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): April 28, 2010

Commission File Number 0-17071

FIRST MERCHANTS CORPORATION

(Exact name of registrant as specified in its charter)

INDIANA	35-1544218
(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 April 28, 2010 First Merchants Corporation issued a press release to report its financial results for the first quarter ended March 31, 2010. 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, as amended, otherwise subject of 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 April 28, 2010, 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: April 28, 2010

EXHIBIT INDEX

Exhibit No.

99.1 <u>Description</u>

Press Release, dated April 28, 2010, issued by First Merchants Corporation

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

April 28, 2010

FOR IMMEDIATE RELEASE

For more information, contact:

Mark K. Hardwick, Executive Vice President/Chief Financial Officer, 765-751-1857

http://www.firstmerchants.com

SOURCE: First Merchants Corporation, Muncie, Indiana

FIRST MERCHANTS CORPORATION ANNOUNCES 1ST QUARTER PROFIT AND IMPROVED TANGIBLE CAPITAL

First Merchants Corporation (NASDAQ – FRME) has reported a first quarter return to profitability. Earnings per share totaled \$.01 per fully diluted common share, a \$.16 reduction from the first quarter of 2009. Net income totaled \$136,000 for the quarter, an \$11.8 million improvement over the fourth quarter of 2009.

Michael C. Rechin, President and Chief Executive Officer, stated, "Returning to profitability in the first quarter of 2010 is a significant milestone as the Corporation emerges from the deepest recession in decades. Our expense management during the quarter was highly encouraging despite a continuation of elevated levels of credit related legal and other real estate owned (OREO) costs." Rechin also stated, "It's satisfying to see our registered direct private placement of \$24.2 million completed on March 30, 2010 receive such positive acceptance in the market. Our improved tangible common equity ratio of 5.27 percent and total risk-based capital level of 14.44 percent provide a very stable capital base for the future. Our focus moving forward remains on meeting the needs of the communities and customers we serve and monitoring the recovery of our local economies and our loan portfolio."

Total assets were \$4.376 billion as of quarter end and total loans were \$3.134 billion as loan demand for quality credit opportunities remains challenging. The added liquidity produced from growth in the Corporation's demand deposits of \$95 million and loan maturities, through the quarter, resulted in strategic reductions of higher paying deposit liabilities and borrowings and increases in the Corporation's bond portfolio. The Corporation's loan to deposit ratio is now 92.25 percent and its loan to asset ratio totals 71.63 percent.

Non-performing assets (NPA) plus 90 days delinquent loans declined for the second quarter in a row totaling \$145 million, or 3.30 percent of total assets. The Corporation's allowance for loan losses increased to 2.82 percent of total loans, a \$30 million increase over the same period last year. Net charge-offs for the quarter totaled \$17.4 million exceeding provision expense of \$13.9 million by \$3.5 million.

Net-Interest margin expanded by 14 basis points and remained strong compared to this time last year totaling 3.82 percent as net interest income totaled just over \$36 million, reflecting the strength of ongoing operations. Interest reversals on non-accrual loans totaled more than \$700,000 during the guarter reducing net interest margin by just over 7 basis points.

Non-interest income totaled \$11.6 million for the quarter, after adjusting for gains from the sale of securities totaling \$1.8 million and other-than-temporary impairment (OTTI) charges of \$488,000. The first quarter of 2009 totaled \$12.2 million on a comparative basis. Of the decline, nearly \$500,000 is related to the lower income derived from interest rate floors that expired early last year.

Total non-interest expense for the first quarter of 2010 totaled \$34.6 million and is now back in line with first quarter 2009 results. During 2009, OREO expenses increased as a result of the difficult credit environment peaking at \$5.8 million during the third quarter and still remain high totaling \$2.7 million, or \$2.2 million higher than the first quarter of 2009. However, the stabilization of credit related costs when combined with aggressive salary and benefit expense reductions of \$2.5 million, or 12.2 percent, produced a \$5 million decrease linked quarter over quarter.

The Corporation's pre-tax, pre-provision earnings totaled \$14.5 million for the quarter. When normalized for a fully taxable equivalent net interest income and extraordinary items, the pre-tax, pre-provision earnings totaled \$18.5 million for the first quarter of 2010, an improvement over the first quarter 2009 total of \$17.6 million.

