SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

Quarterly Report Under Section 13 or 15(d)
of the Securities Exchange Act of 1934

(Mark One)
[X] Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

For the quarterly period ended SEPTEMBER 30, 1997, or

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

For the transition period from __________ to __________

Commission File Number: 0-26128

NORTHWEST INDIANA BANCORP
(Exact name of registrant as specified in its charter)

Indiana	35-1927981
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)
9204 Columbia Avenue Munster, Indiana	46321
(Address of principal executive office)	(ZIP code)

Registrant's telephone number, including area code: (219) 836-9690

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 [ ]

There were 1,381,456 shares of the registrant's Common Stock, without par value, outstanding at September 30, 1997.

NORTHWEST INDIANA BANCORP
INDEX

<TABLE>

</TABLE>

NorthWest Indiana Bancorp
Consolidated Balance Sheets
(unaudited)

<TABLE>
<CAPTION>

<S>	September 30, 1997 <C>	December 31, 1996 <C>
ASSETS		
Cash and non-interest bearing balances in financial institutions ..	$ 6,919,930	$ 5,508,822
Interest bearing balances in financial institutions	-	1,000,000
Total cash and cash equivalents	6,919,930	6,508,822
Securities held-to-maturity (market value: September 30, 1997 - $28,904,000; December 31, 1996 - $39,909,000)	28,810,681	38,427,292
Federal Home Loan Bank common stock (cost approximates market value)	1,646,000	1,596,700
Loans held for sale	239,000	-
Loans receivable	262,473,228	244,695,883
Less: allowance for loan losses	(2,997,597)	(2,887,005)
Net loans receivable	259,475,631	241,808,878
Accrued interest receivable	2,144,960	2,152,672
Premises and equipment	6,888,976	7,085,982
Foreclosed real estate	283,212	188,886
Other assets	1,113,893	1,649,268
Total assets	$ 307,522,283	$ 299,418,500
LIABILITIES AND STOCKHOLDERS' EQUITY		
Deposits:		
Non-interest bearing deposits	$ 17,037,730	$ 12,878,557
Interest bearing deposits	249,705,979	243,541,120
Total deposits	266,743,709	256,419,677
Borrowed funds	8,687,639	12,260,507
Accrued expenses and other liabilities	3,061,009	2,923,079
Total liabilities	278,492,357	271,603,263
Stockholders' Equity		
Preferred stock, no par or stated value; 10,000,000 shares authorized, none outstanding	-	-
Common stock, no par or stated value; 20,000,000 shares authorized; issued and outstanding; September 30, 1997 - 1,381,456 shares; December 31, 1996 - 1,379,595 shares	345,364	344,899
Additional paid-in capital	2,947,432	2,929,587
Retained earnings - substantially restricted	25,737,130	24,540,751
Total stockholders' equity	29,029,926	27,815,237
Total liabilities and stockholders' equity	$ 307,522,283	$ 299,418,500

</TABLE>

See accompanying notes to consolidated financial statements.

NorthWest Indiana Bancorp
Consolidated Statements of Income
(unaudited)

<TABLE>

<CAPTION>

	Three Months Ended September 30, 1997	Three Months Ended September 30, 1996	Nine Months Ended September 30, 1997	Nine Months Ended September 30, 1996
<S>	<C>	<C>	<C>	<C>
Interest income:				
Real estate loans	$4,845,618	$ 4,442,755	$14,102,222	$ 13,005,539
Commercial loans	487,474	359,593	1,284,186	1,109,817
Consumer loans	118,147	95,827	340,583	261,840
Total loan interest	5,451,239	4,898,175	15,726,991	14,377,196
Securities held-to-maturity	498,791	680,672	1,685,250	1,955,402
Other interest earning assets	28,207	54,379	88,322	279,220
Total interest income	5,978,237	5,633,226	17,500,563	16,611,818
Interest expense:				
Deposits	2,854,694	2,758,762	8,363,587	8,265,591
Borrowed funds	108,216	59,073	287,092	138,477
Total interest expense	2,962,910	2,817,835	8,650,679	8,404,068
Net interest income	3,015,327	2,815,391	8,849,884	8,207,750
Provision for loan losses	55,000	22,500	136,000	55,000
Net interest income after provision for loan losses	2,960,327	2,792,891	8,713,884	8,152,750
Noninterest income:				
Gain/(loss) on sale of interest earning assets	1,311	1,130	14,843	(3,765)
Gain on sale of foreclosed real estate	11,012	3,668	27,849	3,668
Fees and service charges	170,253	116,872	482,005	355,840
Trust operations	62,111	44,855	216,772	152,974
Other	1,800	-	60,960	-
Total noninterest income	246,487	166,525	802,429	508,717
Noninterest expense:				
Compensation and benefits	856,820	756,684	2,563,168	2,302,150
Occupancy and equipment	354,903	272,843	996,455	778,465
Federal insurance premium	40,215	1,702,723	122,393	1,981,153
Advertising	29,573	26,166	114,043	111,057
Data processing	89,650	75,924	259,799	215,733
Other	436,340	364,514	1,268,891	1,070,910
Total noninterest expense	1,807,501	3,198,854	5,324,749	

