

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): July 30, 2013

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:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

ITEM 7.01 REGULATION FD DISCLOSURE

Michael C. Rechin, Chief Executive Officer, and Mark K. Hardwick, Chief Financial Officer, will present at the KBW Community Bank Investor Conference held in New York City on July 30-31, and will participate in meetings with institutional investors during the conference. The investor presentation by First Merchants Corporation is scheduled to begin at 3:30 p.m. EDT on Tuesday, July 30. In order to view the web cast of the presentation, please go to <http://wsw.com/webcast/kbw12/frme>. A replay of the presentation will be available until October 30, 2013.

Attached as Exhibit 99.1 is the Press Release issued on July 25, 2013 regarding the conference and Exhibit 99.2 is information that will be provided to investors at the conference.

The presentation may contain forward-looking statements about the Corporation's relative business outlook. These forward-looking statements and all other statements contained in or made during the presentation 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 Corporation's balance sheet or income statement.

The information in this Current Report on Form 8-K, including Exhibit No. 99.2 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) Exhibits.

Exhibit 99.1 Press Release, dated July 25, 2013, issued by First Merchants Corporation

Exhibit 99.2 First Merchants Corporation Investor Information, July 30, 2013

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: /s/ Mark K. Hardwick
Mark K. Hardwick
Executive Vice President and Chief Financial Officer

Dated: July 30, 2013

EXHIBIT INDEX

Exhibit No.

	Description
99.1	Press Release, dated July 25, 2013, issued by First Merchants Corporation
99.2	First Merchants Corporation Investor Information, July 30, 2013

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

July 25, 2013

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 TO PRESENT IN UPCOMING INVESTOR CONFERENCE

First Merchants Corporation (NASDAQ - FRME) today announced that its management will participate in the upcoming Keefe, Bruyette & Woods 2013 Community Bank Investor Conference.

On July 30, 2013, Michael C. Rechin, Chief Executive Officer, and Mark K. Hardwick, Chief Financial Officer, will present at the KBW Community Bank Investor Conference held in New York City on July 30-31, and will participate in meetings with institutional investors during the conference. The investor presentation by First Merchants Corporation is scheduled to begin at 3:30 p.m. EDT on Tuesday, July 30. In order to view the web cast of the presentation, please go to <http://wsw.com/webcast/kbw12/frme>. A replay of the presentation will be available until October 30, 2013.

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.

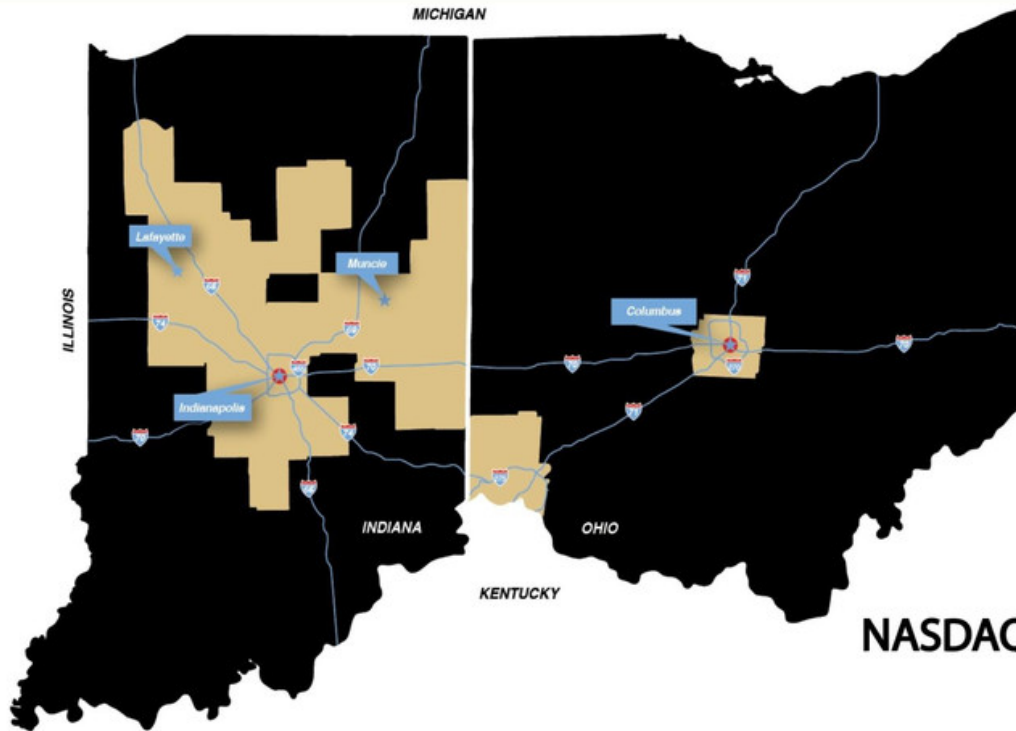
First Merchants Corporation's common stock is traded on the NASDAQ Global Select Market System under the symbol FRME. Quotations are carried in daily newspapers and can be found on the company's Internet web page (<http://www.firstmerchants.com>).

* * * *



First Merchants Corporation

KBW 2013 Community Bank Investor Conference - July 30, 2013



NASDAQ: FRME

Michael C. Rechin
President
Chief Executive Officer

Mark K. Hardwick
Executive Vice President
Chief Financial Officer

Forward-Looking Statement

The Corporation may make forward-looking statements about its relative business outlook. These forward-looking statements and all other statements made during this meeting 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.

Please refer to our press releases, Form 10-Qs and 10-Ks concerning factors that could cause actual results to differ materially from any forward-looking statements.



