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): October 25, 2016

Commission File Number 0-17071

FIRST MERCHANTS CORPORATION

(Exact name of registrant as specified in its charter)

INDIANA35-1544218(State or other jurisdiction of incorporation)(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 October 25, 2016 First Merchants Corporation issued a press release to report its financial results for the third quarter ended September 30, 2016. 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 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to liability of that section. The information in this Current Report shall not be incorporated by reference into any filing or 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) Not applicable.
- (d) Exhibits.

Exhibit 99.1 Press Release, dated October 25, 2016, 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, Chief Financial Officer and Chief Operating Officer

Dated: October 25, 2016

Exhibit No. Description

99.1 Press Release, dated October 25, 2016, issued by First Merchants Corporation

N/E/W/SR/E/L/E/A/S/E

October 25, 2016

FOR IMMEDIATE RELEASE

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

SOURCE: First Merchants Corporation, Muncie, Indiana

FIRST MERCHANTS CORPORATION ANNOUNCES RECORD THIRD QUARTER 2016 RESULTS

First Merchants Corporation (NASDAQ - FRME) reported record third quarter 2016 net income of \$21.1 million, compared to \$17.1 million during the third quarter of 2015. Earnings per share for the period totaled a record \$.51 per share, an increase of \$.06 per share, or 13.3 percent, over the same period in 2015. Year-to-date net income totaled a record \$58.8 million, compared to \$51.2 million during the same period in 2015. Earnings per share for the nine months ended September 30, 2016 totaled a record \$1.43 per share, an increase of \$.08 per share or 5.9 percent, over same period in 2015.

Michael C. Rechin, President and Chief Executive Officer, stated, "First Merchants focused its 2016 plan on proving our progress after completing two acquisitions and several major organizational initiatives in 2015 and the first quarter of 2016. We are pleased to show two consecutive quarters of clean, high-performance results while demonstrating the strength of our core franchise by delivering organic growth, profitability and efficiency. Our results reflect a growing company with a 1.22 percent return on assets and a 55.12 percent efficiency ratio. As we focus on the road ahead, our healthy economic markets should allow for strong organic growth and continued high-performance."

Total assets and total loans climbed to new heights reaching \$7 billion and \$5 billion, respectively, as of September 30, 2016, compared to \$6.2 billion and \$4.3 billion, as of September 30, 2015 representing increases of 13.5 and 15.1 percent, respectively. Total deposits equaled \$5.4 billion as of quarter-end and tangible common equity increased to record levels totaling \$647 million or \$15.86 per share.

Net-interest income totaled a record \$57.7 million for the quarter and reported net-interest margin increased by 9 basis points over the third quarter of 2015, totaling 3.94 percent. Yields on earning assets totaled 4.37 percent and the cost of supporting liabilities totaled .43 percent. When adjusted for fair value accretion, net-interest margin totaled 3.70 percent for the quarter, 1 basis point less than the third quarter of 2015.

Non-interest income totaled \$16.9 million for the quarter, up \$529,000 from the third quarter of 2015 total of \$16.3 million. Non-interest expense totaled \$44.1 million for the quarter, an increase of \$1.1 million from the third quarter of 2015.

The Corporation's provision expense totaled \$1.9 million during the quarter to account for net charge-offs of \$630,000 and loan growth of \$182.4 million. Non-performing loans now total \$38 million, the allowance for loan losses totaled \$63.5 million and the remaining fair value marks totaled \$37.9 million. The allowance is 1.28 percent of total loans and 1.50 percent of non-purchased loans.

As of September 30, 2016, the Corporation's total risk-based capital ratio equaled 14.18 percent, the common equity tier 1 capital ratio equaled 11.05 percent, and the tangible common equity ratio totaled 9.48 percent.

CONFERENCE CALL

First Merchants Corporation will conduct a third quarter earnings conference call and web cast at 2:30 p.m. (ET) on Tuesday, October 25, 2016.

To participate, dial (Toll Free) 877-507-0578 and reference First Merchants Corporation's third quarter earnings release. International callers please call +1 412-317-1073. A replay of the call will be available until November 25, 2016. To access a replay of the call, US participants should dial (Toll Free) 877-344-7529 or for International participants, dial +1 412-317-0088. The replay passcode is 10092820.

In order to view the web cast and presentation slides, please go to http://services.choruscall.com/links/frme161025.html during the time of the call. A replay of the web cast will be available until October 25, 2017.

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, which also operates as Lafayette Bank & Trust, and First Merchants Private Wealth Advisors which operates as a division of First Merchants Bank.

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>).

FIRST MERCHANTS and the Shield Logo are federally registered trademarks of First Merchants Corporation.

* * * *

CONSOLIDATED BALANCE SHEETS

		2016		201E
		2016		2015
ETS	<u>^</u>	00.000	<u>_</u>	
Cash and cash equivalents	\$	99,602	\$	84,6
Interest-bearing time deposits		33,803		27,7
Investment securities		1,300,428		1,208,7
Loans held for sale		1,482		1,9
Loans		4,973,844		4,321,7
Less: Allowance for loan losses		(63,456)		(62,8
Net loans		4,910,388		4,258,8
Premises and equipment		95,540		83,4
Federal Reserve and Federal Home Loan Bank stock		18,044		34,4
Interest receivable		23,652		22,0
Core deposit intangibles and goodwill		259,844		219,5
Cash surrender value of life insurance		201,856		171,5
Other real estate owned		10,242		14,8
Tax asset, deferred and receivable		31,779		38,3
Other assets		35,692	-	24,2
TOTAL ASSETS	\$	7,022,352	\$	6,189,7
ILITIES				
Deposits:				
Noninterest-bearing	\$	1,307,886	\$	1,110,9
Interest-bearing		4,136,354		3,703,6
Total Deposits		5,444,240		4,814,5
Borrowings:				
Federal funds purchased		58,358		52,8
Securities sold under repurchase agreements		138,671		153,8
Federal Home Loan Bank advances		297,022		237,8
Subordinated debentures and term loans		128,288		121,9
Total Borrowings		622,339		566,5
Interest payable		3,733		3,7
Other liabilities		51,175		38,0
Total Liabilities		6,121,487		5,422,8
CKHOLDERS' EQUITY				
Cumulative Preferred Stock, \$1,000 par value, \$1,000 liquidation value:				
Authorized 600 shares				
Issued and outstanding - 125 shares		125		1
Common Stock, \$.125 stated value:				
Authorized 50,000,000 shares				
Issued and outstanding - 40,799,025 and 37,873,921 shares		5,100		4,7
Additional paid-in capital		506,848		433,5
Retained earnings		384,868		332,1
Accumulated other comprehensive income (loss)		3,924		(3,6
Total Stockholders' Equity		900,865		766,9
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$	7,022,352	\$	6,189,7

