

VALLEY NATIONAL BANCORP
Form 10-Q
November 06, 2015

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

(Mark One)

Quarterly Report Pursuant to Section 13 or 15 (d) of the Securities Exchange Act of 1934
For the Quarterly Period Ended September 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 1-11277

VALLEY NATIONAL BANCORP
(Exact name of registrant as specified in its charter)

New Jersey 22-2477875
(State or other jurisdiction of (I.R.S. Employer
Incorporation or Organization) Identification Number)

1455 Valley Road 07470
Wayne, NJ (Zip code)
(Address of principal executive office)
973-305-8800
(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):

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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), of which 232,867,360 shares were outstanding as of November 4, 2015

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

VALLEY NATIONAL BANCORP

CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION

(in thousands, except for share data)

	September 30, 2015	December 31, 2014
Assets		
Cash and due from banks	\$220,023	\$462,569
Interest bearing deposits with banks	71,756	367,838
Investment securities:		
Held to maturity (fair value of \$1,670,951 at September 30, 2015 and \$1,815,976 at December 31, 2014)	1,637,310	1,778,316
Available for sale	797,389	886,970
Trading securities	—	14,233
Total investment securities	2,434,699	2,679,519
Loans held for sale, at fair value	18,184	24,295
Non-covered loans	14,887,323	13,262,022
Covered loans	129,491	211,891
Less: Allowance for loan losses	(104,551)	(102,353)
Net loans	14,912,263	13,371,560
Premises and equipment, net	291,084	282,997
Bank owned life insurance	380,828	375,640
Accrued interest receivable	57,532	57,333
Due from customers on acceptances outstanding	1,622	4,197
FDIC loss-share receivable	7,267	13,848
Goodwill	577,534	575,892
Other intangible assets, net	31,382	38,775
Other assets	567,358	539,392
Total Assets	\$19,571,532	\$18,793,855
Liabilities		
Deposits:		
Non-interest bearing	\$4,365,418	\$4,235,515
Interest bearing:		
Savings, NOW and money market	6,979,804	7,056,133
Time	3,154,641	2,742,468
Total deposits	14,499,863	14,034,116
Short-term borrowings	302,941	146,781
Long-term borrowings	2,529,326	2,526,408
Junior subordinated debentures issued to capital trusts	41,374	41,252
Bank acceptances outstanding	1,622	4,197
Accrued expenses and other liabilities	199,457	178,084
Total Liabilities	17,574,583	16,930,838
Shareholders' Equity		
Preferred stock (no par value, authorized 30,000,000 shares; issued 4,600,000 shares at September 30, 2015)	111,590	—
Common stock (no par value, authorized 332,023,233 shares; issued 232,800,531 shares at September 30, 2015 and 232,127,098 shares at December 31, 2014)	81,352	81,072
Surplus	1,702,907	1,693,752

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Retained earnings	150,255	130,845	
Accumulated other comprehensive loss	(49,052) (42,495)
Treasury stock, at cost (10,651 common shares at September 30, 2015 and 16,123 common shares at December 31, 2014)	(103) (157)
Total Shareholders' Equity	1,996,949	1,863,017	
Total Liabilities and Shareholders' Equity	\$19,571,532	\$18,793,855	

See accompanying notes to consolidated financial statements.

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VALLEY NATIONAL BANCORP
 CONSOLIDATED STATEMENTS OF INCOME (Unaudited)
 (in thousands, except for share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Interest Income				
Interest and fees on loans	\$ 157,141	\$ 135,108	\$ 465,787	\$ 402,525
Interest and dividends on investment securities:				
Taxable	12,148	15,134	39,313	47,299
Tax-exempt	3,593	3,647	10,800	11,033
Dividends	1,658	1,522	5,013	4,702
Interest on federal funds sold and other short-term investments	150	48	516	102
Total interest income	174,690			