in escrow and only paid upon vesting of the shares. See “Director Stock Plans.”

(4) Includes dividends paid on unvested restricted stock awards (with respect to stock grants made prior to 2010) and accrued dividends on restricted stock vesting in 2011.

Board/Committee Fees

In 2011 the non-employee directors of the Company and First Financial Bank received (a) annual retainers of \$10,000 and \$10,000, respectively; and (b) \$750 for each board and committee meeting attended. Committee chairs receive annual retainers of \$7,500; however, the Chair of the Audit and the Compensation Committee receives a \$10,000 annual retainer. These chair retainers are to recognize the extensive time that is devoted to committee matters including meetings with management, auditors, attorneys and consultants and preparing committee agendas. Furthermore, the Chair and Vice Chair of the Company receive annual retainers of \$40,000 and \$7,500 annually, respectively. Director fees are paid quarterly.

Director Stock Plans

In 2009, First Financial’s shareholders approved the 2009 Non-Employee Director Stock Plan. The plan provided that directors can receive options and/or restricted stock awards. Currently, upon election or re-election to a one-year term, each non-employee director receives \$20,000 in value of restricted stock which vests one year from the date of grant. Prior to 2011, directors were elected for three year terms and received \$60,000 in restricted stock which vested over three years. Grants are made on the date of the Annual Meeting based on the closing price of the Company’s common

shares that day. Unless amended, no further awards can be granted under the plan after June 15, 2012. We are seeking shareholder approval to allow for grants under the Plan for five more years. See “Proposal 3 - Approval of Amendments to 2009 Non-Employee Director Stock Plan.”

In addition, if the 2012 Stock Plan is approved, shares designated under this plan would also be available for grant to directors once shares from the 2009 Non-Employee Director Stock Plan are depleted. See “Proposal 2 – Approval of the 2012 Stock Plan.”

Stock Grants to Nominee Directors

In the event that directors Barker, Booth, Collar, Knapke, Knust, Kramer and Rahe, are re-elected to the Board, each will receive a grant of \$20,000 of restricted stock from the 2009 Non-Employee Director Stock Plan which would vest one year from the date of grant. At March 26, 2012, the closing price of our common shares was \$17.37 per share, which would equate to a grant of approximately 1,151 restricted shares each.

Director Fee Stock Plan

Each year, directors are given the opportunity to have all or a portion of their board fees invested in the Company’s common stock. Elections are made once a year. Shares are purchased on the open market by an independent broker dealer after the payment of the quarterly board fees.

Reimbursement

Directors are entitled to reimbursement of their reasonable travel expenses for attending Board of Director and Committee meetings. Claude Davis, who is also an employee of the Company, did not receive any additional fees for serving on the Board of Directors and therefore has been omitted from the table. For a discussion of Mr. Davis' compensation, see "Executive Compensation."

BACKGROUND OF EXECUTIVE OFFICERS WHO ARE NOT DIRECTORS

The following describes at least the last five years of business experience of executive officers of First Financial, who are not directors of First Financial. The descriptions include any other directorships at public companies held during the past five years.

C. Douglas Lefferson (age 47)—Executive Vice President and Chief Banking Officer since November 2010; Chief Operating Officer (April 2005–November 2010); and Chief Financial Officer (January 2002–April 2005). Mr. Lefferson has spent his entire banking career in various positions within the Company and its subsidiaries.

J. Franklin Hall (age 43)—Effective September 2011, Executive Vice President, Chief Financial Officer, and Chief Operating Officer (designated Principle Accounting Officer on an interim basis until December 17, 2011) and Chief Financial Officer since April 2005. He has served other roles with affiliates of the Company, President of First Financial Capital Advisors, LLC (April 2007–December 31, 2010) and President of the First Funds family of proprietary mutual funds (December 2006–December 2009); and Controller (January 2002–April 2005). Mr. Hall joined First Financial in June of 1999. Prior to joining First Financial, Mr. Hall was with Firststar Bank, N.A. (now known as US Bancorp) in Cincinnati, Ohio and began his career with Ernst & Young LLP.

