

RENASANT CORP  
Form 10-Q  
August 07, 2015  
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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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FORM 10-Q

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(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, 2015  
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 001-13253

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RENASANT CORPORATION  
(Exact name of registrant as specified in its charter)

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Mississippi (State or other jurisdiction of incorporation or organization)	64-0676974 (I.R.S. Employer Identification No.)
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209 Troy Street, Tupelo, Mississippi (Address of principal executive offices) (662) 680-1001 (Registrant’s telephone number, including area code)	38804-4827 (Zip Code)
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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 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.

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

As of July 31, 2015, 40,264,555 shares of the registrant’s common stock, \$5.00 par value per share, were outstanding. The registrant has no other classes of securities outstanding.



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 For the Quarterly Period Ended June 30, 2015  
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## PART I. FINANCIAL INFORMATION

## Item 1. FINANCIAL STATEMENTS

## Renasant Corporation and Subsidiaries

## Consolidated Balance Sheets

(In Thousands, Except Share Data)

	(Unaudited)	
	June 30, 2015	December 31, 2014
Assets		
Cash and due from banks	\$79,060	\$ 95,793
Interest-bearing balances with banks	75,902	65,790
Cash and cash equivalents	154,962	161,583
Securities held to maturity (fair value of \$447,660 and \$442,488, respectively)	439,070	430,163
Securities available for sale, at fair value	526,220	553,584
Mortgage loans held for sale, at fair value	108,023	25,628
Loans, net of unearned income:		
Acquired and covered by FDIC loss-share agreements ("covered loans")	121,626	143,041
Acquired and not covered by FDIC loss-share agreements ("acquired non-covered loans")	507,653	577,347
Not acquired	3,407,925	3,267,486
Total loans, net of unearned income	4,037,204	3,987,874
Allowance for loan losses	(41,888 )	(42,289 )
Loans, net	3,995,316	3,945,585
Premises and equipment, net	121,072	113,735
Other real estate owned:		
Covered under FDIC loss-share agreements	3,853	6,368
Not covered under FDIC loss-share agreements	23,211	28,104
Total other real estate owned, net	27,064	34,472
Goodwill	274,698	274,706
Other intangible assets, net	20,110	22,624
FDIC loss-share indemnification asset	6,659	12,516
Other assets	225,996	230,533
Total assets	\$5,899,190	\$ 5,805,129
Liabilities and shareholders' equity		
Liabilities		
Deposits		
Noninterest-bearing	\$972,672	\$ 919,872
Interest-bearing	3,917,772	3,918,546
Total deposits	4,890,444	4,838,418
Short-term borrowings	64,229	32,403
Long-term debt	154,860	156,422
Other liabilities	58,681	66,235
Total liabilities	5,168,214	5,093,478
Shareholders' equity		
Preferred stock, \$.01 par value – 5,000,000 shares authorized; no shares issued and outstanding	—	—
Common stock, \$5.00 par value – 75,000,000 shares authorized, 32,656,166 shares issued; 31,644,706 and 31,545,145 shares outstanding, respectively	163,281	163,281
Treasury stock, at cost	(21,381 )	(22,128 )

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Additional paid-in capital	344,969	345,213
Retained earnings	252,718	232,883
Accumulated other comprehensive loss, net of taxes	(8,611 )	(7,598 )
Total shareholders' equity	730,976	711,651
Total liabilities and shareholders' equity	\$5,899,190	\$5,805,129

See Notes to Consolidated Financial Statements.

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Renasant Corporation and Subsidiaries  
Consolidated Statements of Income (Unaudited)  
(In Thousands, Except Share Data)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2015	2014	2015	2014
Interest income				
Loans	\$50,454	\$51,279	\$97,891	\$100,825
Securities				
Taxable	4,026	6,665	8,441	8,854
Tax-exempt	2,246	270	4,500	4,513
Other	43	63	103	262
Total interest income	56,769	58,277	110,935	114,454
Interest expense				
Deposits	3,170	4,136	6,608	8,509
Borrowings	1,929	1,972	3,815	3,805
Total interest expense	5,099	6,108	10,423	12,314
Net interest income	51,670	52,169	100,512	102,140
Provision for loan losses	1,175	1,450	2,250	2,900
Net interest income after provision for loan losses	50,495	50,719	98,262	99,240
Noninterest income				
Service charges on deposit accounts	6,092	6,193	12,025	12,109
Fees and commissions	5,384	5,515	10,278	10,487
Insurance commissions	2,119	2,088	4,086	3,951
Wealth management revenue	2,248	2,170	4,438	4,314
Gains on sales of securities	96	—	96	—
BOLI income	710	746	1,558	1,477
Gains on sales of mortgage loans held for sale	5,407	2,006	10,040	3,591
Other	861	753	2,300	2,158
Total noninterest income	22,917	19,471	44,821	38,087
Noninterest expense				
Salaries and employee benefits	30,394	29,810	58,654	58,238
Data processing	3,152	2,850	6,333	5,545
Net occupancy and equipment	5,524	4,906	11,083	9,753
Other real estate owned	954	1,068	1,486	2,769
Professional fees	1,172	1,389	1,996	2,589
Advertising and public relations	1,481	1,888	2,784	3,416
Intangible amortization	1,239	1,427	2,514	2,898
Communications	1,491	1,701	2,924	3,383
Merger-related expenses	1,467	—	1,945	195
Other	4,302	4,357	8,871	8,255
Total noninterest expense	51,176	49,396	98,590	97,041
Income before income taxes	22,236	20,794	44,493	40,286
Income taxes	6,842	5,941	13,859	11,836
Net income	\$15,394	\$14,853	\$30,634	\$28,450
Basic earnings per share	\$0.49	\$0.47	\$0.97	\$0.90
Diluted earnings per share	\$0.48	\$0.47	\$0.96	\$0.90
Cash dividends per common share	\$0.17	\$0.17	\$0.34	\$0.34

See Notes to Consolidated Financial Statements.

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Renasant Corporation and Subsidiaries  
Consolidated Statements of Comprehensive Income (Unaudited)  
(In Thousands, Except Share Data)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2015	2014	2015	2014
Net income	\$ 15,394	\$ 14,853	\$ 30,634	\$ 28,450
Other comprehensive income, net of tax:				
Securities:				
Net change in unrealized holding (losses) gains on securities	(3,836	) 1,206	(1,212	) 3,990
Reclassification adjustment for gains realized in net income	(60	) —	(60	) —
Amortization of unrealized holding gains on securities transferred to the held to maturity category	(28	) (39	) (60	) (83
Total securities	(3,924	) 1,167	(1,332	) 3,907
Derivative instruments:				
Net change in unrealized holding gains (losses) on derivative instruments	863	(396	) 194	(815
Totals derivative instruments	863	(396	) 194	(815
Defined benefit pension and post-retirement benefit plans:				
Amortization of net actuarial loss recognized in net periodic pension cost	68	45	125	90
Total defined benefit pension and post-retirement benefit plans	68	45	125	90
Other comprehensive (loss) income, net of tax	(2,993	) 816	(1,013	) 3,182
Comprehensive income	\$ 12,401			