				6,459,468
Income before income taxes	1,399,313	(239,438)	4,191,564	2,201,999
Income tax expense/(benefit)	559,600	(91,650)	1,669,000	881,550
	----------	-----------	-----------	------------
Net income/(loss)	$ 839,713	$ (147,788)	$ 2,522,564	$ 1,320,449
	==========	===========	===========	============
Earnings per common and common equivalent share:				
Net Income/(loss)	$ 0.61	$ (0.11)	$ 1.83	$ 0.96
	==========	===========	===========	============
Dividends declared per common share	$ 0.32	$ 0.275	$ 0.96	$ 0.825
	==========	===========	===========	============

</TABLE>

See accompanying notes to consolidated financial statements.

NorthWest Indiana Bancorp
Consolidated Statements of Changes in Stockholders' Equity
(unaudited)

<TABLE>
<CAPTION>

	Three Months Ended September 30,		Nine Months Ended September 30,	
	1997	1996	1997	1996
	------------	------------	------------	------------
<S>	<C>	<C>	<C>	<C>
Balance at beginning of period	$ 28,632,083	$ 27,915,286	$ 27,815,237	$ 27,204,128
Stock option plan shares issued, 1,861 shares at $9.31 - $21.25 per share and 138 shares at $9.31 - $11.50 per share for the nine months ended September 30, 1997 and 1996	196	186	18,310	1,846
Cash dividends declared, $.96 per share and $.825 per share for the nine months ended September 30, 1997 and 1996	(442,066)	(379,382)	(1,326,185)	(1,138,121)
Net income	839,713	(147,788)	2,522,564	1,320,449
	------------	------------	------------	------------
Balance at end of period	$ 29,029,926	$ 27,388,302	$ 29,029,926	$ 27,388,302
	============	============	============	============

</TABLE>

See accompanying notes to consolidated financial statements.

NorthWest Indiana Bancorp
Consolidated Statements of Cash Flows
(unaudited)

<TABLE>
<CAPTION>

	Nine Months Ended September 30, 1997	1996
<S>	<C>	<C>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 2,522,564	$ 1,320,449
Adjustments to reconcile net income to net cash provided by operating activities:		
Origination of loans for sale	(1,264,000)	(699,900)
Sale of loans originated for sale	1,036,862	388,028
Depreciation and amortization, net of accretion	459,006	395,377
Net gains on sale of loans	(14,843)	(3,628)
Net gain on sale of fixed assets	(41,051)	-
Net gains on sale of foreclosed real estate	(27,849)	(3,668)
Provision for loan losses	136,000	55,000
Unrealized losses on mortgage loans held for sale	-	7,392
Net change in unearned interest on loans	(3,937)	3,776
Change in deferred loan fees	(15,283)	1,362
Change in interest receivable	7,712	(170,181)
Change in other assets	535,375	(580,136)
Change in accrued expenses and other liabilities	137,930	1,397,138
Total adjustments	945,922	790,560
Net cash from operating activities	3,468,486	2,111,009
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from maturities of securities held-to-maturity	9,248,571	9,171,429
Purchase of securities held-to-maturity	-	(15,164,019)
Purchase of Federal Home Loan Bank common stock	(49,300)	-
Principal collected on mortgage-backed securities	331,034	363,070
Loan participation's purchased	(88,000)	-
Loans made net of payments received	(18,036,816)	(17,115,942)
Purchase of premises and equipment	(283,610)	(2,078,918)
Sale of premises and equipment	99,667	-
Proceeds from sale of foreclosed real estate	277,787	32,548
Net cash from investing activities	(8,500,667)	(24,791,832)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Change in deposits	10,324,032	11,065,353
Proceeds from FHLB advances	3,279,207	-
Repayment of FHLB advances	(7,000,000)	-
Change in other borrowed funds	147,925	4,636,673
Proceeds from issuance of capital stock	18,310	1,846
Cash dividends paid	(1,326,185)	(1,138,121)
Net cash from financing activities	5,443,289	14,565,751
Net change in cash and cash equivalents	411,108	(8,115,072)
Cash and cash equivalents at beginning of period	6,508,822	14,943,704
Cash and cash equivalents at end of period	$ 6,919,930	$ 6,828,632
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Cash paid during the period for:		
Interest	$ 8,603,781	$ 8,427,215
Income taxes	$ 1,470,000	$ 1,445,000

</TABLE>

4

See accompanying notes to consolidated financial statements.

