

UNITED BANKSHARES INC/WV  
Form 10-Q  
November 08, 2013  
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**FORM 10-Q**  
**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

X **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2013

OR

.. **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from            to

Commission File Number: 0-13322

**United Bankshares, Inc.**

(Exact name of registrant as specified in its charter)

West Virginia  
(State or other jurisdiction of  
incorporation or organization)

55-0641179  
(I.R.S. Employer  
Identification No.)

300 United Center  
500 Virginia Street, East

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Charleston, West Virginia  
(Address of principal executive offices)

25301  
Zip Code

Registrant's telephone number, including area code: (304) 424-8704

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of large accelerated filer, accelerated filer, and smaller reporting company in Rule 12b-2 of the Exchange Act:

Large accelerated filer  Accelerated filer

Non-accelerated filer  (Do not check if a smaller reporting company) Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes  No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class - Common Stock, \$2.50 Par Value; **50,414,676** shares outstanding as of **October 31, 2013**.

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**UNITED BANKSHARES, INC. AND SUBSIDIARIES**

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**PART I - FINANCIAL INFORMATION**

**Item 1. FINANCIAL STATEMENTS (UNAUDITED)**

The September 30, 2013 and December 31, 2012, consolidated balance sheets of United Bankshares, Inc. and Subsidiaries ( United or the Company ), consolidated statements of income and comprehensive income for the three and nine months ended September 30, 2013 and 2012, the related consolidated statement of changes in shareholders equity for the nine months ended September 30, 2013, the related condensed consolidated statements of cash flows for the nine months ended September 30, 2013 and 2012, and the notes to consolidated financial statements appear on the following pages.

**Table of Contents****CONSOLIDATED BALANCE SHEETS****UNITED BANKSHARES, INC. AND SUBSIDIARIES****(Dollars in thousands, except par value)**

	<b>September 30 2013 (Unaudited)</b>	<b>December 31 2012 (Note 1)</b>
<b>Assets</b>		
Cash and due from banks	\$ 160,037	\$ 157,539
Interest-bearing deposits with other banks	181,283	273,517
Federal funds sold	719	1,021
<b>Total cash and cash equivalents</b>	<b>342,039</b>	<b>432,077</b>
Securities available for sale at estimated fair value (amortized cost-\$793,378 at September 30, 2013 and \$673,315 at December 31, 2012)	747,548	625,625
Securities held to maturity (estimated fair value-\$40,699 at September 30, 2013 and \$42,695 at December 31, 2012)	42,252	43,467
Other investment securities	69,469	60,310
Loans held for sale	3,760	17,762
Loans	6,603,851	6,517,780
Less: Unearned income	(8,356)	(6,364)
<b>Loans net of unearned income</b>	<b>6,595,495</b>	<b>6,511,416</b>
Less: Allowance for loan losses	(74,571)	(73,901)
<b>Net loans</b>	<b>6,520,924</b>	<b>6,437,515</b>
Bank premises and equipment	69,495	72,170
Goodwill	375,559	375,583
Accrued interest receivable	25,603	26,302
Other assets	317,169	329,202
<b>TOTAL ASSETS</b>	<b>\$ 8,513,818</b>	<b>\$ 8,420,013</b>
<b>Liabilities</b>		
<b>Deposits:</b>		
Noninterest-bearing	\$ 1,827,836	\$ 1,824,411
Interest-bearing	4,777,798	4,928,575
<b>Total deposits</b>	<b>6,605,634</b>	<b>6,752,986</b>
<b>Borrowings:</b>		
Federal funds purchased	12,170	5,446
Securities sold under agreements to repurchase	178,938	209,516
Federal Home Loan Bank borrowings	435,009	186,411
Other long-term borrowings	198,600	198,515
Reserve for lending-related commitments	2,196	1,656
Accrued expenses and other liabilities	63,560	73,232
<b>TOTAL LIABILITIES</b>	<b>7,496,107</b>	<b>7,427,762</b>
<b>Shareholders Equity</b>		
Preferred stock, \$1.00 par value; Authorized-50,000,000 shares, none issued	0	0
	127,169	127,169

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Common stock, \$2.50 par value; Authorized-100,000,000 shares; issued-50,867,630 at September 30, 2013 and December 31, 2012, including 466,686 and 591,057 shares in treasury at September 30, 2013 and December 31, 2012, respectively		
Surplus	237,447	238,739
Retained earnings	731,425	712,299
Accumulated other comprehensive loss	(62,311)	(65,748)
Treasury stock, at cost	(16,019)	(20,208)
<b>TOTAL SHAREHOLDERS EQUITY</b>	<b>1,017,711</b>	<b>992,251</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS EQUITY</b>	<b>\$ 8,513,818</b>	<b>\$ 8,420,013</b>

See notes to consolidated unaudited financial statements.

**Table of Contents****CONSOLIDATED STATEMENTS OF INCOME (Unaudited)****UNITED BANKSHARES, INC. AND SUBSIDIARIES**

(Dollars in thousands, except per share data)

	Three Months Ended September 30		Nine Months Ended September 30	
	2013	2012	2013	2012
<b>Interest income</b>				
Interest and fees on loans	\$ 71,264	\$ 75,524	\$ 213,909	\$ 226,852
Interest on federal funds sold and other short-term investments	157	145	446	903
Interest and dividends on securities:				
Taxable	4,585	4,843	11,973	13,841
Tax-exempt	699	824	2,187	2,633
<b>Total interest income</b>	<b>76,705</b>	<b>81,336</b>	<b>228,515</b>	<b>244,229</b>
<b>Interest expense</b>				
Interest on deposits	6,569	7,844	20,403	24,776
Interest on short-term borrowings	276	59	694	184
Interest on long-term borrowings	2,230	3,419	6,763	11,234
<b>Total interest expense</b>	<b>9,075</b>	<b>11,322</b>	<b>27,860</b>	<b>36,194</b>
<b>Net interest income</b>	<b>67,630</b>	<b>70,014</b>	<b>200,655</b>	<b>208,035</b>
Provision for loan losses	4,777	4,346	14,924	11,915
<b>Net interest income after provision for loan losses</b>	<b>62,853</b>	<b>65,668</b>	<b>185,731</b>	<b>196,120</b>
<b>Other income</b>				
Fees from trust and brokerage services	4,006	4,170	12,206	12,167
Fees from deposit services	10,341	10,521	30,173	31,226
Bankcard fees and merchant discounts	1,003	866	2,699	2,251
Other service charges, commissions, and fees	599	513	1,786	1,690
Income from bank-owned life insurance	1,138	1,247	4,712	3,791
Income from mortgage banking	605	819	2,309	1,620
Other income	542	686	2,279	1,992
<b>Total other-than-temporary impairment losses</b>	<b>0</b>	<b>(1,606)</b>	<b>285</b>	<b>(4,991)</b>
Portion of loss recognized in other comprehensive income	0	(649)	(1,256)	(383)
<b>Net other-than-temporary impairment losses</b>	<b>0</b>	<b>(2,255)</b>	<b>(971)</b>	<b>(5,374)</b>
Net gains on sales/calls of investment securities	101	67	589	184
<b>Net investment securities gains (losses)</b>	<b>101</b>	<b>(2,188)</b>	<b>(382)</b>	<b>(5,190)</b>
<b>Total other income</b>	<b>18,335</b>	<b>16,634</b>	<b>55,782</b>	<b>49,547</b>
<b>Other expense</b>				
Employee compensation	17,269	17,258	50,830	53,130
Employee benefits	5,842	5,271	17,510	16,286
Net occupancy expense	4,931	5,060		