UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

[X] Quarterly report pursuant to section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended March 31, 2001

[ ] Transition report pursuant to section 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period from _______________ to _________________

COMMISSION FILE 0-18911

GLACIER BANCORP, INC.
(Exact name of registrant as specified in its charter)

DELAWARE	81-0519541
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)
49 Commons Loop, Kalispell, Montana	59901
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code (406) 756-4200

N/A
(Former name, former address, and former fiscal year, if changed since last report)

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 [ ]

The number of shares of Registrant's common stock outstanding on May 8th, 2001 was 16,272,572. No preferred shares are issued or outstanding.

GLACIER BANCORP, INC.
QUARTERLY REPORT ON FORM 10-Q

INDEX

GLACIER BANCORP, INC.
CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION

(Unaudited - dollars in thousands except per share data)	MARCH 31, 2001	December 31, 2000	March 31, 2000
ASSETS:			
Cash on hand and in banks	$ 59,715	41,456	40,161
Federal funds sold	--	--	1,450
Interest bearing cash deposits	3,455	10,330	12,150
Cash and cash equivalents	63,170	51,786	53,761
Investments:			
Investment securities, available-for-sale	164,135	71,415	64,309
Mortgage backed securities, available-for-sale	354,168	140,473	142,816
Total Investments	518,303	211,888	207,125
Net loans receivable:			
Real estate loans	505,840	231,215	224,169
Commercial Loans	563,269	340,391	295,104
Installment and other loans	339,570	169,754	160,194
Allowance for loan losses	(17,047)	(7,799)	(7,102)
Total Loans, net	1,391,632	733,561	672,365
Premises and equipment, net	58,286	25,016	24,592
Real estate and other assets owned, net	451	291	460
Federal Home Loan Bank of Seattle stock, at cost	30,625	16,436	15,523
Federal Reserve stock, at cost	1,722	1,662	1,527
Accrued interest receivable	12,973	6,637	5,577
Core deposit intangible, net	10,343	1,547	1,697
Goodwill, net	37,647	4,946	5,202
Deferred tax asset	--	--	1,380
Other assets	7,627	2,942	3,686
	$ 2,132,779	1,056,712	992,895
LIABILITIES AND STOCKHOLDERS' EQUITY:			
Deposits - non-interest bearing	$ 227,362	141,207	148,253
Deposits - interest bearing	1,278,419	579,363	524,455
Advances from Federal Home Loan Bank of Seattle	355,457	196,791	200,926
Securities sold under agreements to repurchase	28,270	24,877	12,979
Other borrowed funds	12,304	4,652	9,885
Accrued interest payable	12,121	4,591	2,186
Current income taxes	887	17	1,581
Deferred tax liability	3,327	578	--
Other liabilities	20,568	6,185	4,830
Minority interest	351	338	305
Trust preferred securities	35,000	--	--
Total liabilities	1,974,066	958,599	905,400
Preferred shares, 1,000,000 shares authorized. None outstanding	--	--	--
Common stock, $.01 par value per share. 50,000,000 shares authorized	161	114	104
Paid-in capital	158,294	101,828	87,410
Retained earnings (deficit) - substantially restricted	(2,586)	(4,087)	4,664
Accumulated other comprehensive income (loss)	2,844	258	(4,683)
Total stockholders' equity	158,713	98,113	87,495
	$ 2,132,779	1,056,712	992,895
Number of shares outstanding	16,061,254	11,447,150	11,437,279
Book value of equity per share	9.88	8.57	7.65
Tangible book value per share	6.89	8.00	7.05

See accompanying notes to consolidated financial statements

GLACIER BANCORP, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS

(unaudited - dollars in thousands except per share data)	THREE MONTHS ENDED MARCH 31, 2001	2000
INTEREST INCOME:		
Real estate loans	$ 6,689	4,560
Commercial loans	9,377	6,330
Consumer and other loans	5,052	3,499
Investments	5,257	3,857
Total interest income	26,375	18,246
INTEREST EXPENSE:		
Deposits	8,734	4,947
FHLB Advances	3,611	3,144
Repurchase agreements	263	187
Trust preferred securities	601	--
Other borrowed funds	64	67
Total interest expense	13,273	8,345
NET INTEREST INCOME	13,102	9,901
Provision for loan losses	585	487
Net interest income after provision for loan losses	12,517	9,414
NON-INTEREST INCOME:		
Service charges and other fees	2,443	1,855
Miscellaneous loan fees and charges	693	568
Gains on sale of loans	467	370
Gains (losses) on sale of investments, net	64	(30)
Other income	460	452
Total non-interest income	4,127	3,215
NON-INTEREST EXPENSE:		
Compensation, employee benefits and related expenses	5,257	3,957
Occupancy expense	1,459	1,115
Data processing expense	261	276
Core deposit intangibles amortization	168	50
Goodwill amortization	224	86
Other expenses	3,131	2,151
Minority interest	15	15
Total non-interest expense	10,515	7,650
EARNINGS BEFORE INCOME TAXES	6,129	4,979
Federal and state income tax expense	2,215	1,751
NET EARNINGS	$ 3,914	3,228
Basic earnings per share (1)	0.30	0.28
Diluted earnings per share (1)	0.29	0.28
Dividends declared per share (1)	0.15	0.14
Return on average assets (annualized)	1.14%	1.33%
Return on average equity (annualized)	13.14%	15.06%
Return on tangible average equity (annualized)	14.64%	16.33%
Average outstanding shares - basic (1)	13,020,217	11,436,633
Average outstanding shares - diluted (1)	13,569,827	11,585,464

