

Mallinckrodt plc
Form 8-K
August 10, 2015

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): August 10, 2015 (August 9, 2015)

Mallinckrodt public limited company
(Exact name of registrant as specified in its charter)

Ireland
(State or other jurisdiction of
incorporation or organization)

001-35803
(Commission
File Number)
Perth House, Millennium Way

98-1088325
(I.R.S. Employer
Identification No.)

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Chesterfield, Derbyshire, United Kingdom S41 8ND

(Address of principal executive offices)

+44 424 626 3051

(Registrant's telephone number, including area code)

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 1.01. Entry into a Material Definitive Agreement.

Purchase Agreement

On August 9, 2015, Mallinckrodt plc (the Company or Mallinckrodt) entered into a Stock Purchase Agreement (the Purchase Agreement) with TGG Medical Holdings, LLC (Seller), TGG Medical Solutions, Inc. (Therakos), the sole stockholder of Therakos, Inc., and Mallinckrodt Enterprises LLC (Purchaser), an indirect wholly owned subsidiary of the Company. Pursuant to the Purchase Agreement and subject to the terms and conditions set forth therein, Purchaser will acquire Therakos from Seller (the Stock Purchase) for cash consideration of approximately \$1.325 billion, which amount will be increased by cash held by Therakos at closing, decreased by indebtedness of Therakos at closing, decreased by certain transaction expenses of Therakos, and increased or decreased based on Therakos' s net working capital at closing relative to agreed working capital targets.

Following the Stock Purchase, Therakos will be an indirect wholly owned subsidiary of Mallinckrodt.

The Stock Purchase is subject to satisfaction or waiver of customary closing conditions, including receipt of required regulatory approvals, accuracy of representations and warranties of the parties (subject to customary materiality and material adverse effect qualifiers), compliance with covenants in all material respects and no material adverse effect having occurred at Therakos. The Purchase Agreement also provides for indemnification with respect to certain matters following the closing.

Subject to satisfaction or waiver of the closing conditions, Mallinckrodt expects the transaction to be completed in the third calendar quarter of 2015, the Company' s fourth fiscal quarter.

The Purchase Agreement contains customary termination rights for both Purchaser and Seller, including, among others, for failure to consummate the Stock Purchase on or before February 9, 2016.

Financing

The payment of the purchase price and the refinancing of Therakos' s existing indebtedness are expected to be financed with a combination of new debt and cash on the Company' s and its subsidiaries' balance sheets. A subsidiary of Mallinckrodt has entered into a commitment letter, dated August 9, 2015, with Barclays Bank PLC, which provides a commitment, subject to satisfaction of customary conditions, for a \$1.1 billion unsecured bridge loan facility.

The foregoing summary of the Purchase Agreement and the transactions contemplated thereby does not purport to be complete and is subject to, and qualified in its entirety by, the full text of the Purchase Agreement filed herewith as Exhibit 2.1, which is incorporated herein by reference.

The Purchase Agreement has been included to provide investors with information regarding its terms. It is not intended to provide any other factual information about Mallinckrodt, Purchaser, Seller or Therakos or any of their affiliates, their respective businesses, or the actual conduct of their respective businesses during the period prior to the consummation of the Stock Purchase. The Purchase Agreement contains representations and warranties that are the product of negotiations among the parties thereto and that the parties made to, and solely for the benefit of, each other as of specified dates. The assertions embodied in those representations and warranties are subject to qualifications and limitations agreed to by the respective parties and are also qualified in important part by a confidential disclosure schedule delivered by Therakos in connection with the Purchase Agreement. The representations and warranties may have been made for the purpose of allocating contractual risk between the parties to the Purchase Agreement instead of establishing these matters as facts, and may be subject to standards of materiality applicable to the contracting parties that differ from those applicable to investors.

Item 7.01. Regulation FD Disclosure.

On August 10, 2015, Mallinckrodt issued a press release announcing the execution of the Purchase Agreement described above. A copy of the press release is furnished as Exhibit 99.1 hereto.

Also on August 10, 2015, Mallinckrodt will make an investor presentation regarding the execution of the Purchase Agreement described above. A copy of the presentation is furnished as Exhibit 99.2 hereto.

