NEWS RELEASE

# Park National Corporation Reports First Quarter Financial Results and Continues $0.94 Cash Dividend

4/19/2013

NEWARK, Ohio, April 19, 2013 (GLOBE NEWSWIRE) -- Park National Corporation (Park) (NYSE Amex:PRK) today reported financial results for the three-month (first quarter) period ended March 31, 2013. Also, Park's Board of Directors declared a $0.94 per common share quarterly cash dividend, payable on June 10, 2013 to common shareholders of record as of May 22, 2013.

Net income for the first quarter of 2013 was $20.7 million. Net income for the same period in 2012 was $31.5 million, which included a gain of $22.2 million ($14.4 million after-tax) from the sale of substantially all of the performing loans, operating assets and the liabilities of Vision Bank. That transaction closed on February 16, 2012.

Excluding the gain from the sale of the Vision Bank business in 2012, net income for the first quarter of 2012 would have been $17.1 million. Park's net income in the first quarter of 2013 of $20.7 million was an increase of approximately 21.1 percent above first quarter of 2012 results excluding the gain related to the Vision Bank sale.

Net income per diluted common share for the first quarter of 2013 was $1.34. Net income per diluted common share was $1.95 for the same period in 2012. Excluding the gain from the sale of the Vision Bank business in 2012, net income per diluted common share for the first quarter of 2012 would have been $1.01.

"Our lending activity continues at a strong pace. We pursue every opportunity to make residential, personal, and business loans within each community we serve," said Park Chairman C. Daniel DeLawder. "The local expertise and dedication of our bankers across Ohio, combined with substantial reduction of troubled assets retained from the Vision Bank business, were key drivers in our successful first quarter."

The Park National Bank Results

Park's community-banking subsidiary in Ohio, The Park National Bank, reported net income of $19.9 million for the first quarter of 2013, compared to net income of $21.6 million for the same period in 2012. The Park National Bank had total assets of $6.6 billion at both March 31, 2013 and 2012. This performance generated an annualized return on average assets of 1.23 percent and 1.34 percent for The Park National Bank through the first three months of 2013 and 2012, respectively.

"This extraordinary interest rate environment for home loans continues to fuel conversations and closings," said Park President David L. Trautman. "Our lenders have a number of loan options and services they are using to create good solutions for our customers."

Headquartered in Newark, Ohio, Park National Corporation had $6.7 billion in total assets (as of March 31, 2013). Park consists of 11 community bank divisions, a non-bank subsidiary and two specialty finance companies. Park's Ohio-based banking operations are conducted through Park subsidiary The Park National Bank and its divisions which include Fairfield National Bank Division, Richland Bank Division, Century National Bank Division, First-Knox National Bank Division, Farmers & Savings Bank Division, United Bank Division, Second National Bank Division, Security National Bank Division, Unity National Bank Division, The Park National Bank of Southwest Ohio & Northern Kentucky Division and Scope Leasing, Inc. (d.b.a. Scope Aircraft Finance). Park also includes Guardian Financial Services Company (d.b.a. Guardian Finance Company) and SE Property Holdings, LLC.

Complete financial tables are listed below...

SAFE HARBOR STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

Park cautions that any forward-looking statements contained in this Current Report on Form 8-K or made by management of Park are provided to assist in the understanding of anticipated future financial performance. Forward-looking statements provide current expectations or forecasts of future events and are not guarantees of future performance. The forward-looking statements are based on management's expectations and are subject to a number of risks and uncertainties. Although management believes that the expectations reflected in such forward-looking statements are reasonable, actual results may differ materially from those expressed or implied in such statements. Risks and uncertainties that could cause actual results to differ materially include, without limitation: Park's ability to execute its business plan successfully and within the expected timeframe; general economic and financial market conditions, and weakening in the economy, specifically the real estate market and the credit market, either nationally or in the states in which Park and its subsidiaries do business, may be worse than expected which could decrease the demand for loan, deposit and other financial services and increase loan

