



Annual Report

Driving Results.
Creating Possibilities.



German American Bancorp, Inc.

Our Purpose

German American helps individuals, families and businesses achieve their financial dreams to improve their quality of life and place. We support the communities we serve and believe that when a community thrives, its people prosper.

Our Values

Integrity

We trust each other in words and actions. We value honesty, transparency and diverse perspectives for high ethical standards in all we do.

Relationships

We develop relationships based on integrity, trust and mutual respect to create positive outcomes and experiences for all.

Excellence

Because performance is vital, we are encouraged to take initiative, accept challenges and be collaborative to achieve performance and operating excellence for our customers, shareholders and communities.

Service

Service to our communities, customers and each other is fun, rewarding and powerful. We develop valuable relationships by providing outstanding service to all.

Inclusion

We are committed to an inclusive workplace where diverse representation, perspectives and experiences foster an atmosphere of empowerment, collaboration and respect.

Cautionary Note Regarding Forward-Looking Statements

Statements made in this Summary Annual Report that are not statements of historical fact are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. This includes any statements regarding management's plans and objectives for future operations and expectations about the Company's financial and business performance and economic and market conditions and trends. Such forward-looking statements may be identified by the use of words such as "anticipate," "believe," "estimate," "expect," "plan," "intend," "should," "would," "could," "can," "may," "will," "might" and similar expressions. Forward-looking statements are based on management's current expectations and, by their nature, are subject to risks and uncertainties. Actual results may differ materially from those contained in the forward-looking statements. Factors which may cause actual results to differ materially from those contained in such forward-looking statements include those identified in Item 1, "Business - Forward Looking Statements and Associated Risks," and Item 1A, "Risk Factors," in our accompanying Annual Report on Form 10-K and in other documents that we file with or furnish to the Securities and Exchange Commission. These forward-looking statements speak only as of March 3, 2025. We do not undertake, and expressly disclaim, any duty or obligation to update or revise any forward-looking statements to reflect changes in assumptions, the occurrence of unanticipated events, or otherwise, except as required by law.

20th

consecutive fiscal
year of double-digit
return on equity

History of
improved
earnings
performance

13th

consecutive year
of increased cash
dividends

Letter to Our SHAREHOLDERS

Dear Shareholders:

2024 was a transformative year for German American as we continued our history of strong financial performance and positioned our company for future continued growth. We delivered our 20th consecutive year of double-digit return on equity and 13th year of increased cash dividends. We remain financially strong with solid liquidity and strong capital.

To evolve and better position our company for future success, our 2024 operating performance was highlighted by the sale of the Company's existing insurance division, the partial restructuring of our securities portfolio and the announced acquisition of Columbus, Ohio, based Heartland BancCorp, bringing our total assets to approximately \$8.2 billion at merger close on February 1, 2025. All should provide momentum for solid balance sheet and earnings per share growth into 2025 and allow us to continue on our path of **Driving Results and Creating Possibilities**.

The strategic partnership with Heartland will bring together two high-performing, community-oriented organizations and expand German American's footprint into Columbus and Cincinnati, Ohio, two of the fastest growing and most vibrant markets in the Midwest. The acquisition is strategically compelling and financially attractive to drive long-term shareholder value. We believe we have the right balance of serving rural, suburban and urban communities across our footprint.

...continued

D. Neil Dauby
CHAIRMAN AND CEO



Letter to Our SHAREHOLDERS

continued...

It is always an honor to be recognized and receive national accolades for our outstanding financial performance. In 2024, we were named to the S&P Global Top Performing Community Bank list, Bank Director Top Banks list, Piper Sandler's Small Cap All-Stars, Raymond James Community Banker's Cup, Forbes America's Best Banks list and Newsweek's Best Regional Bank list.

And most recently, the Company was ranked 2nd in the Nation on the prestigious Forbes America's Best Banks list for 2025. We believe this acknowledges our strong financial focus and stability, as well as our unwavering commitment to excellence for our employees, customers, communities and shareholders.



