UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, DC 20549

FORM 8-K

CURRENT REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

DATE OF REPORT (Date of earliest event reported): January 26, 2012

Commission File Number 0-17071

FIRST MERCHANTS CORPORATION

(Exact name of registrant as specified in its charter)

INDIANA (State or other jurisdiction of incorporation)

35-1544218 (IRS Employer Identification No.)

200 East Jackson Street P.O. Box 792

Muncie, IN 47305-2814

(Address of principal executive offices, including zip code)

(765) 747-1500

(Registrant's telephone number, including area code)

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

ITEM 2.02 RESULTS OF OPERATIONS AND FINANCIAL CONDITION.

On January 26, 2012 First Merchants Corporation issued a press release to report its financial results for the fourth quarter ended December 31, 2011. A copy of the press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

The information in this Current Report on Form 8-K, including Exhibit No. 99.1 hereto, shall not be deemed "filed" for purposes of Section the Securities Exchange Act of 1934, amended, otherwise subject liability 18 of as or to The information in this Current Report shall not be incorporated by reference into any filing or of that section. other document pursuant to the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing or document.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS.

- (a) Not applicable.
- (b) Not applicable.
- (c) Exhibits.

Exhibit 99.1 Press Release, dated January 26, 2012, issued by First Merchants Corporation

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

First Merchants Corporation (Registrant)

By: <u>/s/ Mark K. Hardwick</u> Mark K. Hardwick Executive Vice President and Chief Financial Officer (Principal Financial and Principal Accounting Officer)

Dated: January 26, 2012

<u>Exhibit No.</u>	Description
99.1	Press Release, dated January 26, 2012, issued by First Merchants Corporation

N/E/W/S R/E/L/E/A/S/E

January 26, 2012

FOR IMMEDIATE RELEASE

For more information, contact: David L. Ortega, First Vice President/Director of Investor Relations 765-378-8937 <u>http://www.firstmerchants.com/</u>

SOURCE: First Merchants Corporation, Muncie, Indiana

FIRST MERCHANTS CORPORATION ANNOUNCES FOURTH QUARTER AND FISCAL YEAR-END 2011 EARNINGS PER SHARE

First Merchants Corporation (NASDAQ – FRME) has reported fourth quarter 2011 earnings per share of \$.24 compared to \$.10 during the same period in 2010. The 140 percent improvement primarily reflects the Corporation's improvement in revenue, credit quality and efficiency. Net income available to common shareholders totaled \$6.4 million, an increase of \$3.8 million over the \$2.6 million earned in the fourth quarter of 2010.

Year-to-date earnings per share for 2011 totaled \$.34 per fully diluted common share. When adjusted for the one-time charge of \$.46 per share related to CPP repayment during the third quarter, year-to-date core earnings per share totaled \$.80. On an adjusted basis earnings per share for the four quarters of 2011 totaled \$.17, \$.18, \$.21 and \$.24, respectively.

Michael C. Rechin, President and Chief Executive Officer, stated, "2011 results included numerous positives as the company completed a solid year. The improvement of the Corporation's core earnings, capital levels, credit statistics, loan growth and efficiency provide important foundations for the future of First Merchants." Rechin also stated, "Achieving loan growth in the fourth quarter, while making additional improvements in asset quality, reflects the economic progress evidenced in our marketplace."

Total assets equaled \$4.2 billion as of year-end and total loans were \$2.7 billion. The Corporation's liquidity is fully deployed in the bond portfolio, as investment securities totaled \$946 million. The Corporation's loan-to-deposit ratio is now 87 percent and the loan-to-asset ratio totals 65 percent.

Net-interest income totaled \$36.2 million for the quarter and \$143.4 million for the year. Net-interest margin remained strong during the quarter totaling 3.99 percent as yields on earning assets totaled 4.83 percent and the cost of supporting liabilities totaled .84 percent. Net-interest margin for the year totaled 3.98 percent, up 11 basis points from 3.87 percent in 2010.

Non-interest income totaled \$13.0 million for the quarter and \$49.1 million for the full year of 2011. After normalizing for bond gains and losses, non-interest income improved by \$393,000 quarter-over-quarter and \$399,000 year-over-year. Non-interest expense totaled \$33.4 million for the quarter, a decline of \$4.8 million from the fourth quarter of 2010. Non-interest expense totaled \$135.9 million for the full year 2011, a decline of \$6.4 million for the year.

