German American Bancorp, Inc.

NEWS RELEASE

German American Completes Purchase of Two Branches in Metropolitan Evansville Banking Market

2010-05-10

German American Adds Two Bank Branches to Its Southern Indiana Base

JASPER, Ind., May 10, 2010 (GLOBE NEWSWIRE) -- German American Bancorp, Inc. (Nasdaq:GABC) announced its banking subsidiary had completed its purchase of two Farmers State Bank offices in or near Evansville, Ind.

By this purchase, which is expected to be accretive to German American's earnings per share upon completion of a transition period during the 12 months following the closing of the transaction, German American has expanded its geographic footprint to the Southern Indiana markets of Evansville and Newburgh in Vanderburgh and Warrick Counties, respectively.

German American acquired approximately $51 million of deposits and approximately $44 million of loans at the closing of the transaction, plus the real estate and leasehold improvements at the two branch locations and miscellaneous assets.

Schroeder continued, "We welcome Doug Diekmann, as Market President, and his Evansville team, who will further enhance our growth opportunities under the German American brand. We believe that customers will be very receptive to our comprehensive banking, insurance and investment lines of business and the personalized delivery that is a hallmark of our community banking roots."

About German American

German American Bancorp, Inc. is a NASDAQ-traded (symbol GABC) financial services holding company. German American, through its principal banking subsidiary German American Bancorp, now operates 30 retail banking

offices in 12 contiguous southern Ind. counties. The company also owns a trust, brokerage and financial planning subsidiary, operated from its banking offices, and a full service property and casualty insurance agency with seven offices throughout southern Ind.

Forward Looking Statements

The Company's statements in this press release regarding the Company's expectations that the proposed purchase of branches will be accretive to earnings after a transition period, and concerning the Company's growth expectations in the Evansville market, are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Readers are cautioned that, by their nature, forward-looking statements are based on assumptions and are subject to risks, uncertainties, and other factors. Actual results and experience could differ materially from the anticipated results or other expectations expressed or implied by these forward-looking statements as a result of a number of factors, including but not limited to, those discussed in the press release. Factors that could cause actual experience to differ from the expectations implied in this press release include changes in interest rates; changes in competitive conditions; changes in customer borrowing, repayment, investment and deposit practices; unexpected difficulties in integrating the new branches into German American; unexpected losses of customer accounts or employees; continued deterioration in general economic conditions, either nationally or locally, resulting in, among other things, credit quality deterioration and dampened loan demand; and other factors disclosed from time to time in German American's reports filed with the Securities and Exchange Commission. These forward-looking statements speak only as of the date of this press release and German American undertakes no obligation to update any such forward-looking statement to reflect events or circumstances that occur after the date hereof.

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