NORTHWEST INDIANA BANCORP
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 - BASIS OF PRESENTATION

The consolidated financial statements include the accounts of NorthWest Indiana Bancorp (the Company), its wholly-owned subsidiary, Peoples Bank SB (the Bank), and the Bank's wholly-owned subsidiaries. The Company has no other business activity other than being a holding company for the Bank. The accompanying unaudited consolidated financial statements were prepared in accordance with instructions for Form 10-Q and, therefore, do not include all disclosures required by generally accepted accounting principles for complete presentation of financial statements. In the opinion of management, the consolidated financial statements contain all adjustments (consisting only of normal recurring accruals) necessary to present fairly the balance sheets of the Company as of September 30, 1997 and December 31, 1996, and the statements of income and changes in stockholders' equity for the three and nine months ended September 30, 1997 and 1996, and cash flows for the nine months ended September 30, 1997 and 1996. The income reported for the nine month period ended September 30, 1997 is not necessarily indicative of the results to be expected for the full year.

NOTE 2 - CONCENTRATIONS OF CREDIT RISK

The Bank grants residential, commercial real estate, commercial business and installment loans to customers in its primary market area of Lake County, in northwest Indiana. Substantially all loans are secured by specific items of collateral including residences, business assets and consumer assets.

NOTE 3 - RECLASSIFICATIONS

Certain amounts reported in the December 31, 1996 consolidated financial statements have been reclassified to conform to the September 30, 1997 presentation.

NOTE 4 - COMMITMENTS AND CONTINGENCIES

The Bank is a party to financial instruments in the normal course of business to meet financing needs of its customers and to reduce its own exposure to fluctuating interest rates. These financial instruments include commitments to make loans and standby letters of credit.

Exposure to credit loss in the event of nonperformance by the other party to the financial instrument for commitments to make loans and standby letters of credit is represented by the contractual amount of those instruments. The Bank uses the same credit policy to make such commitments as it uses for on-balance-sheet items.

At September 30, 1997 and December 31, 1996, commitments to make loans totaled $41.9 million and $34.1 million, respectively and standby letters of credit totaled $433 thousand and $519 thousand, respectively. At September 30, 1997, $33.8 million (81%) of the commitments were at variable rates.

Since commitments to make loans may expire without being used, the amount does not necessarily represent future cash commitments. Collateral obtained upon exercise of the commitment is determined using management's credit evaluation of the borrower, and may include accounts receivable, inventory, property, land and other items.

NOTE 5 - EARNINGS PER COMMON SHARE

The weighted average number of shares used in the calculation of earnings per share during the three months ended September 30, 1997 and 1996 were 1,381,439 and 1,379,554, respectively. The weighted average number of shares used in the calculation of earnings per share during the nine months ended September 30, 1997 and 1996 were 1,381,049 and 1,379,498, respectively. The effect of common stock equivalents is not material in these periods.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS

SUMMARY

NorthWest Indiana Bancorp, an Indiana corporation (NWIB or the Company), is the holding company for Peoples Bank SB (the Bank), an Indiana stock savings bank. Peoples Bank SB is a wholly owned subsidiary of NWIB. The Company has no other business activity other than being the holding company for Peoples Bank SB.

At September 30, 1997, the Company had total assets of $307.5 million and total deposits of $266.7 million. Stockholders' equity totaled $29.0 million or 9.4% of total assets, with book value per share at $21.01. The annualized return on average assets (ROA) was 1.11%, while the annualized return on average stockholders' equity (ROE) was 11.61%, for the nine month period.

FINANCIAL CONDITION

During the nine months ended September 30, 1997, total assets increased by $8.1 million (2.7%), with interest-earning assets increasing by $7.5 million (2.6%). Total loans increased by $18.0 million (7.4%). The increase in loans was funded with deposit growth of $10.3 million (4.0%) and maturing securities as the securities held-to-maturity portfolio decreased $9.6 million (23.9%). At September 30, 1997, interest-earning assets totaled $293.2 million and represented 95.3% of total assets. Loans receivable and loans held for sale totaled $262.7 million and represented 89.6% of interest-earning assets, 85.4% of total assets and 98.5% of total deposits. The loan portfolio includes $21.5 million (8.2%) in construction and development loans, $154.8 million (59.7%) in residential mortgage loans, $61.2 million (23.3%) in commercial and multifamily real estate loans, $5.6 million (2.1%) in consumer loans, and $19.6 million (6.7%) in commercial business and other loans. Adjustable rate loans comprised 65% of the total investment in loans at September 30, 1997.

The Bank is primarily a portfolio lender. Mortgage banking activities are limited to the sale of fixed rate mortgage loans with contractual maturities of thirty years. These loans are sold in the secondary market because of the additional exposure to interest rate risk associated with this product. The Bank retains the servicing on all loans sold in the secondary market. During the nine months ending September 30, 1997, the Bank sold $1.0 million in fixed rate mortgage loans. Net gains realized from the sales totaled $15 thousand. Mortgage loan servicing income totaled $15 thousand. At September 30, 1997, the Bank had $239 thousand in loans classified as held for sale.

