
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: April 25, 2019

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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 7.01. Regulation FD Disclosure

On April 25, 2019, NorthWest Indiana Bancorp (the “Bancorp”) presented financial and other information to shareholders at the Bancorp’s Annual Meeting of Shareholders. The slides for the presentation are attached as Exhibit 99.1 to this report and are incorporated by reference into this Item 7.01. This information is furnished pursuant to Item 7.01 of Form 8-K and shall not be deemed to be “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that section. The filing of this report shall not be deemed an admission as to the materiality of any information in the report that is required to be disclosed solely by reason of Regulation FD.

Forward-Looking Statements

This Current Report on Form 8-K may contain forward-looking statements regarding the financial performance, business prospects, growth and operating strategies of NorthWest Indiana Bancorp (“NWIN”). For these forward-looking statements, NWIN claims the protections of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. Statements in this communication should be considered in conjunction with the other information available about NWIN, including the information in the filings NWIN makes with the SEC, including its Annual Report on Form 10-K for the year ended December 31, 2018. Forward-looking statements provide current expectations or forecasts of future events and are not guarantees of future performance. The forward-looking statements are based on management’s expectations and are subject to a number of risks and uncertainties. Forward-looking statements are typically identified by using words such as “anticipate,” “estimate,” “project,” “intend,” “plan,” “believe,” “will” and similar expressions in connection with any discussion of future operating or financial performance.

Although management believes that the expectations reflected in such forward-looking statements are reasonable, actual results may differ materially from those expressed or implied in such statements. Risks and uncertainties that could cause actual results to differ materially include: difficulties and delays in integrating NWIN’s business with the businesses of institutions NWIN has acquired or fully realizing cost savings and other benefits from those acquisitions; changes in asset quality and credit risk; the inability to sustain revenue and earnings growth; changes in interest rates and capital markets; inflation; customer acceptance of NWIN’s products and services; customer borrowing, repayment, investment, and deposit practices; customer disintermediation; the introduction, withdrawal, success, and timing of business initiatives; competitive conditions; the inability to realize cost savings or revenues or to implement integration plans and other consequences associated with mergers, acquisitions, and divestitures; economic conditions; and the impact, extent, and timing of technological changes, capital management activities, and other actions of the Federal Reserve Board and legislative and regulatory actions and reforms.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

99.1 Slide Presentation for the Annual Meeting of Stockholders on April 25, 2019.

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: April 25, 2019

NORTHWEST INDIANA BANCORP

By: /s/ Robert T. Lowry
Name: Robert T. Lowry
Title: Executive Vice President, Chief
Financial Officer and Treasurer

NorthWest
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FORWARD-LOOKING STATEMENTS

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DISCLOSURES REGARDING NON-GAAP MEASURES

This presentation refers to certain financial measures that are identified as non-GAAP. The Bancorp believes that these non-GAAP measures are helpful to investors to better understand the Bancorp's assets, earnings, and shareholders' equity at the date of this presentation. This supplemental information should not be considered in isolation or as a substitute for the related GAAP measures. See the attached table at the end of this presentation for a reconciliation of the non-GAAP measures identified herein and their most comparable GAAP measures.



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OVERVIEW & INTRODUCTION

APRIL 25, 2019

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WHO WE ARE

MISSION

Peoples Bank is committed to helping our communities and customers be more successful

VALUES

STABILITY

Customer experience
Risk management
Reliability

INTEGRITY

Ethics
Trust
Reputation

COMMUNITY

Genuine concern
Measurable impact
Involvement

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Exceed expectations
Better, not just bigger
Financial performance

VISION

Continued growth and independence as a high-performing community bank, so that we can continue to deliver on our mission in Northwest Indiana and South Suburban Chicagoland



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WHO WE ARE

Full-service, broadly-based community financial institution offering consumer, business, and wealth management services – in person and digitally

- 22 full-service Banking Centers
- 274 Employees
- \$1.3 bn in Assets
- Accolades
 - Top 200 Community Bank for 14 consecutive years*
 - Best Bank to Work For 2014 - 2018*
 - Best Place To Work in Indiana 2013 - 2018**



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*American Banker Magazine **Best Companies Group

