

WINTRUST FINANCIAL CORP

Form 10-Q

November 08, 2016

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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 September 30, 2016

OR

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 001-35077

WINTRUST FINANCIAL CORPORATION

(Exact name of registrant as specified in its charter)

Illinois 36-3873352

(State of incorporation or organization) (I.R.S. Employer Identification No.)

9700 W. Higgins Road, Suite 800

Rosemont, Illinois 60018

(Address of principal executive offices)

(847) 939-9000

(Registrant's telephone number, including area code)

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 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 the 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.

Common Stock — no par value, 51,771,192 shares, as of October 31, 2016

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PART I

ITEM 1. FINANCIAL STATEMENTS

WINTRUST FINANCIAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CONDITION

(In thousands, except share data)	(Unaudited) September 30, 2016	(Unaudited) December 31, 2015	(Unaudited) September 30, 2015
Assets			
Cash and due from banks	\$ 242,825	\$ 271,454	\$ 247,341
Federal funds sold and securities purchased under resale agreements	4,122	4,341	3,314
Interest bearing deposits with banks	816,104	607,782	701,106
Available-for-sale securities, at fair value	1,650,096	1,716,388	2,214,281
Held-to-maturity securities, at amortized cost (\$942.7 million and \$878.1 million fair value at September 30, 2016 and December 31, 2015, respectively)	932,767	884,826	—
Trading account securities	1,092	448	3,312
Federal Home Loan Bank and Federal Reserve Bank stock	129,630	101,581	90,308
Brokerage customer receivables	25,511	27,631	28,293
Mortgage loans held-for-sale	559,634	388,038	347,005
Loans, net of unearned income, excluding covered loans	19,101,261	17,118,117	16,316,211
Covered loans	95,940	148,673	168,609
Total loans	19,197,201	17,266,790	16,484,820
Allowance for loan losses	(117,693)	(105,400)	(102,996)
Allowance for covered loan losses	(1,422)	(3,026)	(2,918)
Net loans	19,078,086	17,158,364	16,378,906
Premises and equipment, net	597,263	592,256	587,348
Lease investments, net	116,355	63,170	29,111
Accrued interest receivable and other assets	660,923	597,099	629,211
Trade date securities receivable	677	—	277,981
Goodwill	485,938	471,761	472,166
Other intangible assets	20,736	24,209	25,533
Total assets	\$ 25,321,759	\$ 22,909,348	\$ 22,035,216
Liabilities and Shareholders' Equity			
Deposits:			
Non-interest bearing	\$ 5,711,042	\$ 4,836,420	\$ 4,705,994
Interest bearing	15,436,613	13,803,214	13,522,475
Total deposits	21,147,655	18,639,634	18,228,469
Federal Home Loan Bank advances	419,632	853,431	443,955
Other borrowings	241,366	265,785	259,805
Subordinated notes	138,943	138,861	138,834
Junior subordinated debentures	253,566	268,566	268,566
Trade date securities payable	—	538	617
Accrued interest payable and other liabilities	446,123	390,259	359,234
Total liabilities	22,647,285	20,557,074	19,699,480
Shareholders' Equity:			
Preferred stock, no par value; 20,000,000 shares authorized:			
Series C - \$1,000 liquidation value; 126,257 shares issued and outstanding at September 30, 2016, 126,287 shares issued and outstanding at December 31, 2015, and 126,312 shares issued and	126,257	126,287	126,312

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outstanding at September 30, 2015

Series D - \$25 liquidation value; 5,000,000 shares issued and outstanding at September 30, 2016, December 31, 2015 and September 30, 2015	125,000	125,000	125,000
Common stock, no par value; \$1.00 stated value; 100,000,000 shares authorized at September 30, 2016, December 31, 2015 and September 30, 2015; 51,811,204 shares issued at September 30, 2016, 48,468,894 shares issued at December 31, 2015 and 48,422,294 shares issued at September 30, 2015	51,811	48,469	48,422
Surplus	1,356,759	1,190,988	1,187,407
Treasury stock, at cost, 96,521 shares at September 30, 2016, 85,615 shares at December 31, 2015, and 85,424 shares at September 30, 2015	(4,522)	(3,973)	(3,964)
Retained earnings	1,051,748	928,211	901,652
Accumulated other comprehensive loss	(32,579)	(62,708)	(49,093)
Total shareholders' equity	2,674,474	2,352,274	2,335,736
Total liabilities and shareholders' equity	\$25,321,759	\$22,909,348	\$22,035,216

See accompanying notes to unaudited consolidated financial statements.

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FINANCIAL
CORPORATION
AND
SUBSIDIARIES
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(UNAUDITED)