	Three Months Ended September 30,				Nine Months Ended				
Dollars In Thousands, Except Per Share Amounts)	Septer 2016	nber 30), 2015		Septe 2016	mber 30	0, 2015		
NTEREST INCOME	 2010		2015		2010		2015		
Loans receivable:									
Taxable	\$ 53,819	\$	46,037	\$	156,407	\$	134,908		
Tax-exempt	1,649		1,190		4,429		2,174		
Investment securities:	,		,		, -				
Taxable	3,992		4,374		12,522		13,522		
Tax-exempt	4,668		4,412		13,760		12,478		
Deposits with financial institutions	55		25		283		9:		
Federal Reserve and Federal Home Loan Bank stock	193		500		906		1,50		
Total Interest Income	 64,376		56,538		188,307		164,684		
NTEREST EXPENSE									
Deposits	3,926		3,715		12,028		10,917		
Federal funds purchased	27		27		62		69		
Securities sold under repurchase agreements	91		96		283		264		
Federal Home Loan Bank advances	853		711		2,467		2,108		
Subordinated debentures and term loans	1,797		1,666		5,368		4,996		
Total Interest Expense	6,694		6,215	-	20,208		18,354		
	57,682		50,323		168,099		146,330		
Provision for loan losses	1,900				3,240		41		
IET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	 55,782		50,323		164,859		145,913		
DTHER INCOME									
Service charges on deposit accounts	4,667		4,445		13,228		12,08		
Fiduciary activities	2,448		2,242		7,318		7,05		
Other customer fees	4,777		4,156		14,531		12,42		
Commission income			4				4,14		
Earnings on cash surrender value of life insurance	614		710		3,387		2,09		
Net gains and fees on sales of loans	1,989		1,905		5,166		5,17		
Net realized gains on sales of available for sale securities	839		1,115		2,542		2,04		
Gain on sale of insurance subsidiary							8,26		
Other income	1,527		1,755		2,911		2,540		
Total Other Income	 16,861		16,332		49,083		55,83		
OTHER EXPENSES									
Salaries and employee benefits	26,651		25,137		79,558		76,112		
Net occupancy	4,348		3,726		12,429		11,01		
Equipment	2,947		2,698		9,428		8,10		
Marketing	630		847		2,218		2,57		
Outside data processing fees	2,382		1,992		6,476		5,47		
Printing and office supplies	314		343		1,047		1,01		
Core deposit amortization	978		693		2,933		2,14		
FDIC assessments	534		958		2,486		2,71		
Other real estate owned and foreclosure expenses	637		1,675		2,303		2,91		
Professional and other outside services	1,242		1,686		4,882		6,31		
Other expenses	3,452		3,276		11,665		10,90		
Total Other Expenses	44,115		43,031		135,425		129,29		
NCOME BEFORE INCOME TAX	28,528		23,624		78,517		72,45		
Income tax expense	 7,469		6,557		19,759		21,24		
IET INCOME AVAILABLE TO COMMON STOCKHOLDERS	\$ 21,059	\$	17,067	\$	58,758	\$	51,20		
er Share Data:									
Basic Net Income Available to Common Stockholders	\$ 0.51	\$	0.46	\$	1.44	\$	1.3		
Diluted Net Income Available to Common Stockholders	\$ 0.51	\$	0.45	\$	1.43	\$	1.3		
Cash Dividends Paid	\$ 0.14	\$	0.11	\$	0.39	\$	0.30		
Average Diluted Shares Outstanding (in thousands)	41,026		38,118		40,970		38,054		

FINANCIAL HIGHLIGHTS

Oollars in thousands)	Three Mo	onths En	Nine Mo	Nine Months Ended						
	Septe	mber 30	,	Septe	mber 30),				
	 2016		2015	 2016		2015				
ET CHARGE OFF'S	\$ 630	\$	(311)	\$ 2,237	\$	1,520				
VERAGE BALANCES:										
Total Assets	\$ 6,907,303	\$	6,153,949	\$ 6,836,412	\$	6,013,053				
Total Loans	4,836,923		4,273,475	4,748,846		4,121,949				
Total Earning Assets	6,198,206		5,538,202	6,116,952		5,392,975				
Total Deposits	5,428,453		4,824,683	5,388,775		4,743,106				
Total Stockholders' Equity	896,934		759,144	878,302		746,702				
NANCIAL RATIOS:										
Return on Average Assets	1.22%		1.11%	1.15%		1.14%				
Return on Average Stockholders' Equity	9.39		8.99	8.92		9.14				
Return on Average Common Stockholders' Equity	9.39		8.99	8.92		9.15				
Average Earning Assets to Average Assets	89.73		89.99	89.48		89.69				
Allowance for Loan Losses as % of Total Loans	1.28		1.45	1.28		1.45				
Net Charge Off's as % of Average Loans (Annualized)	0.05		(0.03)	0.06		0.05				
Average Stockholders' Equity to Average Assets	12.99		12.34	12.85		12.42				
Tax Equivalent Yield on Earning Assets	4.37		4.30	4.32		4.27				
Cost of Supporting Liabilities	0.43		0.45	0.44		0.45				
Net Interest Margin (FTE) on Earning Assets	3.94		3.85	3.88		3.82				
Tangible Common Book Value Per Share	\$ 15.86	\$	14.59	\$ 15.86	\$	14.59				

NON-PERFORMING ASSETS

(Dollars In Thousands)	September 30,		June 30,		March 31,		December 31,		Se	eptember 30,
		2016		2016	2016		2015			2015
Non-Accrual Loans	\$	34,105	\$	33,565	\$	36,719	\$	31,389	\$	32,597
Renegotiated Loans		3,940		4,299		1,015		1,923		3,823
Non-Performing Loans (NPL)		38,045		37,864		37,734		33,312		36,420
Other Real Estate Owned		10,242		13,219		15,626		17,257		14,809
Non-Performing Assets (NPA)		48,287		51,083		53,360		50,569		51,229
90+ Days Delinquent		1,625		362		963		907		1,947
NPAs & 90 Day Delinquent	\$	49,912	\$	51,445	\$	54,323	\$	51,476	\$	53,176

Loan Loss Reserve	\$ 63,456	\$ 62,186	\$ 62,086	\$ 62,453	\$ 62,861
Quarterly Net Charge-off's	630	690	917	408	(311)
NPAs / Actual Assets %	0.69%	0.74%	0.78%	0.75%	0.83 %
NPAs & 90 Day / Actual Assets %	0.71%	0.74%	0.80%	0.76%	0.86 %
NPAs / Actual Loans and OREO %	0.97%	1.06%	1.13%	1.07%	1.18 %
Loan Loss Reserves / Actual Loans (%)	1.28%	1.29%	1.32%	1.33%	1.45 %
Net Charge Off's as % of Average Loans (Annualized)	0.05%	0.06%	0.08%	0.04%	(0.03)%

