



**FIRST FARMERS & MERCHANTS CORPORATION REPORTS**  
**STRONG RESULTS FOR FIRST QUARTER 2009**

**COLUMBIA, Tenn., (May 18, 2009)** – First Farmers & Merchants Corporation, the parent of First Farmers & Merchants Bank, has released key financial results for the first quarter of 2009.

From December 31, 2008 to March 30, 2009, total deposits of First Farmers and Merchants Corporation grew to approximately \$758 million, an increase of 1.8 percent over the previous quarter. Additionally, consolidated total assets expanded to \$916.7 million, a 0.6 percent increase from the previous quarter. Net income stood at \$2.7 million, a 1.4 percent decrease over the same period last year and total shareholders' equity remained stable at \$107 million.

“Given the economic challenges being faced by the country over the last six months – the softening economy, growing unemployment, lower consumer demand and the instability of the national banking system – we believe these results are solid” said T. Randy Stevens, chairman and CEO of First Farmers. “We’ve continued to see growth in certain areas of our business which bodes well for our bank and I credit our conservative management philosophy, the hard work of our employees and the loyalties of our customers for this.”

The first quarter of 2009 builds on the outstanding performance First Farmers saw in 2008. Last year was the bank’s second best year on record for both net income and deposits and the best year ever in loans, assets and shareholder equity. Other recent news included an announcement at the company’s shareholder’s meeting that Chairman and CEO Stevens was named a Leader in Banking Excellence by the Tennessee Bankers Association.

“We continue to benefit from smart strategic moves that have strengthened the bank both now and for the foreseeable future,” Stevens said. “For instance, we didn’t participate in the volatile sub-prime loan market as a lender and we didn’t buy Freddie Mac or Fannie Mae securities.”

Looking ahead, the bank is expecting its new Northside Financial Center in Columbia to come on-line in the third quarter. Additionally, on Friday, July 24, 2009, two days before its 100<sup>th</sup> anniversary, the company will invite customers and the general public to celebrate the milestone at various observances at each of its 17 branches.

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***About First Farmers & Merchants Bank***

*Founded in 1909, First Farmers & Merchants Bank (Member FDIC) is one of the most successful independent banks in Tennessee, with total assets of approximately \$917 million and deposits in excess of \$758 million. An additional \$2.7 billion in assets is held by its Trust & Financial Management Department. Headquartered in Columbia, Tenn., the bank operates 17 offices in a seven county area in Middle Tennessee that includes Maury, Lawrence, Marshall, Hickman, Giles, Dickson and Williamson counties. It is distinguished by its commitment to traditional, personal banking relationships that incorporate state-of-the-art technology to provide the highest possible level of service. For additional information, visit [www.fandmbank.com](http://www.fandmbank.com) or call the main office at 931.388.3145.*