The primary objective of the investment portfolio is to provide for the liquidity needs of the Bank and to contribute to profitability by providing a stable flow of dependable earnings. Funds are generally invested in federal funds, interest-bearing balances in financial institutions, U.S. government securities and federal agency obligations. Interest-bearing balances in financial institutions include overnight deposits at the Federal Home Loan Bank of Indianapolis (FHLBI). Investments are generally for terms ranging from one day to five years. At September 30, 1997, the investment portfolio totaled $30.5 million and was invested as follows: 62.9% in U.S. government agency debt securities, 26.4% in U.S. government debt securities, 5.3% in U.S. government agency

mortgage-backed securities, and 5.4% in FHLB common stock. During the nine months ended September 30, 1997, investment securities decreased by $9.6 million (23.9%) as funds were used to provide funding for loan portfolio growth.

Management believes that the credit risk profile of the earning asset portfolio is relatively low. The table which follows sets forth information with respect to the number (#) and balances (Amount) of non-performing assets and related ratios for the periods indicated. The amounts are stated in thousands (000's).

<TABLE>
<CAPTION>

	September 30, 1997		December 31, 1996	
	#	Amount	#	Amount
<S>	<C>	<C>	<C>	<C>
Loans accounted for on a non-accrual basis:				
Real estate loans:				
Residential	14	$545	14	$ 583
Commercial	2	181	1	45
Commercial business loans	-	---	2	111
Consumer loans	5	90	2	49
Total	21	$816	19	$ 788
Accruing loans which are contractually past due 90 days or more:				
Real estate loans:				
Residential	4	$ 74	5	$

				373
Commercial	-	---	-	---
Commercial business loans	-	---	1	5
Consumer loans	-	---	1	1
	--	----	--	------
Total	4	$ 74	7	$ 379
	==	====	==	======
Total of non-accrual and accruing loans 90 days or more past due loans	25	$890	26	$1,167
	==	====	==	======
Foreclosed real estate	6	$283	3	$ 189
	==	====	==	======
Ratio of non-performing loans to total assets		0.29%		0.39%
Ratio of non-performing loans to total loans		0.34%		0.48%
Ratio of foreclosed real estate to total assets		0.09%		0.06%
Ratio of non-performing assets to total assets		0.38%		0.45%

</TABLE>

At September 30, 1997, $1.0 million of the Bank's loans were classified as substandard. The total represents 23 loans. There were no loans classified as doubtful or loss. Management does not anticipate that any of the non-performing loans or classified loans will materially impact future operations, liquidity or capital resources.

Because some loans may not be repaid in accordance with contractual agreements an allowance for loan losses (ALL) has been maintained. While management may periodically allocate portions of the allowance for specific problem loans, the entire allowance is available to absorb all credit losses that arise from the loan portfolio and is not segregated for, or allocated to, any particular loan or group of loans. During the nine months ended September 30, 1997, additions to the ALL account totaled $136 thousand compared to $55 thousand for the nine months ended September 30, 1996. Charge-offs net of recoveries totaled $25 thousand during the nine months ended September 30, 1997. The amount provided during the current nine months was based on loan activity, current economic conditions and management's assessment of portfolio risk. At September 30, 1997, the balance in the ALL account totaled $3.0 million, which is considered adequate by management after evaluation of the loan portfolio, past experience and current economic and market conditions.

The table below sets forth the allocation of the ALL and related ratios on the dates indicated. The amounts are in thousands (000's). The percent columns represent the percentage of loans in each category to total loans.

<TABLE>
<CAPTION>

	September 30, 1997		December 31, 1996	
<S>	<C>	<C>	<C>	<C>
Real estate loans:				
Residential	$ 372	59.7%	$ 372	61.8%
Commercial & Multifamily	913	23.3	880	23.4
Construction & Development	149	8.2	153	5.4
Consumer loans	154	2.1	110	2.0
Commercial business loans and other loans	661	6.7	650	7.4
Unallocated	749		722	
	------	-----	------	-----
Total	$2,998	100.0%	$2,887	100.0%
	======	=====	======	=====
Ratio of ALL to loans outstanding		1.14%		1.18%
Ratio of ALL to non-performing loans		336.9%		247.4%

</TABLE>

At September 30, 1997, no portion of the ALL was allocated to impaired loan balances as the Bank had no loans considered to be impaired loans as of, or for the nine months ended September 30, 1997. The allocation of the ALL reflects consideration of the facts and circumstances that affect the repayment of individual loans, as well as, loans which have been evaluated on a pooled basis.

