



05

SUMMARY ANNUAL REPORT

moving forward

strategy

05

forward thinking

enhancing experiences

focused on growing

FOCUS GENERATES RESULTS



German American Bancorp®

*Strong Ties.
Strong Solutions.*

OUR MISSION

Building relationships that are mutually beneficial
to our clients and our stakeholders.



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German American Bancorp[®]

*Strong Ties.
Strong Solutions.*



*"Concentrate all your thoughts upon the work at hand.
The sun's rays do not burn until brought to a focus."*

– ALEXANDER GRAHAM



our vision

German American Bancorp will build a regional presence offering a full array of integrated financial products and services. We will always be mindful of our community roots and the importance of enhancing and growing the relationships we have with our shareholders, customers, employees and communities.

Moving forward in our focus on executing a continuing strategy, because there is strength in numbers and in diversity, we will create new opportunities for growth among German American Bancorp stakeholders to share in the success of their Company.

As trends continue to evolve and have transforming effects on German American Bancorp's expansion, to move forward requires a new awareness and new approaches that challenge us to "think outside of the box" to generate our desired results.

FOCUS GENERATES RESULTS



German American Bancorp[®]

*Strong Ties.
Strong Solutions.*



MARK A. SCHROEDER
President and CEO of German American Bancorp

DEAR SHAREHOLDERS

We're very pleased to convey in this 2005 Summary Annual Report that your Company achieved record performance during the year, both in terms of net income and earnings per share. The theme of this year's Summary Annual Report- "Focus Generates Results"- appropriately builds upon last year's Summary Annual Report message of "Focused on our Core Strengths". Our record level of financial performance during 2005 was the direct result of our steadfast commitment to and unwavering focus on the development of those critical operating fundamentals which we believe will enhance long-term shareholder value. Those efforts, put forth in 2005 and in the past several years, culminated in the achievement of these record results. It is extremely gratifying for our GABC team to have been able to deliver this record financial performance for the benefit of you, our shareholders. I will address several of our key accomplishments throughout the balance of my letter to shareholders and encourage you to review our 2005 results of operations in further detail in this Summary Annual Report and in our SEC 10-K Report.

During 2005, we reported the fourth consecutive year of record levels of revenue generated from our trust and investment advisory services and from our insurance operations. As a result of the operations of our two

principal non-banking subsidiaries, German American Financial Advisors & Trust Company and German American Insurance, Inc., our percentage of revenue generated from these specific areas of non-interest income sources ranks our organization near the top of similarly-sized banking companies nationwide. The creation and development of this strong and stable revenue component should continue to grow in importance in the coming years as we further expand these segments of our business, both geographically and across a broader spectrum of our existing customer base.

2005 was likewise a very good year in terms of improved operating fundamentals within our core banking segment. The dollar value of our net interest income earned during 2005 was the highest level reported since 2000 and our net interest margin of 3.92% was our highest level since 1998. Again, these very strong operating results were the fulfillment of our efforts to maintain a long-term perspective during recent years' historical low levels of interest rates. We positioned your Company to be poised to take advantage of the opportunities we believed would occur in a stronger and more normal economic environment. Clearly, our long-term perspective and prior years' balance sheet positioning was rewarded during this past year.

Additionally, our continued focus on expansion of our commercial banking capabilities resulted in the eighth consecutive year of growth within the Company's portfolio of commercial/agricultural loans while our retail loan portfolio, consisting of residential mortgage loans and consumer loans, also demonstrated improvement in dollars outstanding. Within the funding portion of our balance sheet, transaction account deposits continued to demonstrate solid growth. This important component of our source of funds, which generally carry a much lower cost than other funding sources, is a key driver of the overall franchise value of our banking network.

During this past year, we successfully completed the acquisition of Peoples Community Bank of Tell City, Indiana on October 1, 2005 and Stone City Bank of Bedford, Indiana on January 1, 2006. We also purchased approximately 10% of the common stock of Eclipse Bank, a community-based bank serving the St.

Matthews area of the Louisville, Kentucky market and a similar ownership stake in Symphony Bancorp, the parent company of Symphony Bank which serves the Northern Indianapolis and Carmel, Indiana markets in Marion and Hamilton Counties. Our investments in community banks within select metropolitan markets provide us with a means to garner access to local banking expertise and expanded lending opportunities within these larger market areas. It is our current intent to continue to proactively seek partnerships with like-minded community-based financial institutions and insurance agencies within and adjacent to our existing geographic footprint.