CONSOLIDATED BALANCE SHEETS

CONSOLIDATED BALANCE SHEETS					_		_	
(Dollars In Thousands)	Se	ptember 30,	June 30,	March 31,	D	ecember 31,	Se	eptember 30,
		2016	 2016	 2016		2015		2015
ASSETS								
Cash and cash equivalents	\$	99,602	\$ 120,471	\$ 85,738	\$	102,170	\$	84,677
Interest-bearing time deposits		33,803	62,533	77,453		32,315		27,111
Investment securities		1,300,428	1,297,801	1,270,777		1,276,999		1,208,793
Loans held for sale		1,482	18,854	3,628		9,894		1,943
Loans		4,973,844	4,791,429	4,709,907		4,693,822		4,321,715
Less: Allowance for loan losses		(63,456)	 (62,186)	 (62,086)		(62,453)		(62,861)
Net loans		4,910,388	4,729,243	4,647,821		4,631,369		4,258,854
Premises and equipment		95,540	95,170	96,494		97,648		83,457
Federal Reserve and Federal Home Loan Bank stock		18,044	18,096	37,553		37,633		34,498
Interest receivable		23,652	23,351	22,836		24,415		22,048
Core deposit intangibles and goodwill		259,844	260,821	261,799		259,764		219,503
Cash surrender value of life insurance		201,856	201,417	200,549		200,539		171,530
Other real estate owned		10,242	13,219	15,626		17,257		14,809
Tax asset, deferred and receivable		31,779	32,547	47,982		46,977		38,339
Other assets		35,692	 32,895	 30,283		24,023		24,235
TOTAL ASSETS	\$	7,022,352	\$ 6,906,418	\$ 6,798,539	\$	6,761,003	\$	6,189,797
IABILITIES								
Deposits:								
Noninterest-bearing	\$	1,307,886	\$ 1,253,747	\$ 1,282,462	\$	1,266,027	\$	1,110,905
Interest-bearing		4,136,354	 4,153,807	 4,028,608		4,023,620		3,703,684
Total Deposits		5,444,240	5,407,554	5,311,070		5,289,647		4,814,589
Borrowings:								
Federal funds purchased		58,358	20,000	602		49,721		52,896
Securities sold under repurchase agreements		138,671	140,777	150,134		155,325		153,822
Federal Home Loan Bank advances		297,022	268,579	263,588		235,652		237,856
Subordinated debentures and term loans		128,288	 127,678	 127,523		127,846		121,936
Total Borrowings		622,339	557,034	541,847		568,544		566,510
Interest payable		3,733	3,051	3,910		3,092		3,710
Other liabilities		51,175	 51,229	74,449		49,211		38,004
Total Liabilities		6,121,487	6,018,868	5,931,276		5,910,494		5,422,813
TOCKHOLDERS' EQUITY								
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		5,100	5,097	5,094		5,083		4,734
Additional paid-in capital		506,848	505,725	504,661		504,530		433,577
Retained earnings		384,868	369,568	355,317		342,133		332,162
Accumulated other comprehensive income (loss)		3,924	7,035	2,066		(1,362)		(3,614)
Total Stockholders' Equity		900,865	 887,550	867,263		850,509		766,984
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$	7,022,352	\$ 6,906,418	\$ 6,798,539	\$	6,761,003	\$	6,189,797

CONSOLIDATED STATEMENTS OF INCOME

Dollars In Thousands, Except Per Share Amounts)	Sep	tember 30,		June 30,		March 31,	D	ecember 31,	September 30,		
		2016		2016		2016		2015		2015	
NTEREST INCOME											
Loans receivable:											
Taxable	\$	53,819	\$	52,099	\$	50,489	\$	45,897	\$	46,037	
Tax-exempt		1,649		1,465		1,315		1,285		1,19	
Investment securities:											
Taxable		3,992		4,202		4,328		4,363		4,37	
Tax-exempt		4,668		4,583		4,509		4,444		4,41	
Deposits with financial institutions		55		122		106		67		2	
Federal Reserve and Federal Home Loan Bank stock		193		233		480		458		50	
Total Interest Income		64,376		62,704		61,227		56,514		56,53	
ITEREST EXPENSE											
Deposits		3,926		4,039		4,063		3,938		3,7*	
Federal funds purchased		27		7		28		5		2	
Securities sold under repurchase agreements		91		92		100		104		ļ	
Federal Home Loan Bank advances		853		818		796		728		7	
Subordinated debentures and term loans		1,797		1,786		1,785		1,665		1,60	
Total Interest Expense		6,694		6,742		6,772		6,440		6,2	
ET INTEREST INCOME		57,682		55,962	_	54,455		50,074		50,3	
Provision for loan losses		1,900		790		550					
ET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES		55,782	• •	55,172	• •	53,905		50,074		50,32	
THER INCOME						· · ·		<u> </u>		,	
Service charges on deposit accounts		4,667		4,416		4,145		4,118		4,4	
Fiduciary activities		2,448		2,376		2,494		2,138		2,2	
Other customer fees		4,777		4,695		5,059		4,534		4,1	
Commission income		-,,,,,		4,000		0,000		4,004		т, і	
Earnings on cash surrender value of life insurance		614		1,297		1,476		822		7	
Net gains and fees on sales of loans		1,989		1,297		1,470		1,308		1,9	
								623			
Net realized gains on sales of available for sale securities		839		706		997				1,1	
Other income		1,527	• •	1,178		206		488		1,7	
Total Other Income		16,861		16,385		15,837		14,031		16,3	
THER EXPENSES											
Salaries and employee benefits		26,651		25,570		27,337		25,796		25,1	
Net occupancy		4,348		4,059		4,022		3,649		3,7	
Equipment		2,947		3,243		3,238		2,683		2,6	
Marketing		630		851		737		915		8	
Outside data processing fees		2,382		2,025		2,069		1,632		1,9	
Printing and office supplies		314		369		364		343		3	
Core deposit amortization		978		977		978		692		6	
FDIC assessments		534		1,002		950		939		9	
Other real estate owned and foreclosure expenses		637		915		751		1,040		1,6	
Professional and other outside services		1,242		1,478		2,162		3,544		1,6	
Other expenses		3,452		4,346		3,867		4,277		3,2	
Total Other Expenses		44,115		44,835		46,475		45,510		43,0	
ICOME BEFORE INCOME TAX		28,528		26,722		23,267		18,595		23,6	
Income tax expense		7,469		6,716		5,574		4,418		6,5	
ET INCOME AVAILABLE TO COMMON STOCKHOLDERS	\$	21,059	\$	20,006	\$	17,693	\$	14,177	\$	17,06	
er Share Data:											
Basic Net Income Available to Common Stockholders	\$	0.51	\$	0.50	\$	0.43	\$	0.37	\$	0.	
Diluted Net Income Available to Common Stockholders	\$ \$	0.51	ֆ \$	0.30	ۍ \$	0.43	\$	0.37	\$ \$	0.	
Cash Dividends Paid	ֆ \$	0.51	ծ \$	0.49	ծ \$	0.43	ծ \$	0.37	ծ \$	0.	
	à		φ		φ	40,917	φ		φ		
Average Diluted Shares Outstanding (in thousands)		41,026		40,969		40,917		38,191		38,1	
NANCIAL RATIOS:											
Return on Average Assets		1.22%		1.17%		1.05%		0.90%		1.	
Return on Average Stockholders' Equity		9.39		9.13		8.21		7.32		8.	
Return on Average Common Stockholders' Equity		9.39		9.14		8.21		7.32		8.	