As of March 31, 2010, the Corporation's total risk-based capital measured 14.44 percent, Tier 1 risk-based capital totaled 11.65 percent, Tier 1 leverage ratio totaled 9.13 percent, and tangible common equity ratio totaled 5.27 percent. All regulatory capital ratios exceed the regulatory definitions of "well capitalized".

CONFERENCE CALL

First Merchants Corporation will conduct a first quarter earnings conference call and web cast at 2:30 p.m. (ET) on Wednesday, April 28, 2010.

To participate, dial (Toll Free) 800-860-2442 and reference First Merchants Corporation's first quarter earnings release. International callers please call +1 412-858-4600. A replay of the call will be available until May 10, 2010 at 9:00 a.m. (ET). 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 439167.

In order to view the web cast and presentation slides, please go to http://www.talkpoint.com/viewer/starthere.asp?Pres=130292 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, A Division of First Merchants Bank, N.A., Commerce National Bank, A Division of First Merchants Bank, N.A., as well as First Merchants Trust Company, N.A., and First Merchants Insurance Group, a full-service property casualty, personal lines, and healthcare insurance agency.

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

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CONSOLIDATED BALANCE SHEETS

CONSOLIDATED BALANCE SHEETS (Dollars in thousands)		Marc	h 31	. ,
· · · · · · · · · · · · · · · · · · ·		2010		2009
ASSETS				
Cash and due from banks	\$	52,679	\$	96,606
Federal funds sold		7,044		89,282
Cash and cash equivalents		59,723		185,888
Interest-bearing time deposits		157,735		158,295
Investment securities		639,081		446,316
Mortgage loans held for sale		3,646		8,659
Loans		3,134,540		3,654,074
Less: Allowance for loan losses		(88,568)	_	(58,502
Net loans		3,045,972		3,595,572
Premises and equipment		54,431		58,948
Federal Reserve and Federal Home Loan Bank stock		36,721		34,420
Interest receivable		19,532		20,783
Core deposit intangibles and goodwill		157,532		162,571
Cash surrender value of life insurance		95,146		93,544
Other real estate owned		18,268		22,077
Tax asset, deferred and receivable		59,190		36,543
Other assets		28,889		63,281
TOTAL ASSETS	\$	4,375,866	\$	4,886,897
LIABILITIES				
Deposits:				
Noninterest-bearing	\$	520,551	\$	462,167
Interest-bearing		2,877,235		3,222,797
Total Deposits		3,397,786		3,684,964
Borrowings:		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
Securities sold under repurchase agreements		112,826		113,106
Federal Home Loan Bank advances		123,261		278,583
Subordinated debentures, revolving credit lines and term loans		194,794		204,779
Total Borrowings	_	430,881		596,468
Interest payable		4,812		8,278
Other liabilities		53,446		89,082
Total Liabilities		3,886,925	_	4,378,792
STOCKHOLDERS' EQUITY		3,000,323		4,070,732
Preferred Stock, no-par value:				
Authorized 500,000 shares				
Series A, Issued and outstanding - 116,000 shares		112,559		111,831
Cumulative Preferred Stock, \$1,000 par value, \$1,000 liquidation value:		112,000		111,001
Authorized 600 shares				
Issued and outstanding - 125 shares		125		125
Common Stock, \$.125 stated value:		123		
Authorized 50,000,000 shares				
Issued and outstanding - 25,495,550 and 21,055,881 shares		3,187		2,632
Additional paid-in capital		230,764		203,889
Retained earnings		150,595		205,616
Accumulated other comprehensive loss		(8,289)		(15,988
Total Stockholders' Equity		488,941		508,105
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	¢	4,375,866	\$	4,886,897
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CONSOLIDATED STATEMENTS OF OPERATIONS (Dollars in thousands, except per share amounts)

