



FIRST MERCHANTS CORPORATION

First Quarter 2016
Earnings Highlights
April 26, 2016

NASDAQ: FRME

Michael C. Rechin
President
Chief Executive Officer

Mark K. Hardwick
Executive Vice President
Chief Financial Officer

John J. Martin
Executive Vice President
Chief Credit 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.

Non-GAAP Financial Measures

These slides contain non-GAAP financial measures. For purposes of Regulation G, a non-GAAP financial measure is a numerical measure of the registrant's historical or future financial performance, financial position or cash flows that excludes amounts, or is subject to adjustments that have the effect of excluding amounts, that are included in the most directly comparable measure calculated and presented in accordance with GAAP in the statement of income, balance sheet or statement of cash flows (or equivalent statements) of the issuer; or includes amounts, or is subject to adjustments that have the effect of including amounts, that are excluded from the most directly comparable measure so calculated and presented. In this regard, GAAP refers to generally accepted accounting principles in the United States. Pursuant to the requirements of Regulation G, First Merchants Corporation has provided reconciliations within the slides, as necessary, of the non-GAAP financial measure to the most directly comparable GAAP financial measure.



1st Quarter 2016 Highlights

1st Quarter Highlights

- Earnings Per Share of \$.43, Equal to 1Q2015
- \$17.7 Million of Net Income, a 9.4% increase over 1Q2015
- 1st Quarter Results Include Acquisition Expenses of \$1.9 Million (\$.03 per share)
- Total Assets of \$6.8 Billion Grew by 15.7% over 1Q2015
- 1.05% Return on Average Assets

Additional Items of Note

- Concluded System and Banking Center Integration of Ameriana Bank on March 12, 2016
- Completed Conversion to an Indiana State-Chartered Bank on April 15, 2016



Mark K. Hardwick

Executive Vice President
and Chief Financial Officer



Total Assets

(\$ in Millions)	<u>2014</u>	<u>2015</u>	<u>Q1-'15</u>	<u>Q1-'16</u>
1. Investments	\$1,181	\$1,277	\$1,189	\$1,271
2. Loans Held for Sale	7	10	6	4
3. Loans	3,925	4,694	3,966	4,710
4. Allowance	(64)	(62)	(63)	(62)
5. CD&I & Goodwill	219	260	218	262
6. BOLI	169	201	170	201
7. Other	<u>387</u>	<u>381</u>	<u>392</u>	<u>413</u>
8. Total Assets	<u>\$5,824</u>	<u>\$6,761</u>	<u>\$5,878</u>	<u>\$6,799</u>
Percent Growth		16.1%		15.7%