STRATEGIC OVERVIEW

Differentiation

- Service-based value proposition
- Performance and Profitability
- Community Bank serving Northwest Indiana and South Suburban Chicagoland
- Continued Independence



Market Expansion

- Inorganic Growth
- Organic Growth



Market Penetration

- Product development
- Teams and Talent



Operational Efficiency

- Consistent outcomes
- Resource allocation

GROWTH STORY – 25 YEARS



(Dollars in Millions, Except Per Share Amounts)



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GROWTH STORY

Highlights

12/31	2008	2013	2018	5 Year CAGR (%)
Assets (\$ millions)	\$664.7	\$693.5	\$1,096.2	9.6%
Net Income (\$ millions)	\$5.9	\$7.1	\$9.3	5.6%
Market Cap (\$ millions)	\$67	\$71	\$130	12.9%
Stock Price (\$, 12/31)	\$24	\$25	\$43	11.5%

Inorganic Experience

Year	Institution	Assets	Footprint	% of Assets
2014	First Federal	\$40 mn	2 Banking Centers – In Market	5.5%
2015	Liberty Savings	\$50 mn	2 Banking Centers – In Market	6.1%
2018	First Personal	\$150 mn	3 Banking Centers – Market Expansion	15.6%
2019	AJ Smith	\$180 mn	3 Banking Centers – Market Expansion	16.4%



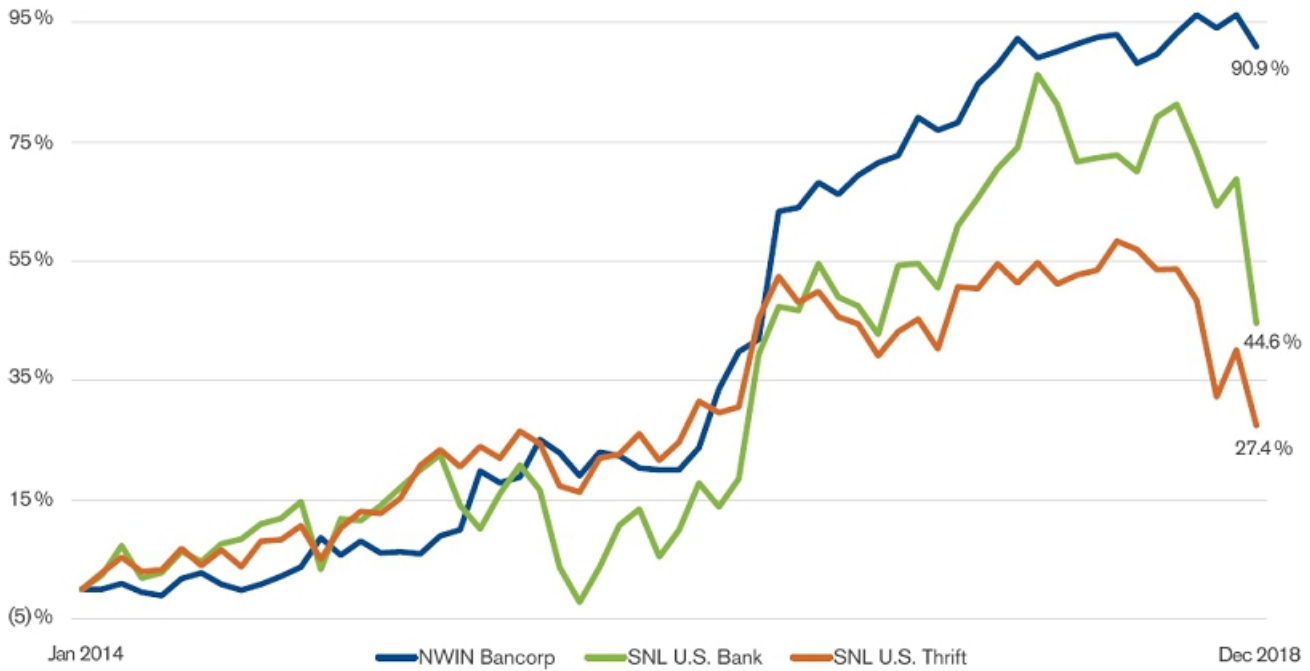
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TOTAL RETURN – 5 YEARS*



