

WESBANCO INC  
Form 10-Q  
May 09, 2007

**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, 2007**

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 0-8467

**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 is a large accelerated filer, an accelerated filer or a non-accelerated filer as defined by Rule 12b-2 of the Exchange Act.

Larger accelerated filer

Accelerated filer

Non-accelerated filer

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, 2007, there were 20,899,540 shares of WesBanco, Inc. common stock \$2.0833 par value, outstanding.

**WESBANCO, INC.  
TABLE OF CONTENTS**

<b>Item No.</b>	<b>ITEM</b>	<b>Page No.</b>
<b>PART I - FINANCIAL INFORMATION</b>		
1	Financial Statements	
	Consolidated Balance Sheets at March 31, 2007 (unaudited) and December 31, 2006	3
	Consolidated Statements of Income for the three months ended March 31, 2007 and 2006 (unaudited)	4
	Consolidated Statements of Changes in Shareholders' Equity for the three months ended March 31, 2007 and 2006 (unaudited)	5
	Consolidated Statements of Cash Flows for the three months ended March 31, 2007 and 2006 (unaudited)	6
	Notes to Consolidated Financial Statements	7
2	Management's Discussion and Analysis of Financial Condition and Results of Operations	14
3	Quantitative and Qualitative Disclosures About Market Risk	26
4	Controls and Procedures	27
<b>PART II – OTHER INFORMATION</b>		
1	Legal Proceedings	28
2	Unregistered Sales of Equity Securities and Use of Proceeds	28
4	Submission of Matters to a Vote of Security Holders.	28
6	Exhibits	29
	Signatures	30

**PART I - FINANCIAL INFORMATION**

**ITEM 1. FINANCIAL STATEMENTS**

**WESBANCO, INC. CONSOLIDATED BALANCE SHEETS**

	<b>March 31,</b>	December
	<b>2007</b>	31,
<i>(in thousands, except per share amounts)</i>	<b>(unaudited)</b>	2006
<b>ASSETS</b>		
Cash and due from banks, including interest bearing amounts of <b>\$1,109</b> and \$1,217, respectively	<b>\$ 77,233</b>	\$ 96,605
Federal funds sold	<b>40,000</b>	-
Securities:		
Available-for-sale, at fair value	<b>748,884</b>	395,520
Held-to-maturity (fair values of <b>\$0</b> and \$347,391, respectively)	-	341,187
Total securities	<b>748,884</b>	736,707
Loans held for sale	<b>4,746</b>	3,170
Portfolio loans:		
Commercial	<b>390,228</b>	409,347
Commercial real estate	<b>1,153,327</b>	1,165,823
Residential real estate	<b>870,544</b>	896,533
Home equity	<b>156,784</b>	161,602
Consumer	<b>267,593</b>	274,908
Total portfolio loans, net of unearned income	<b>2,838,476</b>	2,908,213
Allowance for loan losses	<b>(31,757)</b>	(31,979)
Net portfolio loans	<b>2,806,719</b>	2,876,234
Premises and equipment, net	<b>67,507</b>	67,404
Accrued interest receivable	<b>19,036</b>	19,180
Goodwill and other intangible assets, net	<b>144,552</b>	145,147
Bank-owned life insurance	<b>83,226</b>	82,473
Other assets	<b>68,631</b>	71,223
<b>Total Assets</b>	<b>\$ 4,060,534</b>	\$ 4,098,143
<b>LIABILITIES</b>		
Deposits:		
Non-interest bearing demand	<b>\$ 387,877</b>	\$ 401,909
Interest bearing demand	<b>351,532</b>	356,088
Money market	<b>367,205</b>	354,082
Savings deposits	<b>439,264</b>	441,226
Certificates of deposit	<b>1,450,416</b>	1,442,242
Total deposits	<b>2,996,294</b>	2,995,547
Federal Home Loan Bank borrowings	<b>363,958</b>	358,907
Other short-term borrowings	<b>162,072</b>	202,561
Junior subordinated debt owed to unconsolidated subsidiary trusts	<b>87,638</b>	87,638
Total borrowings	<b>613,668</b>	649,106
Accrued interest payable	<b>10,335</b>	10,174
Other liabilities	<b>30,538</b>	26,441
<b>Total Liabilities</b>	<b>3,650,835</b>	3,681,268
<b>SHAREHOLDERS' EQUITY</b>		
Preferred stock, no par value; 1,000,000 shares authorized; none outstanding	—	—

Edgar Filing: WESBANCO INC - Form 10-Q

Common stock, \$2.0833 par value; 50,000,000 shares authorized; 23,615,859 shares issued; outstanding: <b>20,948,040</b> shares in 2007 and 21,496,793 shares in 2006	<b>49,200</b>	49,200
Capital surplus	<b>123,202</b>	123,170
Retained earnings	<b>322,307</b>	316,457
Treasury stock ( <b>2,667,819</b> and 2,119, 066 shares, respectively, at cost)	<b>(79,244)</b>	(61,855)
Accumulated other comprehensive loss	<b>(4,585)</b>	(8,863)
Deferred benefits for directors and employees	<b>(1,181)</b>	(1,234)
<b>Total Shareholders' Equity</b>	<b>409,699</b>	416,875
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$</b>	<b>\$</b>
	<b>4,060,534</b>	4,098,143

See Notes to Consolidated Financial Statements.

3

**WESBANCO, INC. CONSOLIDATED  
STATEMENTS OF INCOME**

	For the Three Months Ended March 31,	
	2007	2006
<i>(unaudited, in thousands, except per share amounts)</i>		
<b>INTEREST AND DIVIDEND INCOME</b>		
Loans, including fees	<b>\$ 48,269</b>	\$ 45,732
Interest and dividends on securities:		
Taxable	<b>4,778</b>	5,959
Tax-exempt	<b>3,737</b>	4,308
Total interest and dividends on securities	<b>8,515</b>	10,267
Federal funds sold	<b>108</b>	-
Other interest income	<b>301</b>	448
Total interest and dividend income	<b>57,193</b>	56,447
<b>INTEREST EXPENSE</b>		
Interest bearing demand deposits	<b>1,021</b>	546
Money market deposits	<b>2,190</b>	2,195
Savings deposits	<b>1,500</b>	1,276
Certificates of deposit	<b>15,679</b>	12,493
Total interest expense on deposits	<b>20,390</b>	16,510
Federal Home Loan Bank borrowings	<b>3,310</b>	5,358
Other short-term borrowings	<b>2,092</b>	2,242
Junior subordinated debt owed to unconsolidated subsidiary trusts	<b>1,408</b>	1,354
Total interest expense	<b>27,200</b>	25,464
<b>NET INTEREST INCOME</b>	<b>29,993</b>	30,983
Provision for loan losses	<b>1,460</b>	2,640
Net interest income after provision for loan losses	<b>28,533</b>	28,343
<b>NON-INTEREST INCOME</b>		
Trust fees	<b>4,338</b>	4,058
Service charges on deposits	<b>3,883</b>	3,797
Bank-owned life insurance	<b>748</b>	729
Net securities gains (losses)	<b>678</b>	(7,942)

Edgar Filing: WESBANCO INC - Form 10-Q

Net gains on sales of loans	<b>336</b>	43
Other income	<b>3,253</b>	4,729
Total non-interest income	<b>13,236</b>	5,414
<b>NON-INTEREST EXPENSE</b>		
Salaries and wages	<b>10,182</b>	9,904
Employee benefits	<b>3,696</b>	3,512
Net occupancy	<b>2,003</b>	2,013
Equipment	<b>1,902</b>	2,030
&#160		