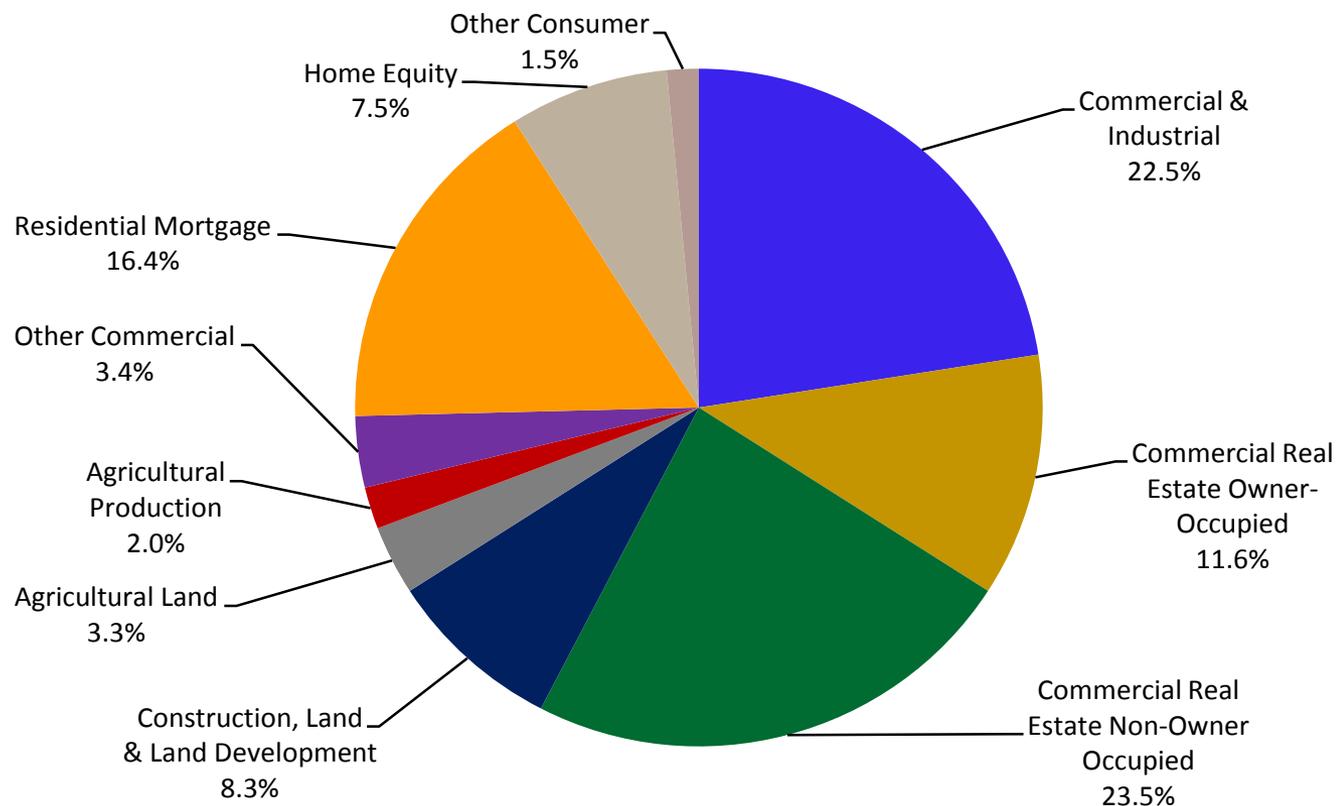
Loan and Yield Detail

(as of 3/31/2016)



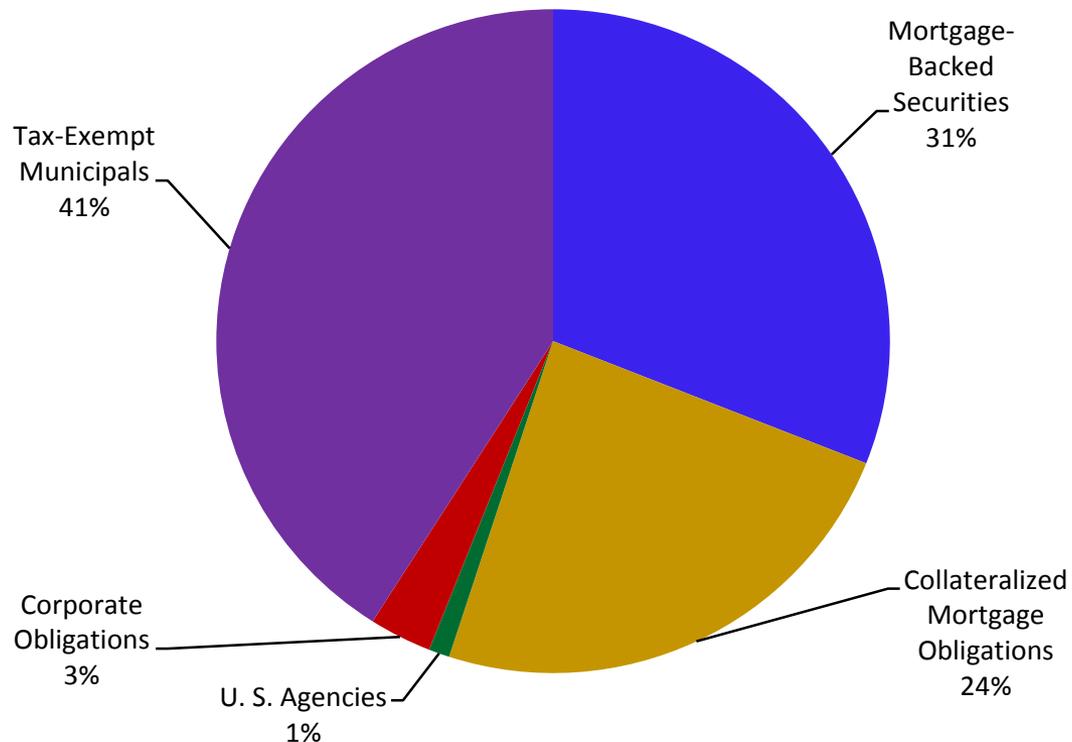
YTD Yield = 4.50%

Total Loans = \$4.7 Billion



Investment Portfolio

(as of 3/31/2016)



- \$1.3 Billion
- Modified duration of 4.2 years
- Tax equivalent yield of 3.95%
- Net unrealized gain of \$50.1 Million



