

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 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, 2003

FIRST MERCHANTS CORPORATION

(Exact name of registrant as specified in its charter)

INDIANA

(State or other jurisdiction of incorporation)

0-17071
(Commission File Number)

35-1544218
(IRS Employer Identification No.)

200 East Jackson Street
P.O. Box 792
Muncie, Indiana
(Address of principal executive offices)

47305-2814
(Zip Code)

Registrant's telephone number, including area code: (765) 747-1500

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS.

(c) Exhibits.

Exhibit 99 Press Release, dated April 28, 2003, issued by
First Merchants Corporation

ITEM 9. REGULATION FD DISCLOSURE (INFORMATION PROVIDED UNDER ITEM 12 - RESULTS
OF OPERATIONS AND FINANCIAL CONDITION).

The following information is being provided under Item 12 - Results of
Operations and Financial Condition. It is being furnished under Item 9
of this Form 8-K in accordance with interim guidance issued by the SEC
in Release No. 33-8216. Such information, including the Exhibit
attached hereto, shall not be deemed "filed" for purposes of Section 18
of the Securities Exchange Act of 1934.

On April 28, 2003, First Merchants Corporation issued a press release
to report its financial results for the quarter ended March 31, 2003.
The release is furnished as Exhibit 99 hereto.

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.

By: /s/ Larry R. Helms

Larry R. Helms, Senior Vice President

Dated: April 28, 2003

EXHIBIT INDEX

Exhibit No.

99

Description

Press Release, dated April 28, 2003, issued by
First Merchants Corporation.

First Merchants Corporation

Exhibit No. 99

Press Release, dated April 28, 2003

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

April 28, 2003

FOR IMMEDIATE RELEASE

For more information, contact:

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

<http://firstmerchants.com>

SOURCE: First Merchants Corporation, Muncie, Indiana

FIRST MERCHANTS ANNOUNCES 1ST QUARTER 2003 EARNINGS

First Merchants Corporation (NASDAQ - FRME) has reported that 1st quarter 2003 diluted earnings per share improved 7.3%, before a special loan loss provision. The provision, amounting to \$2.8 million, increased the allowance for loan losses in response to declining collateral values of a commercial borrower. Consequently, diluted earnings per share for the 1st quarter of 2003 were reduced from \$.44 to \$.34. First quarter diluted earnings per share in 2002 amounted to \$.41.

Michael L. Cox, President and Chief Executive Officer, stated that, "First Merchants management is pleased with the Corporation's strategic accomplishments for the 1st quarter of 2003. The previously announced acquisition of CNBC Bancorp has added Columbus Ohio as a commercial banking market to the Corporation's regional footprint and increased total assets to \$3 billion. However, the financial deterioration of a long-time valued commercial client and an assessment of our loan loss adequacy led us to believe a special provision is warranted."

The acquisitions of Lafayette Bancorporation, effective April 1, 2002 and CNBC Bancorp, effective March 1, 2003, significantly impacted 1st quarter results. The acquisitions accounted for increased average earning assets of \$821 million and \$1.3 million of the \$3.2 million increase in non-interest income.

Non-performing loans as a percentage of total loans increased to 1.19% from 1.09% as of December 31, 2002. The increase in non-performing loans is solely attributable to the previously mentioned troubled credit. The allowance for loan losses increased to 1.29%, up from 1.11% as of December 31, 2002.

CONFERENCE CALL

First Merchants Corporation will conduct a conference call at 2:30 p.m. Indiana (East) Time on Monday, April 28, 2003. To participate, dial 888-710-8192 and reference First Merchants Corporation's first quarter earnings release. A digital recording will be available two hours after the completion of the conference from April 28, 2003, to April 30, 2003. To access, US/Canada participants should call 800-642-1687; or for International/Local participants, call 706-645-9291 and enter the Conference I.D. 9661911.

Detailed financial results are reported on the attached pages.

First Merchants Corporation is a financial holding company headquartered in Muncie, Indiana. Subsidiaries of the Corporation include First Merchants Bank, N.A., Madison Community Bank, First United Bank, Union County National Bank, The Randolph County Bank, First National Bank, Decatur Bank & Trust Company, Frances Slocum Bank, Lafayette Bank & Trust Company, Commerce National Bank and Merchants Trust Company. The Corporation also operates First Merchants Insurance Services, a full-service property casualty, personal lines, and healthcare insurer, headquartered in Muncie, Indiana, and is a majority member of Indiana Title Insurance Company, LLC, a title insurance agency.