delinquencies and defaults; changes in interest rates and prices may adversely impact the value of securities, loans, deposits and other financial instruments and the interest rate sensitivity of our consolidated balance sheet; changes in consumer spending, borrowing and saving habits; changes in unemployment; asset/liability repricing risks and liquidity risks; our liquidity requirements could be adversely affected by changes to regulations governing bank capital and liquidity standards as well as by changes in our assets and liabilities; competitive factors among financial services organizations increase significantly, including product and pricing pressures and our ability to attract, develop and retain qualified bank professionals; the nature, timing and effect of changes in banking regulations or other regulatory or legislative requirements affecting the respective businesses of Park and its subsidiaries, including changes in laws and regulations concerning taxes, accounting, banking, securities and other aspects of the financial services industry, specifically the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the "Dodd-Frank Act"), as well as future regulations which will be adopted by the relevant regulatory agencies, including the Consumer Financial Protection Bureau, to implement the Dodd-Frank Act's provisions, the Budget Control Act of 2011 and the American Taxpayer Relief Act of 2012; the effect of changes in accounting policies and practices, as may be adopted by the Financial Accounting Standards Board, the SEC, the Public Company Accounting Oversight Board and other regulatory agencies, and the accuracy of our assumptions and estimates used to prepare our financial statements; the effect of fiscal and governmental policies of the United States federal government; adequacy of our risk management program; a failure in or breach of our operational or security systems or infrastructure, or those of our third-party vendors and other service providers, including as a result of cyber attacks; demand for loans in the respective market areas served by Park and its subsidiaries; and other risk factors relating to the banking industry as detailed from time to time in Park's reports filed with the Securities and Exchange Commission including those described in "Item 1A. Risk Factors" of Part I of Park's Annual Report on Form 10-K for the fiscal year ended December 31, 2012. Park does not undertake, and specifically disclaims any obligation, to publicly release the result of any revisions that may be made to update any forward-looking statement to reflect the events or circumstances after the date on which the forward-looking statement was made, or reflect the occurrence of unanticipated events, except to the extent required by law.

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PARK NATIONAL CORPORATION
Financial Highlights
Three months ended March 31, 2013, December 31, 2012, and March 31, 2012

| | 2013 | 2012 | 2012 | Percent change vs. | |
|---|---|---|---|---|---|
| (in thousands, except share and per share data) | 1st Qtr | 4th Qtr | 1st Qtr | 4Q '12 | 1Q '12 |

| | | | | | |
|---|---|---|---|---|---|
| INCOME STATEMENT: | | | | | |
| Net interest income | $ 55,453 | $ 56,891 | $ 61,728 | -2.5% | -10.2% |
| Provision for loan losses | 329 | 5,188 | 8,338 | -93.7% | -96.1% |
| Gain on sale of Vision Bank | -- | -- | 22,167 | N.M. | N.M. |
| Other income | 18,805 | 17,196 | 17,453 | 9.4% | 7.7% |
| Total other expense | 46,098 | 48,011 | 48,470 | -4.0% | -4.9% |
| Income before income taxes | $ 27,831 | $ 20,888 | $ 44,540 | 33.2% | -37.5% |
| Income taxes | 7,121 | 4,601 | 13,065 | 54.8% | -45.5% |
| Net income | $ 20,710 | $ 16,287 | $ 31,475 | 27.2% | -34.2% |
| Preferred stock dividends and accretion | -- | -- | 1,477 | N.M. | -100.0% |
| Net income available to common shareholders | $ 20,710 | $ 16,287 | $ 29,998 | 27.2% | -31.0% |
| | | | | | |
| MARKET DATA: | | | | | |
| Earnings per common share - basic (b) | $ 1.34 | $ 1.06 | $ 1.95 | 26.4% | -31.3% |
| Earnings per common share - diluted (b) | 1.34 | 1.06 | 1.95 | 26.4% | -31.3% |
| Cash dividends per common share | 0.94 | 0.94 | 0.94 | -- | -- |
| Common book value per common share at period end | 42.45 | 42.20 | 42.71 | 0.6% | -0.6% |
| Stock price per common share at period end | 69.79 | 64.63 | 69.17 | 8.0% | 0.9% |
| Market capitalization at period end | 1,075,602 | 996,077 | 1,065,626 | 8.0% | 0.9% |
| | | | | | |
| Weighted average common shares - basic (a) | 15,411,990 | 15,410,606 | 15,405,910 | -- | -- |
| Weighted average common shares - diluted (a) | 15,411,990 | 15,410,606 | 15,417,745 | -- | -- |
| Common shares outstanding at period end | 15,411,984 | 15,411,998 | 15,405,905 | -- | -- |
| | | | | | |
| PERFORMANCE RATIOS: (annualized) | | | | | |
| Return on average assets (a)(b) | 1.25% | 0.97% | 1.75% | 28.9% | -28.6% |
| Return on average common equity (a)(b) | 12.87% | 9.81% | 18.50% | 31.2% | -30.4% |
| Yield on loans | 5.13% | 5.23% | 5.52% | -1.9% | -7.1% |
| Yield on investments | 2.91% | 2.88% | 3.34% | 1.0% | -12.9% |
| Yield on money markets | 0.25% | 0.24% | 0.25% | 4.2% | -- |
| Yield on earning assets | 4.41% | 4.49% | 4.81% | -1.8% | -8.3% |
| Cost of interest bearing deposits | 0.39% | 0.42% | 0.56% | -7.1% | -30.4% |
| Cost of borrowings | 2.62% | 2.66% | 2.73% | -1.5% | -4.0% |
| Cost of paying liabilities | 0.90% | 0.97% | 1.05% | -7.2% | -14.3% |
| Net interest margin | 3.70% | 3.72% | 3.97% | -0.5% | -6.8% |
| Efficiency ratio (g) | 61.76% | 64.47% | 60.05% | -4.2% | 2.8% |
| | | | | | |
| OTHER RATIOS (NON GAAP): | | | | | |
| Annualized return on average tangible assets (a)(b)(e) | 1.27% | 0.98% | 1.77% | 29.6% | -28.2% |
| Annualized return on average tangible common equity (a)(b)(c) | 14.48% | 11.03% | 20.85% | 31.3% | -30.6% |
| Tangible common book value per common share (d) | $ 37.74 | $ 37.48 | $ 37.97 | 0.7% | -0.6% |

