
UNITED STATES 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: July 20, 2006

NORTHWEST INDIANA BANCORP

(Exact name of registrant as specified in its charter)

Indiana
(State or other jurisdiction of incorporation)

000-26128
(Commission File Number)

35-1927981
(IRS Employer Identification No.)

9204 Columbia Avenue
Munster, Indiana 46321
(Address of principal executive offices) (Zip Code)

(219) 836-4400
(Registrant's telephone number, including area code)

N/A
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K 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)
 - Soliciting 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))
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Item 2.02. Results of Operations and Financial Condition

On July 20, 2006, NorthWest Indiana Bancorp issued a press release reporting its unaudited financial results for the quarter ending June 30, 2006. A copy of the press release is filed as Exhibit 99.1 to this report and is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(c) Exhibits.

99.1 Quarterly Earnings Release and Unaudited Consolidated Condensed Balance Sheets, Consolidated Condensed Statements of Income and Selected Financial Data for the Quarter Ended June 30, 2006.

SIGNATURE

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.

Date: July 20, 2006

NORTHWEST INDIANA BANCORP

By: /s/ David A. Bochnowski

Name: David A. Bochnowski

Title: Chairman of the Board and
Chief Executive Officer

INDEX TO EXHIBITS

Exhibit Number	Description
99.1	Quarterly Earnings Release and Unaudited Consolidated Condensed Balance Sheets, Consolidated Condensed Statements of Income and Selected Financial Data for the Quarter Ended June 30, 2006

FOR IMMEDIATE RELEASE
July 20, 2006
FOR FURTHER INFORMATION
CONTACT DAVID A. BOCHNOWSKI
(219) 853-7575

NORTHWEST INDIANA BANCORP

REPORTS EARNINGS

Munster, Indiana — - NorthWest Indiana Bancorp, the holding company for Peoples Bank, reported net income of \$1.7 million, or \$0.59 earnings per basic and \$0.58 earnings per diluted share for the quarter ended June 30, 2006, compared to net income of \$1.6 million, or \$0.59 earnings per basic and \$0.58 earnings per diluted share for the same period a year earlier. The current quarter net income represented a 0.3% increase over the second quarter net income reported during the prior year. In addition, for the quarter ended June 30, 2006, the return on average assets (ROA) was 1.07% and return on average equity (ROE) was 13.89%.

For the six months ended June 30, 2006, the Bancorp reported net income of \$3.33 million, or \$1.19 earnings per basic and \$1.18 earnings per diluted share compared to \$3.26 million, or \$1.17 earnings per basic and \$1.15 earnings per diluted share for the same period a year earlier. The current six month net income represented a 2.3% increase over the six- month net income reported during the prior year. In addition, for the six months ended June 30, 2006, the return on average assets (ROA) was 1.08% and return on average equity (ROE) was 14.06%.

David A. Bochnowski, Chairman and Chief Executive Officer, attributed the Bank's performance to asset quality, increased noninterest income from banking activities and stable operating expenses.

During the quarter ended June 30, 2006, total assets increased by \$7.4 million, or 1.2%, to \$622.6 million. Loan growth totaled \$10.2 million, while securities decreased by \$3.1 million. Core deposits, which include checking, savings and money market accounts, decreased by \$3.8 million during the quarter ended June 30, 2006. Core deposits represented 57.8% of the Bancorp's total deposits at June 30, 2006. Certificates of deposit decreased by \$2.5 million, while borrowings increased by \$14.3 million.

For the six months ended June 30, 2006, total assets decreased by \$4.9 million, or 0.8%, to \$622.6 million. Loan growth totaled \$12.1 million, while securities growth totaled \$4.4 million and short-term investments decreased by \$20.0 million. Core deposits decreased by \$20.6 million during the six months ended June 30, 2006. The decrease in short-term investments and core deposits was affected by a \$25.0 million withdrawal of short-term local government funds. Certificates of deposit decreased by \$1.7 million, while borrowings increased by \$17.1 million.

Net interest income, the difference between interest income from loans and investments and interest expense paid to fund providers, totaled \$4.9 million for the quarter ended June 30, 2006, compared to \$5.1 million for the quarter ended June 30, 2005, a decrease of 4.8%. For the six months ended June 30, 2006, net interest income totaled \$9.9 million compared to \$10.2 million for the same period a year earlier, a decrease of 2.6%.

“Despite the continued escalation of interest rates by the Federal Reserve, Peoples Bank has reported an increase in earnings for the current quarter and the first six months of the year. Although our core earnings have been buffeted by rising rates paid to depositors along with a dampening of borrower enthusiasm for loan products, we have responded by controlling our operating costs while keeping a watchful eye on credit quality,” said Bochnowski.

Despite the current general economic pressures, the Bancorp’s non-performing loans to total assets remain at the manageable level of 0.41% at June 30, 2006. During the current quarter and six-month period, \$15 thousand in additional provisions to the allowance for loan losses were required. Loan loss recoveries, net of charge-off totaled \$12 thousand for the quarter and \$27 thousand for the six months ended June 30, 2006. The balance of \$4.2 million in the allowance for loan losses at June 30, 2006, is considered adequate by management based on its current analysis of loan portfolio credit quality, changes in the portfolio mix and local economic conditions.