At this year's Annual Meeting in April, Joe Steurer, a long-time member of our Board of Directors, will be retiring as an active board member. Joe has diligently and faithfully served the shareholders of German American for over 20 years, having been a board member since 1983. While we will miss Joe's counsel and expertise, we wish him all the best in his well-deserved retirement. In anticipation of Mr. Steurer's retirement, the Board of Directors nominated Richard E. Forbes for election to the Board at this year's Annual Meeting. Rich currently serves as President & CEO of MasterBrand Cabinets, Inc., one of the largest employers in our market area. In

anticipation of Rich's election to the Board, we welcome him to the German American family and look forward to benefiting from his business insight and savvy as the newest member of the German American Bancorp Board of Directors.

In closing, I would like to thank our officers and staff for all their hard work and efforts, not only over the course of the past year but also over the past several years. It is their commitment and dedication that has built the foundation for the record earnings we've enjoyed in 2005. I would also like to thank each of you, our shareholders. We are very thankful for your loyalty and dedication as shareholders, and remain confident that the strength of this past year's record financial performance, coupled with our expectations for strong future performance and our stock's very attractive dividend yield, will positively impact our long-term stock performance.

Sincerely,

Mark A. Schroeder
President and Chief Executive Officer
March 10, 2006

TO OUR SHAREHOLDERS



German American Bancorp®

*Strong Ties.
Strong Solutions.*



"I find the great thing in this world is, not so much where we stand, as in what direction we are moving."

– JOHANN WOLFGANG VON GOETHE





German American Bancorp and its family of financial services companies employ talented, compassionate people throughout the organization, truly making German American special. We are large enough to serve the most sophisticated customer needs while being as customer-focused and agile as smaller organizations. Our customers benefit from the best of both worlds. Our employees bring relationship banking, with a community focus, to life each and every time they interact with customers. Whether we are helping a family plan for a comfortable retirement, or helping parents add on a baby's room to the house, we find great joy in serving our customers.

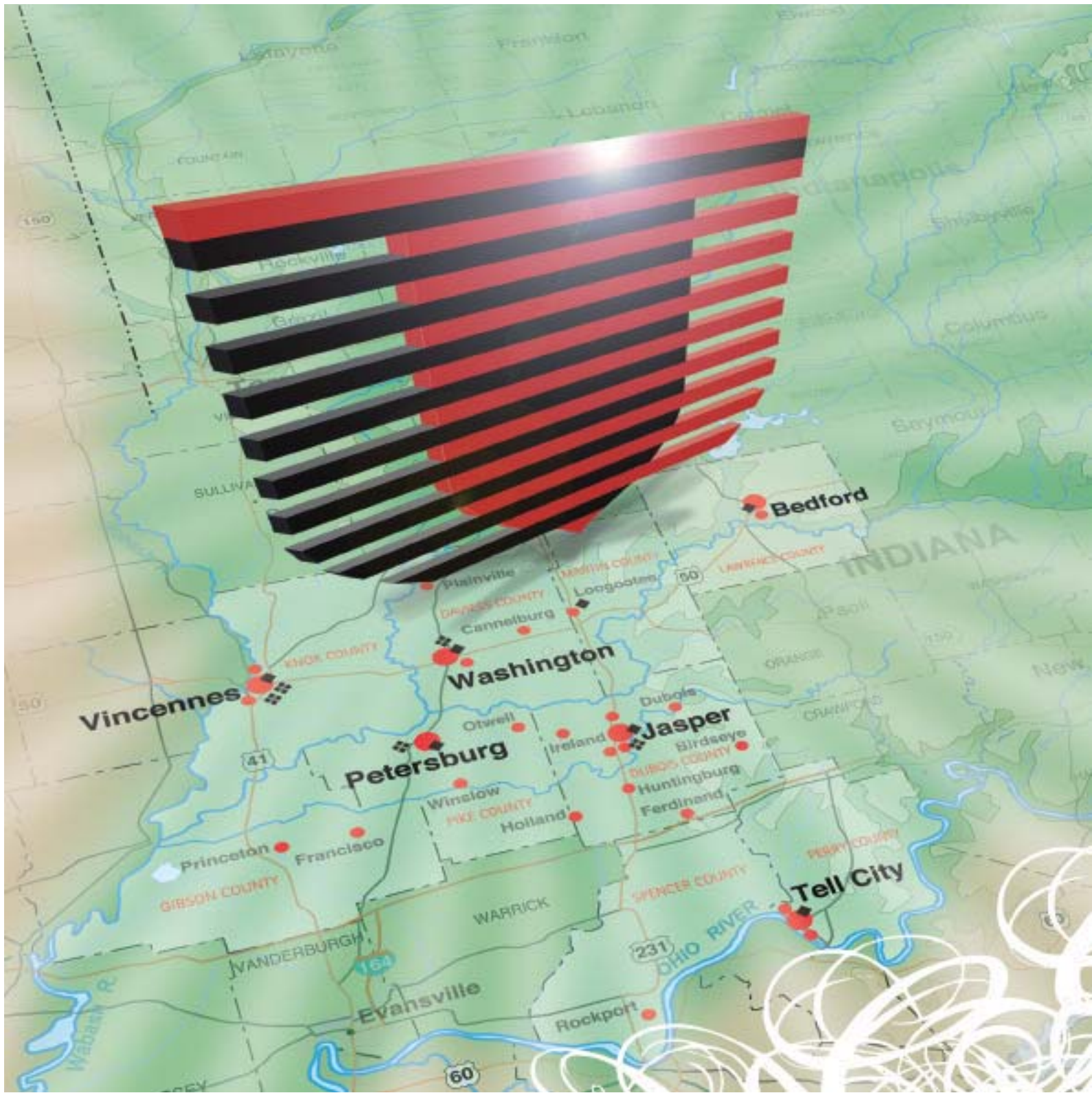
Located in Southern Indiana, German American Bancorp's community banking roots are firmly planted throughout the communities we serve. We understand that our organization has a responsibility and an opportunity to help build a healthy regional economy. The markets served provide a diverse regional economy that supports manufacturing, agriculture, tourism, retail, and a variety of service industries. German American and its family of affiliated financial services companies provide the necessary funding and financial management for all types of local businesses. For all types of families and individuals in the area as well, German American takes great pride in offering home ownership and financial planning.