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*Information gathered from S&P Global Market Intelligence

2018 PERFORMANCE REVIEW & Q1 2019 UPDATE

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2018 PERFORMANCE SUMMARY

Growth



- Total assets at \$1.1 billion with 18.2% growth
- Capital continues to support growth plans
- Earnings at \$9.3 million with 4.2% growth

Acquisitions



- Closed First Personal – target 15.6% of assets
- Announced A.J. Smith Bancorp – 16.4% of assets

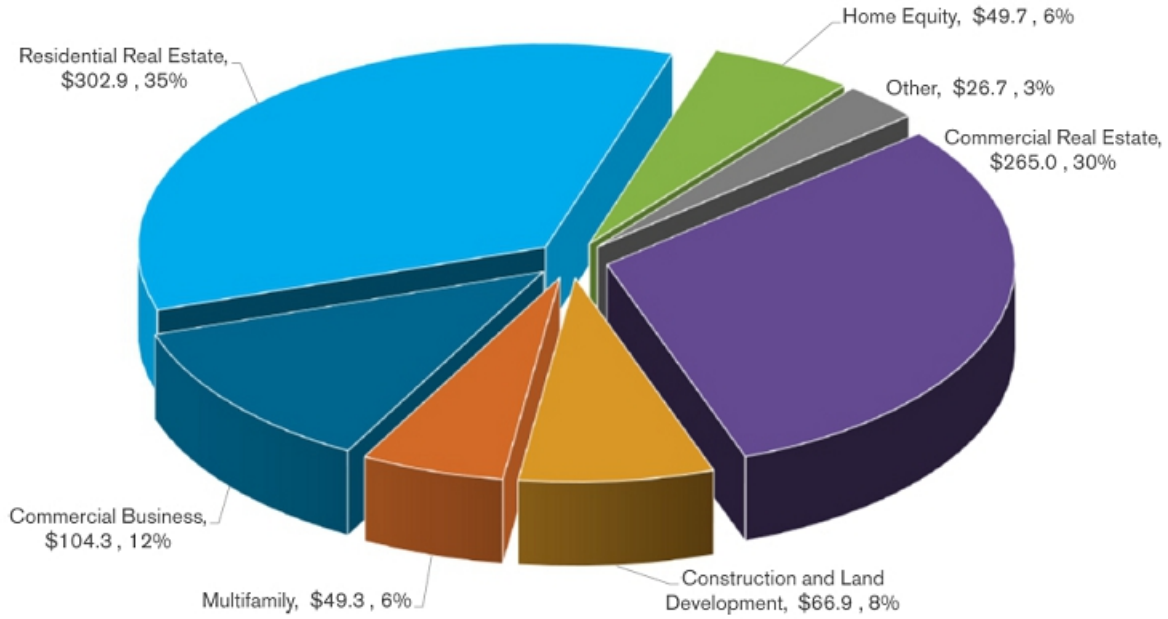
Asset Quality



- Strong, stable loan portfolio
- Non-performing loans at 0.90% of total loans
- ALL at 1.04% of total loans, however, ALL + purchase accounting reserves at 1.63% of total loans

LOAN PORTFOLIO COMPOSITION

Total Loans \$ 865.0 million as of 3/31/2019



(Dollars in Millions)



