

WESBANCO INC
Form 10-K
February 26, 2016
Table of Contents

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549
FORM 10-K

(Mark One)

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

For the fiscal year ended December 31, 2015

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 000-08467

WESBANCO, INC.

(Exact name of Registrant as specified in its charter)

WEST VIRGINIA (State or other jurisdiction of incorporation or organization)	55-0571723 (IRS Employer Identification No.)
1 Bank Plaza, Wheeling, WV (Address of principal executive offices)	26003 (Zip Code)
Registrant's telephone number, including area code: 304-234-9000	

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each Exchange on which registered
Common Stock \$2.0833 Par Value	NASDAQ Global Select Market

Edgar Filing: WESBANCO INC - Form 10-K

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15 (d) of the Act. Yes No

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 (section 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 if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (section 229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

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 definitions of large accelerated filer, accelerated filer, and smaller reporting company in Rule 12b-2 of the Exchange Act:

Large accelerated filer

Non-accelerated filer

(Do not check if a smaller reporting company)

Accelerated filer

Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act.) Yes No

The aggregate market value of the registrant's outstanding voting and non-voting common stock held by non-affiliates on June 30, 2015, determined using a per share closing price on that date of \$34.02, was \$1,225,414,314.

As of February 18, 2016, there were 38,342,535 shares of WesBanco, Inc. common stock \$2.0833 par value per share, outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Certain specifically designated portions of WesBanco, Inc.'s definitive proxy statement which will be filed by April 30, 2016 for its Annual Meeting of Shareholders (the Proxy Statement) to be held in 2016 are incorporated by reference into Part III of this Form 10-K.

Table of Contents

WESBANCO, INC.

ANNUAL REPORT ON FORM 10-K

TABLE OF CONTENTS

ITEM #	ITEM	Page No.
	<u>Part I</u>	
1	<u>Business</u>	3 - 11
1A	<u>Risk Factors</u>	12 - 20
1B	<u>Unresolved Staff Comments</u>	20
2	<u>Properties</u>	20
3	<u>Legal Proceedings</u>	21 - 22
4	<u>Mine Safety Disclosures</u>	22
	<u>Part II</u>	
5	<u>Market for the Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities</u>	23 - 25
6	<u>Selected Financial Data</u>	26 - 28
7	<u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	29 - 74
7A	<u>Quantitative and Qualitative Disclosures about Market Risk</u>	75 - 78
8	<u>Financial Statements and Supplementary Data</u>	81 - 138
9	<u>Changes in and Disagreements with Accountants on Accounting and Financial Disclosure</u>	139
9A	<u>Controls and Procedures</u>	139
9B	<u>Other Information</u>	139
	<u>Part III</u>	
10	<u>Directors, Executive Officers and Corporate Governance</u>	140
11	<u>Executive Compensation</u>	140
12	<u>Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters</u>	140
13	<u>Certain Relationships and Related Transactions, and Director Independence</u>	140
14	<u>Principal Accounting Fees and Services</u>	141
	<u>Part IV</u>	
15	<u>Exhibits and Financial Statement Schedules</u>	142 - 146
	<u>Signatures</u>	147

Table of Contents

PART I

**ITEM 1. BUSINESS
GENERAL**

Wesbanco, Inc. (WesBanco), a bank holding company incorporated in 1968 and headquartered in Wheeling, West Virginia, offers a full range of financial services including retail banking, corporate banking, personal and corporate trust services, brokerage services, mortgage banking and insurance. WesBanco offers these services through two reportable segments, community banking and trust and investment services. For additional information regarding WesBanco's business segments please refer to Note 22, Business Segments in the Consolidated Financial Statements.

At December 31, 2015, WesBanco operated one commercial bank, Wesbanco Bank, Inc. (WesBanco Bank or the Bank), through 141 offices, one loan production office and 129 ATM machines located in West Virginia, Ohio, and western Pennsylvania. Total assets of WesBanco Bank as of December 31, 2015 approximated \$8.5 billion. WesBanco Bank also offers trust and investment services and various alternative investment products including mutual funds and annuities. The market value of assets under management of the trust and investment services segment was approximately \$3.6 billion as of December 31, 2015. These assets are held by WesBanco Bank in fiduciary or agency capacities for its customers and therefore are not included as assets on WesBanco's Consolidated Balance Sheets.

On February 10, 2015, WesBanco completed the acquisition of ESB Financial Corporation (ESB), a Pennsylvania thrift holding company based in Ellwood City, Pennsylvania with \$1.9 billion in assets and 23 branches. The transaction has expanded WesBanco's franchise in the Pittsburgh and western Pennsylvania region.

WesBanco offers additional services through its non-banking subsidiaries, WesBanco Insurance Services, Inc. (WesBanco Insurance), a multi-line insurance agency specializing in property, casualty, life and title insurance, with benefit plan sales and administration for personal and commercial clients; and WesBanco Securities, Inc. (WesBanco Securities), a full service broker-dealer, which also offers discount brokerage services.

