

HORIZON BANCORP /IN/
Form 10-Q
November 08, 2012
[Table of Contents](#)

HORIZON BANCORP

FORM 10-Q

United States

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

QUARTERLY REPORT UNDER SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2012

Commission file number 0-10792

HORIZON BANCORP

(Exact name of registrant as specified in its charter)

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Indiana
(State or other jurisdiction of
incorporation or organization)

35-1562417
(I.R.S. Employer
Identification No.)

515 Franklin Square, Michigan City, Indiana
(Address of principal executive offices)

46360
(Zip Code)

Registrant's telephone number, including area code: (219) 879-0211

Former name, former address and former fiscal year, if changed since last report: N/A

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. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check One):

Large Accelerated Filer ☐ Accelerated Filer ☒

Non-accelerated Filer ☐ (Do not check if smaller reporting company) 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: 8,693,741 shares of Common Stock, no par value, at November 8, 2012.

Table of Contents

HORIZON BANCORP

FORM 10-Q

INDEX

PART I. FINANCIAL INFORMATION

Item 1.	<u>Financial Statements</u>	
	<u>Condensed Consolidated Balance Sheets</u>	3
	<u>Condensed Consolidated Statements of Income</u>	4
	<u>Condensed Consolidated Statements of Comprehensive Income</u>	5
	<u>Condensed Consolidated Statement of Stockholders' Equity</u>	6
	<u>Condensed Consolidated Statements of Cash Flows</u>	7
	<u>Notes to Condensed Consolidated Financial Statements</u>	8
Item 2.	<u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	37
Item 3.	<u>Quantitative and Qualitative Disclosures about Market Risk</u>	51
Item 4.	<u>Controls and Procedures</u>	51

PART II. OTHER INFORMATION

Item 1.	<u>Legal Proceedings</u>	52
Item 1A.	<u>Risk Factors</u>	52
Item 2.	<u>Unregistered Sales of Equity Securities and Use of Proceeds</u>	52
Item 3.	<u>Defaults Upon Senior Securities</u>	52
Item 4.	<u>Mine Safety Disclosures</u>	52
Item 5.	<u>Other Information</u>	52
Item 6.	<u>Exhibits</u>	53
	<u>Signatures</u>	54
	<u>Index To Exhibits</u>	55

Table of Contents**PART 1 FINANCIAL INFORMATION****ITEM 1. FINANCIAL STATEMENTS****HORIZON BANCORP AND SUBSIDIARIES****Condensed Consolidated Balance Sheets**

(Dollar Amounts in Thousands)

	September 30 2012 (Unaudited)	December 31 2011
Assets		
Cash and due from banks	\$ 41,562	\$ 20,447
Investment securities, available for sale	497,704	431,045
Investment securities, held to maturity	6,100	7,100
Loans held for sale	18,163	14,090
Loans, net of allowance for loan losses of \$18,568 and \$18,882	1,136,480	964,311
Premises and equipment	40,297	34,665
Federal Reserve and Federal Home Loan Bank stock	13,333	12,390
Goodwill	19,748	5,910
Other intangible assets	4,295	2,292
Interest receivable	8,248	6,671
Cash value life insurance	34,929	30,190
Other assets	25,917	18,051
Total assets	\$ 1,846,776	\$ 1,547,162
Liabilities		
Deposits		
Non-interest bearing	\$ 211,935	\$ 130,673
Interest bearing	1,095,036	879,192
Total deposits	1,306,971	1,009,865
Borrowings	333,150	370,111
Subordinated debentures	32,282	30,676
Interest payable	579	596
Other liabilities	17,932	14,449
Total liabilities	1,690,914	1,425,697
Commitments and contingent liabilities		
Stockholders' Equity		
Preferred stock, \$.01 par value, \$1,000 liquidation value		
Authorized, 1,000,000 Series B shares		
Issued 12,500 and 12,500 shares	12,500	12,500
Common stock, no par value		
Authorized, 22,500,000 shares		
Issued, 8,685,490 and 7,450,794 shares		
Outstanding, 8,617,735 and 7,421,544 shares		
Additional paid-in capital	31,894	11,736
Retained earnings	101,267	89,387
Accumulated other comprehensive income	10,201	7,842

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Total stockholders' equity	155,862	121,465
Total liabilities and stockholders' equity	\$ 1,846,776	\$ 1,547,162

See notes to condensed consolidated financial statements

Table of Contents**HORIZON BANCORP AND SUBSIDIARIES****Condensed Consolidated Statements of Income**

(Dollar Amounts in Thousands, Except Per Share Data)

	Nine Months Ended September 30 2012 (Unaudited)	2011 (Unaudited)	Three Months Ended September 30 2012 (Unaudited)	2011 (Unaudited)
Interest Income				
Loans receivable	\$ 15,527	\$ 12,481	\$ 42,386	\$ 36,260
Investment securities				
Taxable	2,178	2,542	6,738	7,828
Tax exempt	1,014	988	2,944	3,066
Total interest income	18,719	16,011	52,068	47,154
Interest Expense				
Deposits	1,638	1,978	4,803	6,510
Borrowed funds	1,597	1,583	4,635	4,760
Subordinated debentures	485	459	1,427	1,363
Total interest expense	3,720	4,020	10,865	12,633
Net Interest Income	14,999	11,991	41,203	34,521
Provision for loan losses	1,041	1,564	1,809	4,444
Net Interest Income after Provision for Loan Losses	13,958	10,427	39,394	30,077
Other Income				
Service charges on deposit accounts	1,002	802	2,477	2,422
Wire transfer fees	248	167	643	412
Interchange fees	885	721	2,227	1,905
Fiduciary activities	971	1,016	2,928	2,911
Gain on sale of securities	2	1,115	2	1,754
Gain on sale of mortgage loans	4,436	2,145	10,121	3,986
Mortgage servicing income net of impairment	(355)	(172)	(95)	691
Increase in cash value of bank owned life insurance	300	245	760	661
Death benefit on officer life insurance		453		453
Other income	221	46	344	105
Total other income	7,710	6,538	19,407	15,300
Other Expenses				
Salaries and employee benefits	7,905	6,081	20,407	16,912
Net occupancy expenses	1,186	1,056	3,216	3,176
Data processing	754	549	1,883	1,450
Professional fees	366	359	1,483	1,039
Outside services and consultants	624	454	1,621	1,221
Loan expense	1,311	820	2,879	2,276
FDIC insurance expense	291	254	798	944
Other losses	309	1,088	501	1,365
Other expenses	2,094	1,652	5,392	4,675

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Total other expenses	14,840	12,313	38,180	33,058
Income Before Income Tax	6,828	4,652	20,621	12,319