PARK NATIONAL CORPORATION

Financial Highlights (continued)

Three months ended March 31, 2013, December 31, 2012, and March 31, 2012

| BALANCE SHEET: | March 31, 2013 | December 31, 2012 | March 31, 2012 | Percent change vs. 4Q '12 | Percent change vs. 1Q '12 |
|---|---|---|---|---|---|
| Investment securities | $ 1,352,408 | $ 1,581,751 | $ 1,857,335 | -14.5% | -27.2% |
| Loans | 4,443,523 | 4,450,322 | 4,324,383 | -0.2% | 2.8% |
| Allowance for loan losses | 55,315 | 55,537 | 59,758 | -0.4% | -7.4% |
| Goodwill and other intangibles | 72,559 | 72,671 | 73,088 | -0.2% | -0.7% |
| Other real estate owned | 36,292 | 35,718 | 41,965 | 1.6% | -13.5% |
| Total assets | 6,747,155 | 6,642,803 | 6,776,851 | 1.6% | -0.4% |
| Total deposits | 4,916,541 | 4,716,032 | 4,817,388 | 4.3% | 2.1% |
| Borrowings | 1,107,097 | 1,206,076 | 1,133,738 | -8.2% | -2.3% |
| Stockholders' equity | 654,210 | 650,366 | 756,429 | 0.6% | -13.5% |
| Common equity | 654,210 | 650,366 | 658,057 | 0.6% | -0.6% |
| Tangible common equity (d) | 581,651 | 577,695 | 584,969 | 0.7% | -0.6% |
| Nonperforming loans | 177,163 | 188,306 | 219,944 | -5.9% | -19.5% |
| Nonperforming assets | 213,455 | 224,024 | 261,909 | -4.7% | -18.5% |
| ASSET QUALITY RATIOS: | | | | | |
| Loans as a % of period end assets | 65.86% | 66.99% | 63.81% | -1.7% | 3.2% |
| Nonperforming loans as a % of period end loans | 3.99% | 4.23% | 5.09% | -5.7% | -21.6% |
| Nonperforming assets / Period end loans + OREO | 4.76% | 4.99% | 6.00% | -4.6% | -20.7% |
| Allowance for loan losses as a % of period end loans | 1.24% | 1.25% | 1.38% | -0.8% | -10.1% |
| Net loan charge-offs | $ 551 | $ 5,216 | $ 17,024 | -89.4% | -96.8% |
| Annualized net loan charge-offs as a % of average loans (a) | 0.05% | 0.47% | 1.53% | -89.4% | -96.7% |
| CAPITAL & LIQUIDITY: | | | | | |
| Total equity / Period end assets | 9.70% | 9.79% | 11.16% | -0.9% | -13.1% |
| Common equity / Period end assets | 9.70% | 9.79% | 9.71% | -0.9% | -0.1% |
| Tangible common equity (d) / Tangible assets (f) | 8.71% | 8.79% | 8.73% | -0.9% | -0.2% |
| Average equity / Average assets (a) | 9.75% | 9.87% | 10.88% | -1.2% | -10.4% |
| Average equity / Average loans (a) | 14.70% | 14.97% | 16.73% | -1.8% | -12.1% |
| Average loans / Average deposits (a) | 91.54% | 92.78% | 90.82% | -1.3% | 0.8% |

N.M. - Not meaningful

Financial Highlights (continued)

(a) Averages are for the quarters ended March 31, 2013, December 31, 2012 and March 31, 2012, as appropriate.

(b) Reported measure uses net income available to common shareholders.

(c) Net income available to common shareholders for each period divided by average tangible common equity during the period. Average tangible common equity equals average stockholders' equity during the applicable period less (i) average preferred stock during the applicable period and (ii) average goodwill and other intangibles during the applicable period.

RECONCILIATION OF AVERAGE STOCKHOLDERS' EQUITY TO AVERAGE TANGIBLE COMMON EQUITY:

| | THREE MONTHS ENDED | | |
|---|---|---|---|
| | March 31, 2013 | December 31, 2012 | March 31, 2012 |
| AVERAGE STOCKHOLDERS' EQUITY | $ 652,543 | $ 660,416 | $ 750,505 |
| Less: Average preferred stock | -- | -- | 98,242 |
| Average goodwill and other intangibles | 72,621 | 72,748 | 73,619 |
| AVERAGE TANGIBLE COMMON EQUITY | $ 579,922 | $ 587,668 | $ 578,644 |

(d) Tangible common equity equals ending stockholders' equity less preferred stock and goodwill and other intangibles, in each case at the end of the period.

