FORM 10-Q

Quarterly report pursuant to sections 13 or 15(d)

Filing Date: **1994-05-13** | Period of Report: **1994-03-31**
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FILER

CIVISTA CORP

CIK:**831486**| IRS No.: **341574988** | State of Incorp.:**OH** | Fiscal Year End: **0930**
Type: **10-Q** | Act: **34** | File No.: **000-17180** | Film No.: **94527856**
SIC: **6035** Savings institution, federally chartered

Mailing Address
100 CENTRAL PLAZA S
CANTON OH 44702-1403

Business Address
100 CENTRAL PLZ SOUTH
CANTON OH 44702-1403
2164567757

1

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

QUARTERLY REPORT UNDER SECTION 13 OR 15(D) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the quarter ended March 31, 1994 Commission file no. 0-17180

THE CIVISTA CORPORATION

(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

OHIO	34-1574988
(STATE OR OTHER JURISDICTION OF INCORPORATION OR ORGANIZATION)	(I.R.S. EMPLOYER IDENTIFICATION NO.)
100 CENTRAL PLAZA SOUTH, CANTON, OHIO	44702-1403
(ADDRESS OF PRINCIPAL EXECUTIVE OFFICES)	(ZIP CODE)

REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE: (216) 456-7757

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months and (2) has been subject to such filing requirements for the past 90 days. Yes X No .

The number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at May 1, 1994
Common Stock, without par value	3,492,904 shares

2

THE CIVISTA CORPORATION

INDEX

<TABLE>

PART I - FINANCIAL INFORMATION
THE CIVISTA CORPORATION
CONSOLIDATED STATEMENTS OF CONDITION

<CAPTION>

Assets	Unaudited March 31, 1994	September 30, 1993
<S>	<C>	<C>
Cash including short-term cash investments of $9,387,576 and $6,537,815, respectively	$ 25,533,777	19,189,901
Investment securities with market values of $150,846,000 and $154,378,000, respectively	151,119,014	151,134,497
Mortgage-backed securities, net with market values of $90,005,000 and $83,813,000, respectively	92,280,663	82,685,272
Mortgage loans, net	480,525,565	478,136,520
Other loans, net	22,733,617	23,821,520
Total mortgage-backed securities and loans receivable, net	595,539,845	584,643,312
Accrued interest receivable, net	4,931,338	5,063,846
Real estate acquired in settlement of loans, net	1,347,292	1,449,456
Real estate investment property, net	12,803,030	13,543,632
Federal Home Loan Bank stock	5,683,900	5,618,200
Office properties and equipment, net	6,173,379	6,284,520
Real estate development assets, net	8,094,394	9,385,979
Other assets	3,423,174	2,701,953
Total assets	$ 814,649,143	799,015,296
Liabilities and Shareholders' Equity		
Customer deposits	$ 697,496,464	684,068,900
Notes payable to Federal Home Loan Bank	11,323,310	14,327,037
Mortgage loans payable	9,078,472	9,133,871
Advance payments by borrowers for taxes and insurance	3,109,447	2,991,037
Other liabilities	6,357,773	5,533,314
Total liabilities	727,365,466	716,054,159
Shareholders' equity:		
Serial preferred stock, without par value; authorized and unissued 5,000,000 shares	--	--
Common shares, without par value, 5,000,000 shares authorized; 3,501,152 and 3,493,352 shares issued, respectively	11,819,481	11,751,380
Retained earnings, substantially restricted	75,560,382	71,276,053
Valuation allowance on mortgage-backed securities	(29,890)	--
Treasury shares, 8,248 shares, at cost	(66,296)	(66,296)
Total shareholders' equity	87,283,677	82,961,137
Commitments (note 2)		
Total liabilities and shareholders' equity	$ 814,649,143	799,015,296

<FN>
See accompanying notes to consolidated financial statements.