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We are extremely excited about the long-term growth potential in connection with a normalizing yield curve, a strong organic growth footprint and the Company's merger with Heartland BancCorp. We remain enthusiastic and are committed to the vitality and future growth of our Indiana, Kentucky and Ohio communities.

Thank you for your continued investment in German American.

Sincerely,

A handwritten signature in black ink that reads "D. Neil Dauby".

D. Neil Dauby
Chairman and CEO



Our EXECUTIVE TEAM



D. Neil Dauby

Chairman and
Chief Executive
Officer



Bradley M. Rust

President and
Chief Financial
Officer



Amy D. Jackson

Executive Vice President,
Chief Administrative
Officer



Michael F. Beckwith

Executive Vice President,
Chief Banking Officer



Bradley C. Arnett

Executive Vice President,
Chief Legal Officer



W. Scott Powell

Executive Vice President,
Chief Credit Officer



Clay M. Barrett

Executive Vice President,
Chief Digital and
Information Officer

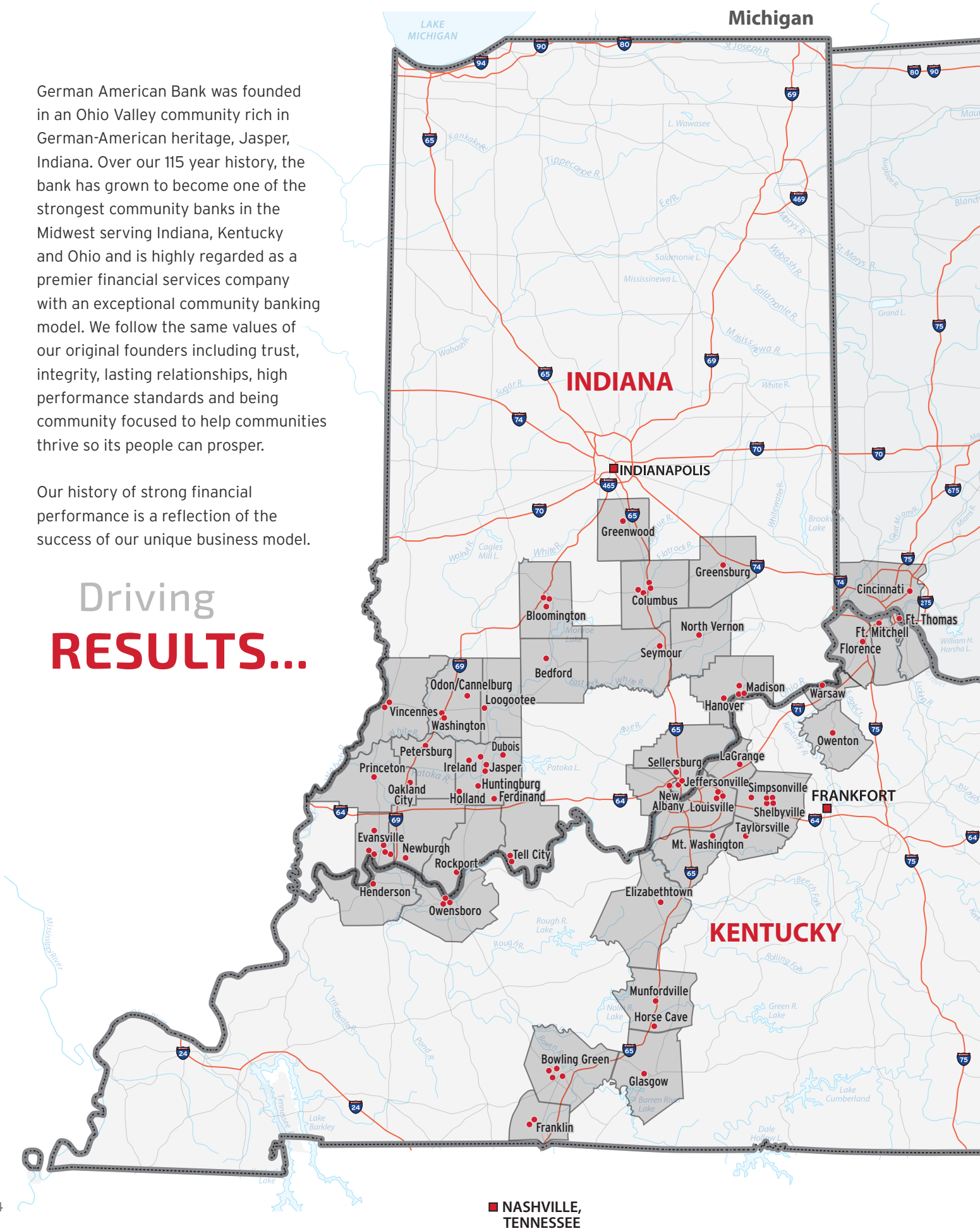
History of SUPERIOR FINANCIAL PERFORMANCE