Total Liabilities and Capital

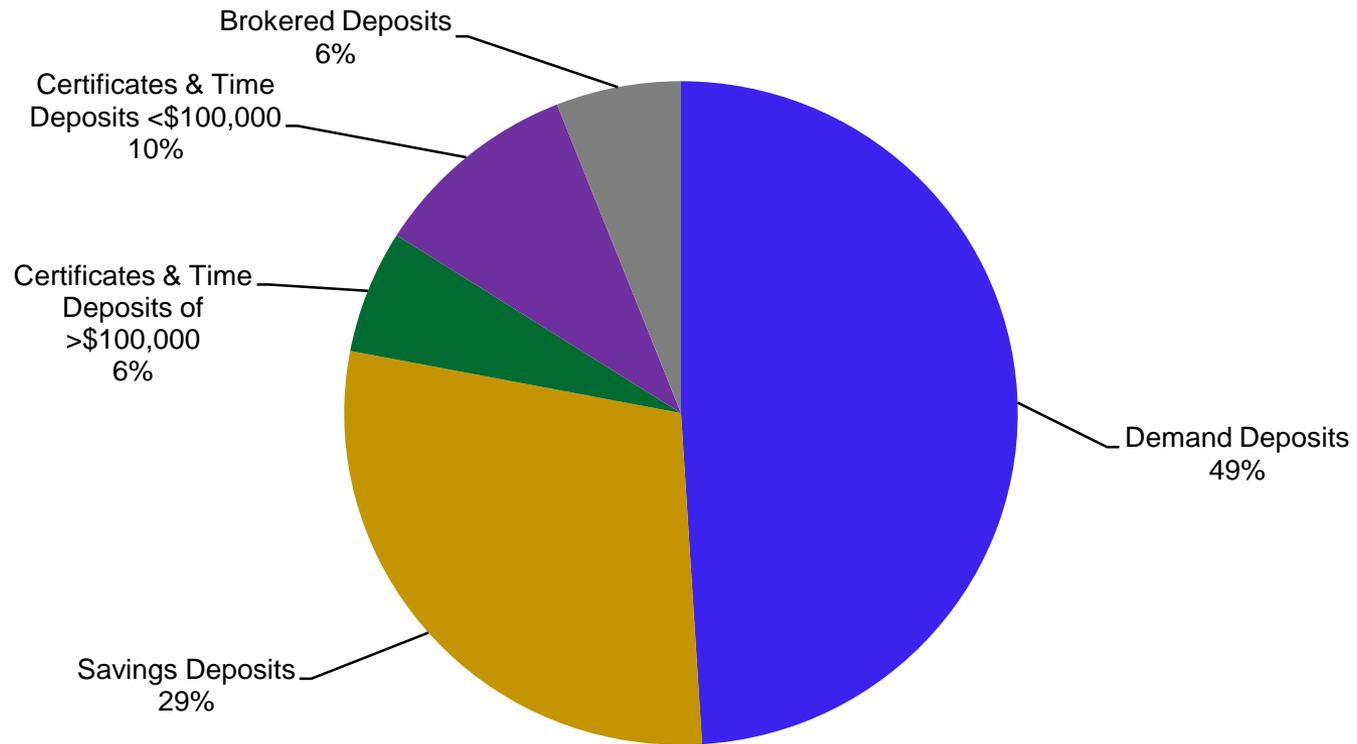
(\$ in Millions)	<u>2014</u>	<u>2015</u>	<u>Q1-'15</u>	<u>Q1-'16</u>
1. Customer Non-Maturity Deposits	\$3,523	\$4,096	\$3,518	\$4,140
2. Customer Time Deposits	784	880	800	841
3. Brokered Deposits	334	314	330	330
4. Borrowings	290	446	305	420
5. Other Liabilities	44	51	63	79
6. Hybrid Capital	122	123	122	122
7. Common Equity	<u>727</u>	<u>851</u>	<u>740</u>	<u>867</u>
8. Total Liabilities and Capital	<u>\$5,824</u>	<u>\$6,761</u>	<u>\$5,878</u>	<u>\$6,799</u>
9. Percentage Change from Year-End		7.5%		2.3%

Deposit Detail

(as of 03/31/2016)

