FIRST FINANCIAL BANCORP /OH/
Form 8-K
October 30, 2014

EXHIBIT 99.1

First Financial Bancorp Reports Third Quarter 2014
Financial Results and Announces Dividend Increase

Cincinnati, Ohio - October 30, 2014 - First Financial Bancorp (Nasdaq: FFBC) ("First Financial" or the "Company") announced today financial and operational results for the third quarter 2014.

Third quarter net income was $15.3 million and earnings per diluted common share were $0.26. This compares with second quarter net income of $16.0 million and earnings per diluted common share of $0.28 and third quarter 2013 net income of $14.9 million and earnings per diluted common share of $0.26.

Continued solid quarterly performance
- Quarterly results included several acquisition-related items and other items not expected to recur which reduced pre-tax income by $5.1 million or approximately $0.05 per diluted share after taxes
- Return on average assets of 0.88%; 1.07% as adjusted for acquisition-related and other items
- Return on average tangible common equity of 10.15%; 12.39% as adjusted for acquisition-related and other items

Board of directors announces 6.7% increase in the quarterly dividend to $0.16 per share
- Earnings consistency provides capacity to support higher payout
- Robust capital levels still allow ability to take advantage of strategic opportunities
- Begins with next regularly scheduled dividend, payable on January 2, 2015 to shareholders of record as of November 28, 2014

Entered the attractive Columbus, Ohio market
- Completed acquisitions of The First Bexley Bank, Insight Bank and The Guernsey Bank
- 5 acquired banking centers
- Total acquired loans of $606.3 million, net of estimated fair value marks
- Total acquired deposits of $568.6 million, net of estimated fair value marks

Annualized total loan growth, excluding loans acquired during the quarter, of 14.6% on a period-end basis
- Strong performance in specialty finance, traditional C&I / owner occupied CRE and franchise lending

Quarterly net interest margin of 3.66%, a decline of 4 bps compared to the linked quarter
- Negative impact of covered loan balance decline partially offset by the positive impact from acquired loans, improved loan yields and fee income

Claude Davis, President and Chief Executive Officer, commented, "It was an exciting quarter for First Financial as we expanded into the attractive Columbus, Ohio market through the completion of The First

Bexley Bank, Insight Bank and The Guernsey Bank acquisitions, adding $606.3 million of loans and $568.6 million of deposits to our balance sheet. We were pleased to welcome our new associates and new clients from those institutions during the quarter and we continue to be extremely excited about the opportunity to introduce the First Financial brand of community banking to Central Ohio.

"Our financial results for the third quarter reflect continued solid organic loan growth during the period as well as the benefits of our expansion into the Columbus market. While reported earnings were impacted by acquisition-related expenses as well as costs associated with our ongoing efficiency plans and other items not expected to recur, we continued to execute on our community bank business model and leverage our diversified credit suite to generate consistent earning asset growth.

"We were very pleased with our asset generation this quarter as period-end loans, excluding loans acquired during the period, increased $147.7 million, or 14.6% on an annualized basis, compared to the linked quarter. Almost all lending areas of the Company contributed to the quarterly growth, led by strong performance in our specialty finance and traditional C&I / owner occupied CRE portfolios.

“And finally, the close of the third quarter brought about the expiration of the five-year loss sharing coverage period on commercial assets acquired in our 2009 FDIC-assisted transactions. While loss sharing coverage has certainly provided us with an added layer of loss protection over the past five years, we remain pleased with our covered asset resolution efforts and feel we are well-positioned to manage the risk associated with the remaining commercial assets post loss sharing protection."

NET INTEREST INCOME AND NET INTEREST MARGIN
Net interest income for the third quarter was $58.4 million as compared to $54.3 million for the second quarter 2014 and $55.8 million for the third quarter 2013. Compared to the linked quarter, total interest income increased $4.7 million, or 7.9%, while total interest expense increased $0.6 million, or 13.7%. Net interest margin was 3.66% for the third quarter, compared to 3.70% for the second quarter 2014 and 3.91% for the third quarter 2013.