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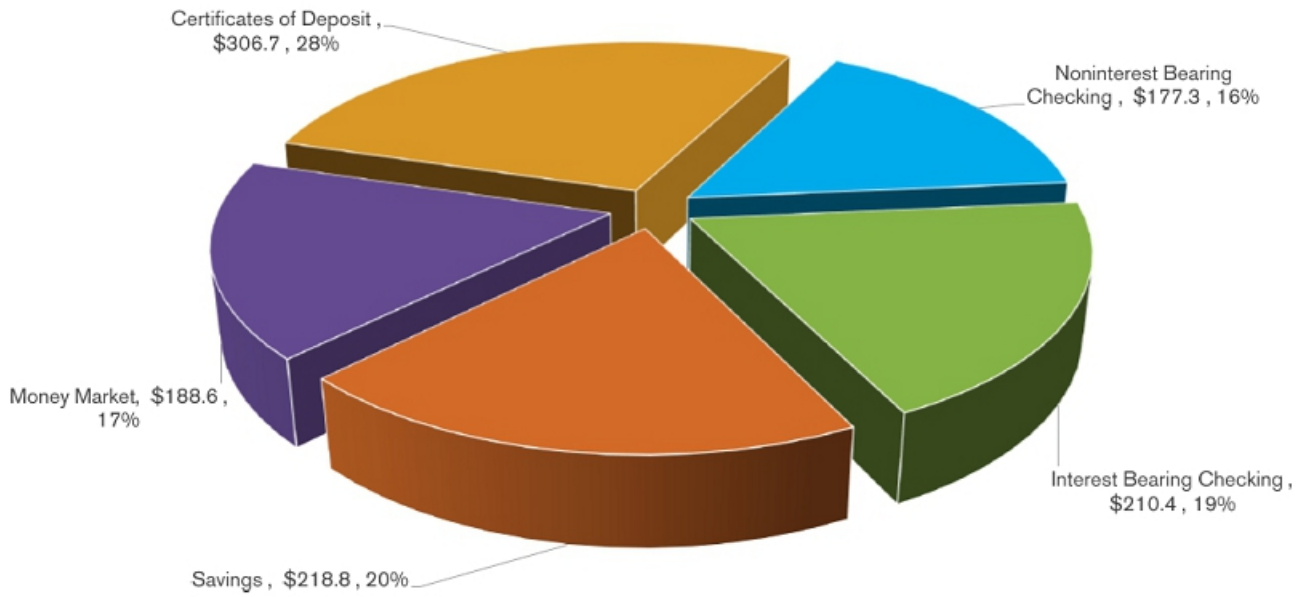
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DEPOSIT COMPOSITION

Total Deposits \$ 1,101.7 million as of 3/31/2019



(Dollars in Millions)



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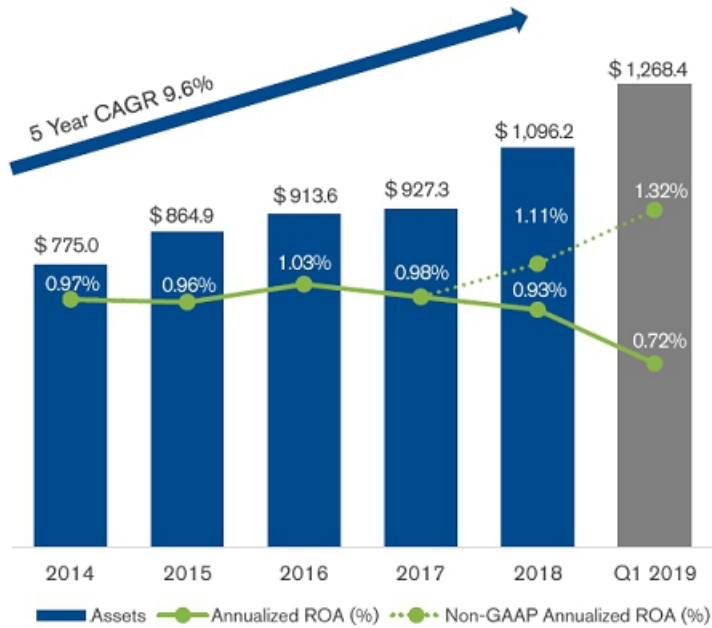
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ASSETS & RETURN ON ASSETS

Growing to New Levels

- Up \$493.4 mn or 63.7% from end of 2014 to Q1 2019
- Acquisitions have created a platform for organic growth
- Non-performing assets to total assets has decreased from 1.15% in 2014 to 0.94% at Q1 2019
- 2018 ROA decreased from 0.98% to 0.93%, however, it included \$2.1 mn in one-time merger and acquisition expenses, which if adjusted for on a Non-GAAP basis would have resulted in a ROA of 1.11%*
- Q1 2019 annualized ROA decreased to 0.72%, however, it also included \$2.1 mn in one-time merger and acquisition expenses, which if adjusted for on a Non-GAAP basis would have produced a ROA of 1.32%*