Moving forward -
OUR EMPLOYEES, OUR COMMUNITIES



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"Change is inevitable, growth is intentional."

– GLENDA CLOUD





German American Bancorp's family of affiliated financial services companies each have local leadership in their respective markets. The local leadership allows our organization to make specific, timely decisions that benefit the customers and communities served in those markets. Plus, the local leadership has the resources of a holding company with nearly \$1 billion in assets supporting them. We are large enough to serve the most sophisticated clients, and small enough to do so very quickly with a personal touch. Our local leadership has proven especially powerful for commercial lending growth. Business and agriculture customers appreciate our responsive decision-making by people they know and trust.

LOCAL LEADERSHIP AND DECISION-MAKING



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OUR BOARD OF DIRECTORS

German American Bancorp's Board of Directors, and those at our local community banks, are very active and successful community leaders. Our directors take their role of corporate governance and oversight very seriously; we feel that is a tremendous strength for our organization.

The loyalty of our shareholders is frequently made apparent when we assist with shares that have been passed from generation to generation. This loyalty and allegiance to German American is greatly appreciated and recognized as something that must be earned.

Our directors and management team take every step to ensure that we fully evaluate our opportunities to enhance shareholder value while maintaining a very prudent approach.

"Leadership and learning are indispensable to each other."

– JOHN FITZGERALD KENNEDY





DOUGLAS A. BAWEL

Doug is the President and CEO of Jasper Engines and Transmissions of Jasper, Indiana, a position that he has held since 1987. Other business interests include Penske Jasper Engines, Waltrip Jasper Racing, and Dubois County Flight Services. Doug is active in a variety of organizations including Patoka Valley Health Care Cooperative, Friends of Southern Hills, and many more. He was named the Indiana Business Leader of the Year in 2003 and received the Indiana Entrepreneur of the Year Award for Manufacturing in 1997.



CHRISTINA M. ERNST

Chris is the President and Chairman of the Board for Miller Construction Company, Inc., a third generation family business based in Vincennes, Indiana, specializing in the building and maintenance of high voltage power lines for utility companies located throughout the Midwest. Chris holds a Bachelor of Science Degree and a Master of Science Degree from Indiana University. She also serves on the Knox County Community Foundation and the Vincennes University Foundation Boards of Directors.



WILLIAM R. HOFFMAN

Bill is a retired farmer and a director of Patoka Valley Feeds, Inc. Bill was a director for the Bank of Ireland, which was German American Bancorp's first bank merger. Bill has held numerous leadership positions within his church and other civic clubs and organizations throughout the years.

OUR CORPORATE BOARD OF DIRECTORS



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»» **U. BUTCH KLEM**
Butch is president and CEO of U.B. Klem Furniture Company located southeast of Jasper, IN. Butch founded the company in 1973, which specializes in restaurant furniture manufacturing for a variety of national franchisors. He was awarded the Indiana Entrepreneur of the Year Award for Manufacturing in 1995.



