

**First Internet Bancorp
Investor Presentation
Second Quarter 2016**



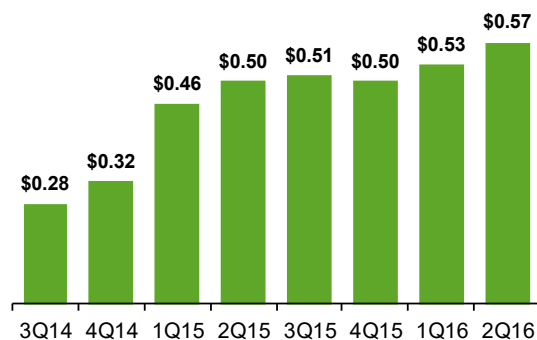
Forward Looking Statement

This presentation may contain forward-looking statements with respect to the financial condition, results of operations, plans, objectives, future performance or business of the Company. Forward-looking statements are generally identifiable by the use of words such as “believe,” “expect,” “anticipate,” “plan,” “intend,” “estimate,” “may,” “will,” “would,” “could,” “should” or other similar expressions. Forward-looking statements are not a guarantee of future performance or results, are based on information available at the time the statements are made and involve known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from the information in the forward-looking statements. Factors that may cause such differences include: failures of or interruptions in the communications and information systems on which we rely to conduct our business; failure of our plans to grow our commercial real estate and commercial and industrial loan portfolios; competition with national, regional and community financial institutions; the loss of any key members of senior management; fluctuations in interest rates; general economic conditions; risks relating to the regulation of financial institutions; and other factors identified in reports we file with the SEC. All statements in this presentation, including forward-looking statements, speak only as of the date they are made, and the Company undertakes no obligation to update any statement in light of new information or future events.

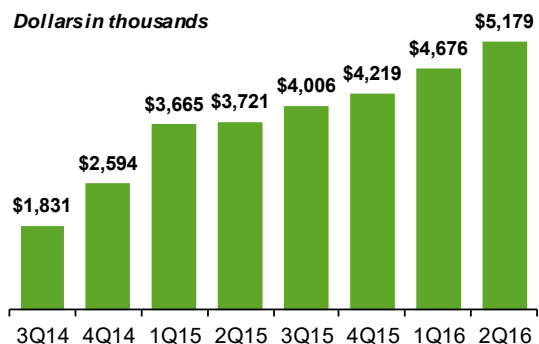
Performance Summary

Strong balance sheet growth has driven increased earnings and consistent growth in tangible book value per share

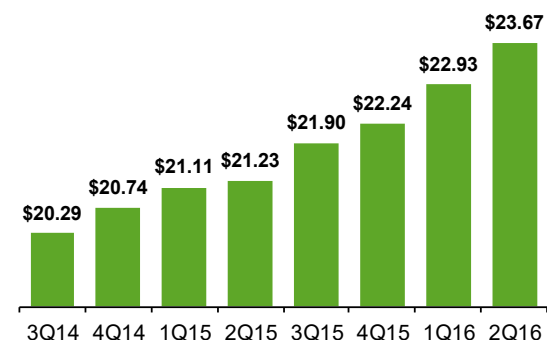
Diluted Earnings Per Share



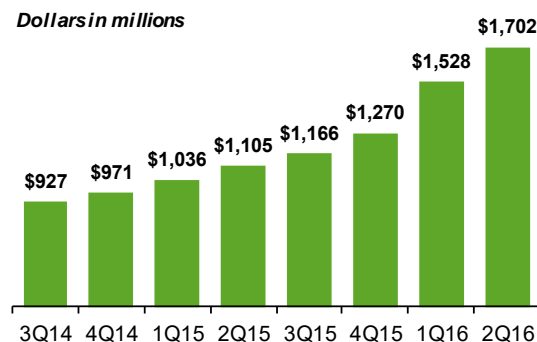
Pre-Tax, Pre-Provision Earnings



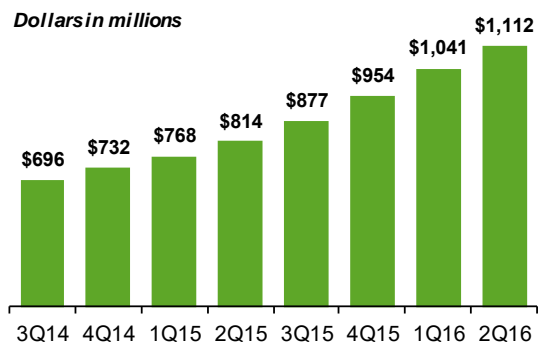
Tangible Book Value Per Share



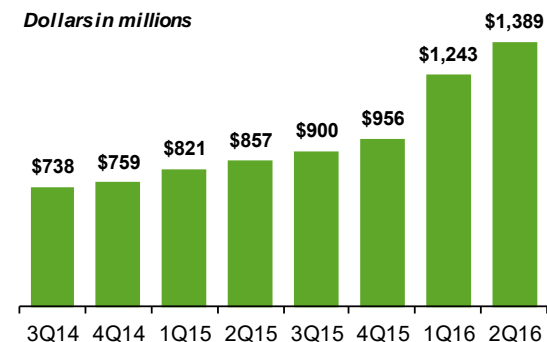
Total Assets



Total Loans



Total Deposits



Corporate Overview

Corporate Summary

- First Internet Bank launched in 1999
- First state-chartered FDIC-insured Internet bank
- Headquartered in Fishers, IN with an office in Phoenix, AZ
- Industry pioneer in branchless delivery of consumer and commercial banking services
- Nationwide deposit and lending footprint
- Experienced management team
- Strong balance sheet and earnings growth

2Q16 Financial Information

- | | |
|--------------------------------------|------------------|
| ▪ Total assets | \$1.7 billion |
| ▪ Total loans | \$1.1 billion |
| ▪ Total deposits | \$1.4 billion |
| ▪ TCE / tangible assets | 7.72% |
| ▪ NPLs / total loans | 0.51% |
| ▪ Net charge-offs / average loans | 0.05% |
| ▪ Market capitalization ¹ | \$ 134.5 million |
| ▪ Dividend yield ¹ | 1.0% |
| ▪ NASDAQ Capital Market | INBK |

¹ Market valuation data as of September 9, 2016

Strategic Objectives

- Drive revenue growth and positive operating leverage
- Achieve consistent strong profitability
- Deploy capital in an accretive manner focused on building shareholder value
- Capitalize on consumer trends by capturing greater deposit market share among digital banking adopters
- Maintain strong asset quality and focus on disciplined risk management
- Expand asset generation channels to supplement growth and increase profitability
- Continue investing in technology to remain a digital banking leader and increase efficiency

Corporate Recognition

First Internet Bank has been recognized for its innovation and is consistently ranked among the best banks to work for, enhancing its ability to attract and retain top-level talent