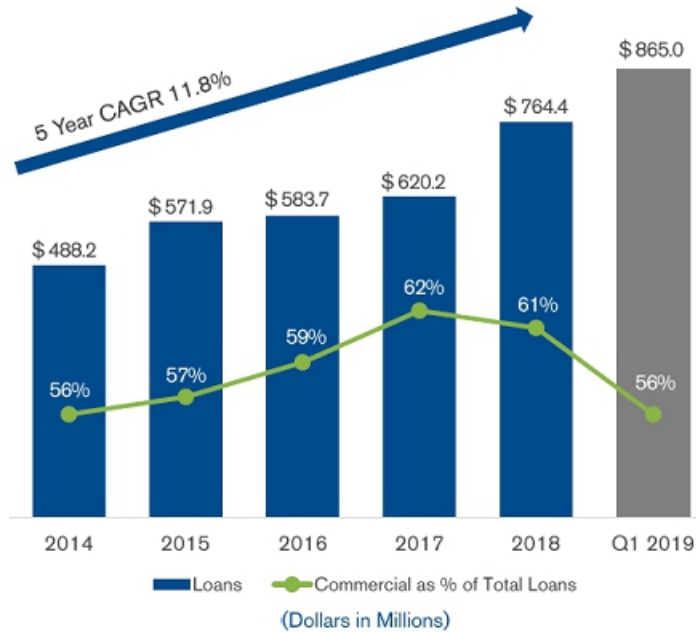


(Dollars in Millions)

LOANS

Acquisitions and Originations

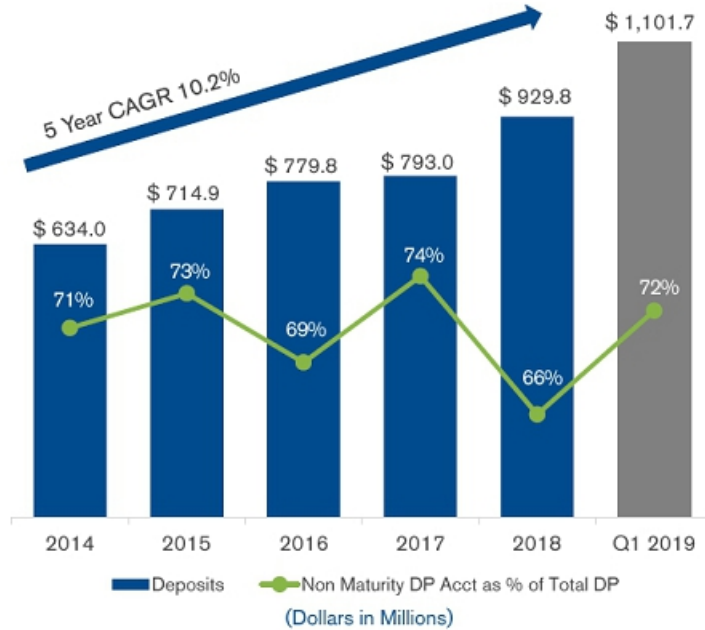
- Up \$276.2 mn or 56.6% from end of 2014 to Q1 2019
- Strategically repositioning the balance sheet
 - Loans as a % of earning assets has increased from 63% in 2014 to 75% in Q1 2019, helping drive profitability
 - Strategic focus on business banking has driven commercial loan growth and profitability
- Non-performing loans to total loans has improved from 1.10% in 2014 to 0.97% at Q1 2019
- Maintaining strong credit underwriting practices, while preparing for CECL