</TABLE>

<TABLE>

THE CIVISTA CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS

<CAPTION>

	Unaudited			
	Three Months Ended March 31,		Six Months Ended March 31,	
	1994	1993	1994	1993
<S>	<C>	<C>	<C>	<C>
Interest on mortgage and other loans	$10,149,032	11,224,488	20,692,210	22,658,109
Interest on mortgage-backed securities	1,337,901	1,409,841	2,607,731	3,115,553
Interest on investment securities	1,821,197	1,056,662	3,698,337	2,261,345
Other interest and dividend income	138,784	344,927	271,281	580,055
Total interest income	13,446,914	14,035,918	27,269,559	28,615,062
Interest on customer deposits	5,705,518	5,949,253	11,601,771	12,206,776
Interest on notes payable to Federal Home Loan Bank and other borrowings	309,538	245,106	584,289	490,053
Total interest expense	6,015,056	6,194,359	12,186,060	12,696,829
Net interest income	7,431,858	7,841,559	15,083,499	15,918,233
Provision for loan losses	44,435	183,380	102,424	424,858
Net interest income after provision for loan losses	7,387,423	7,658,179	14,981,075	15,493,375
Other income:				
Real estate operations	1,044,253	1,011,779	2,169,461	2,010,666
Real estate development sales	326,050	242,181	659,031	708,389
Data processing sales and service	1,069,856	1,480,759	2,161,042	2,937,850
Commissions on annuity and mutual fund sales	354,822	327,928	705,200	609,455
Investment security gains, net	713,450	--	729,075	625
Gains on sales of mortgage loans and mortgage-backed securities, net	43,467	1,093,531	43,467	1,093,950
Customer service fees	267,169	260,482	556,199	561,717
Other income	366,057	171,779	490,532	461,226
Total other income	4,185,124	4,588,439	7,514,007	8,383,878
Other expenses:				
Compensation and related expenses	3,101,696	3,102,029	6,126,293	6,149,201
Office occupancy	699,189	803,846	1,427,837	1,593,324
Deposit insurance premiums	394,258	201,770	780,836	562,348
Ohio financial institution tax	277,240	249,445	583,870	509,202
Real estate operations	751,474	774,402	1,513,838	1,594,221
Cost of real estate development sales	340,869	204,064	664,004	623,944
Provision for real estate losses	564,487	50,000	564,487	50,000
Other expense	1,125,046	1,349,671	2,072,051	2,822,593
Total other expenses	7,254,259	6,735,227	13,733,216	13,904,833
Earnings before federal income taxes	4,318,288	5,511,391	8,761,866	9,972,420
Federal income taxes	1,443,000	1,832,000	2,906,000	3,355,000
Net earnings	$ 2,875,288	3,679,391	5,855,866	6,617,420
Net earnings per share	$ .78	1.02	1.60	1.84

Cash dividends declared per share	$ .10	.08 3/4	.45	.32 1/2
	======	======	=====	======

<FN>
See accompanying notes to consolidated financial statements.
</TABLE>

<TABLE>

THE CIVISTA CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
SIX MONTHS ENDED MARCH 31,

<CAPTION>

	Unaudited	
Operating activities:	1994	1993
<S>	<C>	<C>
Net earnings	$ 5,855,866	6,617,420
Adjustments to reconcile net earnings		
to net cash provided by operating activities:		
Decrease in accrued interest receivable	132,508	629,462
Provision for loan losses	102,424	424,858
Provision for real estate losses	564,487	50,000
Depreciation and amortization	826,336	818,190
Federal Home Loan Bank stock dividend	(128,800)	(126,500)
Investment security gains, net	(729,075)	(625)
Increase (decrease) in deferred loan		
origination fees, net	(96,057)	138,729
Amortization of deferred loan origination fees	(626,479)	(512,361)
Gains on sales of real estate		
acquired in settlement of loans, net	(9,870)	(57,805)
Investment securities available for sale:		
Purchases	(6,000,000)	(500,000)
Proceeds from sales	6,733,875	500,625
Mortgage loans available for sale:		
Proceeds from sales	3,982,684	83,719
Gains on sales	(43,467)	(419)
Originations	(3,939,217)	(83,300)
Mortgage-backed securities available for sale:		
Principal collected	--	9,100,900
Proceeds from sales	--	26,512,660
Gains on sales	--	(1,093,531)
Proceeds from sales of other loans	605,307	588,460
Other	45,824	(531,534)
Net cash provided by operating activities	7,276,346	42,558,948
Investing activities:		
Proceeds from maturities of investment securities	26,922,096	25,764,478
Purchases of investment securities	(26,968,283)	(35,728,094)
Principal collected on mortgage loans	50,580,081	40,615,114
Principal collected on mortgage-backed securities	8,918,504	3,237,106
Principal collected on other loans	7,860,253	7,304,712
Mortgage loan originations	(52,896,238)	(52,978,781)
Other loan originations	(7,371,200)	(6,652,407)
Purchase of mortgage loans	(17,667)	(216,404)
Purchase of mortgage-backed securities	(18,625,799)	(8,000,717)
Purchase of office properties and equipment, net	(286,953)	(663,938)
Proceeds from sale of mortgage loan	596,381	--
Proceeds from sales of real estate acquired		
in settlement of loans	112,034	1,028,896
Proceeds from sales of real estate investment property	745,539	332,006
Investment in real estate investment property	(204,150)	(635,529)
Redemption of Federal Home Loan Bank stock	63,100	234,100
Purchase of Federal Home Loan Bank stock	--	(2,400)
Sales of real estate development assets	659,031	708,389
Increase in real estate development assets	(2,611)	(15,275)
Net cash used by investing activities	(9,915,882)	(25,668,744)