- TechPoint 2016 Mira Award “Tech-enabled Company of the Year”
- Top 10 finalist – 2016 Indiana Public Company of the year presented by the CFA Society and FEI
- American Banker’s “Best Banks to Work For”
 - ✓ 2016
 - ✓ 2015
 - ✓ 2014
 - ✓ 2013
- Workplace Dynamics’ “Indianapolis Star Top Workplaces”
 - ✓ 2016
 - ✓ 2015
 - ✓ 2014
- “Best Places to Work in Indiana”
 - ✓ 2016
 - ✓ 2013
- Mortgage Technology 2013 awarded top honors in the Online Mortgage Originator category

AMERICAN
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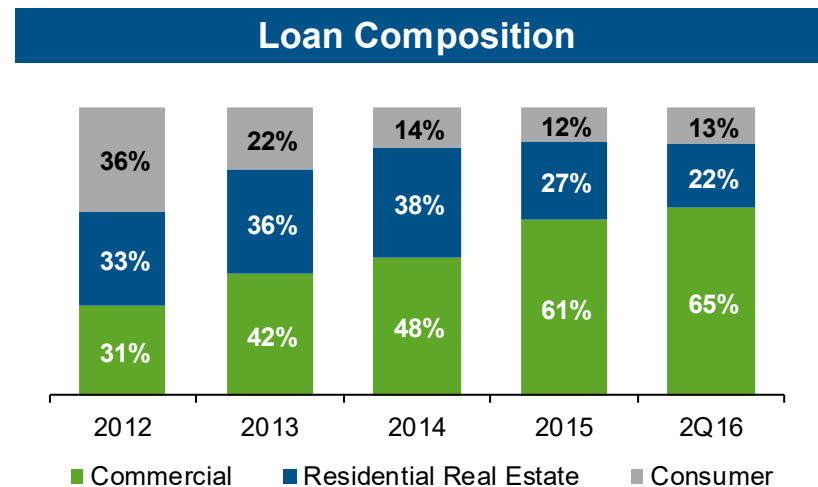
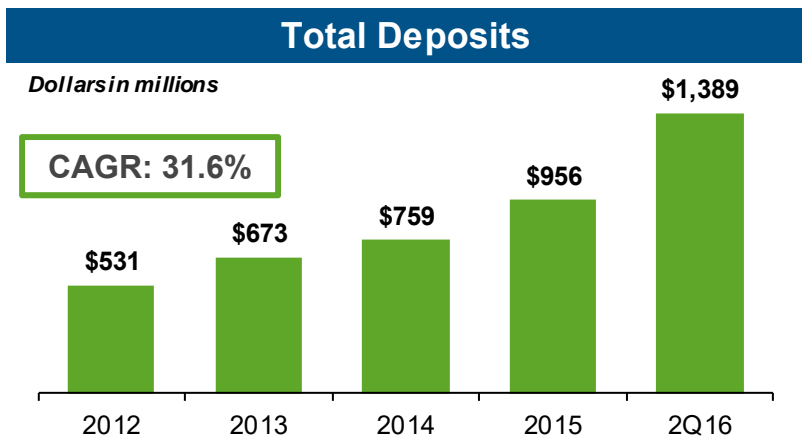
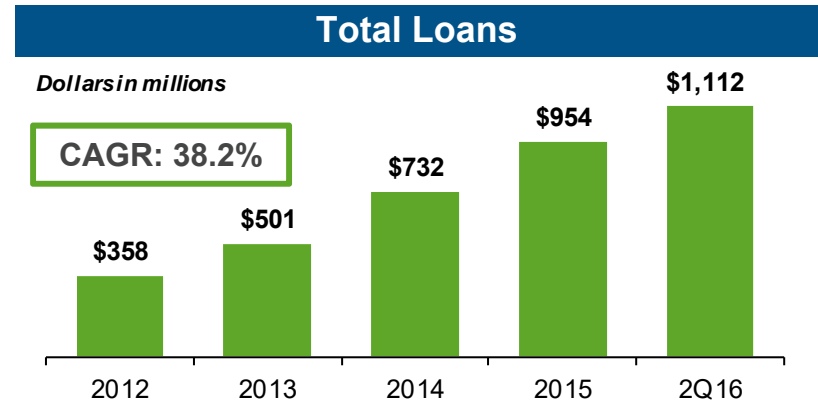
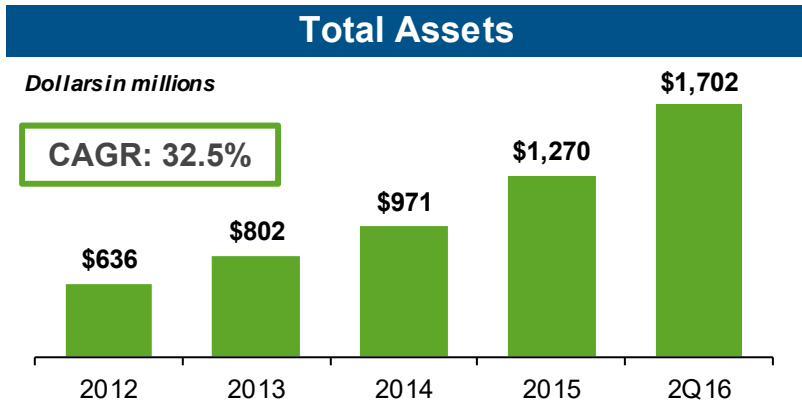


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Consistent Balance Sheet Growth

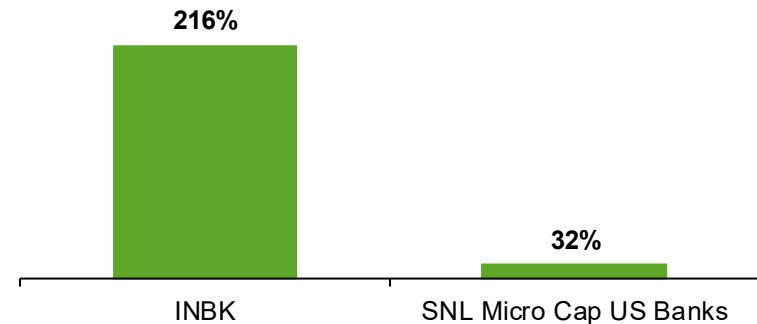
Execution of the business strategy is driving consistent and sustainable balance sheet growth



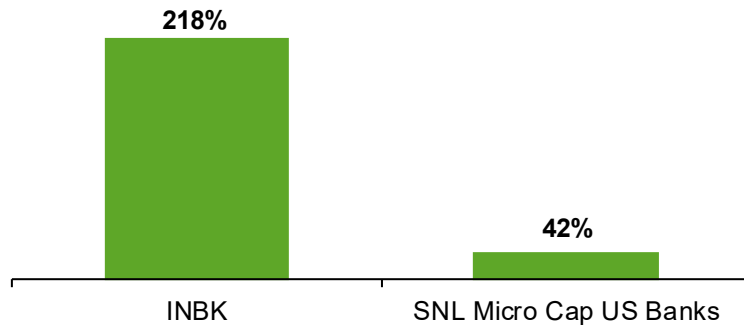
Five Year Balance Sheet Growth

- Five year balance sheet growth rates far exceed the median rates for similar institutions
- INBK growth over this period has been primarily organic as opposed to through acquisitions