Provision expense totaled \$5.9 million for the fourth quarter and \$22.6 million for the full year 2011, compared to \$7.1 million and \$46.5 million of provision expense in 2010. The allowance for loan losses totaled \$70.9 million, or 2.6 percent of total loans and 102 percent of non-accrual loans. Non-performing assets (NPA) plus 90 days delinquent loans totaled \$100.8 million, or 2.4 percent of total assets. Net charge-offs totaled \$8.0 million for the fourth quarter and \$34.7 million for the year. Net charge-offs totaled \$55.6 million in 2010. Classified loans also declined from \$286.2 million to \$205.2 million during the year.

As of December 31, 2011, the Corporation's total risk-based capital equaled 16.54 percent, Tier 1 common risk-based capital equaled 8.83 percent, and tangible common equity ratio totaled 6.84 percent.

CONFERENCE CALL

First Merchants Corporation will conduct a fourth quarter earnings conference call and web cast at 2:30 p.m. (EDT) on Thursday, January 26, 2012.

To participate, dial (Toll Free) 877-317-6789 and reference First Merchants Corporation's fourth quarter earnings release. International callers please call +1 412-317-6789. A replay of the call will be available until February 3, 2012. To access a replay of the call, US/Canada participants should dial (Toll Free) 877-344-7529 or for International participants, dial +1 412-317-0088. The replay passcode is 10008694.

In order to view the web cast and presentation slides, please go to <u>https://services.choruscall.com/links/frme120126.html</u> during the time of the call.

During the call, Forward-Looking Statements about the relative business outlook may be made. These Forward-Looking Statements and all other statements made during the call that do not concern historical facts, are subject to risks and uncertainties that may materially affect actual results.

Specific Forward-Looking Statements include, but are not limited to, any indications regarding the Financial Services industry, the economy and future growth of the balance sheet or income statement.

Detailed financial results are reported on the attached pages.

About First Merchants Corporation

First Merchants Corporation is a financial holding company headquartered in Muncie, Indiana. The Corporation is comprised of First Merchants Bank, N.A., which also operates as Lafayette Bank & Trust, Commerce National Bank, and First Merchants Trust Company as divisions of First Merchants Bank, N.A. First Merchants Corporation also operates First Merchants Insurance Group, a full-service property casualty, personal lines, and healthcare insurance agency.

First Merchants Corporation's common stock is traded on the NASDAQ Global Select Market System under the symbol FRME. Quotations are carried in daily newspapers and can be found on the company's Internet web page (<u>http://www.firstmerchants.com</u>).

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CONSOLIDATED BALANCE SHEETS

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Total Stockholders' Equity514,467454,408				
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY $\$$ 4,173,076 $\$$ 4,170,848			-	
	TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 4,173,076	\$	4,170,848

