

UNITED BANKSHARES INC/WV  
Form 10-Q  
May 12, 2014  
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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 March 31, 2014

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)

300 United Center  
500 Virginia Street, East  
Charleston, West Virginia  
(Address of principal executive offices)

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

25301  
Zip Code

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**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; **69,075,626** shares outstanding as of **April 30, 2014**.

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**UNITED BANKSHARES, INC. AND SUBSIDIARIES**

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**PART I - FINANCIAL INFORMATION**

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

The March 31, 2014 and December 31, 2013, consolidated balance sheets of United Bankshares, Inc. and Subsidiaries ( United or the Company ), consolidated statements of income, comprehensive income, consolidated statement of changes in shareholders equity and the condensed consolidated statements of cash flows for the three months ended March 31, 2014 and 2013, 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>March 31 2014 (Unaudited)</b>	<b>December 31 2013 (Note 1)</b>
<b>Assets</b>		
Cash and due from banks	\$ 196,360	\$ 134,808
Interest-bearing deposits with other banks	382,287	281,090
Federal funds sold	720	719
<b>Total cash and cash equivalents</b>	<b>579,367</b>	<b>416,617</b>
Securities available for sale at estimated fair value (amortized cost-\$1,266,026 at March 31, 2014 and \$813,049 at December 31, 2013)	1,241,176	775,284
Securities held to maturity (estimated fair value-\$38,223 at March 31, 2014 and \$38,293 at December 31, 2013)	40,756	40,965
Other investment securities	84,649	73,093
Loans held for sale	3,565	4,236
Loans	8,781,347	6,713,599
Less: Unearned income	(13,021)	(9,016)
<b>Loans net of unearned income</b>	<b>8,768,326</b>	<b>6,704,583</b>
Less: Allowance for loan losses	(74,338)	(74,198)
<b>Net loans</b>	<b>8,693,988</b>	<b>6,630,385</b>
Bank premises and equipment	78,016	69,897
Goodwill	709,290	375,547
Accrued interest receivable	35,996	26,666
Other assets	419,517	322,634
<b>TOTAL ASSETS</b>	<b>\$ 11,886,320</b>	<b>\$ 8,735,324</b>
<b>Liabilities</b>		
<b>Deposits:</b>		
Noninterest-bearing	\$ 2,357,188	\$ 1,874,520
Interest-bearing	6,224,720	4,747,051
<b>Total deposits</b>	<b>8,581,908</b>	<b>6,621,571</b>
<b>Borrowings:</b>		
Federal funds purchased	26,000	27,685
Securities sold under agreements to repurchase	581,357	188,069
Federal Home Loan Bank borrowings	756,404	592,069
Other long-term borrowings	249,420	198,628
Reserve for lending-related commitments	2,126	2,143
Accrued expenses and other liabilities	72,982	63,427
<b>TOTAL LIABILITIES</b>	<b>10,270,197</b>	<b>7,693,592</b>
<b>Shareholders Equity</b>		
Preferred stock, \$1.00 par value; Authorized-50,000,000 shares, none issued	172,995	127,169

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Common stock, \$2.50 par value; Authorized-100,000,000 shares; issued-69,197,977 and 50,867,630 at March 31, 2014 and December 31, 2013, respectively, including 142,820 and 437,363 shares in treasury at March 31, 2014 and December 31, 2013, respectively		
Surplus	739,398	237,674
Retained earnings	742,984	734,945
Accumulated other comprehensive loss	(34,342)	(43,047)
Treasury stock, at cost	(4,912)	(15,009)
 TOTAL SHAREHOLDERS EQUITY	 1,616,123	 1,041,732
 TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	 \$ 11,886,320	 \$ 8,735,324

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)

	<b>Three Months Ended March 31</b>	
	<b>2014</b>	<b>2013</b>
<b>Interest income</b>		
Interest and fees on loans	\$ 87,614	\$ 71,823
Interest on federal funds sold and other short-term investments	167	129
Interest and dividends on securities:		
Taxable	6,529	3,612
Tax-exempt	854	761
<b>Total interest income</b>	<b>95,164</b>	<b>76,325</b>
<b>Interest expense</b>		
Interest on deposits	6,401	6,977
Interest on short-term borrowings	353	200
Interest on long-term borrowings	3,108	2,326
<b>Total interest expense</b>	<b>9,862</b>	<b>9,503</b>
<b>Net interest income</b>	<b>85,302</b>	<b>66,822</b>
Provision for loan losses	4,679	5,187
<b>Net interest income after provision for loan losses</b>	<b>80,623</b>	<b>61,635</b>
<b>Other income</b>		
Fees from trust and brokerage services	4,593	3,830
Fees from deposit services	9,559	9,624
Bankcard fees and merchant discounts	746	797
Other service charges, commissions, and fees	427	561
Income from bank-owned life insurance	1,251	2,389
Income from mortgage banking	259	965
Net gain on the sale of bank premises	8,976	0
Other income	524	876
<b>Total other-than-temporary impairments</b>	<b>1,046</b>	<b>422</b>
Portion of loss recognized in other comprehensive income	(1,685)	(1,256)
<b>Net other-than-temporary impairment losses</b>	<b>(639)</b>	<b>(834)</b>
Net gains on sales/calls of investment securities	824	140
<b>Net investment securities gains (losses)</b>	<b>185</b>	<b>(694)</b>
<b>Total other income</b>	<b>26,520</b>	<b>18,348</b>
<b>Other expense</b>		
Employee compensation	25,007	16,604
Employee benefits	5,624	5,993
Net occupancy expense	6,435	5,191
Other real estate owned (OREO) expense	2,113	1,270

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Equipment expense	1,901	1,699
Data processing expense	3,237	2,731
Bankcard processing expense	324	326
FDIC insurance expense	1,507	1,559
Other expense	15,011	12,876
<b>Total other expense</b>	<b>61,159</b>	<b>48,249</b>
Income before income taxes	45,984	31,734
Income taxes	15,860	10,155
Net income	\$ 30,124	\$ 21,579



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**CONSOLIDATED STATEMENTS OF INCOME (Unaudited)**

**UNITED BANKSHARES, INC. AND SUBSIDIARIES**

**(Dollars in thousands, except per share data)**

	<b>Three Months Ended March 31</b>	
	<b>2014</b>	<b>2013</b>
Earnings per common share:		
Basic	\$ 0.48	\$ 0.43
Diluted	\$ 0.48	\$ 0.43
Dividends per common share	\$ 0.32	\$ 0.31
Average outstanding shares:		
Basic	62,434,749	50,301,875
Diluted	62,707,328	50,331,503

See notes to consolidated unaudited financial statements

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**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (Unaudited)**

**UNITED BANKSHARES, INC. AND SUBSIDIARIES**

**(Dollars in thousands)**

	<b>Three Months Ended March 31</b>	
	<b>2014</b>	<b>2013</b>
Net income	\$ 30,124	\$ 21,579
Change in net unrealized gain on of available-for-sale (AFS) securities, net of tax	8,395	753