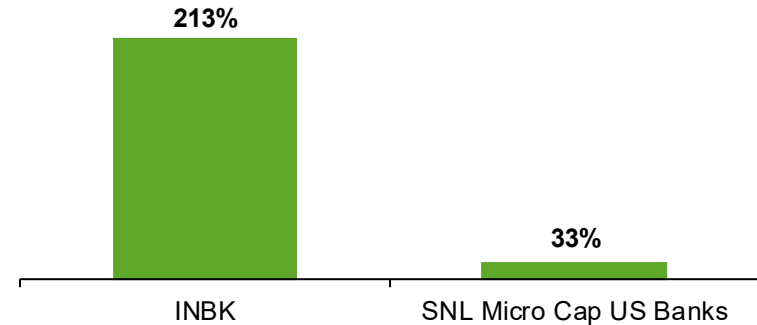
Five Year Total Asset Growth



Five Year Total Loan Growth



Five Year Total Deposit Growth

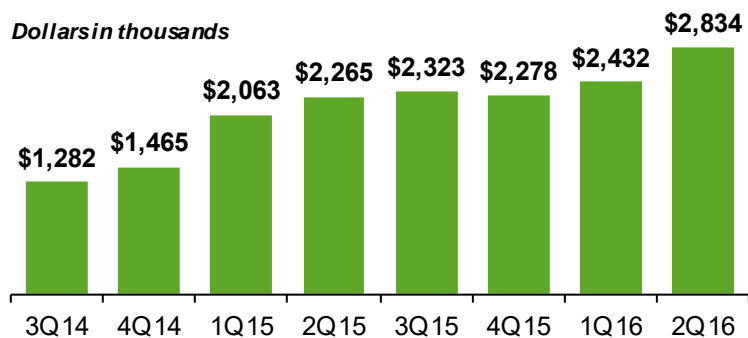


Source: Company data and SNL Financial; financial data as of June 30, 2016; peer data represents median value of component companies. SNL Micro Cap US Banks represent publicly traded micro cap banks with a market capitalization of less than \$250 million; peer data based on index components as of June 30, 2016.

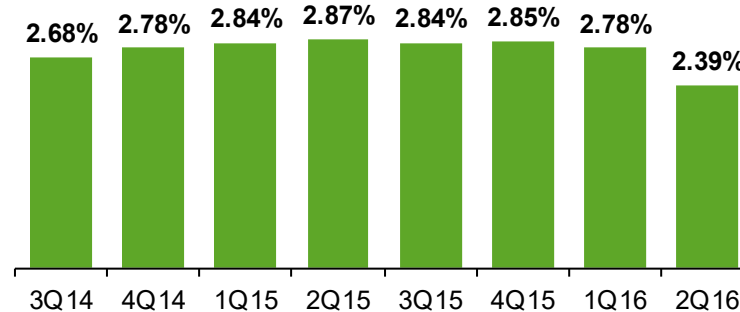
Earnings and Profitability

The Company remains focused on driving earnings growth and improving profitability