First Merchants Corporation's common stock is traded over-the-counter on the NASDAQ National Market System under the symbol FRME and is rated A+ by Standard & Poor's Corporation. Quotations are carried in daily newspapers and can be found on the company's Internet web page (<http://www.firstmerchants.com>). Ten brokerage firms make a market in First Merchants Corporation stock: First Tennessee Securities; Herzog, Heine, Geduld, LLC; Howe Barnes Investments, Inc.; Keefe, Bruyette & Woods, Inc.; Knight Securities, L.P.; NatCity Investments, Inc.; RBC Capital Markets; Sandler O'Neill & Partners; Spear, Leeds & Kellogg; and Stifel, Nicolaus & Co.

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CONSOLIDATED BALANCE SHEET

(in thousands)

	March 31,	
	2003	2002
Assets		
Cash and due from banks	\$ 81,789	\$ 44,059
Federal funds sold	54,925	21,194
	-----	-----
Cash and cash equivalents	136,714	65,253
Interest-bearing time deposits	5,170	3,818
Investment securities	333,692	220,361
Mortgage loans held for sale	13,558	163
Loans, net of allowance for loan losses of \$29,733 and \$15,128	2,261,445	1,348,923
Premises and equipment	38,861	28,426
Federal Reserve and Federal Home Loan Bank stock	13,912	8,350
Interest receivable	16,789	11,356
Core deposit intangibles and goodwill	141,226	33,551
Cash surrender value of life insurance	14,567	6,557
Other assets	23,088	9,154
	-----	-----
Total assets	\$ 2,999,022	\$ 1,735,912
	=====	=====
Liabilities		
Deposits		
Noninterest-bearing	\$ 289,835	\$ 171,825
Interest-bearing	1,996,836	1,201,861
	-----	-----
Total deposits	2,286,671	1,373,686
Borrowings	388,821	164,954
Interest payable	5,694	5,621
Other liabilities	28,212	8,567
	-----	-----
Total liabilities	2,709,398	1,552,828
Stockholders' equity		
Preferred stock, no-par value		
Authorized and unissued -- 500,000 shares		
Common stock, \$.125 stated value		
Authorized -- 50,000,000 shares		
Issued and outstanding -- 17,507,662 and 13,427,439 shares		
	2,188	1,678
Additional paid-in capital	143,615	53,259
Retained earnings	139,743	126,842
Accumulated other comprehensive income	4,078	1,305
	-----	-----
Total stockholders' equity	289,624	183,084
	-----	-----
Total liabilities and stockholders' equity	\$ 2,999,022	\$ 1,735,912
	=====	=====

FINANCIAL HIGHLIGHTS

(In thousands)

	Three Months Ended	
	March 31,	
	2003	2002
NET CHARGE OFF'S	\$ 1,012	\$ 1,205
AVERAGE BALANCES		
Total Assets	\$2,733,077	\$1,752,413
Total Loans	2,111,056	1,357,781
Total Deposits	2,078,786	1,386,175
Total Stockholders' Equity	272,939	183,370

FINANCIAL RATIOS

Return on Average Assets	.83%	1.25%
Return on Avg. Stockholders' Equity	8.29	12.14
Avg. Earning Assets to Avg. Assets	90.17	93.34
Allowance for Loan Losses as % Of Total Loans	1.29	1.11
Net Charge Off's as % Of Avg. Loans (Annualized)	.19	.35
Dividend Payout Ratio	67.65	53.66
Avg. Stockholders' Equity to Avg. Assets	9.99	10.30
Tax Equivalent Yield on Earning Assets	6.49	6.89
Cost of Supporting Liabilities	2.11	2.50
Net Int. Margin (FTE) on Earning Assets	4.38	4.39

CONSOLIDATED STATEMENT OF INCOME

(in thousands, except share data)

