

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶
IRC Sections 354, 356, 358, 1001 and 1221

18 Can any resulting loss be recognized? ▶
No loss can be recognized upon the exchange of the MSFG common shares for shares of FFBC common stock. If a taxable loss is calculated on the deemed sale of a fractional share of FFBC common stock that was deemed to have been received in the exchange, this loss can be recognized.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶
The transaction was consummated on April 1, 2018. Consequently, the reportable tax year of the MSFG shareholders for reporting the tax effect of the share exchange is the tax year that includes the April 1, 2018 date. This is the 2018 calendar year for those shareholders who report taxable income on the basis of a calendar year.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here Signature ▶  Date ▶ **5/11/2018**

Paid Preparer Use Only	Print your name ▶ Roxanne McIntire		Title ▶ VP - Corporate Tax	
	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed PTIN
	Firm's name ▶	Firm's EIN ▶		Phone no.
	Firm's address ▶			

First Financial Bancorp
31-1042001
Attachment to Form 8937

REPORT OF ORGANIZATIONAL ACTIONS AFFECTING BASIS OF SECURITIES

Form 8937 Part I, Box 9:

The securities subject to reporting include all shares of First Financial Bancorp (“FFBC”) common stock issued in exchange for the outstanding common stock of Mainsource Financial Group (“MSFG”) as a result of the merger of MSFG with and into FFBC on April 1, 2018.

Form 8937 Part II, Box 14:

The reportable organizational action involves the merger of MSFG with and into FFBC on April 1, 2018. As a result of this merger, each share of MSFG common stock was exchanged for 1.3875 shares of FFBC common stock. To the extent that the exchange would have resulted in the issuance of a fractional share of FFBC common stock to an MSFG shareholder, a cash payment equal to the market value equivalent of the fractional share was paid in lieu of issuing a fractional share of FFBC common stock.

Form 8937 Part II, Box 15:

The merger of MSFG with and into FFBC qualifies as a tax-free reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended. As a result, no taxable gain or loss will be recognized by any MSFG shareholder upon the exchange of their MSFG shares for shares of FFBC common stock.

For each identifiable block of MSFG common shares surrendered in the exchange having a common tax basis, the aggregate tax basis of the shares of FFBC common stock received in the exchange will be equal to the tax basis of the MSFG shares surrendered in the exchange. The tax basis of each individual share of FFBC common stock within this identifiable block is determined by dividing the aggregate tax basis by the number of FFBC common shares (including any fractional share deemed to have been distributed in the exchange – see below) that comprise this identifiable block.

MSFG shareholders who receive cash in lieu of a fractional share of FFBC common stock are, for purposes of determining the taxability of that cash, deemed to have received the fractional share in the exchange and then as having sold the fractional share for cash. These MSFG shareholders will generally recognize a taxable gain or loss equal to the difference between the tax basis of the MSFG common shares deemed to have been exchanged for the fractional share and the amount of cash received.

Form 8937 Part II, Box 16:

Refer to the description of the basis calculation in Part II, Box 15 above.