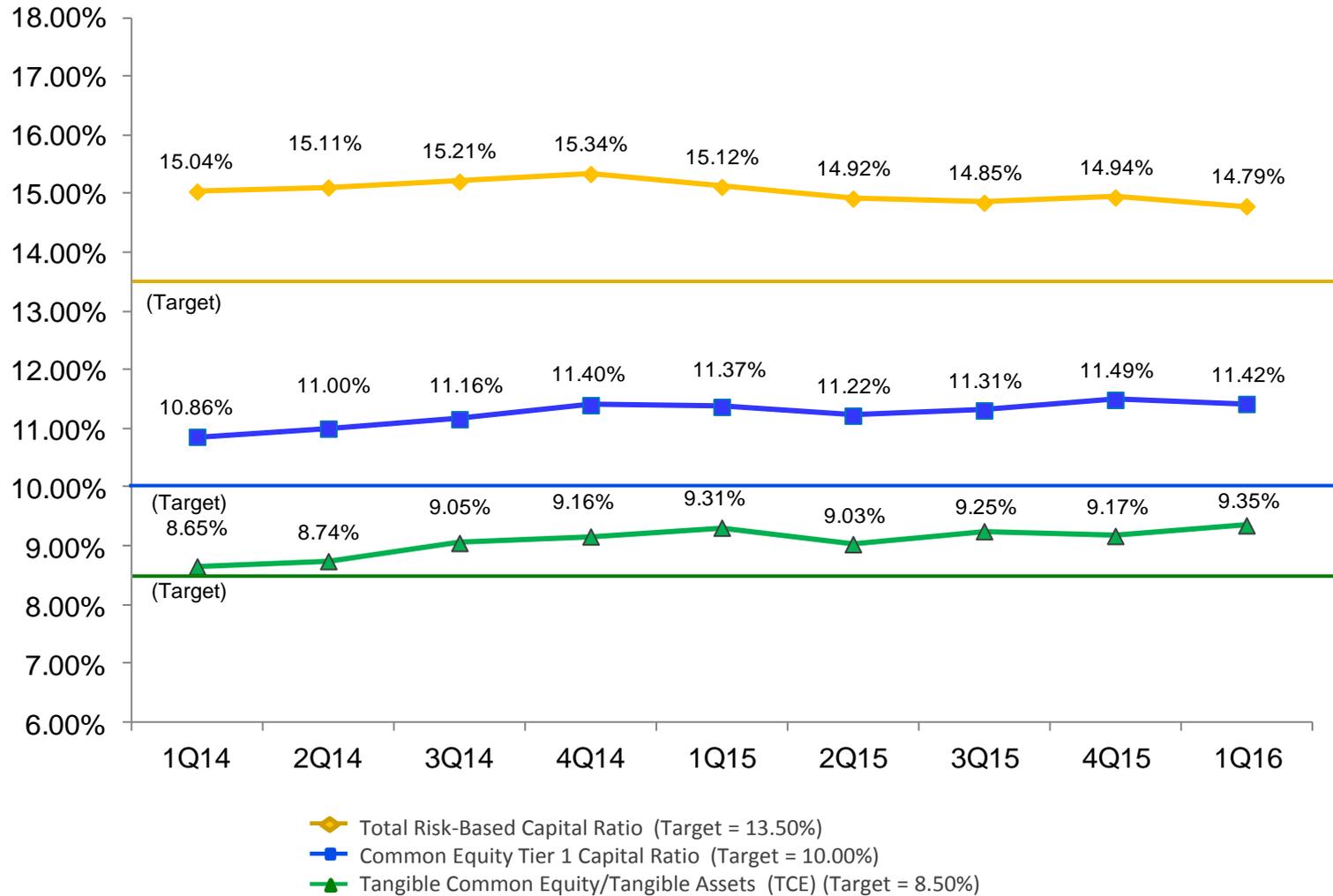


YTD Cost = .40%
Total = \$5.3 Billion





Capital Ratios

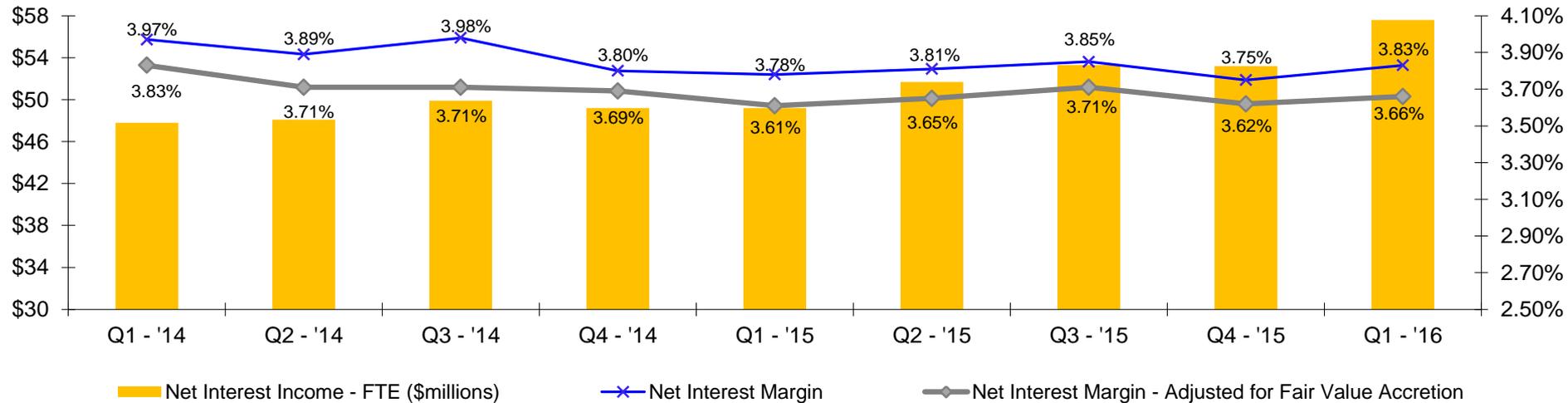




Net Interest Margin

(\$ in Millions)

	<u>Q1 - '14</u>	<u>Q2 - '14</u>	<u>Q3 - '14</u>	<u>Q4 - '14</u>	<u>Q1 - '15</u>	<u>Q2 - '15</u>	<u>Q3 - '15</u>	<u>Q4 - '15</u>	<u>Q1 - '16</u>
Net Interest Income - FTE	\$ 47.8	\$ 48.1	\$ 49.9	\$ 49.2	\$ 49.2	\$ 51.7	\$ 53.3	\$ 53.2	\$ 57.6
Fair Value Accretion	\$ 1.8	\$ 2.2	\$ 3.5	\$ 1.4	\$ 2.2	\$ 2.2	\$ 2.0	\$ 1.9	\$ 2.5
Tax Equivalent Yield on Earning Assets	4.40%	4.33%	4.41%	4.26%	4.24%	4.26%	4.30%	4.20%	4.28%
Cost of Supporting Liabilities	0.43%	0.44%	0.43%	0.46%	0.46%	0.45%	0.45%	0.45%	0.45%
Net Interest Margin	3.97%	3.89%	3.98%	3.80%	3.78%	3.81%	3.85%	3.75%	3.83%





Non-Interest Income

(\$ in Millions)

	<u>2014</u>	<u>2015</u>	<u>Q1-'15</u>	<u>Q1-'16</u>
1. Service Charges on Deposit Accounts	\$15.7	\$16.2	\$ 3.5	\$ 4.1
2. Trust Fees	9.0	9.2	2.5	2.5
3. Insurance Commission Income	7.4	4.1	2.3	—
4. Electronic Card Fees	9.7	11.1	2.5	3.2
5. Cash Surrender Value of Life Ins	3.7	2.9	0.7	1.5
6. Gains on Sales Mortgage Loans	4.9	6.5	1.5	1.5
7. Securities Gains/Losses	3.6	2.7	1.0	1.0
8. Gain on Sale of Insurance Subsidiary	—	8.3	—	—
9. Gain on Cancellation of Trust Preferred Debt	—	1.3	—	—
10. OREO Gains/Rental Income	4.6	2.2	0.8	0.5
11. Other	<u>7.8</u>	<u>8.0</u>	<u>1.4</u>	<u>2.0</u>
12. Total	<u>\$66.4</u>	<u>\$72.5</u>	<u>\$16.2</u>	<u>\$16.3</u>