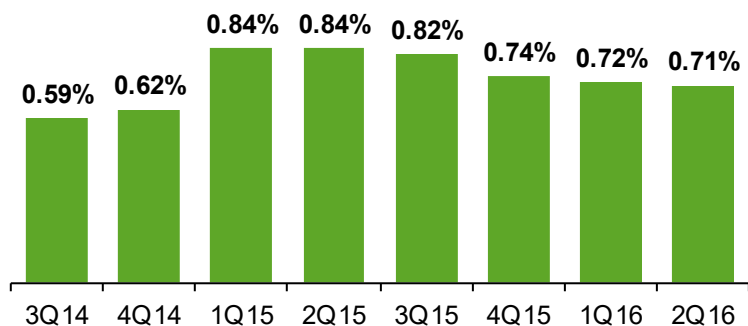
Net Income



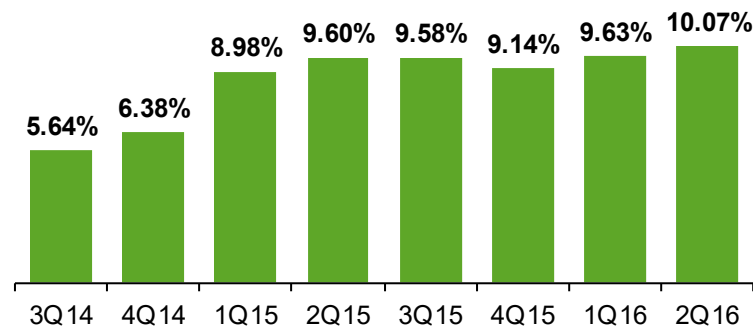
Net Interest Margin



Return on Average Assets

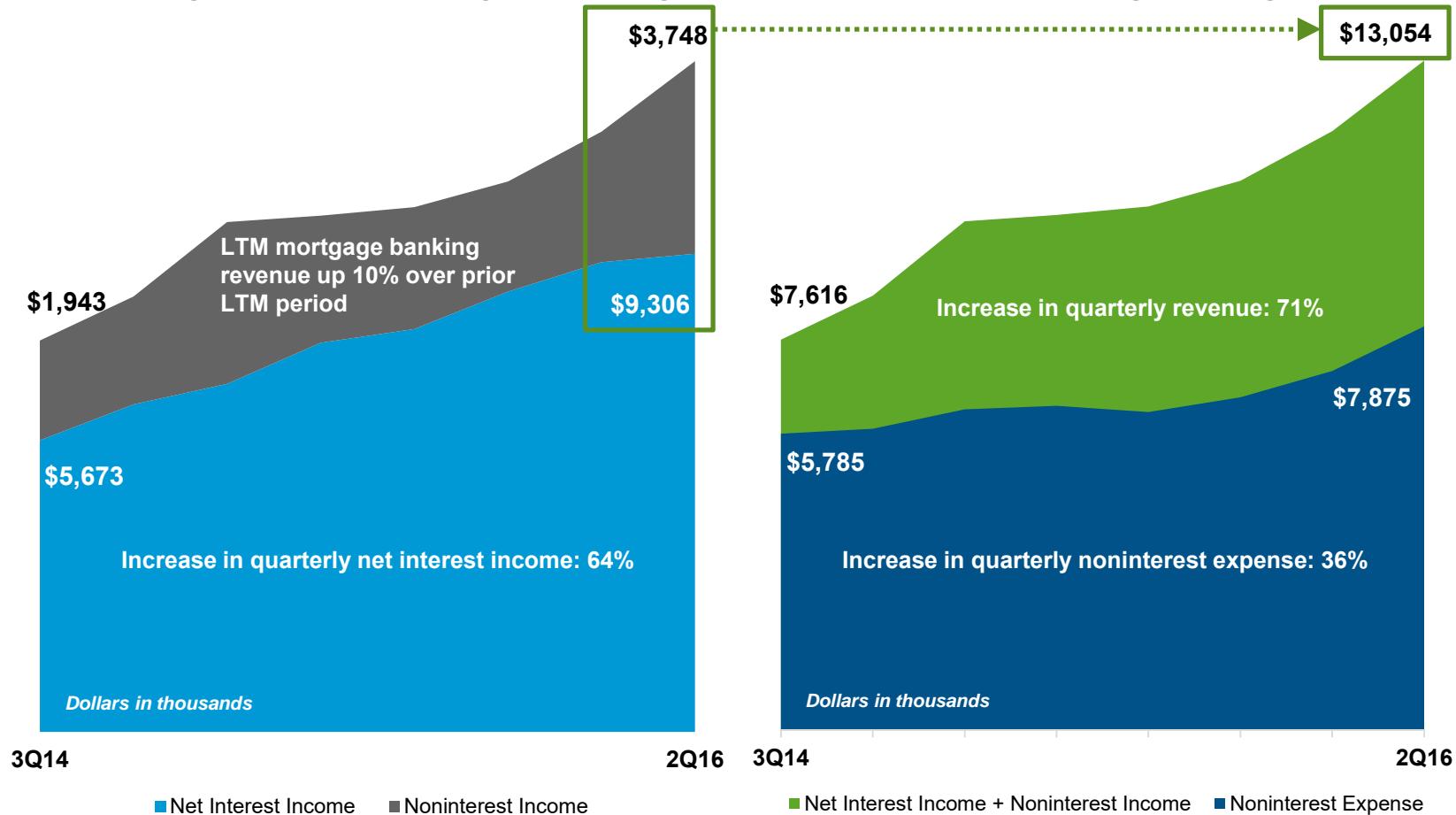


Return on Average Tangible Common Equity



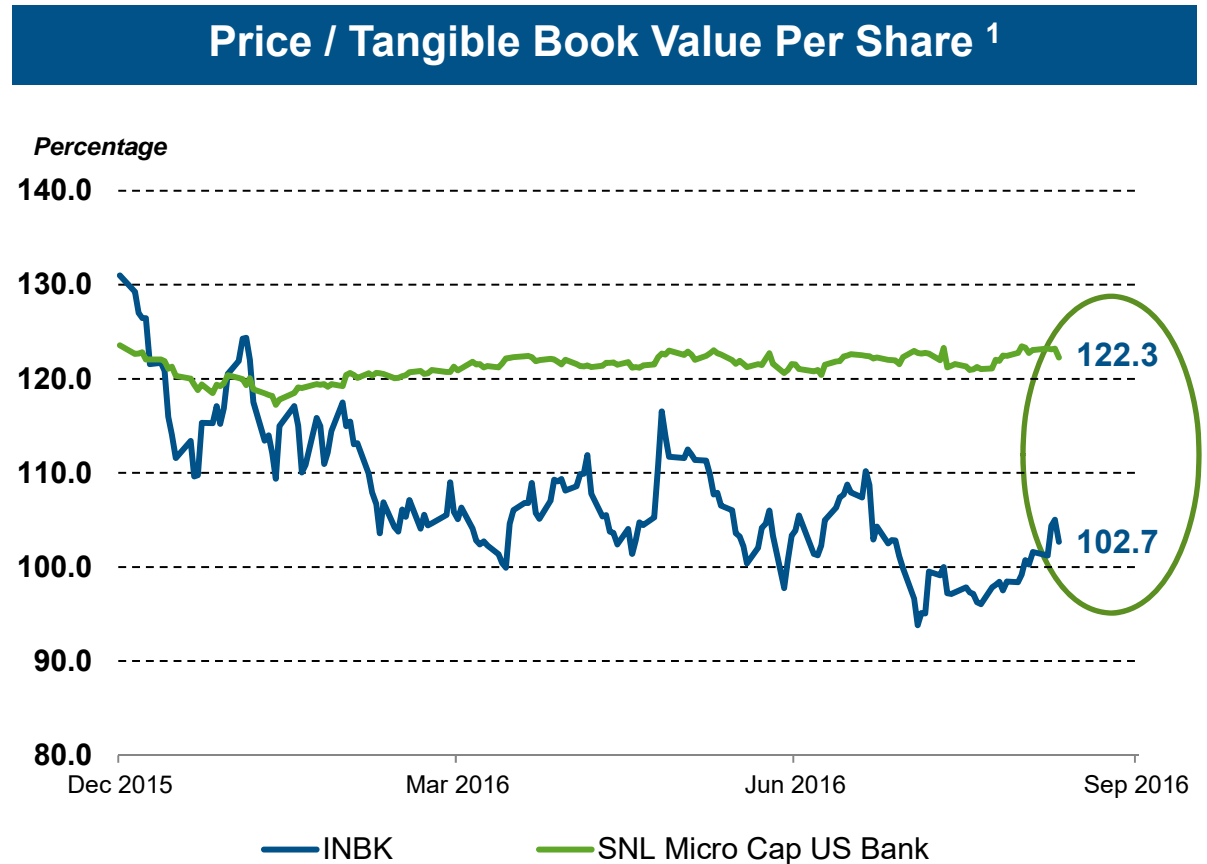
Strong Revenue and Earnings Growth

Strong asset generation and re-focused mortgage banking activities combined with disciplined expense management are driving revenue growth and positive operating leverage