Three Months Ended March 31,

NUMBREST INCOME Capability Capability			:h 31,	
Taxable		 2010		2009
Taxable \$ 45,449 \$ 5,3793 Tax exempt 2,281 3,663 Taxable 2,891 3,663 Federal funds sold 1,76 1,76 Pederal funds sold 3,60 102 Federal Funds sold 3,60 4,73 Total Interest Income 51,699 60,127 INTEREST EXPENSE 2,90 60,127 Deposits 4,99 467 Federal Runds purchased 2 2 Securities sold under repurchase agreements 4,99 467 Federal Hunds purchased 1,564 2,949 Subordinated debentures, revolving credit lines and term loans 1,564 2,949 Subordinated debentures, revolving credit lines and term loans 3,215 38,499 Total Interest Expense 3,245 38,499 Provision For loan losses 3,215 38,499 NET INTEREST INCOME 3,252 3,542 Service charges on deposit accounts 3,262 3,542 Pidustrate Expense 2,249 2,558 O	INTEREST INCOME			
Tax exempt 1977 215 1978 19	Loans receivable:			
Taxable	Taxable	\$ 45,448	\$	53,793
Taxable 2,846 1,769 Tax exempt 2,646 1,769 Federal funds sold 17 12 Deposits with financial institutions 60 102 Federal Reserve and Federal Home Loan Bank stock 360 473 Total Interest Income 3169 60,127 INTEREST EXPENSE ************************************		277		215
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Earnings on cash surrender value of life insurance 508 323 Net gains and fees on sales of loans 1,149 1,430 Net realized and unrealized gains on sales of available for sale securities (1,842 2,792 Other-than-temporary impairment on available for sale securities (488) (478) Other income 12,964 14,471 Total Other Income 12,964 14,471 OTHER EXPENSES Salaries and employee benefits 17,562 20,015 Net occupancy 2,851 2,569 Equipment 1,853 1,876 Marketing 429 549 Outside data processing fees 1,280 1,933 Printing and office supplies 318 363 Core deposit amortization 1,207 1,277 FDIC assessments 1,272 576 Other expenses 7,418 5,556 Total Other Expenses 7,418 5,556 Total Other Expenses 9,164 4,117 Preferred stock dividends and discount accretion 9,05				
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Per Share Data: Basic Net Income Available to Common Stockholders Diluted Net Income Available to Common Stockholders Cash Dividends Paid \$ 0.01 \$ 0.17 0.17	Preferred stock dividends and discount accretion	 1,450		628
Per Share Data: Basic Net Income Available to Common Stockholders Diluted Net Income Available to Common Stockholders Cash Dividends Paid \$ 0.01 \$ 0.17 0.17	NET INCOME AVAILABLE TO COMMON STOCKHOLDERS	\$ 136	\$	3,489
Basic Net Income Available to Common Stockholders\$ 0.01\$ 0.17Diluted Net Income Available to Common Stockholders\$ 0.01\$ 0.17Cash Dividends Paid\$ 0.01\$ 0.23	Per Share Data:			
Diluted Net Income Available to Common Stockholders \$ 0.01 \$ 0.17 Cash Dividends Paid \$ 0.01 \$ 0.23		\$ 0.01	\$	0.17
Cash Dividends Paid \$ 0.01 \$ 0.23				
	Cash Dividends Paid			
	Average Diluted Shares Outstanding (in thousands)			

FINANCIAL HIGHLIGHTS (Dollars in thousands)

Three Months Ended March 31,

NET CHARGE OFF'S AVERAGE BALANCES:	\$ 17,432	\$	6,002
	\$ 		
	\$ 		
	\$		
Total Assets	4,363,768	\$	4,720,134
Total Loans	3,203,826		3,696,076
Total Earning Assets	3,955,515		4,298,621
Total Deposits	3,431,831		3,637,656
Total Stockholders' Equity	466,994		450,654
FINANCIAL RATIOS:			
Return on Average Assets	0.01%	Ď	0.30%
Return on Average Stockholders' Equity	0.12		3.10
Average Earning Assets to Average Assets	90.64		91.07
Allowance for Loan Losses as % of Total Loans	2.82		1.60
Net Charge Off's as % of Average Loans (Annualized)	2.18		0.65
Dividend Payout Ratio	100.00		135.29
Average Stockholders' Equity to Average Assets	10.70		9.55
Tax Equivalent Yield on Earning Assets	5.39		5.69
Cost of Supporting Liabilities	1.57		2.01
Net Interest Margin (FTE) on Earning Assets	3.82		3.68