Forward-Looking Statements

Statements made herein that are not strictly historical, including statements regarding the proposed Stock Purchase, the expected timetable for the completion of the transaction, future financial condition and operating results, economic, business, competitive and/or regulatory factors affecting Mallinckrodt's and Therakos' businesses and any other statements regarding events or developments that we believe or anticipate will or may occur in the future, may be forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, and involve a number of risks and uncertainties. There are a number of important factors that could cause actual events to differ materially from those suggested or indicated by such forward-looking statements and you should not place undue reliance on any such forward-looking statements. These factors include risks and uncertainties related to, among other things: general economic conditions and conditions affecting the industries in which Mallinckrodt and Therakos operate; the commercial success of Mallinckrodt's products and of Therakos' photopheresis platforms; the parties' ability to satisfy the Purchase Agreement conditions (including required regulatory approvals) and complete the Stock Purchase on the anticipated timeline or at all; Mallinckrodt's ability to realize anticipated growth, synergies and cost savings from its recently completed acquisitions and the Stock Purchase; changes in laws and regulations; Mallinckrodt's ability to identify, acquire or close future acquisitions; Mallinckrodt's ability to successfully integrate acquisitions of operations, technology, products and businesses generally and to realize anticipated growth, synergies and cost savings (including

with respect to the Stock Purchase); Mallinckrodt's ability to successfully develop or commercialize new products; Mallinckrodt's ability to protect intellectual property rights; Mallinckrodt's ability to receive procurement and production quotas granted by the U.S. Drug Enforcement Administration; customer concentration; Mallinckrodt's reliance on certain individual products that are material to its financial performance; cost containment efforts of customers, purchasing groups, third-party payers and governmental organizations; the reimbursement practices of a small number of public or private insurers; limited clinical trial data for H.P. Acthar® Gel; complex reporting and payment obligations under healthcare rebate programs; Mallinckrodt's ability to achieve anticipated benefits of price increases; Mallinckrodt's ability to achieve expected benefits from restructuring activities; complex manufacturing processes; competition; product liability losses and other litigation liability; ongoing governmental investigations; material health, safety and environmental liabilities; retention of key personnel; conducting business internationally; and the effectiveness of information technology infrastructure. These and other factors are identified and described in more detail in the Risk Factors section of Mallinckrodt's Annual Report on Form 10-K for the fiscal year ended September 26, 2014 and Quarterly Reports on Form 10-Q for the quarterly periods ended March 27, 2015 and June 26, 2015. The forward-looking statements made herein speak only as of the date hereof and Mallinckrodt does not assume any obligation to update or revise any forward-looking statement, whether as a result of new information, future events and developments or otherwise, except as required by law.

Item 9.01. Financial Statements and Exhibits.

- (a) Not applicable.
- (b) Not applicable.
- (c) Not applicable.
- (d) Exhibits. See Exhibit Index.

SIGNATURE

Pursuant to the requirements of Section 12 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.

Dated: August 10, 2015

MALLINCKRODT PUBLIC LIMITED COMPANY

By: /s/ Kenneth L. Wagner

Name: Kenneth L. Wagner

Title: Vice President and Corporate Secretary

EXHIBIT INDEX

Exhibit No.	Description
2.1*	Stock Purchase Agreement, dated August 9, 2015, by and among TGG Medical Holdings, LLC, TGG Medical Solutions, Inc., Mallinckrodt Enterprises LLC and Mallinckrodt plc.
99.1	Press Release, dated August 10, 2015.
99.2	Presentation Materials, dated August 10, 2015.