Gregory A. Gehlmann (age 50)—Executive Vice President and General Counsel since April 2010; has been general counsel since joining the Company in June 2005. From July 2006–August 2008, he assumed the additional responsibility of Chief Risk Officer. Prior to joining First Financial, Mr. Gehlmann practiced law for 16 years in Washington, D.C. From March 2000–June 2005, he served as partner/counsel at Manatt, Phelps & Phillips, LLP, Washington, D.C., where he served as counsel to public and private companies, as well as investors, underwriters, directors, officers and principals regarding corporate securities, banking and general business and transactional matters.

John M. Gavigan (age 33) is First Vice President and Corporate Controller (Principal Accounting Officer). Mr. Gavigan joined First Financial in September of 2008 as assistant vice president and assistant controller, and was subsequently promoted to vice president and assistant controller in 2009, where he held that position until assuming his current position effective December 17th of 2011. Prior to joining First Financial, Mr. Gavigan was most recently a manager with Protiviti Inc., a leading international provider of business and technology risk consulting services, where he specialized in financial reporting-related services.

COMPENSATION COMMITTEE REPORT

In its capacity as the compensation committee of the Board, the Compensation Committee has reviewed and discussed with management the CD&A below. Based on this review and these discussions, the Compensation Committee has recommended to the Board that the CD&A be included in this proxy statement and incorporated by reference in our Annual Report on Form 10-K for the year ended December 31, 2011 for filing with the SEC.

Members of the Compensation Committee:

Susan L. Knust, Chair
J. Wickliffe Ach
David S. Barker
William J. Kramer

COMPENSATION DISCUSSION AND ANALYSIS (CD&A)

Introduction

This CD&A describes and explains the Company's executive compensation decisions for 2011 for the five executive officers named in the Summary Compensation Table. These named executive officers (or NEOs) are:

Claude E. Davis, President and Chief Executive Officer

C. Douglas Lefferson, Executive Vice President and Chief Banking Officer

J. Franklin Hall, Executive Vice President and Chief Financial Officer

Gregory A. Gehlmann, Executive Vice President and General Counsel

Samuel J. Munafo, Executive Vice President and Chief Commercial Lending Officer

The Compensation Committee's decisions reflect our compensation principles that have historically guided its compensation deliberations:

- paying for performance;
- promoting a culture of risk management that avoids unnecessary risk-taking;
- attracting and retaining highly qualified and motivated executives with competitive pay; and
- aligning executives' interests with those of our shareholders.

The banking industry faced another challenging year with the continued stress in the economy and the regulations implementing sweeping legislation. In spite of these challenges, First Financial remained profitable, outperformed its peers and was able to take advantage of growth opportunities. Despite the continued difficult economic environment, our management team made significant progress in achieving our strategic, operational and financial goals for 2011.

Highlights of 2011 included:

- Continued financial performance in comparison to peers (median to top quartile in almost all performance criteria set forth in the 2011 Short-Term Incentive Plan).
- Completion of important branch acquisitions in two of our key strategic markets.
- Continued improved credit quality.
- Maintained significant levels of capital.
- Clawbacks covering the retention bonus and the Short-Term Incentive Plan for NEOs, in addition to those clawback policies adopted while we participated in TARP.
- Eliminated certain perquisites offered to our NEOs.
- Effective January 1, 2011, new employment agreements with our NEOs eliminate tax gross ups and other post-employment benefits.
- Continued to inventory all incentive compensation plans and evaluate them for excessive risk.

- Completed our 85th consecutive quarter of profitability at the end of 2011.
- Implemented a variable dividend strategy in the second half of 2011 that is evaluated each quarter. During 2011, the strategy resulted in the payment of an additional \$0.15 per share in dividends to our shareholders in each of the 3rd and 4th quarters of 2012.