Non-Interest Expense

(\$ in Millions)	<u>2014</u>	<u>2015</u>	<u>Q1-'15</u>	<u>Q1-'16</u>
1. Salary & Benefits	\$ 96.5	\$101.9	\$ 24.5	\$ 27.3
2. Premises & Equipment	23.2	25.5	6.4	7.3
3. Core Deposit Intangible	2.4	2.8	0.7	1.0
4. Professional & Other Outside Services	8.1	9.9	1.5	2.2
5. OREO/Credit-Related Expense	8.0	6.1	1.2	1.2
6. FDIC Expense	3.7	3.7	0.9	1.0
7. Outside Data Processing	7.3	7.1	1.7	2.1
8. Marketing	3.5	3.5	0.8	0.7
9. Other	<u>15.8</u>	<u>17.0</u>	<u>3.5</u>	<u>4.1</u>
10. Non-Interest Expense	<u>\$168.5</u>	<u>\$177.5</u>	<u>\$ 41.2</u>	<u>\$ 46.9</u>

Earnings



(\$ in Millions)	<u>2014</u>	<u>2015</u>	<u>Q1-'15</u>	<u>Q1-'16</u>
1. Net Interest Income	\$187.0	\$196.4	\$ 47.0	\$ 54.5
2. Provision for Loan Losses	<u>(2.6)</u>	<u>(0.4)</u>	<u>—</u>	<u>(0.6)</u>
3. Net Interest Income after Provision	184.4	196.0	47.0	53.9
4. Non-Interest Income	66.4	72.5	16.2	16.3
5. Non-Interest Expense	<u>(168.5)</u>	<u>(177.5)</u>	<u>(41.2)</u>	<u>(46.9)</u>
6. Income before Income Taxes	82.3	91.0	22.0	23.3
7. Income Tax Expense	<u>(22.1)</u>	<u>(25.6)</u>	<u>(5.8)</u>	<u>(5.6)</u>
8. Net Income Avail. for Distribution	<u>\$ 60.2</u>	<u>\$ 65.4</u>	<u>\$16.2</u>	<u>\$ 17.7</u>
9. EPS	\$ 1.65	\$ 1.72	\$0.43	\$0.43
10. Efficiency Ratio	61.33%	60.78%	60.97%	61.37%



Per Share Results

<u>2015</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Total</u>
1. Earnings Per Share	\$.43	\$.47	\$.45	\$.37	\$ 1.72
2. Tangible Book Value	\$13.96	\$14.15	\$14.59	\$ 14.68	
3. Dividends	\$.08	\$.11	\$.11	\$.11	\$.41
<u>2016</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Total</u>
1. Earnings Per Share	\$.43	—	—	—	\$.43
2. Tangible Book Value	\$ 15.02	—	—	—	
3. Dividends	\$.11	—	—	—	\$.11



John J. Martin

Executive Vice President
and Chief Credit Officer



Loan Portfolio Trends

(\$ in Millions)

	<u>2014</u>	<u>2015</u>	<u>Q1-'15</u>	<u>Q1-'16</u>	Change Linked Quarter		Change Year Over Year	
					\$	%	\$	%
1. Commercial & Industrial	\$ 897	\$ 1,057	\$ 939	\$ 1,061	\$ 4	0.4%	\$ 122	13.0%
2. Construction, Land and Land Development	207	367	237	392	25	6.8%	155	65.4%
3. CRE Non-Owner Occupied	976	1,090	960	1,106	16	1.5%	146	15.2%
4. CRE Owner Occupied	535	554	537	544	(10)	(1.8%)	7	1.3%
5. Agricultural Production	105	98	96	92	(6)	(6.1%)	(4)	(4.2%)
6. Agricultural Land	162	158	149	155	(3)	(1.9%)	6	4.0%
7. Residential Mortgage	647	786	641	770	(16)	(2.0%)	129	20.1%
8. Home Equity	287	349	287	354	5	1.4%	67	23.3%
9. Other Commercial	36	160	50	162	2	1.3%	112	224.0%
10. Other Consumer	<u>73</u>	<u>75</u>	<u>70</u>	<u>74</u>	<u>(1)</u>	<u>(1.3%)</u>	<u>4</u>	<u>5.7%</u>
11. Total Loans	\$ 3,925	\$ 4,694	\$ 3,966	\$ 4,710	\$ 16	0.3%	\$ 744	18.8%



Asset Quality Summary

(\$ in Millions)