Company Snapshot

First Merchants Corporation

Banking

\$4.3B in Assets

Trust

\$1.5B Trust Assets
under Management

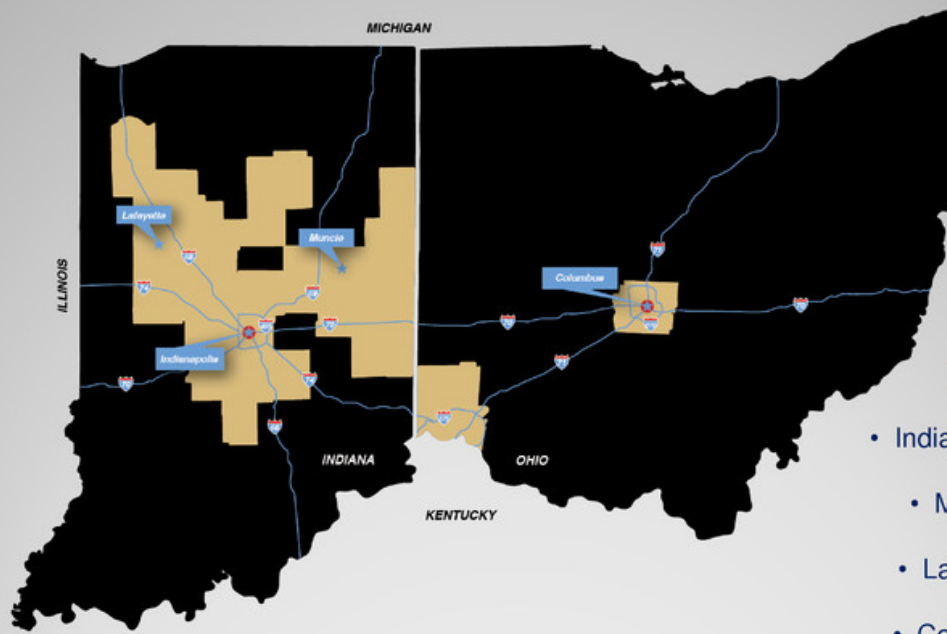
Insurance

\$60M in
Insurance Premiums

- First Merchants Bank, formed in 1893, is celebrating its 120th anniversary
- First Merchants Corporation, organized in 1982, is the largest financial services holding company headquartered in Central Indiana
- First Merchants Corporation operates 76 locations in 24 Indiana counties and 2 Ohio counties



Our Franchise



Total Loans

- Indianapolis - \$1,129M
- Muncie - \$797M
- Lafayette - \$533M
- Columbus - \$475M

(as of June 30, 2013)





Key FMC Deposit Market Share

FDIC Data June 30, 2012

County	Region/Type	Market Position	Market %	\$\$ Deposits
Delaware County, IN	Muncie (Established)	1	40.51%	\$ 660,543
Tippecanoe County, IN	Lafayette (Established)	1	22.78%	463,220
White County, IN	Lafayette (Established)	1	33.07%	170,838
Jasper County, IN	Lafayette (Established)	1	28.41%	169,549
Jay County, IN	Muncie (Established)	1	37.36%	92,399
Union County, IN	Muncie (Established)	1	47.30%	48,718
Shelby County, IN	Indianapolis (Growth)	2	19.26%	93,880
Clinton County, IN	Lafayette (Established)	2	18.51%	81,513
Wabash County, IN	Muncie (Established)	2	16.97%	64,275
Madison County, IN	Indianapolis (Growth)	3	18.26%	232,097
Adams County, IN	Muncie (Established)	3	17.59%	90,909
Randolph County, IN	Muncie (Established)	3	9.80%	67,926
Brown County, IN	Indianapolis (Growth)	3	25.32%	26,985
Hendricks County, IN	Indianapolis (Growth)	4	11.36%	216,825
Johnson County, IN	Indianapolis (Growth)	4	9.94%	168,594
Carroll County, IN	Lafayette (Established)	4	11.07%	32,522
Morgan County, IN	Indianapolis (Growth)	4	7.61%	55,469
Henry County, IN	Muncie (Established)	5	10.91%	69,576
Fayette County, IN	Muncie (Established)	5	9.81%	31,168
Miami County, IN	Muncie (Established)	5	6.59%	28,533
Sub Total				\$2,865,539
First Merchants Total				\$3,327,034 5

Vision



A community bank focused on building deep, lifelong client relationships and providing maximum shareholder value. We provide an experience where customers can bank with their neighbors, realizing that our business begins and ends with people.



FMC Strategy

“Service-driven alternative to super-regional bank competitors.

Deliver superior service with presence close to the customer for . . .”

- Retail Banking
- Commercial Banking
 - Middle Market
 - Agriculture
 - Healthcare Services
 - Real Estate
- Business Banking
- Cash Management
- Mortgage Banking
- Trust Services (Fiduciary, Custody)
- Insurance Products



“We specialize in our communities”

7



Strategy Drivers

The confluence of these key elements form the nucleus for our strategy



Strategy Drivers

	<u>Established Markets</u>	<u>Higher Growth Markets</u>
<i>Client Demographics</i>	<ul style="list-style-type: none"> • Maturing • Middle-income and lower • Basic product orientation 	<ul style="list-style-type: none"> • Middle-income and higher • Greater propensity towards investment, wealth management, and insurance needs • Diversified employment base, including strong service sector
<i>Client Focus</i>	<ul style="list-style-type: none"> • Long-term consumer clients • Serves business clients • Retail convenience 	<ul style="list-style-type: none"> • Small business and middle-market client orientation • Commercial and industrial services • Retail banking centers support the development of broad relationships
<i>Deposit Market Share</i>	<ul style="list-style-type: none"> • Enjoy top deposit market share in served counties • Low-cost core deposit providers • Usually >25% share 	<ul style="list-style-type: none"> • Retail build out in progress • Usually <10% share
<i>Competition</i>	<ul style="list-style-type: none"> • Smaller community banks 	<ul style="list-style-type: none"> • National and regional banks



Market Delivery

First Merchants Corporation

Vision, Mission, Culture Statement, Core Values
Business Model

Supported by LOB Strategies

Retail Banking



Comercial Bamnking



Insurance



Mortgage



Trust



Indianapolis

Higher Growth
Brown, Hamilton,
Hendricks, Johnson,
Madison, Morgan,
Shelby Counties