CONSOLIDATED STATEMENTS OF OPERATIONS (Dollars in thousands, except per share amounts)	Three Months Ended December 31,					Twelve Mo Decem		ber 31,		
		2011		2010		2011		2010		
INTEREST INCOME										
Loans receivable:										
Taxable	\$	36,497	\$	41,497	\$	149,716	\$	174,070		
Tax-exempt		93		(250)		528		515		
Investment securities:										
Taxable		4,565		3,680		19,230		12,957		
Tax-exempt		2,550		2,573		10,167		10,377		
Federal funds sold				3		3		26		
Deposits with financial institutions		54		142		282		381		
Federal Reserve and Federal Home Loan Bank stock		314		312		1,319		1,252		
Total Interest Income		44,073		47,957		181,245		199,578		
INTEREST EXPENSE										
Deposits		4,505		8,427		22,281		39,876		
Federal funds purchased		3				25		5		
Securities sold under repurchase agreements		363		383		1,511		1,712		
Federal Home Loan Bank advances		1,114		1,146		4,181		5,368		
Subordinated debentures, revolving credit lines and term loans		1,908		2,508		9,892		9,048		
Total Interest Expense		7,893		12,464		37,890		56,009		
NET INTEREST INCOME		36,180		35,493		143,355		143,569		
Provision for loan losses		5,855		7,078		22,630		46,483		
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES		30,325		28,415		120,725		97,086		
OTHER INCOME		00,020		20, 20				0.,000		
Service charges on deposit accounts		3,027		3,111		11,972		13,283		
Fiduciary activities		1,804		1,881		7,650		7,692		
Other customer fees		2,572		2,217		10,024		8,990		
Commission income		1,220		1,267		5,660		6,225		
Earnings on cash surrender value of life insurance		803		524		2,596		2,098		
Net gains and fees on sales of loans		2,747		2,384		7,418		6,806		
Net realized gains on sales of available for sale securities		290		1,305		2,439		3,406		
Other-than-temporary impairment on available for sale securities		230		1,505		(400)		(1,544)		
Other income		508		904		1,761		1,588		
Total Other Income		12,971		13,593		49,120		48,544		
OTHER EXPENSES		12,971		13,595		49,120		40,544		
		19,035		19,655		74,735		73,253		
Salaries and employee benefits		2,428		2,452				9,935		
Net occupancy		1,672		1,812		10,118 6,794		7,323		
Equipment Marketing		650		527		2,002		1,970		
						5,671		5,093		
Outside data processing fees		1,377 340		1,154				1,259		
Printing and office supplies				317		1,242				
Core deposit amortization		591		1,161		3,548		4,721		
FDIC assessments		775		2,044		5,531		8,121		
Other real estate owned and credit-related expenses		2,569		5,257		10,614		12,436		
Other expenses		3,999		3,814		15,683		18,200		
Total Other Expenses		33,436		38,193		135,938		142,311		
INCOME BEFORE INCOME TAX		9,860		3,815		33,907		3,319		
Income tax expense (benefit)		2,299		(216)		8,655		(3,590)		
NET INCOME		7,561		4,031		25,252		6,909		
Gain on exchange of preferred stock for trust preferred debt								11,353		
Loss on CPP unamortized discount						(1,401)		(1,301)		
Loss on extinguishment of trust preferred securities						(10,857)				
Preferred stock dividends and discount accretion		(1,135)	_	(1,476)		(3,981)		(5,239)		
NET INCOME AVAILABLE TO COMMON STOCKHOLDERS	\$	6,426	\$	2,555	\$	9,013	\$	11,722		
Per Share Data:										
Basic Net Income Available to Common Stockholders	¢	0.24	¢	0.10	¢	0.34	¢	0.48		
	\$		\$ \$		\$		\$			
Diluted Net Income Available to Common Stockholders	\$	0.24		0.10	\$	0.34	\$	0.48		
Cash Dividends Paid	\$	0.01	\$	0.01	\$	0.04	\$	0.04		
Average Diluted Shares Outstanding (in thousands)		28,700		25,737		26,694		24,642		

FINANCIAL HIGHLIGHTS (Dollars in thousands)		Three Months EndedTwelve MontDecember 31,December201120102011						_
NET CHARGE OFF'S	\$	8,031	\$	7,761	\$	34,709	\$	55,637
AVERAGE BALANCES:	•	4 000 005	•	4 0 4 0 4 0 4	*	4 4 40 050	*	4 074 745
Total Assets Total Loans	\$	4,200,685 2,719,155	\$	4,249,194 2,893,657	\$	4,143,850 2,748,684	\$	4,271,715 3,050,850
Total Earning Assets Total Deposits		3,766,352 3,165,505		3,835,814 3,323,209		3,744,027 3,175,762		3,862,493 3,337,747
Total Stockholders' Equity		513,366		464,250		478,440		470,379
FINANCIAL RATIOS:								
Return on Average Assets		0.61%	0.24%		6 0.229		1	0.27%
Return on Average Stockholders' Equity		5.01		2.20		1.88		2.49
Average Earning Assets to Average Assets		89.66		90.27		90.35		90.42
Allowance for Loan Losses as % of Total Loans		2.60		2.90		2.60		2.90
Net Charge Off's as % of Average Loans (Annualized)		1.18		1.07		1.26		1.82
Average Stockholders' Equity to Average Assets		12.22		10.93		11.55		11.01
Tax Equivalent Yield on Earning Assets		4.83		5.13		4.99		5.32
Cost of Supporting Liabilities		0.84		1.30		1.01		1.45
Net Interest Margin (FTE) on Earning Assets		3.99		3.83		3.98		3.87