Average Earning Assets to Average Assets	89.73	89.41	89.28	90.11	89.99
Allowance for Loan Losses as % of Total Loans	1.28	1.29	1.32	1.33	1.45
Net Charge Off's as % of Average Loans (Annualized)	0.05	0.06	0.08	0.04	(0.03)
Average Stockholders' Equity to Average Assets	12.99	12.78	12.78	12.29	12.34
Tax Equivalent Yield on Earning Assets	4.37	4.30	4.28	4.20	4.30
Cost of Supporting Liabilities	0.43	0.44	0.45	0.45	0.45
Net Interest Margin (FTE) on Earning Assets	3.94	3.86	3.83	3.75	3.85
Tangible Common Book Value Per Share	\$ 15.86	\$ 15.53	\$ 15.02	\$ 14.68	\$ 14.59

LOANS

(Dollars In Thousands)	S	eptember 30,	June 30,		March 31,		ecember 31,	Se	eptember 30,
		2016		2016	 2016		2015		2015
Commercial and industrial loans	\$	1,146,538	\$	1,084,890	\$ 1,060,559	\$	1,057,075	\$	999,195
Agricultural production financing and other loans to farmers		93,169		95,131	92,137		97,711		91,354
Real estate loans:									
Construction		368,241		352,980	391,621		366,704		298,250
Commercial and farmland		1,941,739		1,869,703	1,806,395		1,802,921		1,695,703
Residential		739,855		758,870	769,592		786,105		677,767
Home Equity		398,837		374,159	353,946		348,613		318,949
Individuals' loans for household and other personal expenditures		76,497		75,205	73,622		74,717		71,893
Lease financing receivables, net of unearned income		380		388	461		588		614
Other commercial loans		208,588		180,103	161,574		159,388		167,990
Loans		4,973,844		4,791,429	 4,709,907		4,693,822		4,321,715
Allowance for loan losses		(63,456)		(62,186)	(62,086)		(62,453)		(62,861)
NET LOANS	\$	4,910,388	\$	4,729,243	\$ 4,647,821	\$	4,631,369	\$	4,258,854

DEPOSITS

(Dollars In Thousands)	Se	September 30,		June 30,		March 31,		ecember 31,	Se	eptember 30,
		2016		2016	2016			2015		2015
Demand deposits	\$	2,745,028	\$	2,717,500	\$	2,590,603	\$	2,576,283	\$	2,244,848
Savings deposits		1,545,372		1,551,210		1,549,304		1,518,722		1,460,244
Certificates and other time deposits of \$100,000 or more		296,838		301,695		304,559		323,698		286,988
Other certificates and time deposits		498,203		517,720		536,120		556,476		499,286
Brokered deposits		358,799		319,429		330,484		314,468		323,223
TOTAL DEPOSITS	\$	5,444,240	\$	5,407,554	\$	5,311,070	\$	5,289,647	\$	4,814,589

NET INTEREST INCOME

NET INTEREST INCOME (Dollars in Thousands)					For the Three	Months	Ended			
		Se	eptem	ber 30, 2016			Se	eptem	ber 30, 2015	
	Av	erage Balance		Interest Income / Expense	Average Rate	Ave	erage Balance		Interest Income / Expense	Average Rate
Assets:										
Interest-bearing time deposits	\$	54,120	\$	55	0.40%	\$	34,343	\$	25	0.29%
Federal Reserve and Federal Home Loan Bank stock		18,095		193	4.24		34,627		500	5.78
Investment Securities: (1)										
Taxable		729,223		3,992	2.18		692,583		4,374	2.53
Tax-Exempt (2)		559,845		7,182	5.10		503,174		6,787	5.40
Total Investment Securities		1,289,068		11,174	3.45		1,195,757		11,161	3.73
Loans held for sale		742		73	39.14		2,163		125	23.12
Loans: (3)										
Commercial		3,556,187		41,653	4.66		3,247,336		36,582	4.51
Real Estate Mortgage		567,015		6,521	4.58		447,733		4,803	4.29
Installment		493,807		5,572	4.49		403,399		4,526	4.49
Tax-Exempt ⁽²⁾		219,172		2,537	4.60		172,844		1,832	4.24
Total Loans		4,836,923		56,356	4.64		4,273,475		47,868	4.48
Total Earning Assets		6,198,206	_	67,778	4.37		5,538,202		59,554	4.30
Net unrealized gain on securities available for sale		11,738					10,379			
Allowance for loan losses		(62,453)					(62,521)			
Cash and cash equivalents		102,023					93,542			
Premises and equipment		95,541					84,880			
Other assets		562,248	_				489,467			
Total Assets	\$	6,907,303				\$	6,153,949			
Liabilities:										
Interest-bearing deposits:										
Interest-bearing NOW deposits	\$	1,454,992	\$	669	0.18%	\$	1,112,161	\$	359	0.13%
Money market deposits		793,173		384	0.19		837,963		448	0.21
Savings deposits		754,401		171	0.09		628,020		155	0.10
Certificates and other time deposits		1,128,595		2,702	0.95		1,122,964		2,753	0.98
Total Interest-bearing Deposits		4,131,161		3,926	0.38		3,701,108		3,715	0.40
Borrowings		521,125		2,768	2.11		523,814		2,500	1.91
Total Interest-bearing Liabilities		4,652,286		6,694	0.57		4,224,922		6,215	0.59
Noninterest-bearing deposits		1,297,292					1,123,575			
Other liabilities		60,791					46,308			
Total Liabilities		6,010,369					5,394,805			
Stockholders' Equity		896,934					759,144			
Total Liabilities and Stockholders' Equity	\$	6,907,303		6,694	0.43	\$	6,153,949		6,215	0.45
Net Interest Income			\$	61,084				\$	53,339	
Net Interest Margin					3.94%					3.85%

(1) Average balance of securities is computed based on the average of the historical amortized cost balances without the effects of the fair value adjustments. Annualized amounts are computed utilizing a 30/360 day basis

(a) Tax-end of the second o

 $^{\scriptscriptstyle (3)}$ Non accruing loans have been included in the average balances.