Columbus, OH

Higher Growth
Franklin County, OH

Lafayette

Established
Carroll, Clinton,
Jasper, Montgomery,
Tippecanoe, White
Counties

Muncie

Established
Adams, Butler, Delaware
Fayette, Henry, Howard,
Jay, Miami, Randolph,
Union, Wabash,
Wayne Counties



Indiana

- Population 2012: 6,539,197*
- Projected Population Change 2012-2017: 2.29%**
- 15th Largest State in the U. S.**
- Indiana was ranked 1st in the Midwest in the Tax Foundation's 2012 Business Tax Climate Index (Oct. 2012)
- State Reports Record Breaking Economic Development Results (Nov. 2012)



*SNL Financial
**SNL Financial
***<http://iedc.in.gov>
****www.in.gov



Indianapolis

- Population 2012 1,782,614*
- Projected Population Change 2012-2017: 4.70%*
- 13th Largest City in the U. S.
- 29th Largest Metropolitan Area in the U. S.**



*SNL Financial
**geography.about.com 12



Columbus



- Population 2012: 1,862,673*
- Projected Population Change 2012 - 2017: 4.28%*
- 15th Largest City in the U. S.
- 31st Largest Metropolitan Area



Indianapolis/Indiana/Columbus Growth Plan

Organic Growth Opportunities with Improved Segment Penetration

Closely Align with the Indiana Vision 2025 Plan to Capture the Opportunities Created by the Plan:

- developing and retaining outstanding talent
- creating an attractive business climate for companies to form, relocate and grow in Indiana
- continuing to develop the state's infrastructure in transportation, energy, and telecommunications
- creating an environment that fosters a dynamic and creative culture for entrepreneurship and technology transfer

Deployment of Rural Deposit Base into Growth Markets Creates Optimal Margin Structure

Evaluating Acquisition Opportunities



2013 Performance Highlights

Earnings & Growth

- \$0.34 Second Quarter EPS, \$0.72 YTD EPS
- 3.88% 2nd Quarter Net Interest Margin
- \$122.4 Million YOY Loan Growth, Approximately 4.4%
- Redeemed \$56.7 Million of SBLF Preferred Shares in 2013
- Continued Asset Quality Improvement



Announced Definitive Agreement to Acquire CFS Bancorp, Inc.

- \$1.1 Billion in Assets
- Operates 20 Banking Centers in Northwest Indiana and Northeast Illinois
- Integration Planning on Target for 4th Quarter 2013 Closing
- Requires Regulatory and Shareholder Approval
- Accretive to EPS in 2014



Total Assets

(\$ in Millions)	<u>2011</u>	<u>2012</u>	<u>Q1-'13</u>	<u>Q2-'13</u>
1. Investments	\$ 946	\$ 874	\$ 870	\$ 909
2. Loans Held for Sale	18	22	27	15
3. Loans	2,713	2,902	2,880	2,920
4. Allowance	(71)	(69)	(69)	(68)
5. CD&I & Goodwill	150	150	149	149
6. BOLI	124	125	126	127
7. Other	<u>293</u>	<u>301</u>	<u>270</u>	<u>286</u>
8. Total Assets	\$4,173	\$4,305	\$4,253	\$4,338



Loan and Yield Detail

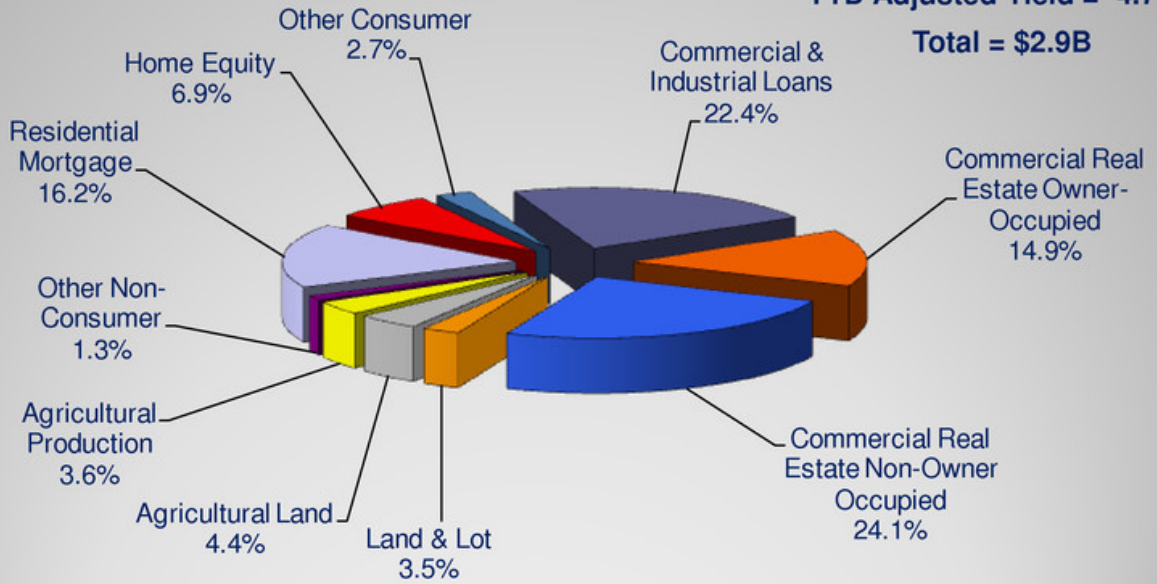
(as of 6/30/2013)