NON-PERFORMING ASSETS

NON-PERFORMING ASSETS										
			S	eptember						
(Dollars in thousands)	Deo	cember 31,		30,		June 30,		March 31,	De	cember 31,
		2011		2011		2011		2011		2010
Non-Accrual Loans	\$	69,592	\$	78,933	\$	87,583	\$	87,712	\$	90,591
Renegotiated Loans		14,308		6,701		6,269		2,125		7,139
Non-Performing Loans (NPL)		83,900		85,634		93,852		89,837		97,730
Real Estate Owned and Repossessed Assets		16,289		19,425		15,437		17,056		20,927
Non-Performing Assets (NPA)		100,189		105,059		109,289		106,893		118,657
90+ Days Delinquent		580		1,595		227		752		1,330
NPAS & 90 Day Delinquent	\$	100,769	\$	106,654	\$	109,516	\$	107,645	\$	119,987
					_					
Loan Loss Reserve	\$	70,898	\$	73,074	\$	77,133	\$	80,936	\$	82,977
YTD Charge-offs		34,709		26,678		17,063		7,635		55,637
NPAs / Actual Assets %		2.40%	Ď	2.55%	Ď	2.67%	Ď	2.60%	Ď	2.84%
NPAs & 90 Day / Actual Assets %		2.41%	Ď	2.59%	Ď	2.67%	Ď	2.61%	Ď	2.88%
NPAs / Actual Loans and REO %		3.65%	ó	3.83%	Ď	3.98%	Ď	3.84%	Ď	4.12%
Loan Loss Reserves / Actual Loans (%)		2.60%	Ď	2.68%	Ď	2.83%	Ď	2.93%	Ď	2.90%
NCOs / YTD Average Loans (%)		1.26%	Ď	0.97%	Ď	0.61%	Ď	0.27%	Ď	1.82%

CONSOLIDATED BALANCE SHEETS

(Dollars in thousands)	December 31,	September 30,	June 30,	March 31,	December 31,
	2011	2011	2011	2011	2010
ASSETS					
Cash and due from banks	\$ 73,312	\$ 60,166	\$ 50,874	\$ 44,283	\$ 50,844
Federal funds sold				6,092	7,463
Cash and cash equivalents	73,312	60,166	50,874	50,375	58,307
Interest-bearing time deposits	52,851	16,115	15,865	61,843	65,216
Investment securities	946,400	937,828	938,366	886,029	826,797
Mortgage loans held for sale	17,864	12,257	4,846	2,111	21,469
Loans	2,713,415	2,712,938	2,724,022	2,764,128	2,835,683
Less: Allowance for loan losses	(70,898)		(77,133)	(80,936)	(82,977)
Net loans	2,642,517	2,639,864	2,646,889	2,683,192	2,752,706
Premises and equipment	51,013	51,432	51,851	51,818	52,450
Federal Reserve and Federal Home Loan Bank stock	31,270	31,381	31,384	33,801	33,884
Interest receivable	17,723	17,770	17,001	17,583	18,674
Core deposit intangibles and goodwill	150,471	151,062	151,817	152,918	154,019
Cash surrender value of life insurance	124,329	123,524	102,880	102,309	96,731
Other real estate owned	16,289	19,425	15,437	17,056	20,927
Tax asset, deferred and receivable	36,424	35,804	36,790	38,224	45,623
Other assets	12,613	21,881	30,218	19,916	24,045
TOTAL ASSETS	\$ 4,173,076	\$ 4,118,509	\$ 4,094,218	\$ 4,117,175	\$ 4,170,848
LIABILITIES	+ .,,	+ ,1==0,000	+ ,,,	+	+ .,,
Deposits:					
Noninterest-bearing	\$ 646,508	\$ 598,139	\$ 590,199	\$ 586,973	\$ 583,696
Interest-bearing	2,488,147	2,466,111	2,552,334	2,565,363	2,685,184
Total Deposits	3,134,655	3,064,250	3,142,533	3,152,336	3,268,880
Borrowings:		07.040	22.070		
Federal funds purchased	150.005	27,946	22,978	115 004	100 071
Securities sold under repurchase agreements	156,305	117,097	124,236	115,684	109,871
Federal Home Loan Bank advances	138,095	168,764	74,050	104,697	82,684
Subordinated debentures, revolving credit lines and	404074	404.004	000 500	000 400	000 440
term loans	194,974	194,961	226,580	226,400	226,440
Total Borrowings	489,374	508,768	447,844	446,781	418,995
Interest payable	2,925	2,186	3,601	3,117	4,262
Other liabilities	31,655	30,760	31,762	52,419	24,303
Total Liabilities	3,658,609	3,605,964	3,625,740	3,654,653	3,716,440
STOCKHOLDERS' EQUITY					
Preferred Stock, no-par value:					
Authorized 500,000 shares					
Series A, Issued and outstanding			68,118	67,998	67,880
Preferred Stock, no-par value, \$1,000 liquidation value:					
Authorized 500,000 shares					
Senior Non-Cumulative Perpetual Preferred Stock,					
Series B					
Issued and outstanding	90,783	90,783			
Cumulative Preferred Stock, \$1,000 par value, \$1,000					
liquidation value:					
Authorized 600 shares					
Issued and outstanding	125	125	125	125	125
Common Stock, \$.125 stated value:					
Authorized 50,000,000 shares					
Issued and outstanding	3,570	3,567	3,211	3,206	3,197
Additional paid-in capital	254,874	254,801	233,544	233,032	232,503
Retained earnings	168,717	162,669	169,313	165,075	160,860
Accumulated other comprehensive income (loss)	(3,602)	600	(5,833)	(6,914)	(10,157)
Total Stockholders' Equity	514,467	512,545	468,478	462,522	454,408
TOTAL LIABILITIES AND STOCKHOLDERS'			· · · · ·		
EQUITY	\$ 4,173,076	\$ 4,118,509	\$ 4,094,218	\$ 4,117,175	\$ 4,170,848
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CONSOLIDATED STATEMENTS OF OPERATIONS

