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**1ST SOURCE COMPLETES MERGER
OF FIRST NATIONAL BANK, VALPARAISO**

South Bend, IN -- 1st Source Corporation (NASDAQ: SRCE), parent company of 1st Source Bank today reported the completion of the merger of First National Bank, Valparaiso into 1st Source Bank. First National, headquartered in Valparaiso, Indiana was a full service bank with approximately \$700 million in assets and a full complement of personal and business banking products and services. The weekend conversion went as expected – all legal filings were made, computer systems were switched, signs changed, and customers were aligned into 1st Source products and services. Banking centers with weekend hours were up and running on Sunday.

According to Christopher J. Murphy III, Chairman of 1st Source Corporation, “We’re excited with the opportunities ahead and ready to serve our new 1st Source clients. The staff has been trained, the product line-up expanded, and our colleagues are ready to provide first rate personal service. As an Indiana based bank, we believe our focus on local decision making, personal service and providing straight talk and sound advice to our clients will help us build and grow in the area.”

1st Source is the largest locally controlled financial institution headquartered and serving the Northern Indiana-Southwestern Michigan area. While delivering a comprehensive range of consumer and commercial banking services, 1st Source Bank has distinguished itself with nationally recognized investment and trust services; SBA lending expertise, and highly personalized service for businesses and individuals. 1st Source Bank also competes nationally by offering specialized financing services for new and used private and cargo aircraft, automobiles for leasing and rental agencies, medium and heavy duty trucks, construction and environmental equipment. The Corporation includes over 75 banking centers in 17 counties, 24 locations nationwide for the 1st Source Bank Specialty Finance Group, plus six 1st Source

Insurance offices with a full line of business and personal property and casualty insurance and health, auto, and life insurance. With a history dating back to 1863, 1st Source Bank has a tradition of providing superior service to clients while playing a leadership role in the continued development of the communities in which it serves.

1st Source may be accessed on its home page at “www.1stsource.com.” Its common stock is traded on the NASDAQ Global Select Market under "SRCE" and appears in the National Market System tables in many daily newspapers under the code name "1st Src."

Except for historical information contained herein, the matters discussed in this document express “forward-looking statements.” Generally, the words “believe,” “expect,” “intend,” “estimate,” “anticipate,” “project,” “will,” “should,” and similar expressions indicate forward-looking statements. Those statements, including statements, projections, estimates or assumptions concerning future events or performance, and other statements that are other than statements of historical fact, are subject to material risks and uncertainties. 1st Source cautions readers not to place undue reliance on any forward-looking statements, which speak only as of the date made.

1st Source may make other written or oral forward-looking statements from time to time. Readers are advised that various important factors could cause 1st Source’s actual results or circumstances for future periods to differ materially from those anticipated or projected in such forward-looking statements. Such factors, among others, include changes in laws, regulations or accounting principles generally accepted in the United States; 1st Source’s competitive position within its markets served; increasing consolidation within the banking industry; unforeseen changes in interest rates; unforeseen downturns in the local, regional or national economies or in the industries in which 1st Source has credit concentrations; and other risks discussed in 1st Source’s filings with the Securities and Exchange Commission, including its Annual Report on Form 10-K, which filings are available from the SEC. 1st Source undertakes no obligation to publicly update or revise any forward-looking statements.

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