(1) Adjusted for stock dividends on May 25, 2000

See accompanying notes to consolidated financial statements.

GLACIER BANCORP, INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
AND COMPREHENSIVE INCOME
Years ended December 31, 2000, 1999, and Quarter ended March 31, 2001

(Unaudited - dollars in thousands except per share data)	Common Stock Shares	Common Stock Amount	Paid-in capital	Retained earnings (accumulated deficit) substantially restricted	Accumulated other comprehensive income (loss)	Total stockholders' equity
Balance at December 31, 1998	9,344,093	$ 93	66,180	16,700	1,173	84,146
Comprehensive income:						
Net earnings	--	--	--	12,352	--	12,352
Unrealized loss on securities, net of reclassification adjustment	--	--	--	--	(6,604)	(6,604)
Total comprehensive income						5,748
Cash dividends declared ($.64 per share)	--	--	--	(6,076)	--	(6,076)
Stock options exercised	113,049	1	1,091	--	--	1,092
Tax benefit from stock related compensation	--	--	240	--	--	240
10% stock dividend	936,899	10	19,876	(19,905)	--	(19)
Fiscal year conforming adjustment	--	--	--	(75)	--	(75)
Balance at December 31, 1999	10,394,041	$ 104	87,387	2,996	(5,431)	85,056
Comprehensive income:						
Net earnings	--	--	--	14,003	--	14,003
Unrealized gain on securities, net of reclassification adjustment	--	--	--	--	5,689	5,689
Total comprehensive income						19,692
Cash dividends declared ($.59 per share)	--	--	--	(6,752)	--	(6,752)
Stock options exercised	14,161	--	134	--	--	134
Tax benefit from stock related compensation	--	--	16	--	--	16
10% stock dividend	1,039,608	10	14,302	(14,334)	--	(22)
Dissenting Mountain West shareholders	(660)	--	(11)	--	--	(11)
Balance at December 31, 2000	11,447,150	$ 114	101,828	(4,087)	258	98,113
Comprehensive income:						
Net earnings	--	--	--	3,914	--	3,914
Unrealized gain on securities, net of reclassification adjustment	--	--	--	--	2,586	2,586
Total comprehensive income						6,500
Cash dividends declared ($.15 per share)	--	--	--	(2,413)	--	(2,413)
Stock options exercised	83,642	1	798	--	--	799
Stock issued in connection with merger of WesterFed Financial Corporation	4,530,462	46	55,668	--	--	55,714
Balance at March 31, 2001	16,061,254	$ 161	158,294	(2,586)	2,844	158,713

See accompanying notes to consolidated financial statements

GLACIER BANCORP, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited - dollars in thousands)	THREE MONTHS ENDED MARCH 31, 2001	2000
OPERATING ACTIVITIES:		
Net earnings	$ 3,914	3,228
Adjustments to reconcile net earnings to net cash provided by (used in) operating activities:		
Mortgage loans held for sale originated or acquired	(43,098)	(20,171)
Proceeds from sales of mortgage loans held for sale	27,583	15,909
Proceeds from sales of commercial loans	7,314	3,139
Provision for loan losses	585	487
Depreciation of premises and equipment	716	599
Amortization of goodwill and deposit premium	392	136
Net (gain) loss on sale of investments	(64)	30
Gain on sale of loans	(467)	(370)
Amortization of investments premiums and discounts, net	146	38
FHLB stock dividends	(343)	(236)
Deferred tax expense (benefit)	(1,859)	771
Net (increase) decrease in accrued interest receivable	(79)	34
Net decrease in accrued interest payable	(511)	(531)
Net decrease (increase) in other assets	288	(589)
Net decrease in other liabilities and minority interest	(2,766)	(142)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(8,249)	2,332
INVESTING ACTIVITIES:		
Proceeds from sales, maturities and prepayments of investments available-for-sale	81,243	10,932
Purchases of investments available-for-sale	(197,529)	(7,574)
Principal collected on installment and commercial loans	74,874	57,190
Installment and commercial loans originated or acquired	(83,012)	(81,738)
Principal collections on mortgage loans	44,102	32,117
Mortgage loans originated or acquired	(35,702)	(26,720)
Net purchase of FHLB and FRB stock	(845)	(213)
Acquisition of WesterFed Financial Corporation and several branches, net of cash and cash equivalents acquired of $162,254	109,905	--
Net addition of premises and equipment	(1,990)	(521)
NET CASH USED IN INVESTING ACTIVITIES	(8,954)	(16,527)
FINANCING ACTIVITIES:		
Net increase (decrease) in deposits	(2,312)	28,602
Net decrease in FHLB advances and other borrowed funds	1,282	(4,687)
Net increase (decrease) in securities sold under repurchase agreements	(4,459)	(6,787)
Proceeds from issuance of trust preferred securities	35,000	--
Cash dividends paid to stockholders	(1,723)	(1,561)
Proceeds from exercise of stock options and other stock issued	799	24
NET CASH PROVIDED BY FINANCING ACTIVITIES	28,587	15,591
NET INCREASE IN CASH AND CASH EQUIVALENTS	11,384	1,396
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	51,786	52,365
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$ 63,170	53,761
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid during the period for: Interest	$ 5,743	8,876
Income taxes	85	278