»» **J. DAVID LETT**
As a partner with Lett and Jones Attorneys at Law, Dave serves Loogootee and Martin County with his law practice. Dave received his Bachelor of Arts Degree from Franklin College and his Juris Doctor Degree from Thomas M. Cooley School of Law.



»» **GENE C. MEHNE**
Gene holds an Associates Degree from Vincennes University and graduated with distinction with a Bachelor of Science Degree from Purdue University. Gene is President and Manager of Mehne Farms, Inc., which operates in northern Dubois County.



»» **MARK A. SCHROEDER**
Mark Schroeder is the President and CEO of German American Bancorp. Mark earned an Associate of Science Degree in Banking and Finance from Vincennes University, a Bachelor of Science Degree in Financial Management from University of Evansville, and holds a Certified Public Accountant license from the State of Indiana. Mark is also a graduate of the ABA Commercial Lending Graduate School and the ABA Stonier Graduate School of Banking. Mark is a past chairman and a current member of the Board of Directors of the Community Bankers Association of Indiana. Mark also serves on the Board of Directors of the Independent Community Bankers of America, the national trade association for community banking.

"Leadership is the capacity to translate vision into reality."

– WARREN G. BENNIS





»» **LARRY J. SEGER**
 Larry holds his Bachelor of Science Degree in Business Marketing from Indiana University. As the President of Wabash Valley Produce, Larry oversees sales exceeding \$200 million with 800 employees in 7 locations. Larry also serves as the U. S. Egg Marketers President and Chairman.



»» **JOSEPH F. STEURER**
 Joe serves as the Chairman of JOFCO, Inc., a furniture manufacturing company located in Jasper, Indiana, and serves on the Memorial Hospital Board of Directors. Joe earned his Bachelor of Science Degree in Industrial Engineering from St. Louis University.



»» **CHET L. THOMPSON**
 Chet Thompson serves as the President of Thompson Insurance and Thompson Farms, both located in Daviess County, Indiana. Chet attended the University of Evansville and Garrett Theology Seminary. He has held numerous positions within his church and other civic clubs and organizations throughout the years.



»» **MICHAEL J. VOYLES**
 Mike was awarded the Petersburg Pride Good Neighbor Business Award in 2005 for his efforts in giving back to the Petersburg community. Mike is the President of Voyles Supermarket. He earned his Bachelor of Science Degree in Electrical Engineering from Purdue University.

OUR CORPORATE BOARD OF DIRECTORS



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Strong Solutions.*



CITIZENS STATE BANK

Main Office
305 East Main Street
Petersburg, IN 47567
812.354.8471
www.citizensstatebankcsb.com

FIRST AMERICAN BANK

Main Office
Third and Busseron Streets
Vincennes, IN 47591
812.882.4528
www.firstamericanbankfab.com

FIRST STATE BANK

Main Office
645 Main Street
Tell City, IN 47586
812.547.7025
www.firststatebankfsb.com

GERMAN AMERICAN BANK

Main Office
711 Main Street
Jasper, IN 47546
812.482.1314
www.germanamericanbank.com

**GERMAN AMERICAN
FINANCIAL ADVISORS
& TRUST COMPANY**

Main Office
711 Main Street
Jasper, IN 47546
812.482.5808
www.germanamericanbancorp.com

**GERMAN AMERICAN
INSURANCE, INC.**

Main Office
518 East Main Street
Petersburg, IN 47567
812.354.8888
www.germanamericaninsurance.com

PEOPLES BANK

Main Office
201 East Main Street
Washington, IN 47501
812.254.4630
www.peoplesbankpb.com