For a detailed discussion of our overall performance in 2011, we refer you to our 2011 Annual Report included with this proxy statement or on our website at www.bankatfirst.com/investor.

Objectives of Our Executive Compensation Programs

Discussed herein is the executive compensation philosophy that the Compensation Committee believes best supports the Company's strategy. As such, the executive compensation program is intended to support the achievement of our business strategy while aligning each executive's financial interests with those of shareholders.

Our core strategy is to:

- follow a "People-Led" strategy. Our primary competitive advantage must be our people. Their knowledge and expertise in providing financial products and their commitment to exceptional service quality will be what separates us from our competitors;
- be an "Employer of Choice" for high-performing employees in our various communities; and
- be a top quartile performer in both return and growth compared to our peers.

Compensation Design Framework

The Compensation Committee utilizes the core design criteria listed below to create a compensation framework that drives financial performance and increases shareholder value. The principles of this framework include:

- Pay should be competitive with the market and reflect the value delivered by the individual to the organization. A substantial portion of pay should align with performance relative to internal goals and financial performance compared to peers (pay for performance).
- A substantial portion of pay should be at risk to align with shareholder risk.
- Compensation must comply with legal and regulatory limits, and must not encourage excessive risk-taking.

Philosophical Principles and Guidelines

Our executive compensation program seeks to:

- attract, motivate, incent and retain the best talent in our industry to ensure that we have the caliber of executives needed to deliver top quartile performance to all of our stakeholders on a consistent basis over the long-term;
- support the creation of shareholder value along with the achievement of key corporate goals and objectives, while appropriately balancing current priorities and our longer-term strategy;
- provide a totally integrated compensation program that is aligned with performance results and is delivered in a cost effective manner;
- differentiate compensation based on individual performance, position responsibilities and impact on financial and organizational results, not as an entitlement based on position or tenure;
- encourage teamwork and cooperation by linking variable compensation to the achievement of organization-wide results;
- demonstrate executives' long-term commitment to our Company and shareholder value creation through stock ownership;
- align with the median of the market for target company performance, with opportunities for meaningful upside compensation for top-quartile performance;
- avoid incentive payouts if the Company or individual fails to meet minimum acceptable performance standards;
- be designed and administered in an objective, consistent, fair and fact-based manner that achieves external competitiveness and internal equity;
- provide flexibility and some discretion in applying the compensation principles to appropriately reflect individual circumstances as well as changing business conditions and priorities; and

avoid excessive risk taking through conservative plan design features, the use of clawbacks, and forfeiture of awards in certain instances.

Compensation Elements

To achieve our above-stated principles, the following elements of compensation have been chosen to create a flexible package that reflects the long-term nature of the banking business and can reward both short- and long-term performance of the Company and individual:

Base Salary. To competitively compensate for day-to-day contributions, skills, experience and expertise of each employee.

Short-term annual performance-based cash incentive compensation. To motivate and share in the rewards of the current year's results.

Long-term equity non-cash compensation. To motivate and share in the rewards of sustained long-term results and value creation, including:

- o Stock Options – time-based; and/or
- o Restricted Stock – time and/or performance-based.

Non-performance based benefits. To provide for the security and protection of executives and their families, including:

- o Employment agreements (including change-in-control and severance)
- o Retirement and other benefits;
- o Certain perquisites and other personal benefits; and
- o Deferred compensation opportunities.

The total compensation mix and the relative weighting of each element reflect the competitive market and our priorities. As such, the mix of pay may be adjusted from time to time to best support our immediate and longer-term objectives. Furthermore, as employees move to higher levels of responsibility with greater ability to influence our results, the percentage of pay at risk generally increases. The Compensation Committee seeks to achieve a reasonable level of consistency in the character of pay among its executive officers.

Total direct compensation for each NEO is a mix of cash and long-term incentives. Total cash includes base salary and the Short-Term Incentive Plan. We attempt to provide a substantial portion of total target cash compensation paid to our NEOs as non-cash and tie a significant portion of this compensation to our performance. We do this so that shareholder returns, along with corporate, business unit and individual performance, both short- and long-term, determine a significant portion of executive pay.