(Continued)

</TABLE>

<TABLE>

THE CIVISTA CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
SIX MONTHS ENDED MARCH 31,

<CAPTION>

	Unaudited	
	1994	1993
<S>	<C>	<C>
Financing activities:		
Net increase in customer transaction and savings accounts	21,062,694	20,972,349
Proceeds from sales of certificates of deposit	9,027,542	11,493,437
Payments for maturing certificates of deposit	(16,662,672)	(24,690,378)
Principal payments on mortgage loans payable	(55,399)	(50,035)
Cash dividends	(1,571,537)	(1,130,189)
Stock options exercised	68,101	101,400
Borrowings from the Federal Home Loan Bank	40,600,000	--
Repayments to the Federal Home Loan Bank	(43,603,727)	(3,727)
Net increase in advance payments by borrowers for taxes and insurance	118,410	110,903
Net cash provided by financing activities	8,983,412	6,803,760
Net increase in cash and cash equivalents	6,343,876	23,693,964
Cash and cash equivalents at beginning of period	19,189,901	36,682,364
Cash and cash equivalents at end of period	$ 25,533,777	60,376,328
Supplemental disclosure of cash flow information		
Cash paid during the period for:		
Interest on customer deposits and borrowings	$ 12,188,931	12,687,131
Federal income taxes	$ 1,375,605	2,305,256
Supplemental schedule of non-cash investing and financing activities		
Real estate acquired in settlement of loans	$ --	260,947

<FN>
See accompanying notes to consolidated financial statements.
</TABLE>

THE CIVISTA CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 1994

(1) The CIVISTA Corporation is a unitary savings and loan holding company whose principal asset is the common stock of its wholly owned subsidiary, Citizens Savings Bank of Canton. In addition, CIVISTA owns all of the

common stock of The CASNET Group, Inc., Crest Investments, Inc. and Citizens Investment Corporation; two apartment complexes and short-term investments. As discussed in the Annual Report to Shareholders, Citizens Savings Bank of Canton paid a non-cash dividend to CIVISTA of 100% of the stock of its wholly owned subsidiary, Citizens Savings Corporation on January 1, 1994.

(2) Outstanding commitments to fund mortgage loans aggregated $12,666,000 and $11,308,000 at March 31, 1994 and September 30, 1993, respectively. CIVISTA also had commitments to fund consumer home equity and credit card lines of credit of $29,853,000 and $30,820,000 at March 31, 1994 and September 30, 1993, respectively. CIVISTA expects a significant portion of these lines of credit to remain undrawn. At March 31, 1994, CIVISTA had no commitments to sell mortgage loans or commitments to purchase mortgage-backed securities.

