

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 28, 2015

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, the Corporation's President and Chief Executive Officer, and Mark K. Hardwick, the Corporation's Executive Vice President and Chief Financial Officer, are scheduled to meet with certain institutional investors at the Keefe, Bruyette & Woods 16th Annual Community Bank Investor Conference on Tuesday, July 28, 2015. Attached as Exhibit 99.1 is a slide presentation that will be utilized during these meetings.

Item 9.01. Financial Statements and Exhibits.

(d) (99.1) Power Point Presentation to be utilized at July 28, 2015 Investor Conference.

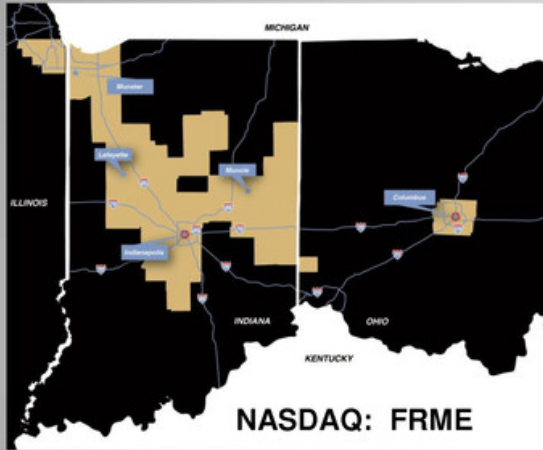
SIGNATURES

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
(Principal Financial and Principal Accounting Officer)

Dated: July 27, 2015



First Merchants Corporation

Keefe, Bruyette & Woods

16th Annual Community Bank Investor Conference

Michael C. Rechin
President
Chief Executive Officer

Mark K. Hardwick
Executive Vice President
Chief Financial Officer



Forward-Looking Statement

This presentation contains forward-looking statements made pursuant to the safe-harbor provisions of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements can often, but not always, be identified by the use of words like "believe", "continue", "pattern", "estimate", "project", "intend", "anticipate", "expect" and similar expressions or future or conditional verbs such as "will", "would", "should", "could", "might", "can", "may", or similar expressions. These forward-looking statements include, but are not limited to, statements relating to the expected timing and benefits of the proposed merger (the "Merger") between First Merchants Corporation ("First Merchants") and Ameriana Bancorp ("Ameriana Bancorp"), including future financial and operating results, cost savings, enhanced revenues, and accretion/dilution to reported earnings that may be realized from the Merger, as well as other statements of expectations regarding the Merger, and other statements of First Merchants' goals, intentions and expectations; statements regarding First Merchants' business plan and growth strategies; statements regarding the asset quality of First Merchants' loan and investment portfolios; and estimates of First Merchants' risks and future costs and benefits, whether with respect to the Merger or otherwise.

These forward-looking statements are subject to significant risks, assumptions and uncertainties that may cause results to differ materially from those set forth in forward-looking statements, including, among other things: the risk that the businesses of First Merchants and Ameriana Bancorp will not be integrated successfully or such integration may be more difficult, time-consuming or costly than expected; expected revenue synergies and cost savings from the Merger may not be fully realized or realized within the expected time frame; revenues following the Merger may be lower than expected; customer and employee relationships and business operations may be disrupted by the Merger; the ability to obtain required regulatory and shareholder approvals, and the ability to complete the Merger on the expected timeframe; possible changes in economic and business conditions; the existence or exacerbation of general geopolitical instability and uncertainty; the ability of First Merchants to integrate recent acquisitions and attract new customers; possible changes in monetary and fiscal policies, and laws and regulations; the effects of easing restrictions on participants in the financial services industry; the cost and other effects of legal and administrative cases; possible changes in the creditworthiness of customers and the possible impairment of collectability of loans; fluctuations in market rates of interest; competitive factors in the banking industry; changes in the banking legislation or regulatory requirements of federal and state agencies applicable to bank holding companies and banks like First Merchants' affiliate bank; continued availability of earnings and excess capital sufficient for the lawful and prudent declaration of dividends; changes in market, economic, operational, liquidity, credit and interest rate risks associated with First Merchants' business; and other risks and factors identified in First Merchants' filings with the Securities and Exchange Commission.



Forward-Looking Statement

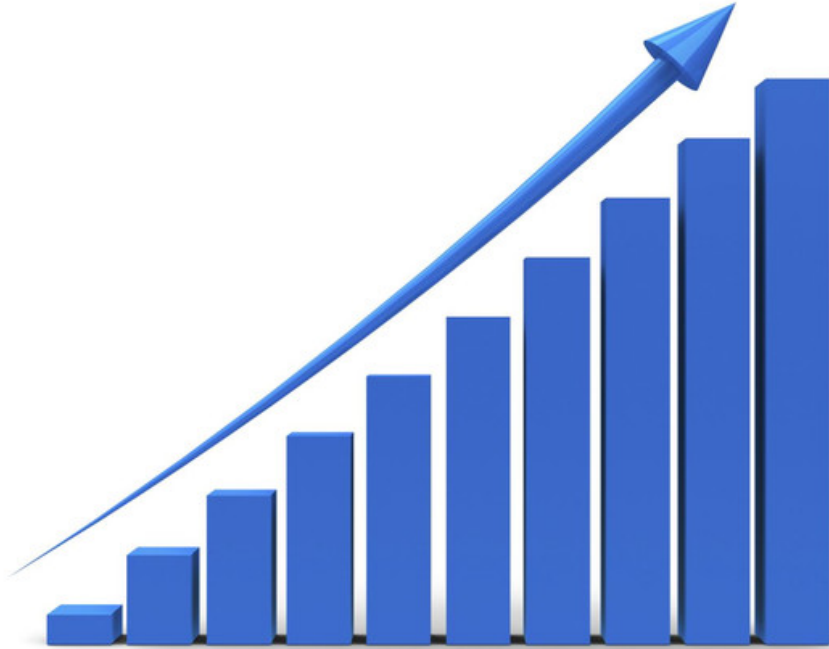
First Merchants does not undertake any obligation to update any forward-looking statement, whether written or oral, relating to the matters discussed in this filing. In addition, First Merchants' and Ameriana Bancorp's past results of operations do not necessarily indicate either of their anticipated future results, whether the Merger is effectuated or not.

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.



Why Invest in First Merchants?





Company Profile (as of 06/30/2015)

Market Information

Common Shares Outstanding	37,824,649
Market Cap	\$934.3M
Dividend Yield	1.42%
Price/Tangible Book Value	1.75x
Price/LTM EPS	14.0x
Price/2015 Est. EPS	13.8x

Financial Highlights

Assets	\$6,140,308
Loans, Net	\$4,175,655
Deposits	\$4,789,577
Tangible Common Equity	\$535,253
TCE/TA	9.03%
2015 Net Income – YTD	\$34.1M
2015 ROAA – YTD	1.15%
2015 ROATCE - YTD	13.35%
NPAs/Loans + OREO	1.36%

First Merchants

- First Merchants Bank, formed in 1893, celebrating its 122nd anniversary.
- First Merchants Corporation, organized in 1982, is the largest financial services holding company headquartered in Central Indiana

Leadership Team – First Merchants

Name/Title

Michael C. Rechin, President & CEO

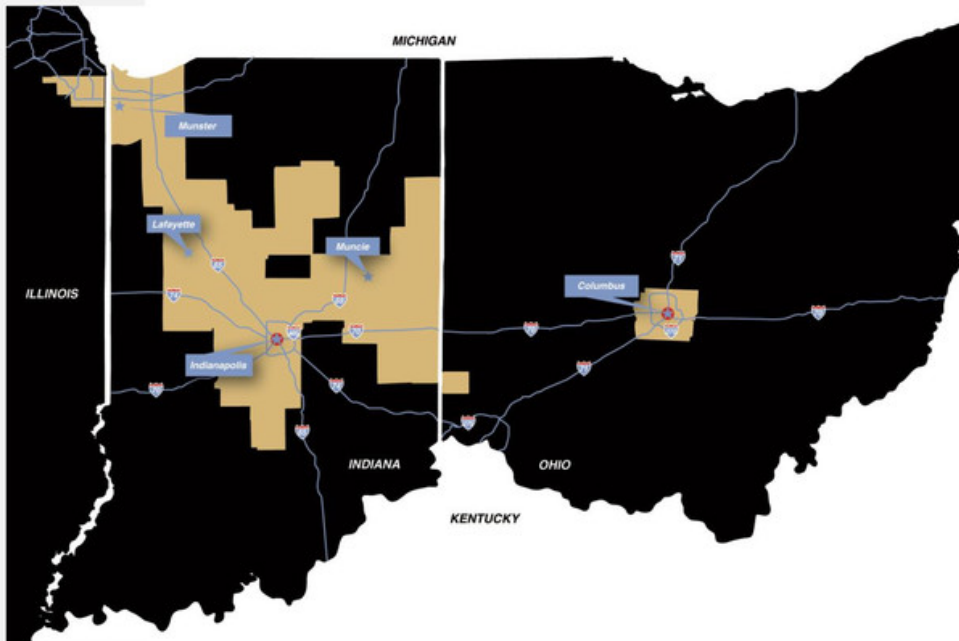
Mark K. Hardwick, EVP & Chief Financial Officer