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

font style="font-family:inherit;font-size:7pt;font-weight:bold;">Valuation Techniques(s)

Unobservable Input

Range of Inputs

Weighted Average

Collateralized debt obligations

\$

755

Discounted cash flows

Pretax discount rate

15.00

%

15.00

%

15.00
%

Actual defaults

14.01
%

20.94
%

15.95
%

Actual deferrals

5.52
%

16.01
%

9.12
%

Collateral dependent impaired loans:

Commercial and industrial
1,106

Modified appraised value

Third party appraisal

NM *

NM *

NM *

Appraisal discount

NM *

NM *

NM *

Construction & development
496

Modified appraised value

Third party appraisal

NM *

NM *

NM *

Appraisal discount

NM *

NM *

NM *

Commercial real estate-other
501

Modified appraised value

Third party appraisal

NM *

NM *

NM *

Appraisal discount

NM *

NM *

NM *

Residential real estate one- to four-
114

Modified appraised value

Third party appraisal

NM *

NM *

NM *

family first liens

Appraisal discount

NM *

NM *

NM *

Residential real estate one- to four-
19

Modified appraised value

Third party appraisal

NM *

NM *

NM *

family junior liens

Appraisal discount

NM *

NM *

NM *

Consumer
32

Modified appraised value

Third party appraisal

NM *

NM *

NM *

Appraisal discount

NM *

NM *

NM *

Mortgage servicing rights

1,484

Discounted cash flows

Constant prepayment rate

15.76

%

21.03

%

17.44

%

Pretax discount rate

11.00

%

14.00

%

11.21

%

Other real estate owned

3,278

Modified appraised value

Third party appraisal

NM *

NM *

NM *

Appraisal discount

NM *

NM *

NM *

* Not Meaningful. Third party appraisals are obtained as to the value of the underlying asset, but disclosure of this information would not provide meaningful information, as the range will vary widely from loan to loan. Types of discounts considered include age of the appraisal, local market conditions, current condition of the property, and estimated sales costs. These discounts will also vary from loan to loan.

Changes in assumptions or estimation methodologies may have a material effect on these estimated fair values.

Note 19. Variable Interest Entities

MidWestOne has invested in certain participation certificates of loan pools which are purchased, held and serviced by the third-party independent servicing corporation. MidWestOne's portfolio holds approximately 95% of participation interests in pools of loans owned and serviced by States Resources Corporation ("SRC"), a third-party loan servicing organization in Omaha, Nebraska. SRC's owner holds the rest. The Company does not have any ownership interest in or exert any control over SRC, and thus it is not included in the consolidated financial statements.

These pools of loans were purchased from large nonaffiliated banking organizations and from the FDIC acting as receiver of failed banks and savings associations. As loan pools were put out for bid (generally in a sealed bid auction) SRC's due diligence teams evaluated the loans and determined their interest in bidding on the pool. After the due diligence, MidWestOne management reviewed this information and decided if it wished to continue in the process. If the decision to consider a bid was made, SRC conducted additional analysis to determine the appropriate bid price. This analysis involved discounting loan cash flows with adjustments made for expected losses and changes in collateral values as well as targeted rates of return. A cost or investment basis was assigned to each individual loan at cents per dollar (discounted price) based on SRC's assessment of the recovery potential of each loan.

Once a bid was awarded to SRC, the Company assumed the risk of profit or loss but on a non-recourse basis so the risk is limited to its initial investment. The extent of the risk is also dependent upon: the debtor or guarantor's financial condition, the possibility that a debtor or guarantor may file for bankruptcy protection, SRC's ability to locate any collateral and obtain possession, the value of such collateral, and the length of time it takes to realize the recovery either through collection procedures, legal process, or resale of the loans after a restructure.

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MIDWESTONE FINANCIAL GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Loan pool participations are shown on the Company's consolidated balance sheets as a separate asset category. The original carrying value or investment basis of loan pool participations is the discounted price paid by the Company to acquire its interests, which, as noted, is less than the face amount of the underlying loans. MidWestOne's investment basis is reduced as SRC recovers principal on the loans and remits its share to the Company or as loan balances are written off as uncollectible.