(3) Management believes that the interim consolidated financial statements reflect all adjustments, consisting only of normal recurring accruals, necessary for a fair presentation of the March 31, 1994 statement of condition and the results of operations for the three months and six months ended March 31, 1994 and 1993.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

FINANCIAL CONDITION

At March 31, 1994, mortgage loans totaled $480.5 million which was $2.4 million greater than the amount outstanding at September 30, 1993. During the first six months of fiscal 1994, principal collections and loan payoffs continued at record levels. Principal collections and loan payoffs on mortgage loans held for investment increased $10.0 million compared to the first six months of fiscal 1993. Refinancing activity has continued to affect the adjustable rate loan portion of the portfolio. Since September 30, 1993, adjustable rate loans have declined approximately $10.2 million to $110.0 million. At March 31, 1994, fixed rate loans amounted to 78% of total mortgage loans.

At March 31, 1994, 38% of the mortgage loan portfolio consisted of loans with original terms of fifteen years or less. The shorter maturities of these loans are advantageous to CIVISTA since they materially reduce the average life of the mortgage loan portfolio. These shorter maturity loans better match CIVISTA's customer deposit liabilities and provide a higher level of amortization than thirty-year loans.

Since September 30, 1993, mortgage-backed securities grew $9.6 million as a result of the purchase of $18.6 million of mortgage-backed securities with ten-year maturities. During the six-month period, principal collections and loan payoffs on mortgage-backed securities held for investment increased $5.7 million compared to the same six-month period of fiscal 1993.

Customer deposits increased $13.4 million during the six-month period as a result of interest credits of $11.6 million and net cash inflows of $1.8 million. Due to the current lower interest rates, funds from certificates of deposit continue to be transferred, at maturity, to passbooks or transaction accounts. After consideration of interest credited on customer deposits, passbook savings and transaction accounts have increased $21.6 million since September 30, 1993. During the same period, certificates of deposit have decreased $7.6 million. At March 31, 1994, passbook savings and transaction accounts aggregated $456.5 million or 65% of total customer deposits and certificates of deposit aggregated $241.0 million or 35% of total customer deposits.

At March 31, 1994, cash, short-term cash investments and investment securities totaled $176,652,791 or 21.7% of total assets. At September 30, 1993, these liquid assets represented 21.3% of total assets. CIVISTA has been maintaining a higher than normal portfolio of liquid assets as a hedge against higher interest rates. If interest rates begin to rise, the yields on liquid assets will adjust quickly and help offset increased interest on customer deposits. In spite of this practice, liquidity was higher than planned due to cash flows in excess of loan demand.

The other loan balance has decreased mainly due to the sale of approximately $603,000 of college loans.

Real estate investment property declined as a result of depreciation and the sale of a property in California at a gain of $236,000.

Real estate development assets primarily consists of one on-going development. This project is a tract of 54 residential lots known as Enclave Mountain Estates in La Quinta, California. As of March 31, 1994, sales have been closed on sixteen of the lots. In March 1994, CIVISTA reserved $253,000 on this development. During the quarter ended March 31, 1994, the last three homes in a 37-unit residential development in Indio, California were closed. Also during March 1994, CIVISTA charged off a $476,633 non-earning loan to a joint venture.

During the six-month period CIVISTA used $40.6 million of short-term advances from the Federal Home Loan Bank for short-term cash management purposes. At March 31, 1994, $11.0 million of these advances remained outstanding.

CIVISTA has a very strong capital position. At March 31, 1994, shareholders' equity was $87,283,677 which represented 10.7% of assets and 12.0% of liabilities. Citizens Savings Bank had shareholder's equity totalling 7.4% of its assets and 8.0% of its liabilities at March 31, 1994. Citizens Savings Bank's compliance with the capital requirements in effect at March 31, 1994 is as follows (000's omitted):

<TABLE>
<CAPTION>

<S>	Tangible Capital <C>	Leverage Capital <C>	Tier 1 Leverage Capital <C>	Tier 1 Risk-Based Capital <C>	Total Risk-Based Capital <C>
Capital determined under generally accepted accounting principles	$ 57,834	57,834	57,834	57,834	57,834
Adjustment:					
General valuation reserves	--	--	--	--	2,780
Regulatory capital	57,834	57,834	57,834	57,834	60,614
Minimum capital requirement	11,656	23,311	38,852	20,407	27,209
Excess regulatory capital	$ 46,178	34,523	18,982	37,427	33,405
Adjusted or risk-weighted assets applicable to calculation	$ 777,044	777,044	777,044	340,117	340,117
Capital ratio	7.44%	7.44%	7.44%	17.00%	17.82%
Required minimum regulatory capital	1.50%	3.00%			8.00%
Ratio required to meet the well capitalized definition			5.00%	6.00%	10.00%

</TABLE>

If the fully phased-in capital requirements which Citizens Savings Bank is required to meet on July 1, 1996 had been in effect at March 31, 1994, Citizens Savings Bank would have been in compliance.