Deposits are the major source of funds for lending and other investment purposes. At September 30, 1997, deposits totaled $266.7 million . During the nine months ending September 30, 1997, deposit growth totaled $10.3 million (4.0%). Savings accounts increased $63 thousand (0.1%), checking accounts increased $3.2 million (8.6%), money market deposit accounts (MMDA's) increased $124 thousand (0.6%) and certificates of deposit increased by $7.0 million (4.5%). At September 30, 1997, the deposit base was comprised of 16.4% savings accounts, 8.4% MMDA's, 15.0% checking accounts and 60.2% certificates of deposit. At September 30, 1997, repurchase agreements totaled $4.6 million. Other short-term borrowings totaled $4.0 million, of which $3.3 million represents a variable rate advance from the FHLBI. The Company had no long-term borrowings.

LIQUIDITY AND CAPITAL RESOURCES

Liquidity refers to the ability to generate sufficient cash to fund current loan demand, meet savings deposit withdrawals and pay operating expenses. Changes in the liquidity position result from operating, investing and financing activities. Cash flows from operating activities are generally the cash effects of transactions and other events that enter into the determination of net income. The primary investing activities include loan originations, loan repayments, investment in interest-bearing deposits in other financial institutions, and the purchase and maturity of investment securities. Financing activities focus almost entirely on the generation of customer deposits. In addition, the Bank utilizes short-term borrowings, i.e., repurchase agreements and advances from the FHLBI as a source of funds.

During the nine months ended September 30, 1997, cash and cash equivalents increased by $411 thousand compared to a decrease in cash and cash equivalents of $8.1 million for the nine months ended September 30, 1996. The primary sources of cash were proceeds from maturities of securities held-to-maturity, deposit growth and cash provided by operating activities. The primary uses of cash were the funding of loan growth, the payment of common stock dividends and the reduction of short-term borrowings. During the current nine months cash provided by operating activities totaled $3.5 million compared to $2.1 million for the nine months ended September 30, 1996. Cash outflows from investing activities totaled $8.5 million reflecting the increase in loan originations during the period. Cash flows from financing activities totaled $5.4 million as deposit growth was used to fund loan growth and reduce borrowed funds.

At September 30, 1997, outstanding commitments to fund loans totaled $41.9 million. Approximately 81% of the commitments were at variable rates. The Bank has sufficient cash flow and borrowing capacity to fund outstanding commitments and to maintain proper levels of liquidity.

Management strongly believes that safety and soundness is enhanced by maintaining a high level of capital. During the nine months ended September 30, 1997, stockholders' equity increased by $1.2 million (4.4%). The increase resulted primarily from earnings of $2.5 million during the period. In addition, $18 thousand represents proceeds from the exercise of 1,861 stock options. The reduction of $1.3 million represents cash dividends for the nine month period.

The Company is subject to risk-based capital guidelines adopted by the Board of Governors of the Federal Reserve System (the FRB), and the Bank is subject to risk-based capital guidelines adopted by the FDIC. As applied to the Company and the Bank, the FRB and FDIC capital requirements are substantially identical. The Company and the Bank are required to maintain a total risk-based capital ratio of 8%, of which 4% must be Tier I capital. In addition, the FRB and FDIC regulations provide for a minimum Tier I leverage ratio (Tier I capital to adjusted total assets) of 3% for financial institutions that meet certain specified criteria, including that they have the highest regulatory rating and are not experiencing or anticipating significant growth. All other financial institutions are required to maintain a Tier I leverage ratio of 3% plus an additional cushion of at least one to two percent.

The following table shows that, at September 30, 1997, the Company's capital exceeded all regulatory capital requirements. At September 30, 1997, the Company's and the Bank's regulatory capital ratios were identical. The dollar amounts are in millions.

<TABLE>
<CAPTION>

<S>	Actual Amount <C>	Actual Ratio <C>	Required for adequate capital Amount <C>	Required for adequate capital Ratio <C>	To be well capitalized Amount <C>	To be well capitalized Ratio <C>
Total risk-based capital to risk-weighted assets	$ 31.6	15.4%	$ 16.4	8.0%	$ 20.5	10.0%
Tier 1 capital to risk-weighted assets	$ 29.0	14.2%	$ 8.2	4.0%	$ 12.3	6.0%
Tier I capital to total assets	$ 29.0	9.4%	$ 9.2	3.0%	$ 15.4	5.0%

</TABLE>

RESULTS OF OPERATIONS - COMPARISON OF THE QUARTER ENDED SEPTEMBER 30, 1997 TO THE QUARTER ENDED SEPTEMBER 30, 1996

Net income for the three months ended September 30, 1997 was $840 thousand compared to a net loss of $148 thousand for the quarter ended September 30, 1996, an increase of $988 thousand. The earnings represent a ROA of 1.11% for the current quarter compared to -0.20% for the quarter ended September 30, 1996. The ROE was 11.61% for the current quarter compared to -2.12% for the quarter ended September 30, 1996.

