

SECURITIES AND EXCHANGE COMMISSION

FORM 10-Q

Quarterly report pursuant to sections 13 or 15(d)

Filing Date: **1994-05-13** | Period of Report: **1994-03-31**
SEC Accession No. **0000950152-94-000526**

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FILER

FIRST BANCORPORATION OF OHIO

CIK: **354869** | IRS No.: **341339938** | State of Incorpor.: **OH** | Fiscal Year End: **1231**
Type: **10-Q** | Act: **34** | File No.: **000-10161** | Film No.: **94528143**
SIC: **6021** National commercial banks

Business Address
800 FIRST NATIONAL TOWER
AKRON OH 44308
2163848000

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

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

FOR THE QUARTERLY PERIOD ENDED
MARCH 31, 1994

COMMISSION FILE NUMBER 0-10161

FIRST BANCORPORATION OF OHIO
(Exact name of registrant as specified in its charter)

OHIO
(State or other jurisdiction of
incorporation or organization)

34-1339938
(IRS Employer Identification
Number)

106 SOUTH MAIN STREET, AKRON, OHIO 44308
(ADDRESS OF PRINCIPAL EXECUTIVE OFFICES)

(216) 384-8000
(TELEPHONE NUMBER)

SHARES OF COMMON STOCK, AS OF MARCH 31, 1994
25,262,865

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 (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES X NO

FIRST BANCORPORATION OF OHIO

PART I - FINANCIAL STATEMENTS

ITEM 1 FINANCIAL STATEMENTS

The following statements included in the quarterly unaudited report to shareholders are incorporated by reference:

Consolidated Balance Sheets as of March 31, 1994, December 31, 1993 and March 31, 1993

Consolidated Statements of Income for the three months ended March 31, 1994 and 1993

Consolidated Statements of Changes in Shareholders' Equity for the year ended December 31, 1993 and for the three months ended March 31, 1994

Consolidated Statements of Cash Flows for the three months ended March 31, 1994 and 1993

<TABLE>

FIRST BANCORPORATION OF OHIO AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

<CAPTION>

	(In thousands)		
	March 31,	December 31,	March 31,
	1994	1993	1993
<S>	<C>	<C>	<C>
ASSETS			
Investment securities	\$1,200,008	1,209,676	1,135,328
Federal funds sold	76,578	58,750	66,245
Loans less unearned income	2,458,931	2,396,463	2,379,474
Less allowance for possible loan losses	31,795	31,221	29,932
Net loans	2,427,136	2,365,242	2,349,542
Total earning assets	3,703,722	3,633,668	3,551,115
Cash and due from banks	229,135	222,260	160,195
Premises and equipment, net	70,665	69,804	68,348
Accrued interest receivable and other assets	82,732	70,996	92,671
	\$4,086,254	3,996,728	3,872,329
LIABILITIES AND SHAREHOLDERS' EQUITY			
Deposits:			
Demand-non-interest bearing	\$ 670,274	687,672	552,744
Demand-interest bearing	319,702	314,165	281,880
Savings	1,329,546	1,299,967	1,253,351
Certificates and other time deposits	1,155,857	1,125,409	1,232,098
Total deposits	3,475,379	3,427,213	3,320,073
Securities sold under agreements to repurchase and other borrowings	174,606	148,889	141,594
Total funds	3,649,985	3,576,102	3,461,667
Accrued taxes, expenses, and other liabilities	40,559	28,985	44,338
Total liabilities	3,690,544	3,605,087	3,506,005
Shareholders' equity:			
Series preferred stock, without par value: authorized and unissued 3,500,000 shares	-	-	-
Common stock, without par value: authorized 40,000,000 shares; issued 25,262,865, 25,249,166 and 12,603,536 shares, respectively	83,424	83,218	42,012
Surplus	-	-	40,647
Net unrealized holding gains (losses) on available for sale securities	(4,262)	-	-
Retained earnings	316,548	308,423	283,665
Total shareholders' equity	395,710	391,641	366,324
	\$4,086,254	3,996,728	3,872,329

</TABLE>

4

<TABLE>

FIRST BANCORPORATION OF OHIO AND SUBSIDIARIES
AVERAGE CONSOLIDATED BALANCE SHEETS

(In thousands except ratios)