Michael J. Stewart, EVP & Chief Banking Officer

John J. Martin, EVP & Chief Credit Officer



Our Franchise



Loans by Market

- Indianapolis - \$1,659M
- Muncie - \$ 773M
- Munster - \$ 596M
- Lafayette - \$ 573M
- Columbus - \$ 645M

(as of June 30, 2015)

First Merchants Corporation operates 109 locations in 26 Indiana counties, 2 Ohio counties, and 2 Illinois counties



County	Region/Type	Market Position	Market %	\$ Deposits
Delaware County, IN	Muncie (Established)	1	45.42%	\$ 803,491
Jasper County, IN	Lafayette (Established)	1	27.47%	172,012
White County, IN	Lafayette (Established)	1	30.91%	169,166
Jay County, IN	Muncie (Established)	1	38.65%	88,230
Union County, IN	Muncie (Established)	1	45.53%	46,415
Tippecanoe County, IN	Lafayette (Established)	2	19.62%	452,238
Shelby County, IN	Indianapolis (Growth)	2	13.99%	70,705
Wabash County, IN	Muncie (Established)	2	15.92%	60,851
Madison County, IN	Indianapolis (Growth)	3	23.08%	285,500
Adams County, IN	Muncie (Established)	3	17.74%	98,079
Randolph County, IN	Muncie (Established)	3	9.95%	72,370
Clinton County, IN	Lafayette (Established)	3	15.89%	69,168
Brown County, IN	Indianapolis (Growth)	3	23.02%	23,303
Hamilton County, IN	Indianapolis (Growth)	4	8.76%	398,087
Hendricks County, IN	Indianapolis (Growth)	4	10.33%	195,040
Morgan County, IN	Indianapolis (Growth)	4	7.39%	55,492
Carroll County, IN	Lafayette (Established)	4	8.98%	34,648
Lake County, IN	Munster (Growth)	5	7.42%	590,444
Johnson County, IN	Indianapolis (Growth)	5	8.93%	160,437
Henry County, IN	Muncie (Established)	5	10.10%	63,114
Fayette County, IN	Muncie (Established)	5	8.94%	26,725
Miami County, IN	Muncie (Established)	5	6.09%	27,142
Sub Total				\$3,962,657
First Merchants Total				\$4,588,595



First Merchants Strategy

- Commercial Bank
 - Lending Engine
- Supported by Consumer Retail Bank
 - Deposit Engine
- Growth
 - Organic
 - Growth by Acquisition





First Merchants Strategy

➤ Commercial Bank

- Located in Prime Growth Commercial Banking Markets
 - Indianapolis, Indiana
 - Columbus, Ohio
 - Lafayette, Indiana
 - Northwest Indiana
- Hire the Best Talent Supported with the Finest:
 - Sales Management Process
 - Lending and Cash Management Services
 - Revenue-Based Incentive System





First Merchants Strategy

➤ Consumer Retail Bank

- Diversely Located in Stable Rural and Growth Metro Markets
- Supported by:
 - Talented Customer Service Oriented Banking Center and Call Center Professionals
 - State-of-the-Art Deposit and CRM Systems
 - Highly Usable Online Banking System
 - Widely Available Mobile Banking System
 - Customer Service and Relationship Growth-Oriented Incentive System





First Merchants Strategy

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

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

- Retail Banking
- Mortgage Banking
- Commercial Banking
 - Business Banking
 - Commercial & Industrial
 - Agriculture
 - Healthcare Services
 - Real Estate
 - Cash Management Services
- Trust Services (Fiduciary, Custody)



“We specialize in our communities”



How We Deliver

First Merchants Corporation

Vision, Mission, Culture Statement, Core Values, Business Model

Supported by LOB Strategies



RETAIL
BANKING

Indianapolis

Higher Growth

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



COMMERCIAL
BANKING

Columbus, OH

Higher Growth

Franklin County, OH



MORTGAGE

Lafayette

Established

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



TRUST

Muncie

Established

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

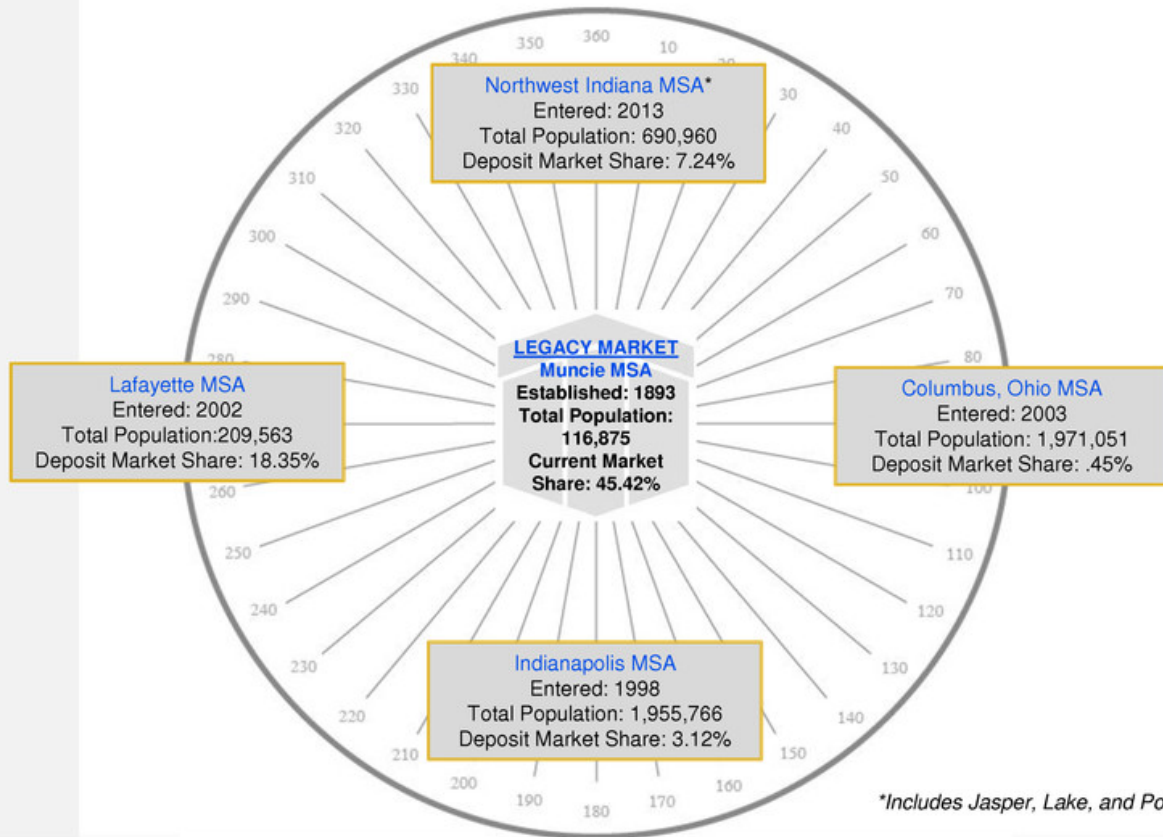
Munster

Higher Growth

Lake & Porter, IN
Cook & DuPage, IL



Organic Growth Opportunities in All Directions



*Includes Jasper, Lake, and Porter counties



Muncie Market

- Located 58 miles northeast of Indianapolis in the east central portion of the state
- Described by several national studies as a typical American community, Delaware County offers the advantages of larger cities without the hassles and costs associated with living in major metropolitan areas.
- Easy access to the top 100 markets in the country, Muncie-Delaware County has a diverse economic landscape
- Muncie is the only city in Indiana to be recognized as the Indiana "Community of the Year" twice by the Indiana State Chamber of Commerce
- Workforce experienced in life science, advanced manufacturing, 21st century logistics and information technology
- Home to Ball State University

Delaware County, IN*

Rank		Branches	Deposits	Mkt. Share
1	First Merchants Corporation	12	803,491	45.42%
2	Mutual First Financial	9	452,686	26.15%
3	J.P. Morgan Chase	6	199,849	9.91%
4	Old National Bancorp	6	181,386	10.25%
5	Star Financial Group	5	121,099	6.85%
6	Woodforest Financial Group	1	523	0.03%
Market Total		39	\$1,769,034	

www.firstmerchants.com

Notable Major Employers for Delaware County



Ball Memorial Hospital & Physicians



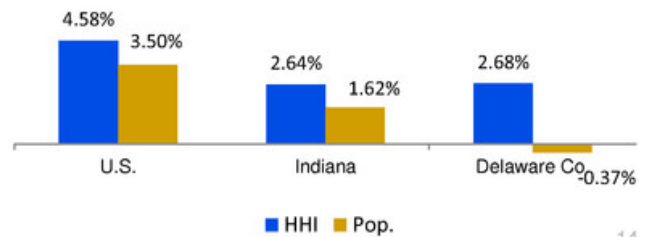
ONTARIO SYSTEMS



Ball Brothers Foundation



Projected HHI & Pop. Change 2014-2019



*SNL Financial FDIC Summary of Deposits as of September 30, 2014

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THE STRENGTH OF BIG. THE SERVICE OF SMALL.