The net loss for 1996 was the result of the one-time special assessment required by the Deposit Insurance Funds Act of 1996 on deposits of all financial institutions insured under the Savings Association Insurance Fund (SAIF) of the Federal Deposit Insurance Corporation (FDIC) to capitalize SAIF. The SAIF assessment resulted in a pre-tax expense of $1.6 million. Excluding the SAIF assessment, net income for the three months ended September 30, 1996, was $795 thousand, representing a ROA of 1.08% and a ROE of 11.27%.

Net interest income for the three months ended September 30, 1997 was $3.0 million, up $200 thousand (7.1%) from $2.8 million for the three months ended September 30, 1996. The increase in net interest income was due to the growth in average interest-earning assets, increasing yields on interest-earning assets and a stable cost of funds. Interest-earning assets averaged $290.5 million for the current quarter, up $7.6 million (2.7%) from $282.9 million for the three months ended September 30, 1996. The net interest margin for the current quarter was 3.97% compared to 3.82% for the three months ended September 30, 1996. During the current quarter total interest income increased by $345 thousand (6.1%) while total interest expense increased by $145 thousand (5.2%).

During the three months ended September 30, 1997, interest income from loans increased by $553 thousand (11.3%) compared to the three months ended September 30, 1996. The increase was due to an increase in yield and an increase in average daily balances for the loan portfolio. The weighted average yield on loans outstanding was 8.47% for the current quarter compared to 8.32% for the three months ended September 30, 1996.

Higher average loan balances have contributed to the increase in interest income as loans averaged $257.3 million for the current quarter, up $21.7 million (9.2%) from $235.6 for the three months ended September 30, 1996. During the three months ended September 30, 1997, interest income on investments and other deposits decreased by $208.1 thousand (28.3%) compared to the quarter ended September 30, 1996. The decrease was due to lower average balances as maturing securities and short-term investments were used to fund loan growth and reduce borrowed funds. Securities and other deposits averaged $33.2 million for the current quarter, down $14.1 million (29.8%) from $47.3 million for the three months ended September 30, 1996. The weighted average yield on investments and other deposits was 6.35% for the quarter ended September 30, 1997 compared to 6.22% for the quarter ended September 30, 1996. The combined weighted average yield on total interest-earning assets was 8.23% for the quarter ended September 30, 1997 compared to 7.97% for the quarter ended September 30, 1996.

Interest expense for deposits increased by $96 thousand (3.5%) during the current quarter compared to the three months ended September 30, 1996. The increase was due to a higher cost of funds and an increase in average daily balances. The weighted average rate paid on deposits for the three months ended September 30, 1997 was 4.34% compared to 4.28% for the quarter ended September 30, 1996. Deposit balances averaged $263.1 million for the current quarter, up $5.2 million (2.0%) from $257.9 for the quarter ended September 30, 1996. Interest expense on short-term borrowings increased by $49 thousand (83.2%) during the current quarter due to increased cost and higher average daily balances. The weighted average cost of short-term borrowings was 5.19% for the current quarter compared to 4.37% for the three months ended September 30, 1996. Borrowed funds averaged $8.3 million during the quarter ended September 30, 1997, up $2.9 million (53.7%) from $5.4 million for the quarter ended September

30, 1996. The combined weighted average rate paid on deposits and borrowings for the quarter ended September 30, 1997 was 4.37% compared to 4.28% for the quarter ended September 30, 1996. The impact of the 8.23% return on interest-earning assets and the 4.37% cost of funds resulted in an interest rate spread of 3.86% for the current quarter compared to 3.69% for the quarter ended September 30, 1996.

Noninterest income for the quarter ended September 30, 1997 was $247 thousand, up $80 thousand (48.0%) from $167 thousand for the three months ended September 30, 1996. The improvement was due to increased income from fees and service charges of $53 thousand (45.7%) and increased Trust operations income of $17 thousand (38.5%). In addition, gains from the sale of foreclosed real estate were $11 thousand during the current quarter compared to $4 thousand for the three months ended September 30, 1996.

Noninterest expense for the quarter ended September 30, 1997 was $1.8 million, down $1.4 million (43.5%) from $3.2 million for the three months ended September 30, 1996. The decrease was due to the special SAIF assessment of $1.6 million during the three months ended September 30, 1996. Excluding the SAIF assessment, results in an increase of noninterest expense during the current quarter of $168 thousand (10.2%). In general, increases in noninterest expense have resulted from the operation of the new Merrillville, Indiana, branch facility which opened during September 1996, and depreciation related to investments in new technologies. The increase in compensation and benefits was due to the additional staffing for the new location and annual salary increases. Other expense changes were due to standard increases in bank operations. The decrease in the federal insurance premium reflects lower premiums for SAIF deposits due to the recapitalization of SAIF during 1996. The Company's efficiency ratio, for the current quarter was 55.4% compared to 107.3% for the quarter ended September

30, 1996. The 1996 efficiency ratio reflects the special SAIF assessment. The ratio is determined by dividing total noninterest expense by the sum of net interest income and total noninterest income for the period.