WesBanco Asset Management, Inc., which was incorporated in 2002, holds certain investment securities and loans in a Delaware-based subsidiary.

WesBanco Properties, Inc. holds certain commercial real estate properties. The commercial property is leased to WesBanco Bank and to certain non-related third parties.

WesBanco has eight capital trusts which are all wholly-owned trust subsidiaries formed for the purpose of issuing trust preferred securities (Trust Preferred Securities) and lending the proceeds to WesBanco. For more information regarding WesBanco's issuance of trust preferred securities please refer to Note 11, Junior Subordinated Debt Owed to Unconsolidated Subsidiary Trusts in the Consolidated Financial Statements.

In connection with WesBanco's acquisition of ESB on February 10, 2015, WesBanco acquired ESB's wholly owned subsidiary AMSCO, Inc., (AMSCO). AMSCO engages in the management of certain real estate development and construction of 1-4 family residential units through seven joint venture partnerships. For more information please refer to Note 8, Investments in Limited Partnerships in the Consolidated Financial Statements.

WesBanco Bank's Investment Department also serves as investment adviser to a family of mutual funds, namely the WesMark Funds. The fund family is comprised of the WesMark Growth Fund, the WesMark Balanced Fund, the WesMark Small Company Growth Fund, the WesMark Government Bond Fund, and the WesMark West Virginia Municipal Bond Fund.

As of December 31, 2015, none of WesBanco's subsidiaries were engaged in any operations in foreign countries, and none had transactions with customers in foreign countries.

Table of Contents

EMPLOYEES

There were 1,633 full-time equivalent employees employed by WesBanco and its subsidiaries at December 31, 2015. None of the employees were represented by collective bargaining agreements. WesBanco believes its employee relations to be satisfactory.

WEB SITE ACCESS TO WESBANCO'S FILINGS WITH THE SECURITIES AND EXCHANGE COMMISSION

All of WesBanco's electronic filings for 2015 filed with the Securities and Exchange Commission (the "SEC"), including this Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and amendments to these reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, are made available at no cost on WesBanco's website, www.wesbanco.com, in the "About Us" section through the "Investor Relations" link as soon as reasonably practicable after WesBanco files such material with, or furnishes it to, the SEC. WesBanco's SEC filings are also available through the SEC's website at www.sec.gov.

Upon written request of any shareholder of record on December 31, 2015, WesBanco will provide, without charge, a printed copy of this 2015 Annual Report on Form 10-K, including financial statements and schedules, as required to be filed with the SEC. To obtain a copy of this report, contact: Linda Woodfin, WesBanco, Inc., 1 Bank Plaza, Wheeling, WV 26003 (304) 234-9201.

COMPETITION

Competition in the form of price and service from other banks, including local, regional and national banks and financial companies such as savings and loans, internet banks, payday lenders, money services businesses, credit unions, finance companies, brokerage firms and other non-banking companies providing various regulated and non-regulated financial services and products, is intense in most of the markets served by WesBanco and its subsidiaries. WesBanco's trust and investment services segment receives competition from commercial banks, trust companies, mutual fund companies, investment advisory firms, law firms, brokerage firms and other financial services companies. As a result of consolidation within the financial services industry, mergers between, and the expansion of, financial institutions both within and outside of WesBanco's major markets have provided significant competitive pressure in those markets. Many of WesBanco's competitors have greater resources and, as such, may have higher lending limits and may offer other products and services that are not provided by WesBanco. WesBanco generally competes on the basis of superior customer service and responsiveness to customer needs, available loan and deposit products, rates of interest charged on loans, rates of interest paid for deposits, and the availability and pricing of trust, brokerage and insurance services. As a result of WesBanco's expansion into certain larger Ohio and Pennsylvania metropolitan markets, it has faced entrenched larger bank competitors with an already existing customer base that may far exceed WesBanco's initial entry position into those markets. As a result, WesBanco may be forced to compete more aggressively for loans, deposits, trust and insurance products in order to grow its market share, potentially reducing its current and future profit potential from such markets.

SUPERVISION AND REGULATION

As a bank holding company and a financial holding company under federal law, WesBanco is subject to supervision and examination by the Board of Governors of the Federal Reserve System ("Federal Reserve Board") under the Bank Holding Company Act of 1956, as amended (the "BHCA"), and is required to file with the Federal Reserve Board reports and other information regarding its business operations and the business operations of its subsidiaries. WesBanco also is required to obtain Federal Reserve Board approval prior to acquiring, directly or indirectly, ownership or control of certain voting shares of other banks, as described below. Since WesBanco is both a bank holding company and a financial holding company, WesBanco can offer customers virtually any type of service that is financial in nature or incidental thereto, including banking and activities closely related to banking, securities underwriting, insurance (both underwriting and agency) and merchant banking.