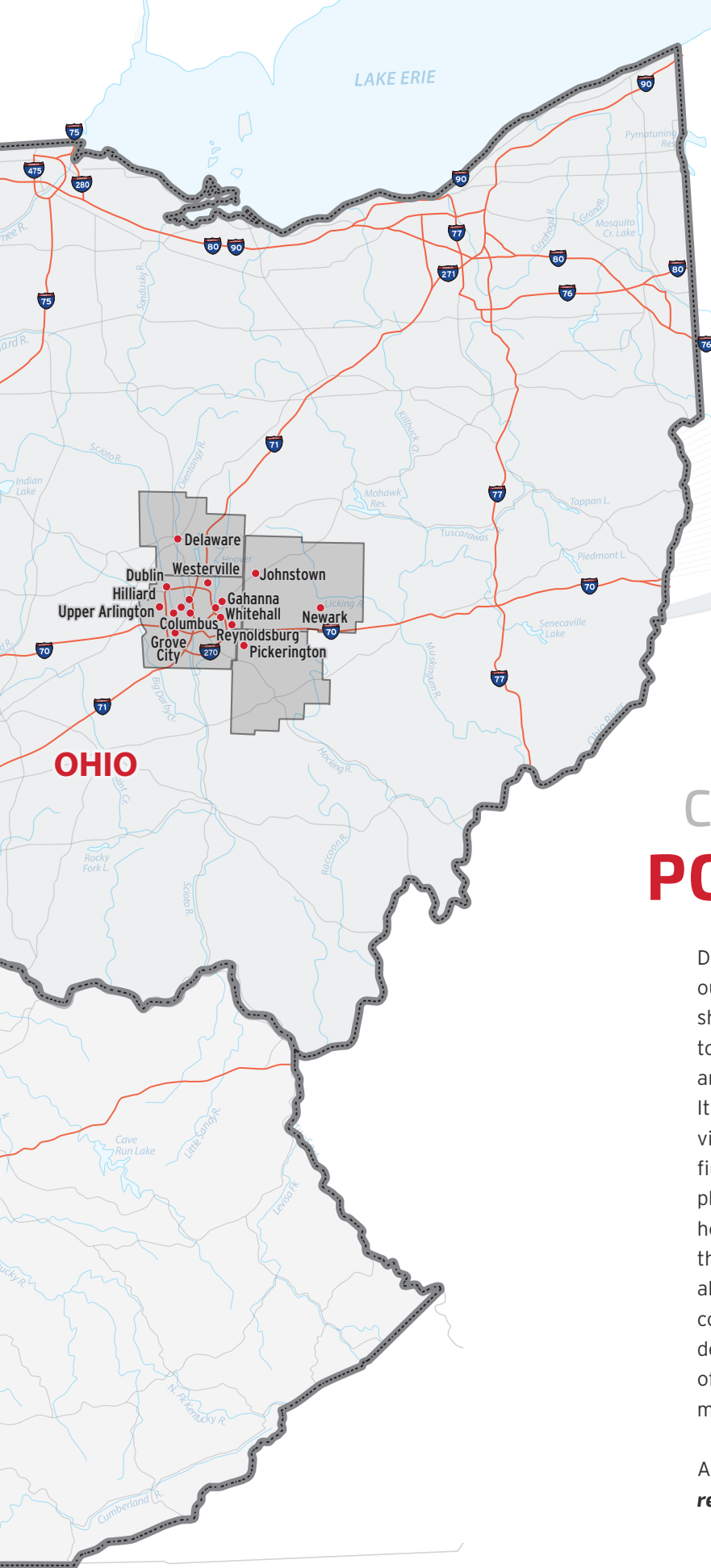


German American Bank was founded in an Ohio Valley community rich in German-American heritage, Jasper, Indiana. Over our 115 year history, the bank has grown to become one of the strongest community banks in the Midwest serving Indiana, Kentucky and Ohio and is highly regarded as a premier financial services company with an exceptional community banking model. We follow the same values of our original founders including trust, integrity, lasting relationships, high performance standards and being community focused to help communities thrive so its people can prosper.

Our history of strong financial performance is a reflection of the success of our unique business model.

Driving RESULTS...

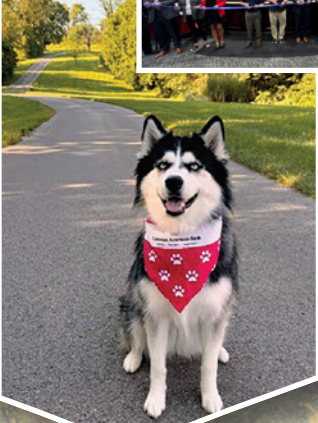




Creating **POSSIBILITIES...**

Driving results creates possibilities for our employees, clients, communities and shareholders. It affords us the opportunities to invest in client experience measurements and top talented financial professionals. It allows us to grow our brand into new, vibrant markets to help clients bring financial goals to life, elevate a business plan, move