



EXHIBIT INDEX

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Exhibit No.

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99.1

Description

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Press Release, dated August 17, 2004, issued by  
First Merchants Corporation.

First Merchants Corporation

Exhibit 99.1

Press Release, dated August 17, 2004

NEWS RELEASE

FOR IMMEDIATE RELEASE

For more information, contact:

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

FIRST MERCHANTS CORPORATION ANNOUNCES CASH DIVIDEND

Muncie, Indiana - August 17, 2004 - First Merchants Corporation (Nasdaq: FRME) has announced that its Board of Directors declared a \$.23 per share cash dividend payable September 20, 2004 to stockholders of record on September 6, 2004. The cash dividend is consistent with previous dividends.

Michael L. Cox, President and Chief Executive Officer, commented, "this dividend reflects the continued strength of First Merchants and our affiliate companies. We are pleased to continue a return of profits to our shareholders at a payout level exceeding our financial peer group."

About First Merchants Corporation

First Merchants Corporation is a financial holding company headquartered in Muncie, Indiana. Since its organization in 1982, First Merchants Corporation has grown to include ten affiliate banks with over 70 locations in 18 Indiana and two Ohio counties, a trust company, a multi-line insurance company, and a title agency.

Subsidiaries of the Corporation include First Merchants Bank, N.A.; The Madison Community Bank, N.A.; First United Bank, N.A.; The Union County National Bank of Liberty; The Randolph County Bank, N.A.; The First National Bank of Portland; Decatur Bank & Trust Company, N.A.; Frances Slocum Bank & Trust Company, N.A.; Lafayette Bank and Trust Company, N.A.; and Commerce National Bank. The Corporation also operates First Merchants Insurance Services, a full-service property, casualty, personal lines, and health care insurer, and is the majority owner of the Indiana Title Insurance Company LLC.

Merchants Trust Company unites the trust and asset management services of all affiliate banks of the Corporation and represents one of the largest trust companies in the State of Indiana, with assets in excess of \$1.5 billion.

For more information, visit [www.firstmerchants.com](http://www.firstmerchants.com).

Source: First Merchants Corporation

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