Table of Contents

As indicated above, WesBanco presently operates one bank subsidiary, WesBanco Bank. The Bank is a West Virginia banking corporation and is not a member bank of the Federal Reserve System. It is subject to examination and supervision by the Federal Deposit Insurance Corporation (the FDIC) and the West Virginia Division of Financial Institutions. The deposits of WesBanco Bank are insured by the Deposit Insurance Fund of the FDIC. WesBanco's non-bank subsidiaries are subject to examination and supervision by the Federal Reserve Board and examination by other federal and state agencies, including, in the case of certain securities activities, regulation by the SEC, the Financial Institution Regulatory Authority (FINRA), the Municipal Securities Rulemaking Board and the Securities Investors Protection Corporation. WesBanco Bank maintains one designated financial subsidiary, WesBanco Insurance, which, as indicated above, is a multi-line insurance agency specializing in property, casualty, life and title insurance, with benefit plan sales and administration for personal and commercial clients.

WesBanco is also under the jurisdiction of the SEC and certain state securities commissions for matters relating to the offering and sale of its securities. WesBanco is subject to the disclosure and regulatory requirements of the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended, as administered by the SEC. WesBanco is listed on the NASDAQ Global Select Market (the NASDAQ) under the trading symbol WSBCE and is subject to the rules of the NASDAQ for listed companies.

Under the Riegle-Neal Interstate Banking and Branching Efficiency Act of 1994, as amended (the Riegle-Neal Act), a bank holding company may acquire banks in states other than its home state, subject to certain limitations. The Riegle-Neal Act also authorizes banks to merge across state lines, thereby creating interstate banking. Under the Dodd-Frank Wall Street Reform and Consumer Protection Act (the Dodd-Frank Act), banks are also permitted to establish de novo branches across state lines to the same extent that a state-chartered bank in each host state would be permitted to open branches.

Under the BHCA, prior Federal Reserve Board approval is required for WesBanco to acquire more than 5% of the voting stock of any bank. In determining whether to approve a proposed bank acquisition, federal banking regulators will consider, among other factors, the effect of the acquisition on competition, the public benefits expected to be received from the acquisition, the projected capital ratios and levels on a post-acquisition basis, and the acquiring institution's record of addressing the credit needs of the communities it serves, including the needs of low and moderate income neighborhoods, consistent with safe and sound operation of the bank, under the Community Reinvestment Act, as amended (the CRA).

HOLDING COMPANY REGULATIONS

As indicated above, WesBanco has one state bank subsidiary, WesBanco Bank, as well as non-bank subsidiaries, which are described further in Item 1. Business - General section of this Annual Report on Form 10-K. The subsidiary bank is subject to affiliate transaction restrictions under federal law, which limit covered transactions by the subsidiary bank with the parent and any non-bank subsidiaries of the parent, which are referred to in the aggregate in this paragraph as affiliates of the subsidiary bank. Covered transactions include loans or extensions of credit to an affiliate (including repurchase agreements), purchases of or investments in securities issued by an affiliate, purchases of assets from an affiliate, the acceptance of securities issued by an affiliate as collateral for a loan or extension of credit, the issuance of a guarantee, acceptance or letter of credit on behalf of an affiliate, certain transactions that involve borrowing or lending securities, and certain derivative transactions with an affiliate. Such covered transactions between the subsidiary bank and any single affiliate are limited in amount to 10% of the subsidiary bank's capital and surplus, and, with respect to covered transactions with all affiliates in the aggregate, are limited in amount to 20% of the subsidiary bank's capital and surplus. Furthermore, such loans or extensions of credit, guarantees, acceptances and letters of credit, and any credit exposure resulting from securities borrowing or lending transactions or derivatives transactions, are required to be secured by collateral at all times in amounts specified by law. In addition, all covered transactions must be conducted on terms and conditions that are consistent with safe and sound banking practices.

Table of Contents

The Dodd-Frank Act requires a bank holding company to act as a source of financial strength to its subsidiary bank. Under this source of strength requirement, the Federal Reserve Board may require a bank holding company to make capital infusions into a troubled subsidiary bank, and may charge the bank holding company with engaging in unsafe and unsound practices for failure to commit resources to such a subsidiary bank. A capital infusion conceivably could be required at a time when WesBanco may not have the resources to provide it.

PAYMENT OF DIVIDENDS

Dividends from the subsidiary bank are a significant source of funds for payment of dividends to WesBanco's shareholders. For the year ended December 31, 2015, WesBanco declared cash dividends to its common shareholders of approximately \$35.4 million.

As of December 31, 2015, WesBanco Bank was well capitalized under the definition in Section 325.103 of the FDIC Regulations. Therefore, as long as the Bank remains well capitalized or even becomes adequately capitalized, there would be no basis under Section 325.105 to limit the ability of the Bank to pay dividends because it had not become undercapitalized, significantly undercapitalized or critically undercapitalized. Beginning January 1, 2016, WesBanco Bank and WesBanco will be subject to capital buffer rules, which will require WesBanco and WesBanco Bank to have capital levels above the regulatory minimums in order to pay dividends (discussed below in connection with the Basel III initiative under Item 1. Business Capital Requirements).