<CAPTION>

	Quarters				
	1994	1993			
		4th	3rd	2nd	1st
<S>	<C>	<C>	<C>	<C>	<C>
ASSETS					
Investment securities	\$1,201,541	1,203,833	1,175,230	1,149,905	1,161,204
Federal funds sold	9,977	100,176	79,048	89,433	55,341
Loans less unearned income	2,412,611	2,380,701	2,370,152	2,378,200	2,347,656

Less allowance for possible loan losses	31,828	31,446	30,968	30,515	29,811
Net loans	2,380,783	2,349,255	2,339,184	2,347,685	2,317,845
Total earning assets	3,662,301	3,653,264	3,593,462	3,587,023	3,534,390
Cash and due from banks	215,326	221,541	218,824	172,373	161,175
Premises and equipment, net	69,731	69,355	68,607	68,405	67,897
Accrued interest receivable and other assets	66,659	69,808	78,257	83,611	83,754
	\$4,014,017	4,013,968	3,959,150	3,911,412	3,847,216
LIABILITIES					
Deposits:					
Demand-non-interest bearing	\$ 664,958	691,229	633,426	586,023	548,437
Demand-interest bearing	310,004	303,513	295,097	290,524	282,483
Savings	1,311,267	1,291,935	1,273,293	1,263,823	1,229,775
Certificates and other time deposits	1,127,723	1,148,931	1,191,274	1,216,353	1,235,326
Total deposits	3,413,952	3,435,608	3,393,090	3,356,723	3,296,021
Securities sold under agreements to repurchase and other borrowings	172,393	158,930	148,730	142,238	142,512
Total funds	3,586,345	3,594,538	3,541,820	3,498,961	3,438,533
Accrued taxes, expenses and other liabilities	32,448	32,541	39,263	42,801	45,417
Total liabilities	3,618,793	3,627,079	3,581,083	3,541,762	3,483,950
SHAREHOLDERS' EQUITY	395,224	386,889	378,067	369,650	363,266
	\$4,014,017	4,013,968	3,959,150	3,911,412	3,847,216
RATIOS					
Net income as a percentage of:					
Average assets	1.42%	1.35%	1.42%	1.46%	1.39%
Average shareholders' equity	14.44%	13.97%	14.83%	15.48%	14.71%

5

<TABLE>

FIRST BANCORPORATION OF OHIO AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME

<CAPTION>

	(In thousands except per share data)	
	Quarters Ended March 31,	
	1994	1993
<S>	<C>	<C>
Interest income:		
Interest and fees on loans	\$48,349	50,305
Interest and dividends on securities:		
Taxable	14,997	17,664
Exempt from Federal income taxes	1,958	1,913
Interest on Federal funds sold	651	437
Total interest income	65,955	70,319
Interest expense:		
Interest on deposits:		
Demand-interest bearing	1,696	1,771
Savings	7,673	9,108
Certificates and other time deposits	10,416	12,877
Interest on securities sold under agreements to repurchase and other borrowings	1,164	877
Total interest expense	20,949	24,633
Net interest income	45,006	45,686
Provision for possible loan losses	1,298	1,920
Net interest income after provision for possible loan losses	43,708	43,766

Other income:		
Trust department income	3,516	2,448
Service charges on depositors' accounts	4,994	5,194
Credit card fees	1,877	1,793
Securities gains-net	(28)	(51)
Other operating income	4,329	3,700
	-----	-----
Total other income	14,688	13,084
	-----	-----
	58,396	56,850
	-----	-----
Other expenses:		
Salaries, wages, pension and employee benefits	19,847	19,150
Net occupancy expense	3,450	2,915
Equipment expense	2,242	2,429
Other operating expense	12,781	13,188
	-----	-----
Total other expenses	38,320	37,682
	-----	-----
Income before Federal income taxes	20,076	19,168
Federal income taxes	6,003	5,989
	-----	-----
Net income	14,073	13,179
	-----	-----
Per share data based on average number of shares outstanding:		
Net income	.56	.52
Dividends paid	.24	.22
Weighted average number of shares outstanding	25,256,288	25,201,412

</TABLE>

6

<TABLE>

FIRST BANCORPORATION OF OHIO AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