NON-PERFORMING ASSETS

	September									
(Dollars in thousands)		larch 31,	Dec	cember 31,	30,			June 30,	Ν	/larch 31,
		2010		2009	2009			2009		2009
Non-Accrual Loans	\$	122,891	\$	118,409	\$	123,290	\$	112,220	\$	108,546
Renegotiated Loans		859		8,833		5,595		4,216		
Non-Performing Loans (NPL)		123,750		127,242		128,885		116,436		108,546
Real Estate Owned and Repossessed Assets		18,268		14,879		21,778		20,227		22,077
Non-Performing Assets (NPA)		142,018		142,121		150,663		136,663		130,623
90+ Days Delinquent		2,600		3,967		5,422		3,596		7,732
NPAS & 90 Day Delinquent	\$	144,618	\$	146,088	\$	156,085	\$	140,259	\$	138,355
Loan Loss Reserve	\$	88,568	\$	92,131	\$	86,918	\$	77,119	\$	58,502
YTD Charge-offs		17,432		81,628		60,821		46,380		6,002
NPAs / Actual Assets %		3.25%	Ď	3.17%)	3.37%	Ď	2.90%)	2.67%
NPAs & 90 Day / Actual Assets %		3.30%	Ď	3.26%)	3.49%	Ď	2.97%)	2.83%
NPAs / Actual Loans and REO %		4.50%	Ď	4.32%)	4.37%	ò	3.80%)	3.54%
Loan Loss Reserves / Actual Loans (%)		2.82%	Ď	2.81%)	2.54%	ò	2.16%)	1.60%
NCOs / YTD Average Loans (%)		0.54%	Ď	2.30%)	1.68%	ò	1.27%)	0.16%

CONSOL	IDATED	BALAN	NCE	SHEETS
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CONSOLIDATED BALANCE SHEETS (Dollars in thousands)		March 31, 2010	De	ecember 31, 2009	Se	ptember 30, 2009		June 30, 2009		March 31, 2009
ASSETS										
Cash and due from banks	\$	52,679	\$	76,801	\$	66,887	\$	73,668	\$	96,606
Federal funds sold		7,044		102,346		52,828				89,282
Cash and cash equivalents		59,723		179,147		119,715		73,668		185,888
Interest-bearing time deposits		157,735		74,025		44,312		44,595		158,295
Investment securities		639,081		563,117		489,010		630,958		446,316
Mortgage loans held for sale		3,646		8,036		25,173		23,070		8,659
Loans		3,134,540		3,269,788		3,398,722		3,554,229		3,654,074
Less: Allowance for loan losses		(88,568)		(92,131)		(86,918)		(77,119)		(58,502)
Net loans		3,045,972		3,177,657		3.311.804		3,477,110		3,595,572
Premises and equipment		54,431		55,804		58,482		58,692		58,948
Federal Reserve and Federal Home Loan Bank stock		36,721		38,576		38,576		34,441		34,420
Interest receivable		19,532		20,818		22,359		20,778		20,783
Core deposit intangibles and goodwill		157,532		158,740		160,017		161,294		162,571
Cash surrender value of life insurance		95,146		94,636		94,267		93,876		93,544
Other real estate owned		18.268		14.879		21.778		20,227		22.077
Tax asset, deferred and refundable		59,190		64,394		59,244		62,183		36,543
Other assets		28,889		31,123		31,747		16,153		63,281
TOTAL ASSETS	\$	4,375,866	\$	4,480,952	\$	4,476,484	\$	4,717,045	\$	4,886,897
LIABILITIES	Ť	1,010,000	Ť	1, 100,002	<u> </u>	1, 11 0, 10 1	<u> </u>	1,121,010	<u> </u>	1,000,001
Deposits:										
Noninterest-bearing	\$	520,551	\$	516,487	\$	477,040	\$	512,368	\$	462,167
Interest-bearing	Ψ	2,877,235	Ψ	3,020,049	Ψ	3.035.455	Ψ	3.078.555	Ψ	3.222.797
ŭ	_							-,,	_	-, , -
Total Deposits		3,397,786		3,536,536		3,512,495		3,590,923		3,684,964
Borrowings:								15,042		
Federal funds purchased Securities sold under repurchase agreements		112.826		125.687		125.045				112 106
Federal Home Loan Bank advances		123,261		125,687		130,024		115,011 268,938		113,106 278,583
Subordinated debentures, revolving credit lines and term		123,201		129,749		130,024		200,930		270,303
loans		104 704		104 700		104 707		104 702		204 770
		194,794		194,790		194,787		194,783	_	204,779
Total Borrowings		430,881		450,226		449,856		593,774		596,468
Interest payable		4,812		5,711		5,722		7,351		8,278
Other liabilities		53,446		24,694		32,511		51,619		89,082
Total Liabilities		3,886,925		4,017,167		4,000,584		4,243,667		4,378,792
STOCKHOLDERS' EQUITY										
Preferred Stock, no-par value:										
Authorized 500,000 shares										
Series A, Issued and outstanding - 116,000 shares		112,559		112,373		112,190		112,009		111,831
Cumulative Preferred Stock, \$1,000 par value, \$1,000 liquidation value:										
Authorized 600 shares										
Issued and outstanding - 125 shares		125		125		125		125		125
Common Stock, \$.125 stated value:										
Authorized 50.000.000 shares										
				2,653		2,648		2,633		2,632
Issued and outstanding - 25,495,550 and 21,055,881 shares		3,187		2,055		2,040		2,000		
		3,187 230,764		206,600		205,759		204,403		203,889
Issued and outstanding - 25,495,550 and 21,055,881 shares										203,889 205,616
Issued and outstanding - 25,495,550 and 21,055,881 shares Additional paid-in capital		230,764		206,600		205,759		204,403		205,616
Issued and outstanding - 25,495,550 and 21,055,881 shares Additional paid-in capital Retained earnings		230,764 150,595		206,600 150,860		205,759 164,419		204,403 172,688	_	