Indianapolis Market

- One of the fastest-growing markets in the United States
- *Forbes* magazine's choice as the number one place in the nation to raise a family
- *CNN Money's* #3 choice as 2014's Top 50 "Best Places to Live" in America
- *Ranked by American City Business Journals* as top ten in its "National Quality of Life Ratings"

Hamilton County, IN**

Rank		Branches	Deposits	Mkt. Share
1	JPMorgan Chase & Co.	15	1,088,975	23.97%
2	PNC Financial Services Group	11	477,910	10.52%
3	Fifth Third Bancorp	7	450,029	9.91%
4	First Merchants Corporation	14	398,087	8.76%
5	Huntington Bancshares, Inc.	9	341,325	7.51%
6	Bank of Montreal	9	323,800	7.13%
7	KeyCorp	7	259,689	5.72%
8	Regions Financial Corp	6	257,124	5.66%
9	Natl Bk of Indianapolis Corp	5	169,448	3.73%
10	Lakeland Financial Corp	2	141,732	3.12%
Market Total		114	\$4,543,229	

www.firstmerchants.com

Notable Major Employers for Hamilton County

HP Products

MARSH

BECK'S

Ricker's



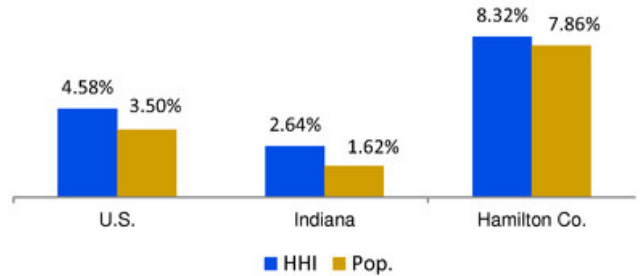
CNO FINANCIAL GROUP



Roche

RCI

Projected HHI & Pop. Change 2014-2019



*<http://247wallst.com/special-report/2014/09/17/americas-50-best-cities-to-live>
 **SNL Financial FDIC Summary of Deposits as of September 30, 2014



Lafayette Market

- Ranked #1 in Indiana and #8 nationally, Fortune, Best Place for Small Business, based on cost of business, jobs growth, educational achievements
- Ranked #17 of 200, New Geography, Best Cities for Manufacturing
- Ranked #9, Forbes Best Small Places for Business and Careers out of 184 cities on economic and quality-of-life indicators, job growth trends, cost of living (11.5% below national average) and cost of operating business
- Ranked #2 in Indiana for STEM job density, with 13.6% of the workforce, topping the state's 10.9% & national average of 11.9% (Lafayette up 70.6% since 2001, with 4,850 new jobs)**
- Home to Purdue University

Tippecanoe County, IN**

Rank		Branches	Deposits	Mkt. Share
1	JPMorgan Chase & Co.	5	\$ 686,418	29.77%
2	First Merchants Corporation	9	452,238	19.62%
3	Old National Bancorp	8	366,560	15.90%
4	Regions Financial Corp	7	267,075	11.58%
5	Lafayette Community Bancorp	4	132,882	5.76%
6	Huntington Bancshares, Inc.	4	131,579	5.71%
7	Fifth Third Bancorp	3	75,742	3.29%
8	Salin Bancshares	4	51,370	2.23%
9	1 st Source Corp	3	42,204	1.8#
10	First Bancshares, Inc.	3	33,142	1.44%
Market Total		59	\$ 2,305,422	

www.firstmerchants.com

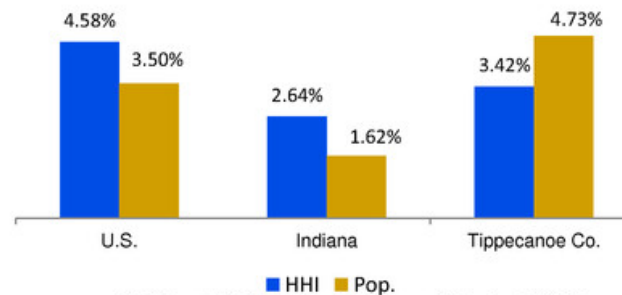
Notable Major Employers for Tippecanoe County



GE Aviation



Projected HHI & Pop. Change 2014-2019



*SNL Financial FDIC Summary of Deposits as of September 30, 2014
 **Indianapolis Business Journal



Northwest Indiana Market

- Indiana's second-most populous market
- Benefit from its Chicago proximity
- Continue to produce finest steels, refine the cleanest fuels and deliver the best products to the Midwest**
- New investments by world-class companies like BP, Pratt Industries, Alcoa Howmet, Urschel Labs and Monosol**
- Lakefront being revitalized through the Marquette Plan and assistance of the Regional Development Authority**

Lake County, IN*

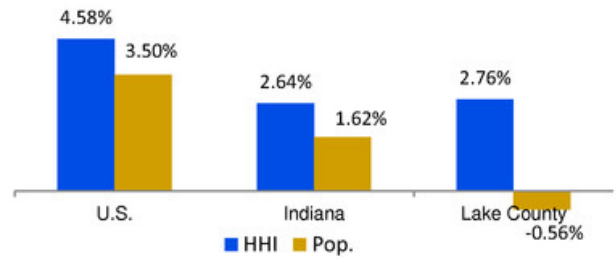
Rank		Branches	Deposits	Mkt. Share
1	JPMorgan Chase & Co.	25	\$ 1,737,035	21.82%
2	First Bancshares, Inc.	31	1,529,789	19.22%
3	First Midwest Bancorp	17	828,750	10.41%
4	Northwest Indiana Bancorp	13	820,133	7.79%
5	First Merchants Corporation	11	590,444	7.42%
6	First Financial Bancorp	8	573,573	7.34%
7	Bank of Montreal	18	457,971	5.75%
8	Fifth Third Bancorp	16	415,297	5.23%
9	Standard Bancshares, Inc.	6	229,925	2.89%
10	PNC Financial Services Group (PA)	5	172,452	2.17%
Market Total		176	\$ 7,960,012	

www.firstmerchants.com

Notable Major Employers for Lake County



Projected HHI & Pop. Change 2014-2019



*SNL Financial FDIC Summary of Deposits as of September 30, 2014
 **www.nwiforum.org/nwi-becoming-an-economic-powerhouse

THE STRENGTH OF BIG. THE SERVICE OF SMALL.



Columbus, Ohio Market

- Second-most populous county in Ohio
- Within 600 miles of 60% of All U.S. and Canadian Population
- Ranked 2nd in CNBC's 2010 study of state transportation systems for its infrastructure, vitality, quality roads, and ability to cost-effectively ship goods by land, air, and water**
- Home to Ohio State University

Franklin County, OH*

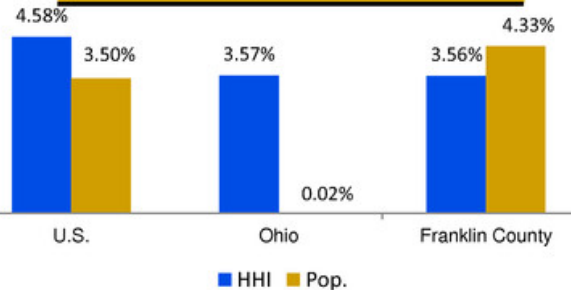
Rank		Branches	Deposits	Mkt. Share
1	Huntington Bancshares	67	\$ 13,916,250	34.54%
2	JP Morgan Chares & Co	49	10,503,465	26.07%
3	PNC Financial Services Group	43	5,155,162	12.79%
4	Fifth Third Bancorp	45	3,980,596	9.88%
5	Key Corp	22	1,946,978	4.83%
6	U. S. Bancorp	35	1,156,083	2.87%
7	First Financial Bancorp	5	541,724	1.34%
8	WesBanco, Inc.	11	451,709	1.12%
9	Heartland BancCorp	9	422,495	1.05%
10	First Merit Corp	5	372,747	0.93%
12	First Merchants Corporation	7	307,687	0.76%
Market Total		334	\$ 40,295,377	

www.firstmerchants.com

Notable Major Employers for Franklin County, OH



Projected HHI & Pop. Change 2014-2019



*SNL Financial FDIC Summary of Deposits as of September 30, 2014
 **<http://jobs-ohio.com/manufacturing/>