Year Ended December 31, 1993 and
Three Months Ended March 31, 1994

<CAPTION>

	(In thousands)				
	Common Stock	Surplus	Net unrealized holding gains (losses) on available for sale securities	Retained Earnings	Total Shareholders' Equity
	-----	-----	-----	-----	-----
<S>	<C>	<C>	<C>	<C>	<C>
Balance at December 31, 1992	\$41,993	40,371	-	275,901	358,265
Net Income	-	-	-	55,205	55,205
Cash dividends (\$.90 per share)	-	-	-	(22,683)	(22,683)
Stock options exercised	854	-	-	-	854
Elimination of par value	40,371	(40,371)	-	-	-
	-----	-----	-----	-----	-----
Balance at December 31, 1993	83,218	-	-	308,423	391,641
Net Income	-	-	-	14,073	14,073
Cash dividends (\$.24 per share)	-	-	-	(5,948)	(5,948)
Stock options exercised	206	-	-	-	206
Market adjustment investment securities	-	-	(4,262)	-	(4,262)
	-----	-----	-----	-----	-----
Balance at March 31, 1994	\$83,424	-	(4,262)	316,548	395,710
	-----	-----	-----	-----	-----

</TABLE>

7

<TABLE>

FIRST BANCORPORATION OF OHIO AND SUBSIDIARIES
Consolidated Statements of Cash Flows
Three Months Ended March 31, 1994 and 1993

<CAPTION>

(In thousands)

	1994	1993
<S>	<C>	<C>
OPERATING ACTIVITIES		
Net income	\$14,073	13,179
Adjustments to reconcile net income to net cash provided by operating activities:		
Provision for loan losses	1,298	1,920
Provision for depreciation	1,672	1,588
Amortization of investment security premiums, net	(557)	771
Amortization of income for lease financing	(1,271)	(485)
Loss on sales of investment securities, net	28	51
Deferred income taxes	301	(665)
Increase in interest receivable	(1,839)	(1,708)
Decrease in interest payable	(251)	(314)
Amortization of values ascribed to acquired intangibles	813	817
Other increases (decreases)	2,833	(1,995)
	17,100	13,159
NET CASH PROVIDED BY OPERATING ACTIVITIES		
Investing Activities		
*Proceeds from sales of investment securities held to maturity	145	5,607
Proceeds from sales of investment securities available for sale	14,901	-
*Proceeds from maturities of investment securities held to maturity	97,679	102,184
Proceeds from maturities of investment securities available for sale	19,772	-
*Purchases of investment securities held to maturity	(56,772)	(76,706)
Purchases of investment securities available for sale	(71,809)	-
Net (increase) decrease in short-term investments	(17,828)	29,037
Net increase in loans	(42,377)	(53,436)
Purchases of assets to be leased	(25,910)	(7,191)
Principal payments received under leases	6,366	2,235
Purchases of premises and equipment	(2,697)	(3,666)
Sales of premises and equipment	164	1,181
	(78,366)	(755)
NET CASH USED BY INVESTING ACTIVITIES		
Financing Activities		
Net increase (decrease) in demand, NOW and savings deposits	17,718	(62,856)
Net increase (decrease) in time deposits	30,448	(1,184)
Net increase in short-term borrowings	25,717	6,061
Cash dividends	(5,948)	(5,415)
Proceeds from exercise of stock options	206	295
	68,141	(63,099)
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES		
Increase (decrease) in cash and cash equivalents	6,875	(50,695)
Cash and cash equivalents at beginning of year	222,260	210,890
Cash and cash equivalents at end of period	\$229,135	160,195
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid during the year for:		
Interest, net of amount capitalized	\$13,485	15,358
Income taxes	0	2,350

<FN>
 *Note - The investment portfolio was not classified as held to maturity or available for sale until fiscal year beginning 1994. The investment securities cash flow information for fiscal year 1993 is classified as held to maturity in the above analysis.
 </TABLE>

<TABLE>

ITEM 2 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS
 Average Consolidated Balance Sheet, Fully-tax Equivalent Interest Rates and

Interest Differential
(Dollars in thousands)