Dollars in thousands, except per share amounts)		March 31, 2010		ecember 31, 2009	Se	eptember 30, 2009		June 30, 2009	March 31, 2009		
NTEREST INCOME											
Loans receivable:											
Taxable	\$	45,448	\$	48,297	\$	50,683	\$	52,843	\$	53,793	
Tax exempt	.	277	•	296	•	280	•	247	· ·	215	
Investment securities:				250		200		241		213	
		2.001		2.240		2.002		0.001		0.700	
Taxable		2,891		2,348		2,963		3,261		3,763	
Tax exempt		2,646		2,668		2,788		2,362		1,769	
Federal funds sold		17		37		27		42		12	
Deposits with financial institutions		60		75		73		116		102	
Federal Reserve and Federal Home Loan Bank stock		360		348		359		199		473	
Total Interest Income		51,699		54,069	_	57,173	_	59,070	_	60,127	
		51,099	_	54,009	_	57,175	_	59,070		00,12	
NTEREST EXPENSE											
Deposits		11,495		12,445		13,666		15,569		16,71	
Federal funds purchased						6				22	
Securities sold under repurchase agreements		499		511		512		507		467	
Federal Home Loan Bank advances		1,564		1,627		2,209		2,447		2,949	
Subordinated debentures, revolving credit lines and term loans		1,926		1,921	_	1,932		2,113		1,47	
Total Interest Expense		15,484		16,504		18,325		20,636		21,62	
IET INTEREST INCOME		36,215		37,565		38,848		38,434		38,49	
Provision for loan losses		13,869		26,020		24,240		58,995		12,92	
		15,005	_	20,020	_	24,240	_	50,553	_	12,32	
NET INTEREST INCOME (LOSS) AFTER PROVISION FOR LOAN											
.OSSES		22,346		11,545		14,608		(20,561)		25,578	
OTHER INCOME											
		3,262		3,735		3,963		3,888		3,54	
Service charges on deposit accounts											
Fiduciary activities		2,060		1,826		1,844		1,680		2,05	
Other customer fees		2,498		1,969		2,004		1,946		2,00	
Commission income		1,989		1,181		1,459		1,698		2,059	
Earnings on cash surrender value of life insurance		508		569		391		331		32	
Net gains and fees on sales of loans		1,149		1,744		1,997		1,678		1,43	
		1,143		1,177		1,557		1,070		1,40	
Net realized and unrealized gains on sales of available for sale		1.040		1.004		E 044		4.454		0.70	
ecurities		1,842		1,984		5,211		1,154		2,79	
Other-than-temporary impairment on available for sale securities		(488)		(2,979)		(1,227)		(2,045)		(478	
Other income		144		(472)		41		1,160		74:	
Total Other Income	_	12,964		9,557		15,683		11,490		14,471	
		12,304	_	9,331	_	13,003	_	11,430	_	14,47.	
OTHER EXPENSES											
Salaries and employee benefits		17,562		18,680		17,945		19,685		20,01	
Net occupancy		2,851		2,816		2,422		2,443		2,569	
Equipment		1,853		1,935		1,875		1,909		1,87	
Marketing		429		513		508		564		549	
Outside data processing fees		1,280		1,488		1,360		1,405		1,93	
Printing and office supplies		318		359		300		397		36	
Core deposit amortization		1,207		1,277		1,277		1,278		1,27	
FDIC assessments		1,722		3,203		3,121		3,494		57	
Other expenses		7,418		9,386		10,187		7,017		5,55	
·	_				_		_		_		
Total Other Expenses		34,640		39,657	_	38,995	_	38,192		34,71	
NCOME (LOSS) BEFORE INCOME TAX		670		(18,555)		(8,704)		(47,263)		5,33	
Income tax expense (benefit)		(916)		(8,334)		(3,774)		(17,534)		1,21	
IET INCOME (LOSS)		1,586		(10,221)	_	(4,930)	_	(29,729)		4,11	
Preferred stock dividends and discount accretion		1,450		1,451	_	1,450		1,450		62	
IET INCOME (LOSS) AVAILABLE TO COMMON STOCKHOLDERS	\$	136	\$	(11,672)	\$	(6,380)	\$	(31,179)	\$	3,489	
	_				_						
DED CHADE.											
PER SHARE:	•		_	/e	_	/6 ==:	_		<u></u>		
Basic Net Income (Loss) Available to Common Stockholders	\$	0.01	\$	(0.55)	\$	(0.30)	\$		\$	0.1	
Diluted Net Income (Loss) Available to Common Stockholders	\$	0.01	\$	(0.55)	\$	(0.30)	\$	(1.49)	\$	0.1	
Cash Dividends Paid	\$	0.01	\$	0.08	\$	0.08	\$	0.08	\$	0.2	
Average Diluted Shares Outstanding (in thousands)	المراجع وأمار	21,462		21,211		21,170		21,120		21,09	
INANCIAL RATIOS:		, -0		,						21,00	
		0.0404		1.0404		0.550		0.5007		^ ^	
Return on Average Assets		0.01%		-1.04%		-0.55%		-2.59%		0.3	
Return on Average Stockholders' Equity		0.12		(9.87)		(5.35)		(24.58)		3.1	
Average Earning Assets to Average Assets		90.64		90.28		90.82		91.07		91.0	
Allowance for Loan Losses as % of Total Loans		2.82		2.81		2.54		2.16		1.6	
		2.18		2.49		1.64		4.44		0.6	
Not Charge Off's as % of Average Leans (Annualized)				(14.55)							
Net Charge Off's as % of Average Loans (Annualized)				(1/1 55)		(26.67)		(5.41)		135.2	
Dividend Payout Ratio		100.00									
		100.00		10.50		10.23		10.54			
Dividend Payout Ratio Average Stockholders' Equity to Average Assets						10.23		10.54		9.5	
Dividend Payout Ratio		10.70		10.50						9.59 5.69 2.00	