DEPOSITS

Positioned to Fund Growth

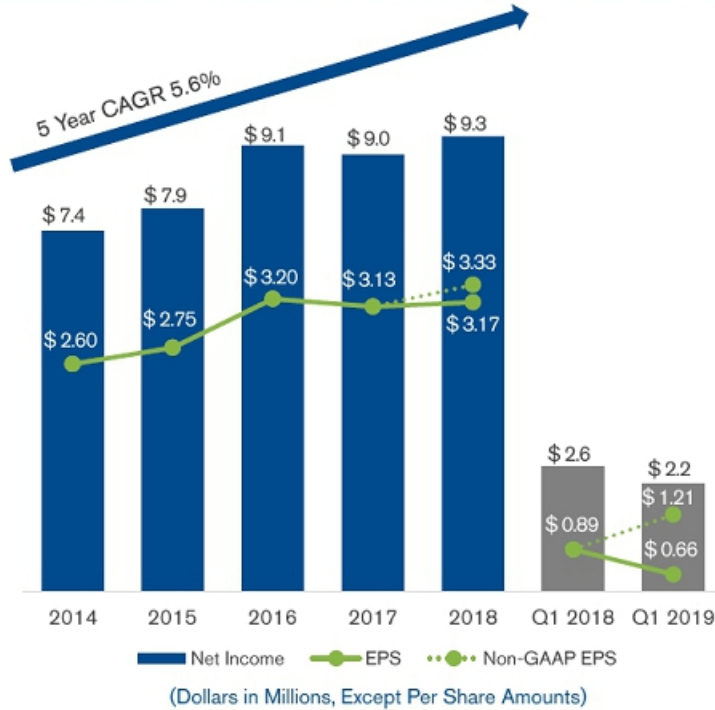
- Up \$467.7 mn or 73.8% from end of 2014 to Q1 2019
- Positioned for higher interest rate environment through core deposit franchise
- Cost of non-maturity deposit increased from 0.11% at the beginning of 2018 to 0.34% at the end of Q1 2019, compared to a 1.00% increase in the fed funds rate during the same time
- At Q1 2019, a core deposit intangible of \$5.9 million is being amortized through to 2025



NET INCOME & EARNINGS PER SHARE

Increased Earnings

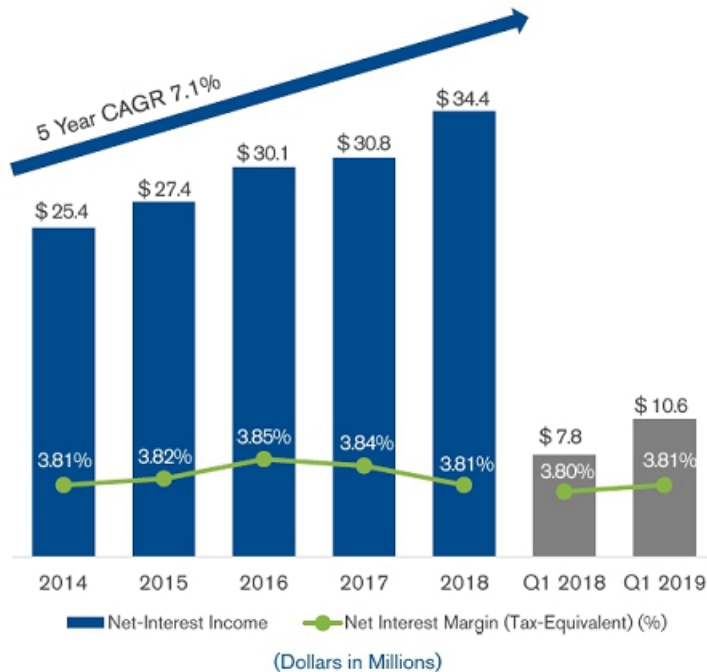
- Record earnings in 2018, despite one-time acquisition expenses of \$2.1 mn
- 2018 net income of 9.3 million resulted in EPS of \$3.17, however, this included \$2.1 mn in one-time merger and acquisition expenses, which if adjusted for on a Non-GAAP basis would have produced year-to-date net income of \$11.1 mn* and EPS of \$3.33*
- Q1 2019 net income of \$2.2 million resulted in EPS of \$0.66, however, this also included \$2.1 mn in one-time merger and acquisition expenses, which if adjusted for on a Non-GAAP basis would have produced quarter-to-date net income of \$4.1 mn* and EPS of \$1.21*
- 2016 represented a 16.4% increase in net income and was the result of back-to-back acquisitions in 2014 and 2015



NET-INTEREST INCOME

Increasing Despite Yield Curve

- Margin holding, margin business expanding through economies of scale
- Net-interest income up 35.3% Q1 2018 to Q1 2019
- Flattening yield curve continues to be a challenge, interest income continues to grow
- Recent acquisitions have focused on new markets for preexisting loan and core deposit relationships
- Continue to invest in sales and marketing to further develop presence in new markets for new banking relationships