NET INTEREST INCOME (Dollars in Thousands)

status \$ 76,440 \$ 28,359 0.49% \$ 50,327 \$ 63 0.25% Federal Reave and Federal Home Lean Bank stock 28,359 906 4.59 33,367 1,009 5.24 Investment Securities: 725,311 12,522 2.31 706,328 13,552 2.55 Tax Exempt In 539,969 21,109 5.24 474,004 19,197 5.40 Total Investment Securities 1,265,07 33,01 3.56 1,182,322 32,719 3.99 1,81 Leans Information 3,527,15 121,017 4.62 3,161,385 106,412 4.49 Installment 473,845 16,067 4.53 397,961 13,502 4.52 Tax Exempt IP 198,615 6,814 4.58 100,301 3,344 4.29 Total Lean 6,116,962 198,101 4.32% 59,007 12,572 4.47% Nownen for Ioan Iosses 6,116,962 198,101 4.32% 59,007 12,572	NET INTEREST INCOME (Dollars in Thousands)					For the Nine	Month	s Ended			
Average balance Average ba			Sep					Se	-		
status \$ 76,440 \$ 28,359 0.49% \$ 50,327 \$ 63 0.25% Federal Reave and Federal Home Lean Bank stock 28,359 906 4.59 33,367 1,009 5.24 Investment Securities: 725,311 12,522 2.31 706,328 13,552 2.55 Tax Exempt In 539,969 21,109 5.24 474,004 19,197 5.40 Total Investment Securities 1,265,07 33,01 3.56 1,182,322 32,719 3.99 1,81 Leans Information 3,527,15 121,017 4.62 3,161,385 106,412 4.49 Installment 473,845 16,067 4.53 397,961 13,502 4.52 Tax Exempt IP 198,615 6,814 4.58 100,301 3,344 4.29 Total Lean 6,116,962 198,101 4.32% 59,007 12,572 4.47% Nownen for Ioan Iosses 6,116,962 198,101 4.32% 59,007 12,572		Ave	erage Balance	Inco	ome /					Income /	
Federal Reserve and Federal Home Loan Bank stock 26,359 906 4.59 36,877 1.509 5.24 Taxable 725,311 12,522 2.31 708,328 13,522 2.55 Tax-Exempt P 539,666 21,109 6.24 474,004 10,127 5.69 Total Investment Securities 1265,307 33,691 3.56 11.82,332 32,719 3.69 Total Investment Securities 1265,307 33,691 3.56 11.82,332 32,719 3.69 Commercial 3,502,715 121,017 4.62 3,101,385 106,412 4.49 Real Estate Morgage 473,845 10,607 4.53 397,681 13,502 4.52 Installiment 4748,846 163,221 4.59 4.121,849 139,252 4.47 Total Loaning Assets 6,116,892 188,101 4.324 4.99 139,252 4.47 Total Loaning Assets 6,224 188,107 4.53 5,99,2075 112,572 4.27M Net unrestate d	Assets:										
Numerical Securities: 10 Taxe Exempt 0: 76.01 12.522 2.31 700.328 13.522 2.55 Taxe Exempt 0: 539.996 21.168 5.24 474.004 19.107 6.40 Taxe Exempt 0: 3.580.11 2.86.801 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11 3.680.11	Interest-bearing time deposits	\$	76,440	\$	283	0.49%	\$	50,327	\$	93	0.25%
Toxoble 725,311 12,522 2,31 706,328 13,522 2,55 Tox Evernpt t?) 559,989 21,199 5,54 474,004 19,197 5,40 Total Investment Socurities 12,05,007 33,681 3,56 1,182,332 32,719 3,89 Loans held for sale 3,502,715 121,017 4,62 3,151,385 106,412 4,49 Real Estate Motgage 570,330 19,002 4,46 454,289 14,614 429 Real Estate Motgage 473,565 16,607 4,53 3,502,875 13,502 4,52 Total Loans 4,748,864 103,221 4,59 4,121,944 138,552 4,47 Total Loans 4,748,864 103,221 4,59 4,121,944 138,552 4,27% Net unrealized gain on ascurities available for sale 10,2767 6,671 12,633 102,633 12,633 12,633 12,635 12,633 12,635 12,635 12,633 101,445 12,635 12,635 12,635 12,635<	Federal Reserve and Federal Home Loan Bank stock		26,359		906	4.59		38,367		1,509	5.24
Tax-Exempt (2) E39.996 21.969 6.24 474.004 19.197 6.40 Total Investment Securities 1.286.507 33.891 3.56 1.182.332 32.719 3.68 Learns Hel for sale 3.541 21 10.8 4.38 3.00 11.81 Loarns Hol 3.502.715 121.017 4.62 3.161.385 106.412 4.49 Real Estate Mortgage 570.330 19.032 4.48 4454.288 14.814 4.28 Instainment 473.645 16.067 4.53 397.981 13.502 4.27 Total Loans 4.748.846 163.221 4.59 4.121.940 138.252 4.47 Net unrealized gian on securities available for sale 10.862 198.101 4.32% 5.392.976 172.673 4.27% Cash and cash equivalents 102.777 0.96.71 1 198.92% 12.633 102.77 198.92% 102.77 198.92% 102.97 12.673 4.27% 199.92% 12.673 4.27% 102.97	Investment Securities: (1)										
Total Investment Securities 1.285,307 3.881 3.56 1.182.322 32.719 3.69 Loons huld for sale 3.641 201 10.98 4.364 380 11.81 Loons: 0 121.017 4.62 3.161.385 106.412 4.49 Real Estate Mortgage 570.330 19.032 4.46 442.288 14.614 4.29 Installment 473.645 16.067 4.53 397.981 13.5.02 4.52 Tax-Exempt (2) 198.815 6.814 4.58 103.331 3.3.44 429 Total Loans 4.748.846 103.221 4.59 4.121.949 138.252 4.47 Net urealized gain on securities available for sale 10.862 198.101 4.32% 5.392.975 172.573 4.27% Allowance for loan losses (62.833) (62.833) (62.833) (62.940) 2.8 6.013.053 Lobithies: 102.767 96.671 96.671 96.671 1.02.02 6.013.053 1.017.463	Taxable		725,311	1	12,522	2.31		708,328		13,522	2.55
Laans held for sale Laans held for sale Laans held for sale Commercial Commercial Subcars: 0 Commercial Subcar	Tax-Exempt (2)		539,996	2	21,169	5.24		474,004		19,197	5.40
Commercial 3,502,715 121,017 4.62 3,161,385 106,412 4.49 Real Estate Mortgage 570,330 19.032 4.46 454,288 14,814 4.29 Installment 473,845 16.067 4.53 397,981 13,502 4.52 Tax-Exempt (?) 198,615 6.614 4.58 103,301 3.34 4.29 Total Leans 4.748,846 163,221 4.59 4.121,949 138,252 4.47 Total Leaning Assets 6.116,952 198,101 4.32% 5,392,975 172,573 4.27% Nownce for loan losses (62,833) 198,224 5.302,975 172,573 4.27% Solarh and cash equivalents 10,822 198,101 4.32% 5.302,975 172,573 Cotta Assets 572,150 (62,843) 182,342 182,342 182,342 Labilities 1 5,633,642 5,013,053 5,013,053 1,014 Money market deposits 1 1,050,036 1,307 0,22 <t< td=""><td>Total Investment Securities</td><td></td><td>1,265,307</td><td>3</td><td>33,691</td><td>3.56</td><td></td><td>1,182,332</td><td></td><td>32,719</td><td>3.69</td></t<>	Total Investment Securities		1,265,307	3	33,691	3.56		1,182,332		32,719	3.69