LOANS

EOANS				5	September		
(Dollars in thousands)	 March 31, 2010	De	cember 31, 2009		30, 2009	June 30, 2009	 March 31, 2009
Commercial and industrial loans	\$ 621,591	\$	675,860	\$	806,289	\$ 874,671	\$ 891,393
Agricultural production financing and other loans to							
farmers	109,457		121,031		124,601	121,361	120,462
Real estate loans:							
Construction	131,548		158,725		147,343	162,765	208,145
Commercial and farmland	1,259,588		1,254,115		1,228,983	1,231,986	1,246,450
Residential	821,014		841,584		855,931	930,714	949,259
Individuals' loans for household and other personal							
expenditures	142,108		154,132		177,338	174,363	193,109
Tax exempt loans	23,047		22,049		23,846	23,596	18,121
Lease financing receivables, net of unearned income	6,396		7,135		7,797	8,095	8,178
Other loans	19,791		35,157		26,594	26,678	18,957
	3,134,540		3,269,788		3,398,722	3,554,229	3,654,074
Allowance for loan losses	(88,568)		(92,131)		(86,918)	(77,119)	(58,502)
TOTAL LOANS	\$ 3,045,972	\$	3,177,657	\$	3,311,804	\$ 3,477,110	\$ 3,595,572

DEPOSITS

(Dollars in thousands)	March 31, 2010	De	ecember 31, 2009	_	30, 2009	June 30, 2009	 March 31, 2009
Demand deposits	\$ 1,261,305	\$	1,308,741	\$	1,178,372	\$ 1,197,646	\$ 1,166,205
Savings deposits	738,742		733,142		726,894	740,340	743,812
Certificates and other time deposits of \$100,000 or more	416,113		438,264		492,875	503,971	511,873
Other certificates and time deposits	750,382		781,509		803,173	835,899	853,149
Brokered deposits	231,244		274,880		311,181	313,067	409,925
TOTAL DEPOSITS	\$ 3,397,786	\$	3,536,536	\$	3,512,495	\$ 3,590,923	\$ 3,684,964