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, 2000

[ ] 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 5, 2000 was 10,401,701 No preferred shares are issued or outstanding.

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

INDEX

GLACIER BANCORP, INC.
CONSOLIDATED CONDENSED STATEMENTS OF FINANCIAL CONDITION

(Unaudited - dollars in thousands except per share data)	MARCH 31, 2000	December 31, 1999	March 31, 1999
Assets:			
Cash on hand and in banks	$ 40,161	50,590	33,215
Federal funds sold	1,450	64	0
Interest bearing cash deposits	12,150	1,711	13,807
Cash and cash equivalents	53,761	52,365	47,022
Investments:			
Investment securities, held-to-maturity	0	500	500
Investment securities, available-for-sale	64,309	61,560	62,169
Mortgage backed securities, held-to-maturity	0	251	280
Mortgage backed securities, available-for-sale	142,816	147,001	90,706
Total Investments	207,125	209,312	153,655
Net loans receivable:			
Real estate loans	224,169	225,041	243,487
Commercial Loans	295,104	279,341	213,077
Installment and other loans	160,194	154,548	116,933
Allowance for losses	(7,102)	(6,722)	(5,956)
Total Loans, net	672,365	652,208	567,541
Premises and equipment, net	24,592	24,670	20,789
Real estate and other assets owned	460	550	106
Federal Home Loan Bank of Seattle stock, at cost	15,523	15,134	13,636
Federal Reserve stock, at cost	1,527	1,467	1,430
Accrued interest receivable	5,577	5,611	4,849
Goodwill, net	6,899	7,035	2,545
Deferred taxes	1,380	2,642	0
Other assets	3,686	3,007	2,860
	$ 992,895	974,001	814,433
Liabilities and stockholders' equity:			
Deposits - non-interest bearing	$ 148,253	126,927	113,905
Deposits - interest bearing	524,455	517,179	428,756
Advances from Federal Home Loan Bank of Seattle	200,926	208,650	154,675
Securities sold under agreements to repurchase	12,979	19,766	16,839
Other borrowed funds	9,885	6,848	1,741
Accrued interest payable	2,186	2,717	2,437
Current income taxes	1,581	108	1,871
Deferred income taxes	0	0	1,355
Other liabilities	4,830	6,442	6,277
Minority Interest	305	308	319
Total liabilities	905,400	888,945	728,175
Common stock, $.01 par value per share	104	96	95
Paid-in capital	87,410	87,394	66,785
Retained earnings - substantially restricted	4,664	2,997	18,297
Accumulated other comprehensive earnings (loss)	(4,683)	(5,431)	1,081
Total stockholders' equity	87,495	85,056	86,258
	$ 992,895	974,001	814,433
(1) Number of shares outstanding	10,397,526	9,550,444	9,516,450

See accompanying notes to consolidated condensed financial statements

GLACIER BANCORP, INC.
CONSOLIDATED CONDENSED STATEMENTS OF OPERATIONS

(Unaudited - dollars in thousands except per share data)	THREE MONTHS ENDED MARCH 31, 2000	1999
INTEREST INCOME:		
Real estate loans	$ 4,560	4,570
Commercial loans	6,330	4,851
Consumer and other loans	3,499	2,813
Investment securities	3,857	2,164
Total interest income	18,246	14,398
INTEREST EXPENSE:		
Deposits	4,947	3,919
Advances	3,144	1,847
Repurchase agreements	187	185
Other borrowed funds	67	22
Total interest expense	8,345	5,973
NET INTEREST INCOME	9,901	8,425
Provision for loan losses	487	358
Net Interest Income after provision for loan losses	9,414	8,067
NON-INTEREST INCOME:		
Service charges and other fees	1,859	1,555
Miscellaneous loan fees and charges	935	1,492
Gains (Losses) on sale of investments	(30)	19
Other income	451	323
Total fees and other income	3,215	3,389
NON-INTEREST EXPENSE:		
Compensation, employee benefits and related expenses	3,957	3,344
Occupancy expense	1,115	1,068
Data processing expense	276	282
Other expenses	2,288	2,211
Minority interest	15	11
Total non-interest expense	7,650	6,916
EARNINGS BEFORE INCOME TAXES	4,979	4,540
Federal and state income tax expense	1,751	1,571
NET EARNINGS	$ 3,228	2,969
Basic earnings per share (1)	$ 0.31	0.29
Diluted earnings per share (1)	0.31	0.29
Dividends declared per share (1)	0.15	0.14
Return on average assets (annualized)	1.33%	1.46%
Return on average equity (annualized)	15.06%	13.91%
Basic weighted average shares outstanding (1)	10,396,939	10,184,669
Diluted weighted average shares outstanding	10,502,217	10,367,848

