

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) October 17, 2005

Lakeland Financial Corporation
(Exact name of Registrant as specified in its charter)

Indiana (State or other jurisdiction of incorporation)	0-11487 (Commission file Number)	35-1559596 (I.R.S. Employer Identification Number)
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202 East Center Street, P.O. Box 1387, Warsaw, Indiana (Address of principal executive offices)	46581-1387 (Zip Code)
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(574) 267-6144
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to
simultaneously satisfy the filing obligation of the registrant under any of
the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act
(17 CFR 230.425)
- Solicitation material pursuant to Rule 14a-12 under the Exchange Act
(17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the
Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the
Exchange Act (17 CFR 240.13e-4(c))

Item 2.02. Results of Operations and Financial Condition

On October 17, 2005, Lakeland Financial Corporation issued a press
release announcing its earnings for the nine-months and three-months ended
September 30, 2005. The news release is attached as Exhibit 99.1.

Item 9.01. Financial Statements and Exhibits

(c) Exhibits

99.1 Press Release dated October 17, 2005

SIGNATURES

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

LAKELAND FINANCIAL CORPORATION

Dated: October 17, 2005

By: /s/David M. Findlay
David M. Findlay
Chief Financial Officer

FOR IMMEDIATE RELEASE

Contact: David M. Findlay
Executive Vice President-
Administration and
Chief Financial Officer
(574) 267-9197

INCOME AND LOAN GROWTH SET
RECORDS AT LAKELAND FINANCIAL
Third Quarter Performance and Cash Dividend Announced

Warsaw, Indiana (October 17, 2005) - Lakeland Financial Corporation (Nasdaq/LKFN), parent company of Lake City Bank, today reported record quarterly net income of \$4.5 million for the third quarter of 2005. Net income increased 14% over the \$4.0 million reported for the third quarter in 2004. Diluted net income per common share for the quarter was \$0.73 versus \$0.65 for the comparable period of 2004. Net income for the nine months ended September 30, 2005 was a record \$13.0 million, an increase of 20%, versus \$10.8 million for the nine months ended September 30, 2004. Diluted net income per common share was \$2.11 for the nine months ended September 30, 2005, versus \$1.78 for the nine months ended September 30, 2004.

Michael L. Kubacki, Chairman, President and Chief Executive Officer, commented, "Lake City Bank has established record income performance in every quarter of 2005. This has been accomplished through outstanding loan growth and strong revenue generation across the organization. As demonstrated by our further market penetration in every region, our reputation as the bank for business in Northern Indiana continues to grow."

Kubacki continued, "Since the end of 2004, total loans have grown by \$142 million, or 14%, with \$51 million of that growth occurring in the third quarter. With a quarter still to go, we have already experienced more loan growth in 2005 than in any other year in our history. "

Kubacki added, "The Lake City Bank team continues to leverage our operations through strong revenue growth and disciplined expense management. Our efficiency ratio of 56% for the nine months represents an all-time low and a gratifying reduction from 62% for the same period in 2004." Noninterest expense increased only 2.6% for the year-to-date period versus the comparable period in 2004, while total revenues increased 12% year-over-year.

The Company also announced that the Board of Directors approved a cash dividend for the third quarter of \$0.23 per share, payable on October 25, 2005 to shareholders of record on October 10, 2005. The quarterly dividend represents a 10% increase over the quarterly dividend of \$0.21 paid in 2004.

Average total loans for the third quarter of 2005 were \$1.116 billion versus \$1.061 billion during the second quarter of 2005, a linked-quarter increase of 5%. Total loans as of September 30, 2005 were \$1.145 billion, an increase of \$51.3 million, versus \$1.094 billion as of June 30, 2005. Total loans as of September 30, 2004 were \$953 million.

Lakeland Financial's allowance for loan losses as of September 30, 2005 was \$12.2 million, compared to \$11.7 million as of June 30, 2005 and \$10.7 million as of September 30, 2004. Non-performing assets totaled \$7.8 million as of September 30, 2005 versus \$9.2 million as of June 30, 2005 and \$10.9 million on September 30, 2004. The ratio of non-performing assets to loans was 0.68% on September 30, 2005 compared to 0.84% at June 30, 2005 and 1.14% at September 30, 2004. Net charge offs totaled \$159,000 in the third quarter of 2005 versus \$54,000 during the second quarter of 2005 and \$52,000 in the third quarter of 2004.

