

FNB CORP/FL/
Form 10-Q
May 06, 2016
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 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, 2016

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 001-31940

F.N.B. CORPORATION

(Exact name of registrant as specified in its charter)

Florida
(State or other jurisdiction of
incorporation or organization)

25-1255406
(I.R.S. Employer
Identification No.)

One North Shore Center, 12 Federal Street, Pittsburgh,
PA
(Address of principal executive offices)

15212
(Zip Code)

Registrant's telephone number, including area code: **800-555-5455**
(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 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 definition 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 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

APPLICABLE ONLY TO CORPORATE ISSUERS:

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at April 30, 2016
Common Stock, \$0.01 Par Value	209,803,853 Shares

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F.N.B. CORPORATION

FORM 10-Q

March 31, 2016

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Table of Contents**PART I FINANCIAL INFORMATION****ITEM 1. FINANCIAL STATEMENTS
F.N.B. CORPORATION AND SUBSIDIARIES****CONSOLIDATED BALANCE SHEETS**

In thousands, except share and per share data

	March 31, 2016	December 31, 2015
	(Unaudited)	
Assets		
Cash and due from banks	\$ 260,426	\$ 207,399
Interest bearing deposits with banks	85,519	281,720
Cash and Cash Equivalents	345,945	489,119
Securities available for sale	2,099,343	1,630,567
Securities held to maturity (fair value of \$1,803,453 and \$1,643,416)	1,776,020	1,637,061
Residential mortgage loans held for sale	7,683	4,781
Loans and leases, net of unearned income of \$49,332 and \$51,642	14,165,599	12,190,440
Allowance for credit losses	(147,800)	(142,012)
Net Loans and Leases	14,017,799	12,048,428
Premises and equipment, net	208,672	159,080
Goodwill	1,006,934	833,086
Core deposit and other intangible assets, net	80,116	45,644
Bank owned life insurance	310,106	308,192
Other assets	471,906	401,704
Total Assets	\$ 20,324,524	\$ 17,557,662
Liabilities		
Deposits:		
Non-interest bearing demand	\$ 3,896,782	\$ 3,059,949
Interest bearing demand	6,512,461	5,311,589
Savings	2,291,656	1,786,459
Certificates and other time deposits	2,689,584	2,465,466
Total Deposits	15,390,483	12,623,463
Short-term borrowings	1,563,888	2,048,896
Long-term borrowings	657,445	641,480
Other liabilities	194,687	147,641

Total Liabilities	17,806,503	15,461,480
Stockholders Equity		
Preferred stock \$0.01 par value; liquidation preference of \$1,000 per share		
Authorized 20,000,000 shares		
Issued 110,877 shares	106,882	106,882
Common stock \$0.01 par value		
Authorized 500,000,000 shares		
Issued 211,016,267 and 176,595,060 shares	2,112	1,766
Additional paid-in capital	2,214,959	1,808,210
Retained earnings	242,045	243,217
Accumulated other comprehensive loss	(33,651)	(51,133)
Treasury stock 1,282,976 and 1,153,390 shares at cost	(14,326)	(12,760)
Total Stockholders Equity	2,518,021	2,096,182
Total Liabilities and Stockholders Equity	\$ 20,324,524	\$ 17,557,662

See accompanying Notes to Consolidated Financial Statements

Table of Contents**F.N.B. CORPORATION AND SUBSIDIARIES****CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

