

GERMAN AMERICAN BANCORP, INC.
Form 10-Q
August 08, 2014
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q

Quarterly Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the Quarterly Period
Ended June 30, 2014

Commission File Number 001-15877

German American Bancorp, Inc.
(Exact name of registrant as specified in its charter)
Indiana
(State or other jurisdiction of
incorporation or organization)

35-1547518
(I.R.S. Employer
Identification No.)

711 Main Street, Jasper, Indiana 47546
(Address of Principal Executive Offices and Zip Code)

Registrant's telephone number, including area code: (812) 482-1314

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 NO

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

YES NO

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company:

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act):

YES NO

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

| Class | Outstanding at August 1, 2014 |
|-----------------------------|-------------------------------|
| Common Shares, no par value | 13,210,395 |

CAUTION REGARDING FORWARD-LOOKING STATEMENTS AND ASSOCIATED RISKS

Information included in or incorporated by reference in this Quarterly Report on Form 10-Q, our other filings with the Securities and Exchange Commission (the “SEC”) and our press releases or other public statements, contains or may contain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Please refer to the discussions of our forward-looking statements and associated risks in our annual report on Form 10-K for the year ended December 31, 2013, in Item 1, “Business – Forward-Looking Statements and Associated Risks” and our discussion of risk factors in Item 1A, “Risk Factors” of that annual report on Form 10-K, as updated from time to time in our subsequent SEC filings, including by Item 2 of Part I of this Report (“Management’s Discussion and Analysis of Financial Condition and Results of Operations”) at the conclusion of that Item 2 under the heading “Forward-Looking Statements and Associated Risks.”

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

GERMAN AMERICAN BANCORP, INC.

CONSOLIDATED BALANCE SHEETS

(unaudited, dollars in thousands except share and per share data)

| | June 30, 2014 | December 31, 2013 |
|---|--------------------|----------------------|
| ASSETS | | |
| Cash and Due from Banks | \$40,391 | \$37,370 |
| Federal Funds Sold and Other Short-term Investments | 16,723 | 22,762 |
| Cash and Cash Equivalents | 57,114 | 60,132 |
| Interest-bearing Time Deposits with Banks | 100 | 100 |
| Securities Available-for-Sale, at Fair Value | 615,392 | 606,032 |
| Securities Held-to-Maturity, at Cost (Fair value of \$186 and \$271 on June 30, 2014 and December 31, 2013, respectively) | 184 | 268 |
| Loans Held-for-Sale, at Fair Value | 8,812 | 9,265 |
| Loans | 1,413,331 | 1,385,212 |
| Less: Unearned Income | (3,846 |) (2,830 |
| Allowance for Loan Losses | (15,550 |) (14,584 |
| Loans, Net | 1,393,935 | 1,367,798 |
| Stock in FHLB of Indianapolis and Other Restricted Stock, at Cost | 9,096 | 9,004 |
| Premises, Furniture and Equipment, Net | 40,479 | 40,430 |
| Other Real Estate | 935 | 1,029 |
| Goodwill | 20,536 | 20,536 |
| Intangible Assets | 2,655 | 3,328 |
| Company Owned Life Insurance | 31,591 | 31,178 |
| Accrued Interest Receivable and Other Assets | 12,744 | 14,727 |
| TOTAL ASSETS | \$2,193,573 | \$2,163,827 |
| LIABILITIES | | |
| Non-interest-bearing Demand Deposits | \$398,621 | \$400,024 |
| Interest-bearing Demand, Savings, and Money Market Accounts | 1,010,367 | 1,063,098 |
| Time Deposits | 333,391 | 349,034 |
| Total Deposits | 1,742,379 | 1,812,156 |
| FHLB Advances and Other Borrowings | 225,546 | 140,770 |
| Accrued Interest Payable and Other Liabilities | 11,310 | 10,804 |
| TOTAL LIABILITIES | 1,979,235 | 1,963,730 |
| SHAREHOLDERS' EQUITY | | |
| Preferred Stock, no par value; 500,000 shares authorized, no shares issued | — | — |
| Common Stock, no par value, \$1 stated value; 30,000,000 shares authorized | 13,210 | 13,174 |
| Additional Paid-in Capital | 108,356 | 108,022 |
| Retained Earnings | 92,934 | 84,164 |
| Accumulated Other Comprehensive Loss | (162 |) (5,263 |
| TOTAL SHAREHOLDERS' EQUITY | 214,338 | 200,097 |

| | | |
|---|-------------|-------------|
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | \$2,193,573 | \$2,163,827 |
| End of period shares issued and outstanding | 13,210,395 | 13,173,793 |

See accompanying notes to consolidated financial statements.

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GERMAN AMERICAN BANCORP, INC.
 CONSOLIDATED STATEMENTS OF INCOME
 (unaudited, dollars in thousands except per share data)

| | Three Months Ended June 30, | |
|---|--------------------------------|----------|
| | 2014 | 2013 |
| INTEREST INCOME | | |
| Interest and Fees on Loans | \$16,142 | \$15,035 |
| Interest on Federal Funds Sold and Other Short-term Investments | 3 | 13 |
| Interest and Dividends on Securities: | | |
| Taxable | 2,654 | 2,771 |
| Non-taxable | 1,026 | 639 |
| TOTAL INTEREST INCOME | 19,825 | 18,458 |
| INTEREST EXPENSE | | |