Growth Through Acquisition

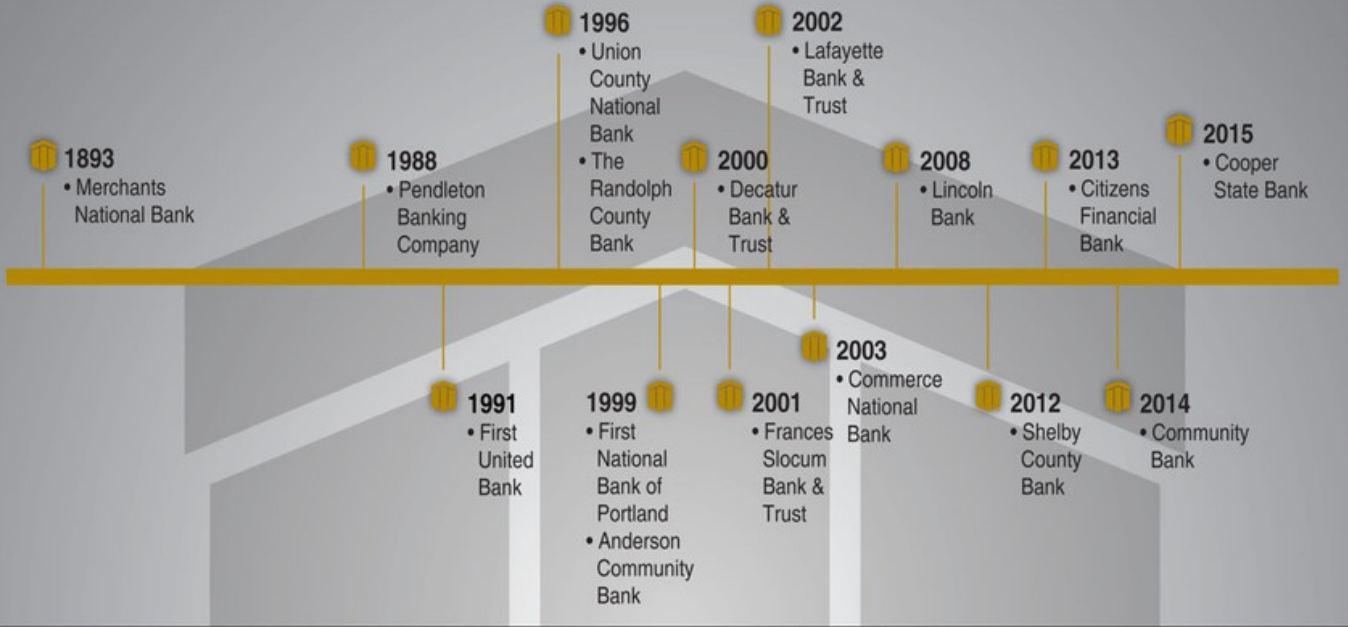
- Experienced Acquirer
- Expand in Current High-Growth Markets
- Extend into Additional High-Growth Markets
- Add to Franchise with Stable Deposit Gathering Markets



FIRST MERCHANTS

ACQUISITION EXPERIENCE

1893-2015



FIRST MERCHANTS

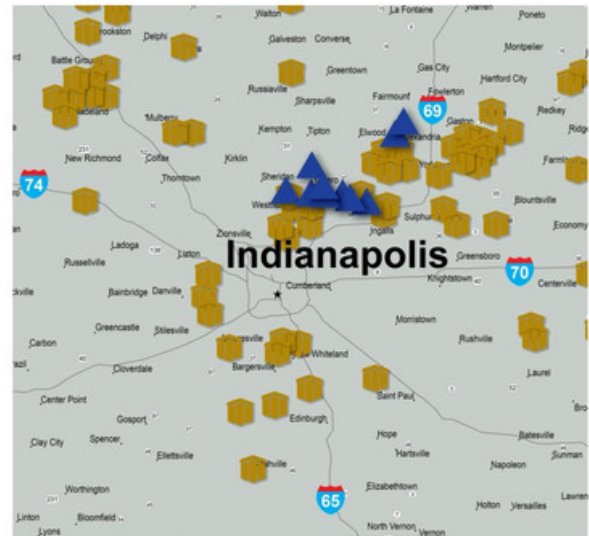
ACQUISITION PROCESS

- Continuous Relationship Building
- Complete and Thorough Due Diligence Process
- Demonstrated Pricing Discipline:
 - Average Price to TBV of 116%
 - Average EPS Accretion within One Year
 - Average TBV Earn-back of 2.6 Years
- Detailed Project Managed Integration Process
- Single Charter Operating Environment
- Scalable Technology and Operations Center



Community Bank Overview

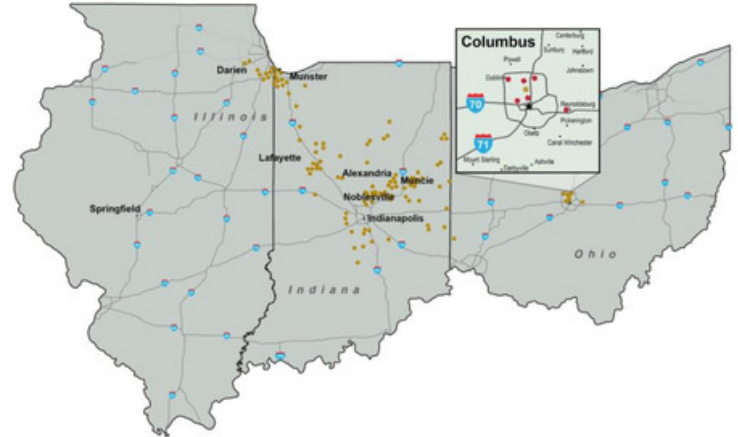
- Headquartered in Noblesville, Indiana
- Founded in 1991
- Acquisition Completed: November 7, 2014
 - Loans Acquired Net of Fair Value Marks: \$145.1 Million
 - Deposits Acquired: \$228.4 Million
- Transaction Value: \$49.2 Million
- Consideration: 71% Stock, 29% Cash
- Integration Date: April 24, 2015





Cooper State Bank Overview

- Headquartered in Columbus, Ohio
- Founded in 2004
- Acquisition Completed: April 17, 2015
- Loans Acquired Net of Fair Value Marks: \$111 Million
- Deposits Acquired: \$105 Million
- Transaction Value: \$14.5 Million
- Consideration: 100% Cash
- Integration Date: 4th Quarter 2015





Ameriana Bank Acquisition Overview

Deal Value \$68.8 Million

Consideration 100% Stock, .9037 Fixed Exchange Ratio

Required Approvals Regulatory and Ameriana Bancorp Shareholders

Key Assumptions
Cost Savings Estimated to be 57%, or \$9.8 Million
Pre-Closing After Tax Charges of \$7.0 Million
Estimated One-Time Transaction Costs of \$1.0 Million
Credit and OREO Mark of Approximately \$11.3 Million
Additive TruPS Interest Rate Mark of Approximately \$2.6 Million

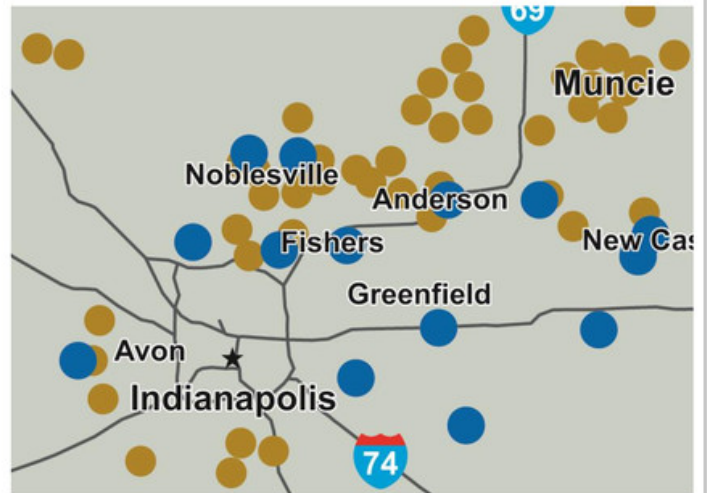
Capital Impact:
Accretive to EPS Beginning in 1st Full Year
Tangible Book Value Earn Back Within Four Years
Minimal Impact to Capital Ratios

Anticipated Closing: 4th Quarter 2015



Ameriana Bank Summary

- Headquartered in New Castle, Indiana
- Founded in 1890
- Operates 13 Banking Centers
- Balance Sheet as of March 31, 2015
 - \$483 Million in Assets
 - \$325 Million in Loans
 - \$391 Million in Deposits
- Income Statement for Quarter End March 31, 2015
 - Net Income of \$502,000
 - Net Interest Margin of 3.40%



 ASBI

 FRME



Ameriana Bank Transaction Rationale

Strategic
Opportunity

Attractive
Risk Profile

Proforma
First
Merchants

- Market Expansion
 - Adds 6 Full-Service Deposit Gathering Banking Centers that expand or contiguously extend our market presence
 - Henry, Hamilton, Shelby, Madison, Hendricks Counties Expansion
 - Hancock County Extension
- Market Opportunity
 - Nice addition to the our Hamilton County Market presence
 - One of the fastest growing markets in America

-
- Full Due Diligence Process Completed
 - Midwestern Cultural Fit
 - FMC Experienced Acquirer, Core Competency in Integration Processes

-
- Assets \$6.6 Billion, Loans \$4.6 Billion, Deposits \$5.2 Billion
 - 41 Indianapolis MSA Banking Centers
 - Entrance into new Communities; Greenfield, New Palestine, New Castle, Knightstown, Morristown
 - Attractive Core Deposit Funding