QTD Yield = 4.66%

YTD Yield = 4.90%

YTD Adjusted Yield = 4.73%

Total = \$2.9B



Loan Portfolio Trends

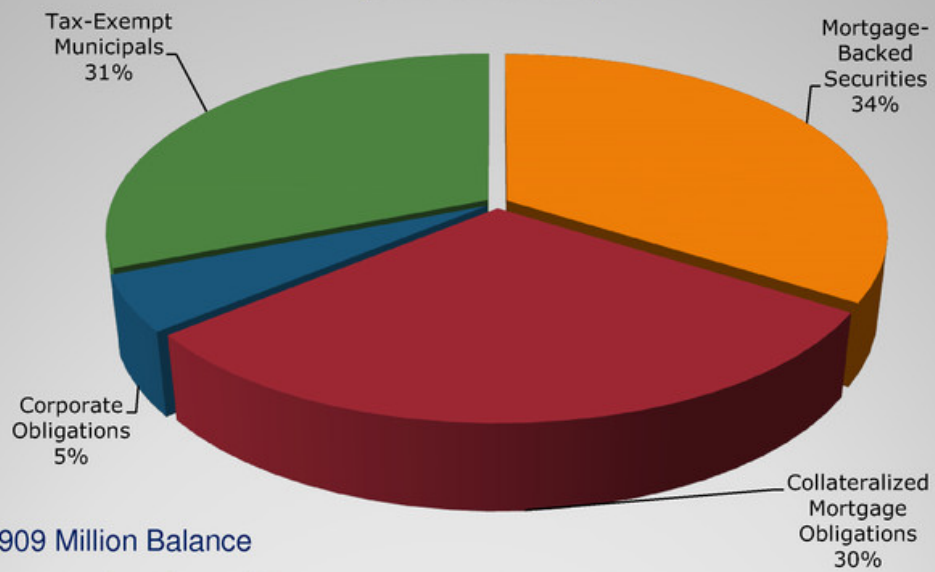
(\$ in Millions)

	<u>2011</u>	<u>2012</u>	<u>Q1-'13</u>	<u>Q2-'13</u>	Change	
					Linked Qtr	
					\$	%
1. Commercial & Industrial	\$532.5	\$622.6	\$638.0	\$657.8	19.8	3.1%
2. Construction, land and land development	81.8	98.6	75.9	101.9	26.0	34.3%
3. CRE Non-Owner Occupied	598.1	706.3	722.1	707.3	(14.8)	(2.0%)
4. CRE Owner Occupied	464.7	434.2	434.5	436.3	1.8	0.4%
5. Agricultural Production	104.5	112.5	104.3	105.2	0.9	0.9%
6. Agricultural Land	131.4	126.2	123.9	129.2	5.3	4.3%
7. Residential Mortgage	481.5	473.5	467.6	460.1	(7.5)	(1.6%)
8. Home Equity	191.6	203.5	201.8	203.8	2.0	1.0%
9. Other Non-Consumer	39.5	46.5	38.1	39.2	1.1	2.9%
10. Other Consumer	<u>87.8</u>	<u>78.3</u>	<u>73.3</u>	<u>79.3</u>	<u>6.0</u>	<u>8.2%</u>
11. Loans	\$2,713.4	\$2,902.2	\$2,879.5	\$2,920.1	\$40.6	1.4%



Investment Portfolio

(as of 6/30/2013)



- \$909 Million Balance
- Average duration – 4.3 years
- Tax equivalent yield of 3.67%
- Net unrealized gain of \$11.6 million



Total Liabilities and Capital

(\$ in Millions)	<u>2011</u>	<u>2012</u>	<u>Q1-'13</u>	<u>Q2-'13</u>
1. Customer Non-Maturity Deposits	\$2,196	\$2,479	\$2,482	\$2,565
2. Customer Time Deposits	816	739	706	655
3. Brokered Deposits	123	128	123	113
4. Borrowings	378	260	260	316
5. Other Liabilities	34	39	37	43
6. Hybrid Capital	111	107	107	107
7. Preferred Stock (SBLF)	91	91	68	68
8. Common Equity	<u>424</u>	<u>462</u>	<u>470</u>	<u>471</u>
9. Total Liabilities and Capital	\$4,173	\$4,305	\$4,253	\$4,338



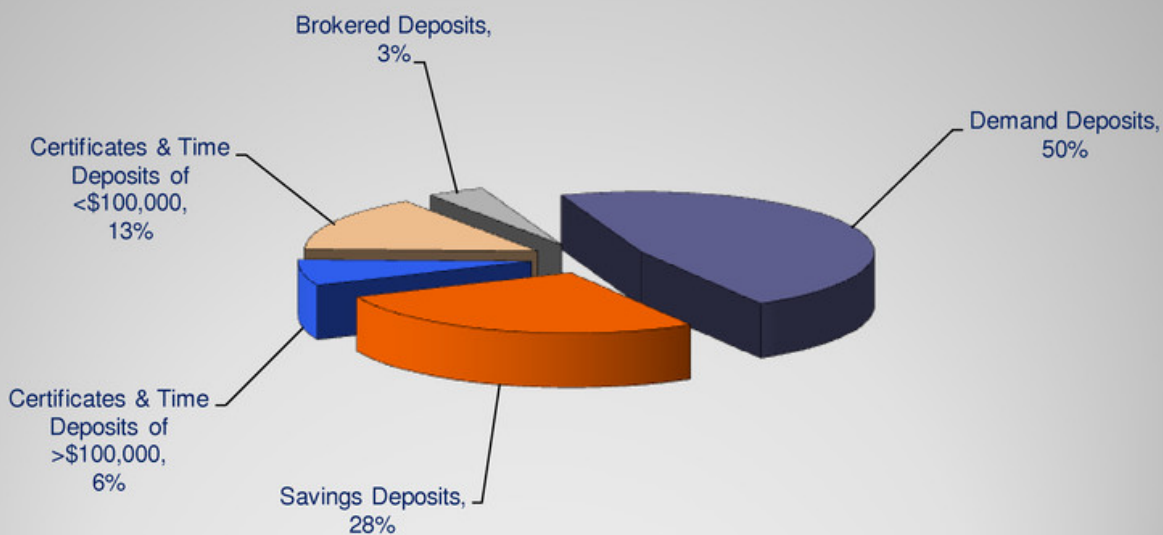
Deposits and Cost of Funds Detail

(as of 06/30/2013)