All financial institutions are subject to the prompt corrective action provisions set forth in Section 38 of the Federal Deposit Insurance Act (the FDI Act) and the provisions set forth in Section 325.105 of the FDIC Regulations. Immediately upon a state non-member bank receiving notice, or being deemed to have notice, that the bank is undercapitalized, significantly undercapitalized, or critically undercapitalized, as defined in Section 325.103 of the FDIC Regulations, the bank is precluded from being able to pay dividends to its shareholders based upon the requirements in Section 38(d) of the FDI Act, 12. U.S.C. § 1831o(d).

In addition, with respect to possible dividends by the Bank, under Section 31A-4-25 of the West Virginia Code, the prior approval of the West Virginia Commissioner of Banking would be required if the total of all dividends declared by the Bank in any calendar year would exceed the total of the Bank's net profits for that year combined with its retained net profits of the preceding two years. Further, Section 31A-4-25 limits the ability of a West Virginia banking institution to pay dividends until the surplus fund of the banking institution equals the common stock of the banking institution and if certain specified amounts of recent profits of the banking institution have not been carried to the surplus fund.

If, in the opinion of the applicable regulatory authority, a bank under its jurisdiction is engaged in or is about to engage in an unsafe or unsound practice which, depending on the financial condition of the bank, could include the payment of dividends, such authority may require, after notice and hearing, that such bank cease and desist from such practice. The Federal Reserve Board has issued policy statements which provide that insured banks and bank holding companies should generally only pay dividends out of current operating earnings. Under applicable law, bank regulatory agency approval is required if the total of all dividends declared by a bank in any calendar year exceeds the available retained earnings or exceeds the aggregate of the bank's net profits (as defined by regulatory agencies) for that year and its retained net profits for the preceding two years. As of December 31, 2015, under FDIC regulations, WesBanco could receive, without prior regulatory approval, a dividend of up to \$51.3 million from WesBanco Bank. Additional information regarding dividend restrictions is set forth in Note 20, Regulatory Matters, in the Consolidated Financial Statements.

On February 24, 2009, the Federal Reserve Division of Banking Supervision and Regulation issued a letter providing direction to bank holding companies on the payment of dividends, capital repurchases and capital redemptions. Although the letter largely reiterates longstanding Federal Reserve supervisory policies, it emphasizes the need for a bank holding company to review various factors when considering the declaration of a dividend or taking action that would reduce regulatory capital provided by outstanding financial instruments. These factors include the potential need to increase loan loss reserves, write down assets and reflect declines in asset values in

Table of Contents

equity. In addition, the bank holding company should consider its past and anticipated future earnings, the dividend payout ratio in relation to earnings, and adequacy of regulatory capital before any action is taken. The consideration of capital adequacy should include a review of all known factors that may affect capital in the future.

In certain circumstances, defined by regulation relating to levels of earnings and capital, advance notification to, and in some circumstances, approval by the regulator could be required to declare a dividend or repurchase or redeem capital instruments.

FDIC INSURANCE

FDIC insurance premiums are assessed by the FDIC using a risk-based approach that places insured institutions into categories based on capital and risk profiles. In 2015, WesBanco Bank paid deposit insurance premiums of \$4.1 million, compared to \$3.0 million and \$3.4 million in 2014 and 2013, respectively. The increase from prior years was due to a larger assessment base from the ESB acquisition. WesBanco Bank's capital, net income and loan quality financial ratios used to calculate the assessment rate have continually improved, leading to a decrease in the assessment rate.

CAPITAL REQUIREMENTS

The Federal Reserve Board has issued risk-based capital ratio and leverage ratio guidelines for bank holding companies. The risk-based capital ratio guidelines establish a systematic analytical framework that makes regulatory capital requirements more sensitive to differences in risk profiles among banking organizations, takes off-balance sheet exposures into explicit account in assessing capital adequacy, and minimizes disincentives to holding liquid, low-risk assets. Under the guidelines and related policies, bank holding companies must maintain capital sufficient to meet both a risk-based asset ratio test and a leverage ratio test on a consolidated basis. The risk-based ratio is determined by allocating assets and specified off-balance sheet commitments into four weighted categories, with higher weightings being assigned to categories perceived as representing greater risk. A bank holding company's capital is then divided by total risk-weighted assets to yield the risk-based ratio. The leverage ratio is determined by relating core capital to total assets adjusted as specified in the guidelines. The Bank is subject to substantially similar capital requirements.

The federal regulatory authorities' risk-based capital guidelines are based upon agreements reached by the Basel Committee on Banking Supervision (the Basel Committee). The Basel Committee is a committee of central banks and bank supervisors and regulators from the major industrialized countries that develops broad policy guidelines for use by each country's supervisors in determining the supervisory policies they apply. In December 2010, the Basel Committee issued a strengthened set of international capital and liquidity standards for banks and bank holding companies, known as Basel III. In July 2013, the U.S. federal banking agencies issued a joint final rule that implements the Basel III capital standards and establishes the minimum capital levels required under the Dodd-Frank Act. The rule was effective January 1, 2015 subject to a transition period providing for full implementation on January 1, 2019.