For the three months ended September 30, 2005, Lakeland Financial's average equity to average assets ratio was 7.21% compared to 7.27% for the second quarter of 2005 and 7.28% for the third quarter of 2004. Average stockholders' equity for the quarter ended September 30, 2005 was \$110.1 million versus \$106.6 million for the second quarter of 2005 and \$97.5 million for the third quarter of 2004. Average total deposits were \$1.193 billion for the third quarter of 2005 versus \$1.130 billion for the second quarter of 2005 and \$1.022 billion for the third quarter of 2004.

Lakeland Financial Corporation is a \$1.6 billion bank holding company headquartered in Warsaw, Indiana. Lake City Bank serves Northern Indiana with 43 branches located in the following Indiana counties: Kosciusko, Elkhart, Allen, St. Joseph, DeKalb, Fulton, Huntington, LaGrange, Marshall, Noble, Pulaski and Whitley.

Lakeland Financial Corporation may be accessed on its home page at www.lakecitybank.com. The Company's common stock is traded on the Nasdaq Stock Market under "LKFN". Market makers in Lakeland Financial Corporation common shares include Citigroup Global Market Holdings, Inc., E*Trade Capital Markets LLC, FTN Financial Securities Corp., Goldman Sachs & Company, Hill, Thompson, Magid & Co., Howe Barnes Investments, Inc., Keefe, Bruyette & Woods, Inc., Knight Equity Markets, L.P., Lehman Brothers Inc., Morgan Stanley & Co., Inc., Stifel Nicolaus & Company, Inc., Susquehanna Capital Group, UBS Capital Markets L.P., and UBS Securities LLC.

This document contains, and future oral and written statements of the Company and its management may contain, forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 with respect to the financial condition, results of operations, plans, objectives, future performance and business of the Company. Forward-looking statements, which may be based upon beliefs, expectations and assumptions of the Company's management and on information currently available to management, are generally

identifiable by the use of words such as "believe," "expect," "anticipate," "plan," "intend," "estimate," "may," "will," "would," "could," "should" or other similar expressions. Additionally, all statements in this document, including forward-looking statements, speak only as of the date they are made, and the Company undertakes no obligation to update any statement in light of new information or future events.

A number of factors, many of which are beyond the ability of the Company to control or predict, could cause actual results to differ materially from those in its forward-looking statements. These factors include, among others, the following: (i) the strength of the local and national economy; (ii) the economic impact of past and any future terrorist attacks, acts of war or threats thereof and the response of the United States to any such attacks and threats; (iii) changes in state and federal laws, regulations and governmental policies concerning the Company's general business; (iv) changes in interest rates and prepayment rates of the Company's assets; (v) increased competition in the financial services sector and the inability to attract new customers; (vi) changes in technology and the ability to develop and maintain secure and reliable electronic systems; (vii) the loss of key executives or employees; (viii) changes in consumer spending; (ix) unexpected results of acquisitions; (x) unexpected outcomes of existing or new litigation involving the Company; and (xi) changes in accounting policies and practices. These risks and uncertainties should be considered in evaluating forward-looking statements and undue reliance should not be placed on such statements. Additional information concerning the Company and its business, including additional factors that could materially affect the Company's financial results, is included in the Company's filings with the Securities and Exchange Commission.

LAKELAND FINANCIAL CORPORATION
THIRD QUARTER 2005 FINANCIAL HIGHLIGHTS
(Unaudited - Dollars in thousands except Share and Per Share Data)