into a first home or a dream home and manage money on the go, in the office or on the phone. It gives us the ability to influence the health of our local communities in key areas of economic development, education and overall quality of life. We are committed to always being mindful of the purpose of our organization.

As a team, we understand that **driving results creates possibilities.**



Providing a positive work experience

1,000+
employees

people
focused

Maintaining a culture characterized by people who work together to drive success

Volunteer hours served in local communities in 2024

6,000+
hours

\$215+
million

Invested in community support in 2024 to help rural, suburban and urban communities throughout Indiana and Kentucky thrive so their people can prosper

Helping individuals, families and businesses achieve their financial dreams to improve their quality of life and place

creating
possibilities

\$540,000
to local schools

Donated to local schools participating in our School Spirit Card program since the program's inception

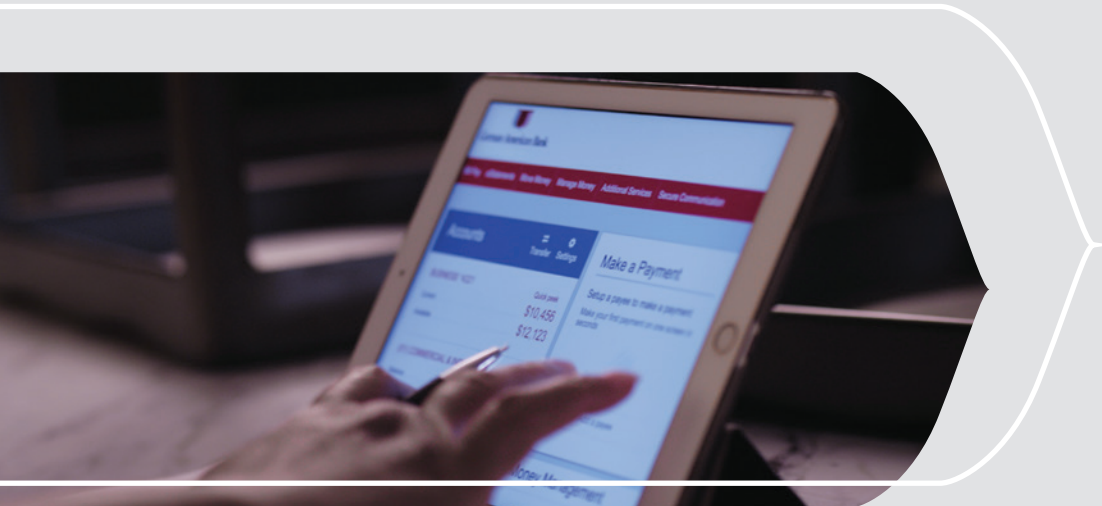
Report of Independent Registered Public ACCOUNTING FIRM

