

HORIZON BANCORP /IN/

Form 425

May 27, 2015

Filed by Horizon Bancorp

Pursuant to Rule 425 under the Securities Act of 1933 and

deemed filed pursuant to Rule 14a-12 of the Securities Exchange Act of 1934

Subject Company: Horizon Bancorp

Commission File No. 000-10792

This filing relates to the proposed merger transaction between Horizon Bancorp (“Horizon”) and Peoples Bancorp (“Peoples”) pursuant to the terms of an Agreement and Plan of Merger dated as of February 18, 2015 (the “Merger Agreement”) between Horizon and Peoples. The Merger Agreement is on file with the Securities and Exchange Commission (“SEC”) as an exhibit to the Current Report on Form 8-K filed by Horizon on February 19, 2015.

#### Forward-Looking Statements

This filing contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act giving Horizon’s expectations or predictions of future financial or business performance or conditions.

Forward-looking statements are typically identified by words such as “believe,” “expect,” “anticipate,” “intend,” “target,” “estimate,” “continue,” “positions,” “prospects” or “potential,” by future conditional verbs such as “will,” “would,” “should,” “may”, or by variations of such words or by similar expressions. These forward-looking statements are subject to numerous assumptions, risks, and uncertainties which change over time. Forward-looking statements speak only as of the date they are made and we assume no duty to update forward-looking statements. In addition to factors previously disclosed in Horizon’s reports filed with the SEC, the following factors among others, could cause actual results to differ materially from forward-looking statements or historical performance: ability to obtain regulatory approvals and meet other closing conditions to the merger, including approval by Horizon’s and Peoples’ shareholders, on the expected terms and schedule; delay in closing the merger; difficulties and delays in integrating Horizon’s and Peoples’ businesses or fully realizing cost savings and other benefits; business disruption following the merger; 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 Horizon’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, including those associated with the Dodd-Frank Wall Street Reform and Consumer Protection Act.

#### Additional Information for Shareholders

In connection with the proposed merger, Horizon has filed with the SEC a Registration Statement on Form S-4 that includes a Joint Proxy Statement of Peoples and Horizon as well as a Prospectus of Horizon, and other relevant documents concerning the proposed transaction. **SHAREHOLDERS AND INVESTORS ARE URGED TO READ THE REGISTRATION STATEMENT AND THE JOINT PROXY STATEMENT/PROSPECTUS REGARDING THE MERGER AND ANY OTHER RELEVANT DOCUMENTS FILED WITH THE SEC, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THOSE DOCUMENTS, BECAUSE THEY CONTAIN IMPORTANT INFORMATION.** The joint proxy statement/prospectus and other relevant materials, and any other documents Horizon has filed with the SEC, may be obtained free of charge at the SEC’s website at [www.sec.gov](http://www.sec.gov). In addition, investors and security holders may obtain free copies of the documents Horizon has filed with the SEC by contacting Dona Lucker, Shareholder Relations Officer, 515 Franklin Square, Michigan City, Indiana 46360, telephone: (219) 874-9272, or on Horizon’s website at [www.horizonbank.com](http://www.horizonbank.com), under the tab “About Us” and then under the heading

“Investor Relations” and then “SEC Filings”. The information available through Horizon’s website is not and shall not be deemed part of this filing or incorporated by reference into other filings Horizon makes with the SEC. This report does not constitute an offer of any securities for sale.

Participants in the Transaction

Horizon, Peoples and certain of their respective directors and executive officers may be deemed to be participants in the solicitation of proxies from Horizon’s and Peoples’ shareholders in connection with the proposed merger under the rules of the SEC. Information about the directors and executive officers of Horizon is set forth in the proxy statement for Horizon’s 2014 annual meeting of shareholders, as filed with the SEC on Schedule 14A on March 21, 2014. Free copies of this document may be obtained as described in the preceding paragraph. Additional information regarding the interests of these participants and other persons who may be deemed participants in the transaction may be obtained by reading the joint proxy statement/prospectus regarding the proposed merger.

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A NASDAQ Traded Company - Symbol HBNC

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This presentation may contain forward-looking statements regarding the financial performance, business, and future operations of Horizon Bancorp and its affiliates (collectively, "Horizon"). For these statements, Horizon claims the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. Forward-looking statements provide current expectations or forecasts of future events and are not guarantees of future results or performance. As a result, undue reliance should not be placed on these forward-looking statements, which speak only as of the date hereof. We have tried, wherever possible, to identify such statements by using words such as "anticipate," "estimate," "project," "intend," "plan," "believe," "will" and similar expressions, and although management believes that the expectations reflected in such forward-looking statements are accurate and reasonable, actual results may differ materially from those expressed or implied in such statements. Risks and uncertainties that could cause our actual results to differ materially include those set forth in Horizon's filings with the Securities and Exchange Commission, including its Annual Report on Form 10-K. Statements in this presentation should be considered in conjunction with such risk factors and the other information publicly available about Horizon, including the information in the filings we make with the Securities and Exchange Commission. Horizon does not undertake, and specifically disclaims any obligation, to publicly release any updates to any forward-looking statement to reflect events or circumstances occurring or arising after the date on which the forward-looking statement is made, or to reflect the occurrence of unanticipated events, except to the extent required by law. Forward-Looking Statements