Interest income earned on loans increased $4.8 million, or 9.9%, compared to the prior quarter. The increase in interest income earned on loans was driven by a $408.3 million, or 11.3%, increase in average uncovered loan balances as a result of the Columbus acquisitions as well as strong, organic loan growth during the period. Additionally, the yield on the uncovered portfolio during the quarter was approximately 4.35%, a 9 bp increase compared to the linked quarter. The impact on net interest income from the growth in average uncovered loans, as well as modestly higher loan fees, was partially offset by a $36.7 million, or 9.5%, decline in average covered loan balances during the quarter.

Interest income earned from investment securities was essentially unchanged compared to the prior quarter as an increase in average balances of $54.1 million, or 3.0%, was offset by a 10 bp decline in the yield earned on the portfolio to 2.37%.

The increase in total interest expense was due to a $209.0 million, or 5.5%, increase in average interest-bearing deposits as well as a 3 bp increase in the related cost of funds on interest-bearing deposits to 41 bps as a result of funding strategies and the Columbus acquisitions during the quarter. Average borrowed funds increased $150.3 million, or 20.2%, compared to the linked quarter and the related cost of funds was 36 bps.

NONINTEREST INCOME
The following table presents noninterest income for the three months ended September 30, 2014 and for the trailing four quarters, adjusted to exclude the impact of covered loan activity and other select items on the Company's reported balance.

Table I

(Dollars in thousands)	For the Three Months Ended September 30, 2014	June 30, 2014	March 31, 2014	December 31, 2013	September 30, 2013
Total noninterest income	$16,511	$16,337	$14,175	$13,043	$22,291
Selected components of noninterest income					
Accelerated discount on covered loans [1]	789	621	1,015	1,572	1,711
FDIC loss sharing income	(192)	1,108	(508)	(3,385)	5,555
Gain on sale of investment securities	—	—	50	—	—
Other items not expected to recur	97	—	—	—	—
Total noninterest income excluding items noted above	$15,817	$14,608	$13,618	$14,856	$15,025

[1] Net of the related valuation adjustment on the FDIC indemnification asset

Excluding the items highlighted in Table I, noninterest income earned in the third quarter was $15.8 million compared to $14.6 million in the second quarter 2014 and $15.0 million in the third quarter 2013. The $1.2 million increase compared to the linked quarter was driven by a $0.9 million, or 125.2%, increase in net gains on sales of loans as well as a $0.2 million increase in other noninterest income during the period. The increase in net gains on sales of loans during the third quarter was driven by a 119.4% increase in the amount of residential mortgage loans sold as compared to the linked quarter, reflecting strong mortgage origination activity as well as the impact of Columbus loan origination and sale

2

activity during the period. The increase in other noninterest income during the third quarter was driven primarily by an increase in fee income related to the Company's client derivative program.

NONINTEREST EXPENSE
The following table presents noninterest expense for the three months ended September 30, 2014 and for the trailing four quarters, adjusted to exclude the impact of covered asset activity and other select items on the Company's reported balance.

Table II

	For the Three Months Ended				
(Dollars in thousands)	September 30, 2014	June 30, 2014	March 31, 2014	December 31, 2013	September 30, 2013
Total noninterest expense	$51,419	$47,111	$47,842	$70,285	$48,801
Selected components of noninterest expense					
Loss (gain) - covered real estate owned	(1,433)	398	33	946	204
Loss sharing expense	1,002	1,465	1,569	1,495	1,724
Pension settlement charges	—	—	—	462	1,396
Expenses associated with efficiency initiative	309	(59)	350	1,450	1,051
FDIC indemnification asset valuation adjustment	—	—	—	22,417	—
Acquisition-related expenses	4,182	517	620	284	—
Other items not expected to recur	728	—	465	—	—
Total noninterest expense excluding items noted above	$				