<CAPTION>

	Quarters ended March 31,			Year ended December 31,		
	1994			1993		
	Average Balance	Interest	Average Rate	Average Balance	Interest	Average Rate
<S>	<C>	<C>	<C>	<C>	<C>	<C>
ASSETS						
Investment securities	\$1,201,541	17,909	5.96%	1,172,043	78,166	6.67%
Federal funds sold	79,977	651	3.30%	84,077	2,596	3.09%
Loans, net of unearned income	2,412,611	48,635	8.18%	2,369,361	202,203	8.53%
Less allowance for possible loan losses	31,828	-		30,690		
Net loans	2,380,783	48,635	8.28%	2,338,671	202,203	8.65%
Cash and due from banks	215,326	-	-	214,963	-	-
Other assets	136,390	-	-	148,479	-	-
Total assets	\$4,014,017	66,935	-	3,958,233	282,965	-
LIABILITIES AND SHAREHOLDERS' EQUITY						
Deposits:						
Demand-						
non-interest bearing	\$ 664,958	-	-	639,265	-	-
Demand-						
interest bearing	310,004	1,696	2.22%	293,153	6,903	2.35%
Savings	1,311,267	7,673	2.37%	1,265,424	34,440	2.72%
Certificates and other time deposits	1,127,723	10,416	3.75%	1,197,040	47,983	4.01%
Total deposits	3,413,952	19,785	2.35%	3,394,882	89,326	2.63%
Federal funds purchased, securities sold under agreements to repurchase and other borrowings	172,393	1,164	2.74%	148,822	3,905	2.62%
Other liabilities	32,448	-	-	38,814	-	-
Shareholders' equity	395,224	-	-	375,715	-	-
Total liabilities and shareholders' equity	\$4,014,017	20,949	-	3,958,233	93,231	-
Total earning assets	\$3,662,301	66,935	7.41%	3,594,791	282,965	7.87%
Total interest bearing liabilities	\$2,921,387	20,949	2.91%	2,904,439	93,231	3.21%
Net yield on earning assets		46,986	5.09%		189,734	5.28%
Interest rate spread			4.50%			4.66%

</TABLE>

<TABLE>

<CAPTION>

	Quarters ended March 31,		
	1993		
	Average Balance	Interest	Average Rate
<S>	<C>	<C>	<C>
ASSETS			
Investment securities	1,161,204	20,487	7.16%
Federal funds sold	55,341	437	3.20%
Loans, net of unearned income	2,347,656	50,653	8.75%
Less allowance for possible loan losses	29,811	-	
Net loans	2,317,845	50,653	8.86%
Cash and due from banks	161,175	-	-
Other assets	151,651	-	-
Total assets	3,847,216	71,577	-
LIABILITIES AND SHAREHOLDERS' EQUITY			
Deposits:			
Demand-			
non-interest bearing	548,437	-	-
Demand-			
interest bearing	282,483	1,771	2.54%
Savings	1,229,775	9,108	3.00%
Certificates and other time deposits	1,235,326	12,877	4.23%

Total deposits	3,296,021	23,756	2.92%
Federal funds purchased, securities sold under agreements to repurchase and other borrowings	142,512	877	2.50%
Other liabilities	45,417	-	
Shareholders' equity	363,266	-	
Total liabilities and shareholders' equity	3,847,216	24,833	-
Total earning assets	3,534,390	71,577	8.21%
Total interest bearing liabilities	2,890,096	24,633	3.46%
Net yield on earning assets		46,944	5.39%
Interest rate spread			4.76%

<FN>

*Interest income on tax-exempt securities and loans have been adjusted to a fully taxable equivalent basis.

*Non-accrual loans have been included in the average balances.

</TABLE>

9

RESULTS OF OPERATIONS

First Bancorporation of Ohio's net income for the quarter ended March 31, 1994 was \$14,073,000 compared to \$13,179,000 for the same period one year ago. Net income for the first quarter of 1994 increased 6.8% compared to the first quarter of 1993.

Return on average assets equaled 1.42% for the first quarter of 1994 compared to 1.39% for the same quarter one year ago. The first quarter of 1994 return on average equity was 14.44% compared to 14.71% in 1993. The Corporation's performance as measured by return on average equity is significantly affected by its strong capital base which provides a measure of safety to shareholders and depositors.

On a per share basis, net income for the quarter ended March 31, 1994 was \$.56 per share compared to \$.52 per share one year ago an increase of \$.04 per share. The components of change in per share income for the quarters ended March 31, 1994 and 1993 are summarized in the following table.