(1) Number of shares outstanding adjusted for 10% stock dividend in 1999

See accompanying notes to consolidated condensed financial statements

GLACIER BANCORP, INC.
CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS

(Unaudited -dollars in thousands)	THREE MONTHS ENDED MARCH 31, 2000	1999
OPERATING ACTIVITIES :		
Net earnings	$ 3,228	2,969
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Mortgage loans held for sale originated or acquired	(20,171)	(44,786)
Proceeds from sales of mortgage loans held for sale	15,539	51,792
Proceeds from sales of commercial loans	3,139	7,920
Provision for loan losses	487	358
Depreciation of premises and equipment	599	412
Amortization of goodwill	136	56
Amortization of investment securities premiums and discounts, net	38	246
Net loss (gain) on investment sales and loan sales	30	(19)
Net decrease (increase) in deferred income taxes	771	(230)
Net decrease (increase) in accrued interest receivable	34	(106)
Net increase (decrease) in accrued interest payable	(531)	76
Net increase in current income taxes	1,473	1,653
Net (increase) in other assets	(679)	(198)
Net (decrease) in other liabilities and minority interest	(1,615)	(562)
FHLB stock dividends	(236)	(281)
NET CASH PROVIDED BY OPERATING ACTIVITIES	2,242	19,299
INVESTING ACTIVITIES:		
Proceeds from sales, maturities and prepayments of investment securities available-for-sale	10,932	8,170
Purchases of investment securities available-for-sale	(7,574)	(46,508)
Proceeds from maturities and prepayments of investment securities held-to-maturity	0	828
Principal collected on installment and commercial loans	57,190	45,247
Installment and commercial loans originated or acquired	(81,738)	(65,285)
Principal collections on mortgage loans	32,117	27,280
Mortgage loans originated or acquired	(26,720)	(18,419)
Net proceeds from sales (acquisition) of real estate owned	90	41
Net purchase of FHLB and FRB stock	(213)	(640)
Net addition of premises and equipment	(521)	(631)
NET CASH USED IN INVESTING ACTIVITIES	(16,437)	(49,917)
FINANCING ACTIVITIES:		
Net increase (decrease) increase in deposits	28,602	(2,071)
Net increase (decrease) in FHLB advances and other borrowed funds	(4,687)	28,889
Net (decrease) in securities sold under repurchase agreements	(6,787)	(400)
Cash dividends paid to stockholders	(1,561)	(1,297)
Proceeds from exercise of stock options and other stock issued	24	647
NET CASH PROVIDED BY FINANCING ACTIVITIES	15,591	25,768
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,396	(4,850)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	52,365	51,872
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$ 53,761	47,022
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid during the period for: Interest	$ 8,876	6,919
Income taxes	278	161

See accompanying notes to consolidated condensed financial statements

NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS

1) Basis of Presentation:

In the opinion of Management, the accompanying unaudited consolidated condensed 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, 2000, December 31, 1999, and March 31, 1999 and the results of operations and cash flows for the three months ended March 31, 2000 and 1999

The accompanying consolidated condensed financial statements do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. These consolidated condensed 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, 1999. Operating results for the three months ended March 31, 2000 are not necessarily indicative of the results anticipated for the year ending December 31, 2000.

2) Organizational Structure:

The Company is the parent company for seven 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"), Mountain West Bank (Mountain West) and Community First, Inc. ("CFI"). CFI provides full service brokerage services through Raymond James Financial Services, Inc. Big Sky Western Bank became a subsidiary of the Company on January 20, 1999 and Mountain West became a subsidiary on February 4, 2000. The pooling of interests accounting method was used for both acquisitions. Under this method, financial information for each of the periods presented includes the combined companies as though the mergers had occurred prior to the earliest date presented. At March 31, 2000, the Company owned 100% of Glacier, Missoula, Helena, Big Sky, Mountain West and CFI; 94% of Whitefish, and 98% of Eureka. 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 (Commercial bank)	Community First, Inc. (Brokerage services)

On February 4, 2000, the Company issued 844,257 shares of common stock in exchange for all of the outstanding stock of Mountain West Bank. This business combination has been accounted for as a pooling-of-interests combination and, accordingly, the consolidated condensed financial statements for periods prior to the combination have been restated to include the accounts and results of operations of Mountain West Bank. The results of operations previously reported by the separate companies and the combined amounts presented in the accompanying consolidated condensed financial statements are summarized below: (Dollars in thousands)

	Three months ended March 31, 1999
Net earnings of:	
Glacier Bancorp, Inc.	$2,894
Mountain West Bank	75
Combined	$2,969

3) Stock Dividend:

On May 27, 1999, a 10% stock dividend was approved by the Board of Directors. As a result, all per share amounts from time periods proceeding this date have been restated to illustrate the effect of the stock dividend. Any fractional shares were paid in cash.