NON-CASH INVESTING AND FINANCING ACTIVITY

During the first quarter ended March 31, 2001, the Company purchased a bank and seven branches with net loans of $650,248 and deposits of $787,523. At March 31, 2001 and 2000, the Company had declared dividends, but not yet paid of $2,413 and $1,560. Dividends payable are included in other liabilities.

See accompanying notes to consolidated condensed financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1) Basis of Presentation:

In the opinion of management, the accompanying unaudited consolidated financial statements contain all adjustments (consisting of normal recurring adjustments) necessary for a fair presentation of Glacier Bancorp Inc.'s (the "Company") financial condition as of March 31, 2001, December 31, 2000, and March 31, 2000 and the results of operations and cash flows for the three months ended March 31, 2001 and 2000.

The accompanying consolidated financial statements do not include all of the information and footnotes required by accounting principles generally accepted in the United States of America for complete financial statements. These consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto contained in the Company's Annual Report on Form 10-K for the year ended December 31, 2000. Operating results for the three months ended March 31, 2001 are not necessarily indicative of the results anticipated for the year ending December 31, 2001. Certain reclassifications have been made to the 2000 financial statements to conform to the 2001 presentation.

2) Organizational Structure:

The Company, headquartered in Kalispell, Montana, a Delaware corporation incorporated in 1998, is the successor corporation in a merger with the original Glacier Bancorp, Inc., a Delaware corporation incorporated in 1990, pursuant to the reorganization of Glacier Bank, FSB into a bank holding company. The formation of the new corporation, and subsequent merger, was effected to resolve technical deficiencies in the May 9, 1997 stock split.

The Company is the parent company for ten subsidiaries: Glacier Bank ("Glacier"); Glacier Bank of Whitefish ("Whitefish"); Glacier Bank of Eureka ("Eureka"); First Security Bank of Missoula ("Missoula"); Valley Bank of Helena ("Helena"), Big Sky Western Bank ("Big Sky"), Western Security Bank ("Western"), Glacier Capital Trust I ("Glacier Trust"), and Community First, Inc. ("CFI"), all located in Montana, and Mountain West Bank ("Mountain West") which is located in Idaho and Utah. CFI provides full service brokerage services through Raymond James Financial Services, Inc. At March 31, 2001, the Company owned 100% of Glacier, Missoula, Helena, Big Sky, Mountain West, Western, Glacier Trust and CFI; 94% of Whitefish, and 98% of Eureka.

The Company formed Glacier Capital Trust I (Glacier Trust) as a financing subsidiary on December 18, 2000. On January 25, 2001, Glacier Trust offered 1,400,000 preferred securities at $25 per preferred security. The purchase of the securities entitles the shareholder to receive cumulative cash distributions at an annual interest rate of 9.40% from payments on the junior subordinated debentures of Glacier Bancorp, Inc. The subordinated debentures will mature and the preferred securities must be redeemed by February 1, 2031. In exchange for the Company's capital contribution, the Company obtained all of the outstanding common securities of the trust.

The following abbreviated organizational chart illustrates the various relationships:

Glacier Bancorp, Inc.
(Parent Holding Company)

Glacier Bank (Commercial bank)	First Security Bank of Missoula (Commercial bank)	Glacier Bank of Whitefish (Commercial bank)	Glacier Bank of Eureka (Commercial bank)
Big Sky Western Bank (Commercial bank)	Valley Bank of Helena (Commercial bank)	Mountain West Bank of Coeur d'Alene (Commercial bank)	Western Security Bank (Savings bank)
	Glacier Capital Trust I (Financing services)	Community First, Inc. (Brokerage services)	

3) Ratios:

Returns on average assets and average equity were calculated based on daily averages.

4) Cash Dividend Declared:

On March 28, 2001, the Board of Directors declared a $.15 per share quarterly cash dividend to stockholders of record on April 10, 2001, payable on April 19, 2001.