Table of ContentsMIDWESTONE FINANCIAL GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 20. Parent Company Only Financial Information

The following is condensed financial information of MidWestOne Financial Group, Inc. as of December 31, 2012 and 2011 (parent company only):

	As of December 31,	
	2012	2011
(in thousands)		
Balance Sheets		
Assets:		
Cash	\$5,777	\$1,098
Investment in subsidiaries	171,528	153,510
Marketable equity securities, available for sale	1,681	1,431
Loan pool participations, net	6,128	11,962
Income tax receivable	8	15
Deferred income taxes	269	98
Other assets	4,282	4,117
Total assets	\$189,673	\$172,231
Liabilities and Shareholders' Equity		
Liabilities:		
Long-term debt	\$15,464	\$15,464
Other liabilities	277	273
Total liabilities	15,741	15,737
Shareholders' equity:		
Capital stock, preferred	—	—
Capital stock, common	8,690	8,690
Additional paid-in capital	80,383	80,333
Treasury stock	(3,316)	(2,312)
Retained earnings	79,995	66,299
Accumulated other comprehensive income	8,180	3,484
Total shareholders' equity	173,932	156,494
Total liabilities and shareholders' equity	\$189,673	\$172,231

The following is condensed financial information of MidWestOne Financial Group, Inc. as of December 31, 2012, 2011, and 2010 (parent company only):

	Year Ended December 31,		
	2012	2011	2010
(in thousands)			
Statements of Income			
Dividends received from subsidiaries	\$5,520	\$18,863	\$14,000
Interest income and dividends on marketable equity securities	168	190	240
Interest and discount on loan pool participations	(2,149)	(1,474)	(116)
Investment securities gains (losses)	381	—	(162)
Fixed asset losses	—	—	(79)
Interest on long-term debt	(656)	(657)	(535)
Operating expenses	(1,063)	(983)	(1,116)
	2,201	15,939	12,232

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Income before income taxes and equity in subsidiaries' undistributed income			
Income tax benefit	(1,355) (1,030) (694
Income before equity in subsidiaries' undistributed income	3,556	16,969	12,926
Equity in subsidiaries' undistributed income	13,195	(3,652) (2,796
Net income	\$16,751	\$13,317	\$10,130

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Table of ContentsMIDWESTONE FINANCIAL GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The following is condensed financial information of MidWestOne Financial Group, Inc. as of December 31, 2012, 2011, and 2010 (parent company only):

	Year Ended December 31,		
	2012	2011	2010
(in thousands)			
Statements of Cash Flows			
Cash flows from operating activities:			
Net income	\$16,751	\$13,317	\$10,130
Adjustments to reconcile net income to net cash provided by operating activities:			
Undistributed (earnings) loss of subsidiaries, net of dividends and distributions	(13,195)	3,652	2,796
Depreciation	—	2	20
Amortization	—	—	(124)
Income taxes	(106)	1	24
Investment securities (gain) loss	(381)	—	162
Loss on disposal of premises and equipment	—	—	79
Stock based compensation	266	220	190
(Increase) decrease in other assets	(158)	(85)	20
Increase (decrease) in other liabilities	4	(31)	(964)
Net cash provided by operating activities	3,181	17,076	12,333
Cash flows from investing activities			
Proceeds from sales of investment securities	1,131	—	184
Purchase of investment securities	(1,192)	(10)	—
Loan participation pools, net	5,834	801	(12,763)
Purchase of premises and equipment, net	—	—	372
Proceeds from sales of premises and equipment	—	7	—
Net cash provided by (used in) investing activities	5,773	798	(12,207)
Cash flows from financing activities:			
Stock options exercised	590	83	30
Repurchase of common stock	(1,810)	(1,498)	—
Dividends paid	(3,055)	(2,404)	(2,522)
Redemption of preferred stock	—	(16,000)	—
Repurchase of common stock warrant	—	(1,000)	—
Net cash used in financing activities	(4,275)	(20,819)	(2,492)
Increase (decrease) in cash	4,679	(2,945)	(2,366)
Cash Balance:			
Beginning	1,098	4,043	6,409
Ending	\$5,777	\$1,098	\$4,043

Note 21. Segment Reporting

Our activities are considered to be a single industry segment for financial reporting purposes. We are engaged in the business of commercial and retail banking, investment management and insurance services with operations throughout central and eastern Iowa. Substantially all income is derived from a diverse base of commercial, mortgage and retail lending activities, loan pools and investments.

