COMMERCE BANCSHARES INC /MO/

Form 10-Q May 07, 2015 Table of contents

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-O

(Mark

One)

b QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2015

OR

o TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from

Commission File No. 0-2989

COMMERCE BANCSHARES, INC.

(Exact name of registrant as specified in its charter)

Missouri 43-0889454

(State of Incorporation) (IRS Employer Identification No.)

1000 Walnut.

Kansas City, MO

(Address of principal executive offices) (Zip Code)

(816) 234-2000

(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 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 b No o

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 b No o

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 by Accelerated filer o Non-accelerated filer o Smaller reporting company \pounds Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes o No b

As of April 30, 2015, the registrant had outstanding 96,551,575 shares of its \$5 par value common stock, registrant's only class of common stock.

Commerce Bancshares, Inc. and Subsidiaries

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PART I: FINANCIAL INFORMATION

Item 1. FINANCIAL STATEMENTS

Commerce Bancshares, Inc. and Subsidiaries

CONSOLIDATED BALANCE SHEETS

	March 31, 2015 (Unaudited) (In thousands)	December 31, 2014
ASSETS		
Loans	\$11,721,960	\$11,469,238
Allowance for loan losses	(153,532)	(156,532)
Net loans	11,568,428	11,312,706
Loans held for sale, at fair value	2,770	_
Investment securities:		
Available for sale (\$468,843,000 pledged at March 31, 2015 and \$467,143,000 at		
December 31, 2014 to secure swap and repurchase agreements)	9,917,242	9,523,560
Trading	15,501	15,357
Non-marketable	110,560	106,875
Total investment securities	10,043,303	9,645,792
Federal funds sold and short-term securities purchased under agreements to resell	12,450	32,485
Long-term securities purchased under agreements to resell	1,050,000	1,050,000
Interest earning deposits with banks	123,712	600,744
Cash and due from banks	416,109	467,488
Land, buildings and equipment, net	356,309	357,871
Goodwill	138,921	138,921
Other intangible assets, net	7,143	7,450
Other assets	330,338	380,823
Total assets	\$24,049,483	\$23,994,280
LIABILITIES AND EQUITY		
Deposits:		
Non-interest bearing	\$6,785,221	\$6,811,959
Savings, interest checking and money market	10,656,139	10,541,601
Time open and C.D.'s of less than \$100,000	853,842	878,433
Time open and C.D.'s of \$100,000 and over	1,281,297	1,243,785
Total deposits	19,576,499	19,475,778
Federal funds purchased and securities sold under agreements to repurchase	1,610,463	1,862,518
Other borrowings	103,854	104,058
Other liabilities	353,260	217,680
Total liabilities	21,644,076	21,660,034
Commerce Bancshares, Inc. stockholders' equity:		
Preferred stock, \$1 par value		
Authorized 2,000,000 shares; issued 6,000 shares	144,784	144,784
Common stock, \$5 par value		
Authorized 120,000,000 shares;		
issued 96,830,977 shares	484,155	484,155
Capital surplus	1,223,125	1,229,075

Retained earnings	463,701	426,648
Treasury stock of 154,567 shares at March 31, 2015		
and 367,487 shares at December 31, 2014, at cost	(6,868)	(16,562)
Accumulated other comprehensive income	91,717	62,093
Total Commerce Bancshares, Inc. stockholders' equity	2,400,614	2,330,193
Non-controlling interest	4,793	4,053
Total equity	2,405,407	2,334,246
Total liabilities and equity	\$24,049,483	\$23,994,280
See accompanying notes to consolidated financial statements.		

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Commerce Bancshares, Inc. and Subsidiaries

CONSOLIDATED STATEMENTS OF INCOME

	For the Three Months Ended March 31	
(In thousands, except per share data)	2015	2014
	(Unaudited)	
INTEREST INCOME		
Interest and fees on loans	\$111,286	\$110,702
Interest and fees on loans held for sale	21	
Interest on investment securities	38,436	45,019
Interest on federal funds sold and short-term securities purchased under		
agreements to resell	9	26
Interest on long-term securities purchased under agreements to resell	3,051	4,151
Interest on deposits with banks	179	100
Total interest income	152,982	159,998
INTEREST EXPENSE		
Interest on deposits:		
Savings, interest checking and money market	3,308	3,306
Time open and C.D.'s of less than \$100,000	880	1,120