	<u>2014</u>		<u>2015</u>		<u>Q1-'15</u>		<u>Q1-'16</u>		Change Linked Quarter		Change Year over Year	
	\$		\$		\$		\$		\$	%	\$	%
1. Non-Accrual Loans	\$	48.8	\$	31.4	\$	44.3	\$	36.7	5.3	16.9%	(7.6)	(17.2%)
2. Other Real Estate		19.3		17.3		19.1		15.6	(1.7)	(9.8%)	(3.5)	(18.3%)
3. Renegotiated Loans		2.0		1.9		1.3		1.0	(0.9)	(47.4%)	(0.3)	(23.1%)
4. 90+ Days Delinquent Loans		4.6		0.9		1.7		1.0	0.1	11.1%	(0.7)	(41.2%)
5. Total NPAs & 90+ Days Delinquent	\$	74.7	\$	51.5	\$	66.4	\$	54.3	2.8	5.4%	(12.1)	(18.2%)
6. NPAs & 90+ Days/Loans & ORE		1.9%		1.1%		1.7%		1.2%				
7. Classified Assets	\$	191.8	\$	171.8	\$	166.4	\$	170.9	(0.9)	(0.5%)	4.5	2.7%
8. Criticized Assets (includes Classified)	\$	253.6	\$	275.0	\$	249.1	\$	305.8	30.8	11.2%	56.7	22.8%



Non-Performing Asset Reconciliation

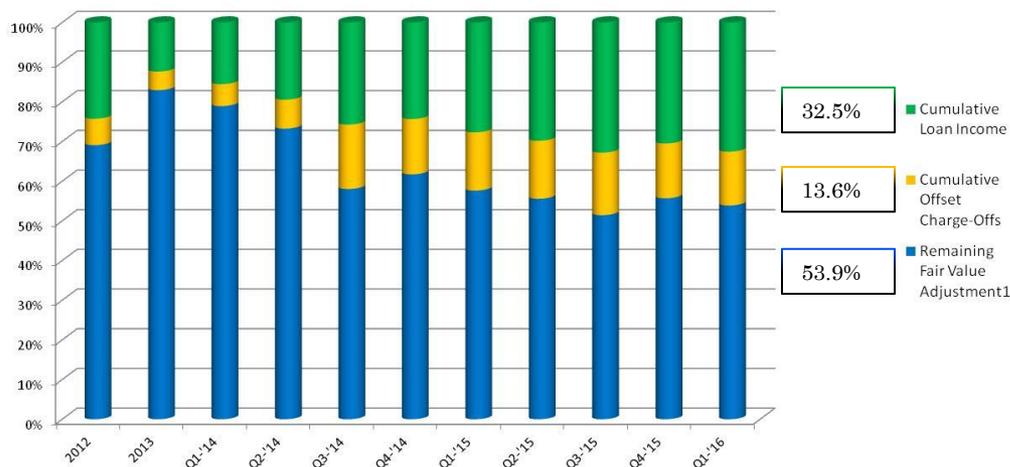
(\$ in Millions)	<u>Q2-'15</u>	<u>Q3-'15</u>	<u>Q4-'15</u>	<u>Q1-'16</u>
1. Beginning Balance NPAs & 90+ Days Delinquent	\$ 66.4	\$ 58.5	\$ 53.2	\$ 51.5
Non-Accrual				
2. Add: New Non-Accruals	4.4	3.9	3.9	10.7
3. Less: To Accrual/Payoff/Renegotiated	(6.9)	(6.8)	(2.4)	(2.7)
4. Less: To OREO	(2.0)	(0.1)	(0.8)	(0.1)
5. Less: Charge-offs	<u>(2.1)</u>	<u>(2.1)</u>	<u>(1.9)</u>	<u>(2.6)</u>
6. Increase / (Decrease): Non-Accrual Loans	(6.6)	(5.1)	(1.2)	5.3
Other Real Estate Owned (ORE)				
7. Add: New ORE Properties	2.0	0.1	6.5	0.1
8. Less: ORE Sold	(1.1)	(3.4)	(3.6)	(1.5)
9. Less: ORE Losses (write-downs)	<u>(0.7)</u>	<u>(1.1)</u>	<u>(0.5)</u>	<u>(0.3)</u>
10. Increase / (Decrease): ORE	0.2	(4.4)	2.4	(1.7)
11. Increase / (Decrease): 90+ Days Delinquent	(1.1)	1.3	(1.0)	0.1
12. Increase / (Decrease): Renegotiated Loans	<u>(0.4)</u>	<u>2.9</u>	<u>(1.9)</u>	<u>(0.9)</u>
13. Total NPAs & 90+ Days Delinquent Change	<u>(7.9)</u>	<u>(5.3)</u>	<u>(1.7)</u>	<u>2.8</u>
14. Ending Balance NPAs & 90+ Days Delinquent	\$ 58.5	\$ 53.2	\$ 51.5	\$ 54.3



ALLL and Fair Value Summary

(\$ in Millions)	<u>Q1-'15</u>	<u>Q2-'15</u>	<u>Q3-'15</u>	<u>Q4-'15</u>	<u>Q1-'16</u>
1. Allowance for Loan Losses (ALLL)	\$ 62.8	\$ 62.6	\$ 62.9	\$ 62.5	\$ 62.1
2. Fair Value Adjustment (FVA)	40.6	40.7	37.9	47.0	47.1
3. Total ALLL plus FVA	\$ 103.4	\$ 103.3	\$ 100.8	\$ 109.5	\$ 109.2
4. Specific Reserves	\$ 4.6	\$ 3.1	\$ 2.0	\$ 1.8	\$ 1.4
5. Purchased Loans plus FVA	655.4	727.8	674.5	965.4	917.6
6. ALLL/Non-Accrual Loans	141.7%	165.9%	192.8%	199.0%	169.1%
7. ALLL/Non-purchased Loans	1.87%	1.76%	1.70%	1.65%	1.62%
8. ALLL/Loans	1.58%	1.47%	1.45%	1.33%	1.32%
9. ALLL & FVA/Total Loan Balances plus FVA¹	2.58%	2.41%	2.31%	2.31%	2.29%