STONE CITY BANK

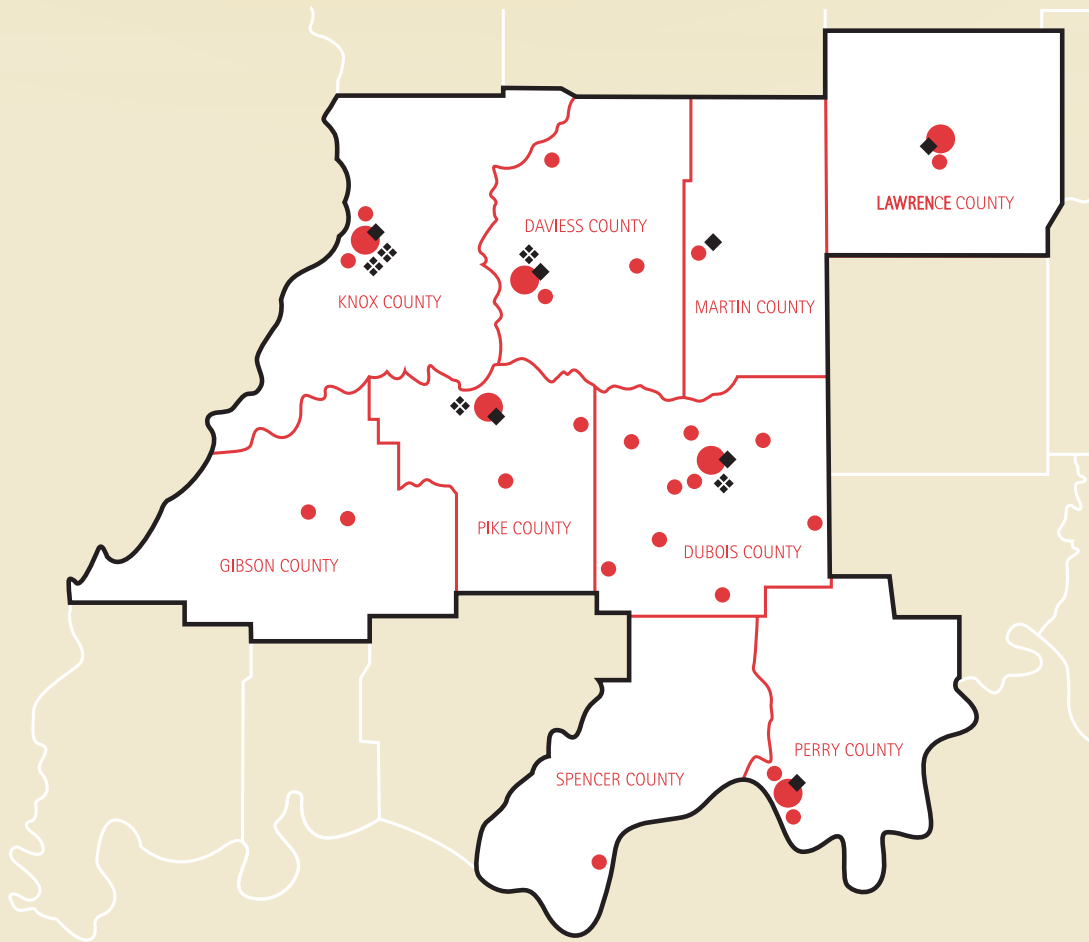
Main Office
1502 I Street
Bedford Indiana 47421
812.279.6604
www.stonecitybank.com

"No steam or gas drives anything until it is confined. No life ever grows great until it is focused, dedicated, disciplined."

– HARRY EMERSON FOSDICK



- BANK LOCATIONS
- ◆ INSURANCE LOCATIONS
- ◆ FINANCIAL ADVISORS LOCATIONS



LOCATIONS



German American Bancorp®

Strong Ties.
Strong Solutions.



"The achievements of an organization are the results of the combined effort of each individual."

– VINCENT THOMAS "VINCE" LOMBARDI





German American Bancorp is headquartered in Jasper, Indiana, and is comprised of six banks (with a total of 29 banking locations), five insurance agency offices, and a financial advisory trust company. German American Bancorp services extend to customers in nine counties throughout Southern Indiana.

Our family of community banks provides leading edge financial products and services to some 60,000 individuals, organizations and businesses. These products and services include a full line of Prestige checking accounts, savings accounts, 24-hour bank by phone, electronic banking, check cards, credit cards, and a complete line of loan services including mortgage, consumer and commercial credit.

Our mortgage banking operation specializes in the origination of secondary market eligible loans. Many mortgage loan customers appreciate the one-stop shopping convenience of our mortgage services combined with the availability of our affiliate title insurance agency.

Our full-service insurance agency offices provide a full range of personal and corporate property and casualty, title, credit life, and accident and health insurance benefits.

Our financial advisor and trust company offers trust, investment and financial planning options to fit the needs of virtually every potential customer, putting money to work for clients at each affiliate bank.

By combining traditional retail and commercial banking, brokerage and trust services, and full service insurance, German American Bancorp creates a unique opportunity for customers to meet a variety of needs with a single relationship.

CORPORATE PROFILE



German American Bancorp[®]

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We have audited in accordance with the standards of the Public Company Accounting Oversight Board (United States) the consolidated balance sheets of German American Bancorp as of December 31, 2005 and 2004, and the related consolidated statements of income, changes in shareholders' equity, and cash flows for each of the three years in the period ended December 31, 2005, appearing in the Annual Report on Form 10-K, not appearing herein. In our report dated February 21, 2006, also appearing in the Annual Report on Form 10-K, we expressed an unqualified opinion on those consolidated financial statements.