RECONCILIATION OF STOCKHOLDERS' EQUITY TO TANGIBLE COMMON EQUITY:

| | March 31, 2013 | December 31, 2012 | March 31, 2012 |
|---|---|---|---|
| STOCKHOLDERS' EQUITY | $ 654,210 | $ 650,366 | $ 756,429 |
| Less: Preferred stock | -- | -- | 98,372 |
| Goodwill and other intangibles | 72,559 | 72,671 | 73,088 |
| TANGIBLE COMMON EQUITY | $ 581,651 | $ 577,695 | $ 584,969 |

(e) Net income available to common shareholders for each period divided by average tangible assets during the period. Average tangible assets equals average assets less average goodwill and other intangibles, in each case during the applicable period.

RECONCILIATION OF AVERAGE ASSETS TO AVERAGE TANGIBLE ASSETS:

| | THREE MONTHS ENDED | | |
|---|---|---|---|
| | March 31, 2013 | December 31, 2012 | March 31, 2012 |
| AVERAGE ASSETS | $ 6,693,476 | $ 6,689,321 | $ 6,896,548 |
| Less: Average goodwill and other intangibles | 72,621 | 72,748 | 73,619 |
| AVERAGE TANGIBLE ASSETS | $ 6,620,855 | $ 6,616,573 | $ 6,822,929 |

(f) Tangible common equity divided by tangible assets. Tangible assets equals total assets less goodwill and other intangibles.

RECONCILIATION OF TOTAL ASSETS TO TANGIBLE ASSETS:

| | March 31, 2013 | December 31, 2012 | March 31, 2012 |
|---|---|---|---|
| TOTAL ASSETS | $ 6,747,155 | $ 6,642,803 | $ 6,776,851 |
| Less: Goodwill and other intangibles | 72,559 | 72,671 | 73,088 |
| TANGIBLE ASSETS | $ 6,674,596 | $ 6,570,132 | $ 6,703,763 |

(g) Efficiency ratio is calculated by taking total other expense divided by the sum of fully taxable equivalent net interest income and other income. Fully taxable equivalent net interest income reconciliation is shown below assuming a 35% tax rate. Additionally, net interest margin is calculated on a fully taxable equivalent basis.

PARK NATIONAL CORPORATION

Financial Highlights (continued)

RECONCILIATION OF FULLY TAXABLE EQUIVALENT NET INTEREST INCOME TO NET INTEREST INCOME

| | THREE MONTHS ENDED | | |
|---|---|---|---|
| | March 31, 2013 | December 31, 2012 | March 31, 2012 |
| Interest income | $ 66,192 | $ 68,793 | $ 74,838 |
| Fully taxable equivalent adjustment | 387 | 382 | 427 |
| Fully taxable equivalent interest income | $ 66,579 | $ 69,175 | $ 75,265 |
| Interest expense | 10,739 | 11,902 | 13,110 |
| Fully taxable equivalent net interest income | $ 55,840 | $ 57,273 | $ 62,155 |

PARK NATIONAL CORPORATION

Consolidated Statements of Income

| | Three Months Ended March 31, | |
|---|---|---|
| (in thousands, except share and per share data) | 2013 | 2012 |
| Interest income: | | |
| Interest and fees on loans | $ 55,775 | $ 61,105 |
| Interest on: | | |
| Obligations of U.S. Government, its agencies and other securities | 10,242 | 13,584 |

| | | |
|---|---|---|
| Obligations of states and political subdivisions | 17 | 46 |
| Other interest income | 158 | 103 |
| Total interest income | 66,192 | 74,838 |
| | | |
| Interest expense: | | |
| Interest on deposits: | | |
| Demand and savings deposits | 501 | 754 |
| Time deposits | 3,090 | 4,639 |
| Interest on borrowings | 7,148 | 7,717 |
| Total interest expense | 10,739 | 13,110 |
| | | |
| Net interest income | 55,453 | 61,728 |
| | | |
| Provision for loan losses | 329 | 8,338 |
| | | |
| Net interest income after provision for loan losses | 55,124 | 53,390 |
| | | |
| Gain on sale of Vision Bank business | -- | 22,167 |
| Other income | 18,805 | 17,453 |
| | | |
| Total other expense | 46,098 | 48,470 |
| | | |
| Income before income taxes | 27,831 | 44,540 |
| | | |
| Income taxes | 7,121 | 13,065 |
| | | |
| Net income | $ 20,710 | $ 31,475 |
| | | |
| Preferred stock dividends and accretion | -- | 1,477 |
| | | |
| Net income available to common shareholders | $ 20,710 | $ 29,998 |
| | | |
| Per Common Share: | | |
| Net income - basic | $ 1.34 | $ 1.95 |
| Net income - diluted | $ 1.34 | $ 1.95 |
| | | |
| Weighted average shares - basic | 15,411,990 | 15,405,910 |
| Weighted average shares - diluted | 15,411,990 | 15,417,745 |
| | | |
| Cash Dividends Declared | 0.94 | 0.94 |

