January 15, 2016

Dear Shareholder,

I am pleased to report that the Board of Directors declared the enclosed dividend of $0.30 per share on December 15, 2015 for holders of record as of December 31, 2015. This quarterly dividend reflects an increase of 3.4% from the January 2015 payment. For 2015, dividends declared totaled $1.18, an increase of 12.4% from 2014s $1.05 and our 25th consecutive year of increasing dividends.

As of this writing, unaudited earnings for the year ended December 31, 2015 were $16.8 million, a 3.6% increase from the prior year. Earnings per share for 2015 were $4.70, compared to $4.55 in 2014. By December 31, 2015 total assets increased to $1.5 billion while loans increased to $1.1 billion. We expect to release full-year financial results on January 29, 2016.

On November 10th we announced an agreement to acquire Citizen's Exchange Bank, located in Fairmount, Indiana, with total assets of approximately $60 million. We are excited about the opportunity to bring First Farmers banking services to southern Grant County. Subject to regulatory approvals we expect the transaction to close in the second quarter of 2016.

I am also pleased to announce that on October 23, 2015 we were approved for eligibility into DTC's book entry system, which we have been pursuing since the 2013 stock split. Additionally, on December 31, 2015 our stock listing moved to the OTCQX U.S. Premier marketplace from the OTC Pinks marketplace. In the coming weeks we will be updating shareholders on the book entry registration of the 2013 split shares and what steps may be taken to convert existing certificated shares into book entry registration.

As always, we appreciate your business and support.

Gene Miles

Gene Miles
President & CEO