In our opinion, the information set forth in the condensed consolidated financial statements presented on pages 20 and 21 is fairly stated in all material respects in relation to the consolidated financial statements from which they have been derived.

Crowe Chizek and Company LLC

Crowe Chizek and Company LLC
Indianapolis, Indiana
February 21, 2006

AUDITOR'S REPORT

FIVE YEAR SUMMARY

The following selected data should be read in conjunction with the company's Annual Report on Form 10-K for 2005 (*dollars in thousands except per share data*).

	2005	2004	2003	2002	2001
Summary of Operations:					
Interest Income	\$ 50,197	\$ 47,710	\$ 50,619	\$ 60,494	\$ 71,069
Interest Expense	17,984	16,471	21,084	28,492	38,917
Net Interest Income	32,213	31,239	29,535	32,002	32,152
Provision for Loan Losses	1,903	2,015	811	1,115	660
Net Interest Income after Provision					
For Loan Losses	30,310	29,224	28,724	30,887	31,492
Non-interest Income	14,194	9,620 ⁽¹⁾	12,934	9,509	9,772
Non-interest Expense	31,448	30,609	32,219 ⁽²⁾	28,967	29,308
Income before Income Taxes	13,056	8,235	9,439	11,429	11,956
Income Tax Expense	3,335	996	1,271	1,987	2,763
Net Income	\$ 9,721	\$ 7,239	\$ 8,168	\$ 9,442	\$ 9,193
Year-end Balances:					
Total Assets	\$ 946,467	\$ 942,094	\$ 925,946	\$ 957,005	\$ 1,015,111
Total Loans, Net of Unearned Income	651,956	629,793	611,866	610,741	657,166
Total Deposits	746,821	750,383	717,133	707,194	726,874
Total Long-term Debt	66,606	69,941	76,880 ⁽²⁾	121,687	156,726
Total Shareholders' Equity	82,255	83,669	83,126 ⁽³⁾	104,519	102,209
Average Balances:					
Total Assets	\$ 925,851	\$ 927,528	\$ 938,992	\$ 1,000,167	\$ 1,014,917
Total Loans, Net of Unearned Income	634,526	622,240	618,340	644,990	704,562
Total Deposits	730,220	731,467	711,310	718,763	718,160
Total Shareholders' Equity	84,479	82,558	87,703 ⁽³⁾	103,301	100,232
Per Share Data⁽⁴⁾:					
Net Income	\$ 0.89	\$ 0.66	\$ 0.73 ⁽³⁾	\$ 0.79	\$ 0.76
Cash Dividends	0.56	0.56	0.53	0.51	0.48
Book Value at Year-end	7.73	7.68	7.60 ⁽³⁾	8.72	8.44
Other Data at Year-end:					
Number of Shareholders	3,494	3,219	3,198	3,299	3,314
Number of Employees	367	372	383	390	422
Weighted Average Number of Shares ⁽⁴⁾	10,890,987	10,914,622	11,176,766 ⁽³⁾	12,007,009	12,093,160
Selected Performance Ratios:					
Return on Assets	1.05 %	0.78 %	0.87 %	0.94 %	0.91 %
Return on Equity	11.51 %	8.77 %	9.31 % ⁽³⁾	9.14 %	9.17 %
Equity to Assets	8.69 %	8.88 %	8.98 % ⁽³⁾	10.92 %	10.07 %
Dividend Payout	62.83 %	84.46 %	73.26 %	64.99 %	63.98 %
Net Charge-offs to Average Loans	0.26 %	0.24 %	0.14 %	0.19 %	0.22 %
Allowance for Loan Losses to Loans	1.42 %	1.40 %	1.35 %	1.36 %	1.27 %
Net Interest Margin	3.92 %	3.86 %	3.61 %	3.67 %	3.61 %

(1) In 2004, the Company recognized a \$3.7 million non-cash pre-tax charge (which reduced Non-interest Income) for the other-than-temporary decline in value of its FHLBC and FNMA preferred stock portfolio.

(2) In 2003, the Company prepaid \$40.0 million of FHLB borrowings within its mortgage banking segment. The prepayment fees associated with the extinguishment of these borrowings totaled \$1.9 million.

(3) In March 2003, the Company purchased 1,110,444 (approximately 9% of the number of shares that were then outstanding) of its common shares at \$19.05 per share pursuant to a self tender offer at a total cost, including fees and expenses incurred in connection with the offer, of approximately \$21.4 million.