Note 22. Subsequent Events

Management has evaluated subsequent events through March 7, 2013, which is the date we issued our consolidated financial statements as of and for the year ended December 31, 2012. There were no material subsequent events that would require recognition or disclosure in our consolidated financial statements as of and for the year ended December 31, 2012.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 23. Quarterly Results of Operations (unaudited)

	Three Months Ended			
	December 31	September 30	June 30	March 31
(in thousands, except per share amounts)				
2012				
Interest income	\$16,924	\$17,586	\$17,277	\$17,515
Interest expense	3,767	3,867	4,051	4,267
Net interest income	13,157	13,719	13,226	13,248
Provision for loan losses	650	575	575	579
Noninterest income	4,119	3,595	8,167	4,201
Noninterest expense	10,864	10,713	16,580	10,803
Income before income taxes	5,762	6,026	4,238	6,067
Income tax expense	1,405	1,576	726	1,635
Net income	4,357	4,450	3,512	4,432
Preferred stock dividend and discount accretion	—	—	—	—
Net income available to common shareholders	4,357	4,450	3,512	4,432
Net income per common share - basic	\$0.51	\$0.52	\$0.42	\$0.52
Net income per common share - diluted	\$0.51	\$0.52	\$0.41	\$0.52
2011				
Interest income	\$17,094	\$17,243	\$17,359	\$16,885
Interest expense	4,527	4,841	5,122	5,293
Net interest income	12,567	12,402	12,237	11,592
Provision for loan losses	800	750	900	900
Noninterest income	3,639	3,931	3,285	3,861
Noninterest expense	10,995	10,311	10,295	10,634
Income before income taxes	4,411	5,272	4,327	3,919
Income tax expense	1,060	1,434	1,104	1,014
Net income	3,351	3,838	3,223	2,905
Preferred stock dividend and discount accretion	—	210	218	217
Net income available to common shareholders	3,351	3,628	3,005	2,688
Net income per common share - basic	\$0.39	\$0.42	\$0.35	\$0.31
Net income per common share - diluted	\$0.39	\$0.42	\$0.35	\$0.31

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ITEM CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND
9. FINANCIAL DISCLOSURE.

None.

ITEM 9A. CONTROLS AND PROCEDURES.

Disclosure Controls and Procedures

The Company's management, including the Chief Executive Officer and Chief Financial Officer, evaluated the Company's disclosure controls and procedures (as defined in Rule 13a-15(e) or Rule 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) that are designed to ensure that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the U.S. Securities and Exchange Commission's rules and forms, and that such information is accumulated and communicated to the Company's management, including the Company's Chief Executive Officer and Chief Financial Officer, to evaluate the effectiveness of the Company's disclosure controls and procedures as of December 31, 2012. Based on this evaluation, the Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures are effective.

Changes in Internal Control over Financial Reporting

There were no changes in the Company's internal controls over financial reporting (as defined in Rule 13a-15(f) and Rule 15d-15(f) under the Exchange Act) that occurred during the quarter ended December 31, 2012 that have materially affected or are reasonably likely to materially affect the Company's internal control over financial reporting.

Management's Annual Report on Internal Control over Financial Reporting

Management of the Company is responsible for establishing and maintaining effective internal control over financial reporting. Internal control is designed to provide reasonable assurance to the Company's management and board of directors regarding the preparation of reliable published financial statements. Internal control over financial reporting includes self-monitoring mechanisms, and actions are taken to correct deficiencies as they are identified.

Because of inherent limitations in any system of internal control, no matter how well designed, misstatements due to error or fraud may occur and not be detected, including the possibility of the circumvention or overriding of controls. Accordingly, even effective internal control over financial reporting can provide only reasonable assurance with respect to financial statement preparation. Further, because of changes in conditions, internal control effectiveness may vary over time.

Management assessed the Company's internal control over financial reporting as of December 31, 2012. This assessment was based on criteria for effective internal control over financial reporting described in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this assessment, the Chief Executive Officer and Chief Financial Officer assert that the Company maintained effective internal control over financial reporting as of December 31, 2012 based on the specified criteria.

The effectiveness of the Company's internal control over financial reporting as of December 31, 2012, has been audited by KPMG LLP, the independent registered public accounting firm who also has audited the Company's consolidated financial statements included in this Annual Report on Form 10-K. KPMG LLP's report on the Company's internal control over financial reporting appears on the following page.