Compelling Valuation

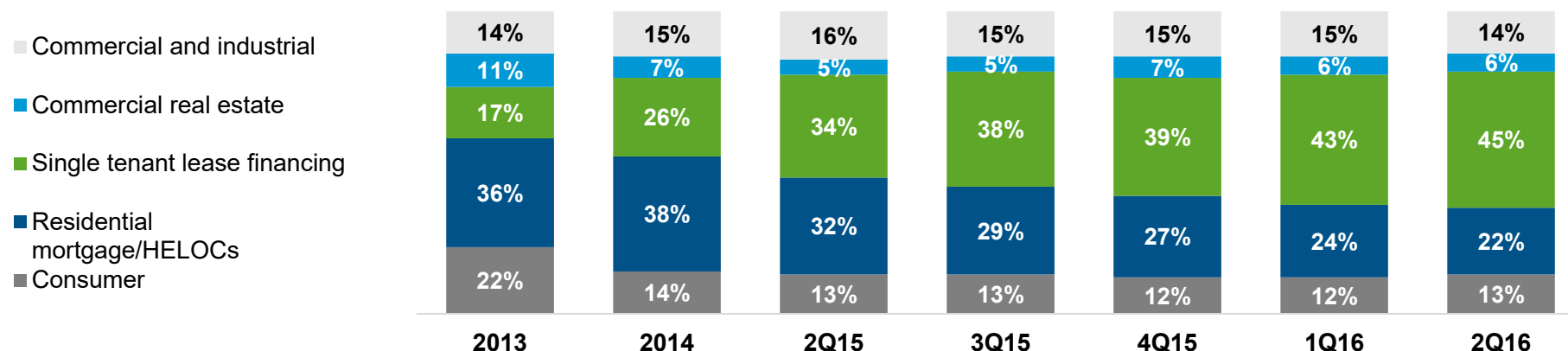
- INBK trades at a significant discount to other micro-cap institutions despite its superior growth profile
- The asset generation and revenue growth capabilities are expected to drive earnings per share growth at rates exceeding expectations for the community / regional bank sector ²



¹ Market valuation data as of September 9, 2016; source: SNL Financial

² Full year 2016 and 2017 EPS average analyst estimates represent annual growth of 16% and 18%, respectively

Loan Portfolio Overview



<i>Dollars in thousands</i>	2013	2014	2Q15	3Q15	4Q15	1Q16	2Q16
Commercial loans							
Commercial and industrial	\$ 55,168	\$ 77,232	\$ 89,316	\$ 89,762	\$ 102,000	\$ 106,431	\$ 111,130
Owner-occupied commercial real estate	18,165	34,295	39,405	42,117	44,462	47,010	46,543
Investor commercial real estate	26,574	22,069	20,163	17,483	16,184	14,756	12,976
Construction	28,200	24,883	20,155	30,196	45,898	52,591	53,368
Single tenant lease financing	84,173	192,608	279,891	329,149	374,344	445,534	500,937
Total commercial loans	212,280	351,087	448,930	508,707	582,888	666,322	724,954
Consumer loans							
Residential mortgage	138,418	220,612	207,703	209,507	214,559	208,636	202,107
Home equity	37,906	58,434	49,662	47,319	43,279	40,000	38,981
Trailers	68,991	63,288	66,080	66,749	67,326	69,845	74,777
Recreational vehicles	34,738	30,605	34,366	36,800	38,597	41,227	44,387
Other consumer loans	3,833	3,201	2,711	2,638	2,389	10,251	22,592
Total consumer loans	283,886	376,140	360,522	363,013	366,150	369,959	382,844
Net def. loan fees, prem. and disc.	4,987	5,199	4,791	4,858	4,821	4,402	3,824
Total loans	\$ 501,153	\$ 732,426	\$ 814,243	\$ 876,578	\$ 953,859	\$ 1,040,683	\$ 1,111,622

Commercial Real Estate

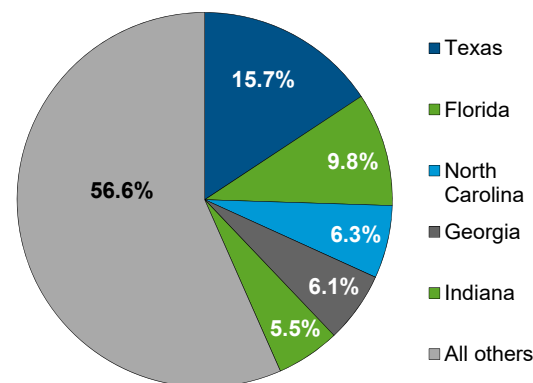
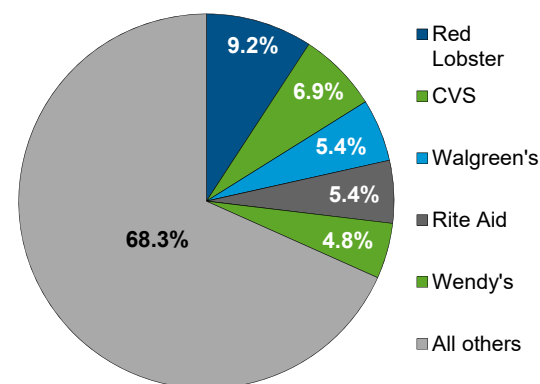
Commercial real estate balances increased \$247.0 million, or 77.1%, since 2Q15

	As of June 30, 2016	% of total
<i>Dollars in millions</i>		
Single tenant lease financing	\$500.9	88.3%
Construction	53.4	9.4%
Investor commercial real estate	13.0	2.3%
Total commercial real estate	\$567.3	100.0%

Single tenant lease financing overview:

- Long term lease financing of single tenant properties occupied by financially strong lessees
- Originations / commitments over the past twelve months exceeded \$258 million
- Nationwide platform provides ability to capitalize on national correspondent network
- Expertise in asset class with streamlined execution and credit process
- Strong historic credit performance
- Average LTV of approximately 53%

Single Tenant Lease Financing Portfolio Diversity



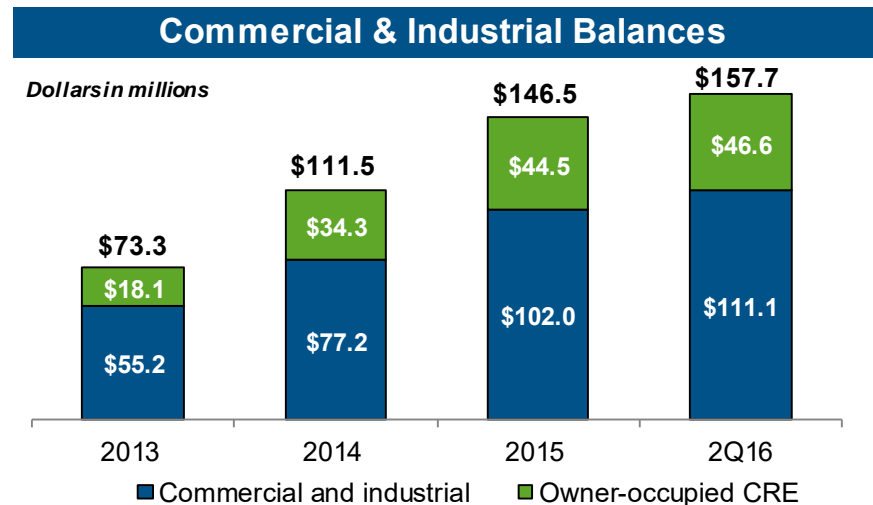
Commercial and Industrial

Commercial and industrial overview:

- Originations / commitments exceeded \$77 million over the past twelve months
- Primarily serves the borrowing and treasury management needs of small and middle-market businesses
- Seasoned banking team leverages market knowledge and experience to serve clients in a relationship-based approach
- Business line built organically, adding select personnel with specialized product or market expertise
 - Indiana team focuses on central Indiana and ancillary Midwestern markets
 - Added to Arizona team to further enhance origination efforts
- Strong credit performance to date

