

First Financial Corporation

FEIN: 35-1546989

Attachment to Form 8937

Report of Organizational Actions Affecting Basis of Securities

The information contained herein is being provided pursuant to the requirements of Section 6045B of the Internal Revenue Code of 1986, as amended (the "Code"), and includes a general summary regarding the application of certain U.S. federal income tax laws relating to the effects of the Merger (as defined below). The information contained herein does not constitute tax advice and is not intended to be a complete analysis or description of all potential U.S. federal income tax consequences of the Merger. In addition, this information does not address tax consequences which may vary depending on the individual circumstances of a former HFBC (as defined below) stockholder, or any non-income tax or any foreign, state, or local tax consequences of the Merger. Accordingly, former HFBC stockholders are strongly urged to consult with their own tax advisors to determine the particular U.S. federal, state, local, or foreign income or other tax consequences of the Merger to them, including the amount of gain or loss, if any, that they recognized in the Merger and the tax basis in First Financial common stock (as defined below) received in the Merger.

Part 1, Box 9

First Financial Corporation ("First Financial") common stock, without par value ("First Financial common stock"), issued in exchange for the outstanding shares of HopFed Bancorp, Inc. ("HFBC") common stock, \$0.01 par value per share ("HFBC common stock"), as a result of the merger of HFBC with and into First Financial on July 27, 2019.

Part II, Box 14

The reportable organizational action involves the merger of HFBC with and into First Financial on July 27, 2019 (the "Merger"). As a result of the Merger, each outstanding share of HFBC common stock was converted into the right to receive, at the stockholder's election, either (or a combination of) 0.444 shares of First Financial common stock (such share, a "Stock Electing Share") or \$21.00 in cash (such share, a "Cash Electing Share"), subject to proration provisions that provide for an aggregate split of 50% of shares of HFBC common stock being exchanged for First Financial common stock and 50% for cash. Cash was paid in lieu of fractional shares based on a per share price of \$40.11.

Because the cash election option was oversubscribed, 61.897% of each holder's Cash Electing Shares were converted into the right to receive the cash consideration and the remaining portion of each holder's Cash Electing Shares were converted into the right to receive the stock consideration (i.e., unless otherwise specifically designated by such holder, each Cash Electing Share received approximately \$13.00 in cash and 0.169 shares of First Financial common stock). Any share of HFBC common stock for which a valid election was not made prior to the election deadline was treated as a Stock Electing Share.

Part II, Box 15

The Merger will be reported as, and First Financial believes that the Merger qualified as, a "reorganization" within the meaning of Section 368(a) of the Code. No ruling from the Internal Revenue Service has been requested or is intended to be obtained as to the U.S. federal income tax consequences of the Merger. The

effect of the Merger will depend primarily on whether shares of HFBC common stock were exchanged solely for stock, solely for cash, or for a combination of stock and cash.

Former HFBC Stockholders Receiving Solely Stock

A former holder of HFBC common stock that exchanged all of his, her, or its shares of HFBC common stock solely for First Financial common stock (other than cash received in lieu of a fractional share of First Financial common stock) should not recognize gain or loss. Such holder's tax basis in shares of First Financial common stock received is equal (other than the basis attributable to any fractional shares of First Financial common stock) to the tax basis of the shares of HFBC common stock surrendered.

Former HFBC Stockholders Receiving Solely Cash

A former holder of HFBC common stock that exchanged all of his, her, or its shares of HFBC common stock solely for cash should recognize gain or loss equal to the difference between the cash received and such holder's tax basis in the shares of HFBC common stock surrendered. Since such holder will not receive any shares of First Financial common stock, such holder will not have a new tax basis to compute.

Former HFBC Stockholders Receiving Stock and Cash

A former holder of HFBC common stock that exchanged all of his, her, or its shares of HFBC common stock for a combination of First Financial common stock and cash (other than cash received in lieu of a fractional share of First Financial common stock) should recognize gain (but not loss) with respect to shares of HFBC common stock exchanged for cash in an amount equal to the lesser of (1) the amount of cash received or (2) the amount of gain realized. A holder's gain realized is the amount, if any, by which the cash received plus the fair market value of First Financial common stock received exceeds such holder's tax basis in the shares of HFBC common stock surrendered.

Such holder's tax basis in the shares of First Financial common stock received (including fractional shares of First Financial common stock for which cash is received) is equal to the tax basis of the shares of HFBC common stock surrendered therefor, decreased by the amount of cash received (excluding cash received in lieu of a fractional share of First Financial common stock), and increased by the amount of gain recognized, if any (excluding any gain resulting from the sale of any fractional share of First Financial common stock).

Purchases at Different Times and Prices

If blocks of HFBC common stock were acquired at different times or for different prices, the tax basis in HFBC common stock, unless otherwise specifically designated by such holder, should be allocated to the First Financial common stock (or allocable portions thereof) received (including any fractional share of First Financial common stock) in a manner that reflects, to the greatest extent possible, blocks of HFBC common stock that were acquired on the same date and at the same price. To the extent this is not possible, the basis of the HFBC common stock must be allocated to the First Financial common stock (including any fractional share of First Financial common stock) in a manner that minimizes the disparity in the holding periods of the HFBC common stock, whose basis is allocated to any particular share of First Financial common stock. This may result in some shares of First Financial common stock having split basis and holding period segments.

Fractional Shares

No fractional shares of First Financial common stock were issued. A holder of HFBC common stock who receives cash instead of a fractional share of First Financial common stock should be treated as having received the fractional share pursuant to the Merger and then as having sold to First Financial that fractional share of First Financial common stock for cash. As a result, a holder of HFBC common stock should recognize gain or loss equal to the difference between the amount of cash received and the tax basis allocated to such fractional share of First Financial common stock.

Additional Information

Further discussion of the material U.S. federal income tax consequences of Merger can be found under the heading "Material U.S. Federal Income Tax Consequences of the Merger" in the definitive proxy statement/prospectus filed by First Financial with the Securities and Exchange Commission ("SEC") on June 17, 2019, and the information provided herein remains subject to such discussion in all respects. The definitive proxy statement/prospectus may be accessed from the SEC's website at <http://www.sec.gov>.

Part II, Box 16

Under applicable federal income tax rules, one reasonable approach to determine the fair market value of each share of First Financial common stock received in the Merger is the average of the highest and lowest quoted selling prices (\$44.13 and \$43.105, respectively) of one full share of First Financial common stock on Friday, July 26, 2019 (the last trading day prior to the effective date of the Merger), or \$43.62, as reported on The NASDAQ Stock Market LLC (Trading Symbol: THFF). Other approaches to determine fair market value may also be possible.

Former holders of HFBC common stock should consult their own tax advisors regarding their specific tax treatment in the Merger (including, but not limited to, the computation of gain and tax basis).

See also response to Part II, Box 15 above.

Part II, Box 17

First Financial believes that the Merger qualified as a "reorganization" within the meaning of Section 368(a) of the Code. Therefore, the federal income tax consequences of the Merger to former holders of HFBC common stock are determined under Code Sections 302, 318, 354, 356, 358, 1001, and 1221.

Part II, Box 18

No loss may be recognized in the Merger except for a loss, if any, recognized by a former holder of HFBC common stock that received (i) solely cash in the Merger or (ii) cash in lieu of a fractional share of First Financial common stock.

Part II, Box 19

The Merger was consummated on July 27, 2019. Consequently, the reportable tax year is the tax year that includes the July 27, 2019 date. This is the 2019 calendar year for those former holders of HFBC common stock who report taxable income on the basis of a calendar year.