Income tax expenses for the three months ended September 30, 1997 totaled $560 thousand compared to -$92 thousand for the three months ended September 30, 1996, an increase of $651 thousand (710.6%). The increase was primarily due to the impact of the SAIF assessment not recurring in 1997.

RESULTS OF OPERATIONS - COMPARISON OF THE NINE MONTHS ENDED SEPTEMBER 30, 1997 TO THE NINE MONTHS ENDED SEPTEMBER 30, 1996

Net income for the nine months ended September 30, 1997 was $2.5 million compared to $1.3 million for the nine months ended September 30, 1996, an increase of $1.2 million (91.0%). The earnings represent a ROA of 1.12% for the current period compared to 0.61% for the nine months ended September 30, 1996. The ROE was 11.77% for the current period compared to 6.35% for the nine months ended September 30, 1996.

The net income for 1996 reflects the one-time special assessment required by the Deposit Insurance Funds Act of 1996 on deposits of all financial institutions insured under the Savings Association Insurance Fund (SAIF) of the Federal Deposit Insurance Corporation (FDIC) to capitalize SAIF. The SAIF assessment resulted in a pre-tax expense of $1.6 million. Excluding the SAIF assessment, net income for the nine months ended September 30, 1996, was $2.3 million, representing a ROA of 1.04% and a ROE of 10.84%.

Net interest income for the nine months ended September 30, 1997 was $8.8 million, up $642 thousand (7.8%) from $8.2 million for the nine months ended September 30, 1996. The increase in net interest income was due to the growth in average interest-earning assets, increasing yields on interest-earning assets and a lower cost of funds. Interest-earning assets averaged $286.8 million for the current period, up $8.7 million (3.1%) from $278.1 million for the nine months ended September 30, 1996. The net interest margin for the current period was 3.94% compared to 3.79% for the nine months ended September 30, 1996. During the current nine months total interest income increased by $889 thousand (5.4%) while total interest expense increased by $247 thousand (2.9%).

During the nine months ended September 30, 1997, interest income from loans increased by $1.3 million (9.4%) compared to the nine months ended September 30, 1996. The increase was due to an increase in yield and an increase in average daily balances for the loan portfolio. The weighted average yield on loans outstanding was 8.39% for the current period compared to 8.36% for the nine months ended September 30, 1996. Higher average loan balances have contributed to the increase in interest income as loans averaged $249.8 million for the current period, up $20.5 million (8.9%) from $229.3 for the nine months ended September 30, 1996. During the nine months ended September 30, 1997, interest income on investments and other deposits decreased by $461 thousand (20.6%) compared to the nine months ended September 30, 1996. The decrease was due to lower average balances as maturing securities and short-term investments were used to fund loan growth and reduce borrowed funds. Securities and other deposits averaged $37.0 million for the current period, down $11.7 million (24.0%) from $48.7 million for the nine months ended September 30, 1996. The weighted average yield on investments and other

deposits was 6.40% for the nine months ended September 30, 1997 compared to 6.11% for the nine months ended September 30, 1996. The combined weighted average yield on total interest-earning assets was 8.14% for the nine months ended September 30, 1997 compared to 7.97% for the nine months ended September 30, 1996.

Interest expense for deposits increased by $98 thousand (1.2%) during the current period compared to the nine months ended September 30, 1996. The weighted average rate paid on deposits for the nine months ended September 30, 1997 was 4.28% compared to 4.34% for the nine months ended September 30, 1996. Deposit balances averaged $260.5 million for the current period, up $6.3 million (2.5%) from $254.2 for the nine months ended September 30, 1996. Interest expense on short-term borrowings increased $149 thousand (107.3%) during the current period due to increased cost and higher average daily balances. The weighted average cost of short-term borrowings was 5.07% for the current nine months compared to 4.51% for the nine months ended September 30, 1996. Borrowed funds averaged $7.5 million during the nine months ended September 30, 1997, up $3.4 million (82.9%) from $4.1 million for the nine months ended September 30, 1996. The combined weighted average rate paid on deposits and borrowings for the nine months ended September 30, 1997 was 4.30% compared to 4.34% for the nine months ended September 30, 1996. The impact of the 8.14% return on interest-earning assets and the 4.30% cost of funds resulted in an interest rate spread of 3.84% for the current nine months compared to 3.63% for the nine months ended September 30, 1996.

Noninterest income for the nine months ended September 30, 1997 was $802 thousand, up $293 thousand (57.7%) from $509 thousand for the nine months ended September 30, 1996. During the current period income from fees and service charges increased $126 thousand (35.5%), while income from Trust operations increased by $64 thousand (41.7%). In addition, gains from the sale of fixed rate loans, foreclosed real estate and other real estate properties held by the Bank contributed to the increase in noninterest income.