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Who We Are \*

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\* Horizon at a Glance 32 Locations Across Indiana and Michigan Headquartered in Michigan City, Indiana Record Earnings 14 out of Last 15 Years Market Capitalization of \$224 Million \$2.2 Billion in Total Assets \$985 Million in AUM Ownership 9% Insiders 12% Employee Benefit Plans 39% Institutional \* Market data as of May 20, 2015; financial data as of March 31, 2015

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Northwest Indiana/Southwest Michigan... The Right Side of Chicago

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Retail Banking Business Banking Mortgage Banking Wealth Management Complementary Revenue Streams that are Counter-Cyclical to Varying Economic Cycles \* Four Key Revenue Streams

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Horizon's Story Steady Growth Superior Returns Financial Strength Consistent Performance \*

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1Q15 Highlights \*

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1Q15 Highlights \* Total Loan Growth - LQA 29%, YOY 33% Commercial Loan Growth - LQA 13%, YOY 32% Core Net Interest Margin Held Steady at 3.47% (1) Strong Mortgage Revenue Generated Redeployable Capital Opened Full-Service Carmel, Indiana Branch on February 23, 2015 Announced Peoples Bancorp, Inc. Acquisition on February 19, 2015 (1) Core net interest margin excludes interest income from acquisition related purchase accounting adjustments

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\* Net Income and Diluted Earnings per Share 2015 Off to a Strong Start Change LQ YOY Net  
Inc. 8.3% 56.8% Dil. EPS 7.8% 44.7%

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Continued Loan Growth in 1Q15 \* (In Millions) Loan Type 3/31/14 12/31/14 3/31/15 LQA Δ YOY  
Δ Commercial \$528 \$674 \$695 13% 32% Residential  
Mtg. \$189 \$254 \$260 10% 38% Consumer \$280 \$320 \$326 8% 16% Mtg.  
Warehouse \$102 \$129 \$178 154% 75% Total Loans \$1,100 \$1,362 \$1,461 29% 33%

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Peoples Bancorp Acquisition \*

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\* Peoples Bancorp Franchise Overview Established in 1925 in Auburn, IN 16 F.S. Locations (IN-12 & MI-4) \$3.4 Million LTM Net Income \$477 Million in Total Assets \$230 Million in Total Loans \$358 Million in Deposits \$230 Million in AUM 0.27% NPAs/Assets Data Source: Peoples company financials at or for the twelve months ended March 31, 2015 Map Source: SNL Financial

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\* Merger Highlights Strategic Financial Operational Aligned with Horizon's plan to expand in the states of Indiana and Michigan Natural expansion into contiguous Northeast Indiana Bolsters existing presence in Southwest Michigan Continued revenue diversification Strong core deposit base EPS accretion of 4.5% in 2016, first full year pro forma Initial TBV dilution of \$0.65 with five year earn back Internal rate of return over 20% Operating leverage through cost savings estimated at 37% Revenue synergies through increased product offering Minimal credit concerns

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\* Pro Forma Franchise 48 Full Service Locations \$2.6 Billion in Assets \$1.7 Billion in Loans \$1.8 Billion in Deposits \$1.2 Billion in AUM Market Cap. ~ \$268 Million Horizon and Peoples company financials and pro forma analysis, excluding merger adjustments. Horizon announced intention to close Peoples' Middlebury, IN branch. Market cap based on HBNC's 15-day average stock price on May 20, 2015. Map Source: SNL Financial

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\* Based on Horizon's closing price of \$23.02 as of February 18, 2015 Merger Summary Horizon Bancorp Acquiring Peoples Bancorp Horizon Bancorp Acquiring Peoples Bancorp Deal Price per Share (1) \$31.62 Consideration Structure 0.95 HBNC shares for each outstanding PBNI share; \$9.75 in cash for each outstanding PBNI share Aggregate Deal Value (1) \$73.1 million Consideration Mix (1) 69% stock, 31% cash Termination Fee \$3.5 million Required Approvals Customary regulatory; Horizon and Peoples shareholder approval Anticipated Closing Early third quarter of 2015 Social Issues Maurice Winkler, III, Peoples CEO, to serve on Horizon Bancorp and Horizon Bank's board of directors Retention of Jeffrey Gatton, Peoples COO, to lead regional branch operations, training and sales efforts

