RIVER VALLEY BANCORP Form 425 October 26, 2015

Symbol: GABC
October 2015
Acquisition of River Valley Bancorp
Filed by German American Bancorp, Inc. pursuant to
Rule 425 under the Securities Act of 1933

Subject Company: River Valley Bancorp Commission Securities Exchange Act File No: 000-

21765

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This presentation contains forward-looking statements made pursuant to the safe-harbor provisions of the Private Securities Li 1995. Such forward-looking statements can often, but not always, be identified by the use of words like believe, continue project, intend, anticipate, expect and similar expressions or future or conditional verbs such as will, would, can, may, or similar expressions. These forward-looking statements include, but are not limited to, statements relating to benefits of the proposed merger (the Merger) between German American Bancorp, Inc. (German American) and River V

Valley), including future financial and operating results, cost savings, enhanced revenues, and accretion/dilution to reported energy realized from the Merger, as well as other statements of expectations regarding the Merger, and other statements of German American s business plan and growth strategies; statements regarding German American s loan and investment portfolios; and estimates of German American s risks and future costs and benefits, the Merger or otherwise.

These forward-looking statements are subject to significant risks, assumptions and uncertainties that may cause results to diffe set forth in forward-looking statements, including, among other things: the risk that the businesses of German American and R integrated successfully or such integration may be more difficult, time-consuming or costly than expected; expected revenue sy from the Merger may not be fully realized or realized within the expected time frame; revenues following the Merger may be l customer and employee relationships and business operations may be disrupted by the Merger; the ability to obtain required re shareholder approvals, and the ability to complete the Merger on the expected timeframe; the costs and effects of litigation and unexpected or adverse outcomes of such litigation; possible changes in economic and business conditions; the existence or exa geopolitical instability and uncertainty; the ability of German American to complete integration and attract new customers; pos monetary and fiscal policies, and laws and regulations; the effects of easing restrictions on participants in the financial services other effects of legal and administrative cases; possible changes in the creditworthiness of customers and the possible impairm loans; fluctuations in market rates of interest; competitive factors in the banking industry; changes in the banking legislation or requirements of federal and state agencies applicable to bank holding companies and banks like German American s affiliate availability of earnings and excess capital sufficient for the lawful and prudent declaration of dividends; changes in market, ecc liquidity, credit and interest rate risks associated with German American s business; and other risks and factors identified in each and River Valley s filings with the Securities and Exchange Commission. Neither German American nor River Valley undertain any forward-looking statement, whether written or oral, relating to the matters discussed in this presentation. In addition, Germ River Valley s past results of operations do not necessarily indicate either of their anticipated future results, whether the Merg

ADDITIONAL INFORMATION FOR SHAREHOLDERS

Communications

in

this

presentation

do

not

offer to sell or the solicitation of an offer to buy any securities or a solicitation of any proxy vote or approval. The proposed merger will be submitted to the River Valley shareholders for their consideration. In connection with the proposed merger, German American will file Registration

constitute

an

Form
S-4
with
the
Securities
and
Exchange
Commission
(SEC)
that
will
include
a
proxy
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of
River
Valley
and
a
prospectus
of
German
American
and
other
relevant
documents
concerning
the
proposed
merger.
SHAREHOLDERS
ARE
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CORRESPONDING
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STATEMENT/PROSPECTUS
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Statement

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about German American and River Valley, without charge, at the SEC's website (http://www.sec.gov) or, for German American, by accessing German American s Web site (http://www.germanamerican.com) under the tab Investor Relations and then under the heading Financial Information and for River Valley, by accessing River Valley s Web site (http://www.rvfbank.com) under the

tab

About Us and then under the heading Stock Price & **SEC** Filings. Copies of the proxy statement/prospectus and the filings with the Securities and Exchange Commission that will be incorporated by reference in the proxy statement/prospectus can also be obtained, without charge, by directing request to Terri A.

Eckerle,

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Relations,
German
American
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River
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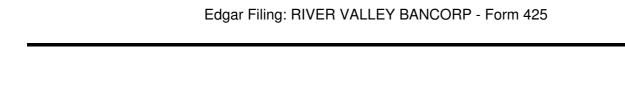
solicitation of proxies from the shareholders of River Valley in connection with the proposed Merger. Information about the directors and executive officers of River Valley is set forth in the proxy statement for River Valley s 2015 annual meeting of shareholders, as filed with the SEC on

Schedule 14A on

March 18, 2015. Additional information regarding the interests of those participants and other persons who may be deemed participants in the transaction may be obtained by reading the proxy statement/prospectus regarding the proposed merger when it becomes available. Free copies of this document may be obtained described in

the

preceding paragraph.



Transaction Highlights 4

Meaningful addition to GABC franchise:

Further solidifies GABC s position as the premier Southern Indiana community banking franchise

Facilitates GABC s presence in three distinct markets located in the vibrant Southeast Indiana market area:

1.

Adds 5 banking offices in the rapidly growing Indiana portion of the Louisville MSA (Floyd & Clark Counties)

2.