RESULTS OF OPERATIONS

The following is a discussion of the significant factors which produced the differences in operating results for the periods of this report as compared with the same periods one year ago.

THREE MONTHS ENDED MARCH 31, 1994

Interest on loans decreased approximately $1.1 million from the same period one year ago. This decrease is directly related to the decrease in mortgage loan yield from 8.5% for the quarter ended March 31, 1993 to 7.9% for the quarter ended March 31, 1994. In addition, average balances on mortgage loans decreased approximately $11.2 million from the same quarter last year.

Interest on mortgage-backed securities decreased from the same period one year ago. Average balances on mortgage-backed securities increased approximately $17.0 million from the same quarter last year. However, there was a decrease in yield from 7.6% for the quarter ended March 31, 1993 to 6.0% for the quarter ended March 31, 1994.

Interest on investment securities increased as a result of significantly higher average investments. The average outstanding balance on investment securities increased from $82.8 million for the quarter ended March 31, 1993 to $143.3 million for the quarter ended March 31, 1994, while yields were 5.1% for both periods. Other interest and dividend income decreased as a result of lower average investments. The average investments in Federal Home Loan Bank overnight deposits and other short-term investments decreased by approximately $29.3 million.

Interest expense on customer accounts decreased approximately $244,000. The second quarter of fiscal 1994 reflects the continued shift of maturing certificates of deposit into passbooks or transaction accounts. For the quarter ended March 31, 1994, interest expense on customer accounts averaged 3.3%. This is a decrease from the 3.6% average interest rate paid on customer accounts for the quarter ended March 31, 1993. The impact of the decrease in average interest rates from 3.6% to 3.3% was partially offset by the increase in average total customer balances from $666.8 million to $685.3 million for the three-month periods ended March 31, 1993 and 1994.

During the quarter ended March 31, 1994, CIVISTA closed sales on the three remaining Park Madison homes. This compared with two Park Madison closings during the quarter ended March 31, 1993.

Data processing sales and service income decreased approximately $411,000. This decrease resulted from a $495,000 decline in revenue from traditional savings and loan customers. This decrease was offset by a net increase of approximately $116,000 in microfiche sales and the sales and installation of interactive voice response systems.

During the quarter, CIVISTA sold 15,000 shares of Student Loan Marketing Association stock which resulted in a gain of $713,450.

CIVISTA provided $564,487 for real estate losses in order to reserve $253,000 on the Enclave Mountain Estates and to fully reserve and charge off a $476,633 non-earning loan.

SIX MONTHS ENDED MARCH 31, 1994

Interest on loans decreased approximately $2.0 million from the same six-month period one year ago. This decrease is directly related to the decrease in mortgage loan yield from 8.6% for the six-month period ended March 31, 1993 to 7.9% for the six-month period ended March 31, 1994. Average balances on mortgage loans also decreased approximately $5.9 million from the same six-month period last year.

Interest on mortgage-backed securities decreased from the same six-month period one year ago. Average balances on mortgage-backed securities increased approximately $6.9 million from the same six-month period last year. However, there was a decrease in yield from 7.8% for the six-month period ended March 31, 1993 to 6.0% for the six-month period ended March 31, 1994.

Interest on investment securities increased as a result of significantly higher average investments. The average outstanding balance on investment securities increased from $85.6 million for the six-month period ended March 31, 1993 to $143.1 million for the six-month period ended March 31, 1994, while yields decreased for the same periods from 5.3% to 5.2%. Other interest and dividend income decreased as a result of lower average investments. The average investments in Federal Home Loan Bank overnight deposits and other short-term investments decreased by approximately $22.0 million.