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2nd Quarter 2015 Highlights

2nd Quarter Highlights

- Earnings Per Share of \$.47, a 15% Increase over 2Q2014
- \$18 Million of Net Income, a 19% Increase over 2Q2014
- 1.19% Return on Average Assets
- 9.63% Return on Average Stockholders Equity

Additional Items of Note

- Completed the Acquisition of Cooper State Bank
- Sale of First Merchants Insurance Group Generated a Gain of \$8.3 Million
- Signed Definitive Agreement to Acquire Ameriana Bancorp
- Maintained a Strong Net Interest Margin of 3.81%
- 15.4% Decrease in Non-Performing Loans During the Quarter



Total Assets

(\$ in Millions)	<u>2013</u>	<u>2014</u>	<u>Q1-'15</u>	<u>Q2-'15</u>
1. Investments	\$1,096	\$1,181	\$1,189	\$1,213
2. Loans Held for Sale	5	7	6	8
3. Loans	3,633	3,925	3,966	4,238
4. Allowance	(68)	(64)	(63)	(63)
5. CD&I & Goodwill	203	219	218	220
6. BOLI	165	169	170	171
7. Other	<u>403</u>	<u>387</u>	<u>392</u>	<u>353</u>
8. Total Assets	<u>\$5,437</u>	<u>\$5,824</u>	<u>\$5,878</u>	<u>\$6,140</u>

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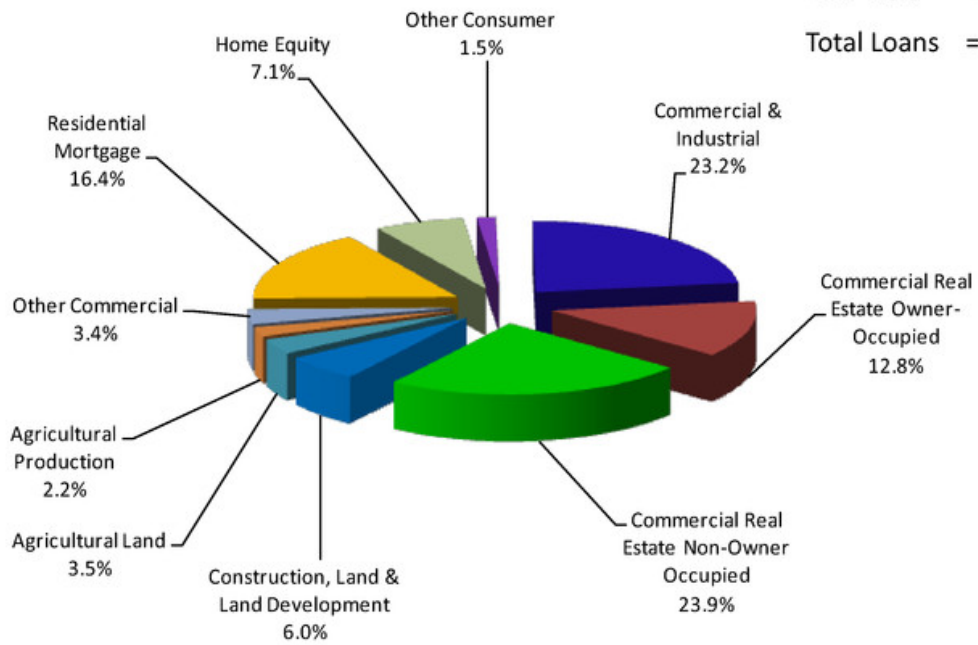
Loan and Yield Detail

(as of 6/30/2015)

QTD Yield = 4.46%

YTD Yield = 4.47%

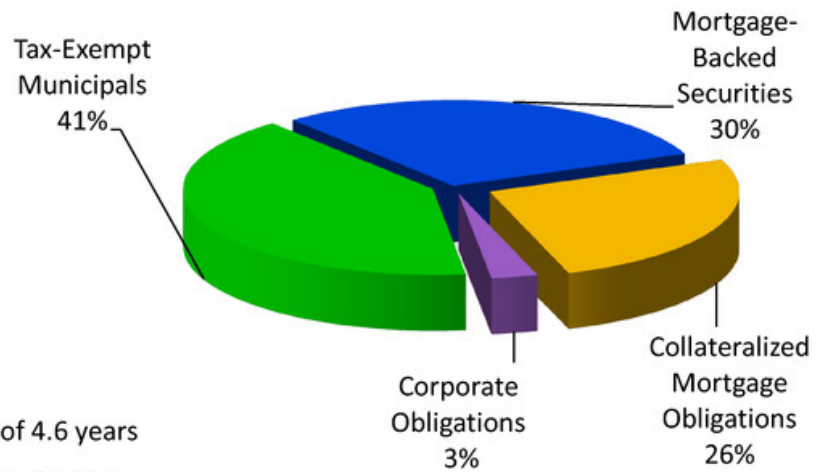
Total Loans = \$4.2 Billion





Investment Portfolio

(as of 6/30/2015)



- \$1.2 Billion
- Modified duration of 4.6 years
- Tax equivalent yield of 3.93%
- Net unrealized gain of \$28.1 Million

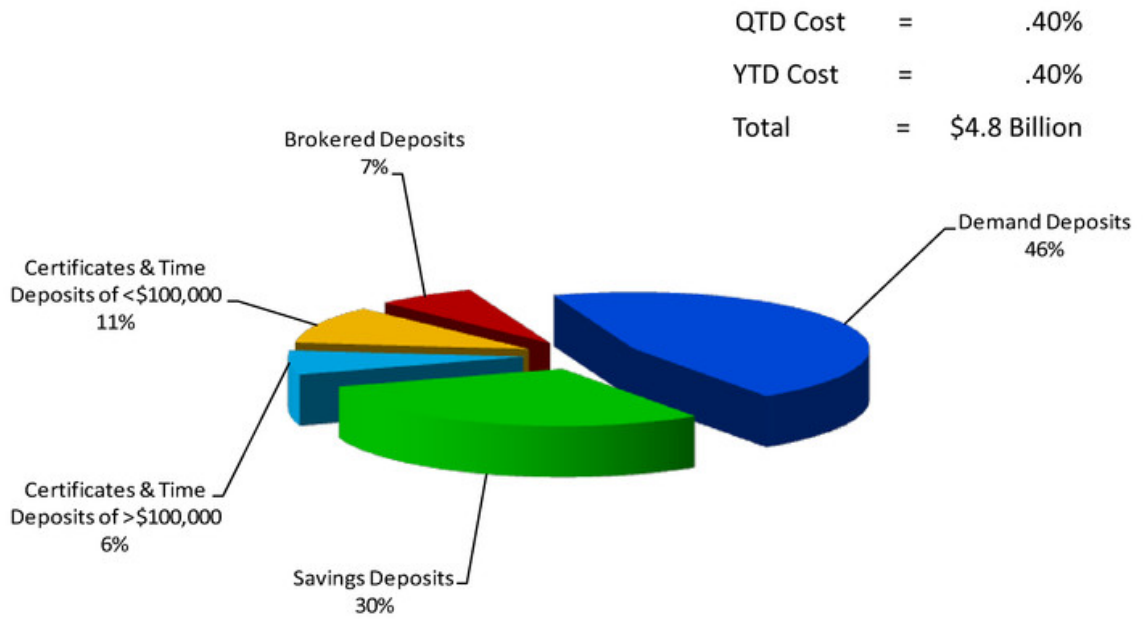


Total Liabilities and Capital

(\$ in Millions)	<u>2013</u>	<u>2014</u>	<u>Q1-'15</u>	<u>Q2-'15</u>
1. Customer Non-Maturity Deposits	\$3,276	\$3,523	\$3,518	\$3,651
2. Customer Time Deposits	868	784	800	812
3. Brokered Deposits	87	334	330	327
4. Borrowings	401	290	305	431
5. Other Liabilities	48	44	63	47
6. Hybrid Capital	122	122	122	122
7. Common Equity	<u>635</u>	<u>727</u>	<u>740</u>	<u>750</u>
8. Total Liabilities and Capital	<u>\$5,437</u>	<u>\$5,824</u>	<u>\$5,878</u>	<u>\$6,140</u>
9. Tangible Book Value Per Share	\$12.17	\$13.65	\$13.96	\$14.15
Percentage Change From Year-End		12.2%		3.7%