	Three Months Ended			Nine Months Ended	
	Sep. 30, 2005	Jun. 30, 2005	Sep. 30, 2004	Sep. 30, 2005	Sep. 30, 2004
END OF PERIOD BALANCES					
Assets	\$ 1,557,713	\$ 1,538,615	\$ 1,349,534	\$ 1,557,713	\$ 1,349,534
Deposits	1,250,970	1,125,872	1,043,513	1,250,970	1,043,513
Loans	1,145,366	1,094,048	952,671	1,145,366	952,671
Allowance for Loan Losses	12,233	11,724	10,741	12,233	10,741
Common Stockholders' Equity	110,471	108,456	98,737	110,471	98,737
AVERAGE BALANCES					
Assets					
Total Assets	\$ 1,525,945	\$ 1,466,900	\$ 1,338,968	\$ 1,470,119	\$ 1,314,524
Earning Assets	1,413,814	1,354,199	1,229,356	1,358,108	1,206,493
Investments	287,968	286,638	279,907	286,866	280,704
Loans	1,115,866	1,061,289	939,914	1,062,643	916,228
Liabilities and Stockholders' Equity					
Total Deposits	1,192,656	1,129,776	1,022,216	1,144,299	1,002,702
Interest Bearing Deposits	975,661	906,288	809,971	925,373	800,209
Interest Bearing Liabilities	1,188,964	1,127,307	1,020,926	1,134,712	1,008,805
Common Stockholders' Equity	110,060	106,600	97,490	106,785	95,081
INCOME STATEMENT DATA					
Net Interest Income	\$ 12,534	\$ 12,504	\$ 10,586	\$ 36,889	\$ 31,300
Net Interest Income-Fully Tax Equivalent	12,832	12,804	11,224	37,780	32,595
Provision for Loan Losses	659	662	150	1,779	648
Noninterest Income	4,380	4,218	4,759	12,717	12,837
Noninterest Expense	9,355	9,298	9,201	28,016	27,304
Net Income	4,522	4,404	3,951	12,981	10,797
PER SHARE DATA					
Basic Net Income Per Common Share	\$ 0.76	\$ 0.74	\$ 0.67	\$ 2.18	\$ 1.84
Diluted Net Income Per Common Share	0.73	0.72	0.65	2.11	1.78
Cash Dividends Per Common Share	0.23	0.23	0.21	0.69	0.63
Book Value Per Common Share (equity per share issued)	18.46	18.17	16.80	18.46	16.80
Market Value - High	43.88	40.75	34.46	43.88	38.05
Market Value - Low	38.60	35.00	30.74	35.00	28.31
Basic Weighted Average Common Shares Outstanding	5,978,865	5,953,831	5,874,981	5,956,507	5,859,191
Diluted Weighted Average Common Shares Outstanding	6,154,777	6,129,603	6,058,608	6,139,587	6,053,125
KEY RATIOS					
Return on Average Assets	1.18 %	1.20 %	1.17 %	1.18 %	1.10 %
Return on Average Common Stockholders' Equity	16.30	16.57	16.12	16.25	15.17
Efficiency (Noninterest Expense / Net Interest Income plus Noninterest Income)	55.31	55.60	59.96	56.48	61.86
Average Equity to Average Assets	7.21	7.27	7.28	7.26	7.23
Net Interest Margin	3.59	3.78	3.60	3.72	3.57
Net Charge Offs to Average Loans	0.05	0.02	0.02	0.04	0.02
Loan Loss Reserve to Loans	1.07	1.07	1.13	1.07	1.13
Nonperforming Assets to Loans	0.68	0.84	1.14	0.68	1.14
Tier 1 Leverage	8.96	9.19	9.24	8.96	9.24
Tier 1 Risk-Based Capital	10.93	11.02	11.72	10.93	11.72
Total Capital	11.91	11.99	12.74	11.91	12.74

ASSET QUALITY

Loans Past Due 90 Days or More	\$	218	\$	2,542	\$	2,821	\$	218	\$	2,821
Non-accrual Loans		7,600		6,665		7,779		7,600		7,779
Net Charge Offs		159		54		52		299		141
Other Real Estate Owned		0		0		277		0		277
Other Nonperforming Assets		12		15		28		12		28
Total Nonperforming Assets		7,830		9,221		10,905		7,830		10,905

LAKELAND FINANCIAL CORPORATION
CONSOLIDATED BALANCE SHEETS
As of September 30, 2005 and December 31, 2004
(in thousands)