<TABLE>

<CAPTION>

CHANGES IN EARNINGS PER SHARE

Three
Months Ended
March 31,
1994/1993

<S>	<C>
Net income for the quarter and three months ended March 31, 1993	\$.52
Increases (decreases) attributable to:	
Net interest income- taxable equivalent	(.04)
Provision for possible loan loss	.02
Other income	.07
Other expenses	(.02)
Federal income taxes- taxable equivalent	.01

Net change in net income	.04

Net income for the quarter ended March 31, 1994	\$.56
	=====

</TABLE>

NET INTEREST INCOME

Net interest income, the Corporation's principal source of earnings, is the difference between the interest income generated by earning assets (primarily loans and investment securities) and the total interest paid on interest bearing funds (deposits and other borrowings). For the purpose of this discussion, net interest income is presented on a fully-taxable equivalent (FTE) basis, to provide a comparison among types of interest earning

10

assets. Interest on tax-free securities and tax-exempt loans has been restated as if such interest was taxed at the statutory Federal income tax rate of 35%, adjusted for the non-deductible portion of interest expense incurred to acquire the tax-free assets.

Net interest income FTE for the quarter ended March 31, 1994 was \$46,259,000 compared to \$46,944,000 for the same period one year ago, a decrease of \$685,000 or 1.0%.

As summarized in the schedule below, the increase in total interest income FTE of \$4,369,000 was affected by the lower market interest rates which reduced the yield on earning assets from 8.21% one year ago to 7.44% for the first quarter of 1994. Interest on loans and investment securities decreased \$3,315,000 and \$3,179,000 respectfully due to lower interest rates.

CHANGES IN NET INTEREST DIFFERENTIAL -
FULLY-TAX EQUIVALENT RATE/VOLUME ANALYSIS
(Dollars in thousands)

<TABLE>

<CAPTION>

	Three months ended March 31, 1994 and 1993		
	Increase (Decrease) Interest Income/Expense		
	Volume	Yield Rate	Total
<S>	<C>	<C>	<C>
INTEREST INCOME			
Investment securities	\$ 592	(3,179)	(2,578)
Loans	1,310	(3,315)	(2,005)
Federal funds sold	201	13	214
	-----	-----	-----
Total interest income	\$2,112	(6,481)	(4,369)
INTEREST EXPENSE			
Interest on deposits:			
Demand-interest bearing	\$ 151	(226)	(75)
Savings	477	(1,912)	(1,435)
Certificates and other time deposits	(994)	(1,467)	(2,461)
Federal funds purchased, securities sold under agreements to repurchase and other borrowings	202	85	287
	----	----	----
Total interest expense	\$ (164)	(3,520)	(3,684)
	-----	-----	-----
Net interest income	\$2,276	(2,961)	(685)
	=====	=====	=====

</TABLE>

As lower market interest rates reduced the yield on earning assets, it also reduced the Corporation's cost of funds. The average rate for interest bearing liabilities was 2.91% for the first quarter of 1994 compared to 3.46% for the same period one year ago. The decrease in interest expense due to lower interest rates affected all categories of interest bearing deposits as summarized in the previous schedule. As interest rates continued to decline, funds shifted from certificates of deposits to the more liquid savings and demand deposits. Total interest expense for the quarter ended March 31, 1994 was down \$3,684,000 compared to the same period one year ago.

11

NET INTEREST MARGIN

The net interest margin, net interest income FTE divided by average earning assets, is affected by changes in the level of earning assets, the proportion

of earning assets funded by non-interest bearing liabilities, the interest rate spread, and changes in the corporate tax rates. A meaningful comparison of the net interest margin requires an adjustment for the changes in the statutory Federal income tax rate noted above. The schedule below shows the relationship of the tax equivalent adjustment and the net interest margin.

<TABLE>

NET INTEREST MARGIN (IN THOUSANDS)

<CAPTION>

	Quarters Ended	
	1994	1993
Net interest income per financial statements	\$ 45,006	45,686
Tax equivalent adjustment	1,253	1,258
Net interest income-FTE	\$ 46,259	46,944
Average Earning Assets	\$3,662,301	3,534,390
Net Interest Margin	5.12%	5.39%

</TABLE>

The Tax Reform Act of 1986 reduced the tax benefit available to banks acquiring tax exempt assets which has resulted in the reduction of the tax-equivalent adjustment since the Act's adoption.