(Dollars in thousands, except per share amounts)		ecember 31, 2011	S	eptember 30, 2011	ıne 30, 2011	Μ	larch 31, 2011	De	ecember 31, 2010
INTEREST INCOME									
Loans receivable:									
Taxable	\$	36,497	\$	37,024	\$ 37,457	\$	38,738	\$	41,497
Tax exempt		93		86	247		102		(250)
Investment securities:					= 0.40				
Taxable		4,565		5,078	5,040		4,547		3,680
Tax exempt		2,550		2,529	2,535		2,553		2,573
Federal funds sold		Γ 4		45	1		2		3
Deposits with financial institutions		54		45	100		83		142
Federal Reserve and Federal Home Loan Bank stock		314		323	 341		341		312
Total Interest Income		44,073		45,085	 45,721		46,366		47,957
INTEREST EXPENSE									
Deposits		4,505		5,046	5,864		6,866		8,427
Federal funds purchased		3		16	3		3		
Securities sold under repurchase agreements		363		384	386		378		383
Federal Home Loan Bank advances		1,114		1,089	977		1,001		1,146
Subordinated debentures, revolving credit lines and term									
loans		1,908		2,699	 2,644		2,641		2,508
Total Interest Expense		7,893		9,234	 9,874		10,889		12,464
NET INTEREST INCOME		36,180		35,851	35,847		35,477		35,493
Provision for loan losses		5,855		5,556	 5,625		5,594		7,078
NET INTEREST INCOME AFTER PROVISION FOR LOAN									
LOSSES		30,325		30,295	30,222		29,883		28,415
OTHER INCOME									
Service charges on deposit accounts		3,027		3,169	2,997		2,779		3,111
Fiduciary activities		1,804		1,881	1,929		2,036		1,881
Other customer fees		2,572		2,583	2,634		2,235		2,217
Commission income		1,220		1,528	1,024		1,888		1,267
Earnings on cash surrender value of life insurance		803		644	571		578		524
Net gains and fees on sales of loans		2,747		1,768	1,030		1,873		2,384
Net realized gains on sales of available for sale securities		290		861	825		463		1,305
Other-than-temporary impairment on available for sale									,
securities							(400)		
Other income		508		796	51		406		904
Total Other Income		12,971		13,230	 11,061		11,858		13,593
OTHER EXPENSES	_	12,011		10,200	 11,001		11,000	_	10,000
Salaries and employee benefits		19,035		19,964	18,560		17,176		19,655
		2,428		2,530	2,415		2,745		2,452
Net occupancy Equipment		1,672		1,662	1,677		1,783		1,812
Marketing		650		534	436		382		527
Outside data processing fees		1,377		1,391	1,458		1,445		1,154
Printing and office supplies		340		301	313		288		317
Core deposit amortization		591		755			1,101		
FDIC assessments		775		1,201	1,101 1,451		2,101		1,161 2,044
Other real estate owned and credit-related expenses		2,569		2,007	2,843		3,195		5,257
Other expenses		3,999		3,877	 4,145		3,662		3,814
Total Other Expenses		33,436		34,222	 34,399		33,881		38,193
INCOME BEFORE INCOME TAX		9,860		9,303	6,884		7,860		3,815
Income tax expense (benefit)		2,299		2,561	 1,396		2,399		(216)
NET INCOME		7,561		6,742	5,488		5,461		4,031
Loss on CPP unamortized discount				(1,401)					
Loss on extinguishment of trust preferred securities				(10,857)					
Preferred stock dividends and discount accretion		(1,135)		(868)	 (990)		(988)		(1,476)
NET INCOME (LOSS) AVAILABLE TO COMMON									
STOCKHOLDERS	\$	6,426	\$	(6,384)	\$ 4,498	\$	4,473	\$	2,555
PER SHARE: Basic Net Income (Loss) Available to Common									
Stockholders Diluted Net Income (Loss) Available to Common	\$	0.24	\$	(0.25)	\$ 0.18	\$	0.17	\$	0.10
Stockholders	\$	0.24	\$	(0.25)	\$ 0.18	\$	0.17	\$	0.10
Cash Dividends Paid	\$	0.01	\$	0.01	\$ 0.01	\$	0.01	\$	0.01
Average Diluted Shares Outstanding (in thousands)		28,700		26,367	25,783		25,763		25,737
FINANCIAL RATIOS:									
Return on Average Assets		0.61%)	-0.62%	0.43%)	0.43%)	0.24%
Return on Average Stockholders' Equity		5.01		(5.33)	3.87		3.92		2.20
Average Earning Assets to Average Assets		89.66		90.30	90.64		90.83		90.27
Allowance for Loan Losses as % of Total Loans		2.60		2.68	2.83		2.93		2.90
Net Charge Off's as % of Average Loans (Annualized)		1.18		1.41	1.37		1.09		1.07
Average Stockholders' Equity to Average Assets		12.22		11.64	11.23		11.07		10.93
Tax Equivalent Yield on Earning Assets		4.83		5.01	5.04		5.11		5.13
Cost of Supporting Liabilities		0.84		0.99	1.05		1.16		1.30
		0.04		0.00	1.00		1.10		1.00