5) Computation of Earnings Per Share:

Basic earnings per common share is computed by dividing net earnings by the weighted average number of shares of common stock outstanding during the period presented. Diluted earnings per share is computed by including the net increase in shares if dilutive outstanding stock options were exercised, using the treasury stock method. Previous period amounts are restated for the effect of the 2000 stock dividend.

The following schedule contains the data used in the calculation of basic and diluted earnings per share.

	Three months ended March 31, 2001	Three months ended March 31, 2000
Net earnings available to common stockholders, basic	3,914,266	3,227,733
After tax effect of interest on convertible subordinated debentures	4,000	4,000
Net earnings available to common stockholders, diluted	3,918,266	3,231,733
Average outstanding shares - basic	13,020,217	11,436,633
Add: Dilutive stock options	516,585	115,806
Convertible subordinated debentures	33,025	33,025
Average outstanding shares - diluted	13,569,827	11,585,464
Basic earnings per share	0.30	0.28
Diluted earnings per share	0.29	0.28

6) Investments:

A comparison of the amortized cost and estimated fair value of the Company's investments is as follows:

INVESTMENTS AS OF MARCH 31, 2001

(Dollars in thousands)

U.S. GOVERNMENT AND FEDERAL AGENCIES	Weighted Yield	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
maturing within one year	4.99%	500	--	--	500
maturing after ten years	8.02%	1,685	14	(6)	1,693
	7.33%	2,185	14	(6)	2,193
STATE AND LOCAL GOVERNMENTS AND OTHER ISSUES:					
maturing within one year	5.37%	12,395	1	(7)	12,389
maturing one year through five years	5.68%	12,314	140	(4)	12,450
maturing five years through ten years	5.37%	5,158	55	(36)	5,177
maturing after ten years	5.67%	129,900	2,486	(460)	131,926
	5.67%	159,767	2,682	(507)	161,942
MORTGAGE-BACKED SECURITIES	7.14%	149,444	990	(151)	150,283
REAL ESTATE MORTGAGE INVESTMENT CONDUITS	6.49%	202,241	1,676	(32)	203,885
TOTAL AVAILABLE-FOR-SALE INVESTMENTS	6.42%	513,637	5,362	(696)	518,303

INVESTMENTS AS OF DECEMBER 31, 2000

(Dollars in thousands)	Weighted Yield	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
U.S. GOVERNMENT AND FEDERAL AGENCIES					
maturing within one year	5.05%	500	--	(3)	497
maturing one year through five years	6.33%	4,975	5	(25)	4,955
maturing five years though ten years	6.92%	3,050	24	(11)	3,063
maturing after ten years	7.20%	1,070	--	(12)	1,058
	6.55%	9,595	29	(51)	9,573
STATE AND LOCAL GOVERNMENTS AND OTHER ISSUES:					
maturing within one year	5.47%	600	1	(19)	582
maturing one year through five years	5.17%	1,635	41	(1)	1,675
maturing five years through ten years	7.53%	4,047	34	(99)	3,982
maturing after ten years	5.50%	54,561	1,612	(570)	55,603
	5.63%	60,843	1,688	(689)	61,842
MORTGAGE-BACKED SECURITIES	6.79%	39,374	268	(157)	39,485
REAL ESTATE MORTGAGE INVESTMENT CONDUITS	6.94%	101,635	396	(1,043)	100,988
TOTAL AVAILABLE FOR SALE INVESTMENTS	6.52%	$211,447	2,381	(1,940)	211,888

7) Stockholders' Equity:

The Federal Reserve Board has adopted capital adequacy guidelines that are used to assess the adequacy of capital in supervising a bank holding company. The following table illustrates the Federal Reserve Board's capital adequacy guidelines and the Company's compliance with those guidelines as of March 31, 2001:

CONSOLIDATED (Dollars in thousands)	Tier 1 (Core) Capital	Tier 2 (Total) Capital	Leverage Capital
GAAP Capital	$ 158,713	158,713	158,713
Less: Goodwill	(47,990)	(47,990)	(47,990)
Accumulated other comprehensive gain on AFS securities	(2,844)	(2,844)	(2,844)
Plus: Minority interest	351	351	351
Allowance for loan losses	--	16,496	--
Trust preferred secuirities	35,000	35,000	35,000
Other regulatory adjustments	(3,707)	(5,271)	(3,707)
Regulatory capital computed	$ 139,523	154,455	139,523
Risk weighted assets	$ 1,439,705	1,439,705	
Total average assets			1,966,065
Capital as % of defined assets	9.69%	10.73%	7.10%
Regulatory "well capitalized" requirement	6.00%	10.00%	5.00%
Excess over "well capitalized" requirement	3.69%	0.73%	2.10%

8) Comprehensive Earnings:

The Company's only component of other comprehensive earnings is the unrealized gains and losses on available-for-sale securities.

