

Customers Bancorp, Inc.
Form 10-Q
May 05, 2016
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-Q

Quarterly report pursuant Section 13 or 15(d) of the Securities Exchange Act of 1934
For the quarterly period ended March 31, 2016

Transition report pursuant Section 13 or 15(d) of the Securities Exchange Act of 1934
For the transition period from _____ to _____
001-35542
(Commission File number)

(Exact name of registrant as specified in its charter)

Pennsylvania 27-2290659
(State or other jurisdiction of (IRS Employer
incorporation or organization) Identification No.)
1015 Penn Avenue
Suite 103
Wyomissing PA 19610
(Address of principal executive offices)
(610) 933-2000
(Registrant's telephone number, including area code)
N/A
(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 corporate Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T 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

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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

On April 28, 2016, 27,044,750 shares of Voting Common Stock were issued and outstanding.

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CUSTOMERS BANCORP, INC. AND SUBSIDIARIES

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CUSTOMERS BANCORP, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET — UNAUDITED
(amounts in thousands, except share and per share data)

	March 31, 2016	December 31, 2015
ASSETS		
Cash and due from banks	\$63,849	\$ 53,550
Interest-earning deposits	198,789	211,043
Cash and cash equivalents	262,638	264,593
Investment securities available for sale, at fair value	556,165	560,253
Loans held for sale (includes \$1,941,602 and \$1,757,807, respectively, at fair value)	1,969,280	1,797,064
Loans receivable	5,907,315	5,453,479
Allowance for loan losses	(37,605) (35,647
Total loans receivable, net of allowance for loan losses	5,869,710	5,417,832
FHLB, Federal Reserve Bank, and other restricted stock	92,269	90,841
Accrued interest receivable	21,206	19,939
Bank premises and equipment, net	12,444	11,531
Bank-owned life insurance	158,339	157,211
Other real estate owned	5,106	5,057
Goodwill and other intangibles	3,648	3,651
Other assets	88,077	70,233
Total assets	\$9,038,882	\$ 8,398,205
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities:		
Deposits:		
Demand, non-interest bearing	\$779,568	\$ 653,679
Interest-bearing	5,699,047	5,255,822
Total deposits	6,478,615	5,909,501
Federal funds purchased	80,000	70,000
FHLB advances	1,633,700	1,625,300
Other borrowings	86,624	86,457
Subordinated debt	108,709	108,685
Accrued interest payable and other liabilities	51,985	44,360
Total liabilities	8,439,633	7,844,303
Shareholders' equity:		
Preferred stock, par value \$1.00 per share; liquidation preference \$25.00 per share; 100,000,000 shares authorized, 3,300,000 and 2,300,000 shares issued and outstanding as of March 31, 2016 and December 31, 2015	79,677	55,569
Common stock, par value \$1.00 per share; 200,000,000 shares authorized; 27,567,265 and 27,432,061 shares issued as of March 31, 2016 and December 31, 2015; 27,037,005 and 26,901,801 shares outstanding as of March 31, 2016 and December 31, 2015	27,567	27,432
Additional paid in capital	364,647	362,607
Retained earnings	140,924	124,511
Accumulated other comprehensive loss, net	(5,333) (7,984
Treasury stock, at cost (530,260 shares as of March 31, 2016 and December 31, 2015)	(8,233) (8,233
Total shareholders' equity	599,249	553,902
Total liabilities and shareholders' equity	\$9,038,882	\$ 8,398,205
See accompanying notes to the unaudited consolidated financial statements.		

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CUSTOMERS BANCORP, INC. AND SUBSIDIARIES
 CONSOLIDATED STATEMENTS OF INCOME — UNAUDITED
 (amounts in thousands, except per share data)

	Three Months Ended March 31,	
	2016	2015
Interest income:		
Loans receivable	\$54,472	\$43,093
Loans held for sale	14,106	10,900
Investment securities	3,709	2,363
Other	1,111	2,362
Total interest income	73,398	58,718
Interest expense:		
Deposits	10,212	7,526
Other borrowings	1,606	1,488
FHLB advances	2,268	1,689
Subordinated debt	1,685	1,685
Total interest expense	15,771	12,388
Net interest income	57,627	46,330
Provision for loan losses	1,980	2,964
Net interest income after provision for loan losses	55,647	43,366
Non-interest income:		