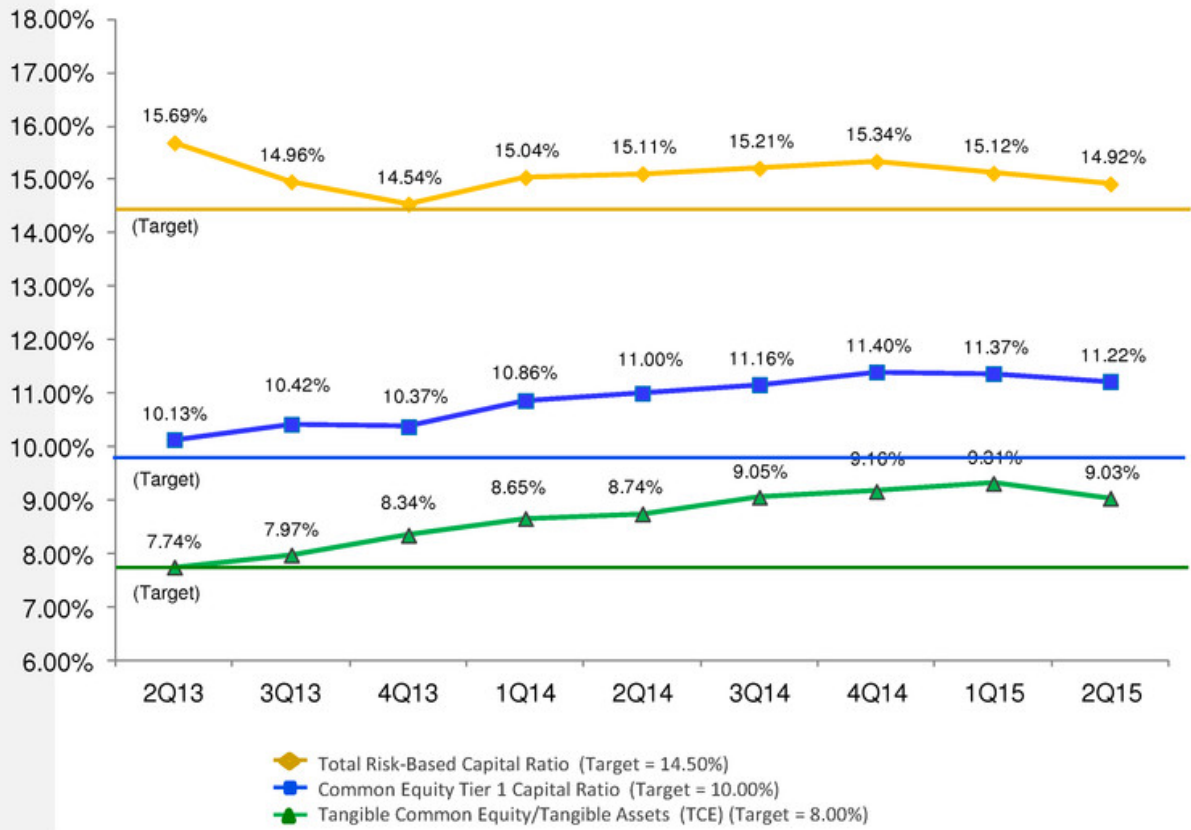


Deposits and Cost of Funds Detail (as of 06/30/2015)





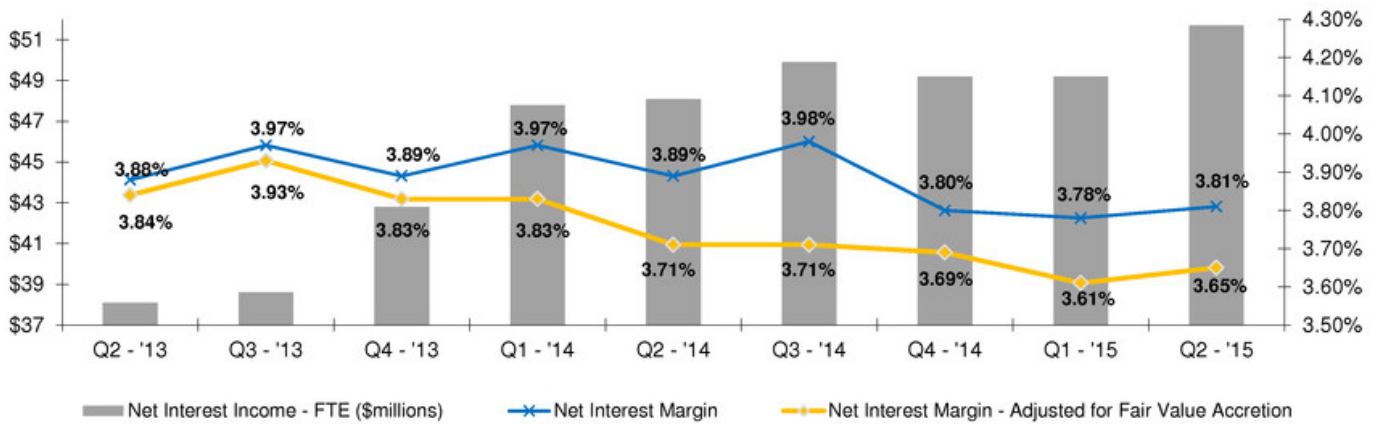
Capital Ratios





Net Interest Margin

	Q2 - '13	Q3 - '13	Q4 - '13	Q1 - '14	Q2 - '14	Q3 - '14	Q4 - '14	Q1 - '15	Q2 - '15
Net Interest Income - FTE (\$millions)	\$ 38.1	\$ 38.6	\$ 42.8	\$ 47.8	\$ 48.1	\$ 49.9	\$ 49.2	\$ 49.2	\$ 51.7
Fair Value Accretion	\$ 0.4	\$ 0.4	\$ 0.6	\$ 1.8	\$ 2.2	\$ 3.5	\$ 1.4	\$ 2.2	\$ 2.2
Tax Equivalent Yield on Earning Assets	4.29%	4.35%	4.30%	4.40%	4.33%	4.41%	4.26%	4.24%	4.26%
Cost of Supporting Liabilities	0.41%	0.38%	0.41%	0.43%	0.44%	0.43%	0.46%	0.46%	0.45%
Net Interest Margin	3.88%	3.97%	3.89%	3.97%	3.89%	3.98%	3.80%	3.78%	3.81%





Non-Interest Income

(\$ in Millions)	<u>2013</u>	<u>2014</u>	<u>Q1-'15</u>	<u>Q2-'15</u>
1. Service Charges on Deposit Accounts	\$12.4	\$15.7	\$ 3.5	\$ 4.1
2. Trust Fees	8.6	9.0	2.5	2.3
3. Insurance Commission Income	7.1	7.4	2.3	1.8
4. Electronic Card Fees	7.5	9.7	2.5	3.0
5. Cash Surrender Value of Life Ins	2.6	3.7	0.7	0.6
6. Gains on Sales Mortgage Loans	7.5	4.9	1.5	1.8
7. Securities Gains/Losses	0.5	3.6	1.0	(0.1)
8. Gain on Sale of Insurance Subsidiary	—	—	—	8.3
9. OREO Gains/Rental Income	4.1	4.6	0.8	0.5
10. Other	<u>5.7</u>	<u>7.8</u>	<u>1.4</u>	<u>2.3</u>
11. Total	<u>\$56.0</u>	<u>\$66.4</u>	<u>\$16.2</u>	<u>\$24.6</u>
12. Adjusted Non-Interest Income ¹	\$55.5	\$62.8	\$15.2	\$16.4

¹Adjusted for Bond Gains & Losses and Gain on Sale of Insurance Subsidiary



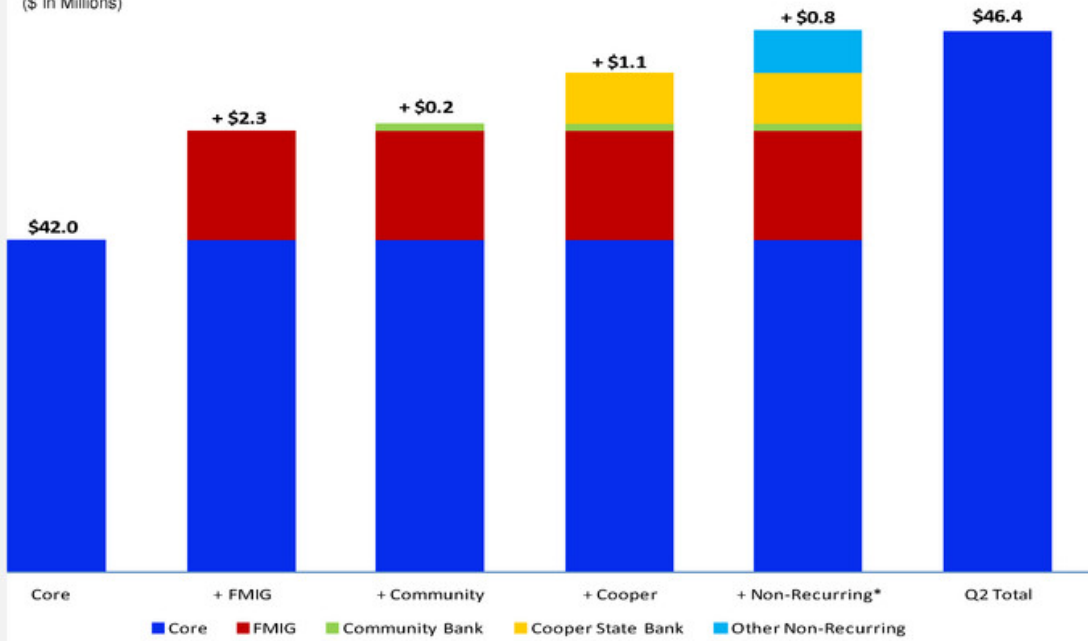
Non-Interest Expense

(\$ in Millions)	<u>2013</u>	<u>2014</u>	<u>Q1-'15</u>	<u>Q2-'15</u>
1. Salary & Benefits	\$ 85.4	\$ 96.5	\$ 24.5	\$26.4
2. Premises & Equipment	18.0	23.2	6.4	6.3
3. Core Deposit Intangible	1.6	2.4	0.7	0.7
4. Professional & Other Outside Services	8.3	8.1	1.5	3.1
5. OREO/Credit-Related Expense	6.7	8.0	1.2	1.4
6. FDIC Expense	2.9	3.7	0.9	0.9
7. Outside Data Processing	5.6	7.3	1.7	1.8
8. Marketing	2.2	3.5	0.8	1.0
9. Other	<u>12.5</u>	<u>15.8</u>	<u>3.5</u>	<u>4.8</u>
10. Non-Interest Expense	<u>\$143.2</u>	<u>\$168.5</u>	<u>\$ 41.2</u>	<u>\$46.4</u>