4) Ratios:

Return on average assets and average equity was calculated based on daily averages.

5) Cash Dividend Declared:

On March 29, 2000, the Board of Directors declared of $.15 per share quarterly cash dividend to stockholders of record on April 11, 2000, payable on April 20, 2000.

6) 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 1999 stock dividend. The following schedule contains the data used in the calculation of basic and diluted earnings per share.

	Three months ended March 31, 2000	Three months ended March 31, 1999
Net income available to common stockholders, basic and diluted	$ 3,227,733	2,969,212
Average outstanding shares - basic	10,396,939	10,184,669
Add: dilutive stock options	105,278	183,179
Average outstanding shares - diluted	10,502,217	10,367,848
Basic earnings per share	$ .31	.29
Diluted earnings per share	$ .31	.29

7) Investments:

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

INVESTMENT SECURITIES AS OF MARCH 31, 2000

AVAILABLE FOR SALE U.S. GOVERNMENT AND FEDERAL AGENCIES	Weighted Yield	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
maturing within one year	5.75%	1,698	1	(2)	1,697
maturing one year through five years	6.43%	4,980	10	(97)	4,893
maturing five years though ten years	6.59%	4,547	0	(137)	4,410
maturing after ten years	7.08%	1,276	1	(14)	1,263
	6.46%	12,501	12	(250)	12,263
STATE AND LOCAL GOVERNMENTS AND OTHER ISSUES:					
maturing within one year	6.54%	377	1	(49)	329
maturing one year through five years	5.22%	1,297	11	(6)	1,302
maturing five years through ten years	7.32%	4,611	30	(17)	4,624
maturing after ten years	5.21%	47,838	265	(2,312)	45,791
	5.40%	54,123	307	(2,384)	52,046
MORTGAGE-BACKED SECURITIES	6.94%	39,861	43	(1,347)	38,557
REAL ESTATE MORTGAGE INVESTMENT CONDUITS	7.13%	108,354	140	(4,235)	104,259
TOTAL AVAILABLE-FOR-SALE SECURITIES	6.62%	214,839	502	(8,216)	207,125

INVESTMENT SECURITIES AS OF DECEMBER 31, 1999

DOLLARS IN THOUSANDS HELD-TO-MATURITY	Weighted Yield	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
U.S. Government and Federal Agencies					
maturing one year through five years	6.26%	500	0	(5)	500
Mortgage-Backed Securities	6.50%	251	0	(6)	247
TOTAL HELD-TO-MATURITY SECURITIES	6.42%	751	0	(11)	747
AVAILABLE FOR SALE					
U.S. GOVERNMENT AND FEDERAL AGENCIES					
maturing within one year	5.98%	1,998	3	(4)	1,997
maturing one year through five years	6.37%	4,480	15	(105)	4,391
maturing five years though ten years	6.76%	4,546	0	(221)	4,325
maturing after ten years	5.20%	1,322	2	(13)	1,310
	6.33%	12,346	20	(343)	12,023
STATE AND LOCAL GOVERNMENTS AND OTHER ISSUES:					
maturing within one year	6.50%	397	1	(49)	349
maturing one year through five years	4.92%	1,302	14	(5)	1,311
maturing five years through ten years	6.88%	4,120	25	(20)	4,125
maturing after ten years	5.21%	46,698	39	(2,985)	43,752
	5.34%	52,517	79	(3,059)	49,537
MORTGAGE-BACKED SECURITIES	6.96%	44,277	164	(1,310)	43,131
REAL ESTATE MORTGAGE INVESTMENT CONDUITS	6.94%	108,374	126	(4,630)	103,870
TOTAL AVAILABLE FOR SALE SECURITIES	6.52%	217,514	389	(9,342)	208,561

8) Stockholders' Equity:

The Federal Reserve Board has adopted capital adequacy guidelines pursuant to which it assesses 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, 2000:

(dollars in thousands)	Tier 1 (Core) Capital	Tier 2 (Total) Capital	Leverage Capital
GAAP Capital	$ 87,495	$ 87,495	$ 87,495
Less: Goodwill	(6,899)	(6,899)	(6,899)
Plus: Net unrealized losses on securities available-for-sale	4,683	4,683	4,683
Minority Interest	305	305	305
Allowance for loan losses	--	7,102	--
Regulatory capital computed	$ 85,584	$ 92,686	$ 85,584
Risk weighted assets	$ 665,971	$ 665,971	
Total average assets			$ 973,010
Capital as % of defined assets	12.85%	13.92%	8.80%
Regulatory "well capitalized" requirement	6.00%	10.00%	5.00%
Excess over "well capitalized" requirement	6.85%	3.92%	3.80%

9) Comprehensive Earnings:

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

Dollars in thousands	For the three months ended March 31, 2000	1999
Net earnings	$ 3,228	2,969
Unrealized holding gains (losses) arising during the period	1,250	(646)
Transfer from held-to-maturity	(11)	288
Tax expense	(509)	239
Net after tax	730	(119)
Less: reclassification adjustment for amounts included in net income	(30)	19
Tax expense	12	(8)
Net after tax	(18)	11
Net unrealized gain (loss) on securities	748	(130)
Total comprehensive earnings	$ 3,976	2,839

10) Subsequent Events

The Board of Directors, at their meeting held on April 26, 2000, declared a 10 percent stock dividend payable May 25, 2000 in common stock of the Company, to shareholders of record on May 16, 2000. Fractional shares will be paid in cash

11) 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., and inter-company eliminations.

	Three months ended and as of March 31, 2000				
(Dollars in thousands)	Glacier	Whitefish	Eureka	Missoula	Helena
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	1,612
Intercompany eliminations	-	-	-	-	-
Net income	1,568	231	119	936	315
Total Assets	461,303	54,380	27,734	196,223	83,610

	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	(236)	3,228
Total Assets	68,437	97,938	3,271	992,895

	Three months ended and as of March 31, 1999				
(Dollars in thousands)	Glacier	Whitefish	Eureka	Missoula	Helena
Revenues from external customers	7,920	875	526	3,703	1,716
Intersegment revenues	199	46	3	18	8
Expenses	6,699	749	445	2,814	1,444
Intercompany eliminations	-	-	-	-	-
Net income	1,420	172	84	907	280
Total Assets	370,341	41,888	27,734	169,776	74,756

	Big Sky	Mountain West	Other	Total Consolidated
Revenues from external customers	790	1,921	336	17,787
Intersegment revenues	50	-	3,362	3,686
Expenses	768	1,846	53	14,818
Intercompany eliminations	-	-	(3,686)	(3,686)
Net income	72	75	(41)	2,969
Total Assets	48,611	80,867	460	814,433

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

Financial Condition - This section discusses the changes in Statement of Financial Condition items from December 31, 1999 to March 31, 2000.

From December 31, 1999 total assets have grown $18.894 million, or 1.94 percent, to $992.895 million. This increase was primarily the net result of an increase in loans of $20.157 million, or 3.09 percent, and a decrease in investments and cash and cash equivalents of $791 thousand.

Real estate loans decreased $800 thousand during the period, while commercial loans increased $15.763 million, consistent with management's decision to restructure the loan portfolio and to not retain long-term, low-interest rate mortgage loans.

Total deposits increased $28.602 million, or 4.4 percent, with $21.326 million of the increase in non-interest bearing deposits. Advances from the FHLB and other borrowed funds decreased $11.474 million because of the deposit increases.

Loans sold to the secondary market amounted to $18.678 million and $60.585 million during the first three months of 2000 and 1999, respectively.

The amount of loans serviced for others on March 31, 2000 was approximately $175 million.

All seven institutions 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. The following table demonstrates the available FHLB lines of credit and the extent of utilization as of March 31, 2000 (in thousands):

	Available line	Amount Used	Available
Glacier Bank	$160,338	123,966	36,372
Glacier Bank of Whitefish	12,131	10,225	1,906
Glacier Bank of Eureka	9,341	4,048	5,293
First Security Bank Missoula	31,411	28,000	3,411
Valley Bank of Helena	16,059	6,287	9,772
Big Sky Western Bank	17,126	15,600	1,526
Mountain West Bank	16,221	12,800	3,421
Totals	$262,627	200,926	61,701

Classified Assets and Reserves

Non-performing assets consist of non-accrual loans, accruing loans that are 90 days or more overdue, and real estate and other assets acquired by foreclosure or deed-in-lieu thereof, net of related reserves. Non-performing assets at March 31, 2000 remained unchanged from December 31, 1999, and were $2.3 million, or .23% of total assets. Changes in the information related to the allowance for loan loss account are shown in the following table:

	March 31, 2000	December 31, 1999
Total Allowance for Loan and Real Estate Owned Losses:	$7.102 million	$6.722 million
Allowance as a percentage of Total Loans:	1.06%	1.03%
Allowance as a percentage of Non-performing Assets:	310%	295%

Impaired Loans
As of March 31, 2000, there were no loans considered impaired. 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, 2000, 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.