In addition, the Compensation Committee has used stock options and/or restricted stock to motivate executives and align the executives' interests with shareholder interests and the long-term performance of the business. The Company implemented stock ownership and retention guidelines for its NEOs. For NEO ownership and retention guidelines, see "Compensation Discussion and Analysis – Other Guidelines and Procedures Affecting Executive Compensation – Share Ownership and Share Retention Guidelines."

Our emphasis on compensation elements other than base salary subjects our executives to downside risk related to our performance, which may significantly affect their overall compensation. If First Financial performs well (based on internal objectives, as well as peer group comparison) and longer-term shareholder value increases, award levels are intended to be strong. If First Financial underperforms, award levels will be low or non-existent.

Below is a chart that reflects each element of target compensation as well as compensation at risk as percentages of target total compensation for 2011. Compensation at risk is comprised of short and long-term incentives.

	Base Salary	Annual Short-Term Incentive	Long-Term Incentive	% of Compensation at Risk
CEO	38 %	20 %	42 %	62 %
Other NEOs (Average)	52 %	20 %	28 %	48 %

The Compensation Committee takes a holistic approach to establishing the total compensation package for its executives; each element of compensation is interdependent on the other elements. Applying the Company's core values and drawing upon the sources of information discussed above, the Compensation Committee utilizes the various elements of compensation as building blocks to construct a complete compensation package for each executive that appropriately satisfies the core design criteria of competitiveness, pay for performance, alignment with shareholder interests, and compliance with all legal and regulatory guidelines.

External Benchmarks

In evaluating the levels of compensation, the Compensation Committee utilizes the services of Towers Watson as its outside compensation advisor. To ensure market competitiveness, Towers Watson presents benchmarking information from published surveys of financial services companies of approximately the same asset size; information from surveys representative of the broader general industry population are utilized to provide appropriate compensation benchmarks for positions that are not specific to the financial services/banking industry.

Towers Watson also provides a customized proxy analysis of similarly sized publicly-traded financial services/banking organizations designated as the Company's peer group. The Committee, with the assistance of management and Towers Watson, utilizes this peer group to assist in the structuring of compensation for its NEOs. The peer group is chosen to better align the peer group not just in terms of size but also to identify what the Committee deems to be high performing financial institutions. A peer group consisting of the following 16 financial services companies was utilized in 2011:

- 1st Source Corp.
- First Commonwealth Financial Corp.
- FirstMerit Corp.
- First Merchants Corp.
- First Midwest Bancorp, Inc.
- MB Financial, Inc.
- IBERIABANK Corp.
- Old National Bancorp
- Park National Corporation
- PrivateBancorp, Inc.
- Prosperity Bancshares, Inc.
- Republic Bancorp, Inc.
- Sterling Financial Corporation
- WesBanco, Inc.
- Wintrust Financial Corp.
- UMB Financial Corp.

The Compensation Committee considers data from these sources to review base salaries, as well as short-term and long-term incentive opportunities for each NEO. Pay opportunities are established based on median market practices; actual compensation earned is determined by overall performance of the Company so that in years of strong performance, executives may earn higher levels of compensation as compared to executives in similar positions of responsibility at comparative companies. Conversely, in years of below average performance, executives may be paid below average compensation.

We believe that our market review assists us in making executive compensation decisions that are consistent with our objectives, especially those of attracting, retaining and motivating our executive officers. Also, because the current marketplace is the most relevant, when making annual executive compensation decisions, the Compensation Committee does not take into account an individual's accumulated value from past compensation grants.

The 2011 Compensation Decision-Making Process

Three parties play an important role in establishing compensation levels for First Financial's executive officers: (i) the Compensation Committee; (ii) senior management and (iii) outside advisors. The sections that follow describe the role each of these parties plays in the compensation-setting process.