Commercial and industrial balances increased \$29.0 million, or 22.5%, since 2Q15

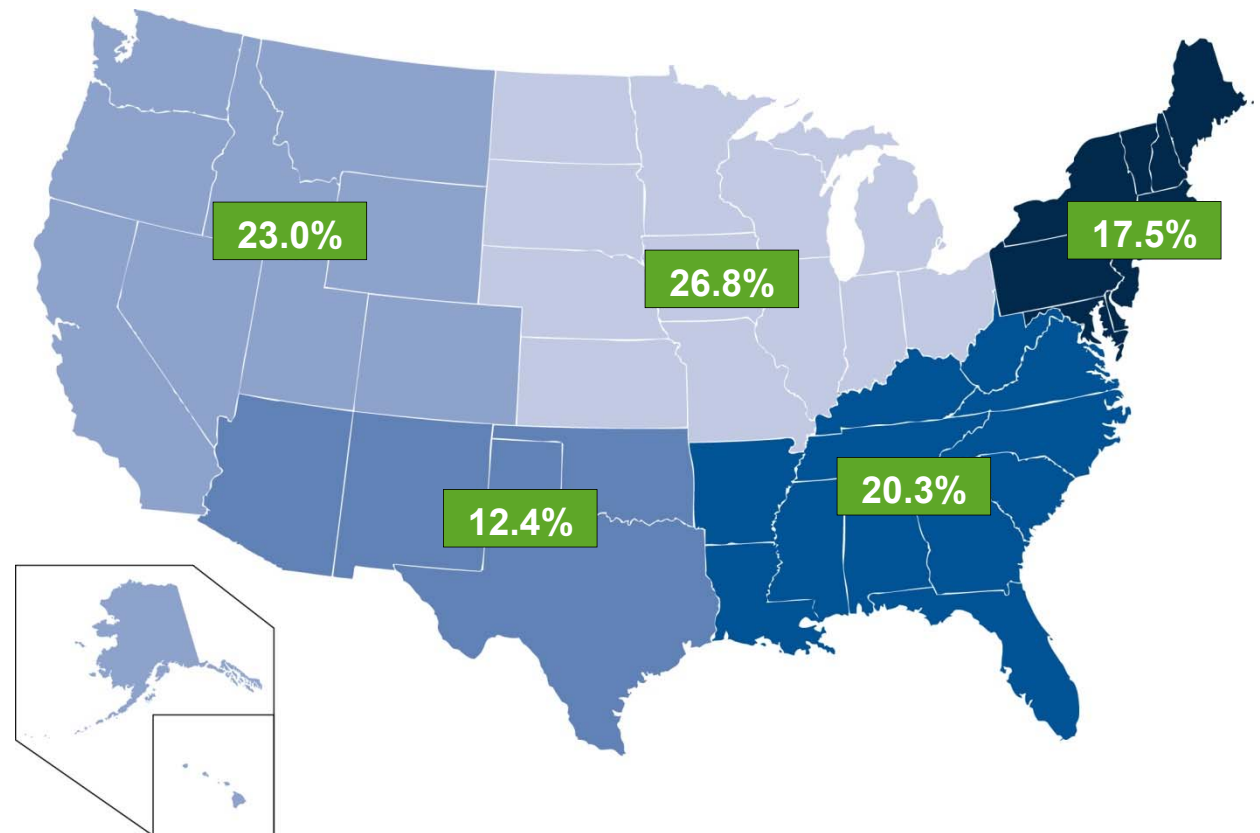
<i>Dollars in millions</i>	As of June 30, 2016	% of total
Commercial and industrial	\$111.1	70.5%
Owner-occupied CRE	46.6	29.5%
Total commercial and ind.	\$157.7	100.0%



Residential Mortgage

- Award-winning national online origination platform
- Highly efficient application and underwriting process
- Sales and marketing efforts re-focused on purchase mortgage business
- Full range of residential mortgage and home equity products
- Launched central-Indiana based construction loan program

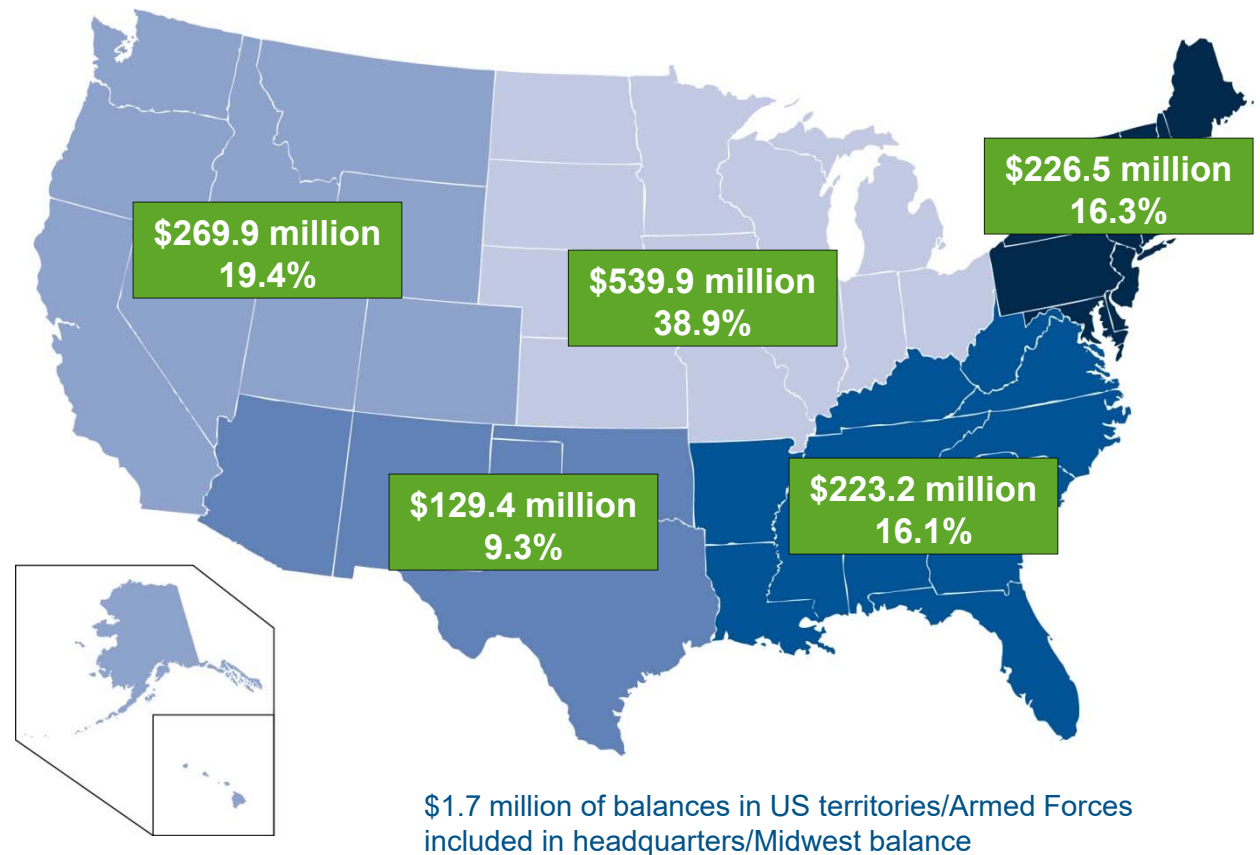
Last 12 Months of Mortgage Originations – Regional Distribution