QTD Cost = .40%

YTD Cost = .43%

Total = \$3.3B



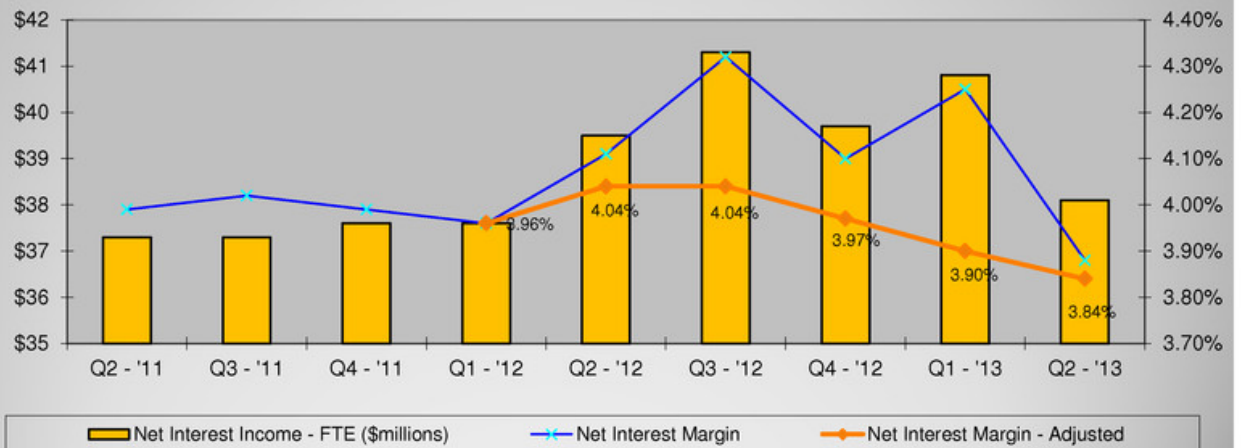
Capital Ratios

	<u>2011</u>	<u>2012</u>	<u>Q1-'13</u>	<u>Q2-'13</u>
1. Total Risk-Based Capital Ratio	16.54%	16.34%	15.91%	15.69%
2. Tier 1 Risk-Based Capital Ratio	13.92%	14.15%	14.03%	13.83%
3. Leverage Ratio	10.17%	11.03%	11.00%	11.02%
4. Tier 1 Common Risk-Based Capital Ratio	8.83%	9.62%	10.20%	10.13%
5. TCE/TCA	6.84%	7.55%	7.88%	7.74%



Net Interest Margin

	Q2 - '11	Q3 - '11	Q4 - '11	Q1 - '12	Q2 - '12	Q3 - '12	Q4 - '12	Q1 - '13	Q2 - '13
Net Interest Income - FTE (\$millions)	\$ 37.3	\$ 37.3	\$ 37.6	\$ 37.6	\$ 39.5	\$ 41.3	\$ 39.7	\$ 40.8	\$ 38.1
Tax Equivalent Yield on Earning Assets	5.04%	5.01%	4.83%	4.74%	4.75%	4.89%	4.58%	4.70%	4.29%
Cost of Supporting Liabilities	1.05%	0.99%	0.84%	0.78%	0.64%	0.57%	0.48%	0.45%	0.41%
Net Interest Margin	3.99%	4.02%	3.99%	3.96%	4.11%	4.32%	4.10%	4.25%	3.88%



Non-Interest Income

(\$ in Millions)	<u>2011</u>	<u>2012</u>	<u>Q1-'13</u>	<u>Q2-'13</u>
1. Service Charges on Deposit Accounts	\$12.0	\$11.6	\$ 2.7	\$ 2.9
2. Trust Fees	7.7	7.9	2.1	2.3
3. Insurance Commission Income	5.7	6.2	2.2	1.7
4. Electronic Card Fees	6.5	7.3	1.8	1.8
5. Cash Surrender Value of Life Ins	2.6	3.4	0.7	0.6
6. Gains on Sales Mortgage Loans	7.4	10.6	2.4	2.5
7. Securities Gains/Losses	2.0	2.4	0.2	0.2
8. Gain on FDIC-Modified Whole-Bank Transaction	–	9.1	–	–
9. Other	<u>5.2</u>	<u>5.8</u>	<u>1.8</u>	<u>2.1</u>
10. Total	\$49.1	\$64.3	\$13.9	\$14.1
11. Adjusted Non-Interest Income ¹	\$47.1	\$52.8	\$13.7	\$13.9

¹Adjusted for Bond Gains & Losses and Gain on FDIC-Modified Whole-Bank Transaction

24



Non-Interest Expense

(\$ in Millions)	<u>2011</u>	<u>2012</u>	<u>Q1-'13</u>	<u>Q2-'13</u>
1. Salary & Benefits	\$ 74.7	\$ 79.4	\$20.8	\$20.5
2. Premises & Equipment	16.9	17.4	4.4	4.0
3. Core Deposit Intangible	3.5	1.9	0.4	0.4
4. Professional Services	2.2	2.3	0.6	0.6
5. OREO/Credit-Related Expense	10.6	8.2	1.9	1.5
6. FDIC Expense	5.5	3.5	0.7	0.7
7. Outside Data Processing	5.7	5.7	1.5	1.4
8. Marketing	2.0	2.2	0.5	0.5
9. Other	<u>14.8</u>	<u>16.5</u>	<u>3.9</u>	<u>4.1</u>
10. Non-Interest Expense	\$135.9	\$137.1	\$34.7	\$33.7