Average loans outstanding increased 2.8% to \$2,412,611,000 compared to \$2,347,656,000 in 1993. Average loans outstanding represent 65.9% of average earning assets compared to 66.4% in 1993.

Average certificates and other time deposits have decreased from 42.7% of total interest bearing funds in the first quarter of 1993 to 38.6% in the first quarter of 1994, while average savings deposits increased from 42.6% in the first quarter of 1993 to 44.9% in the respective period in 1994.

Interest bearing liabilities funded 79.8% of average earning assets for the first quarter of 1994 compared to 81.8% one year ago. Maximizing the use of non interest liabilities helps reduce the cost of funds, thus improving the net interest margin.

NON INTEREST INCOME

Non interest income for the quarter ended March 31, 1994 was \$14,688,000 compared to \$13,084,000 for the same period one year ago, an increase of 12.3%.

Trust fees increased \$1,068,000 in the first quarter of 1994 compared to the same period one year ago or \$3,516,000 compared to \$2,448,000 from one year ago. Credit card fees totaled \$1,877,000, up 4.7% compared to one year ago; other income \$4,329,000, up 17.0%; and service charges total \$4,994,000 down 3.9%. The

12

Corporation continues to examine new sources of non-interest income as well as the current pricing of existing products and services which provide a source of revenues not sensitive to the interest rate environment.

NON INTEREST EXPENSE

Non-interest expense was \$38,320,000 for the first quarter of 1994 compared to \$37,682,000 for the same quarter of 1993, an increase of 1.7%. Salaries and benefits increased 3.6% in the quarter ended March 31, 1994 compared to the same period one year ago, or \$19,847,000 compared to \$19,150,000, and represented 51.8% of the first quarter total operating expenses compared to 50.8% in 1993.

Management is of the opinion that all necessary adjustments have been made to the financial statements in order to fairly present the results of operations of the Corporation for the three month periods ended March 31, 1994 and 1993.

13

FINANCIAL CONDITIONS

INVESTMENT SECURITIES

In May 1993, the Financial Accounting Standards Board issued Statement No. 115, "Accounting for Certain Investments in Debt and Equity Securities". The

statement requires debt and equity securities to be classified as held-to-maturity, available-for-sale, or trading. Securities classified as held-to-maturity are measured at amortized or historical cost, securities available-for-sale and trading at fair value. Adjustment to fair value of the securities available-for-sale, in the form of unrealized holding gains and losses, is excluded from earnings and reported as a net amount in a separate component of shareholders' equity. Adjustment to fair value of securities classified as trading is included in earnings. This statement becomes effective in 1994.

To comply with SFAS #115, the Corporation placed its core investment portfolio in held to maturity and its remaining investments into available for sale. The core portfolio is held till maturity and should provide the Corporation with earnings and liquidity over a relatively wide band of interest rate movements. The available for sale portfolio represents those non-core segments of the portfolio that under certain circumstances and interest rate scenarios flexibility relative to disposition is prudent. The Corporation's entire investment portfolio is considered to be of high quality and compliance with SFAS #115 should not be interpreted to signal a change in the Corporation's investment strategy of focusing on high quality investments that provide earnings, liquidity and assist in asset/liability management. The Corporation does not engage in the trading of investment securities.

The book value and market value of investment securities classified as held-to-maturity are as follows:

<TABLE>
<CAPTION>

	March 31,			
	1994			
	Book Value	Gross Unrealized Gains	Gross Unrealized Losses	Market Value
<S>	<C>	<C>	<C>	<C>
U.S. Treasury securities and U.S. Government agency obligations	\$482,538	3,020	4,472	481,086
Obligations of state and political subdivisions	150,104	2,610	525	152,189
Mortgage-backed securities	107,659	3,157	411	110,405
Other securities	36,095	343	91	36,347
	\$776,396	9,130	5,499	780,027

</TABLE>
<TABLE>
<CAPTION>

	Book Value	Market Value
<S>	<C>	<C>
Due in one year or less	\$179,231	180,753
Due after one year through five years	377,305	378,274
Due after five years through ten years	80,228	80,714
Due after ten years	139,632	140,286
	\$776,396	780,027

</TABLE>
The book value and market value of investment securities classified as available-for-sale are as follows:

<TABLE>
<CAPTION>

	March 31,			
	1994			
	Book Value	Gross Unrealized Gains	Gross Unrealized Losses	Market Value
<S>	<C>	<C>	<C>	<C>
U.S. Treasury securities and U.S. Government agency obligations	\$322,095	863	6,508	316,450
Obligations of state and political subdivisions	-	-	-	-

Mortgage-backed securities	78,664	571	979	78,256
Other securities	29,130	19	243	28,906
	-----	-----	-----	-----
	\$429,889	1,453	7,730	423,612

</TABLE>
<TABLE>
<CAPTION>

	Book Value	Market Value
<S>	<C>	<C>
Due in one year or less	\$ 5,050	5,043
Due after one year through five years	95,329	94,142
Due after five years through ten years	7,850	7,878
Due after ten years	321,660	316,547
	-----	-----
	\$429,889	423,612

</TABLE>

14

The book value and market value of investment securities including mortgage-backed securities and derivatives at March 31, 1994, by contractual maturity, are shown above. Expected maturities will differ from contractual maturities based on the issuers' right to call or prepay obligations with or without call or prepayment penalties.

The carrying value of investment securities pledged to secure trust and public deposits and for purposes required or permitted by law amounted to approximately \$619,223,000 at March 31, 1994, \$602,694,000 at December 31, 1993 and \$555,708,000 at March 31, 1993.

As noted in prior periods, securities with remaining maturities over five years reflected in the foregoing schedule consist largely of mortgage and asset backed securities. This is part of a strategy to maximize future earnings. While the contractual maturities of these mortgages and asset backed securities are beyond five years, these instruments provide periodic principal payments and include securities with adjustable interest rates, reducing the interest rate risk associated with longer term investments.

LOANS

Total loans outstanding at March 31, 1994 amounted to \$2,458,931,000 compared to \$2,396,463,000 at December 31, 1993 and \$2,379,474,000 at March 31, 1993. Loan demand was somewhat stronger during the first quarter as uncertainty about the economy and interest rates continued. Loans showed an increase since year end 1993 of \$62,468,000 for an annualized growth rate of approximately 10%. The loan to deposit ratio at March 31, 1994 equaled 70.8% compared to 69.9% and 71.7% at December 31, 1993 and March 31, 1993, respectively.

15

ASSET QUALITY

Total non performing assets (non-accrual and restructured and other real estate owned) amounted to \$18,159,000 at March 31, 1994 or .74% of total loans outstanding. At December 31, 1993 non performing assets equaled .74% of total loans or \$17,701,000 compared to 1.28% or \$30,462,000 at March 31, 1993.

<TABLE>
<CAPTION>

(In thousands)

	March 31, 1994	December 31, 1993	March 31, 1993
<S>	<C>	<C>	<C>
Non-accrual loans	\$12,406	9,495	15,862
Restructured loans	1,905	3,926	2,359
Other real estate owned	3,848	4,280	12,241
	-----	-----	-----
	\$18,159	17,701	30,462
	=====	=====	=====
Past due loans (90 days or more)	\$ 1,703	2,830	6,723
	=====	=====	=====
Total non-performing assets as a percent of total loans	.74%	.74%	1.28%
	=====	=====	=====

</TABLE>

As of this report, there were no loans outstanding which in total could be considered a concentration of lending in any particular industry or group of industries. Most of the Corporation's business activity is with customers located within the state of Ohio.

ALLOWANCE FOR LOAN LOSSES

The allowance for possible loan losses at March 31, 1994 amounted to \$31,795,000 or 1.29% of total loans outstanding compared to \$31,221,000 or 1.30% at December 31, 1993 and \$29,932,000 at March 31, 1993 or 1.26%.

<TABLE>
<CAPTION>

(In thousands)			
	March 31, 1994	December 31, 1993	March 31, 1993
<S>	<C>	<C>	<C>
Balance at beginning of year	\$31,221	29,193	29,193
Provision charged to operating expenses	1,298	6,594	1,920
Loans charged off	1,664	8,565	1,916
Recoveries on loans previously charged off	940	3,999	735
	----- \$31,795 =====	----- 31,221 =====	----- 29,932 =====
Net charge offs as a percent of average loans	.12%	.19%	.20%
Allowance for possible loan losses:			
As a percent of loans outstanding at end of period	1.29%	1.30%	1.26%
As a multiple of net charge offs	10.83X	6.84X	6.25X

The Credit Risk Management Division of the Corporation is responsible for determining the adequacy of the allowance for possible loan losses through internal review, analysis of delinquency trends and ratios, changes in the composition and level of various loan categories, historical loss experience, and current economic conditions.

