

FNB CORP/FL/  
Form 10-Q  
August 05, 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 June 30, 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**

**15212**

**(Address of principal executive offices)**

**(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 July 31, 2016
Common Stock, \$0.01 Par Value	210,120,837 Shares

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**F.N.B. CORPORATION**

**FORM 10-Q**

June 30, 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

	June 30, 2016 (Unaudited)	December 31, 2015
<b>Assets</b>		
Cash and due from banks	\$ 285,783	\$ 207,399
Interest bearing deposits with banks	113,244	281,720
<b>Cash and Cash Equivalents</b>	<b>399,027</b>	489,119
Securities available for sale	2,133,662	1,630,567
Securities held to maturity (fair value of \$2,104,782 and \$1,643,416)	2,064,305	1,637,061
Residential mortgage loans held for sale	12,062	4,781
Loans and leases, net of unearned income of \$60,268 and \$51,642	14,563,128	12,190,440
Allowance for credit losses	(154,369)	(142,012)
<b>Net Loans and Leases</b>	<b>14,408,759</b>	12,048,428
Premises and equipment, net	224,805	159,080
Goodwill	1,021,247	833,086
Core deposit and other intangible assets, net	83,744	45,644
Bank owned life insurance	328,127	308,192
Other assets	539,229	401,704
<b>Total Assets</b>	<b>\$ 21,214,967</b>	\$ 17,557,662
<b>Liabilities</b>		
Deposits:		
Non-interest bearing demand	\$ 3,969,115	\$ 3,059,949
Interest bearing demand	6,657,651	5,311,589
Savings	2,284,159	1,786,459
Certificates and other time deposits	2,617,637	2,465,466
<b>Total Deposits</b>	<b>15,528,562</b>	12,623,463
Short-term borrowings	2,260,411	2,048,896
Long-term borrowings	656,844	641,480
Other liabilities	223,813	147,641

<b>Total Liabilities</b>	<b>18,669,630</b>	15,461,480
<b>Stockholders Equity</b>		
Preferred stock - \$0.01 par value; liquidation preference of \$1,000 per share		
Authorized 20,000,000 shares		
Issued 110,877 shares	<b>106,882</b>	106,882
Common stock - \$0.01 par value		
Authorized 500,000,000 shares		
Issued <b>211,406,626</b> and 176,595,060 shares	<b>2,116</b>	1,766
Additional paid-in capital	<b>2,220,243</b>	1,808,210
Retained earnings	<b>255,921</b>	243,217
Accumulated other comprehensive loss	<b>(25,459)</b>	(51,133)
Treasury stock <b>1,286,025</b> and 1,153,390 shares at cost	<b>(14,366)</b>	(12,760)
<b>Total Stockholders Equity</b>	<b>2,545,337</b>	2,096,182
<b>Total Liabilities and Stockholders Equity</b>	<b>\$ 21,214,967</b>	\$ 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