Commercial 3,502,715 121,017 4,62 3,161,365 106,412 4,49 Real Estate Mortgage 570,330 19,032 4,46 454,288 14,614 4.29 Installment 473,645 160,607 4,53 397,981 13,502 4,52 Tax-Exempt (2) 198,615 6,814 4,58 103,331 3,344 429 Total Lams 4,748,464 163,221 4,59 4,121,499 138,222 4,47 Total Earning Assets 6,116,452 196,101 4,32% 6,392,975 172,573 427% Net unrealized gain on securities available for sale 102,767 96,71 96,71 172,573 427% Net assets 572,150 - 491,542 - 102,767 96,671 Total Assets 572,150 - 491,542 - 102,767 96,671 Interest-bearing NOW depoits \$ 1,95,038 \$ 1,850 0,18% \$ 1,07,463 \$ 894 0,11%	Loans held for sale		3,541		291	10.98		4,364		380	11.61
Real Estate Mortgage 570.330 19.022 4.46 454.288 14.614 4.29 Installment 473.645 16.067 4.53 397.981 13.502 4.52 Tax-Exempt (?) 198.615 6.814 4.58 103.931 3.344 4.29 Total Loans 4.748.846 165.221 4.59 4.121.949 138.252 4.47 Total Caming Assets 6.116.922 198.101 4.32% 5.392.975 172.673 4.27% Vet unrealized gain on securities available for sale 102.767 96.671 - 1.02.77 96.671 - 1.02.77 96.671 - 1.02.77 96.671 - - 1.02.75 4.01.95.2 4.01.95.2 - 1.02.75 96.671 - - 1.02.75 96.671 - - 1.02.75 4.01.95.2 4.01.95.2 - 4.01.95.2 - 1.02.75 4.01.95.2 4.01.95.2 4.01.95.2 4.01.95.2 4.01.95.2 4.01.95.2 4.01.95.2 4.01.95.2 4.01.95.2	Loans: (3)										
Installment 473.645 16.067 4.53 397.961 13.502 4.52 Tax-Exempt ⁽²⁾ 198.615 6.814 4.58 103.931 3.344 4.29 Total Loans 4.748.846 163.221 4.59 4.121.949 138.252 4.47 Total Earning Assets 6.116.952 198.101 4.32% 5.392.075 172.573 4.27% Net unrealized gain on securities available for sale 10.892 12.463 10.262 12.463 10.262 12.463 10.262 12.463 10.262 12.463 10.262 12.463 10.262 12.463 10.262 12.463 16.163.053 16.613.053 16.613.053 16.613.053 16.613.053 16.613.053 16.613.053 16.613.053 16.613.053 16.613.053 16.613.053 16.613.053 16.613.053 16.613.053 16.614 16.214 16.214 16.214 16.214 16.214 16.214 16.214 16.214 16.214 16.214 16.214 16.214 16.214 16.214 16.214 16.214<	Commercial		3,502,715	12	21,017	4.62		3,161,385		106,412	4.49
Tax-Exempt (2) 198,615 6,814 4,58 103,931 3,344 4,29 Total Loans 4,748,846 163,221 4.59 4,121,949 138,252 4.47 Total Learning Assets 6,116,952 198,101 4.32% 5,392,975 172,673 4.27% Vet urealized gain on securities available for sale 10,892 12,463 12,463 12,463 12,463 12,463 12,463 12,463 12,463 12,463 12,463 12,463 12,473 427% 12,463 12,463 12,473 427% 12,463 12,473 427% 12,463 12,473 427% 12,473 427% 12,473 427% 12,473 427% 12,473 427% 12,473 42,429 12,474 12,473 12,474 12,474 12,473 12,774 12,474 12,474 12,474 14,174 12,474 14,144 14,144 14,144 14,144 14,144 14,144 14,144 14,144 14,144 14,144 14,144 14,144 14,144<	Real Estate Mortgage		570,330	1	19,032	4.46		454,288		14,614	4.29
Total Leans 4.748.846 163.221 4.59 4.121,949 138,252 4.47 Total Earning Assets 6,116,952 198,101 4.32% 5,392,975 172,573 4.27% Net unrealized gain on securities available for sale 10,892 12,463 12,463 12,463 Allowance for loan losses (62,633) (62,940) 66,671 14,473 14,473 14,473 14,473 14,473 14,473 14,474 14,243 14,473 14,474 14,243 14,474 14,243 14,474 14,243 14,243 14,243 14,243 14,243 14,243 14,243 14,243 14,243 14,243 14,243 14,243 14,243 14,243 14,243 14,243 14,243 14,243 14,243 14,243 14,243 14,243 14,243 14,243 14,243 14,244 14,244 14,244 14,244 14,244 14,244 14,444 14,444 14,444 14,444 14,444 14,444 14,444 14,444 14,444 14,444 14,444 14,444 14,444 14,444 14,444 14,444 14,444	Installment		473,645	1	16,067	4.53		397,981		13,502	4.52
Total Earning Assets 6,116,952 198,101 4.32% 5,392,975 172,573 4.27% Net unrealized gain on securities available for sale 10,892 12,463 12,463 12,463 12,463 12,463 12,463 12,463 12,463 12,463 12,463 12,463 12,463 12,463 12,463 12,463 12,463 12,463 12,463 12,463 12,463 12,463 12,463 12,463 12,463 12,463 12,463 12,463 12,463 12,463 12,613 12,613 12,613 12,613 12,613 12,613 12,613 12,613 12,613 12,613 12,613 12,613 12,613 12,613 12,613 12,613 12,613 12,613 12,613 12,613 12,613 12,613 12,613 12,613 12,613 12,613 12,613 12,613 12,613 12,613 12,613 12,613 12,613 12,613 12,613 12,613 12,613 12,613 12,613 12,613 12,613 12,613 12,613	Tax-Exempt (2)		198,615		6,814	4.58		103,931		3,344	4.29
Net unrealized gain on securities available for sale 10.892 12.463 Allowance for loan losses (62,633) (62,940) Cash and cash equivalents 102,767 96,671 Premises and equipment 96,284 82,342 Other assets 572,150 491,542 Total Assets 5 6,013.053 Liabilities: Interest-bearing deposits: 5 Interest-bearing NOW deposits 8 1,355.036 \$ 1,850 0.18% \$ 1,007,463 \$ 894 0.11% Money market deposits 720,375 455 0.08 604,436 481 0.11 Certificates and other time deposits 720,375 455 0.08 604,436 481 0.11 Certificates and other time deposits 720,375 455 0.08 604,436 481 0.11 Certificates and other time deposits 720,375 455 0.08 604,436 481 0.11 Certificates and other time deposits 720,377 8,286 0.96 1,132,497	Total Loans		4,748,846	16	63,221	4.59		4,121,949		138,252	4.47