Shareholders and the Board of Directors
German American Bancorp, Inc.
Jasper, Indiana

We have audited in accordance with the standards of the Public Company Accounting Oversight Board (United States) the consolidated balance sheets of German American Bancorp, Inc. as of December 31, 2024 and 2023, and the related consolidated statements of income, comprehensive income (loss), changes in shareholders' equity, and cash flows for each of the three years in the period ended December 31, 2024, appearing in the Annual Report on Form 10-K, not appearing herein. In our report dated March 3, 2025, also appearing in the Annual Report on Form 10-K, we expressed an unqualified opinion on those consolidated financial statements.

In our opinion, the information set forth in the consolidated balance sheets and consolidated statements of income presented on pages 10 and 11 is fairly stated, in all material respects, in relation to the consolidated financial statements from which they have been derived.

/s/ Crowe LLP
Crowe LLP
Indianapolis, Indiana
March 3, 2025



Five Year Summary

The following selected data should be read in conjunction with the Company's Annual Report on Form 10-K for 2024.

Dollars in thousands, except share and per share data

	2024	2023	2022	2021	2020
Summary of Operations:					
Interest Income	\$ 291,043	\$ 256,656	\$ 218,926	\$ 170,379	\$ 174,369
Interest Expense	100,452	66,223	18,342	9,549	19,126
Net Interest Income	190,591	190,433	200,584	160,830	155,243
Provision for Credit Losses	2,775	2,550	6,350	(6,500)	17,550
Net Interest Income after Provision for Credit Losses	187,816	187,883	194,234	167,330	137,693
Non-interest Income	62,660	60,261	59,133	59,462	54,474
Non-interest Expense	146,377	144,497	154,191	124,007	117,123
Income before Income Taxes	104,099	103,647	99,176	102,785	75,044
Income Tax Expense	20,288	17,759	17,351	18,648	12,834
Net Income	\$ 83,811	\$ 85,888	\$ 81,825	\$ 84,137	\$ 62,210
Year-end Balances:					
Total Assets	\$ 6,295,910	\$ 6,152,198	\$ 6,155,991	\$ 5,608,539	\$ 4,977,577
Total Loans, Net of Unearned Income	4,124,902	3,971,082	3,784,934	3,004,264	3,088,072
Total Deposits	5,329,075	5,252,963	5,350,051	4,744,316	4,106,530
Total Long-term Debt	153,269	127,969	102,645	83,855	141,624
Total Shareholders' Equity	715,067	663,558	558,393	668,459	624,709
Average Balances:					
Total Assets	\$ 6,233,753	\$ 6,037,874	\$ 6,514,030	\$ 5,369,707	\$ 4,729,006
Total Loans, Net of Unearned Income	4,035,670	3,835,157	3,680,708	3,072,302	3,185,542
Total Deposits	5,304,914	5,196,475	5,700,499	4,493,853	3,860,397
Total Shareholders' Equity	685,862	584,106	610,066	642,934	594,781
Per Share Data:					
Net Income	\$ 2.83	\$ 2.91	\$ 2.78	\$ 3.17	\$ 2.34
Cash Dividends	1.08	1.00	0.92	0.84	0.76
Book Value at Year-end	24.09	22.43	18.93	25.17	23.57
Tangible Book Value Per Share ⁽¹⁾	17.93	16.12	12.50	20.37	18.63
Other Data at Year-end:					
Number of Shareholders	3,036	3,065	3,163	3,109	3,218
Number of Employees (Full-time Equivalent)	760	838	854	724	776
Weighted Average Number of Shares	29,656,416	29,557,567	29,464,591	26,537,311	26,539,024
Selected Performance Ratios:					
Return on Assets	1.34 %	1.42 %	1.26 %	1.57 %	1.32 %
Return on Equity	12.22 %	14.70 %	13.41 %	13.09 %	10.46 %
Equity to Assets	11.36 %	10.79 %	9.07 %	11.92 %	12.55 %
Dividend Payout	38.00 %	34.27 %	33.02 %	26.41 %	32.37 %
Net Charge-offs (Recoveries) to Average Loans	0.05 %	0.08 %	0.06 %	0.11 %	0.08 %
Allowance for Credit Losses to Loans	1.08 %	1.10 %	1.17 %	1.23 %	1.52 %
Net Interest Margin	3.43 %	3.58 %	3.45 %	3.31 %	3.63 %