Nationwide Branchless Deposit Franchise

- Nationwide consumer, small business and commercial deposit base
- Scalable technology and customer convenience supported by exceptional service
- Deposit relationships in all 50 states, including desirable metropolitan markets
- Average consumer interest checking account balance of \$14,900 far exceeds the national average

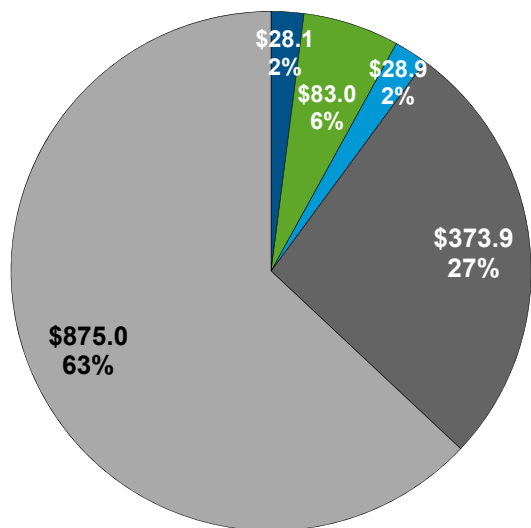
Total Deposits – \$1.4 Billion – Regional Distribution As of June 30, 2016



Deposit Composition

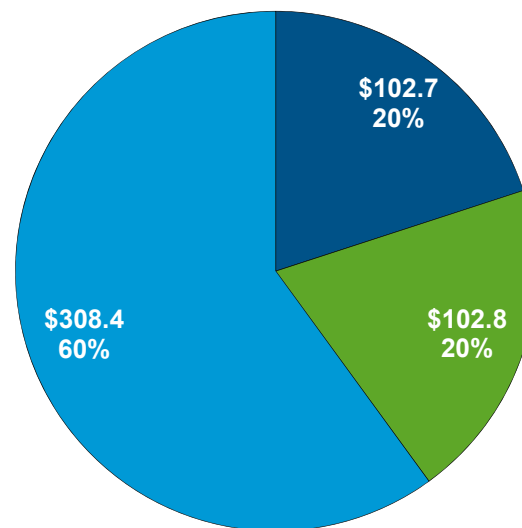
- Total deposits increased \$532.4 million, or 62.2%, since 2Q15
- Treasury management and small business deposits provide a significant opportunity for increasing lower-cost core deposits

Total Deposits - \$1,388.9 Million
As of June 30, 2016



- Noninterest-bearing deposits
- Interest-bearing demand deposits
- Savings accounts
- Money market accounts
- Time deposits

Total Non-Time Deposits - \$513.9 Million
As of June 30, 2016

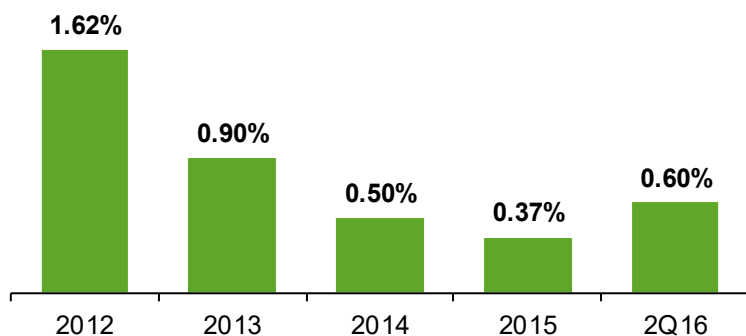


- Treasury management
- Small business
- Consumer

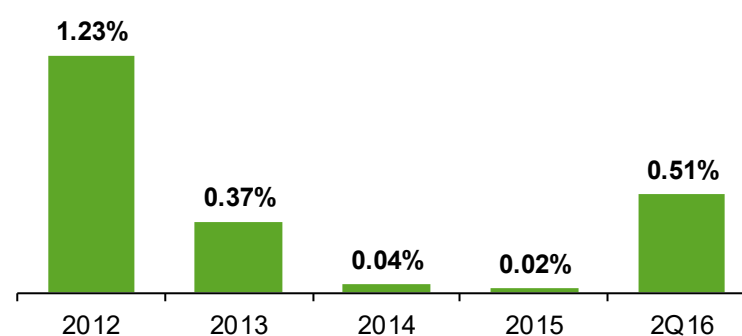
Asset Quality

Asset quality has improved significantly while balance sheet growth has continued on a strong upward trend