Noninterest income increased by \$146 thousand, or 16.2%, for the three months ended June 30, 2006. For the six months ended June 30, 2006, noninterest income increased by \$383 thousand, or 22.5%. The current quarter and six month increase was due to income from account related services, increased income from operations and increases in the cash value of bank owned life insurance. In addition, the six-month noninterest income increase was positively impacted by a \$42 thousand gain from the sale of foreclosed real estate. Noninterest income has also been impacted by a decrease in gains from security sales of \$15 thousand for the current quarter and \$29 thousand for the current six-month period.

Noninterest expense decreased by \$3 thousand, or 0.1%, for the quarter ended June 30, 2006. For the six months ended June 30, 2006, noninterest expense increased by \$201 thousand, or 2.9%. The decrease for the quarter and minimal increase for the six months is due to management’s focus on reviewing internal processes in an effort to gain cost saving efficiencies. The increase for the six month period was primarily due to increased occupancy, data processing and marketing expenses related to normal banking operations.

At June 30, 2006, stockholders’ equity stood at \$47.5 million or 7.6% of total assets. The book value of the Bancorp’s stock stood at \$17.00 per share.

The NorthWest Indiana Bancorp stock is traded on the OTC Bulletin Board under NWIN. The Bancorp’s subsidiary, Peoples Bank, has offices in East Chicago, Dyer, Hammond, Hobart, Merrillville, Munster, and Schererville, Indiana. The Bank’s website, www.ibankpeoples.com provides information on the Bank’s products, services, interest rates and investor relations.

“Forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995 may be included in this release. A variety of factors could cause the Bancorp’s actual results to differ from those expected at the time of this release. These include, but are not limited to, changes

in economic conditions in the Bancorp's market area, changes in policies by regulatory agencies, fluctuation in interest rates, demand for loans in the Bancorp's market area, competition and other risks set forth in the Bancorp's reports filed with the Securities and Exchange Commission, including its Annual Report on Form 10-K for the year ended December 31, 2006. Readers are urged to carefully review and consider the various disclosures made by the Bancorp in its periodic reports filed with the Securities and Exchange Commission. Forward-looking statements speak only as of the date they are made, and the Bancorp undertakes no obligation to update them in light of new information or future events.

NorthWest Indiana Bancorp

Consolidated Balance Sheets
(Dollars in Thousands)

	June 30, 2006 (unaudited)	Decemeber 31, 2005
Assets		
Cash and cash equivalents	\$ 15,652	\$ 39,831
Available-for-sale securities	80,759	76,382
Held-to-maturity securities	13,698	13,711
Federal Home Loan Bank Stock	3,311	2,987
Loans held for sale	116	—
Loans receivable	481,184	469,043
Less: allowance for loan losses	<u>(4,223)</u>	<u>(4,181)</u>
Net loans receivable	476,961	464,862
Premises and equipment	14,390	14,510
Foreclosed real estate	134	260
Cash value of bank owned life insurance	10,629	8,457
Other assets	6,901	6,439
Total assets	<u>\$ 622,551</u>	<u>\$ 627,439</u>
Liabilities and Stockholders' Equity		
Deposits	\$ 503,072	\$ 525,731
Borrowed funds	68,226	51,153
Accrued expenses and other liabilities	3,799	4,122
Total liabilities	<u>575,097</u>	<u>581,006</u>
Stockholders' Equity	<u>47,454</u>	<u>46,433</u>
Total liabilities and stockholders' equity	<u>\$ 622,551</u>	<u>\$ 627,439</u>

Consolidated Statements of Income
(Dollars in Thousands)

	Three Months Ended June 30, (unaudited)		Six Months Ended June 30, (unaudited)	
	2006	2005	2006	2005
Total interest income	\$ 8,624	\$ 7,411	\$ 16,928	\$ 14,418
Total interest expense	<u>3,729</u>	<u>2,270</u>	<u>6,994</u>	<u>4,219</u>
Net interest income	4,895	5,141	9,934	10,199
Provision for loan losses	<u>15</u>	<u>60</u>	<u>15</u>	<u>125</u>
Net interest income after provision for loan losses	<u>4,880</u>	<u>5,081</u>	<u>9,919</u>	<u>10,074</u>
Total noninterest income	1,054	904	2,089	1,706
Total noninterest expenses	<u>3,559</u>	<u>3,562</u>	<u>7,179</u>	<u>6,978</u>
Income before income tax expenses	2,375	2,423	4,829	4,802
Income tax expenses	<u>722</u>	<u>775</u>	<u>1,500</u>	<u>1,547</u>
Net Income	<u>\$ 1,653</u>	<u>\$ 1,648</u>	<u>\$ 3,329</u>	<u>\$ 3,255</u>

Selected Financial Data

	Three Months Ended June 30,		Six Months Ended June 30,	
	2006	2005	2006	2005
Earnings per common share:				
Basic	\$ 0.59	\$ 0.59	\$ 1.19	\$ 1.17
Diluted	\$ 0.58	\$ 0.58	\$ 1.18	\$ 1.15
Net interest margin	3.56%	3.70%	3.50%	3.78%
Return on average assets	1.07%	1.10%	1.08%	1.12%
Return on average equity	13.89%	14.60%	14.06%	14.50%
			At	
Stockholders' equity as a percent of total assets			June 30, 2006	June 30, 2005
Book value per share			\$ 17.0	\$ 16.31