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Report of Independent Registered Public Accounting Firm

The Board of Directors and Shareholders
MidWestOne Financial Group, Inc.:

We have audited MidWestOne Financial Group, Inc.'s (the Company) internal control over financial reporting as of December 31, 2012, based on criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Annual Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, MidWestOne Financial Group, Inc. maintained, in all material respects, effective internal control over financial reporting as of December 31, 2012, based on criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of MidWestOne Financial Group, Inc. and subsidiaries as of December 31, 2012 and 2011, and the related consolidated statements of operations, comprehensive income, shareholders' equity, and cash flows for each of the years in the three-year period ended December 31, 2012, and our report dated March 7, 2013 expressed an unqualified opinion on those consolidated financial statements.

/s/ KPMG LLP

Des Moines, Iowa

March 7, 2013

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ITEM 9B. OTHER INFORMATION.

None.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE.

The information required by this Item 10 will be included in the Proxy Statement for the 2013 Annual Meeting of Shareholders under the headings “Proposal 1: Election of Directors,” “Information About Nominees, Continuing Directors and Named Executive Officers,” “Corporate Governance and Board Matters,” “Section 16(a) Beneficial Ownership Reporting Compliance,” and “Shareholder Communications with the Board and Nomination and Proposal Procedures” and is incorporated herein by reference. The Proxy Statement will be filed with the Securities and Exchange Commission pursuant to Regulation 14A within 120 days of the end of our 2012 fiscal year.

ITEM 11. EXECUTIVE COMPENSATION.

The information required by this Item 11 will be included in our Proxy Statement for the 2013 Annual Meeting of Shareholders under the headings “Compensation Discussion and Analysis,” “Compensation Committee Report,” “Compensation Committee Interlocks and Insider Participation,” “Executive Compensation” and “Director Compensation” and is incorporated herein by reference. The Proxy Statement will be filed with the Securities and Exchange Commission pursuant to Regulation 14A within 120 days of the end of our 2012 fiscal year.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS.

The information required by this Item 12 will be included in our Proxy Statement for the 2013 Annual Meeting of Shareholders under the headings “Security Ownership of Certain Beneficial Owners and Management” and “Equity Compensation Plan Information” and is incorporated herein by reference. The Proxy Statement will be filed with the Securities and Exchange Commission pursuant to Regulation 14A within 120 days of the end of our 2012 fiscal year.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE.

The information required by this Item 13 will be included in our Proxy Statement for the 2013 Annual Meeting of Shareholders under the headings “Corporate Governance and Board Matters” and “Certain Relationships and Related Person Transactions” and is incorporated herein by reference. The Proxy Statement will be filed with the Securities and Exchange Commission pursuant to Regulation 14A within 120 days of the end of our 2012 fiscal year.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES.

The information required by this Item 14 will be included in our Proxy Statement for the 2013 Annual Meeting of Shareholders under the caption “Proposal 3: Ratification of Appointment of Independent Registered Public Accounting Firm” and is incorporated herein by reference. The Proxy Statement will be filed with the Securities and Exchange Commission pursuant to Regulation 14A within 120 days of the end of our 2012 fiscal year.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES.

Financial Statements and Schedules

The Consolidated Financial Statements of MidWestOne Financial Group, Inc. and Subsidiaries are included in Item 8 of this report.

Exhibits

The exhibits required by Item 601 of Regulation S-K are included with this Form 10-K and are listed on the “Index to Exhibits” immediately following the signature page.

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

MIDWESTONE FINANCIAL GROUP, INC.