Net Interest Margin (FTE) on Earning Assets	3.99	4.02	3.99	3.95	3.83

LOANS

LOANS			c	September					
(Dollars in thousands)	De	ecember 31, 2011		30, 2011	June 30, 2011	1	March 31, 2011	De	cember 31, 2010
Commercial and industrial loans	\$	532,523	\$	518,848	\$ 529,742	\$	529,110	\$	530,322
Agricultural production financing and other loans to									
farmers		104,526		106,761	99,360		89,032		95,516
Real estate loans:									
Construction		81,780		70,044	96,308		103,956		106,615
Commercial and farm land		1,194,230		1,196,270	1,171,901		1,199,078		1,229,037
Residential		481,493		495,954	495,256		504,538		522,051
Home Equity		191,631		196,191	191,839		195,235		201,969
Individuals' loans for household and other personal									
expenditures		84,172		90,810	94,123		104,701		115,295
Lease financing receivables, net of unearned income		3,555		4,160	4,399		4,706		5,157
Other loans		39,505		33,900	41,094		33,772		29,721
Loans		2,713,415		2,712,938	2,724,022		2,764,128		2,835,683
Allowance for loan losses		(70,898)		(73,074)	 (77,133)		(80,936)		(82,977)
NET LOANS	\$	2,642,517	\$	2,639,864	\$ 2,646,889	\$	2,683,192	\$	2,752,706

DEPOSITS

DEPOSITS										
			S	September						
(Dollars in thousands)	De	cember 31,	30,		June 30,		March 31,		De	cember 31,
		2011		2011		2011		2011		2010
Demand deposits	\$	1,438,513	\$	1,360,174	\$	1,363,621	\$	1,318,188	\$	1,362,927
Savings deposits		757,166		712,545		750,337		765,138		763,949
Certificates and other time deposits of \$100,000 or more		264,787		278,115		292,613		318,663		334,748
Other certificates and time deposits		551,247		570,380		597,330		624,032		661,569
Brokered deposits		122,942		143,036		138,632		126,315		145,687
TOTAL DEPOSITS	\$	3,134,655	\$	3,064,250	\$	3,142,533	\$	3,152,336	\$	3,268,880