Rounds out GABC s presence in markets adjacent to the Columbus, IN MSA (Jackson & Jennings Counties)

3.

Provides a dominant share position in the Madison, IN market (Jefferson County)

Strong performer with similar culture and banking mentalities

Ability to cross-sell GABC products and services across RIVR customer base

Addition of Matt Forrester, President & CEO & Anthony Brandon, Executive Vice President as senior

executives

to

help

lead

GABC s

Southeast

Indiana

banking

expansion

Financially Compelling:

Approximately

8.0%

accretive

to

first

full

year

EPS

(1)

Approximately

4.3%

dilutive

to

TBV

at

closing

with

an

earn

back



Pro forma tangible common equity / tangible assets >9% at close leaves GABC well positioned for continued organic growth and/or other acquisition opportunities 1)

Excludes one-time merger costs and projected interest rate mark amortization adjustments. Assumes 100% phase-in of project

Tangible book value per share earn back period defined as the number of years for pro forma tangible book value per share to projected standalone tangible book value per share (crossover)

Transaction Overview 5

GABC to acquire 100% of RIVR. River Valley Financial Bank will be merged with and into GABC s banking subsidiary, German American Bancorp

30% cash / 70% stock mix

RIVR pro forma ownership of approximately 13%

Each shareholder will receive \$9.90 in cash and 0.770 shares of GABC common stock

Structure /

Consideration

Purchase

Price

Board / Management

Other Terms

Approvals / Timing

\$83.5 million

(1)

Deal value / tangible book value of 151%

Deal value / LTM Earnings of 14.9x

GABC will add one RIVR Director to its Board of Directors & appoint the remaining independent RIVR directors to a regional advisory board

Matt Forrester & Anthony Brandon to continue employment with GABC

RIVR shall have a minimum net worth at closing with any shortfall deducted from the cash consideration

Termination fee of \$3.2 million (approximately 4% of deal value)

Customary regulatory approvals and shareholder approval by RIVR

Estimated close in early 2016

1)

Based on GABC s 20-day weighted average volume price of \$30.02 as of October 22, 2015

Overview of River Valley Bancorp Financial Highlights (\$M) Pro Forma Branch Map Source: SNL Financial

(1)

RIVR footprint excludes administrative and facility offices located at 216 N State St., North Vernon, IN 47265 and 401 E Main St., Madison, IN 47250

6 2011 2012 2013 2014 YTD 9/30 **CAGR** Balance Sheet (\$M) **Total Assets** 407 473 483 509 514 6.4% Total Net Loans 253 306 317 332 330 7.3% **Total Deposits** 305 384 395 397 401 7.5% Tang. Common Equity 28 30 29 52 55 20.0% TCE / TA (%) 6.9 6.4 6.0 10.3 10.7 Profitability (%) Net Income Avail. to Cmn. 1.4 3.7 4.1 4.4 4.3

45.3%

ROAA 0.45 0.96 0.92 0.96 1.11 **ROAE** 5.41 11.72 12.69 10.30 10.50 Efficiency Ratio 68.8 68.9 66.1 68.7 65.8 Per Share Data (\$) Tang. Book Value Per Share 18.39 19.67 18.82 20.77 21.94 4.8% Earnings Per Share 0.93 2.40

2.66 2.20 1.70 26.8%

Due Diligence Summary

Comprehensive due diligence process

In-depth, three day review of credit files, underwriting methodology and policy

\$168 million or approximately 50% of loan portfolio reviewed and 100% of all non performing assets reviewed

Detailed review of expenses on a line item basis Modeling Assumptions

Estimated loan mark of \$8.7 million (\$4.9 million net of reserves)

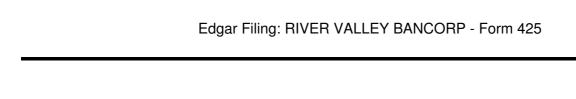
Assumes 27% cost savings, 75% phased-in in 2016 and 100% thereafter

Pro forma earnings adjusted to reflect a moderate amount of net interest income compression

After-tax, one-time buyer and seller combined merger charges are estimated at \$5.2

Due Diligence Highlights

million



Summary Highlights

Further solidifies GABC s position as the premier Southern Indiana community banking franchise

Facilitates GABC s presence in three distinct markets located in the vibrant Southeast Indiana market area:

1.

Indiana portion of the Louisville MSA

Markets adjacent to the Columbus, IN MSA

3. Dominant market position in Madison, IN	
Pro forma total assets of \$2.8 billion	
Financially compelling:	
Approximately 8.0% accretive to EPS in the first full year (1)	
Modest TBV dilution with a 3.4 year earn back (crossover method) (2)	
Strong pro forma capital levels with flexibility to continue organic growth and future acquisitions 8 1) Excludes one-time merger costs and projected interest rate mark amortization adjustments. Assumes 100% phase-in c2) Tangible book value per share earn back period defined as the number of years for pro forma tangible book value per sprojected standalone tangible book value per share (crossover)	