Dated: March 7, 2013

By: /s/ CHARLES N. FUNK
Charles N. Funk
President and Chief Executive Officer

By: /s/ GARY J. ORTALE
Gary J. Ortale
Executive Vice President and Chief Financial Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ CHARLES N. FUNK Charles N. Funk	President and Chief Executive Officer; Director (principal executive officer)	March 7, 2013
/s/ GARY J. ORTALE Gary J. Ortale	Executive Vice President and Chief Financial Officer (principal financial officer and principal accounting officer)	March 7, 2013
/s/ KEVIN W. MONSON Kevin W. Monson	Chairman of the Board	March 7, 2013
/s/ RICHARD R. DONOHUE Richard R. Donohue	Director	March 7, 2013
/s/ CHARLES S. HOWARD Charles S. Howard	Director	March 7, 2013
/s/ JOHN S. KOZA John S. Koza	Director	March 7, 2013
/s/ ROBERT J. LATHAM Robert J. Latham	Director	March 7, 2013
/s/ TRACY S. MCCORMICK Tracy S. McCormick	Director	March 7, 2013
/s/ BARBARA J. KNIFF - MCCULLA Barbara J. Kniff - McCulla	Director	March 7, 2013

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/s/ JOHN P. POTHOVEN John P. Pothoven	Director	March 7, 2013
/s/ ROBERT D. WERSEN Robert D. Wersen	Director	March 7, 2013
/s/ STEPHEN L. WEST Stephen L. West	Director	March 7, 2013
/s/ R. SCOTT ZAISER R. Scott Zaiser	Director	March 7, 2013

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INDEX TO EXHIBITS

Exhibit Number	Description	Incorporated by Reference to:
2.1	Agreement and Plan of Merger, dated September 11, 2007, between ISB Financial Corp. and MidWestOne Financial Group, Inc.	Appendix A of the Joint Proxy Statement-Prospectus constituting part of the Company's Amendment No. 2 to Registration Statement on Form S-4 (File No. 333-147628) filed with the SEC on January 22, 2008
3.1	Amended and Restated Articles of Incorporation of MidWestOne Financial Group, Inc. filed with the Secretary of State of the State of Iowa on March 14, 2008	Exhibit 3.3 to the Company's Amendment No. 1 to Registration Statement on Form S-4 (File No. 333-147628) filed with the SEC on January 14, 2008
3.2	Articles of Amendment (First Amendment) to the Amended and Restated Articles of Incorporation of MidWestOne Financial Group, Inc. filed with the Secretary of State of the State of Iowa on January 23, 2009	Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the SEC on January 23, 2009
3.3	Articles of Amendment (Second Amendment) to the Amended and Restated Articles of Incorporation of MidWestOne Financial Group, Inc. filed with the Secretary of State of the State of Iowa on February 4, 2009 (containing the Certificate of Designations for the Company's Fixed Rate Cumulative Perpetual Preferred Stock, Series A)	Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the SEC on February 6, 2009
3.4	Amended and Restated By-laws of MidWestOne Financial Group, Inc. dated as of January 18, 2011	Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the SEC on January 19, 2011
4.1	Reference is made to Exhibits 3.1 through 3.4 hereof.	N/A
10.1	States Resources Loan Participating and Servicing Agreement, dated February 5, 1999 between States	Exhibit 10.3.4 of former MidWestOne Financial Group, Inc.'s Form 10-K for the year ended December 31, 1999

Resources Corp. and MidWestOne Financial Group, Inc.
(as successor in interest to Mahaska Investment Company)

10.2	MidWestOne Financial Group, Inc. Employee Stock Ownership Plan & Trust, as amended and restated	Exhibit 10.1 of former MidWestOne Financial Group, Inc.'s Form 10-K for the year ended December 31, 2006
10.3	Mahaska Investment Company 1998 Stock Incentive Plan	Exhibit 10.2.3 of former MidWestOne Financial Group, Inc.'s Form 10-K for the year ended December 31, 1997
10.4	MidWestOne Financial Group, Inc. 2006 Stock Incentive Plan	Former MidWestOne Financial Group, Inc.'s Definitive Proxy Statement on Schedule 14A filed with the SEC on March 21, 2006
10.5	ISB Financial Corp. (now known as MidWestOne Financial Group, Inc.) 2008 Equity Incentive Plan	Appendix F of the Joint Proxy Statement-Prospectus constituting part of the Company's Amendment No. 2 to Registration Statement on Form S-4 (File No. 333-147628) filed with the SEC on January 22, 2008