Generally, under the applicable guidelines, a financial institution's capital is divided into common equity Tier 1 (CET1), total Tier 1 and Tier 2. CET1 includes common shares and retained earnings less goodwill, intangible assets subject to limitation and certain deferred tax assets subject to limitation. In addition under the final capital rule, an institution may make a one-time, permanent election to continue to exclude accumulated other comprehensive income from capital. If an institution does not make this election, unrealized gains and losses will be included in the calculation of its CET1. Total Tier 1 is comprised of CET1 and certain restricted capital instruments, including qualifying cumulative perpetual preferred stock and qualifying trust preferred securities, in their Tier 1 capital, up to a limit of 25% of Tier 1 capital. (See below within this section for more information regarding the capital treatment of trust preferred securities.)

Tier 2, or supplementary capital, includes, among other things, portions of trust preferred securities and cumulative perpetual preferred stock not otherwise counted in Tier 1 capital, as well as perpetual preferred stock,

Table of Contents

intermediate-term preferred stock, hybrid capital instruments, perpetual debt, mandatory convertible debt securities, term subordinated debt, unrealized holding gains on equity securities, and the allowance for loan and lease losses, all subject to certain limitations. Total capital is the sum of Tier 1 and Tier 2 capital. The amount of Tier 2 capital that exceeds the amount of Tier 1 capital must be excluded from the total capital calculation.

The Federal Reserve Board has established the following minimum capital levels banks and bank holding companies are required to maintain: (i) CET1 of at least 4.5%, (ii) Tier 1 capital ratio of at least 6%, (iii) total capital ratio (Tier 1 and Tier 2 capital) of at least 8%; and (iv) a non-risk-based leverage ratio (Tier 1 capital to average consolidated assets) of 4%. Additionally, when the final capital rule is fully implemented, it will require an institution to maintain a 2.5% common equity Tier 1 capital conservation buffer over the minimum risk-based capital requirements to avoid restrictions on the ability to pay dividends, discretionary bonuses to executive officers, and engage in share repurchases.

Failure to meet applicable capital guidelines could subject a financial institution to a variety of enforcement remedies available to the federal regulatory authorities, including limitations on the ability to pay dividends, the issuance by the regulatory authority of a capital directive to increase capital, and the termination of deposit insurance by the FDIC, as well as to the measures described below under Prompt Corrective Action as applicable to undercapitalized institutions.

As of December 31, 2015, WesBanco's CET1, Tier 1 and total capital to risk-adjusted assets ratios were 11.66%, 13.35% and 14.11%, respectively. As of December 31, 2015, WesBanco Bank also had capital in excess of the minimum requirements. Neither WesBanco nor the Bank had been advised by the appropriate federal banking regulator of any specific leverage ratio applicable to it. As of December 31, 2015, WesBanco's leverage ratio was 9.38%.

As of December 31, 2015, WesBanco had \$106.2 million in junior subordinated debt on its Consolidated Balance Sheets presented as a separate category of long-term debt. For regulatory purposes, Trust Preferred Securities totaling \$103.0 million underlying such junior subordinated debt were included in Tier 1 capital as of December 31, 2015, in accordance with regulatory reporting requirements. In 2013, the federal banking agencies amended capital requirements to generally exclude trust preferred securities from Tier 1 capital. A grandfather provision, however, permits bank holding companies with consolidated assets of less than \$15 billion, such as WesBanco, to continue counting existing trust preferred securities as Tier 1 capital until they mature. The final Basel III capital rule permanently grandfathers trust preferred securities issued before May 19, 2010 for institutions of less than \$15 billion in size, subject to a 25% limit of Tier 1 capital. The amount of trust preferred securities and certain other elements in excess of the limit could be included in Tier 2 capital, subject to restrictions. For more information regarding trust preferred securities, please refer to Note 11, Junior Subordinated Debt Owed to Unconsolidated Subsidiary Trusts in the Consolidated Financial Statements.

The risk-based capital standards of the Federal Reserve Board and the FDIC specify that evaluations by the banking agencies of a bank's capital adequacy will include an assessment of the exposure to declines in the economic value of the bank's capital due to changes in interest rates. These banking agencies issued a joint policy statement on interest rate risk describing prudent methods for monitoring such risk that rely principally on internal measures of exposure and active oversight of risk management activities by senior management.

PROMPT CORRECTIVE ACTION

The Federal Deposit Insurance Corporation Improvement Act of 1991 (FDICIA) requires federal banking regulatory authorities to take prompt corrective action with respect to depository institutions that do not meet minimum capital requirements. For these purposes, FDICIA establishes five capital tiers: well-capitalized, adequately capitalized, undercapitalized, significantly undercapitalized, and critically undercapitalized.

