

WINTRUST FINANCIAL CORP

Form 10-Q

August 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 June 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, 51,671,067 shares, as of July 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) June 30, 2016	December 31, 2015	(Unaudited) June 30, 2015
Assets			
Cash and due from banks	\$267,551	\$271,454	\$248,094
Federal funds sold and securities purchased under resale agreements	4,024	4,341	4,115
Interest bearing deposits with banks	693,269	607,782	591,721
Available-for-sale securities, at fair value	637,663	1,716,388	2,162,061
Held-to-maturity securities, at amortized cost (\$1.0 billion and \$878.1 million fair value at June 30, 2016 and December 31, 2015, respectively)	992,211	884,826	—
Trading account securities	3,613	448	1,597
Federal Home Loan Bank and Federal Reserve Bank stock	121,319	101,581	89,818
Brokerage customer receivables	26,866	27,631	29,753
Mortgage loans held-for-sale	554,256	388,038	497,283
Loans, net of unearned income, excluding covered loans	18,174,655	17,118,117	15,513,650
Covered loans	105,248	148,673	193,410
Total loans	18,279,903	17,266,790	15,707,060
Allowance for loan losses	(114,356)	(105,400)	(100,204)
Allowance for covered loan losses	(2,412)	(3,026)	(2,215)
Net loans	18,163,135	17,158,364	15,604,641
Premises and equipment, net	595,792	592,256	571,498
Lease investments, net	103,749	63,170	13,447
FDIC indemnification asset	—	—	3,429
Accrued interest receivable and other assets	670,014	597,099	533,175
Trade date securities receivable	1,079,238	—	—
Goodwill	486,095	471,761	421,646
Other intangible assets	21,821	24,209	17,924
Total assets	\$24,420,616	\$22,909,348	\$20,790,202
Liabilities and Shareholders' Equity			
Deposits:			
Non-interest bearing	\$5,367,672	\$4,836,420	\$3,910,310
Interest bearing	14,674,078	13,803,214	13,172,108
Total deposits	20,041,750	18,639,634	17,082,418
Federal Home Loan Bank advances	588,055	853,431	435,721
Other borrowings	252,611	265,785	261,674
Subordinated notes	138,915	138,861	138,808
Junior subordinated debentures	253,566	268,566	249,493
Trade date securities payable	40,000	538	—
Accrued interest payable and other liabilities	482,124	390,259	357,106
Total liabilities	21,797,021	20,557,074	18,525,220
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 June 30, 2016, 126,287 shares issued and outstanding at December 31, 2015, and 126,312 shares issued and outstanding at June 30, 2015	126,257	126,287	126,312

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Series D - \$25 liquidation value; 5,000,000 shares issued and outstanding at June 30, 2016, December 31, 2015 and June 30, 2015	125,000	125,000	125,000
Common stock, no par value; \$1.00 stated value; 100,000,000 shares authorized at June 30, 2016, December 31, 2015 and June 30, 2015; 51,708,585 shares issued at June 30, 2016, 48,468,894 shares issued at December 31, 2015 and 47,762,681 shares issued at June 30, 2015	51,708	48,469	47,763
Surplus	1,350,751	1,190,988	1,159,052
Treasury stock, at cost, 89,430 shares at June 30, 2016, 85,615 shares at December 31, 2015, and 85,424 shares at June 30, 2015	(4,145) (3,973) (3,964
Retained earnings	1,008,464	928,211	872,690
Accumulated other comprehensive loss	(34,440) (62,708) (61,871
Total shareholders' equity	2,623,595	2,352,274	2,264,982
Total liabilities and shareholders' equity	\$24,420,616	\$22,909,348	\$20,790,202