Three Months Ended
March 31,
2003 2002

Interest income		
Loans receivable		
Taxable	\$ 35,173	\$ 24,266
Tax exempt	165	108
Investment securities		
Taxable	1,679	1,903
Tax exempt	1,631	987
Federal funds sold	113	181
Deposits with financial institutions	22	22
Federal Reserve and Federal Home Loan Bank stock	198	124
	-----	-----
Total interest income	38,981	27,591
	-----	-----
Interest expense		
Deposits	8,884	8,228
Securities sold under repurchase agreements	449	540
Federal Home Loan Bank advances	2,273	1,423
Trust Preferred Securities	1,206	
Other borrowings	159	22
	-----	-----
Total interest expense	12,971	10,213
	-----	-----
Net interest income	26,010	17,378
Provision for loan losses	4,601	1,192
	-----	-----
Net interest income after provision for loan losses	21,409	16,186
	-----	-----
Other income		
Fiduciary activities	1,697	1,369
Service charges on deposit accounts	2,784	1,446
Other customer fees	1,088	904
Net realized gains on sales of available-for-sale securities	371	118
Commission income	754	542
Other income	1,592	785
	-----	-----
Total other income	8,286	5,164
	-----	-----
Other expenses		
Salaries and employee benefits	11,777	7,273
Net occupancy expenses	1,091	734
Equipment expenses	1,844	1,076
Marketing expense	434	308
Deposit insurance expense		72
Outside data processing fees	928	809
Printing and office supplies	407	338
Goodwill and core deposit amortization	828	238
Other expenses	4,132	2,152
	-----	-----
Total other expenses	21,441	13,000
	-----	-----
Income before income tax	8,254	8,350
Income tax expense	2,596	2,871
	-----	-----
Net income	\$ 5,658	\$ 5,479
	=====	=====
Per Share Data		
Basic Net Income	.34	.41
Diluted Net Income	.34	.41
Cash Dividends Paid	.23	.22

CONSOLIDATED BALANCE SHEETS

(in thousands)

	March 31, 2003	December 31, 2002	September 30, 2002	June 30, 2002	March 31, 2002
Assets					
Cash and due from banks	\$ 81,789	\$ 87,638	\$ 73,223	\$ 93,420	\$ 44,059
Federal funds sold	54,925	31,400	8,750	43,587	21,194
	-----	-----	-----	-----	-----
Cash and cash equivalents	136,714	119,038	81,973	137,007	65,253
Interest-bearing time deposits	5,170	3,568	10,222	14,577	3,818
Investment securities	333,692	342,062	345,452	361,076	220,361
Mortgage loans held for sale	13,558	21,545	14,089	6,518	163
Loans	2,291,178	2,004,377	1,994,038	1,967,859	1,364,051
Less: Allowance for loan losses	(29,733)	(22,417)	(22,147)	(21,963)	(15,128)
	-----	-----	-----	-----	-----
Net loans	2,261,445	1,981,960	1,971,891	1,945,896	1,348,923
Premises and equipment	38,861	38,645	39,179	39,292	28,426
Federal Reserve and Federal Home Loan Bank stock	13,912	11,409	11,097	11,036	8,350
Interest receivable	16,789	17,346	18,622	17,701	11,356
Core deposit intangibles and goodwill	141,226	107,217	106,753	106,622	33,551
Cash surrender value of life insurance	14,567	14,309	14,143	13,976	6,557
Other assets	23,088	21,588	16,065	10,283	9,154
	-----	-----	-----	-----	-----
Total assets	\$ 2,999,022	\$ 2,678,687	\$ 2,629,486	\$ 2,663,984	\$ 1,735,912
	=====	=====	=====	=====	=====
Liabilities					
Deposits					
Noninterest-bearing	\$ 289,835	\$ 272,128	\$ 246,410	\$ 259,353	\$ 171,825
Interest-bearing	1,996,836	1,764,560	1,773,325	1,797,188	1,201,861
	-----	-----	-----	-----	-----
Total deposits	2,286,671	2,036,688	2,019,735	2,056,541	1,373,686
Borrowings	388,821	356,927	328,933	337,525	164,954
Interest payable	5,694	6,019	6,813	7,248	5,621
Other liabilities	28,212	17,924	14,132	11,240	8,567
	-----	-----	-----	-----	-----
Total liabilities	2,709,398	2,417,558	2,369,613	2,412,554	1,552,828
Stockholders' equity					
Preferred stock, no-par value					
Authorized and unissued -- 500,000 shares					
Common stock, \$.125 stated value					
Authorized -- 50,000,000 shares					
Issued and outstanding	2,188	2,040	2,039	2,026	1,678
Additional paid-in capital	143,615	116,503	116,204	114,064	53,259
Retained earnings	139,743	138,110	135,266	131,222	126,842
Accumulated other comprehensive income	4,078	4,476	6,364	4,118	1,305
	-----	-----	-----	-----	-----
Total stockholders' equity	289,624	261,129	259,873	251,430	183,084
	-----	-----	-----	-----	-----
Total liabilities and stockholders' equity	\$ 2,999,022	\$ 2,678,687	\$ 2,629,486	\$ 2,663,984	\$ 1,735,912
	=====	=====	=====	=====	=====