An institution is deemed to be well-capitalized if it has a total risk-based capital ratio of 10% or greater, a Tier 1 risk-based capital ratio of 8% or greater, a Tier 1 leverage ratio of 5% or greater, and a new common equity Tier 1 ratio of 6.5% or greater, and is not subject to a regulatory order, agreement, or directive to meet and

Table of Contents

maintain a specific capital level for any capital measure. An institution is deemed to be adequately capitalized if it has a total risk-based capital ratio of 8% or greater, a Tier 1 risk-based capital ratio of 6% or greater, generally a Tier 1 leverage ratio of 4% or greater, and a common equity Tier 1 ratio of 4.5% or greater, and the institution does not meet the definition of a well-capitalized institution. An institution that does not meet one or more of the adequately capitalized tests is deemed to be undercapitalized. If the institution has a total risk-based capital ratio that is less than 6%, a Tier 1 risk-based capital ratio that is less than 4%, or a Tier 1 leverage ratio that is less than 3%, it is deemed to be significantly undercapitalized. Finally, an institution is deemed to be critically undercapitalized if it has a ratio of tangible equity (as defined in the regulations) to total assets that is equal to or less than 2%. At December 31, 2015, WesBanco Bank had capital levels that met the well-capitalized standards under FDICIA and its implementing regulations.

FDICIA generally prohibits a depository institution from making any capital distribution, including payment of a cash dividend, or paying any management fee to its holding company, if the depository institution would thereafter be undercapitalized. Undercapitalized institutions are subject to growth limitations and are required to submit a capital restoration plan. If any depository institution subsidiary of a holding company is required to submit a capital restoration plan, the holding company would be required to provide a limited guarantee regarding compliance with the plan as a condition of approval of such plan by the appropriate federal banking agency. If an undercapitalized institution fails to submit an acceptable plan, it is treated as if it is significantly undercapitalized. Significantly undercapitalized institutions may be subject to a number of requirements and restrictions, including orders to sell sufficient voting stock to become adequately capitalized, requirements to reduce total assets, and cessation of receipt of deposits from correspondent banks. Critically undercapitalized institutions may not, beginning 60 days after becoming critically undercapitalized, make any payment of principal or interest on their subordinated debt and/or trust preferred securities. In addition, critically undercapitalized institutions are subject to appointment of a receiver or conservator within 90 days of becoming critically undercapitalized.

GRAMM-LEACH-BLILEY ACT

Under the Gramm-Leach-Bliley Act (the GLB Act), banks are no longer prohibited from associating with, or having management interlocks with, a business organization engaged principally in securities activities. By qualifying as a financial holding company, as authorized under the GLB Act, which WesBanco has done, a bank holding company acquires new powers not otherwise available to it. As indicated above, WesBanco has elected to become a financial holding company under the GLB Act. It also has qualified a subsidiary of the Bank as a financial subsidiary under the GLB Act.

Financial holding company powers relate to financial activities that are determined by the Federal Reserve Board, in coordination with the Secretary of the Treasury, to be financial in nature, incidental to an activity that is financial in nature, or complementary to a financial activity, provided that the complementary activity does not pose a safety and soundness risk. The GLB Act itself defines certain activities as financial in nature, including but not limited to: underwriting insurance or annuities; providing financial or investment advice; underwriting, dealing in, or making markets in securities; merchant banking, subject to significant limitations; insurance company portfolio investing, subject to significant limitations; and any activities previously found by the Federal Reserve Board to be closely related to banking.

National and state banks are permitted under the GLB Act, subject to capital, management, size, debt rating, and CRA qualification factors, to have financial subsidiaries that are permitted to engage in financial activities not otherwise permissible. However, unlike financial holding companies, financial subsidiaries may not engage in insurance or annuity underwriting; developing or investing in real estate; merchant banking (for at least five years); or insurance company portfolio investing.

DODD-FRANK ACT

The Dodd-Frank Act contains numerous and wide-ranging reforms to the structure of the U.S. financial system. Portions of the Dodd-Frank Act are effective at different times, and many of the provisions are general

Table of Contents

statements directing regulators to draft more detailed rules. Although the full scope of the Dodd-Frank Act's impact remains somewhat unclear, management expects that it will, over time, reduce revenue and increase expenses.

Bank holding companies will be subjected to increased capital requirements (discussed above under Item 1. Business Capital Requirements). A provision known as the Volcker Rule limits WesBanco's ability to engage in proprietary trading, as well as its ability to sponsor or invest in hedge funds or private equity funds. In December 2013, U.S. federal banking agencies issued joint final rules implementing this provision. The rules were effective April 1, 2014, and WesBanco is expected to bring its activities and investments into full compliance by July 21, 2017. Additionally, an interim final rule was issued in January 2014 that exempts investments in certain collateralized debt obligations backed primarily by trust preferred securities from the provisions of the Volcker Rule. This interim final rule issued in January 2014 did not have a material impact on WesBanco for the year ended December 31, 2015.

The Dodd-Frank Act makes several changes affecting the securitization markets, which may affect a bank's ability or desire to use those markets to meet funding or liquidity needs. One of these changes calls for federal regulators to adopt regulations requiring the sponsor of a securitization to retain at least 5% of the credit risk, with exceptions for qualified residential mortgages.