NON-INTEREST INCOME

Adding Value

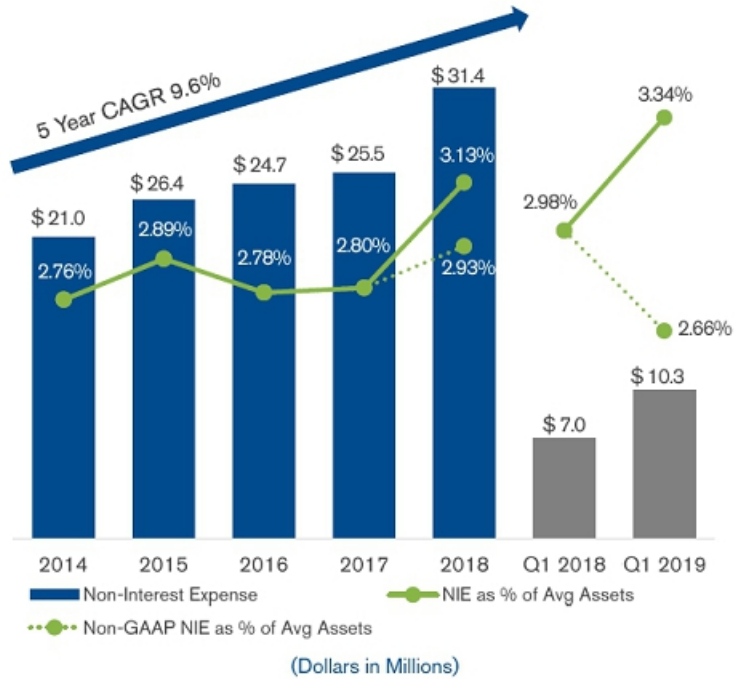
- Noninterest income streams continue to be a strategic focus
- 17.4% growth between 2017 and 2018
- Plans to further enhance wealth management and mortgage banking business lines
- Continue to competitively price bank services and look for new noninterest income streams
- Strategic focus in market penetration



NON-INTEREST EXPENSE

Focused Expense Management

- Recent acquisitions driving ratio of non-interest expense to average assets higher in 2018 and Q1 2019, yet core expenses remain stable
- Efficiency ratio for Q1 2019 was 78.14%, for 2018 was 72.21%, and was 66.85% for 2014
- Long term, non-interest expense to average assets targeted under 3.00% and efficiency ratio targeted under 70.00%
- 2018 resulted in \$31.4 mn of noninterest expense, however, this included \$2.1 mn in one-time merger and acquisition expenses, which if adjusted for on a Non-GAAP basis would have produced a non-interest expense as % of avg assets of 2.93%* and an efficiency ratio of 67.44%*
- Q1 2019 resulted in \$10.3 mn of noninterest expense, however, this also included \$2.1 mn in one-time merger and acquisition expenses, which if adjusted for on a Non-GAAP basis would have produced a non-interest expense as % of avg assets of 2.66%* and an efficiency ratio of 62.10%*



LOOKING AHEAD

AJ Smith Integration

- Expected completion by late May, bringing total Illinois Banking Center Network to six
- All material merger related expenses expected to be recognized by end of Q2 2019

Growth

- Execution of sales strategies and continued organic growth in current markets
- Continued product development and technology enhancements to better serve customers
- Redesign the Corporate Center to allow for growth and employee collaboration

Strategic Focus

- Assess in-market opportunities for new Banking Centers
- Expand marketing efforts and community engagement in new Illinois markets
- Continual evaluation of inorganic growth opportunities

A SPECIAL THANKS

Randy Schwartz,
and the Board and
staff of First
Personal Bank

Jerry Weberling,
and the Board and
staff of AJ Smith
Federal Savings
Bank

We will honor your work and
commitment to the communities
that you served so well



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THANK YOU

Peoples *Bank*

NON-GAAP RECONCILIATION – Q1 2019

Table 1 - Reconciliation of the Non-GAAP Earnings and Performance Ratios

	(Unaudited) March 31, 2019 Three Months Ended
GAAP net income	\$ 2,222
GAAP income tax expense	340
GAAP income before income taxes	2,562
One-time acquisition costs	2,113
Pro forma income before income taxes	4,675
Pro forma income taxes	620
Pro forma net income	<u>\$ 4,055</u>
Pro forma net income change	58.3%

