

WESBANCO INC  
Form 10-Q  
October 30, 2017  
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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 September 30, 2017**

**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 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, a smaller reporting company, or an emerging growth company. See definitions of large accelerated filer, accelerated filer, smaller reporting company, and emerging growth 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

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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 October 23, 2017, there were 44,033,267 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>	<b>September 30, 2017</b>	<b>December 31, 2016</b>
<b>ASSETS</b>		
Cash and due from banks, including interest bearing amounts of <b>\$14,704</b> and \$21,913, respectively	<b>\$ 110,871</b>	\$ 128,170
Securities:		
Trading securities, at fair value	<b>7,929</b>	7,071
Available-for-sale, at fair value	<b>1,305,532</b>	1,241,176
Held-to-maturity (fair values of <b>\$1,044,748</b> and \$1,076,790, respectively)	<b>1,025,688</b>	1,067,967
<b>Total securities</b>	<b>2,339,149</b>	2,316,214
Loans held for sale	<b>26,888</b>	17,315
Portfolio loans, net of unearned income	<b>6,373,049</b>	6,249,436
Allowance for loan losses	<b>(45,487)</b>	(43,674)
<b>Net portfolio loans</b>	<b>6,327,562</b>	6,205,762
Premises and equipment, net	<b>133,497</b>	133,297
Accrued interest receivable	<b>30,152</b>	28,299
Goodwill and other intangible assets, net	<b>590,249</b>	593,187
Bank-owned life insurance	<b>191,466</b>	188,145
Other assets	<b>168,443</b>	180,488
<b>Total Assets</b>	<b>\$ 9,918,277</b>	\$ 9,790,877
<b>LIABILITIES</b>		
Deposits:		
Non-interest bearing demand	<b>\$ 1,851,167</b>	\$ 1,789,522
Interest bearing demand	<b>1,666,117</b>	1,546,890
Money market	<b>990,788</b>	995,477
Savings deposits	<b>1,258,887</b>	1,213,168
Certificates of deposit	<b>1,334,066</b>	1,495,822
<b>Total deposits</b>	<b>7,101,025</b>	7,040,879
Federal Home Loan Bank borrowings	<b>1,015,011</b>	968,946

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Other short-term borrowings	<b>165,576</b>	199,376
Subordinated debt and junior subordinated debt	<b>164,278</b>	163,598
<b>Total borrowings</b>	<b>1,344,865</b>	1,331,920
Accrued interest payable	<b>3,924</b>	2,204
Other liabilities	<b>73,905</b>	74,466
<b>Total Liabilities</b>	<b>8,523,719</b>	8,449,469
<b>SHAREHOLDERS EQUITY</b>		
Preferred stock, no par value; 1,000,000 shares authorized; none outstanding		
Common stock, \$2.0833 par value; <b>100,000,000</b> shares authorized in 2017 and 2016, respectively; <b>44,041,572</b> and 43,931,715 shares issued, respectively; <b>44,033,585</b> and 43,931,715 shares outstanding, respectively	<b>91,753</b>	91,524
Capital surplus	<b>683,348</b>	680,507
Retained earnings	<b>641,329</b>	597,071
Treasury stock ( <b>7,987</b> and 0 shares in 2017 and 2016, respectively, at cost)	<b>(300)</b>	
Accumulated other comprehensive loss	<b>(20,837)</b>	(27,126)
Deferred benefits for directors	<b>(735)</b>	(568)
<b>Total Shareholders Equity</b>	<b>1,394,558</b>	1,341,408
<b>Total Liabilities and Shareholders Equity</b>	<b>\$ 9,918,277</b>	\$ 9,790,877

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>	<b>For the Three Months Ended September 30,</b>		<b>For the Nine Months Ended September 30,</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
<b>INTEREST AND DIVIDEND INCOME</b>				
Loans, including fees	\$ 70,342	\$ 55,822	\$ 202,600	\$ 160,858
Interest and dividends on securities:				
Taxable	9,711	9,137	28,682	29,129
Tax-exempt	4,862	4,559	14,617	13,620
Total interest and dividends on securities	14,573	13,696	43,299	42,749
Other interest income	574	574	1,674	1,671
Total interest and dividend income	85,489	70,092	247,573	205,278
<b>INTEREST EXPENSE</b>				
Interest bearing demand deposits	1,814	691	4,413	1,841
Money market deposits	751	444	1,970	1,350
Savings deposits	189	173	555	502
Certificates of deposit	2,610	2,592	7,512	7,835
Total interest expense on deposits	5,364	3,900	14,450	11,528
Federal Home Loan Bank borrowings	3,628	3,005	9,608	9,104
Other short-term borrowings	394	118	954	299
Subordinated debt and junior subordinated debt	1,849	1,043	5,449	2,706
Total interest expense	11,235	8,066	30,461	23,637
<b>NET INTEREST INCOME</b>				
Provision for credit losses	2,516	2,214	7,610	6,350
Net interest income after provision for credit losses	71,738	59,812	209,502	175,291
<b>NON-INTEREST INCOME</b>				
Trust fees	5,358	5,413	17,073	16,160
Service charges on deposits	5,320	4,733	15,254	12,861
Electronic banking fees	4,883	3,945	14,395	11,290
Net securities brokerage revenue	1,721	1,473	5,164	5,119
Bank-owned life insurance	1,164	995	3,671	2,910
Net gains on sales of mortgage loans	1,103	814	3,511	2,045
Net securities gains	6	598	511	2,293

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Net (loss)/gain on other real estate owned and other assets	(298)	184	9	380
Other income	1,642	2,862	6,318	6,943
Total non-interest income	20,899	21,017	65,906	60,001
<b>NON-INTEREST EXPENSE</b>				
Salaries and wages	24,957	21,225	71,575	60,136
Employee benefits	7,728	6,275	23,670	20,684
Net occupancy	4,132	3,647	12,969	10,459
Equipment	3,905	3,557	12,043	10,387
Marketing	1,599	1,295	4,482	3,876
FDIC insurance	945	961	2,677	3,225
Amortization of intangible assets	1,223	837	3,736	2,263
Restructuring and merger-related expense		9,883	491	10,577
Other operating expenses	11,265	9,921	34,380	28,696
Total non-interest expense	55,754	57,601	166,023	150,303
Income before provision for income taxes	36,883	23,228	109,385	84,989
Provision for income taxes	10,527	5,793	30,801	22,572
<b>NET INCOME</b>	<b>\$ 26,356</b>	<b>\$ 17,435</b>	<b>\$ 78,584</b>	<b>\$ 62,417</b>
<b>EARNINGS PER COMMON SHARE</b>				
Basic	\$ 0.60	\$ 0.44	\$ 1.79	\$ 1.61
Diluted	\$ 0.60	\$ 0.44	\$ 1.78	\$ 1.61
<b>AVERAGE COMMON SHARES OUTSTANDING</b>				
Basic	44,031,813	39,715,516	43,992,017	38,828,618
Diluted	44,086,881	39,743,291		