German American Bancorp, Inc.

NEWS RELEASE

German American Bancorp Announces Purchase of Stock in Bank Of Evansville

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JASPER, Ind.--(BUSINESS WIRE)--July 6, 2004--German American Bancorp (Nasdaq:GABC), has announced that it has signed agreements to purchase up to 9.9% of the common stock of Bank of Evansville, N.A. (OTCBB:BEVN). Under one of the agreements, German American purchased 73,285 shares from existing shareholders on June 30, 2004 at $13.25 per share. Under the other agreement, German American has agreed (subject to regulatory approval) to purchase directly from the Bank (or its proposed new holding company) 83,375 newly issued shares for $12.625 per share, of which the Bank will receive $12.25 per share net of brokerage commissions. The combined purchase will represent a 9.9% stake in Bank of Evansville when completed.

Bank of Evansville is a full service commercial bank that opened on July 2, 2001, to provide community banking for businesses and consumers in Evansville, Indiana. At March 31, 2004, Bank of Evansville had total assets of approximately $140 million.

Mark A. Schroeder, President & CEO of German American, stated, "We're pleased to have the opportunity to invest in the Bank of Evansville. The bank's business model which emphasizes customer-responsive decision-making by knowledgeable local, community-focused bankers mirrors that of our Company. We look forward to working with the Bank of Evansville's exceptional team of community bankers and business leaders to serve the needs of their customers in the Evansville market and, by doing so, to enhance shareholder value for the Bank of Evansville and our Company."

Thomas L. Austerman, President and Chief Executive Officer of the Bank of Evansville said, "We are very pleased and honored that German American Bancorp has chosen to be a shareholder in our bank. I think the interest and the confidence expressed by their investment sends a strong message of value to our existing and potential shareholders." Austerman added, "German American's recognition of the strength of the Evansville market and

their desire to participate with us in this market is a strong testimonial to Bank of Evansville's successes - past, present and future."

As a part of the agreement, German American will fill a recently vacated position on Bank of Evansville's Board of Directors. German American has indicated they intend to designate its President and Chief Executive Officer Mark Schroeder, to that seat. Bank of Evansville's Chairman of the Board, Albert Umbach, said, "Mark Schroeder is a highly regarded southwestern Indiana banker. Mark brings a wealth of banking talent and market knowledge to our organization. All of our directors have been very involved and committed to quality growth and we look forward to his contributions to our bank."

Permission from the Federal Reserve Board is required any time a bank holding company seeks to purchase more than 5 percent of another financial institution's stock. German American will seek that approval from the Federal Reserve to consummate the additional stock purchase immediately. It is anticipated the approval process will take 45 to 60 days.

German American Bancorp is a financial services holding company based in Jasper, Indiana. The Company's Common Stock is traded on NASDAQ's National Market System under the symbol GABC. The Company operates five affiliated community banks with 27 retail banking offices in the eight contiguous Southwestern Indiana counties of Daviess, Dubois, Gibson, Knox, Martin, Perry, Pike, and Spencer, Indiana. The Company also operates German American Financial Advisors & Trust Company, a trust, brokerage and financial planning subsidiary operating from the banking offices of the bank subsidiaries and The Doty Agency, Inc., a full-line property and casualty insurance subsidiary with five independent insurance offices throughout its market area. The Company's lines of business include retail and commercial banking, mortgage banking, comprehensive wealth management, full service brokerage and trust administration, title insurance, and a full range of personal and corporate insurance products.

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SOURCE: German American Bancorp