(4) Share and Per Share Data has been retroactively adjusted to give effect for stock dividends and excludes the dilutive effect of stock options.

CONSOLIDATED BALANCE SHEETS

DOLLARS IN THOUSANDS, EXCEPT PER SHARE DATA

	December 31,	
	2005	2004
ASSETS		
Cash and Due from Banks	\$ 27,644	\$ 23,312
Federal Funds Sold and Other Short-term Investments	5,287	24,354
Cash and Cash Equivalents	32,931	47,666
Securities Available-for-Sale, at Fair Value	181,150	181,676
Securities Held-to-Maturity, at Cost (Fair value of \$8,811 and \$13,636 on December 31, 2005 and 2004, respectively)	8,684	13,318
Loans Held-for-Sale	1,901	3,122
Loans	653,074	631,043
Less: Unearned Income	(1,118)	(1,250)
Allowance for Loan Losses	(9,265)	(8,801)
Loans, Net	642,691	620,992
Stock in FHLB of Indianapolis and Other Restricted Stock, at Cost	14,095	13,542
Premises, Furniture and Equipment, Net	20,233	20,231
Other Real Estate	506	213
Goodwill	3,813	1,794
Intangible Assets	2,388	2,378
Company Owned Life Insurance	19,067	18,540
Accrued Interest Receivable and Other Assets	19,008	18,622
TOTAL ASSETS	\$ 946,467	\$ 942,094
LIABILITIES		
Non-interest-bearing Demand Deposits	\$ 130,383	\$ 123,127
Interest-bearing Demand, Savings, and Money Market Accounts	307,664	305,341
Time Deposits	308,774	321,915
Total Deposits	746,821	750,383
FHLB Advances and Other Borrowings	105,394	95,614
Accrued Interest Payable and Other Liabilities	11,997	12,428
TOTAL LIABILITIES	864,212	858,425
SHAREHOLDERS' EQUITY		
Preferred Stock, \$10 par value; 500,000 shares authorized, no shares issued	—	—
Common Stock, no par value, \$1 stated value; 20,000,000 shares authorized	10,643	10,898
Additional Paid-in Capital	63,784	66,817
Retained Earnings	9,391	5,778
Accumulated Other Comprehensive Income / (Loss)	(1,563)	176
TOTAL SHAREHOLDERS' EQUITY	82,255	83,669
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 946,467	\$ 942,094
End of period shares issued and outstanding	10,643,514	10,898,241

CONSOLIDATED STATEMENTS OF INCOME

DOLLARS IN THOUSANDS, EXCEPT PER SHARE DATA

	Years ended December 31,		
	2005	2004	2003
INTEREST INCOME			
Interest and Fees on Loans.....	\$ 41,751	\$ 39,257	\$ 41,781
Interest on Federal Funds Sold and Other Short-term Investments.....	316	129	270
Interest and Dividends on Securities:			
Taxable.....	5,954	5,455	5,023
Non-taxable.....	2,176	2,869	3,545
TOTAL INTEREST INCOME.....	50,197	47,710	50,619
INTEREST EXPENSE			
Interest on Deposits.....	13,389	11,747	13,997
Interest on FHLB Advances and Other Borrowings.....	4,595	4,724	7,087
TOTAL INTEREST EXPENSE.....	17,984	16,471	21,084
NET INTEREST INCOME	32,213	31,239	29,535
Provision for Loan Losses.....	1,903	2,015	811
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	30,310	29,224	28,724
NON-INTEREST INCOME			
Trust and Investment Product Fees.....	2,081	2,046	1,627
Service Charges on Deposit Accounts.....	3,723	3,537	3,391
Insurance Revenues.....	4,703	4,666	3,692
Other Operating Income.....	2,687	2,074	1,556
Net Gains on Sales of Loans and Related Assets.....	1,000	975	2,588
Net Gain / (Loss) on Securities.....	-	(3,678)	80
TOTAL NON-INTEREST INCOME.....	14,194	9,620	12,934
NON-INTEREST EXPENSE			
Salaries and Employee Benefits.....	18,511	17,814	18,062
Occupancy Expense.....	2,396	2,121	2,354
Furniture and Equipment Expense.....	2,008	2,171	2,220
Data Processing Fees.....	1,322	1,186	1,126
Professional Fees.....	1,703	1,690	1,227
Advertising and Promotion.....	784	888	853
Supplies.....	544	527	633
Net Loss on Extinguishment of Borrowings.....	-	-	1,898
Other Operating Expenses.....	4,180	4,212	3,846
TOTAL NON-INTEREST EXPENSE.....	31,448	30,609	32,219
Income before Income Taxes.....	13,056	8,235	9,439
Income Tax Expense.....	3,335	996	1,271
NET INCOME	\$ 9,721	\$ 7,239	\$ 8,168
Earnings per Share.....	\$ 0.89	\$ 0.66	\$ 0.73
Diluted Earnings per Share.....	\$ 0.89	\$ 0.66	\$ 0.73

See Annual Report on Form 10-K.