Allowance for loan losses (62,633) (62,633) (62,940) Cash and cash equivalents 102,767 96,671 96,671 Premises and equipment 96,284 82,342 91,542 Other assets 572,150 491,542 96,053 Total Assets \$ 6,836,412 \$ 6,013,053 96,053 Liabilities: Interest-bearing deposits: 91,377 92,2838,552 1,305 9,214 Money market deposits 8 1,395,036 \$ 1,850 0.18% \$ 1,077,463 \$ 894 0.11% Money market deposits 8 35,968 1,377 0.22 838,552 1,305 0.21 Savings deposits 720,375 455 0.08 604,436 481 0.11% Certificates and beposits 1,157,992 8,346 0.96 1,132,497 8,237 0.97 Total Interest-bearing Liabilities 4,615,448 20,208 0.58 4,130,978 18,354 0.59 Noninterest-bearing Liabilities 5,958,110 5,266,351 5,266,351 5,266,351	Total Earning Assets		6,116,952	19	98,101	4.32%		5,392,975		172,573	4.27%
Cash and cash equivalents 102,767 96,671 Premises and equipment 96,284 82,342 Total Assets 572,150 491,542 Total Assets 5 6,636,412 \$ 6,013,053 Liabilities: Interest-bearing deposits: 102,767 0.18% \$ 1,077,463 \$ 894 0.11% Money market deposits \$ 1,395,036 \$ 1,850 0.18% \$ 1,077,463 \$ 894 0.11% Money market deposits 835,968 1,377 0.22 838,552 1,305 0.21 Savings deposits 720,375 455 0.08 604,436 481 0.11 Certificates and other time deposits 1,157,992 8,346 0.96 1,132,497 8,237 0.97 Total Interest-bearing Deposits 4,109,371 12,028 0.39 3,652,948 10,917 0.40 Borrowings 506,077 8,180 2.16 478,030 7,437 2.07 Total Interest-bearing Liabiliti	Net unrealized gain on securities available for sale		10,892					12,463			
Premises and equipment 96,284 82,342 Other assets 572,150 491,542 Total Assets § 6,636,412 § 6,013,053 Labilities: S 1,395,036 § 1,395,036 § 1,850 0.18% § 1,077,463 § 894 0.11% Money market deposits: S 1,395,036 § 1,377 0.22 838,552 1,305 0.21 Savings deposits 720,375 455 0.08 604,436 481 0.11 Certificates and other time deposits 1,157,992 8,346 0.96 1,132,497 8,237 0.97 Total Interest-bearing Deposits 1,157,992 8,346 0.96 1,132,497 8,237 0.97 Total Interest-bearing Deposits 1,157,992 8,346 0.96 1,132,497 8,237 0.97 Total Interest-bearing Liabilities 4,615,448 20,208 0.58 4,130,978 18,354 0.59 Noninterest-bearing Liabilities 5,585,110 5,266,351 5,266,351 5,266,351 5,266,351	Allowance for loan losses		(62,633)					(62,940)			
Soluter assets 572,150 491,542 Total Assets \$ 6,836,412 \$ 6,013,053 Liabilities: Interest-bearing deposits: Interest-bearing NOW deposits \$ 1,395,036 \$ 1,850 0.18% \$ 1,077,463 \$ 894 0.11% Money market deposits 8 1,395,036 \$ 1,850 0.18% \$ 1,077,463 \$ 894 0.11% Money market deposits 8 1,395,036 \$ 1,850 0.18% \$ 1,077,463 \$ 894 0.11% Gentrificates and other time deposits 720,375 455 0.08 604,436 481 0.11 Certificates and other time deposits 1,157,992 8,346 0.96 1,132,497 8,237 0.97 Total Interest-bearing Liabilities 20,007 8,180 2.16 478,030 7,437 2.07 Total Interest-bearing Liabilities 1,279,404 5,266,351 18,354 0.59 Noninterest-bearing deposits 1,279,404 </td <td>Cash and cash equivalents</td> <td></td> <td>102,767</td> <td></td> <td></td> <td></td> <td></td> <td>96,671</td> <td></td> <td></td> <td></td>	Cash and cash equivalents		102,767					96,671			
Total Assets \$ 6.836.412 \$ 6.013.053 Liabilities: Interest-bearing deposits: Interest-bearing NOW deposits \$ 1.395,036 \$ 1.850 0.18% \$ 1.077,463 \$ 894 0.11% Money market deposits 835,968 1.377 0.22 838,552 1.305 0.21 Savings deposits 720,375 455 0.08 604,436 481 0.11 Certificates and other time deposits 1,157,992 8,346 0.96 1,132,497 8,237 0.97 Total Interest-bearing Deposits 1,157,992 8,346 0.96 1,132,497 8,237 0.97 Total Interest-bearing Deposits 4,109,371 12,028 0.39 3,652,948 10,917 0.40 Borrowings 506,077 8,180 2.16 478,030 7,437 2.07 Total Interest-bearing Liabilities 1,279,404 1,909,158 1,909,158 1,909,158 1,909,158 1,909,158 1,909,158 1,935 1,935 1,935	Premises and equipment		96,284					82,342			
Liabilities: Interest-bearing deposits: Interest-bearing NOW deposits \$ 1,395,036 \$ 1,850 0.18% \$ 1,077,463 \$ 894 0.11% Money market deposits 835,968 1,377 0.22 838,552 1,305 0.21 Savings deposits 720,375 455 0.08 604,436 481 0.11 Certificates and other time deposits 1,157,992 8,346 0.96 1,132,497 8,237 0.97 Total Interest-bearing Deposits 4,109,371 12,028 0.39 3,652,948 10,917 0.40 Borrowings 506,077 8,180 2.16 478,030 7,437 2.07 Total Interest-bearing Liabilities 4,615,448 20,208 0.58 4,130,978 18,354 0.59 Noninterest-bearing deposits 1,279,404 1,090,158 1.090,158 1.091,158 1.091,158 1.059,156 1.059,156 1.059,156 1.059,156 1.059,156 1.059,156 1.059,156 1.059,156 1.059,156 1.059,156 1.059,156,156 1.059,156,156,156,156,156,1	Other assets		572,150					491,542			
Interest-bearing deposits: Interest-bearing NOW deposits Interest-bearing Liabilities Interest-bearing Liabilities Interest-bearing deposits Interest-bearing deposits Interest-bearing Liabilities Interest-bearing deposits Interest-bearing Liabilities Interest-bearing deposits Interest-bearing Liabilities Interest-bearing deposits Interest-bearing	Total Assets	\$	6,836,412				\$	6,013,053	_		
Interest-bearing NOW deposits \$ 1,395,036 \$ 1,850 0.18% \$ 1,077,463 \$ 894 0.11% Money market deposits 835,968 1,377 0.22 838,552 1,305 0.21 Savings deposits 720,375 455 0.08 604,436 481 0.11 Certificates and other time deposits 1,157,992 8,346 0.96 1,132,497 8,237 0.97 Total Interest-bearing Deposits 4,109,371 12,028 0.39 3,652,948 10,917 0.40 Borrowings 506,077 8,180 2.16 478,030 7,437 2.07 Total Interest-bearing Liabilities 1,279,404 1,090,158 18,354 0.59 Noninterest-bearing deposits 1,279,404 1,090,158 1.090,158 1.090,158 Cher Iiabilities 63,258 45,215 5,266,351 1.045 1.045 Stockholders' Equity 878,302 746,702 1.045 1.045 0.45 Net Interest Income \$ 6,836,412 20,208 0.44 \$ 6,013,053 18,354	Liabilities:								_		
