

PEOPLES BANCORP INC
Form 8-K
October 31, 2016

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): October 31, 2016 (October 25, 2016)

PEOPLES BANCORP INC.
(Exact name of Registrant as specified in its charter)

| | | |
|---|-----------------------------|--|
| Ohio | 0-16772 | 31-0987416 |
| (State or other jurisdiction of incorporation) | (Commission File Number) | (I.R.S. Employer Identification Number) |

| | |
|--|------------|
| 138 Putnam Street, PO Box 738 | |
| Marietta, Ohio | 45750-0738 |
| (Address of principal executive offices) | (Zip Code) |

Registrant's telephone number, including area code: (740) 373-3155

Not applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02 Results of Operations and Financial Condition

On October 25, 2016, management of Peoples Bancorp Inc. (“Peoples”) conducted a facilitated conference call at approximately 11:00 a.m., Eastern Daylight Time, to discuss results of operations for the quarter and nine months ended September 30, 2016. A replay of the conference call audio will be available on Peoples’ website, www.peoplesbancorp.com, in the “Investor Relations” section for one year. A copy of the transcript of the conference call is included as Exhibit 99 to this Current Report on Form 8-K.

The information contained in this Item 2.02 and Exhibit 99 included with this Current Report on Form 8-K, is being furnished pursuant to Item 2.02 and shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that Section, nor shall such information be deemed to be incorporated by reference in any registration statement or other document filed under the Securities Act of 1933, as amended, or the Exchange Act, except as otherwise stated in such filing.

During the conference call, management referred to non-Generally Accepted Accounting Principles (“GAAP”) financial measures that are used by management to provide information useful to investors in understanding Peoples' operating performance and trends, and to facilitate comparisons with the performance of Peoples' peers. The following tables show the differences between the non-GAAP financial measures referred to during the conference call and the most directly comparable GAAP-based financial measures.

NON-GAAP FINANCIAL MEASURES

| (in \$000’s) | Three Months Ended | | | Nine Months Ended | |
|----------------------------------|--------------------------------------|----------|-----------|-------------------|----------|
| | June 30, September 30, September 30, | | | September 30, | |
| | 2016 | 2016 | 2015 | 2016 | 2015 |
| Core non-interest expenses: | | | | | |
| Total non-interest expense | \$26,842 | \$26,505 | \$ 26,112 | \$79,629 | \$87,804 |
| Less: System upgrade costs | 423 | 90 | — | 513 | — |
| Less: Acquisition-related costs | — | — | 108 | — | 9,884 |
| Less: Pension settlement charges | — | — | 82 | — | 454 |
| Less: Other non-core charges | — | — | — | — | 185 |
| Core non-interest expenses | \$26,419 | \$26,415 | \$ 25,922 | \$79,116 | \$77,281 |

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| (in \$000's) | Three Months Ended | | | Nine Months Ended | | |
|---|--------------------|---------------|--------------------|--------------------|--------------------|---|
| | September 30, 2016 | June 30, 2016 | September 30, 2015 | September 30, 2016 | September 30, 2015 | |
| Efficiency ratio: | | | | | | |
| Total non-interest expense | 26,842 | 26,505 | 26,112 | 79,629 | 87,804 | |
| Less: Amortization of intangible assets | 1,008 | 1,007 | 1,127 | 3,023 | 2,944 | |
| Adjusted non-interest expense | 25,834 | 25,498 | 24,985 | 76,606 | 84,860 | |
| Total non-interest income | 13,538 | 12,367 | 11,906 | 38,959 | 35,340 | |
| Net interest income | 26,123 | 26,308 | 25,536 | 78,198 | 71,748 | |
| Add: Fully tax-equivalent adjustment | \$497 | \$502 | \$ 525 | \$1,508 | \$1,462 | |
| Net interest income on a fully taxable-equivalent basis | \$26,620 | \$26,810 | \$ 26,061 | \$79,706 | \$73,210 | |
| Adjusted revenue | \$40,158 | \$39,177 | \$ 37,967 | \$118,665 | \$108,550 | |
| Efficiency ratio | 64.33 | % 65.08 | % 65.81 | % 64.56 | % 78.18 | % |
| Efficiency ratio adjusted for non-core charges: | | | | | | |
| Core non-interest expenses | \$26,419 | \$26,415 | \$ 25,922 | \$79,116 | \$77,281 | |
| Less: Amortization of intangible assets | \$1,008 | \$1,007 | \$ 1,127 | \$3,023 | \$2,944 | |
| Adjusted non-interest expense | 25,411 | 25,408 | 24,795 | 76,093 | 74,337 | |
| Adjusted revenue | \$40,158 | \$39,177 | \$ 37,967 | \$118,665 | \$108,550 | |
| Efficiency ratio adjusted for non-core charges | 63.28 | % 64.85 | % 65.31 | % 64.12 | % 68.48 | % |

| (in \$000's) | At or For the Three Months Ended | | | | |
|--|----------------------------------|---------------|----------------|-------------------|--------------------|
| | September 30, 2016 | June 30, 2016 | March 31, 2016 | December 31, 2015 | September 30, 2015 |
| Tangible Equity: | | | | | |
| Total stockholders' equity, as reported | \$440,637 | \$437,753 | \$428,486 | \$419,789 | \$424,760 |
| Less: goodwill and other intangible assets | 147,005 | 147,971 | 148,997 | 149,617 | 151,339 |
| Tangible equity | \$293,632 | \$289,782 | \$279,489 | \$270,172 | \$273,421 |
| Tangible Assets: | | | | | |
| Total assets, as reported | \$3,363,585 | \$3,333,455 | \$3,294,929 | \$3,258,970 | \$3,228,830 |
| Less: goodwill and other intangible assets | 147,005 | 147,971 | 148,997 | 149,617 | 151,339 |
| Tangible assets | \$3,216,580 | \$3,185,484 | \$3,145,932 | \$3,109,353 | \$3,077,491 |
| Tangible Book Value per Common Share: | | | | | |
| Tangible equity | \$293,632 | \$289,782 | \$279,489 | \$270,172 | \$273,421 |
| Common shares outstanding | 18,195,986 | 18,185,708 | 18,157,932 | 18,404,864 | 18,400,809 |
| Tangible book value per common share | \$16.14 | \$15.93 | \$15.39 | \$14.68 | \$14.86 |

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Tangible Equity to Tangible Assets Ratio:

| | | | | | | |
|------------------------------------|-------------|-------------|-------------|-------------|-------------|---|
| Tangible equity | \$293,632 | \$289,782 | \$279,489 | \$270,172 | \$273,421 | |
| Tangible assets | \$3,216,580 | \$3,185,484 | \$3,145,932 | \$3,109,353 | \$3,077,491 | |
| Tangible equity to tangible assets | 9.13 | % 9.10 | % 8.88 | % 8.69 | % 8.88 | % |

Item 9.01 Financial Statements and Exhibits

a) - c)
Not applicable.

d) Exhibits
See Index to Exhibits below.

SIGNATURES

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

PEOPLES BANCORP INC.

Date: October 31, 2016 By: /s/JOHN C. ROGERS

John C. Rogers

Executive Vice President,
Chief Financial Officer and Treasurer

INDEX TO EXHIBITS

Exhibit
Description
Number

99 Transcript of conference call conducted by management of Peoples Bancorp Inc. on October 25, 2016 to discuss results of operations for the quarter and year period ended September 30, 2016

* Schedules and exhibits have been omitted pursuant to Item 601(b)(2) of Regulation S-K. A copy of any omitted schedules or exhibits will be furnished supplementally to the SEC upon its request.