

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

Form 10-Q

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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

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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

(In thousands, except per share data)	For the Three Months Ended March 31	
	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