Non-Interest Expense – Core vs. Non-Recurring

(\$ In Millions)



*Other Non-Recurring expenses include:
•On-line Banking Fixed Asset Write-Off
•Acquisition Expense
•Branch Write-downs



Earnings

(\$ in Millions)	<u>2013</u>	<u>2014</u>	<u>Q1-'15</u>	<u>Q2-'15</u>
1. Net Interest Income	\$154.3	\$187.0	\$ 47.0	\$ 49.0
2. Provision for Loan Losses	<u>(6.6)</u>	<u>(2.6)</u>	—	<u>(0.4)</u>
3. Net Interest Income after Provision	147.7	184.4	47.0	48.6
4. Non-Interest Income	56.0	66.4	16.2	24.6
5. Non-Interest Expense	<u>(143.2)</u>	<u>(168.5)</u>	<u>(41.2)</u>	<u>(46.4)</u>
6. Income before Income Taxes	60.5	82.3	22.0	26.8
7. Income Tax Expense	(15.9)	(22.1)	(5.8)	(8.8)
8. Preferred Stock Dividend	<u>(2.4)</u>	—	—	—
9. Net Income Avail. for Distribution	<u>\$ 42.2</u>	<u>\$ 60.2</u>	<u>\$16.2</u>	<u>\$18.0</u>
10. EPS	\$ 1.41	\$ 1.65	\$0.43	\$0.47



Earnings Per Share

<u>2014</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Total</u>
1. Reported	\$.38	\$.41	\$.45	\$.41	\$ 1.65
2. FV Accretion EPS Impact	\$.03	\$.04	\$.06	\$.03	\$.16
<u>2015</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Total</u>
1. Reported	\$.43	\$.47	–	–	\$.90
2. FV Accretion EPS Impact	\$.04	\$.04	–	–	\$.08



Asset Quality Summary

(\$ in Millions)

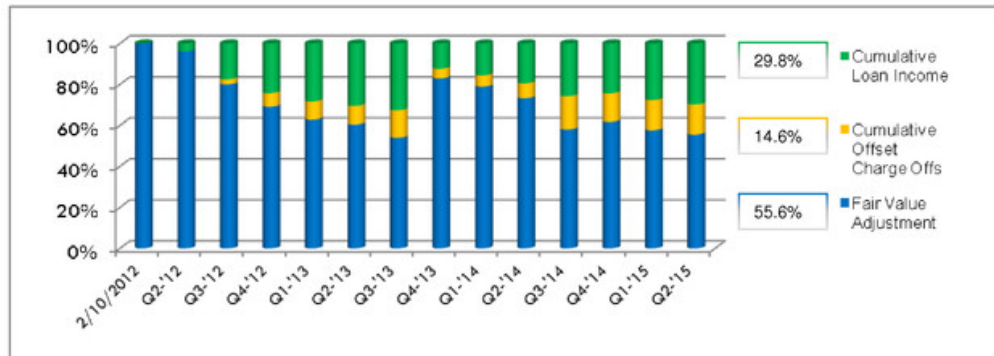
	<u>2013</u>	<u>2014</u>	<u>Q1-'15</u>	<u>Q2-'15</u>	<u>Change</u>	
					<u>Linked Quarter</u>	
1. Non-Accrual Loans	\$ 56.4	\$ 48.8	\$ 44.3	\$ 37.7	\$ (6.6)	(14.9%)
2. Other Real Estate	22.2	19.3	19.1	19.3	0.2	1.0%
3. Renegotiated Loans	3.0	2.0	1.3	0.9	(0.4)	(30.8%)
4. 90+ Days Delinquent Loans	<u>1.4</u>	<u>4.6</u>	<u>1.7</u>	<u>0.6</u>	<u>(1.1)</u>	(64.7%)
5. Total NPA's & 90+ Days Delinquent	\$ 83.0	\$ 74.7	\$ 66.4	\$ 58.5	\$ (7.9)	(11.9%)
Total NPA's & 90+ Days/Total						
6. Loans & ORE	2.3%	1.9%	1.7%	1.4%		
<hr/>						
7. Classified Assets	\$ 191.9	\$ 191.8	\$ 166.4	\$ 166.0	\$ (0.4)	(0.2%)
8. Criticized Assets (includes Classified)	\$ 263.5	\$ 253.6	\$ 249.1	\$ 238.4	\$ (10.7)	(4.3%)



ALLL and Fair Value Summary

(\$ in Millions)	Q2-'14	Q3-'14	Q4-'14	Q1-'15	Q2-'15
1. Allowance for Loan Losses (ALLL)	\$ 68.4	\$ 65.6	\$ 64.0	\$ 62.8	\$ 62.6
2. Fair Value Adjustment (FVA)	<u>43.9</u>	<u>35.5</u>	<u>43.2</u>	<u>40.6</u>	<u>40.7</u>
3. Total ALLL plus FVA	112.3	101.1	107.2	103.4	103.3
4. Specific Reserves	1.7	3.4	2.8	4.6	3.1
5. Purchased Loans plus FVA	638.0	596.3	701.7	655.4	727.8
6. ALLL/Non-Accrual Loans	133.3%	133.6%	131.1%	141.7%	165.9%
7. ALLL/Non-purchased Loans	2.18%	2.04%	1.95%	1.87%	1.76%
8. ALLL/Loans	1.83%	1.74%	1.63%	1.58%	1.47%
9. ALLL & FVA/Total Loan Balances plus FVA¹	2.98%	2.65%	2.70%	2.58%	2.41%

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

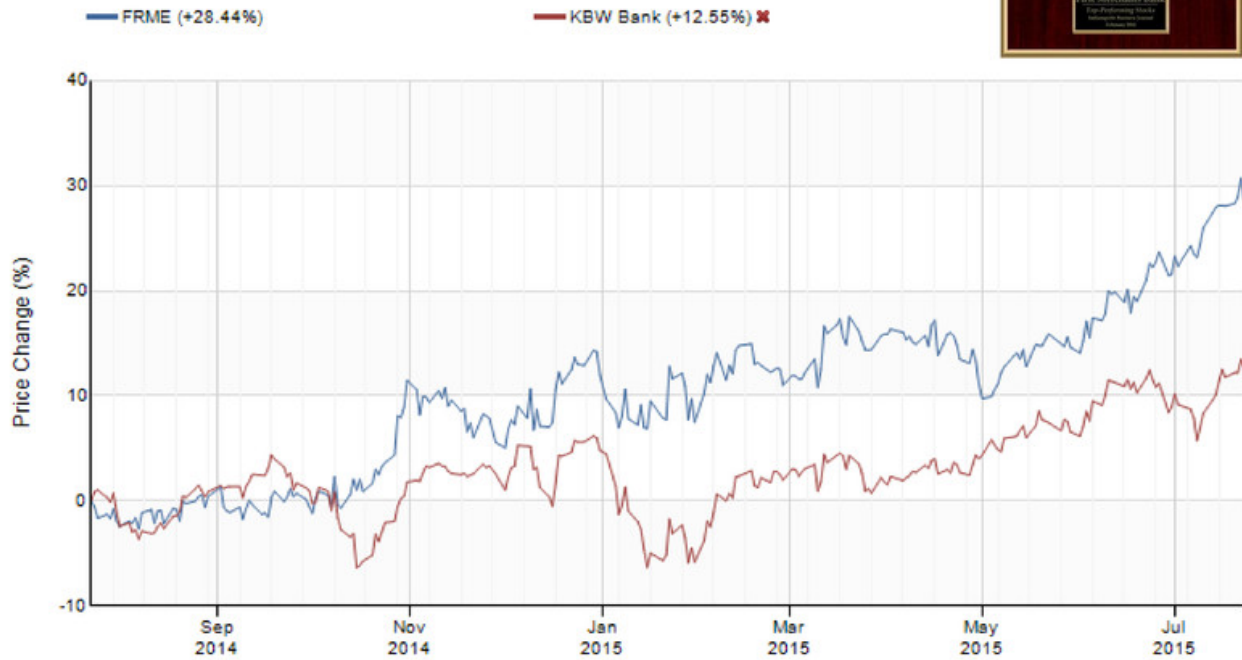




1-Year Stock Price Chart



First Merchants Corporation - Price Change (%)





Why Invest in First Merchants?