Publicly traded companies are required by the Dodd-Frank Act to give shareholders an advisory vote on executive compensation, and, in some cases, golden parachute arrangements. Further, SEC and NASDAQ rulemaking under the Dodd-Frank Act requires NASDAQ-listed companies to have a compensation committee composed entirely of independent directors. WesBanco's compensation committee members currently satisfy the independence criteria. The Dodd-Frank Act also calls for regulators to issue new rules relating to incentive-based compensation arrangements deemed excessive, and proxy access by shareholders.

All banks and other insured depository institutions will have increased authority to open new branches across state lines (discussed above under Item 1. Business Supervision and Regulation). A provision authorizing insured depository institutions to pay interest on checking accounts will likely increase WesBanco's interest expenses. The Consumer Financial Protection Bureau (the CFPB), created by the Dodd-Frank Act, has the authority to write rules implementing numerous consumer protection laws applicable to all banks (discussed below under Item 1. Business Consumer Protection Laws).

CONSUMER PROTECTION LAWS

In connection with its lending and leasing activities, all banks are subject to a number of federal and state laws designed to protect consumers and promote lending and other financial services to various sectors of the economy and population. These laws include the Equal Credit Opportunity Act, the Fair Credit Reporting Act, the Truth in Lending Act, the Truth in Savings Act (TILA), the Home Mortgage Disclosure Act, the Real Estate Settlement Procedures Act (RESPA), the Electronic Fund Transfer Act, and, in some cases, their respective state law counterparts. The new CFPB created by the Dodd-Frank Act now has consolidated authority to write regulations implementing these and other laws. WesBanco's other subsidiaries that provide services relating to consumer financial products and services will also be subject to the CFPB's regulations. As an institution with assets of less than \$10 billion, WesBanco Bank will continue to be examined by the FDIC for compliance with these rules. Relating to mortgage lending, the Dodd-Frank Act authorized the CFPB to issue new regulations governing the ability to repay (ATR), qualified mortgages (QM), mortgage servicing, appraisals and compensation of mortgage lenders, all of which have been issued and have taken effect. They limit the mortgage products offered by the Bank and have an impact on timely enforcement of delinquent mortgage loans. In addition, the Dodd-Frank Act required the Federal Reserve Board to write rules to limit debit card interchange fees to those reasonable and proportional to the cost of transactions, which were effective on October 1, 2011. Even though the limits on debit card interchange fees apply only to institutions with more than \$10 billion in assets, market forces may over time limit debit card interchange fees as a source of revenue for all banks, including smaller banks like WesBanco Bank.

Table of Contents

Federal law currently contains extensive customer privacy protection provisions. Under these provisions, a financial institution must provide to its customers, at the inception of the customer relationship and annually thereafter, the institution's policies and procedures regarding the handling of customers' nonpublic personal financial information. These provisions also provide that, except for certain limited exceptions, an institution may not provide such personal information to unaffiliated third parties unless the institution discloses to the customer that such information may be so provided and the customer is given the opportunity to opt out of such disclosure. Federal law makes it a criminal offense, except in limited circumstances, to obtain or attempt to obtain customer information of a financial nature by fraudulent or deceptive means.

The CRA requires WesBanco Bank's primary federal bank regulatory agency, the FDIC, to assess WesBanco Bank's record in meeting the credit needs of the communities served by the bank, including low and moderate-income neighborhoods and persons. Institutions are assigned one of four ratings: Outstanding, Satisfactory, Needs to Improve or Substantial Noncompliance. This assessment is reviewed when a bank applies to merge or consolidate with or acquire the assets or assume the liabilities of an insured depository institution, or to open or relocate a branch office. WesBanco Bank's current CRA rating is Outstanding as a result of an FDIC exam in 2013.

SECURITIES REGULATION

WesBanco's full service broker-dealer subsidiary, WesBanco Securities, is registered as a broker-dealer with the SEC and in the states in which it does business. WesBanco Securities also is a member of FINRA. WesBanco Securities is subject to regulation by the SEC, FINRA and the securities administrators of the states in which it is registered. WesBanco Securities is a member of the Securities Investor Protection Corporation, which in the event of the liquidation of a broker-dealer, provides protection for customers' securities accounts held by WesBanco Securities of up to \$500,000 for each eligible customer, subject to a limitation of \$250,000 for claims for cash balances.

In addition, WesBanco Bank's Investment Department serves as an investment adviser to a family of mutual funds and is registered as an investment adviser with the SEC and in some states.

The Dodd-Frank Act also directed the CFPB to integrate the mortgage loan disclosures under TILA and RESPA. The CFPB issued new integrated disclosures rules (TRID) which became effective October 3, 2015, and which have combined the prior good faith estimate and truth in lending disclosure form into a new form, the loan estimate. They have also combined the HUD-1 and final truth in lending disclosure forms into a new form, the closing disclosure. The new rule is extremely complex (approximately 1900 pages), contains significant uncertainties as to penalties, some of which can be quite material, contains prohibitions against correcting even technical mistakes, creates uncertainty regarding last minute changes in the transaction and has triggered significant ambiguity in compliance. Thus for covered transactions and most closed-end consumer credit transactions secured by real property, the TRID rules have presented significant and ongoing challenges to real estate lenders.