Role of the Compensation Committee. The Compensation Committee has the authority to:

- determine the amount of, and approve, each element of total compensation paid to the NEOs, and the general elements of total compensation for other senior officers. The Compensation Committee reviews all components of compensation for the CEO and the other NEOs, including base salary, bonus, and long-term incentives;
- review the performance and compensation of the CEO and specified CEO direct reports, including the executive officers named in this proxy statement, as well as other officers;
- develop performance targets for incentives, using management's internal business plan, industry and market conditions and other factors; and
- define potential payments to executive officers under various termination events, including retirement, termination for cause and not for cause, and upon our change in control.

In determining the amount of NEO compensation each year, the Compensation Committee reviews competitive market data from the banking industry as a whole and the peer group specifically, as described above. It makes specific compensation decisions and awards based on such data, along with company performance, individual performance and other circumstances as appropriate.

At meetings in early 2011, the Compensation Committee reviewed First Financial's performance for the most recently completed fiscal year and the business plan for the coming year. This review considered corporate and individual performance, changes in any NEO's responsibilities, data regarding peer practices, and other factors. In addition, the Committee reviewed tally sheets prepared by management for each of the NEOs. The sheets provide a comprehensive view of the Company's payout to each NEO, including compensation, benefits and perquisites.

Role of Executive Management in Compensation Decisions for NEOs. Throughout the year, the Compensation Committee meets with the CEO and other executive officers to solicit and obtain recommendations with respect to the Company's compensation programs and practices. The CEO makes recommendations to the Compensation Committee as to the appropriate base salaries, annual cash incentive opportunities and stock awards, as well as threshold, target and maximum performance objectives for the NEOs other than himself. In making a recommendation for any executive officer who does not report directly to him, the CEO considers compensation recommendations made by the executive officer's manager.

Our human resources department and other members of management assist the Compensation Committee in the administration of the Company's executive compensation program and the Company's overall benefits program. Members of our human resources department periodically make available to the Compensation Committee information regarding the value of prior long-term incentive grants and participation in our plans. This information includes (i) accumulated gains, both realized and unrealized, under restricted stock, stock option, and other equity grants, (ii) the cost of providing each perquisite, (iii) projected payments under our retirement plans, and (iv) aggregate amounts deferred under our nonqualified deferred compensation plans. Management helps prepare the information, including the tally sheets, used by the Compensation Committee in making its decision with the

assistance of Towers Watson.

Management also provides the Compensation Committee with information regarding potential payments to our executive officers under various termination events, including both the dollar value of benefits that are enhanced as a result of the termination event and the total accumulated benefit, which is sometimes called the “walk-away” amount. Similar information is provided regarding the “Other Potential Post-Employment Payments” defined below (that table reports only the amount that is enhanced as a result of the termination event in order to not double-count compensation that we reported in previous years).

In 2011, the CEO, Chief Human Resource Officer, and General Counsel generally attended Committee meetings, but were not present at executive sessions when matters related to them were being decided. Periodically, other executive officers (such as the Chief Risk Officer) and advisors attended Committee meetings, generally to provide reports and information about agenda topics.

The CEO participated in the portion of the Compensation Committee meeting at which compensation for the NEOs other than himself was discussed, along with Human Resources. No executive officer was part of the final deliberations and decisions impacting their own compensation. In approving this compensation for 2011, the Compensation Committee considered the CEO’s recommendations. The Compensation Committee, in consultation with Towers Watson made its own determinations regarding the compensation for the CEO, which were then ratified and approved by the Board.

Role of the Compensation Consultant. To assist in its efforts to meet the objectives outlined above, the Compensation Committee has retained Towers Watson to provide general executive compensation consulting services to the Committee and to support management's need for advice and counsel. The consultant also performs special executive compensation projects from time to time as directed by the Committee. The consultant reports to the Compensation Committee Chair. Pursuant to the Compensation Committee's charter, the Compensation Committee has the power to hire and fire such consultant and engage other advisors.