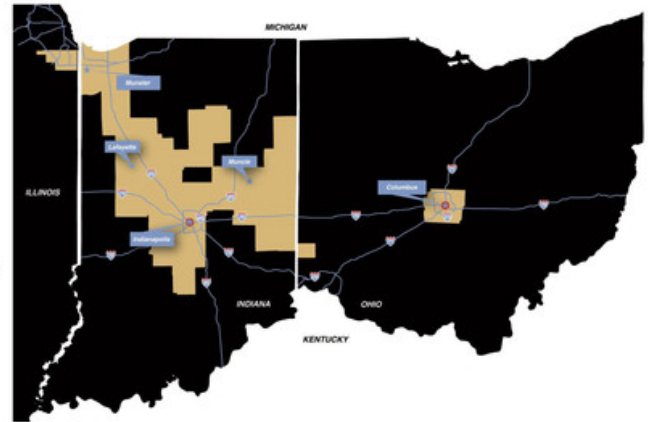
- Attractive and Growing Earnings Stream
- 2nd Largest Indiana Bank with an Energized and Experienced Management Team
- Attractive Long-Term Deposit Market Shares
- Commercial Presence that Creates a Client Preference
- State-of-the-Art Technology and Operations Center
- Successful Acquisition and Integration Track Record
- Well Capitalized, Well Positioned, Well Reserved





Research Coverage

- Keefe, Bruyette & Woods, Inc.
- Raymond James & Associates, Inc.
- Sandler O'Neill + Partners, L.P.
- FIG Partners





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

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Appendix



Appendix – Non-GAAP Reconciliation

CAPITAL RATIOS (dollars in thousands)

	2Q13	3Q13	4Q13	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15
Total Risk-Based Capital Ratio									
Total Stockholders' Equity (GAAP)	539,293	513,469	634,923	652,111	670,596	684,553	726,827	739,658	749,955
Adjust for Accumulated Other Comprehensive (Income) Loss	15,179	16,198	6,410	1,016	(4,210)	(4,150)	1,630	1,915	6,490
Less: Preferred Stock								(125)	(125)
Add: Qualifying Capital Securities	55,000	55,000	55,000	55,000	55,000	55,000	55,000	56,827	56,827
Less: Tier 1 Capital Deductions								(4,381)	(2,371)
Less: Disallowed Goodwill and Intangible Assets	(148,759)	(148,376)	(202,767)	(202,175)	(201,583)	(200,992)	(218,755)	(205,818)	(208,980)
Less: Disallowed Servicing Assets	(110)	(105)	(186)	(177)	(171)	(166)	(167)	(1,786)	(1,581)
Less: Disallowed Deferred Tax Assets			(10,194)	(4,677)	(1,357)				
Total Tier 1 Capital (Regulatory)	\$ 460,603	\$ 436,186	\$ 483,186	\$ 501,098	\$ 518,275	\$ 534,245	\$ 564,535	\$ 586,290	\$ 600,215
Qualifying Subordinated Debentures	20,000	20,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000
Allowance for Loan Losses includible in Tier 2 Capital	42,007	41,936	51,780	51,556	52,809	53,803	55,972	58,688	60,865
Total Risk-Based Capital (Regulatory)	\$ 522,610	\$ 498,122	\$ 599,966	\$ 617,654	\$ 636,084	\$ 653,048	\$ 685,507	\$ 709,978	\$ 726,080
Net Risk-Weighted Assets (Regulatory)	\$ 3,331,374	\$ 3,330,623	\$ 4,126,337	\$ 4,106,423	\$ 4,209,145	\$ 4,292,495	\$ 4,469,765	\$ 4,695,073	\$ 4,865,157
Total Risk-Based Capital Ratio (Regulatory)	15.69%	14.96%	14.54%	15.04%	15.11%	15.21%	15.34%	15.12%	14.92%
Common Equity Tier 1 Capital Ratio									
Total Tier 1 Capital (Regulatory)	\$ 460,603	\$ 436,186	\$ 483,186	\$ 501,098	\$ 518,275	\$ 534,245	\$ 564,535	\$ 586,290	\$ 600,215
Less: Qualified Capital Securities	(55,000)	(55,000)	(55,000)	(55,000)	(55,000)	(55,000)	(55,000)	(56,702)	(56,702)
Add: Additional Tier 1 Capital Deductions								4,381	2,371
Less: Preferred Stock	(68,212)	(34,168)	(125)	(125)	(125)	(125)	(125)	(125)	(125)
Common Equity Tier 1 Capital (Regulatory)	\$ 337,391	\$ 347,018	\$ 428,061	\$ 445,973	\$ 463,150	\$ 479,120	\$ 509,410	\$ 533,844	\$ 545,759
Net Risk-Weighted Assets (Regulatory)	\$ 3,331,374	\$ 3,330,623	\$ 4,126,337	\$ 4,106,423	\$ 4,209,145	\$ 4,292,495	\$ 4,469,765	\$ 4,695,073	\$ 4,865,157
Common Equity Tier 1 Capital Ratio (Regulatory)	10.13%	10.42%	10.37%	10.86%	11.00%	11.16%	11.40%	11.37%	11.22%

^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 EQUITY AND TANGIBLE RATIOS (dollars in thousands)

<u>Tangible Common Equity/Tangible Assets (non-GAAP)</u>	<u>2Q13</u>	<u>3Q13</u>	<u>4Q13</u>	<u>1Q14</u>	<u>2Q14</u>	<u>3Q14</u>	<u>4Q14</u>	<u>1Q15</u>	<u>2Q15</u>
Total Stockholders' Equity (GAAP)	\$ 539,293	\$ 513,469	\$ 634,923	\$ 652,111	\$ 670,596	\$ 684,553	\$ 726,827	\$ 739,658	\$ 749,955
Less: Preferred Stock	(68,212)	(34,168)	(125)	(125)	(125)	(125)	(125)	(125)	(125)
Less: Intangible Assets, net of tax	(146,467)	(145,984)	(197,794)	(197,293)	(196,781)	(196,315)	(212,669)	(212,184)	(214,577)
Tangible Common Equity (non-GAAP)	\$ 324,614	\$ 333,317	\$ 437,004	\$ 454,693	\$ 473,690	\$ 488,113	\$ 514,033	\$ 527,349	\$ 535,253
Total Assets (GAAP)	\$ 4,338,264	\$ 4,325,911	\$ 5,437,262	\$ 5,452,936	\$ 5,615,120	\$ 5,591,383	\$ 5,824,127	\$ 5,877,521	\$ 6,140,308
Less: Intangibles, net of tax	(146,467)	(145,984)	(197,794)	(197,293)	(196,781)	(196,315)	(212,669)	(212,184)	(214,577)
Tangible Assets (non-GAAP)	\$ 4,191,797	\$ 4,179,927	\$ 5,239,468	\$ 5,255,643	\$ 5,418,339	\$ 5,395,068	\$ 5,611,458	\$ 5,665,337	\$ 5,925,731
Tangible Common Equity/Tangible Assets (non-GAAP)	7.74%	7.97%	8.34%	8.65%	8.74%	9.05%	9.16%	9.31%	9.03%
Shares Outstanding	28,801,848	28,825,465	35,921,761	36,014,083	36,052,209	36,074,246	37,669,948	37,781,488	37,824,649
Tangible Common Book Value per Share (non-GAAP)	\$ 11.27	\$ 11.56	\$ 12.17	\$ 12.63	\$ 13.14	\$ 13.53	\$ 13.65	\$ 13.96	\$ 14.15

ALLOWANCE RATIOS (dollars in thousands)

<u>Allowance as a Percentage of Non-Purchased Loans</u>	<u>2Q14</u>	<u>3Q14</u>	<u>4Q14</u>	<u>1Q15</u>	<u>2Q15</u>
Loans Held for Sale (GAAP)	\$ 7,370	\$ 6,423	\$ 7,235	\$ 6,392	\$ 8,295
Loans (GAAP)	3,722,733	3,772,467	3,924,865	3,965,532	4,238,205
Total Loans	3,730,103	3,778,890	3,932,100	3,971,924	4,246,500
Less: Purchased Loans	(593,996)	(560,806)	(658,471)	(614,843)	(687,096)
Non-Purchased Loans (non-GAAP)	\$ 3,136,107	\$ 3,218,084	\$ 3,273,629	\$ 3,357,081	\$ 3,559,404
Allowance for Loan Losses	\$ 68,367	\$ 65,596	\$ 63,964	\$ 62,801	\$ 62,550
Allowance as a Percentage of Non-Purchased Loans	2.18%	2.04%	1.95%	1.87%	1.76%