Dollars in thousands	For the three months ended March 31, 2001	2000
Net earnings	$ 3,914	3,228
Unrealized holding gains arising during the period	4,212	1,309
Transfer from held-to-maturity	--	(11)
Tax expense	(1,665)	(532)
Net after tax	2,547	766
Reclassification adjustment for gains (losses) included in net income	64	(30)
Tax expense (benefit)	(25)	12
Net after tax	39	(18)
Net unrealized gains on securities	2,586	748
Total comprehensive earnings	$ 6,500	3,976

9) Segment Information

The Company evaluates segment performance internally based on individual bank charter, and thus the operating segments are so defined. The following schedule provides selected financial data for the Company's operating segments. Centrally provided services to the Banks are allocated based on estimated usage of those services. The operating segment identified as "Other" includes the Parent, Community First, Inc., Glacier Trust, and intercompany eliminations.

Three months ended and as of March 31, 2001

(Dollars in thousands)	Glacier	Whitefish	Eureka	Missoula	Helena
Revenues from external customers	9,487	1,298	676	5,068	2,037
Intersegment revenues	311	--	3	10	31
Expenses	8,173	1,059	557	4,098	1,741
Intercompany eliminations	--	--	--	--	--
Net income	1,625	239	122	980	327
Total Assets	462,992	59,315	31,909	212,027	86,992

	Big Sky	Mountain West	Western	Other	Total Consolidated
Revenues from external customers	1,714	3,716	6,280	226	30,502
Intersegment revenues	--	143	--	5,244	5,742
Expenses	1,548	3,694	5,480	238	26,588
Intercompany eliminations	--	--	--	(5,742)	(5,742)
Net income	166	165	800	(510)	3,914
Total Assets	77,955	308,467	916,113	(22,991)	2,132,779

(Dollars in thousands)	Glacier	Whitefish	Eureka	Missoula	Helena
	Three months ended and as of March 31, 2000				
Revenues from external customers	9,315	1,178	626	4,604	1,873
Intersegment revenues	373	2	--	--	54
Expenses	8,120	949	507	3,668	1,611
Intercompany eliminations	--	--	--	--	--
Net income	1,568	231	119	936	316
Total Assets	461,303	54,380	27,734	196,223	83,609

	Big Sky	Mountain West	Other	Total Consolidated
Revenues from external customers	1,436	2,303	126	21,461
Intersegment revenues	--	--	4,007	4,436
Expenses	1,300	2,144	(66)	18,233
Intercompany eliminations	--	--	(4,436)	(4,436)
Net income	136	159	(237)	3,228
Total Assets	68,437	97,938	3,271	992,895

10) Recent Acquisitions

On February 28, 2001 the Company completed the acquisition of WesterFed Financial Corporation. The Company issued 4,530,462 shares and $37,274,000 cash to shareholders in consideration of the merger. The acquisition is being accounted for, using the purchase method of accounting. Accordingly, the assets and liabilities of WesterFed were recorded by the Company at their respective fair values at the time of the completion of the merger and the results of WesterFed have been included with those of the Company since the date of the acquisition. The excess of the Company's purchase price over the net fair value of the assets acquired and liabilities assumed, including identifiable intangible assets, is recorded as goodwill and will be amortized over a useful life of 20 years.

The estimated fair values of net assets acquired at the acquisition date are summarized as follows:

(Dollars in thousands)	
Cash and due from banks	$ 24,891
Investments available-for-sale	185,984
FHLB stock	13,062
Loans	613,676
Premises and equipment	25,546
Goodwill	15,609
Core deposit intangible	7,449
Other assets	11,034
	897,251
Deposits	$603,555
FHLB advances	165,386
Repurchase agreements	7,851
Other liabilities	26,747
	803,539
Total consideration paid	$ 93,712

On March 15, 2001, the Company completed the acquisition, subject to certain adjustments, of seven Wells Fargo & Company and First Security Corporation subsidiary banks located in Idaho and Utah. The acquisition is being accounted for using the purchase method of accounting. Accordingly, the assets and liabilities of the acquired banks were recorded by the Company at there respective fair values at the date of the acquisition and the results of the banks operations have been included with those of the Company since the date of the acquisition. The excess of the Company's purchase price over the net fair value of the assets acquired and liabilities assumed, including identifiable intangible assets, is recorded as goodwill and will be amortized over a useful life of 20 years.

The estimated fair values of the branches net assets acquired at the acquisition date are summarized as follows:

(Dollars in thousands)	
Cash and due from banks	$122,288
Loans	36,573
Premises and equipment	6,449
Core deposit intangible	1,514
Other assets	196
	167,020
Deposits	$183,968
Other liabilities	454
	184,422
Net liabilities assumed in excess of identifiable net assets acquired	$ 17,402

The following pro forma information presents the consolidated results of operations as if the acquisitions had occurred at the beginning of each of the periods presented below.

