

UNITED BANKSHARES INC/WV
Form 10-Q
August 02, 2011
Table of Contents

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the quarterly period ended June 30, 2011

or

Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the transition period

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

25301

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Charleston, West Virginia
(Address of Principal Executive Offices) Zip Code
Registrant's Telephone Number, including Area Code: (304) 424-8800

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. (Check one):

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 Exchange 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; **50,193,958** shares outstanding as of **July 26, 2011**.

Table of Contents

UNITED BANKSHARES, INC. AND SUBSIDIARIES

FORM 10-Q

TABLE OF CONTENTS

	Page
<u>PART I. FINANCIAL INFORMATION</u>	
Item 1. <u>Financial Statements</u>	
<u>Consolidated Balance Sheets (Unaudited) June 30, 2011 and (Audited) December 31, 2010</u>	4
<u>Consolidated Statements of Income (Unaudited) for the Three and Six Months Ended June 30, 2011 and 2010</u>	5
<u>Consolidated Statement of Changes in Shareholders' Equity (Unaudited) for the Six Months Ended June 30, 2011</u>	7
<u>Condensed Consolidated Statements of Cash Flows (Unaudited) for the Six Months Ended June 30, 2011 and 2010</u>	8
<u>Notes to Consolidated Financial Statements (Unaudited)</u>	9
Item 2. <u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	43
Item 3. <u>Quantitative and Qualitative Disclosures about Market Risk</u>	63
Item 4. <u>Controls and Procedures</u>	66
<u>PART II. OTHER INFORMATION</u>	
Item 1. <u>Legal Proceedings</u>	67
Item 1A. <u>Risk Factors</u>	67
Item 2. <u>Unregistered Sales of Equity Securities and Use of Proceeds</u>	67
Item 3. <u>Defaults Upon Senior Securities</u>	68
Item 4. <u>(Removed and Reserved)</u>	68
Item 5. <u>Other Information</u>	68
Item 6. <u>Exhibits</u>	68
<u>Signatures</u>	69
<u>Exhibits Index</u>	70

Table of Contents

PART I - FINANCIAL INFORMATION

Item 1. FINANCIAL STATEMENTS (UNAUDITED)

The June 30, 2011 and December 31, 2010, consolidated balance sheets of United Bankshares, Inc. and Subsidiaries (United or the Company), consolidated statements of income for the three and six months ended June 30, 2011 and 2010, the related consolidated statement of changes in shareholders equity for the six months ended June 30, 2011, the related condensed consolidated statements of cash flows for the six months ended June 30, 2011 and 2010, 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)

	June 30 2011 (Unaudited)	December 31 2010 (Note 1)
Assets		
Cash and due from banks	\$ 122,162	\$ 115,352
Interest-bearing deposits with other banks	385,174	345,319
Federal funds sold	733	718
Total cash and cash equivalents	508,069	461,389
Securities available for sale at estimated fair value (amortized cost-\$671,879 at June 30, 2011 and \$717,797 at December 31, 2010)	608,334	653,276
Securities held to maturity (estimated fair value-\$62,220 at June 30, 2011 and \$62,315 at December 31, 2010)	63,699	67,036
Other investment securities	69,812	74,403
Loans held for sale	1,057	6,869
Loans	5,255,788	5,263,351
Less: Unearned income	(3,692)	(3,025)
Loans net of unearned income	5,252,096	5,260,326
Less: Allowance for loan losses	(73,132)	(73,033)
Net loans	5,178,964	5,187,293
Bank premises and equipment	56,276	55,378
Goodwill	311,641	311,765
Accrued interest receivable	23,261	23,564
Other assets	312,870	314,746
TOTAL ASSETS	\$ 7,133,983	\$ 7,155,719
Liabilities		
Deposits:		
Noninterest-bearing	\$ 1,435,549	\$ 1,203,255
Interest-bearing	4,292,987	4,510,279
Total deposits	5,728,536	5,713,534
Borrowings:		
Federal funds purchased	10,460	8,542
Securities sold under agreements to repurchase	190,676	183,097
Federal Home Loan Bank borrowings	151,998	202,181
Other short-term borrowings	302	1,575
Other long-term borrowings	184,065	184,277
Reserve for lending-related commitments	2,049	2,006
Accrued expenses and other liabilities	61,656	67,495
TOTAL LIABILITIES	6,329,742	6,362,707
Shareholders Equity		
Preferred stock, \$1.00 par value; Authorized-50,000,000 shares, none issued	0	0

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Common stock, \$2.50 par value; Authorized-100,000,000 shares; issued-44,319,157 at June 30, 2011 and December 31, 2010, including 673,672 and 697,522 shares in treasury at June 30, 2011 and December 31, 2010, respectively

	110,798	110,798
Surplus	93,372	93,431
Retained earnings	682,403	673,260
Accumulated other comprehensive loss	(59,335)	(60,656)
Treasury stock, at cost	(22,997)	(23,821)
TOTAL SHAREHOLDERS EQUITY	804,241	793,012
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	\$ 7,133,983	\$ 7,155,719

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 June 30		Six Months Ended June 30	
	2011	2010	2011	2010
Interest income				
Interest and fees on loans	\$ 65,322	\$ 71,682	\$ 131,180	\$ 144,459
Interest on federal funds sold and other short-term investments	284	267	576	563
Interest and dividends on securities:				
Taxable	5,858	9,047	12,520	18,760
Tax-exempt	971	1,193	2,016	2,503
Total interest income	72,435	82,189	146,292	166,285
Interest expense				
Interest on deposits	9,740	14,478	20,251	30,420
Interest on short-term borrowings	26	44	53	77
Interest on long-term borrowings	4,048	7,503	8,004	15,145
Total interest expense	13,814	22,025	28,308	45,642
Net interest income	58,621	60,164	117,984	120,643
Provision for loan losses	4,800	6,400	9,236	13,268
Net interest income after provision for credit losses	53,821	53,764	108,748	107,375
Other income				
Fees from trust and brokerage services	3,437	3,461	6,747	6,733
Fees from deposit services	10,341	10,117	19,972	19,341
Bankcard fees and merchant discounts	683	1,078	1,238	2,120
Other service charges, commissions, and fees	381	490	835	848
Income from bank-owned life insurance	1,228	1,185	2,403	2,213
Income from mortgage banking	131	129	365	241
Other income	599	1,424	1,450	2,339
Total other-than-temporary impairment losses	(870)	(10,673)	(3,886)	(13,983)
Portion of loss recognized in other comprehensive income	(3,226)	9,577	(2,320)	11,401
Net other-than-temporary impairment losses	(4,096)	(1,096)	(6,206)	(2,582)
Net gains on sales/calls of investment securities	630	796	1,181	1,904
Net investment securities losses	(3,466)	(300)	(5,025)	(678)
Total other income	13,334	17,584	27,985	33,157
Other expense				
Employee compensation	15,015	14,848	29,885	29,749
Employee benefits	4,131	4,332	8,509	8,826
Net occupancy expense	4,140	4,274	8,527	8,945