PARK NATIONAL CORPORATION

Consolidated Balance Sheets

| (in thousands, except share data) | March 31, 2013 | December 31, 2012 |
|---|---|---|
| Assets | | |
| Cash and due from banks | $ 99,976 | $ 164,120 |
| Money market instruments | 420,536 | 37,185 |
| Investment securities | 1,352,408 | 1,581,751 |
| Loans | 4,443,523 | 4,450,322 |
| Allowance for loan losses | 55,315 | 55,537 |
| Loans, net | 4,388,208 | 4,394,785 |
| Bank premises and equipment, net | 56,725 | 53,751 |
| Goodwill and other intangibles | 72,559 | 72,671 |
| Other real estate owned | 36,292 | 35,718 |
| Other assets | 320,451 | 302,822 |
| Total assets | $ 6,747,155 | $ 6,642,803 |
| Liabilities and Stockholders' Equity | | |
| Deposits: | | |
| Noninterest bearing | $ 1,119,902 | $ 1,137,290 |
| Interest bearing | 3,796,639 | 3,578,742 |
| Total deposits | 4,916,541 | 4,716,032 |
| Borrowings | 1,107,097 | 1,206,076 |
| Other liabilities | 69,307 | 70,329 |
| Total liabilities | $ 6,092,945 | $ 5,992,437 |
| Stockholders' Equity: | | |
| Common stock (No par value; 20,000,000 shares authorized in 2013 and 2012; 16,150,973 shares issued at March 31, 2013, and 16,150,987 shares issued at December 31, 2012) | $ 302,653 | $ 302,654 |

| | | |
|---|---|---|
| Accumulated other comprehensive loss, net of taxes | (19,897) | (17,518) |
| Retained earnings | 447,829 | 441,605 |
| Treasury stock (738,989 shares at March 31, 2013, and 738,989 shares at December 31, 2012) | (76,375) | (76,375) |
| Total stockholders' equity | $ 654,210 | $ 650,366 |
| Total liabilities and stockholders' equity | $ 6,747,155 | $ 6,642,803 |

PARK NATIONAL CORPORATION
Consolidated Average Balance Sheets

| | Three Months Ended March 31, | |
|---|---|---|
| (in thousands) | 2013 | 2012 |
| Assets | | |
| Cash and due from banks | $ 114,662 | $ 136,480 |
| Money market instruments | 259,723 | 168,880 |
| Investment securities | 1,440,281 | 1,663,891 |
| Loans | 4,438,308 | 4,485,074 |
| Allowance for loan losses | 57,299 | 70,441 |
| Loans, net | 4,381,009 | 4,414,633 |
| Bank premises and equipment, net | 55,090 | 60,398 |
| Goodwill and other intangibles | 72,621 | 73,619 |
| Other real estate owned | 34,282 | 42,663 |
| Other assets | 335,808 | 335,984 |
| Total assets | $ 6,693,476 | $ 6,896,548 |
| Liabilities and Stockholders' Equity | | |
| Deposits: | | |
| Noninterest bearing | $ 1,100,953 | $ 1,047,062 |
| Interest bearing | 3,747,634 | 3,891,482 |
| Total deposits | 4,848,587 | 4,938,544 |

| | | |
|---|---|---|
| Borrowings | 1,108,304 | 1,139,028 |
| Other liabilities | 84,042 | 68,471 |
| Total liabilities | $ 6,040,933 | $ 6,146,043 |
| | | |
| Stockholders' Equity: | | |
| Preferred stock | $ -- | $ 98,242 |
| Common stock | 302,653 | 301,202 |
| Common stock warrants | -- | 4,297 |
| Accumulated other comprehensive loss, net of taxes | (18,744) | (8,357) |
| Retained earnings | 445,009 | 432,128 |
| Treasury stock | (76,375) | (77,007) |
| Total stockholders' equity | $ 652,543 | $ 750,505 |
| Total liabilities and stockholders' equity | $ 6,693,476 | $ 6,896,548 |