(unaudited - dollars in thousands except per share data)	For the three months ended March 31, 2001	2000
Total interest and non-interest income	$ 47,629	38,588
Net earnings	$ 4,676	3,991
Net earnings per common share - basic(1)	0.29	0.25
Net earnings per common share - diluted(1)	0.28	0.24

(1) Adjusted for stock dividends on May 25, 2000

The pro forma information does not purport to be indicative of the results of operations that would have occurred had the transactions taken place at the beginning of the periods presented or of future results of operations.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Recent Developments

Completed Acquisitions

The acquisition of Missoula, Montana based WesterFed with December 31, 2000 assets of $929 million, loans of $623 million, and deposits of $606 million was completed on February 28, 2001. WesterFed shareholders received 4,530,462 shares of Glacier Bancorp stock and $37,274,000 in cash as compensation for the acquisition. WesterFed was the holding company for Western Security Bank, Montana's largest savings bank with twenty-seven offices in fourteen Montana communities. Western Security Bank is a separate banking subsidiary of the Company. It is intended that by the end of the fiscal year, several of the branch offices will become branches of other Glacier Bank subsidiaries, based on their geographic location. The remaining branches will continue as a separate subsidiary under the Western Security Bank name, with the main office located in Billings, Montana.

The acquisition of seven Wells Fargo & Company and First Security Corporation branches located in Boise, Nampa, Hailey, and Ketchum, Idaho and Brigham City and Park City, Utah by Mountain West Bank of Coeur d'Alene, Idaho was completed on March 15, 2001. The purchase included approximately $184 million in deposits, $37 million in loans, and real estate and equipment of the branches.

Both acquisitions were accounted for using the purchase method of accounting. Accordingly, the assets and liabilities were recorded by the Company at their respective fair values at the time of the completion of the acquisitions and the results of operations include the results of the acquired operations since the dates of acquisitions.

As a result of these acquisitions, the Company is now the largest publicly traded bank holding company headquartered in the inland northwest, with assets exceeding $2 billion.

Sale of Six Branch Offices

On March 23, 2001 the sale of six branch locations with assets of $79 million to Stockman Bank was announced. Stockman Bank will acquire five Western Security Bank offices located in Conrad, Havre, and three branches in Great Falls and one Glacier Bank office located in Cutbank.

The proposed acquisition is subject to the approval of federal banking regulators, and the parties expect to receive such approval by early June. It is anticipated the transaction will close by the end of June 2001.

Financial Condition

This section discusses the changes in Statement of Financial Condition items from December 31, 2000 to March 31, 2001.

Since December 31, 2000 total assets have increased $1.076 billion, or 102 percent, to $2.133 billion, the result of completion of the WesterFed Financial Corporation acquisition, and branch purchases in Idaho and Utah from Wells Fargo and First Security Corporation. Total loans, net of the reserve for loan losses, have increased $658 million, or 90 percent, of which $650 million came from the acquisitions. The loan growth has occurred in all loan classifications. Commercial loans increased $222.9 million, or 65 percent, consumer loans increased $169.8 million, or 100 percent, and residential real estate loans increased $274.6 million or 119 percent. Internal growth in loans since March 31, 2000 was $69 million, a 10 percent increase.

Loans sold to the secondary market amounted to $34.430 million and $18.678 million during the first three months of 2001 and 2000, respectively.

The amount of loans serviced for others on March 31, 2001 was approximately $352 million.

Total deposits have increased $785 million, or 109 percent, over the December 31, 2000 balances. Total deposits acquired were $787 million, leaving a decrease of $2 million from internal activity. Total deposits are also up $833 million from March 31, 2000, of which $48 million is from internal growth. Non-interest bearing deposits are up $86 million, or 61 percent from December 31, 2000, and interest-bearing deposits have increased $699 million, or 121 percent from December 31, 2000. Borrowed funds, including the subordinated debentures issued with the trust preferred security, and repurchase agreements, have increased $205 million, or 90 percent.

All eight banking subsidiaries are members of the FHLB. Accordingly, management of the Company has a wide range of versatility in managing the liquidity and asset/liability mix for each individual institution as well as the Company as a whole. As of March 31, 2001, the Company had $710,113,000 of available FHLB line of which $355,457,000 was utilized.

Loan Loss Provision and Non-Performing Assets

Asset quality continued to be very strong during the quarter. Non-performing assets as a percentage of total assets at March 31, 2001 were .37 percent versus .23 at the same time last year, but still well below the Peer Group average of .53 percent at December 31, 2000, the most recent information available. The reserve for loan losses was 216 percent of non-performing assets at March 31, 2001, down from 310 percent a year ago.