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Exhibit Number	Description	Incorporated by Reference to:
10.6	Employment Agreement between MidWestOne Financial Group, Inc. and Charles N. Funk, dated January 1, 2013	Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on December 27, 2012
10.7	Employment Agreement between MidWestOne Financial Group, Inc. and Kent L. Jehle, dated January 1, 2013	Exhibit 10.2 to the Company's Current Report on Form 8-K filed with the SEC on December 27, 2012
10.8	Supplemental Retirement Agreement between Iowa State Bank & Trust Company (now known as MidWestOne Bank) and W. Richard Summerwill, dated January 1, 1998	Exhibit 10.11 of the Company's Registration Statement on Form S-4 (File No. 333-147628) filed with the SEC on November 27, 2007
10.9	Supplemental Retirement Agreement between Iowa State Bank & Trust Company (now known as MidWestOne Bank) and Charles N. Funk, dated November 1, 2001	Exhibit 10.13 of the Company's Registration Statement on Form S-4 (File No. 333-147628) filed with the SEC on November 27, 2007
10.10	First Amended and Restated Supplemental Retirement Agreement between Iowa State Bank & Trust Company (now known as MidWestOne Bank) and Gary J. Ortale, dated April 1, 2004	Filed herewith
10.11	Amended and Restated Supplemental Retirement Agreement between Iowa State Bank & Trust Company (now known as MidWestOne Bank) and John S. Koza, dated January 1, 1998	Exhibit 10.15 of the Company's Amendment No. 1 to Registration Statement on Form S-4 (File No. 333-147628) filed with the SEC on January 14, 2008
10.12	Supplemental Retirement Agreement between Iowa State Bank & Trust Company (now known as MidWestOne Bank) and Kent L. Jehle, dated January 1, 1998, as	Exhibit 10.16 of the Company's Amendment No. 1 to Registration Statement on Form S-4 (File No. 333-147628) filed with the SEC on January 14, 2008

amended by the First Amendment to the
Supplemental
Retirement Agreement, dated January 1, 2003

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|-------|--|---|
| 10.13 | Second Supplemental Retirement Agreement between Iowa State Bank & Trust Company (now known as MidWestOne Bank) and Kent L. Jehle, dated January 1, 2002 | Exhibit 10.17 of the Company's Amendment No. 1 to Registration Statement on Form S-4 (File No. 333-147628) filed with the SEC on January 14, 2008 |
| 10.14 | Supplemental Retirement Agreement between Iowa State Bank & Trust Company (now known as MidWestOne Bank) and Susan R. Evans, dated April 1, 2004 | Filed herewith |
| 10.15 | Employment Agreement between MidWestOne Financial Group, Inc. and Gary J. Ortale, dated January 1, 2013 | Exhibit 10.3 to the Company's Current Report on Form 8-K filed with the SEC on December 27, 2012 |
| 10.16 | Employment Agreement between MidWestOne Financial Group, Inc. and Susan R. Evans, dated January 1, 2013 | Exhibit 10.4 to the Company's Current Report on Form 8-K filed with the SEC on December 27, 2012 |
| 10.17 | Change of Control Agreement between MidWestOne Financial Group, Inc. and James M. Cantrell, dated

January 1, 2013 | Exhibit 10.5 to the Company's Current Report on Form 8-K filed with the SEC on December 27, 2012 |

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Exhibit Number	Description	Incorporated by Reference to:
21.1	Subsidiaries of MidWestOne Financial Group, Inc.	Filed herewith
23.1	Consent of KPMG LLP	Filed herewith
31.1	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a)	Filed herewith
31.2	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a)	Filed herewith
32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	Filed herewith
32.2	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	Filed herewith
101.INS	XBRL Instance Document ⁽¹⁾	Filed herewith
101.SCH	XBRL Taxonomy Extension Schema Document ⁽¹⁾	Filed herewith
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document ⁽¹⁾	Filed herewith
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document ⁽¹⁾	Filed herewith
101.LAB	XBRL Taxonomy Extension Label Linkbase Document ⁽¹⁾	Filed herewith
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document ⁽¹⁾	Filed herewith

(1) These interactive data files shall not be deemed filed for purposes of Section 11 or 12 of the Securities Act of 1933, as amended, or Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to liability under those sections.

