

FIRST COMMONWEALTH FINANCIAL CORP /PA/
Form 10-Q
November 09, 2015

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, 2015

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 001-11138
First Commonwealth Financial Corporation
(Exact name of registrant as specified in its charter)

Pennsylvania 25-1428528
(State or other jurisdiction of (I.R.S. Employer
incorporation or organization) Identification No.)

601 Philadelphia Street, Indiana, PA 15701
(Address of principal executive offices) (Zip Code)
724-349-7220

(Registrant's telephone number, including area code)

N/A

(Former name, former address and former fiscal year, if changed since last report)

Indicate by a 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 the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Smaller reporting company Non-accelerated filer

(Do not check if a 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

The number of shares outstanding of issuer's common stock, \$1.00 par value, as of November 6, 2015, was 88,961,268.

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ITEM 1. Financial Statements and Supplementary Data

FIRST COMMONWEALTH FINANCIAL CORPORATION AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION (Unaudited)

	September 30, 2015	December 31, 2014
	(dollars in thousands, except share data)	
Assets		
Cash and due from banks	\$69,235	\$72,276
Interest-bearing bank deposits	3,529	2,262
Securities available for sale, at fair value	1,050,733	1,309,819
Securities held to maturity, at amortized cost (Fair value of \$154,837 at September 30, 2015)	154,035	—
Other investments	53,976	44,545
Loans held for sale	4,986	2,502
Loans:		
Portfolio loans	4,575,735	4,457,308
Allowance for credit losses	(48,518) (52,051
Net loans	4,527,217	4,405,257
Premises and equipment, net	62,812	64,989
Other real estate owned	10,542	7,197
Goodwill	161,429	161,429
Amortizing intangibles, net	1,196	1,665
Bank owned life insurance	181,278	177,567
Other assets	103,781	110,777
Total assets	\$6,384,749	\$6,360,285
Liabilities		
Deposits (all domestic):		
Noninterest-bearing	\$1,077,234	\$989,027
Interest-bearing	3,084,256	3,326,484
Total deposits	4,161,490	4,315,511
Short-term borrowings	1,329,794	1,105,876
Subordinated debentures	72,167	72,167
Other long-term debt	39,052	89,459
Total long-term debt	111,219	161,626
Other liabilities	59,478	61,127
Total liabilities	5,661,981	5,644,140
Shareholders' Equity		
Preferred stock, \$1 par value per share, 3,000,000 shares authorized, none issued	—	—
Common stock, \$1 par value per share, 200,000,000 shares authorized; 105,563,455 shares issued at September 30, 2015 and December 31, 2014, and 88,961,268 and 91,723,028 shares outstanding at September 30, 2015 and December 31, 2014, respectively	105,563	105,563
Additional paid-in capital	365,950	365,615
Retained earnings	374,247	353,027

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Accumulated other comprehensive income (loss), net	4,961	(4,499)	
Treasury stock (16,602,187 and 13,840,427 shares at September 30, 2015 and December 31, 2014, respectively)	(127,953)	(103,561)
Total shareholders' equity	722,768	716,145		
Total liabilities and shareholders' equity	\$6,384,749	\$6,360,285		

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

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ITEM 1. Financial Statements and Supplementary Data (Continued)

FIRST COMMONWEALTH FINANCIAL CORPORATION AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF INCOME (Unaudited)

	For the Three Months		For the Nine Months	
	Ended		Ended	
	September 30,		September 30,	
	2015	2014	2015	2014
	(dollars in thousands, except share data)			
Interest Income				
Interest and fees on loans	\$43,083	\$43,200	\$128,334	\$128,490
Interest and dividends on investments:				
Taxable interest	6,470	7,118	20,022	21,632
Interest exempt from federal income taxes	261	104	646	172
Dividends	685	663	2,727	1,459
Interest on bank deposits	2	4	7	8
Total interest income	50,501	51,089	151,736	151,761
Interest Expense				