With the growth in loan balances, and the continuing change in loan mix from residential real estate to commercial and consumer loans, which historically have greater credit risk, the Company has increased the balance in the reserve for loan losses account. The reserve balance has increased $9.248 million, or 119 percent, to $17.047 million, of which $8.893 million is from acquisitions. The reserve balance is 1.21 percent of total loans outstanding, up from 1.05 percent of loans at December 31, 2000. The first quarter provision expense for loan losses was $585 thousand, up from $487 thousand during the same quarter in 2000. Changes in the information related to the allowance for loan loss account are shown in the following table:

	March 31, 2001	December 31, 2000
Total Allowance for Loan and Real Estate Owned Losses:	$17.047 million	$7.799 million
Allowance as a percentage of Total Loans:	1.21%	1.05%
Allowance as a percentage of Non-performing Assets:	216%	372%

Impaired Loans

As of March 31, 2001, there was $5.885 million in impaired loans. Interest income on impaired loans and interest recoveries on loans that have been charged off, is recognized on a cash basis after principal has been fully paid, or at the time a loan becomes fully performing based on the terms of the loan.

Minority Interest

The minority interest on the consolidated statement of financial condition represents the minority stockholders' share in the retained earnings of the Company. These are shares of Eureka and Whitefish that are still outstanding. As of March 31, 2001, the Company owns 47,280 shares of Whitefish and 49,084 shares of Eureka. The Company's ownership of Whitefish and Eureka is 94% and 98%, respectively. Glacier has a plan in place to purchase the minority interest in the two subsidiaries and subsequently merge the two subsidiaries. It is anticipated that the transactions will occur in the second quarter of 2001.

Stockholders' Equity

Total stockholders' equity increased $61 million, or 62 percent, primarily the result of the stock issued in connection with the recent acquisition of WesterFed Financial Corporation.

Results of Operations -- The three months ended March 31, 2001 compared to the three months ended March 31, 2000.

The Company reported quarterly earnings of $3.9 million, or fully diluted earnings per share of $.29 compared to $3.2 million, and diluted earnings of $.28 last year, an increase of 21 percent. Return on average assets and return on average equity, were 1.14 percent and 13.14 percent compared to 1.33 percent and 15.06 percent for the same quarter last year. The Company's results of operations comparability has been affected by the acquisitions completed during the first quarter of 2001 as described under recent developments and in footnote 10 to the consolidated financial statements.

Net Interest Income

Top line revenue growth continues to accelerate as a result of the Company's growth both internally and from acquisitions. Net interest income for the quarter was $13.102 million, an increase of $3.201 million, or 32 percent, over the same period in 2000. The growth in earning assets and the increase in non-interest bearing deposits resulted in a significant increase in net interest income. The net interest margin continues to be a challenge as the spread on assets acquired is less than the spread on the previous asset base. As a percentage of earning assets, on a tax equivalent basis, the margin has declined from 4.4 percent for the quarter ending March 31, 2000 to 4.0 percent this year.

Non-interest Income

Fee income from loans was $125 thousand, or 22 percent higher in the first quarter of 2001 than the same quarter in 2000. There also was an increase in service charge and other fee income of $588 thousand, or 32 percent. Gain on sale of loans increased $97 thousand, or 26 percent. Net gains on securities sales of $64 thousand in 2001, compared to a net loss of $30 thousand in 2000, were recorded.

Non-interest Expense

Non-interest expense increased by $2.865 million, or 37 percent, over the first quarter of 2000. Included in the 2001 total is $406 thousand in merger and conversion expense. Without those non-recurring expenses non-interest expense increased by $2.459 million, or 32 percent. Compensation and employee benefits increased $1.300 million or 33 percent. Occupancy and equipment expense was up $334 thousand, or 31 percent, and other expenses, which include the merger and conversion expenses, were up $984 thousand, or 46 percent. Amortization of core deposits and goodwill was $168 thousand and $224 thousand, respectively, which is an increase of $252 thousand over the prior year due primarily to the acquisitions.

Forward-Looking Statements

When used in this press release, the words or phrases `will likely result in', `are expected to', `will continue', `is anticipated', `estimate', or `project' or similar expressions are intended to identify "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from historical earnings and those presently anticipated or projected including general economic conditions, business conditions in the banking industry, the regulatory environment, new legislation, vendor quality and efficiency, employee retention factors, rapidly changing technology and evolving banking industry standards, competitive standards, competitive factors including increased competition among financial institutions and fluctuating interest rate environments. Readers are cautioned not to place undue reliance on any such forward-looking statements, which speak only as of the date made. Readers should also carefully review the risk factors described in the company's most recent Annual Report on Form 10-K for the period ending December 31, 2000 and other documents the company files from time to time with the Securities and Exchange Commission.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

Market risk is the risk of loss in a financial instrument arising from adverse changes in market rates/prices such as interest rates, foreign currency exchange rates, commodity prices, and equity prices. The Company's primary market risk exposure is interest rate risk. The ongoing monitoring and management of this risk is an important component of the Company's asset/liability management process which is governed by policies established by its Board of Directors that are reviewed and approved annually. The Board of Directors delegates responsibility for carrying out the asset/liability management policies to the Asset/Liability committee (ALCO). In this capacity ALCO develops guidelines and strategies impacting the Company's asset/liability management related activities based upon estimated market risk sensitivity, policy limits and overall market interest rate levels/trends.