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\* Source: SNL Financial; financial data as of December 31, 2014 and market data as of February 18, 2015 Nationwide bank and thrift transactions announced after 12/31/2012 with target's assets between \$200 million and \$1 billion, tangible common equity to tangible assets between 10.0% and 15%, LTM return on average assets between 0.25% and 1.00% and NPAs/assets less than 1.50%, excluding transactions where pricing information is unavailable

Transaction Pricing Metric	HBNC/PBNI	Comparable Transactions (1)
Price/Tangible Book Value	124%	138%
Price/LTM Earnings	21x	21x
Core Deposit Premium	4.4%	6.9%
Market Premium	22%	33%

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\* Transaction Assumptions Category Assumption Cost saves 37% 1x after-tax charges \$4.9 million Loan mark \$3.5 million or 1.5% of total loans Core deposit intangibles \$2.3 million or 1.0% of core deposits Branches Up to two branch closings in the first twelve months. One branch closing has been identified.

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Horizon's Growth Story \*

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Horizon: A Company on the Move OrganicExpans.(7) St. JosephSouth BendElkhart Lake  
County Kalamazoo Indianapolis Carmel M&A(7) Anchor Mortgage Alliance Bank American Trust Heartland  
1st MortgageSummitPeoples \* Assets (\$ Mil.) \$721 \$2,631 Loans(\$ Mil.) \$548 \$1,691 Deposits(\$  
Mil.) \$489 \$1,823 Branches 7 48 11% CAGR 10% CAGR 11% CAGR Note: Current financials reflect  
Peoples, excluding merger adjustments

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Growth Opportunities in All Directions \* Kalamazoo, Lansing & St. Joseph Population: 883,000 Deposits: \$10 billion South Bend, Elkhart & Fort Wayne Population: 835,000 Deposits: \$12 billion Indianapolis & Johnson County Population: 1.4 million Deposits: \$32 billion Lake & Porter Counties Population: 657,000 Deposits: \$11 billion LEGACY La Porte County Population: 111,000 Deposits: \$1.6 billion N E S W Note: Data by primary counties for each market

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\* Investing in Commercial LendersCreates Growth Commercial Loan Balances

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\* Balanced Risk In Commercial Portfolio Commercial Loan Composition as of March 31, 2015

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Kalamazoo and Indianapolis Loan Balances \* Growth Markets Thriving 2014 Growth: 43%

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March 31, 2015 December 31, 2008 In Millions 2008 1Q15 CAGR Commercial \$311 \$695 13.8% Real  
Estate \$291 \$439 6.8% Consumer \$280 \$326 2.5% Total \$882 \$1,461 8.4% \* Shift to Commercial

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December 31, 2008 March 31, 2015 Strong Low Cost Deposit Growth \* In  
Millions 2008 1Q15 CAGR NIB \$84 \$285 21.7% IB  
Trans. \$429 \$905 12.7% CDs \$329 \$274 -2.8% Total \$842 \$1,465 9.3%

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\* NPLs/ Loans Disciplined Credit Culture

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\* Why Invest In Horizon

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Shareholder Value Plan - Since 2001 Steady Growth in Net Book Value & EPS Dividends Uninterrupted Dividends for more than 25 Years Dividend Increases Aligned with Earnings Growth Improving Liquidity Stock Splits in 2001, 2003, 2011 and 2012 Common Stock Issued in Heartland and Summit Acquisitions Russell 2000 Index Since 2012 Added to Nasdaq Community Bank Index in 2014 \*

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Highly Regarded For Financial Performance Top 200 Community Banks for Financial Performance Six Consecutive Years, 2008 - 2013US Banker & ABA MagazinesTop 10% of Community BanksAnnual Community Bankers Cup, 2012 & 2013Raymond JamesKBW Bank Honor Roll2011 & 2012 \*

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Highly Regarded In Our Communities \* Community Relations Award Urban League of Northwest Indiana, Inc. Nine out of Ten Customers Would Refer a Friend Independent Survey Best Bank - Twelve out of Last Thirteen Years The News Dispatch Readers Poll Best Bank for Obtaining a Business Loan Northwest Indiana Business Quarterly Family Friendly Work Policies IU Health / Clarian Award

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Horizon Outperforms the Market For Total Shareholder Return As of May 20, 2015; 2015 estimated EPS of \$2.24 is the mean estimate from 3rd party research analysts SNL U.S. Bank: Includes all Major Exchange Banks in SNL's coverage universe. \* Horizon Bancorp: 5-Year Total Return Comparison P/2015 Est.  
EPS 10.9x P/TBV 145% Div. Yield 2.3%

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Thank You for Your Investment in Horizon Bancorp

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Appendix

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\* Non-GAAP Reconciliations

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