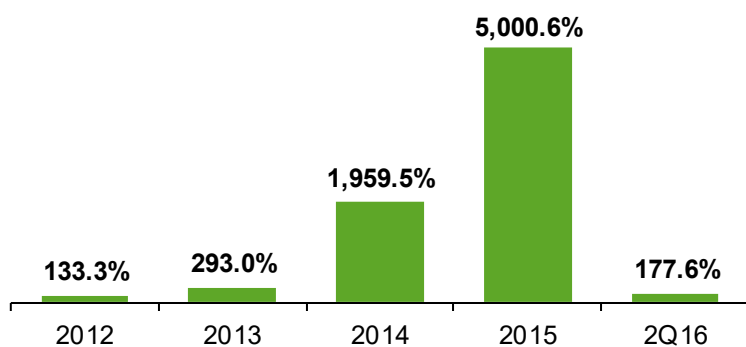
NPAs / Total Assets



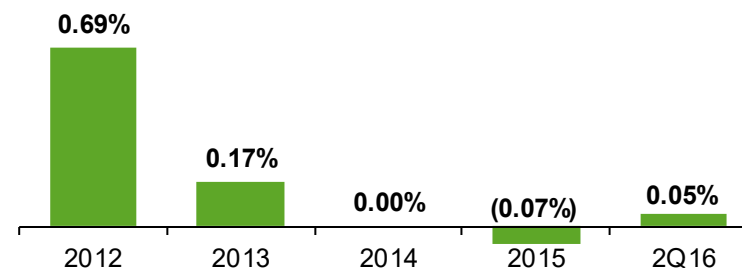
NPLs / Total Loans



Allowance for Loan Losses / NPLs



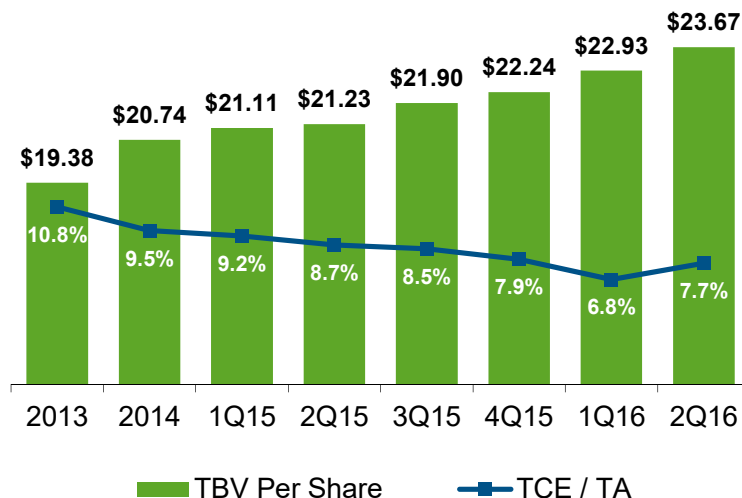
Net Charge-Offs (Recoveries) / Average Loans



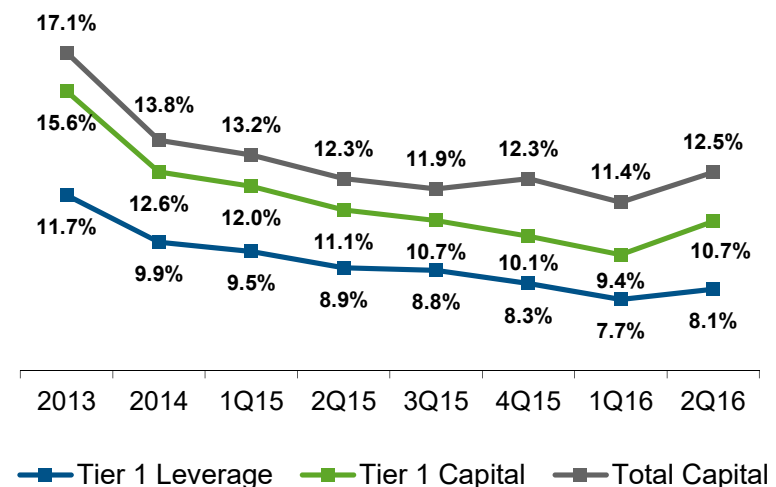
Capital

- Following the initial public offering in late 2013, the Company deployed capital to fund commercial loan growth, driving revenue growth and improved profitability
- In 2Q16, the Company raised \$22.8 million of common equity to further support its growth
- During 4Q15, the Company issued \$10 million in subordinated notes (tier 2 capital) to supplement regulatory capital
- Strong insider ownership ensures board, management and shareholder interests are aligned

Tangible Common Equity



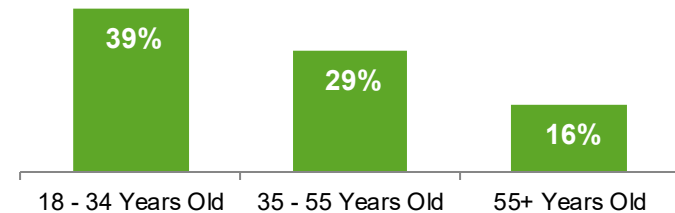
Regulatory Capital Ratios



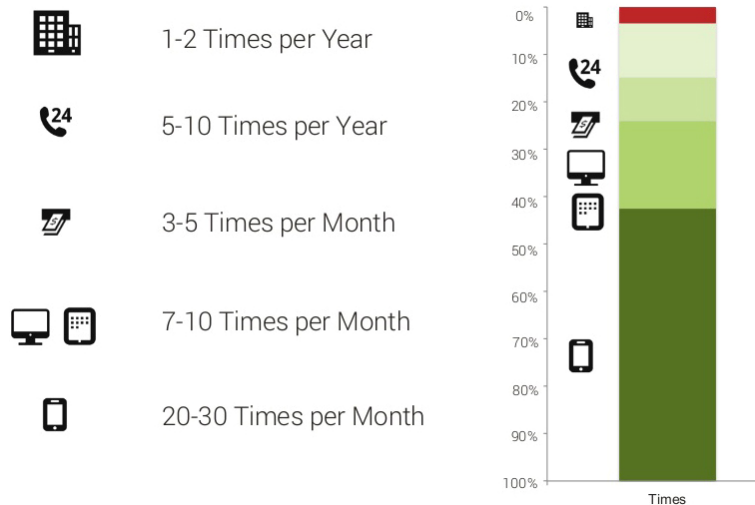
Customer Behavior – Shift to Digital

- Consumers continue to increasingly embrace digital channels to serve their banking needs
- According to a recent study, over 25% of North American consumers would consider switching to a bank with no physical locations

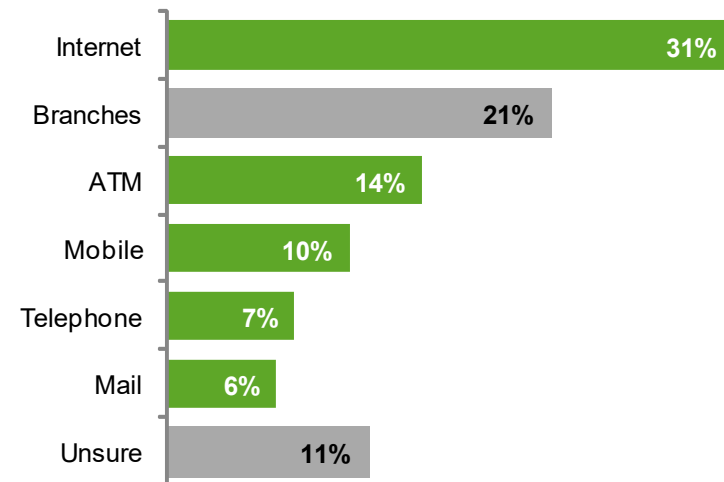
% Who Would Consider Switching to a Branchless Bank



Customer Usage by Channel



Preferred Banking Method 2014



Sources: Accenture – The Digital Disruption in Banking; Backbase, December 19, 2014; ABA Survey

Investment Summary

- Strong earnings growth and rapidly improving profitability
- Demonstrated track record of deploying capital to fuel loan growth while maintaining strong asset quality
- Investments in commercial lending platform are producing results
- Geographic and credit product diversity provide ability to generate sustained balance sheet growth
- Consumer banking platform well-positioned to capitalize on changing consumer preferences
- Full service, technology-driven model will deliver increasing efficiency
- Experienced management team committed to building shareholder value

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