¹ Management uses this Non-GAAP measure to demonstrate coverage and credit risk





Asset Quality & Portfolio Summary

- Loan growth in Commercial Real Estate and Construction while a decline in 1-4 family mortgage portfolio.
- Asset quality remains stable. Single \$4.6 million CRE relationship moved to non-accrual. Full recognition of anticipated loss accounted for in the quarter.
- Net charge-offs of \$917,000, provision of \$550,000 driving a 1.62% ALLL to non-purchased loans and 2.29% with Fair Value.
- Minimal amount (<\$20 million) of direct exposure to energy (coal). Other related energy exposure is associated with commodity price fluctuations and the effect on agricultural portfolio.



Michael C. Rechin

President and Chief Executive Officer



FMC Strategy and Tactics Overview

Focus on our Clients, Performance and Growth

- Focus on gaining deeper penetration of new Treasury Management, Mobile, and Online banking services for additional revenue and deposit generation
- Rebrand First Merchants Trust Company to First Merchants Private Wealth Advisors and expand client services
- Continue sales management processes to drive organic growth throughout the franchise
- Develop and retain outstanding talent for market share growth

Realize Acquisition Synergies and Improve Efficiency

- Culturally assimilate Ameriana Bank to achieve our market growth goals and harvest synergies
- Continue banking center optimization and fully implement efficiency-oriented workflow technologies
- Achieve announced-acquisition deliverables . . . Prove Our Progress



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





Appendix



Appendix – Non-GAAP Reconciliation

CAPITAL RATIOS (dollars in thousands):

	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15	1Q16
Total Risk-Based Capital Ratio									
Total Stockholders' Equity (GAAP)	652,111	670,596	684,553	726,827	739,658	749,955	766,984	850,509	867,263
Adjust for Accumulated Other Comprehensive (Income) Loss ^a	1,016	(4,210)	(4,150)	1,630	1,915	6,490	3,614	1,362	(2,066)
Less: Preferred Stock					(125)	(125)	(125)	(125)	(125)
Add: Qualifying Capital Securities	55,000	55,000	55,000	55,000	56,827	56,827	51,827	55,776	55,236
Less: Tier 1 Capital Deductions					(4,381)	(2,371)	(3,418)	(2,516)	(1,999)
Less: Disallowed Goodwill and Intangible Assets	(202,175)	(201,583)	(200,992)	(218,755)	(205,818)	(208,980)	(208,749)	(247,006)	(250,367)
Less: Disallowed Servicing Assets	(177)	(171)	(166)	(167)					
Less: Disallowed Deferred Tax Assets	(4,677)	(1,357)			(1,786)	(1,581)	(1,144)	(1,677)	(2,998)
Total Tier 1 Capital (Regulatory)	\$ 501,098	\$ 518,275	\$ 534,245	\$ 564,535	\$ 586,290	\$ 600,215	\$ 608,989	\$ 656,323	\$ 664,944
Qualifying Subordinated Debentures	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000
Allowance for Loan Losses includible in Tier 2 Capital	51,556	52,809	53,803	55,972	58,688	60,865	62,012	62,453	62,086
Total Risk-Based Capital (Regulatory)	\$ 617,654	\$ 636,084	\$ 653,048	\$ 685,507	\$ 709,978	\$ 726,080	\$ 736,001	\$ 783,776	\$ 792,030
Net Risk-Weighted Assets (Regulatory)	\$ 4,106,423	\$ 4,209,145	\$ 4,292,495	\$ 4,469,765	\$ 4,695,073	\$ 4,865,157	\$ 4,956,737	\$ 5,247,617	\$ 5,355,827
Total Risk-Based Capital Ratio (Regulatory)	15.04%	15.11%	15.21%	15.34%	15.12%	14.92%	14.85%	14.94%	14.79%
Common Equity Tier 1 Capital Ratio									
Total Tier 1 Capital (Regulatory)	\$ 501,098	\$ 518,275	\$ 534,245	\$ 564,535	\$ 586,290	\$ 600,215	\$ 608,989	\$ 656,323	\$ 664,944
Less: Qualified Capital Securities	(55,000)	(55,000)	(55,000)	(55,000)	(56,702)	(56,702)	(51,702)	(55,651)	(55,111)
Add: Additional Tier 1 Capital Deductions					4,381	2,371	3,418	2,516	1,999
Less: Preferred Stock	(125)	(125)	(125)	(125)	(125)	(125)	(125)	(125)	(125)
Common Equity Tier 1 Capital (Regulatory)	\$ 445,973	\$ 463,150	\$ 479,120	\$ 509,410	\$ 533,844	\$ 545,759	\$ 560,580	\$ 603,063	\$ 611,707
Net Risk-Weighted Assets (Regulatory)	\$ 4,106,423	\$ 4,209,145	\$ 4,292,495	\$ 4,469,765	\$ 4,695,073	\$ 4,865,157	\$ 4,956,737	\$ 5,247,617	\$ 5,355,827
Common Equity Tier 1 Capital Ratio (Regulatory)	10.86%	11.00%	11.16%	11.40%	11.37%	11.22%	11.31%	11.49%	11.42%