	September 30, 2005	December 31, 2004
	----- (Unaudited)	-----
ASSETS		
Cash and due from banks	\$ 56,361	\$ 81,144
Short-term investments	6,082	22,714
	-----	-----
Total cash and cash equivalents	62,443	103,858
Securities available-for-sale (carried at fair value)	289,198	286,582
Real estate mortgages held-for-sale	3,478	2,991
Loans:		
Total loans	1,145,366	1,003,219
Less: Allowance for loan losses	12,233	10,754
	-----	-----
Net loans	1,133,133	992,465
Land, premises and equipment, net	24,820	25,057
Bank owned life insurance	17,521	16,896
Accrued income receivable	6,503	5,765
Goodwill	4,970	4,970
Other intangible assets	1,087	1,245
Other assets	14,560	13,293
	-----	-----
Total assets	\$ 1,557,713	\$ 1,453,122
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY		
LIABILITIES		
Noninterest bearing deposits	\$ 228,242	\$ 237,261
Interest bearing deposits	1,022,728	878,138
	-----	-----
Total deposits	1,250,970	1,115,399
Short-term borrowings:		
Federal funds purchased	2,600	20,000
Securities sold under agreements to repurchase	70,626	88,057
U.S. Treasury demand notes	1,428	2,593
Other borrowings	70,000	75,000
	-----	-----
Total short-term borrowings	144,654	185,650
Accrued expenses payable	8,797	7,445
Other liabilities	1,847	1,889
Long-term borrowings	10,046	10,046
Subordinated debentures	30,928	30,928
	-----	-----
Total liabilities	1,447,242	1,351,357
STOCKHOLDERS' EQUITY		
Common stock: No par value, 90,000,000 shares authorized, 5,985,354 shares issued and 5,946,864 outstanding as of September 30 2005, and 5,915,854 shares issued and 5,881,283 outstanding at December 31, 2004	1,453	1,453
Additional paid-in capital	14,259	12,463
Retained earnings	98,729	89,864
Accumulated other comprehensive income/(loss)	(3,060)	(1,267)
Treasury stock, at cost	(910)	(748)
	-----	-----
Total stockholders' equity	110,471	101,765
	-----	-----
Total liabilities and stockholders' equity	\$ 1,557,713	\$ 1,453,122
	=====	=====

LAKELAND FINANCIAL CORPORATION
CONSOLIDATED STATEMENTS OF INCOME
For the Three Months and Nine Months Ended September 30, 2005 and 2004
(in thousands except for share data)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2005	2004	2005	2004
NET INTEREST INCOME				

Interest and fees on loans:				
Taxable	\$ 17,894	\$ 12,124	\$ 48,561	\$ 35,255
Tax exempt	47	67	132	206
Interest and dividends on securities:				
Taxable	2,313	1,971	6,949	6,018
Tax exempt	585	585	1,759	1,757
Short-term investments	83	33	184	82
	-----	-----	-----	-----
Total interest and dividend income	20,922	14,780	57,585	43,318
Interest on deposits	6,609	3,249	16,139	9,381
Interest on short-term borrowings	1,207	517	2,950	1,215
Interest on long-term borrowings	572	428	1,607	1,422
	-----	-----	-----	-----
Total interest expense	8,388	4,194	20,696	12,018
	-----	-----	-----	-----
NET INTEREST INCOME	12,534	10,586	36,889	31,300

Provision for loan losses	659	150	1,779	648
	-----	-----	-----	-----
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	11,875	10,436	35,110	30,652

NONINTEREST INCOME				

Trust and brokerage fees	742	800	2,261	2,319
Service charges on deposit accounts	1,860	1,840	5,112	5,194
Loan, insurance and service fees	440	749	1,333	1,706
Merchant card fee income	692	576	1,857	1,657
Other income	371	363	1,428	1,237
Net gains on sale of real estate mortgages held for sale	275	431	726	724
	-----	-----	-----	-----
Total noninterest income	4,380	4,759	12,717	12,837
NONINTEREST EXPENSE				

Salaries and employee benefits	5,051	4,921	15,224	14,705
Net occupancy expense	728	634	2,059	1,802
Equipment costs	468	569	1,476	1,532
Data processing fees and supplies	586	656	1,715	1,901
Credit card interchange	442	404	1,158	1,037
Other expense	2,080	2,017	6,384	6,327
	-----	-----	-----	-----
Total noninterest expense	9,355	9,201	28,016	27,304
INCOME BEFORE INCOME TAX EXPENSE	6,900	5,994	19,811	16,185

Income tax expense	2,378	2,043	6,830	5,388
	-----	-----	-----	-----
NET INCOME	\$ 4,522	\$ 3,951	\$ 12,981	\$ 10,797

BASIC WEIGHTED AVERAGE COMMON SHARES OUTSTANDING	5,978,865	5,874,981	5,956,507	5,859,191
BASIC EARNINGS PER COMMON SHARE	\$ 0.76	\$ 0.67	\$ 2.18	\$ 1.84

DILUTED WEIGHTED AVERAGE COMMON SHARES OUTSTANDING	6,154,777	6,058,608	6,139,587	6,053,125
DILUTED EARNINGS PER COMMON SHARE	\$ 0.73	\$ 0.65	\$ 2.11	\$ 1.78