DEPOSITS

The following schedule illustrates the change in composition of the average balances of deposits and average rates paid for the noted periods.

<TABLE>
<CAPTION>

(Dollars in Thousands)						
Three Months Ended and Year Ended						
	March 31, 1994		December 31, 1993		March 31, 1993	
	Average Balance	Average Rate	Average Balance	Average Rate	Average Balance	Average Rate
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Demand deposits - non-interest bearing	\$ 664,958	-	639,265	-	548,437	-
Demand deposits - interest bearing	310,004	2.22%	293,153	2.35%	282,483	2.54%
Savings deposits	1,311,267	2.37	1,265,424	2.72	1,229,775	3.00
Certificates and other time deposits	1,127,723	3.75	1,197,040	4.01	1,235,326	4.23
	----- \$3,413,952 =====	2.35	3,394,882	2.63	3,296,021	2.92

</TABLE>

The following table summarizes the certificates and other time deposits in amounts of \$100,000 or more as of March 31, 1994 by time remaining until maturity.

<TABLE>
<CAPTION>

	Amount
<S>	<C>
Maturing in:	
Under 3 months	\$101,922
3 to 12 months	26,922
Over 12 months	22,166

	\$151,010
	=====

</TABLE>

17

CAPITAL RESOURCES

Shareholders' equity at March 31, 1994 totaled \$395,710,000 compared to \$391,641,000 at December 31, 1993 and \$366,324,000 at March 31, 1993.

The following table reflects the various measures of capital:

<TABLE>
<CAPTION>

	As Of March 31, 1994		As Of December 30, 1993		As Of March 31, 1993	
<S>	<C>	<C>	<C>	<C>	<C>	<C>
In millions						
Total equity	\$395,710	9.68%	391,641	9.80%	366,324	9.46%
Common equity	395,710	9.68%	391,641	9.80%	366,324	9.46%
Tangible common equity (a)	377,612	9.28%	372,709	9.37%	344,889	8.96%
Tier 1 capital (b)	385,871	15.25%	381,356	15.22%	354,636	13.95%
Total risk-based capital (c)	417,666	16.51%	412,577	16.46%	384,568	15.13%
Leverage (d)	385,871	9.64%	381,356	9.53%	354,636	9.25%

<FN>

(a) Common equity less all intangibles; computed as a ratio to total assets less intangible assets.

(b) Shareholders equity less goodwill; computed as a ratio to risk-adjusted assets, as defined in the 1992 risk-based capital guidelines.

(c) Tier 1 capital plus qualifying loan loss allowance, computed as a ratio to risk-adjusted assets, as defined in the 1992 risk-based capital guidelines.

(d) Tier 1 capital; computed as a ratio to the latest quarters average assets less goodwill.

</TABLE>

The risk-based capital guidelines issued by the Federal Reserve Bank in 1988 require banks to maintain capital equal to 8% of risk-adjusted assets effective December 31, 1993. At March 31, 1994 the Corporation's risk-based capital equaled 16.51% of risk-adjusted assets, far exceeding the minimum guidelines.

The cash dividend of \$.235 paid in the first quarter has an indicated annual rate of \$.94 per share.

18

ITEM 5. OTHER INFORMATION

On September 28, 1993 the Corporation entered into a definitive agreement for the acquisition of Great Northern Financial Corporation of Barberton, Ohio. This acquisition was completed on April 22, 1994.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

No form 8-K was filed during period for which this report was filed.

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

<TABLE>
<S>

<C>
FIRST BANCORPORATION OF OHIO
(Registrant)

By: Gary J. Elek

Signature
GARY J. ELEK
Senior Vice President/Treasurer
Authorized to sign for the
Corporation

By: Gary J. Elek

Signature
GARY J. ELEK
Senior Vice President/Treasurer
Principal Financial Officer and
Principal Accounting Officer

Date: May 11, 1994
</TABLE>