Interest Rate Risk:

Interest rate risk represents the sensitivity of earnings to changes in market interest rates. As interest rates change the interest income and expense streams associated with the Company's financial instruments also change thereby impacting net interest income (NII), the primary component of the Company's earnings. ALCO utilizes the results of a detailed and dynamic simulation model to quantify the estimated exposure of NII to sustained interest rate changes. While ALCO routinely monitors simulated NII sensitivity over a rolling two-year horizon, it also utilizes additional tools to monitor potential longer-term interest rate risk.

The simulation model captures the impact of changing interest rates on the interest income received and interest expense paid on all assets and liabilities reflected on the Company's balance sheet. This sensitivity analysis is compared to ALCO policy limits which specify a maximum tolerance level for NII exposure over a one year horizon, assuming no balance sheet growth, given a 200 basis point (bp) upward and downward shift in interest rates. A parallel and pro rata shift in rates over a 12 month period is assumed. The following reflects the Company's NII sensitivity analysis as of December 31, 2000, the most recent information available, as compared to the 10% Board approved policy limit (dollars in thousands). There have been no material changes in the analysis from December 31, 2000 to March 31, 2001.

Interest Rate Sensitivity

	+200 bp	-200 bp
Estimated sensitivity	-2.75%	1.73%
Estimated increase (decrease) in net interest income	$ (2,007)	1,262

The preceding sensitivity analysis does not represent a Company forecast and should not be relied upon as being indicative of expected operating results. These hypothetical estimates are based upon numerous assumptions including: the nature and timing of interest rate levels including yield curve shape, prepayments on loans and securities, deposit decay rates, pricing decisions on loans and deposits, reinvestment/replacement of assets and liability cashflows, and others. While assumptions are developed based upon current economic and local market conditions, the Company cannot make any assurances as to the predictive nature of these assumptions including how customer preferences or competitor influences might change.

Also, as market conditions vary from those assumed in the sensitivity analysis, actual results will also differ due to: prepayment/refinancing levels likely deviating from those assumed, the varying impact of interest rate change caps or floors on adjustable rate assets, the potential effect of changing debt service levels on customers with adjustable rate loans, depositor early withdrawals and product preference changes, and other internal/external variables. Furthermore, the sensitivity analysis does not reflect actions that ALCO might take in responding to or anticipating changes in interest rates.

PART II -- OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

There are no pending material legal proceedings to which the registrant or its subsidiaries are a party.

ITEM 2. CHANGES IN SECURITIES AND USE OF PROCEEDS

None

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITIES HOLDERS

A special meeting was held on February 26, 2001 to vote upon the proposal to adopt the Amended and Restated Plan and Agreement of Merger, dated as of September 20, 2000, between Glacier Bancorp, Inc. and WesterFed Financial Corporation, under the terms of which WesterFed Financial corporation will merge with Glacier Bancorp, Inc. The merger was approved at the meeting.

ITEM 5. OTHER INFORMATION

None

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K.

(a) Exhibits

None

(b) Current Report on Form 8-K

On January 30, 2001, a Form 8-K was filed disclosing that Glacier Bancorp, Inc. had completed the sale of $35 million in 9.40% capital securities representing preferred beneficial interest in Glacier Capital Trust I, a business trust formed by the Company for the purpose of facilitation the offering. The net proceeds to the Company from the offering were to be used to finance, in part, the acquisition of WesterFed Financial Corporation and the acquisition of seven branches from Wells Fargo & Company, and for other general corporate purposes.

On February 28, 2001, a Form 8-K was filed disclosing that Glacier Bancorp, Inc. had completed its pending acquisition of WesterFed Financial Corporation and its subsidiary, Western Security Bank. The acquisition was accomplished pursuant to an Amended and Restated Plan and Agreement of Merger dated as of September 20, 2000.

On May 4th, 2001 a Form 8-Ka was filed disclosing the consolidated balance sheets of WesterFed Financial Corporation and Subsidiaries as of December 31, 2000 and 1999 and the related consolidated statements of income, stockholders' equity and comprehensive income, and cash flows for the year ended December 31, 2000, the six months ended December 31,1999 and the years ended June 30, 1999 and 1998. In addition, the pro forma financial information Unaudited Combined Condensed Pro Forma

Statement of Financial Condition as of December 31, 2000 and Unaudited Combined Condensed Pro Forma Statement of Operations for the year ended December 31, 2000 were filed.

SIGNATURES

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

GLACIER BANCORP, INC.

May 15, 2001 /s/ Michael J. Blodnick
President/CEO

May 15, 2001 /s/ James H. Strosahl
Executive Vice President/CFO