Noninterest expense for the nine months ended September 30, 1997 was $5.3 million, down $1.1 million (17.6%) from $6.4 million for the nine months ended September 30, 1996. The decrease was due to the special SAIF assessment of $1.6 million during 1996. Excluding the SAIF assessment, results in an increase of noninterest expense during the current nine months of $425 thousand (8.7%). In general, increases in noninterest expense have resulted from the operation of the new Merrillville, Indiana, branch facility which opened during September 1996, and depreciation related to investments in new technologies. The increase in compensation and benefits was due to the additional staffing for the new location and annual salary increases. Other expense changes were due to standard increases in bank operations. The decrease in the federal insurance premium reflects lower premiums for SAIF deposits due to the recapitalization of SAIF during 1996. The Company's efficiency ratio, for the current nine months was 55.2% compared to 74.1% for the nine months ended September 30, 1996. The 1996 efficiency ratio reflects the special SAIF assessment.

Income tax expenses for the nine months ended September 30, 1997 totaled $1.7 million compared to $882 thousand for the nine months ended September 30, 1996, an increase of $787 thousand (89.3%). The increase was due to the impact of the SAIF assessment not recurring in 1997 and an increase in pretax earnings compared to the nine months ended September 30, 1996.

PART II - Other Information

Item 1. Legal Proceedings

The registrant is not party to any legal proceedings. No significant changes in legal proceedings of the Bank occurred during the quarter.

Item 2. Changes in Securities

Not Applicable.

Item 3. Defaults Upon Senior Securities

Not Applicable.

Item 4. Submission of Matters to a Vote of Security Holders

Not Applicable.

Item 5. Other Information

Not Applicable.

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits.

(27) Financial Data Schedule

(b) Reports on Form 8-K. None.

SIGNATURES

Pursuant to the requirement of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

NORTHWEST INDIANA BANCORP

Date: November 10, 1997 /s/ David A. Bochnowski

David A. Bochnowski
Chairman of the Board and Chief Executive Officer

Date: November 10, 1997 /s/ Edward J. Furticella

Edward J. Furticella
Vice President, Chief Financial Officer and Treasurer

```
<TABLE> <S> <C>

<ARTICLE> 9
<MULTIPLIER> 1,000

<S>                             <C>
<PERIOD-TYPE>                   9-MOS
<FISCAL-YEAR-END>                          DEC-31-1997
<PERIOD-START>                             JAN-01-1997
<PERIOD-END>                               SEP-30-1997
<CASH>                                           6,920
<INT-BEARING-DEPOSITS>                               0
<FED-FUNDS-SOLD>                                     0
<TRADING-ASSETS>                                     0
<INVESTMENTS-HELD-FOR-SALE>                      1,646
<INVESTMENTS-CARRYING>                          28,811
<INVESTMENTS-MARKET>                            28,904
<LOANS>                                        262,473
<ALLOWANCE>                                      2,998
<TOTAL-ASSETS>                                 307,522
<DEPOSITS>                                     266,744
<SHORT-TERM>                                     8,688
<LIABILITIES-OTHER>                              3,060
<LONG-TERM>                                          0
<PREFERRED-MANDATORY>                                0
<PREFERRED>                                          0
<COMMON>                                           345
<OTHER-SE>                                      28,685
<TOTAL-LIABILITIES-AND-EQUITY>                 307,522
<INTEREST-LOAN>                                 15,727
<INTEREST-INVEST>                                1,685
<INTEREST-OTHER>                                    89
<INTEREST-TOTAL>                                17,501
<INTEREST-DEPOSIT>                               8,364
<INTEREST-EXPENSE>                               8,651
<INTEREST-INCOME-NET>                            8,850
<LOAN-LOSSES>                                      136
<SECURITIES-GAINS>                                   0
<EXPENSE-OTHER>                                  5,325
<INCOME-PRETAX>                                  4,192
<INCOME-PRE-EXTRAORDINARY>                       4,192
<EXTRAORDINARY>                                      0
<CHANGES>                                            0
<NET-INCOME>                                     2,523
<EPS-PRIMARY>                                     1.83
<EPS-DILUTED>                                     1.83
<YIELD-ACTUAL>                                    4.11
<LOANS-NON>                                        816
<LOANS-PAST>                                        74
<LOANS-TROUBLED>                                     0
<LOANS-PROBLEM>                                      0
<ALLOWANCE-OPEN>                                 2,887
<CHARGE-OFFS>                                       25
<RECOVERIES>                                         0
<ALLOWANCE-CLOSE>                                2,998
<ALLOWANCE-DOMESTIC>                             2,249
<ALLOWANCE-FOREIGN>                                  0
<ALLOWANCE-UNALLOCATED>                            749


</TABLE>
```