(\$ in thousands)

	(Unaudited)		
For the three months ended, March 31, 2019	GAAP	One-time acquisition costs - tax effected	Non-GAAP
Net income	\$ 2,222	\$ 1,833	\$ 4,055
Average assets	<u>\$ 1,230,752</u>		<u>\$ 1,230,752</u>
ROA	0.72%		1.32%



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NON-GAAP RECONCILIATION – Q1 2019

(\$ in thousands)	(Unaudited)		
	GAAP	One-time acquisition costs - tax effected	Non-GAAP
For the three months ended, March 31, 2019			
Net income	\$ 2,222	\$ 1,833	\$ 4,055
Average equity	\$ 117,165		\$ 117,165
ROE	7.59%		13.84%

(\$ in thousands, except per share data)	(Unaudited)		
	GAAP	One-time acquisition costs - tax effected	Non-GAAP
For the three months ended, March 31, 2019			
Net income	\$ 2,222	\$ 1,833	\$ 4,055
Weighted average common shares outstanding	3,343,183		3,343,183
Earnings per share	\$0.66		\$1.21

(\$ in thousands)	(Unaudited)		
	GAAP	One-time acquisition costs - tax effected	Non-GAAP
For the three months ended, March 31, 2019			
Noninterest expense	\$ 10,291	\$ (2,113)	\$ 8,178
Average assets	\$ 1,230,752		\$ 1,230,752
Non-interest expense as % of average assets	3.34%		2.66%

(\$ in thousands)	(Unaudited)		
	GAAP	One-time acquisition costs	Non-GAAP
For the three months ended, March 31, 2019			
Noninterest expense	10,291	(2,113)	8,178
Interest income	12,487		12,487
Interest expense	1,887		1,887
Noninterest income	2,570		2,570
Efficiency ratio	78.14%		62.10%



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NON-GAAP RECONCILIATION – 2018

Table 1 - Reconciliation of the Non-GAAP Earnings and Performance Ratios

	(Unaudited)		
	Twelve Months		
	Ended		
	December 31,		
	2018		
GAAP net Income	\$	9,337	
GAAP income tax expense		1,430	
GAAP income before income taxes		10,767	
One-time acquisition costs		2,076	
Pro forma income before income taxes		12,843	
Pro forma income taxes		1,706	
Pro forma net income	\$	11,137	
Pro forma net income change		24.3%	
(\$ in thousands)			(Unaudited)
For the twelve months ended, December 31, 2018		GAAP	One-time acquisition costs - tax effected
Net income	\$	9,337	\$ 1,800
Average assets	\$	1,001,908	\$ 1,001,908
ROA		0.93%	1.11%



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NON-GAAP RECONCILIATION – 2018

(\$ in thousands)	(Unaudited)		
	GAAP	One-time acquisition costs - tax effected	Non-GAAP
For the twelve months ended, December 31, 2018			
Net income	\$ 9,337	\$ 1,800	\$ 11,137
Average equity	\$ 94,460		\$ 94,460
ROE	9.88%		11.79%
(\$ in thousands, except per share data)	(Unaudited)		
For the twelve months ended, December 31, 2018	GAAP	One-time acquisition costs - tax effected	Non-GAAP
Net income	\$ 9,337	\$ 1,800	\$ 11,137
Weighted average common shares outstanding	2,949,212		3,343,183
Earnings per share	\$3.17		\$3.33
(\$ in thousands)	(Unaudited)		
For the twelve months ended, December 31, 2018	GAAP	One-time acquisition costs - tax effected	Non-GAAP
Noninterest expense	\$ 31,383	\$ (2,076)	\$ 29,307
Average assets	\$ 1,001,908		\$ 1,001,908
Non-interest expense as % of average assets	3.13%		2.93%
(\$ in thousands)	(Unaudited)		
For the twelve months ended, December 31, 2018	GAAP	One-time acquisition costs	Non-GAAP
Noninterest expense	31,383	(2,076)	29,307
Interest income	39,450		39,450
Interest expense	5,091		5,091
Noninterest income	9,099		9,099
Efficiency ratio	72.21%		67.44%



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