

## Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

**Part I Reporting Issuer**

<b>1</b> Issuer's name		<b>2</b> Issuer's employer identification number (EIN)	
NORTHWEST BANCSHARES, INC		27-0950358	
<b>3</b> Name of contact for additional information	<b>4</b> Telephone No. of contact	<b>5</b> Email address of contact	
IAN SCOTT	814-728-7263	ISCOTT@NWBCORP.COM	
<b>6</b> Number and street (or P.O. box if mail is not delivered to street address) of contact		<b>7</b> City, town, or post office, state, and Zip code of contact	
100 LIBERTY STREET		WARREN PA 16365	
<b>8</b> Date of action		<b>9</b> Classification and description	
AUGUST 14, 2015		COMMON STOCK	
<b>10</b> CUSIP number	<b>11</b> Serial number(s)	<b>12</b> Ticker symbol	<b>13</b> Account number(s)
667340103	N/A	NWBI	N/A

**Part II Organizational Action** Attach additional statements if needed. See back of form for additional questions.

**14** Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ On August 14, 2015 Northwest Bancshares, Inc. (NWBI) completed its merger with LNB Bancorp. Inc (LNBB) pursuant to an agreement and plan of merger between NWBI and LNBB, dated December 15, 2014. LNBB merged with and into NWBI and LNBB's wholly owned subsidiary, The Lorain National Bank merged with and into NWBI's wholly owned subsidiary, Northwest Bank.

Under the terms of the merger agreement, LNBB shareholders had the option to elect to receive either 1.461 shares of NWBI's common stock or \$18.70 in cash for each share of LNBB stock held subject to the proration to ensure that in aggregate 50% of LNBB shares of common stock were converted to NWBI common stock, and the remaining 50% were converted to cash. To the extent that the exchange would have resulted in the issuance of a fractional share of NWBI common stock to a LNBB shareholder a cash payment was made in lieu at the rate of \$ 12.66 per whole share.

**15** Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ See attachment.

**16** Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ See attachment - Refer to the description of the basis calculation in Part II, Box 15 above.

The closing price on August 14, 2015 of a single share of NWBI common stock on the NASDAQ Stock Exchange was \$ 12.84.

**Part II Organizational Action** (continued)

**17** List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ► The merger of LNBB into Northwest Bancshares Inc on August 14, 2015 qualifies as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986 (as amended). The income tax consequences of the effected LNBB shareholders may be determined under Internal Revenue Code 354, 356, 358 and 1001.

**18** Can any resulting loss be recognized? ► No loss can be recognized upon the exchange by any LNBB shareholder who elects to receive one or more whole shares of NWBI common stock in the exchange. Those LNBB shareholders who elect to receive only cash in the exchange can recognize a taxable loss for the excess, if any, of their tax basis in the LNBB shares surrendered over the cash received.

If a taxable loss is calculated on the deemed sale of a fractional share of NWBI common stock deemed to have been received in the exchange, this loss can be recognized by any LNBB shareholder, regardless of whether they received one or more whole shares of NWBI common stock in the exchange.

LNBB shareholders who received their LNB common shares through the exercise of an employee stock option, a qualified retirement plan, or another form of compensation will be subject to special rules and should consult their tax advisors for proper determination of the tax affect of the merger.

**19** Provide any other information necessary to implement the adjustment, such as the reportable tax year ► The merger of NWBI and LNBB took place on August 14, 2015, therefore the reporting year is the year that includes the August 14, 2015 date. For calendar year taxpayers this would be a 2015 tax year event.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here**  
 Signature ► William W. Harvey Date ► 09/15/2015  
 Print your name ► William W Harvey Title ► Chief Financial Officer

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ►	Firm's EIN ►			
	Firm's address ►	Phone no.			

**Northwest Bancshares, Inc.**  
**27-0950358**  
**Attachment to Form 8937**

**REPORT OF ORGANIZATIONAL ACTIONS AFFECTING BASIS OF SECURITIES**

**Form 8937 Part II, Box 15:**

The merger of LNBB with and into NWBI qualifies as a tax-free reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended. As a result, each LNBB shareholder may recognize a taxable gain, or in some cases a taxable loss as follows:

- 1) For those LNBB shareholders who elect to receive only cash for their LNBB shares in the exchange, taxable gain or loss will be recognized for the difference between the cash received and the tax basis of the LNBB shares surrendered
- 2) For those LNBB shareholders who elect to receive only NWBI shares in the exchange, no taxable gain or loss will be recognized
- 3) For those LNBB shareholders who elect to receive a combination of cash and NWBI shares in the exchange, taxable gain (but not a taxable loss) will be recognized in an amount equal to the lesser of:
  - i. The amount of cash received in the exchange; or
  - ii. The amount, if any, by which the sum of the cash received plus the fair market value of the shares of NWBI common stock received in the exchange (measured at the time of the exchange) exceeds the tax basis of the LNBB shares surrendered

For purposes of calculating this taxable gain, the amount of cash received in the exchange does not include cash received in lieu of fractional shares of NWBI common stock (see discussion of cash received in lieu of fractional shares below).

Gain or loss must be calculated separately for each identifiable block of LNBB common shares surrendered in the exchange having a common tax basis. A loss realized on one block of LNBB common shares may not be used to offset a gain realized on another block of LNBB common shares. Each LNBB shareholder is encouraged to consult their own personal tax advisor regarding the determination of this realized gain or loss on the exchange.

Each LNBB shareholder that receives NWBI shares in the exchange is required to determine the tax basis of the shares of NWBI stock received in the exchange by performing the following calculations separately for each identifiable block of LNBB common shares surrendered in the exchange having a common tax basis:

- 1) Begin with the aggregate tax basis of the LNBB common shares surrendered in the exchange
- 2) Add the amount of taxable gain, if any, determined from the above calculation (excluding any gain or loss resulting from the deemed receipt and sale of fractional shares described below)
- 3) Subtract the total amount of cash received (excluding any cash received in lieu of fractional shares described below)
- 4) Subtract the tax basis in any fractional shares of NWBI common stock that were deemed to have been received in the exchange and immediately sold (see the treatment of fractional shares described below)

The resulting figure represents the aggregate tax basis of the shares of NWBI common stock received in the exchange for that identifiable block of LNBB common shares transferred. The tax basis of each individual share of NWBI common stock within this identifiable block is determined by dividing this aggregate tax basis by the number of NWBI common shares that comprise this identifiable block.

LNBB shareholders who receive cash in lieu of a fractional share of NWBI common stock are, for purposes of determining the taxability of that cash, deemed to have received the fractional share in the exchange and then as having sold the fractional share for cash. These LNBB shareholders will generally recognize a taxable gain or loss equal to the difference between the tax basis of the LNBB common shares deemed to have been exchanged for the fractional share and the amount of cash received.

**Form 8937 Part II, Box 16:**

Refer to the description of the basis calculation in Part II, Box 15 above. The August 14, 2015 closing price of a single share of NWBI common stock on the NASDAQ Stock Exchange was \$ 12.84.