Money market deposits 835,968 1,377 0.22 838,552 1,305 0.21 Savings deposits 720,375 455 0.08 604,436 481 0.11 Certificates and other time deposits 1,157,992 8,346 0.96 1,132,497 8,237 0.97 Total Interest-bearing Deposits 4,109,371 12,028 0.39 3,652,948 10,917 0.40 Borrowings 506,077 8,180 2.16 478,030 7,437 2.07 Total Interest-bearing Liabilities 4,615,448 20,208 0.58 4,130,978 18,354 0.59 Noninterest-bearing Liabilities 63,258 1,279,404 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,011,011,011,011,011,011,011,011,011,0	Interest-bearing deposits:										
Savings deposits 720,375 455 0.08 604,436 481 0.11 Certificates and other time deposits 1,157,992 8,346 0.96 1,132,497 8,237 0.97 Total Interest-bearing Deposits 4,109,371 12,028 0.39 3,652,948 10,917 0.40 Borrowings 506,077 8,180 2.16 478,030 7,437 2.07 Total Interest-bearing Liabilities 4,615,448 20,208 0.58 4,130,978 18,354 0.59 Noninterest-bearing deposits 1,279,404 1,090,158 1,090,158 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Interest-bearing NOW deposits	\$	1,395,036	\$	1,850	0.18%	\$	1,077,463	\$	894	0.11%
Certificates and other time deposits 1,157,992 8,346 0.96 1,132,497 8,237 0.97 Total Interest-bearing Deposits 4,109,371 12,028 0.39 3,652,948 10,917 0.40 Borrowings 506,077 8,180 2.16 478,030 7,437 2.07 Total Interest-bearing Liabilities 4,615,448 20,208 0.58 4,130,978 18,354 0.59 Noninterest-bearing deposits 1,279,404 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,050,158 1,050,158 1,050,158 1,050,158 1,050,158 1,050,158 1,050,158 1,050,158 1,050,158 1,050,158 1,050,158 1,050,158 1,050,158 1,050,158 1,050,158 1,050,158 1,050,158 1,050,158 1,050,158 1,050,158 1,050,158 1,050,158 1,050,158 1,050,158 1,050,158 1,050,158 1,050,158 1,050,158 1,050,158 1,050,158 1,050,158 1,050,158 1,050,158 1,050,158 1,050,158 1,050,158 1,050,158 1,050,158 1,050,158 1,050,158	Money market deposits		835,968		1,377	0.22		838,552		1,305	0.21
Total Interest-bearing Deposits 4,109,371 12,028 0.39 3,652,948 10,917 0.40 Borrowings 506,077 8,180 2.16 478,030 7,437 2.07 Total Interest-bearing Liabilities 4,615,448 20,208 0.58 4,130,978 18,354 0.59 Noninterest-bearing deposits 1,279,404 1,090,158 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1<	Savings deposits		720,375		455	0.08		604,436		481	0.11
Borrowings 506,077 8,180 2.16 478,030 7,437 2.07 Total Interest-bearing Liabilities 4,615,448 20,208 0.58 4,130,978 18,354 0.59 Noninterest-bearing deposits 1,279,404 1,090,158 1,090,158 1 1 Other liabilities 63,258 45,215 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 </td <td>Certificates and other time deposits</td> <td></td> <td>1,157,992</td> <td></td> <td>8,346</td> <td>0.96</td> <td></td> <td>1,132,497</td> <td></td> <td>8,237</td> <td>0.97</td>	Certificates and other time deposits		1,157,992		8,346	0.96		1,132,497		8,237	0.97
Total Interest-bearing Liabilities 4,615,448 20,208 0.58 4,130,978 18,354 0.59 Noninterest-bearing deposits 1,279,404 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158 1,090,158	Total Interest-bearing Deposits		4,109,371	1	12,028	0.39		3,652,948		10,917	0.40
Noninterest-bearing deposits 1,279,404 1,090,158 Other liabilities 63,258 45,215 Total Liabilities 5,958,110 5,266,351 Stockholders' Equity 878,302 746,702 Total Liabilities and Stockholders' Equity 878,302 746,702 Net Interest Income \$ 1,77,893 \$ 154,219	Borrowings		506,077		8,180	2.16		478,030		7,437	2.07
Other liabilities 63,258 45,215 Total Liabilities 5,958,110 5,266,351 Stockholders' Equity 878,302 746,702 Total Liabilities and Stockholders' Equity \$ 6,836,412 20,208 0.44 \$ 6,013,053 18,354 0.45 Net Interest Income \$ 177,893 \$ 154,219 \$ 154,219 \$ 154,219	Total Interest-bearing Liabilities		4,615,448	2	20,208	0.58		4,130,978		18,354	0.59
Total Liabilities 5,958,110 5,266,351 Stockholders' Equity 878,302 746,702 Total Liabilities and Stockholders' Equity § 6,836,412 20,208 0.44 § 6,013,053 18,354 0.45 Net Interest Income § 177,893 § 177,893 § 154,219	Noninterest-bearing deposits		1,279,404					1,090,158			
Stockholders' Equity 878,302 746,702 Total Liabilities and Stockholders' Equity \$ 6,836,412 20,208 0.44 \$ 6,013,053 18,354 0.45 Net Interest Income \$ 177,893 \$ 177,893 \$ 154,219	Other liabilities		63,258					45,215			
Total Liabilities and Stockholders' Equity \$ 6,836,412 20,208 0.44 \$ 6,013,053 18,354 0.45 Net Interest Income \$ 177,893 \$ 154,219	Total Liabilities		5,958,110					5,266,351			
Net Interest Income \$ 177,893 \$ 154,219	Stockholders' Equity		878,302					746,702			
	Total Liabilities and Stockholders' Equity	\$	6,836,412	2	20,208	0.44	\$	6,013,053		18,354	0.45
Net Interest Margin 3.88% 3.82%	Net Interest Income			\$ 17	77,893		_		\$	154,219	
	Net Interest Margin					3.88%					3.82%

(1) Average balance of securities is computed based on the average of the historical amortized cost balances without the effects of the fair value adjustments. Annualized amounts are computed utilizing a 30/360 day basis

Average balance of securities and loans are presented on a fully taxable equivalent basis, using a marginal tax rate of 35 percent for 2016 and 2015. These totals equal \$9,794 and \$7,889 for the nine months ended September 30, 2016 and 2015, respectively.

⁽³⁾ Non accruing loans have been included in the average balances.