PARK NATIONAL CORPORATION

Consolidated Statements of Income - Linked Quarters

| | 2013 | 2012 | 2012 | 2012 | 2012 |
|---|---|---|---|---|---|
| (in thousands, except per share data) | 1st QTR | 4th QTR | 3rd QTR | 2nd QTR | 1st QTR |
| Interest income: | | | | | |
| Interest and fees on loans | $ 55,775 | $ 57,671 | $ 58,269 | $ 57,593 | $ 61,105 |
| Interest on: | | | | | |
| Obligations of U.S. Government, its agencies and other securities | 10,242 | 10,984 | 12,187 | 13,794 | 13,584 |
| Obligations of states and political subdivisions | 17 | 19 | 33 | 42 | 46 |
| Other interest income | 158 | 119 | 129 | 57 | 103 |
| Total interest income | 66,192 | 68,793 | 70,618 | 71,486 | 74,838 |
| Interest expense: | | | | | |
| Interest on deposits: | | | | | |
| Demand and savings deposits | 501 | 491 | 636 | 602 | 754 |
| Time deposits | 3,090 | 3,404 | 3,757 | 4,121 | 4,639 |
| Interest on borrowings | 7,148 | 8,007 | 8,209 | 8,083 | 7,717 |

| | | | | | |
|---|---|---|---|---|---|
| Total interest expense | 10,739 | 11,902 | 12,602 | 12,806 | 13,110 |
| Net interest income | 55,453 | 56,891 | 58,016 | 58,680 | 61,728 |
| Provision for loan losses | 329 | 5,188 | 16,655 | 5,238 | 8,338 |
| Net interest income after provision for loan losses | 55,124 | 51,703 | 41,361 | 53,442 | 53,390 |
| Gain on sale of Vision business | -- | -- | -- | -- | 22,167 |
| Other income | 18,805 | 17,196 | 18,079 | 17,508 | 17,453 |
| Gain on sale of securities | -- | -- | -- | -- | -- |
| Total other expense | 46,098 | 48,011 | 45,683 | 45,804 | 48,470 |
| Income before income taxes | 27,831 | 20,888 | 13,757 | 25,146 | 44,540 |
| Income taxes | 7,121 | 4,601 | 1,775 | 6,260 | 13,065 |
| Net income | $ 20,710 | $ 16,287 | $ 11,982 | $ 18,886 | $ 31,475 |
| Preferred stock dividends and accretion | -- | -- | -- | 1,948 | 1,477 |
| Net income available to common shareholders | $ 20,710 | $ 16,287 | $ 11,982 | $ 16,938 | $ 29,998 |
| Per Common Share: | | | | | |
| Net income - basic | $ 1.34 | $ 1.06 | $ 0.78 | $ 1.10 | $ 1.95 |
| Net income - diluted | $ 1.34 | $ 1.06 | $ 0.78 | $ 1.10 | $ 1.95 |

PARK NATIONAL CORPORATION

Detail of other income and other expense - Linked Quarters

| | 2013 | 2012 | 2012 | 2012 | 2012 |
|---|---|---|---|---|---|
| (in thousands) | 1st QTR | 4th QTR | 3rd QTR | 2nd QTR | 1st QTR |

| | | | | | |
|---|---|---|---|---|---|
| Other income: | | | | | |
| Income from fiduciary activities | $ 4,076 | $ 4,056 | $ 4,019 | $ 4,044 | $ 3,828 |
| Service charges on deposits | 3,822 | 4,235 | 4,244 | 4,154 | 4,071 |
| Other service income | 3,985 | 3,463 | 4,017 | 3,417 | 2,734 |
| Checkcard fee income | 2,983 | 3,151 | 3,038 | 3,180 | 3,172 |
| Bank owned life insurance income | 1,202 | 1,184 | 1,184 | 1,184 | 1,202 |
| ATM fees | 627 | 650 | 565 | 536 | 608 |
| OREO devaluations, net | 401 | (2,440) | (425) | (2,648) | (1,359) |
| Gain/(loss) on sale of OREO, net | 224 | 1,028 | 138 | 2,203 | 1,045 |
| Gain on sale of Vision Bank | -- | -- | -- | -- | 22,167 |
| Other | 1,485 | 1,869 | 1,299 | 1,438 | 2,152 |
| Total other income | $ 18,805 | $ 17,196 | $ 18,079 | $ 17,508 | $ 39,620 |
| | | | | | |
| Other expense: | | | | | |
| Salaries and employee benefits | $ 24,633 | $ 24,086 | $ 24,255 | $ 22,813 | $ 24,823 |
| Net occupancy expense | 2,597 | 2,222 | 2,303 | 2,249 | 2,670 |
| Furniture and equipment expense | 2,607 | 2,774 | 2,666 | 2,727 | 2,621 |
| Data processing fees | 1,019 | 913 | 904 | 899 | 1,200 |
| Professional fees and services | 5,864 | 6,846 | 6,040 | 5,800 | 5,581 |
| Amortization of intangibles | 112 | 139 | 139 | 139 | 1,754 |
| Marketing | 848 | 1,002 | 924 | 705 | 843 |
| Insurance | 1,302 | 1,482 | 1,408 | 1,400 | 1,490 |
| Communication | 1,580 | 1,482 | 1,470 | 1,494 | 1,537 |
| Loan put provision | -- | -- | 346 | 2,701 | 662 |
| Other | 5,536 | 7,065 | 5,228 | 4,877 | 5,289 |
| Total other expense | $ 46,098 | $ 48,011 | $ 45,683 | $ 45,804 | $ 48,470 |