^a Includes net unrealized gains or losses on securities available for sale, net gains or losses on cash flow hedges, and amounts resulting from the application of the applicable accounting guidance for defined benefit and other postretirement plans



Appendix – Non-GAAP Reconciliation

TANGIBLE COMMON EQUITY RATIO AND BOOK VALUE PER SHARE (dollars in thousands):

	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15	1Q16
Total Stockholders' Equity (GAAP)	\$ 652,111	\$ 670,596	\$ 684,553	\$ 726,827	\$ 739,658	\$ 749,955	\$ 766,984	\$ 850,509	\$ 867,263
Less: Preferred Stock	(125)	(125)	(125)	(125)	(125)	(125)	(125)	(125)	(125)
Less: Intangible Assets, net of tax	(197,293)	(196,781)	(196,315)	(212,669)	(212,184)	(214,577)	(214,115)	(253,486)	(255,046)
Tangible Common Equity (non-GAAP)	\$ 454,693	\$ 473,690	\$ 488,113	\$ 514,033	\$ 527,349	\$ 535,253	\$ 552,744	\$ 596,898	\$ 612,092
Total Assets (GAAP)	\$ 5,452,936	\$ 5,615,120	\$ 5,591,383	\$ 5,824,127	\$ 5,877,521	\$ 6,140,308	\$ 6,189,797	\$ 6,761,003	\$ 6,798,539
Less: Intangibles, net of tax	(197,293)	(196,781)	(196,315)	(212,669)	(212,184)	(214,577)	(214,115)	(253,486)	(255,046)
Tangible Assets (non-GAAP)	\$ 5,255,643	\$ 5,418,339	\$ 5,395,068	\$ 5,611,458	\$ 5,665,337	\$ 5,925,731	\$ 5,975,682	\$ 6,507,517	\$ 6,543,493
Tangible Common Equity/Tangible Assets (non-GAAP)	8.65%	8.74%	9.05%	9.16%	9.31%	9.03%	9.25%	9.17%	9.35%

TANGIBLE COMMON EQUITY RATIO AND BOOK VALUE PER SHARE (dollars in thousands):

	1Q15	2Q15	3Q15	4Q15	1Q16
Total Stockholders' Equity (GAAP)	\$ 739,658	\$ 749,955	\$ 766,984	\$ 850,509	\$ 867,263
Less: Preferred Stock	(125)	(125)	(125)	(125)	(125)
Less: Intangible Assets, net of tax	(212,184)	(214,577)	(214,115)	(253,486)	(255,046)
Tangible Common Equity (non-GAAP)	\$ 527,349	\$ 535,253	\$ 552,744	\$ 596,898	\$ 612,092
Shares Outstanding	37,781,488	37,824,649	37,873,921	40,664,258	40,749,340
Tangible Common Book Value per Share (non-GAAP)	\$ 13.96	\$ 14.15	\$ 14.59	\$ 14.68	\$ 15.02



Appendix – Non-GAAP Reconciliation

EFFICIENCY RATIO (dollars in thousands):

	2014	1Q15	2015	1Q16
Non Interest Expense (GAAP)	\$ 168,592	\$ 41,202	\$ 177,469	\$ 46,959
Less: Core Deposit Intangible Amortization	(2,445)	(721)	(2,835)	(978)
Less: OREO and Foreclosure Expenses	(8,043)	(1,229)	(6,137)	(1,235)
Adjusted Non Interest Expense (non-GAAP)	158,104	39,252	168,497	44,746
Net Interest Income (GAAP)	187,037	46,976	196,404	54,455
Plus: Fully Taxable Equivalent Adjustment	7,921	2,198	10,975	3,136
Net Interest Income on a Fully Taxable Equivalent Basis (non-GAAP)	194,958	49,174	207,379	57,591
Non Interest Income (GAAP)	66,400	16,232	72,531	16,321
Less: Investment Securities Gains (Losses)	(3,581)	(1,025)	(2,670)	(997)
Adjusted Non Interest Income (non-GAAP)	62,819	15,207	69,861	15,324
Adjusted Revenue (non-GAAP)	257,777	64,381	277,240	72,915
Efficiency Ratio (non-GAAP)	61.33%	60.97%	60.78%	61.37%

ALLOWANCE AS A PERCENTAGE OF NON-PURCHASED LOANS (dollars in thousands):

	1Q15	2Q15	3Q15	4Q15	1Q16
Loans Held for Sale (GAAP)	\$ 6,392	\$ 8,295	\$ 1,943	\$ 9,894	\$ 3,628
Loans (GAAP)	3,965,532	4,238,205	4,321,715	4,693,822	4,709,907
Total Loans	3,971,924	4,246,500	4,323,658	4,703,716	4,713,535
Less: Purchased Loans	(614,843)	(687,096)	(636,581)	(917,589)	(870,507)
Non-Purchased Loans (non-GAAP)	\$ 3,357,081	\$ 3,559,404	\$ 3,687,077	\$ 3,786,127	\$ 3,843,028
Allowance for Loan Losses	\$ 62,801	\$ 62,550	\$ 62,861	\$ 62,453	\$ 62,086
Allowance as a Percentage of Non-Purchased Loans	1.87%	1.76%	1.70%	1.65%	1.62%