Earnings

(\$ in Millions)	<u>2011</u>	<u>2012</u>	<u>Q1-'13</u>	<u>Q2-'13</u>
1. Net Interest Income-FTE ¹	\$149.1	\$153.5	\$ 40.0	\$ 37.7
2. Non Interest Income ²	47.1	52.8	13.7	13.9
3. Non Interest Expense	(135.9)	(137.1)	(34.7)	(33.7)
4. Pre-Tax Pre-Provision Earnings	\$ 60.3	\$ 69.2	\$ 19.0	\$17.9
5. Provision	(22.6)	(18.5)	(2.1)	(2.0)
6. Adjustments ^{1, 2}	2.0	16.1	1.0	0.6
7. Taxes – FTE	(14.4)	(21.7)	(6.0)	(5.6)
8. Gain/(Loss) on CPP/Trust Preferred	(12.3)	–	–	–
9. Preferred Stock Dividend	(4.0)	(4.5)	(0.9)	(0.9)
10. Net Income Avail. for Distribution	\$ 9.0	\$ 40.6	\$ 11.0	\$ 10.0
11. EPS	\$ 0.34	\$ 1.41	\$ 0.38	\$ 0.34

¹Adjusted for Fair Market Value Accretion

²Adjusted for Bond Gains & Losses and Gain on FDIC-Modified Whole-Bank Transaction

26



Earnings Per Share

<u>2011</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Total</u>
1. Reported	\$.17	\$.18	(\$.25)	\$.24	\$.34
2. Adjusted	\$.17	\$.18	\$.21 ¹	\$.24	\$.80
<u>2012</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Total</u>
1. Reported	\$.46	\$.28	\$.35	\$.32	\$1.41
2. Adjusted ²	\$.25	\$.26	\$.29	\$.29	\$1.09
<u>2013</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Total</u>
1. Reported	\$.38	\$.34	—	—	\$.72
2. Adjusted ²	\$.36	\$.33	—	—	\$.69

¹Adjusted for gains and losses on CPP/Trust Preferred refinance and repayment net of taxes (Line 8 on slide 15)

²Adjusted for gain on FDIC-Modified Whole-Bank Transaction and Fair Market Value Accretion

27



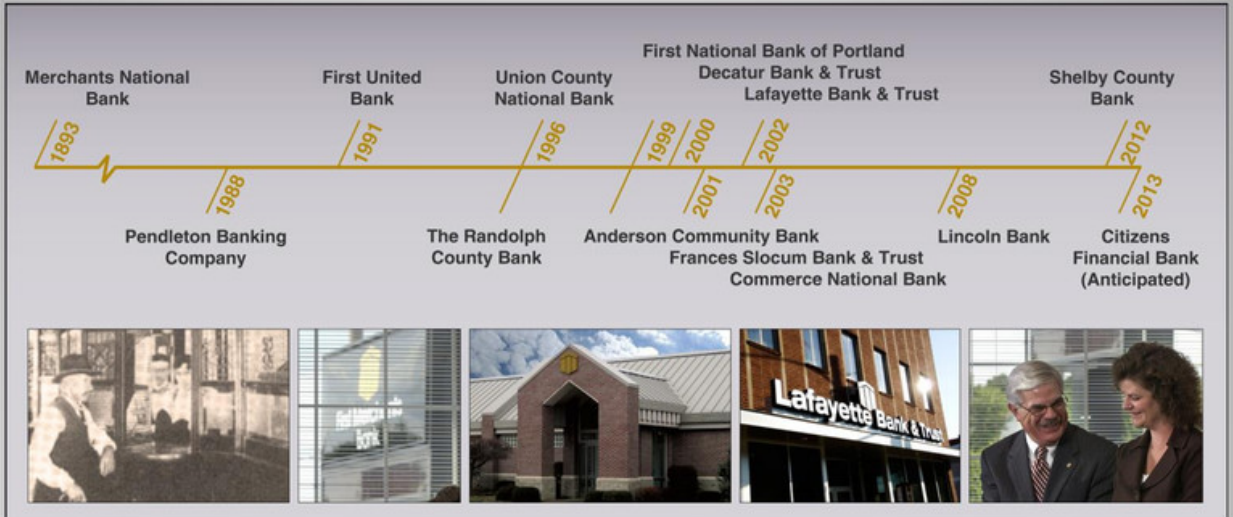
Asset Quality Summary

(\$ in Millions)

	<u>2011</u>	<u>2012</u>	<u>Q1-'13</u>	<u>Q2-'13</u>	<u>% Change Linked Qtr.</u>
1. Non-Accrual Loans	\$ 69.6	\$ 53.4	\$ 46.8	\$ 39.0	(16.7%)
2. Other Real Estate	\$ 16.3	\$ 13.3	\$ 13.1	\$ 11.8	(9.9%)
3. Renegotiated Loans	\$ 14.3	\$ 12.7	\$ 5.4	\$ 4.4	(18.5%)
4. 90+ Days Delinquent Loans	\$ 0.6	\$ 2.0	\$ 1.0	\$ 1.1	10.0%
5. Specific Reserves	\$ 7.6	\$ 4.2	\$ 3.6	\$ 4.5	25.0%
6. Allowance for Loan and Lease Losses	\$ 70.9	\$ 69.4	\$ 68.5	\$ 68.2	(0.4%)
7. ALLL/Non-Accrual Loans	101.9%	129.9%	146.6%	175.0%	
8. Classified Assets	\$ 227.2	\$ 184.4	\$ 172.7	\$ 148.5	(14.0%)
9. Criticized Assets (includes Classified)	\$ 319.2	\$ 250.2	\$ 242.7	\$ 225.9	(6.9%)