In thousands, except per share data

Unaudited

	Three Months Ended March 31,	
	2016	2015
Interest Income		
Loans and leases, including fees	\$ 137,121	\$ 117,739
Securities:		
Taxable	16,493	14,214
Nontaxable	2,018	1,373
Dividends	5	11
Other	117	32
Total Interest Income	155,754	133,369
Interest Expense		
Deposits	9,486	7,449
Short-term borrowings	2,361	1,768
Long-term borrowings	3,553	2,231
Total Interest Expense	15,400	11,448
Net Interest Income	140,354	121,921
Provision for credit losses	11,768	8,136
Net Interest Income After Provision for Credit Losses	128,586	113,785
Non-Interest Income		
Service charges	21,276	15,817
Trust fees	5,282	5,161
Insurance commissions and fees	4,921	4,369
Securities commissions and fees	3,374	3,057
Net securities gains (losses)	71	(9)
Mortgage banking operations	1,595	1,799
Bank owned life insurance	2,062	1,843
Other	7,463	6,145
Total Non-Interest Income	46,044	38,182
Non-Interest Expense		
Salaries and employee benefits	56,425	49,269
Net occupancy	9,266	8,976
Equipment	8,556	7,648

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Amortization of intangibles	2,649	2,115
Outside services	9,303	8,777
FDIC insurance	3,968	3,689
Merger and acquisition related	24,940	
Other	21,541	14,181
Total Non-Interest Expense	136,648	94,655
Income Before Income Taxes	37,982	57,312
Income taxes	11,850	16,969
Net Income	26,132	40,343
Less: Preferred stock dividends	2,010	2,010
Net Income Available to Common Stockholders	\$ 24,122	\$ 38,333
Net Income per Common Share Basic	\$ 0.12	\$ 0.22
Net Income per Common Share Diluted	0.12	0.22
Cash Dividends per Common Share	0.12	0.12
Comprehensive Income	\$ 43,614	\$ 51,366

See accompanying Notes to Consolidated Financial Statements

Table of Contents**F.N.B. CORPORATION AND SUBSIDIARIES****CONSOLIDATED STATEMENTS OF STOCKHOLDERS EQUITY**

Dollars in thousands, except per share data

Unaudited

	Preferred Stock	Common Stock	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Total
Balance at January 1, 2016	\$ 106,882	\$ 1,766	\$ 1,808,210	\$ 243,217	\$ (51,133)	\$ (12,760)	\$ 2,096,182
Comprehensive income				26,132	17,482		43,614
Dividends declared:							
Preferred stock				(2,010)			(2,010)
Common stock: \$0.12/share				(25,294)			(25,294)
Issuance of common stock		5	1,657			(1,566)	96
Issuance of common stock acquisitions		341	403,679				404,020
Restricted stock compensation			1,136				1,136
Tax benefit of stock-based compensation			277				277
Balance at March 31, 2016	\$ 106,882	\$ 2,112	\$ 2,214,959	\$ 242,045	\$ (33,651)	\$ (14,326)	\$ 2,518,021
Balance at January 1, 2015	\$ 106,882	\$ 1,754	\$ 1,798,984	\$ 176,120	\$ (46,003)	\$ (16,281)	\$ 2,021,456
Comprehensive income				40,343	11,023		51,366
Dividends declared:							
Preferred stock				(2,010)			(2,010)
Common stock: \$0.12/share				(20,992)			(20,992)
Issuance of common stock		9	5,986			(1,560)	4,435
Restricted stock compensation			340				340
Tax benefit of stock-based			681				681

compensation

Balance at March 31, 2015	\$ 106,882	\$ 1,763	\$ 1,805,991	\$ 193,461	\$ (34,980)	\$ (17,841)	\$ 2,055,276
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See accompanying Notes to Consolidated Financial Statements

Table of Contents**F.N.B. CORPORATION AND SUBSIDIARIES****CONSOLIDATED STATEMENTS OF CASH FLOWS**

Dollars in thousands

Unaudited

	Three Months Ended March 31,	
	2016	2015
Operating Activities		
Net income	\$ 26,132	\$ 40,343
Adjustments to reconcile net income to net cash flows provided by operating activities:		
Depreciation, amortization and accretion	11,759	11,725
Provision for credit losses	11,768	8,136
Deferred tax expense	255	3,217
Net securities (gains) losses	(71)	9
Tax benefit of stock-based compensation	(277)	(681)
Loans originated for sale	(95,503)	(71,499)