Results of Operations - The three months ended 3/31/00 compared to the three months ended 3/31/99.

Glacier Bancorp, Inc. reported net income of $3.228 million, or basic earnings per share of $.31, for the first quarter of 2000, compared with $2.969 million, or basic earnings per share of $.29, for the same quarter of 1999. Return on average assets and return on average equity for the quarter were 1.33 percent and 15.06 percent, respectively, which compares to returns of 1.46 percent and 13.91 percent for the same quarter of 1999.

The acquisition of the two Butte Montana offices of Washington Mutual, with approximately $73 million in deposits, was completed as of October 8, 1999. Those branches have been fully integrated into Glacier Bank, the largest subsidiary of the Company. The information contained in this document includes the impact of that acquisition which was accounted for as a purchase. Under purchase accounting rules only results from the purchase date forward are affected and prior periods have not been adjusted to reflect the acquisition.

Net Interest Income
Net interest income for the quarter was $9.901 million, an increase of $1.476 million, or 17 percent, over the same period in 1999. Growth in earning assets was the main reason for this increase. The net interest margin as a percentage of earning assets, on a tax equivalent basis, has declined from 4.8 percent in 1999 to 4.4 percent in 2000. Higher interest rates in the first part of 2000 have resulted in a larger percentage increase in interest expense than in interest income. However, the growth in earning assets and the increase in non-interest bearing deposits, resulted in the significant increase in net interest income.

Loan Loss Provision and Non-Performing Assets
The first quarter provision for loan losses was $487 thousand, up from $358 thousand during the same quarter in 1999. Non-performing assets as a percentage of loans at March 31, 2000 were .36 percent, well below the average of the peer group which was .64 percent at December 31, 1999, the most recent information available. The reserve for loan losses was 310 percent of non-performing assets as of March 31, 2000, compared to 295 percent at year end 1999. With the growth in loan balances, and the change in loan mix from residential real estate to commercial and consumer loans, which historically have greater credit risk, both the provision expense for loan loss and the balance in the reserve account continue to increase. The reserve balance increased $380 thousand, or 6 percent, to $7.102 million during the first quarter of 2000, to 1.06 percent of total loans outstanding, up from 1.03 percent of loans at December 31, 1999.

Non-interest Income
Non-interest income declined $174 thousand, from the first quarter of 1999. Income from sales of mortgage loans was $557 thousand lower in 2000 with less activity due to higher mortgage rates. Other fee income increased $304 thousand, offsetting some of the mortgage fee income decline. Other miscellaneous income, somewhat offset by losses on investment sales of $30 thousand, comprised the remaining increase in non-interest income.

Non-interest Expense
Non-interest expense increased by $734 thousand, or 11 percent, over the first quarter of 1999. Compensation and employee benefits increased $613 thousand, or 18 percent. Occupancy and equipment expense was up $47 thousand, or 4 percent. Other expenses were up $75 thousand, or 3 percent. The reasons for the increased operating expenses include the addition of the two Butte branches and $78 thousand in amortization of the premium paid for that acquisition, staffing increases in the Boise, and Sun Valley Idaho branches, and normal compensation adjustments that occur at the beginning of the year.

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, 1999, 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, 1999 to March 31, 2000.

	+200 bp	-200 bp
Estimated sensitivity	-3.66%	2.68%
Estimated increase (decrease) in net interest income	(1,220)	893

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

None

ITEM 5. OTHER INFORMATION

None

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

a. Exhibit 27 - Financial data schedule

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 8, 2000 /s/ Michael J. Blodnick
President/CEO

May 8, 2000 /s/ James H. Strosahl
Executive Vice President/CFO

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION MARCH 31, 2000, CONSOLIDATED STATEMENTS OF OPERATIONS MARCH 31, 2000 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH QUARTERLY REPORT FORM 10-Q MARCH 31, 2000

1,000
U.S. DOLLARS

3-MOS
DEC-31-2000
JAN-01-2000
MAR-31-2000
1
40,161
12,150
1,450
0
207,125
0
0
679,467
7,102
992,895
672,708
223,440
8,597
350
0
0
104
87,391
992,895
14,389
3,857
0
18,246
4,947
8,345
9,901
487
(30)
7,650
4,979
3,228
0
0
3,228
0.31
0.31
4.43
1,698
135
0
0
6,722
140
33
7,102
7,102
0
0