The outside compensation advisor typically collaborates with management, including human resources, to obtain data, clarify information, and review preliminary recommendations prior to the time they are shared with the Compensation Committee. The consultant provides data regarding market practices and works with management to develop recommendations for changes to plan designs and policies consistent with the philosophies and objectives discussed earlier.

Fees of Compensation Consultant. As discussed earlier, in 2011, the Compensation Committee utilized Towers Watson to provide advice regarding the Company's compensation practices for its executives and directors. Fees billed by Towers Watson in 2011 for advice and services for the Compensation Committee were \$82,627.

During 2011, Towers Watson also provided services to our Company relating to non-executive compensation, including ad hoc compensation projects, retirement and pension plan administration, actuarial services and related disclosure requirements. Services provided to management and not the Compensation Committee were approved by management and not the Compensation Committee. Fees billed by Towers Watson in 2011 for additional services provided were \$208,103.

The Committee has determined that the outside compensation advisor provides independent, objective advice in that:

- The advisor reports directly to the Compensation Committee Chair;
- The Compensation Committee's decision to engage Towers Watson was independent of management's engagement of Towers Watson;
- Executive compensation consulting services provided to the Compensation Committee and other consulting services provided to management were performed by separate and distinct divisions of Towers Watson;
- The Compensation Committee members have no business or personal relationship with the advisor; and
- The Compensation Committee in its discretion determines whether to retain or terminate the advisor.

Evaluation for Excessive Risk. The Committee, in conjunction with the senior officers, discuss, review and evaluate (1) the NEO compensation plans to ensure that they did not encourage NEOs to take unnecessary and excessive risks that threatened the value of the Company, (2) employee incentive compensation plans in light of the risks posed by such plans and how to limit such risks, and (3) employee incentive compensation plans to ensure that they did not

encourage the manipulation of reported earnings to enhance the compensation of any employees.

The Compensation Committee met with the Company's Chief Risk Officer to review incentive and bonus compensation arrangements for the NEOs and identify whether these arrangements had any features that might encourage unnecessary and excessive risk-taking that could threaten the value of First Financial.

Based on these reviews and the presentations by risk management, the Compensation Committee determined that the Incentive Plans did not present the potential for excessive risk taking because:

- the Incentive Plans for the NEOs were based upon the overall Company performance rather than any individual business unit or product;
- the Insider Trading Policy prohibits those subject to the policy from engaging in derivative and hedging transactions in Company common stock;
- of the fact that the Company is not in many of the lines of businesses that have often exposed firms to substantial risks (such as origination or securitization of sub-prime mortgage loans or significant proprietary derivatives trading or strategic investing);
- a significant portion of the compensation of our NEOs is in the form of long-term, equity-based pay which vests over a multi-year period and has an inherent risk adjustment factor based on the Company's share value;
- NEOs and next twenty most highly compensated employees were subject to the clawback policies during the TARP period; and

The 2011 STIP and the retention bonuses to the NEOs are subject to clawback.

The Compensation Committee also continues to monitor a separate, on-going risk assessment by senior management of the Company's broader employee incentive compensation practices. Under this initiative, senior Company human resources, finance, legal and risk personnel compiled and analyzed the Company's incentive plans, including plan documents, eligibility criteria, payout formulas and payment history, and held extensive interviews with business line managers to understand how evaluation of business risk affects incentive plan performance measures and compensation decisions.

Even though we have not been subject to TARP since early 2010, we continue our focus on compensation risk and on the Federal Reserve's guidance regarding the application of safety and soundness standards to incentive compensation policies. As part of this focus, management and the Committee continued to work in 2011 to build upon the established review process and to enhance First Financial's plans and processes to further mitigate potential risks. Specifically, during the course of 2011:

The Compensation Committee continued to provide for clawbacks with respect to the STIP. The Company continues to inventory all incentive compensation plans and evaluate them for unnecessary risk and provide periodic reports to the Compensation Committee.

It is both the Committee's and management's intent to continue to evolve our processes going forward by monitoring re