NON-PERFORMING ASSETS

(In thousands)

	March 31, 2003	December 31, 2002	September 30, 2002	June 30, 2002	March 31, 2002
90 days past due	\$ 3,552	\$ 6,676	\$ 9,786	\$ 6,030	\$ 4,292
Non-accrual loans	19,747	14,134	13,285	10,911	8,043
Other real estate	1,841	1,691	868	898	659
	-----	-----	-----	-----	-----
Total non-performing assets	\$ 25,140	\$ 22,501	\$ 23,939	\$ 17,839	\$ 12,994
	=====	=====	=====	=====	=====
Average total loans for the quarter	\$2,111,056	\$ 2,066,616	\$ 1,984,323	\$1,951,648	\$1,357,781
Total non-performing assets as a percent of average total loans	1.19%	1.09%	1.21%	.91%	0.96%
Restructured loans	\$ 2,194	\$ 2,508	\$ 2,326	\$ 2,771	\$ 1,900

CONSOLIDATED STATEMENTS OF INCOME

(in thousands, except share data)	Three Months Ended				
	March 31, 2003	December 31, 2002	September 30, 2002	June 30, 2002	March 31, 2002
Interest Income					
Loans receivable					
Taxable	\$ 35,173	\$ 34,775	\$ 35,362	\$ 34,875	\$ 24,266
Tax exempt	165	235	169	126	108
Investment securities					
Taxable	1,679	2,100	2,442	2,641	1,903
Tax exempt	1,631	1,740	1,793	1,670	987
Federal funds sold	113	169	123	84	181
Deposits with financial institutions	22	38	53	84	22
Federal Reserve and Federal Home Loan Bank stock	198	208	206	198	124
	-----	-----	-----	-----	-----
Total interest income	38,981	39,265	40,148	39,678	27,591
	-----	-----	-----	-----	-----
Interest expense					
Deposits	8,884	9,934	10,696	10,842	8,228
Securities sold under repurchase agreements	449	502	517	501	540
Federal Home Loan Bank advances	2,273	2,359	2,283	2,101	1,423
Trust preferred securities	1,206	1,181	1,181	962	
Other borrowings	159	154	143	190	22
	-----	-----	-----	-----	-----
Total interest expense	12,971	14,130	14,820	14,596	10,213
	-----	-----	-----	-----	-----
Net interest income	26,010	25,135	25,328	25,082	17,378
Provision for loan losses	4,601	2,877	1,821	1,284	1,192
	-----	-----	-----	-----	-----
Net interest income after provision for loan losses	21,409	22,258	23,507	23,798	16,186
	-----	-----	-----	-----	-----
Other income					
Fiduciary activities	1,697	1,487	1,651	1,751	1,369
Service charges on deposit accounts	2,784	2,695	2,626	2,563	1,446
Other customer fees	1,088	993	957	1,064	904
Net realized gains on sales of available-for-sale securities	371	169	162	290	118
Commission income	754	586	557	518	542
Other income	1,592	1,286	1,693	865	785
	-----	-----	-----	-----	-----
Total other income	8,286	7,216	7,646	7,051	5,164
	-----	-----	-----	-----	-----
Other expenses					
Salaries and employee benefits	11,777	10,849	10,606	10,422	7,273
Net occupancy expenses	1,091	933	999	966	734
Equipment expenses	1,844	1,861	1,880	1,892	1,076
Marketing expense	434	416	415	356	308
Deposit insurance expense		104	143	75	72
Outside data processing fees	928	940	1,018	897	809
Printing and office supplies	407	442	388	429	338
Goodwill and core deposit amortization	828	750	786	815	238
Other expenses	4,132	3,591	2,952	3,086	2,152
	-----	-----	-----	-----	-----
Total other expenses	21,441	19,886	19,187	18,938	13,000
	-----	-----	-----	-----	-----
Income before income tax	8,254	9,588	11,966	11,911	8,350
Income tax expense	2,596	2,998	4,139	3,971	2,871
	-----	-----	-----	-----	-----
Net income	\$ 5,658	\$ 6,590	\$ 7,827	\$ 7,940	\$ 5,479
	=====	=====	=====	=====	=====
Per Share Data(1)					
Basic Net Income	\$.34	\$.40	\$.49	\$.49	\$.41
Diluted Net Income	.34	.40	.48	.48	.41
Cash Dividends Paid	.23	.23	.23	.22	.22

(1) Restated for a five percent (5%) stock dividend distributed September 2002.