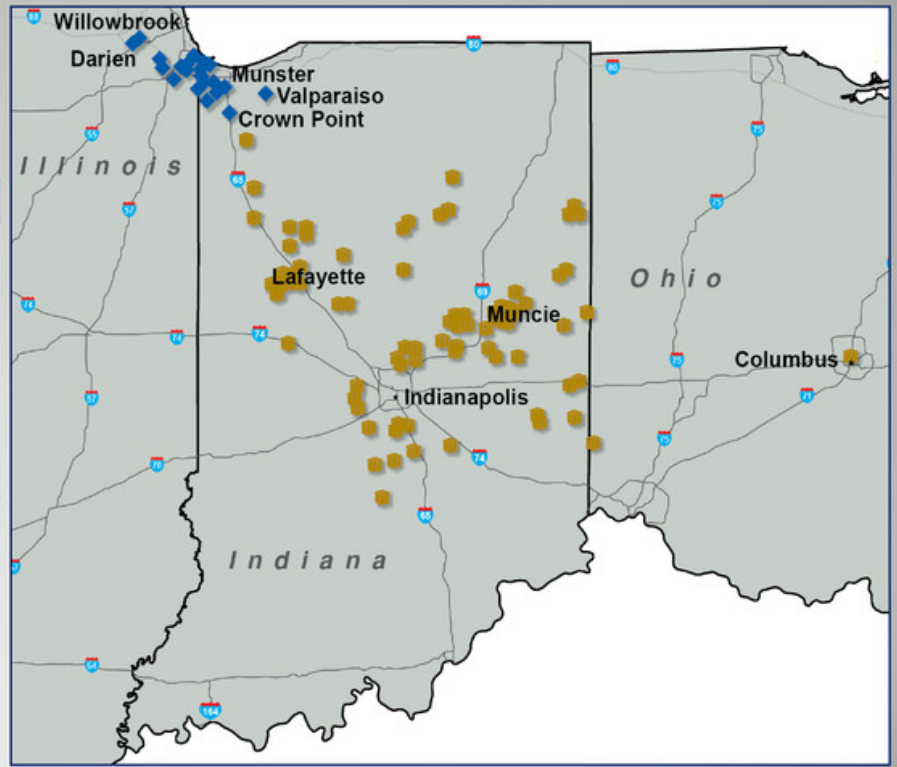


Acquisition Experience



Strategic Market Expansion

Pro Forma Highlights	
Ticker:	FRME
Headquarters:	Muncie, IN
Founded:	1893
Branches:	96
Assets:	\$5.4 Billion
Loans:	\$3.6 Billion
Deposits:	\$4.3 Billion



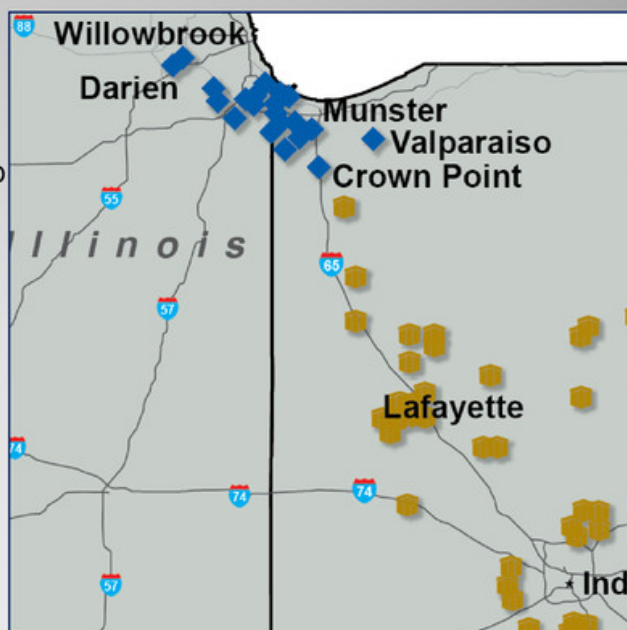
Transaction Overview

Deal Value:	\$114.7 Million*
Consideration	100% Stock; Fixed 0.65 Exchange Ratio, Tax-Free
Implied Price Per Share	\$10.49*
Required Approvals:	Regulatory and Shareholder
Key Assumptions:	Cost Savings Estimated to be 30% or \$11.5 Million Pre-Closing Charges of Approximately \$10 Million Estimated One-Time Transaction Costs of \$3.5 Million Credit and OREO Mark of Approximately \$58 Million
Capital Impact:	Accretive to EPS Beginning in 2014 Tangible Book Value Earn Back Within Three Years Minimal Impact to Capital Ratios
Termination Fee:	\$4.5 Million
Anticipated Closing:	4 th Quarter 2013



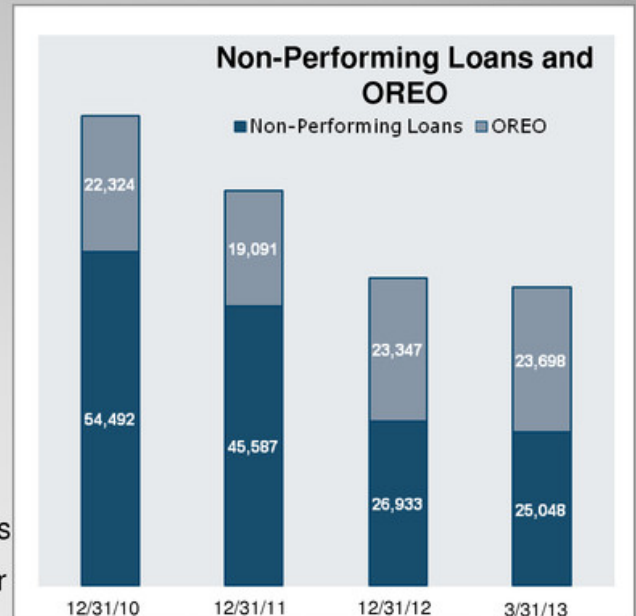
CFS Bancorp, Inc. Overview

- Headquartered in Munster, Indiana
- Founded in 1934
- Operates 20 Banking Centers
 - 12 in Northwest Indiana
 - 8 in Northeast Illinois, South of Chicago
- Market Capitalization: \$101 Million
- Balance Sheet as of March 31, 2013
 - \$1,146 Million in Assets
 - \$ 653 Million in Net Loans
 - \$ 974 Million in Deposits
 - TCE/TA: 9.84%
- Income Statement for Quarter End March 31, 2013
 - Net Income of \$1.5 Million
 - Net Interest Margin of 3.23%
- Capital Structure – No TARP, No TRUPS