PARK NATIONAL CORPORATION

Asset Quality Information

| | | Year ended December 31, | | | |
|---|---|---|---|---|---|
| (in thousands, except ratios) | March 31, 2013 | 2012 | 2011 | 2010 | 2009 |
| Allowance for loan losses: | | | | | |
| Allowance for loan losses, beginning of period | $ 55,537 | $ 68,444 | $ 143,575 | $ 116,717 | $ 100,088 |

| | | | | | |
|---|---|---|---|---|---|
| Transfer of loans at fair value | -- | -- | (219) | -- | -- |
| Transfer of allowance to held for sale | -- | -- | (13,100) | -- | -- |
| Charge-offs (A) | 6,508 | 61,268 | 133,882 | 66,314 | 59,022 |
| Recoveries | 5,957 | 12,942 | 8,798 | 6,092 | 6,830 |
| Net charge-offs | 551 | 48,326 | 125,084 | 60,222 | 52,192 |
| Provision for loan losses | 329 | 35,419 | 63,272 | 87,080 | 68,821 |
| Allowance for loan losses, end of period | $ 55,315 | $ 55,537 | $ 68,444 | $ 143,575 | $ 116,717 |

(A) Year ended 2012 includes the full charge-off of the Vision Bank ALLL of $12.1 million to bring the retained Vision Bank loan portfolio to fair value prior to the merger of Vision Bank (as constituted following the transaction with Centennial Bank and Home BancShares, Inc.) with and into SEPH, the non-bank subsidiary of Park, on February 16, 2012.

| General reserve trends: | | | | | |
|---|---|---|---|---|---|
| Allowance for loan losses, end of period | $ 55,315 | $ 55,537 | $ 68,444 | $ 143,575 | $ 116,717 |
| Specific reserves | 8,260 | 8,276 | 15,935 | 66,904 | 36,721 |
| General reserves | $ 47,055 | $ 47,261 | $ 52,509 | $ 76,671 | $ 79,996 |
| | | | | | |
| Total loans | $ 4,443,523 | $ 4,450,322 | $ 4,317,099 | $ 4,732,685 | $ 4,640,432 |
| Impaired commercial loans | 130,270 | 137,238 | 187,074 | 250,933 | 201,143 |
| Non-impaired loans | $ 4,313,253 | $ 4,313,084 | $ 4,130,025 | $ 4,481,752 | $ 4,439,289 |

| Asset Quality Ratios: | | | | | |
|---|---|---|---|---|---|
| Net charge-offs as a % of average loans (annualized for quarterly periods) | 0.05% | 1.10% | 2.65% | 1.30% | 1.14% |
| Allowance for loan losses as a % of period end loans | 1.24% | 1.25% | 1.59% | 3.03% | 2.52% |
| General reserves as a % of non-impaired loans | 1.09% | 1.10% | 1.27% | 1.71% | 1.80% |

| Nonperforming Assets - Park National Corporation: | | | | | |
|---|---|---|---|---|---|
| Nonaccrual loans | $ 151,539 | $ 155,536 | $ 195,106 | $ 289,268 | $ 233,544 |
| Accruing troubled debt restructuring | 24,274 | 29,800 | 28,607 | -- | 142 |
| Loans past due 90 days or more | 1,350 | 2,970 | 3,489 | 3,590 | 14,773 |
| Total nonperforming loans | $ 177,163 | $ 188,306 | $ 227,202 | $ 292,858 | $ 248,459 |
| Other real estate owned - Park National Bank | 14,587 | 14,715 | 13,240 | 8,385 | 6,037 |
| Other real estate owned - SEPH | 21,705 | 21,003 | 29,032 | -- | -- |
| Other real estate owned - Vision Bank | -- | -- | -- | 33,324 | 35,203 |
| Total nonperforming assets | $ 213,455 | $ 224,024 | $ 269,474 | $ 334,567 | $ 289,699 |
| Percentage of nonaccrual loans to period end loans | 3.41% | 3.49% | 4.52% | 6.11% | 5.03% |
| Percentage of nonperforming loans to period end loans | 3.99% | 4.23% | 5.26% | 6.19% | 5.35% |
| Percentage of nonperforming assets to period end loans | 4.80% | 5.03% | 6.24% | 7.07% | 6.24% |
| Percentage of nonperforming assets to period end assets | 3.16% | 3.37% | 3.86% | 4.59% | 4.11% |

