

WESBANCO INC  
Form 10-Q  
May 07, 2015  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**WASHINGTON, DC 20549**  
**FORM 10-Q**

(Mark One)

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

For the quarterly period ended March 31, 2015

**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 000-08467

**WESBANCO, INC.**

(Exact name of Registrant as specified in its charter)

**WEST VIRGINIA**  
(State of incorporation)

**55-0571723**  
(IRS Employer

Identification No.)

**1 Bank Plaza, Wheeling, WV**  
(Address of principal executive offices)

**26003**  
(Zip Code)

Registrant's telephone number, including area code: 304-234-9000

**NOT APPLICABLE**

(Former name, former address and former fiscal year, if changed since last report)

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

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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 (section 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 by Rule 12b-2 of the Exchange Act). Yes  No

As of April 30, 2015, there were 38,449,812 shares of WesBanco, Inc. common stock, \$2.0833 par value, outstanding.

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**Table of Contents****PART I - FINANCIAL INFORMATION****ITEM 1. FINANCIAL STATEMENTS****WESBANCO, INC. CONSOLIDATED BALANCE SHEETS**

<i>(unaudited, in thousands, except shares)</i>	March 31, 2015	December 31, 2014
<b>ASSETS</b>		
Cash and due from banks, including interest bearing amounts of \$17,871 and \$8,405, respectively	\$ 92,974	\$ 94,002
Securities:		
Available-for-sale, at fair value	1,654,264	917,424
Held-to-maturity (fair values of \$772,843 and \$619,617, respectively)	743,925	593,670
Total securities	2,398,189	1,511,094
Loans held for sale	6,064	5,865
Portfolio loans, net of unearned income	4,873,721	4,086,766
Allowance for loan losses	(44,173)	(44,654)
Net portfolio loans	4,829,548	4,042,112
Premises and equipment, net	110,900	93,135
Accrued interest receivable	25,232	18,481
Goodwill and other intangible assets, net	493,176	319,506
Bank-owned life insurance	153,991	123,298
Other assets	123,205	89,072
<b>Total Assets</b>	<b>\$ 8,233,279</b>	<b>\$ 6,296,565</b>
<b>LIABILITIES</b>		
Deposits:		
Non-interest bearing demand	\$ 1,249,521	\$ 1,061,075
Interest bearing demand	1,199,801	885,037
Money market	1,018,184	954,957
Savings deposits	1,064,808	842,818
Certificates of deposit	1,883,888	1,305,096
Total deposits	6,416,202	5,048,983
Federal Home Loan Bank borrowings	432,456	223,126
Other short-term borrowings	76,630	80,690
Junior subordinated debt owed to unconsolidated subsidiary trusts	142,269	106,176
Total borrowings	651,355	409,992
Accrued interest payable	2,297	1,620
Other liabilities	72,041	47,780

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<b>Total Liabilities</b>	<b>7,141,895</b>	5,508,375
<b>SHAREHOLDERS EQUITY</b>		
Preferred stock, no par value; 1,000,000 shares authorized; none outstanding		
Common stock, \$2.0833 par value; 50,000,000 shares authorized; <b>38,546,042</b> and 29,367,511 issued in 2015 and 2014, respectively; outstanding: <b>38,449,812</b> and 29,298,188 shares in 2015 and 2014, respectively	<b>80,304</b>	61,182
Capital surplus	<b>520,596</b>	244,661
Retained earnings	<b>509,622</b>	504,578
Treasury stock ( <b>96,230</b> and 69,323 shares in 2015 and 2014, respectively, at cost)	<b>(3,061)</b>	(2,151)
Accumulated other comprehensive loss	<b>(13,624)</b>	(18,825)
Deferred benefits for directors	<b>(2,453)</b>	(1,255)
<b>Total Shareholders Equity</b>	<b>1,091,384</b>	788,190
<b>Total Liabilities and Shareholders Equity</b>	<b>\$ 8,233,279</b>	\$ 6,296,565

See Notes to Consolidated Financial Statements.

**Table of Contents****WESBANCO, INC. CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

<i>(unaudited, in thousands, except shares and per share amounts)</i>	For the Three Months Ended March 31,	
	2015	2014
<b>INTEREST AND DIVIDEND INCOME</b>		
Loans, including fees	\$ 47,713	\$ 42,746
Interest and dividends on securities:		
Taxable	8,498	7,225
Tax-exempt	3,533	3,385
Total interest and dividends on securities	12,031	10,610
Other interest income	635	101
Total interest and dividend income	60,379	53,457
<b>INTEREST EXPENSE</b>		
Interest bearing demand deposits	422	374
Money market deposits	456	440
Savings deposits	148	130
Certificates of deposit	2,872	3,630
Total interest expense on deposits	3,898	4,574
Federal Home Loan Bank borrowings	557	211
Other short-term borrowings	75	557
Junior subordinated debt owed to unconsolidated subsidiary trusts	894	790
Total interest expense	5,424	6,132
<b>NET INTEREST INCOME</b>	54,955	47,325
Provision for credit losses	1,289	2,199
Net interest income after provision for credit losses	53,666	45,126
<b>NON-INTEREST INCOME</b>		
Trust fees	6,053	5,648
Service charges on deposits	3,652	3,860
Electronic banking fees	3,325	3,013
Net securities brokerage revenue	2,059	1,829
Bank-owned life insurance	1,251	875
Net gains on sales of mortgage loans	272	154
Net securities gains	22	10
Net gain on other real estate owned and other assets	122	113
Other income	1,434	1,547
Total non-interest income	18,190	17,049
<b>NON-INTEREST EXPENSE</b>		
Salaries and wages	18,357	16,467

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Employee benefits	7,316	5,708
Net occupancy	3,490	3,491
Equipment	2,973	2,783
Marketing	965	1,003
FDIC insurance	910	877
Amortization of intangible assets	566	495
Restructuring and merger-related expense	9,733	
Other operating expenses	9,131	9,271
<b>Total non-interest expense</b>	<b>53,441</b>	<b>40,095</b>
Income before provision for income taxes	18,415	22,080
Provision for income taxes	4,528	5,659
<b>NET INCOME</b>	<b>\$ 13,887</b>	<b>\$ 16,421</b>
<b>EARNINGS PER COMMON SHARE</b>		
Basic	\$ 0.40	\$ 0.56
Diluted	\$ 0.40	\$ 0.56
<b>AVERAGE COMMON SHARES OUTSTANDING</b>		
Basic	34,393,137	29,182,183
Diluted	34,478,335	29,262,680
<b>DIVIDENDS DECLARED PER COMMON SHARE</b>	<b>\$ 0.23</b>	<b>\$ 0.22</b>
<b>COMPREHENSIVE INCOME</b>	<b>\$ 19,088</b>	<b>\$ 19,694</b>

See Notes to Consolidated Financial Statements.

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**WESBANCO, INC. CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**

**For the Three Months Ended March 31, 2015 and 2014**

	<b>Common Stock</b>	<b>Accumulated Other</b>	<b>Deferred</b>
<i>(unaudited, in thousands, except shares and per share amounts)</i>	<b>S</b>		