⁽¹⁾ Tangible Book Value per Share is defined as Total Shareholders' Equity less Goodwill and Other Intangible Assets divided by End of Period Shares Outstanding.

Consolidated Balance Sheets

Dollars in thousands, except share and per share data

	December 31,	
	2024	2023
Assets		
Cash and Due from Banks	\$ 69,249	\$ 78,805
Federal Funds Sold and Other Short-term Investments	119,543	36,525
Cash and Cash Equivalents	188,792	115,330
Interest-bearing Time Deposits with Banks	500	500
Securities Available-for-Sale, at Fair Value (Amortized Cost \$1,796,040 for December 31, 2024; Amortized Cost \$1,871,260 for December 31, 2023; No Allowance for Credit Losses)	1,517,287	1,596,832
Other Investments	353	353
Loans Held-for-Sale, at Fair Value	8,239	5,226
Loans	4,133,267	3,977,900
Less: Unearned Income	(8,365)	(6,818)
Allowance for Credit Losses	(44,436)	(43,765)
Loans, Net	4,080,466	3,927,317
Stock in FHLB of Indianapolis and Other Restricted Stock, at Cost	14,423	14,687
Premises, Furniture and Equipment, Net	104,045	106,776
Other Real Estate	-	-
Goodwill	179,025	180,357
Intangible Assets	4,018	6,307
Company Owned Life Insurance	86,710	85,840
Accrued Interest Receivable and Other Assets	112,052	112,673
TOTAL ASSETS	\$ 6,295,910	\$ 6,152,198
Liabilities		
Non-interest-bearing Demand Deposits	\$ 1,399,270	\$ 1,493,160
Interest-bearing Demand, Savings, and Money Market Accounts	3,013,204	2,992,761
Time Deposits	916,601	767,042
Total Deposits	5,329,075	5,252,963
FHLB Advances and Other Borrowings	210,131	193,937
Accrued Interest Payable and Other Liabilities	41,637	41,740
TOTAL LIABILITIES	5,580,843	5,488,640
Shareholders' Equity		
Common Stock, no par value, \$1 stated value; 45,000,000 shares authorized	29,677	29,585
Additional Paid-in Capital	392,266	389,411
Retained Earnings	513,588	461,622
Accumulated Other Comprehensive Income (Loss)	(220,464)	(217,060)
TOTAL SHAREHOLDERS' EQUITY	715,067	663,558
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 6,295,910	\$ 6,152,198
End of period shares issued and outstanding	29,677,093	29,584,709