| | | | | | |
|---|---|---|---|---|---|
| Nonperforming Assets - Park National Bank and Guardian: | | | | | |
| Nonaccrual loans | $ 103,246 | $ 100,244 | $ 96,113 | $ 117,815 | $ 85,197 |
| Accruing troubled debt restructuring | 24,274 | 29,800 | 26,342 | -- | 142 |
| Loans past due 90 days or more | 1,350 | 2,970 | 3,367 | 3,226 | 3,496 |
| Total nonperforming loans | $ 128,870 | $ 133,014 | $ 125,822 | $ 121,041 | $ 88,835 |
| Other real estate owned - Park National Bank | 14,587 | 14,715 | 13,240 | 8,385 | 6,037 |
| Total nonperforming assets | $ 143,457 | $ 147,729 | $ 139,062 | $ 129,426 | $ 94,872 |
| Percentage of nonaccrual loans to period end loans | 2.35% | 2.28% | 2.29% | 2.88% | 2.15% |
| Percentage of nonperforming loans to period end loans | 2.93% | 3.03% | 3.00% | 2.96% | 2.24% |
| Percentage of nonperforming assets to period end loans | 3.27% | 3.36% | 3.32% | 3.16% | 2.39% |
| Percentage of nonperforming assets to period end assets | 2.17% | 2.27% | 2.21% | 1.99% | 1.53% |
| Nonperforming Assets - SEPH/Vision Bank (retained portfolio as of March 31, 2013, December 31, 2012 and December 31, 2011): | | | | | |
| Nonaccrual loans | $ 48,293 | $ 55,292 | $ 98,993 | $ 171,453 | $ 148,347 |
| Accruing troubled debt restructuring | -- | -- | 2,265 | -- | -- |
| Loans past due 90 days or more | -- | -- | 122 | 364 | 11,277 |
| Total nonperforming loans | $ 48,293 | $ 55,292 | $ 101,380 | $ 171,817 | $ 159,624 |
| Other real estate owned - Vision Bank | -- | -- | -- | 33,324 | 35,203 |
| Other real estate owned - SEPH | 21,705 | 21,003 | 29,032 | -- | -- |
| Total nonperforming assets | $ 69,998 | $ 76,295 | $ 130,412 | $ 205,141 | $ 194,827 |
| Percentage of nonaccrual loans to period end loans | N.M. | N.M. | N.M. | 26.77% | 21.91% |
| Percentage of nonperforming loans to period end loans | N.M. | N.M. | N.M. | 26.82% | 23.58% |
| Percentage of nonperforming assets to period end loans | N.M. | N.M. | N.M. | 32.02% | 28.78% |
| Percentage of nonperforming assets to period end assets | N.M. | N.M. | N.M. | 25.90% | 21.70% |
| New nonaccrual loan information - Park National Corporation | | | | | |
| Nonaccrual loans, beginning of period | $ 155,536 | $ 195,106 | $ 289,268 | $ 233,544 | $ 159,512 |
| New nonaccrual loans | 21,141 | 83,204 | 124,158 | 175,175 | 184,181 |
| Resolved nonaccrual loans | 25,138 | 122,774 | 218,320 | 119,451 | 110,149 |
| Nonaccrual loans, end of period | $ 151,539 | $ 155,536 | $ 195,106 | $ 289,268 | $ 233,544 |
| New nonaccrual loan information - Ohio-based operations | | | | | |
| Nonaccrual loans, beginning of period | $ 100,244 | $ 96,113 | $ 117,815 | $ 85,197 | $ 68,306 |

| | | | | | |
|---|---|---|---|---|---|
| New nonaccrual loans - Ohio-based operations | 21,141 | 68,960 | 78,316 | 85,081 | 57,641 |
| Resolved nonaccrual loans | 18,139 | 64,829 | 100,018 | 52,463 | 40,750 |
| Nonaccrual loans, end of period | $ 103,246 | $ 100,244 | $ 96,113 | $ 117,815 | $ 85,197 |
| New nonaccrual loan information- SEPH/Vision Bank (SEPH as of March 31, 2012) | | | | | |
| Nonaccrual loans, beginning of period | $ 55,292 | $ 98,993 | $ 171,453 | $ 148,347 | $ 91,206 |
| New nonaccrual loans - SEPH/Vision Bank | -- | 14,243 | 45,842 | 90,094 | 126,540 |
| Resolved nonaccrual loans | 6,999 | 57,944 | 118,302 | 66,988 | 69,399 |
| Nonaccrual loans, end of period | $ 48,293 | $ 55,292 | $ 98,993 | $ 171,453 | $ 148,347 |
| Impaired Commercial Loan Portfolio Information (period end): | | | | | |
| Unpaid principal balance | $ 233,144 | $ 242,345 | $ 290,908 | $ 304,534 | $ 245,092 |
| Prior charge-offs | 102,874 | 105,107 | 103,834 | 53,601 | 43,949 |
| Remaining principal balance | 130,270 | 137,238 | 187,074 | 250,933 | 201,143 |
| Specific reserves | 8,260 | 8,276 | 15,935 | 66,904 | 36,721 |
| Book value, after specific reserve | $ 122,010 | $ 128,962 | $ 171,139 | $ 184,029 | $ 164,422 |

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