	<b>Three Months Ended June 30,</b>		<b>Six Months Ended June 30,</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
<b>Interest Income</b>				
Loans and leases, including fees	<b>\$ 150,720</b>	\$ 119,460	<b>\$ 287,841</b>	\$ 237,199
Securities:				
Taxable	<b>17,976</b>	14,467	<b>34,469</b>	28,681
Nontaxable	<b>2,129</b>	1,484	<b>4,147</b>	2,857
Dividends	<b>9</b>	9	<b>14</b>	20
Other	<b>97</b>	28	<b>214</b>	60
<b>Total Interest Income</b>	<b>170,931</b>	135,448	<b>326,685</b>	268,817
<b>Interest Expense</b>				
Deposits	<b>10,424</b>	7,636	<b>19,910</b>	15,085
Short-term borrowings	<b>2,559</b>	1,794	<b>4,920</b>	3,562
Long-term borrowings	<b>3,579</b>	2,251	<b>7,132</b>	4,482
<b>Total Interest Expense</b>	<b>16,562</b>	11,681	<b>31,962</b>	23,129
<b>Net Interest Income</b>	<b>154,369</b>	123,767	<b>294,723</b>	245,688
Provision for credit losses	<b>16,640</b>	8,864	<b>28,408</b>	17,000
<b>Net Interest Income After Provision for Credit Losses</b>	<b>137,729</b>	114,903	<b>266,315</b>	228,688
<b>Non-Interest Income</b>				
Service charges	<b>26,396</b>	17,514	<b>47,672</b>	33,331
Trust fees	<b>5,405</b>	5,432	<b>10,687</b>	10,593
Insurance commissions and fees	<b>4,105</b>	3,559	<b>9,026</b>	7,928
Securities commissions and fees	<b>3,622</b>	3,597	<b>6,996</b>	6,654
Net securities gains	<b>226</b>	14	<b>297</b>	5
Mortgage banking operations	<b>2,753</b>	2,516	<b>4,348</b>	4,315
Bank owned life insurance	<b>2,559</b>	1,838	<b>4,621</b>	3,681
Other	<b>6,345</b>	5,282	<b>13,808</b>	11,427
<b>Total Non-Interest Income</b>	<b>51,411</b>	39,752	<b>97,455</b>	77,934
<b>Non-Interest Expense</b>				
Salaries and employee benefits	<b>61,329</b>	50,431	<b>117,754</b>	99,700
Net occupancy	<b>10,193</b>	8,472	<b>19,459</b>	17,448
Equipment	<b>10,014</b>	7,698	<b>18,570</b>	15,346

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Amortization of intangibles	<b>3,388</b>	1,999	<b>6,037</b>	4,114
Outside services	<b>9,825</b>	9,163	<b>19,128</b>	17,940
FDIC insurance	<b>5,103</b>	2,783	<b>9,071</b>	6,472
Merger and acquisition related	<b>10,551</b>	371	<b>35,491</b>	371
Other	<b>19,226</b>	15,582	<b>40,767</b>	29,763
<b>Total Non-Interest Expense</b>	<b>129,629</b>	96,499	<b>266,277</b>	191,154
<b>Income Before Income Taxes</b>	<b>59,511</b>	58,156	<b>97,493</b>	115,468
Income taxes	<b>18,211</b>	18,025	<b>30,061</b>	34,994
<b>Net Income</b>	<b>41,300</b>	40,131	<b>67,432</b>	80,474
Less: Preferred stock dividends	<b>2,010</b>	2,010	<b>4,020</b>	4,020
<b>Net Income Available to Common Stockholders</b>	<b>\$ 39,290</b>	\$ 38,121	<b>\$ 63,412</b>	\$ 76,454
<b>Net Income per Common Share Basic</b>	<b>\$ 0.19</b>	\$ 0.22	<b>\$ 0.31</b>	\$ 0.44
<b>Net Income per Common Share Diluted</b>	<b>0.19</b>	0.22	<b>0.31</b>	0.43
<b>Cash Dividends per Common Share</b>	<b>0.12</b>	0.12	<b>0.24</b>	0.24
<b>Comprehensive Income</b>	<b>\$ 49,492</b>	\$ 31,158	<b>\$ 93,106</b>	\$ 82,524

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
<b>Balance at January 1, 2016</b>	<b>\$ 106,882</b>	<b>\$ 1,766</b>	<b>\$ 1,808,210</b>	<b>\$ 243,217</b>	<b>\$ (51,133)</b>	<b>\$ (12,760)</b>	<b>\$ 2,096,182</b>
Comprehensive income				67,432	25,674		93,106
Dividends declared:							
Preferred stock				(4,020)			(4,020)
Common stock: \$0.24/share				(50,708)			(50,708)
Issuance of common stock		9	5,284			(1,606)	3,687
Issuance of common stock - acquisitions		341	403,690				404,031
Restricted stock compensation			2,916				2,916
Tax benefit of stock-based compensation			143				143