Interest expense on customer accounts decreased approximately $605,000. The six-month period of fiscal 1994 reflects the continued shift of maturing certificates of deposit into passbooks or transaction accounts. For the six-month period ended March 31, 1994, interest expense on customer accounts averaged 3.4%. This is a decrease from the 3.7% average interest rate paid on customer accounts for the six-month period ended March 31, 1993. The impact of the decrease in average interest rates from 3.7% to 3.4% was partially offset by the increase in average total customer balances from $666.1 million to $686.5 million for the six-month periods ended March 31, 1993 and 1994.

During the six-month period ended March 31, 1994, CIVISTA closed sales on the six remaining Park Madison homes. This compared with four Park Madison closings and one Enclave Mountain Estates lot closing during the six-month period ended March 31,1993.

Data processing sales and service income decreased approximately $777,000. This decrease resulted from a $923,000 decline in revenue from traditional savings and loan customers. This decrease was offset by a net increase of approximately $207,000 in microfiche sales and the sales and installation of interactive voice response systems.

During the six-month period ended March 31, 1994, CIVISTA sold 15,000 shares of Student Loan Marketing Association stock which resulted in a gain of $713,450.

Other expense declined as a result of reduced expenses on foreclosed real estate, real estate development assets and a variety of individually insignificant reductions in other expense accounts.

PART II - OTHER INFORMATION

Item 6: Exhibits and Reports on Form 8-K

(a) Exhibits

11.1 Computation of Earnings Per Share

15.1 Review by Independent Auditors

(b) Reports on Form 8-K

Not applicable.

SIGNATURE

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, thereunto duly authorized.

THE CIVISTA CORPORATION

Date May 12, 1994 /s/Jack R. Gravo

Jack R. Gravo, President
(Chief Financial and Accounting Officer)

/s/David A. Sarver

David A. Sarver, Treasurer

EXHIBIT INDEX

EXHIBIT		PAPER (P) OR ELECTRONIC (E)
11.1	Computation of Earnings Per Share	E
15.1	Review by Independent Auditors	E

<TABLE>

Exhibit 11.1

The CIVISTA Corporation
Computation of Earnings Per Share

<CAPTION>

	Three Months Ended March 31,		Six Months Ended March 31,	
	1994	1993	1994	1993
<S>	<C>	<C>	<C>	<C>
Computation of primary earnings per share:				
Weighted average number of common shares outstanding	3,492,604	3,477,504	3,491,081	3,475,112
Add common stock equivalents for shares issuable under stock option plan (1)	168,670	124,104	160,823	118,046
Weighted average number of shares outstanding adjusted for common stock equivalents	3,661,274	3,601,608	3,651,904	3,593,158
Net earnings	$ 2,875,288	3,679,391	5,855,866	6,617,420
Primary earnings per share	$ .78	1.02	1.60	1.84

<FN>
(1) Additional shares issuable were derived under the treasury stock method using average market price during the period.
</TABLE>

KPMG Peat Marwick Exhibit 15.1

Certified Public Accountants

1 Cascade Plaza, Suite 1100
Akron, Ohio 44308

INDEPENDENT AUDITORS' REPORT

The Board of Directors
The CIVISTA Corporation:

We have reviewed the consolidated statement of condition of The CIVISTA Corporation and subsidiaries as of March 31, 1994, and the related consolidated statements of operations for the three- and six-month periods ended March 31, 1994 and 1993, and consolidated cash flows for the six-month periods ended March 31, 1994 and 1993. These financial statements are the responsibility of the Company's management.

We conducted our review in accordance with standards established by the American Institute of Certified Public Accountants. A review of interim financial information consists principally of applying analytical review procedures to financial data and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the consolidated financial statements referred to above for them to be in conformity with generally accepted accounting principles.

We have previously audited, in accordance with generally accepted auditing standards, the consolidated statement of condition of The CIVISTA Corporation and subsidiaries as of September 30, 1993, and the related consolidated statements of operations, shareholders' equity, and cash flows for the year then ended (not presented herein); and in our report dated November 24, 1993, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying consolidated statement of condition as of September 30, 1993 is fairly presented, in all material respects, in relation to the consolidated statement of condition from which it has been derived.

KPMG Peat Marwick
May 6, 1994