CFS Turnaround

- New Management in 2007
 - 48 New Senior Managers Hired
 - 4 out of 5 Executive Officers Hired
- Four Key Objectives
 - Reduce Non-Performing Assets
 - Improve Efficiency Ratio through Revenue Enhancement and Cost Reduction
 - Diversified Growth – Target Small to Medium-Sized Businesses
 - Deepen Financial Relationships
- Diligently Working Through Problem Credits
 - Charged Off \$59 Million Since 2007, or 7.5% of Loan Portfolio
- Reduced Non-Performing Assets
 - NPAs Reduced by 37%, or \$28.1M Since 2010



Transaction Rationale

Strategic Opportunity

- Contiguous Market Expansion
 - Adds 20 Full-Service Banking Centers, \$974 Million in Deposits, \$664 Million in Loans
 - #1 Market Share Position in Munster, Indiana
- Market Opportunity
 - Leverage First Merchants Model into CFS Markets
 - Significant Commercial Opportunities (over 258,000 Businesses)
 - Attractive and Growing Suburban Markets

Financially Attractive

- Accretive to EPS Beginning in 2014
- Tangible Book Value Payback Within 3 Years
- Significant Operating Efficiencies – Approximately 30% Cost Saves

Attractive Risk Profile

- Comprehensive Due Diligence Process Completed
- Cultural Fit, Retention of Key Management Members
- Experienced Acquirer, Core Competency in Integration Processes



Indiana Market Share

2012 Rank	Company	2012 # of Branches	2012 Total Deposits in Market	2012 Total Market Share (%)
1	JP Morgan Chase & Co. (NY)	189	\$13.640	13.43
2	PNC Financial Services Group (PA)	160	9.673	9.52
3	Fifth Third Bancorp (OH)	140	7.261	7.15
4	Old National Bancorp (IN)	147	6.768	6.66
5	Pro Forma	86	3.790	3.73
5	Bank of Montreal	78	3.464	3.41
6	1 st Source Corp. (IN)	70	3.435	3.38
7	First Merchants Corp (IN)	74	3.101	3.05
8	Wells Fargo & Co (CA)	36	3.028	2.98
9	KeyCorp (OH)	71	2.803	2.76
10	Huntington Bancshares, Inc. (OH)	52	2.682	2.64
26	CFS Bancorp, Inc. (IN)	12	.689	0.68



Transaction Pricing

Transactions	FRME/CITZ	Recent Transactions
Price/Tangible Book Value	1.02x	1.11x
Market Premium (%)	13.8%	42.0%
Core Deposit Premium (%)	0.3%	2.2%



1-Year Stock Price Chart

First Merchants Corporation - Stock Price



Why Invest in First Merchants?

- 3rd Largest Indiana Bank with an Energized and Experienced Management Team and Employees
- Attractive Long-Term Deposit Market Shares
- Indianapolis / Columbus, Ohio Momentum
- State-of-the-Industry Technology Center with Scalable Operations Platform
- Successful Acquisition and Integration Track Record, both Whole Bank and FDIC-Assisted; CFS Bancorp Acquisition
- \$18M Pre-Tax, Pre-Provision Quarterly Run Rate
- Well Capitalized, Well Positioned, Well Reserved



Executive Management Team



PRESIDENT & CHIEF EXECUTIVE OFFICER

Mike joined FMC in 2005 and since that time negotiated the acquisition of Lincoln Bancorp in 2008, and successfully led the company through its multi-charter to single-charter conversion. Prior to joining FMC, Mike was Executive Vice President of Corporate Banking for National City Bank, managing its Indiana operations. Mike is a graduate of Miami University of Ohio with a Bachelors degree in English and a MBA in Finance.

Telephone: 765.213.3488
E-mail: mrechin@firstmerchants.com



Executive Management Team

EXECUTIVE VICE PRESIDENT & CHIEF FINANCIAL OFFICER

Mark joined FMB in 1997 and since that time led the company's finance function and was responsible for the pricing and financing of the eight acquisitions completed during that period. Prior to joining FMC, Mark was a senior accountant with BKD, LLP. Mark is a graduate of Ball State University with a Bachelors degree in Accounting and a Masters in Business Administration. Mark is also a Certified Public Accountant.

Telephone: 765.751.1857
E-mail: mhardwick@firstmerchants.com



Executive Management Team



EXECUTIVE VICE PRESIDENT & CHIEF BANKING OFFICER

Mike joined FMC in 2008 and since that time led the company's transformation to a line-of-business organization. Prior to joining FMC, Mike spent 18 years with National City Bank, Executive Vice President of the Corporate Banking and Sales Manager for the Regional Large Corporate Group. Mike is a graduate of Millikin University with a Bachelors degree in Finance and a MBA.

Telephone: 765.213.3434
E-mail: mstewart@firstmerchants.com



Executive Management Team

**EXECUTIVE VICE PRESIDENT &
CHIEF CREDIT OFFICER**

John joined First Merchants in 2007 as Senior Manager of Lending Process in the Credit Division, was promoted to Deputy Chief Credit Officer in 2008 and to Chief Credit officer in June 2009. John is a graduate of Indiana University where he earned a Bachelor of Arts degree in Economics. He also holds a Masters of Business Administration in finance from the Weatherhead School of Management at Case Western Reserve University in Cleveland, OH.

Telephone: 765.378.8534
E-mail: jmartin@firstmerchants.com



Contact Information

First Merchants Corporation common stock is traded on the NASDAQ Global Select Market under the symbol FRME.

Additional information can be found at

www.firstmerchants.com

Investor inquiries:

David L. Ortega

Investor Relations

Telephone: 765.378.8937

dortega@firstmerchants.com