GERMAN AMERICAN BANCORP

Directors:

Douglas A. Bawel
 Christina M. Ernst
 William R. Hoffman
 U. Butch Klem
 J. David Lett
 Gene C. Mehne
 Mark A. Schroeder
 Larry J. Seger
 Joseph F. Steurer
 Chet L. Thompson
 Michael J. Voyles

Senior Officers:

Mark A. Schroeder
 President and Chief Executive Officer

Stan J. Ruhe
 Executive Vice President
 Credit Administration

Clay W. Ewing
 Executive Vice President
 Banking

Kenneth L. Sendelweck
 Secretary and Treasurer

Tonya J. Brothers-Bridge
 Senior Vice President
 Retail Sales, Marketing and Training

Diane S. Hasenour
 Senior Vice President
 Technology and Operations

Bradley M. Rust
 Senior Vice President
 Chief Financial Officer

Gene L. Thewes
 Senior Vice President
 Branch Administration

GERMAN AMERICAN INSURANCE, INC.

Directors:

Douglas A. Bawel
 Joe A. Dedman
 Clay W. Ewing
 Terry W. Hoke
 Gene C. Mehne
 Stan J. Ruhe
 Mark A. Schroeder
 Larry J. Seger
 Joel B. Smith

Senior Officer:

Terry W. Hoke
 President

GERMAN AMERICAN FINANCIAL ADVISORS & TRUST COMPANY

Directors:

Kenneth L. Sendelweck
 Chairman
 Douglas A. Bawel
 James W. Bobe
 D. Neil Dauby
 Gene C. Mehne
 Mark A. Schroeder
 Larry J. Seger
 Mark A. Stieve
 Joseph A. Wellman

Senior Officer:

Mark A. Stieve
 President

"Diversity: the art of thinking independently together."

– MALCOLM STEVENSON FORBES



CITIZENS STATE BANK**Directors:**

Joe A. Dedman
 Robert C. Klipsch
 Michael B. McConnell
 W. Wyatt Rauch
 Stan J. Ruhe
 Mark A. Schroeder
 Wayne L. Stone
 Michael J. Voyles
 Gregory K. Willis

Senior Officers:

Joe A. Dedman
 President

Floyd W. Alsman
 Senior Vice President
 Credit Administration

FIRST AMERICAN BANK**Directors:**

James W. Bobe
 Chairman
 Christina M. Ernst
 Clay W. Ewing
 Mark A. Schroeder
 Daniel L. Schuckman
 Joel B. Smith
 James W. Zeigler

Senior Officer:

Joel B. Smith
 President

FIRST STATE BANK**Directors:**

Clay W. Ewing
 Chairman
 Gary D. Butler
 D. Neil Dauby
 Michael E. Hammack
 John A. Hargis
 Joseph E. LeClere
 Daniel P. Lutgring
 Mark L. Ress
 Mark A. Schroeder
 James G. Tyler

Senior Officers:

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CAUTIONARY NOTE RE: FORWARD-LOOKING STATEMENTS

This Summary Annual Report, including our President's letter to our Shareholders on pages 4 and 5, includes forward-looking statements, within the meaning of the Private Securities Litigation Reform Act of 1995, relating to our expectations for financial and stock market performance (such as continued strength in our trust and investment advisory and insurance operations and continued attractive dividend yield) in the coming years. Readers are cautioned that actual results and performance may differ materially from any of our present expectations that are expressed or implied by any forward-looking statement due to the inherent uncertainties in predicting the future, and risks affecting the Company and its stock, including those that are described in Item 1, "Business - Forward Looking Statements and Associated Risks" and in Item 1A, "Risk Factors," in our accompanying Annual Report on Form 10-K for 2005. If you did not receive a copy of the Form 10-K Annual Report with this Summary Annual Report, you may review that document (and our other SEC filings) via the Internet through the Investors section of our website, www.germanamericanbancorp.com. The President's letter speaks as of March 10, 2006, and we assume no duty to update the information included in that letter or elsewhere in this Summary Annual Report on account of subsequent events or developments.



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