Consolidated Statements of Income

Dollars in thousands, except per share data

	Years Ended December 31,		
	2024	2023	2022
Interest Income			
Interest and Fees on Loans	\$ 240,241	\$ 212,517	\$ 169,158
Interest on Federal Funds Sold and Other Short-term Investments	7,697	1,677	5,765
Interest and Dividends on Securities:			
Taxable	26,586	20,614	20,453
Non-taxable	16,519	21,848	23,550
TOTAL INTEREST INCOME	291,043	256,656	218,926
Interest Expense			
Interest on Deposits	90,622	56,916	13,514
Interest on FHLB Advances and Other Borrowings	9,830	9,307	4,828
TOTAL INTEREST EXPENSE	100,452	66,223	18,342
NET INTEREST INCOME	190,591	190,433	200,584
Provision for Credit Losses	2,775	2,550	6,350
NET INTEREST INCOME AFTER PROVISION FOR CREDIT LOSSES	187,816	187,883	194,234
Non-Interest Income			
Wealth Management Fees	14,416	11,711	10,076
Service Charges on Deposit Accounts	12,669	11,538	11,457
Insurance Revenues	4,384	9,596	10,020
Company Owned Life Insurance	2,058	1,731	2,264
Interchange Fee Income	17,125	17,452	15,820
Sale of Assets of German American Insurance	38,323	-	-
Other Operating Income	5,419	5,830	5,116
Net Gains on Sales of Loans	3,054	2,363	3,818
Net Gains (Losses) on Securities	(34,788)	40	562
TOTAL NON-INTEREST INCOME	62,660	60,261	59,133
Non-Interest Expense			
Salaries and Employee Benefits	82,257	83,244	84,145
Occupancy, Furniture and Equipment Expense	14,944	14,467	14,921
FDIC Premiums	2,908	2,829	1,860
Data Processing Fees	12,243	11,112	15,406
Professional Fees	8,147	5,575	6,295
Advertising and Promotion	3,939	4,857	4,416
Intangible Amortization	2,032	2,840	3,711
Other Operating Expenses	19,907	19,573	23,437
TOTAL NON-INTEREST EXPENSE	146,377	144,497	154,191
Income before Income Taxes	104,099	103,647	99,176
Income Tax Expense	20,288	17,759	17,351
Net Income	\$ 83,811	\$ 85,888	\$ 81,825
Basic Earnings per Share	\$ 2.83	\$ 2.91	\$ 2.78
Diluted Earnings per Share	\$ 2.83	\$ 2.91	\$ 2.78



Our BOARD OF DIRECTORS



Zachary W. Bawel



Angela Curry



D. Neil Dauby



Sue J. Ellspermann



Marc D. Fine



Jason M. Kelly



G. Scott McComb



Diane B. Medley



M. Darren Root



Christina M. Ryan



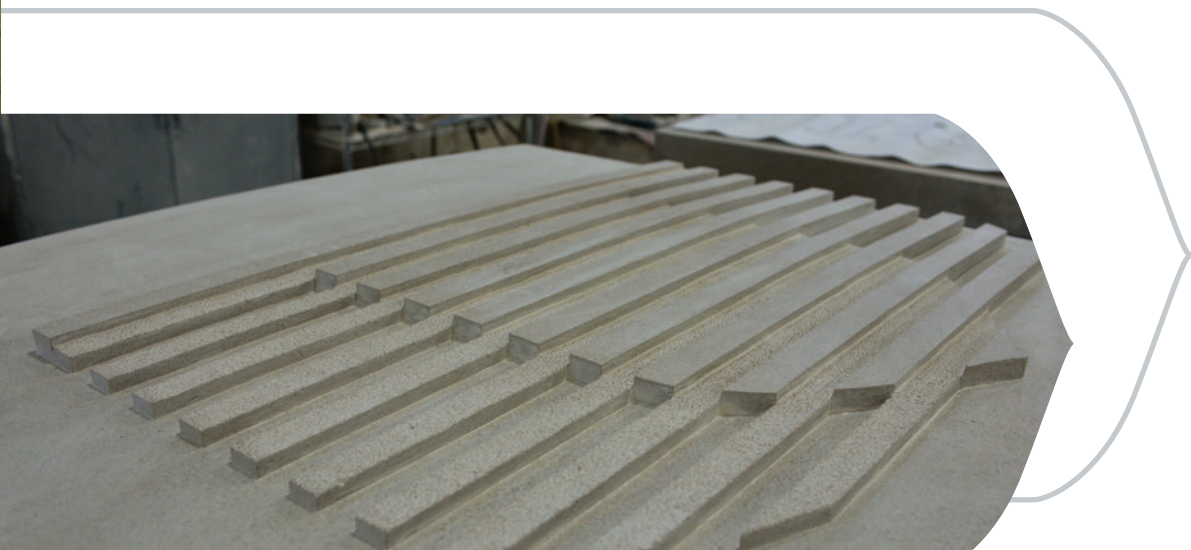
Jack W. Sheidler



Ronnie R. Stokes



Tyson J. Wagler





German American Bancorp, Inc.