ANTI-MONEY LAUNDERING INITIATIVES AND THE USA PATRIOT ACT

A major focus of governmental policy on financial institutions in recent years has been aimed at combating money laundering and terrorist financing. The USA PATRIOT Act of 2001 (the USA Patriot Act) substantially broadened the scope of United States anti-money laundering laws and regulations by imposing significant new compliance and due diligence obligations, creating new crimes and penalties and expanding the extra-territorial jurisdiction of the United States. The United States Treasury Department has issued various implementing regulations which apply certain requirements of the USA Patriot Act to financial institutions, such as WesBanco Bank and WesBanco's broker-dealer subsidiary. These regulations impose obligations on financial institutions to maintain appropriate policies, procedures and controls to detect, prevent and report money laundering and terrorist financing and to verify the identity of their customers. Failure of WesBanco and its subsidiaries to maintain and implement adequate programs to combat money laundering and terrorist financing, or to comply with all of the relevant laws or regulations, could have serious legal and reputational consequences for WesBanco and its subsidiaries.

Table of Contents

ITEM 1A. RISK FACTORS

The risks described below are not the only ones we face in our business. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also impair our business operations. If any of the following risks occur, our business, financial condition or operating results could be materially harmed.

DUE TO INCREASED COMPETITION, WESBANCO MAY NOT BE ABLE TO ATTRACT AND RETAIN BANKING CUSTOMERS AT CURRENT LEVELS.

WesBanco operates in a highly competitive banking and financial industry that could become even more competitive as a result of legislative, regulatory and technological changes. WesBanco faces banking competition in all the markets it serves from the following:

local, regional and national banks;

savings and loans;

internet banks;

credit unions;

payday lenders and money services businesses;

finance companies; and

brokerage firms serving WesBanco's market areas.

In particular, the Bank's competitors include several major national financial companies whose greater resources may afford them a marketplace advantage by enabling them to maintain numerous banking locations and mount extensive promotional and advertising campaigns. Additionally, banks and other financial institutions may have products and services not offered by WesBanco, which may cause current and potential customers to choose those institutions. Areas of competition include interest rates for loans and deposits, efforts to obtain deposits and range and quality of services provided. If WesBanco is unable to attract new and retain current customers, loan and deposit growth could decrease, causing WesBanco's results of operations and financial condition to be negatively impacted.

WESBANCO MAY NOT BE ABLE TO EXPAND ITS TRUST AND INVESTMENT SERVICES SEGMENT AND RETAIN ITS CURRENT CUSTOMERS.

WesBanco may not be able to attract new and retain current investment management clients due to competition from the following:

commercial banks and trust companies;

mutual fund companies;

investment advisory firms;

law firms;

brokerage firms; and

other financial services companies.

Its ability to successfully attract and retain investment management clients is dependent upon its ability to compete with competitors' investment products, level of investment performance, client services and marketing and distribution capabilities. Due to changes in economic conditions, the performance of the trust and investment services segment may be negatively impacted by the financial markets in which investment clients' assets are invested, causing clients to seek other alternative investment options. If WesBanco is not successful, its results from operations and financial position may be negatively impacted.

Table of Contents

CUSTOMERS MAY DEFAULT ON THE REPAYMENT OF LOANS WHICH COULD SIGNIFICANTLY IMPACT RESULTS OF OPERATIONS THROUGH INCREASES IN THE PROVISION AND ALLOWANCE FOR LOAN LOSSES.

The Bank's customers may default on the repayment of loans, which may negatively impact WesBanco's earnings due to loss of principal and interest income. Increased operating expenses may result from the allocation of management time and resources to the collection and work-out of the loan. Collection efforts may or may not be successful causing WesBanco to write off the loan or repossess the collateral securing the loan, which may or may not exceed the balance of the loan.

WesBanco maintains an allowance for loan losses, which is a reserve established through a provision for loan losses charged to expense, to provide for probable incurred losses in our loan portfolio. Management evaluates the adequacy of the allowance for loan losses at least quarterly, which includes testing certain individual loans as well as collective pools of loans for impairment. This evaluation includes an assessment of actual loss experience within each category of the portfolio, individual commercial and commercial real estate loans that exhibit credit weakness; current economic events, including employment statistics, trends in bankruptcy filings, and other pertinent factors; industry or geographic concentrations; and regulatory guidance.

WesBanco's regulatory agencies periodically review the allowance for loan losses. Based on their assessment the regulatory agencies may require WesBanco to adjust the allowance for loan losses. These adjustments could negatively impact WesBanco's results of operations or financial position.

ECONOMIC CONDITIONS IN WESBANCO'S MARKET AREAS COULD NEGATIVELY IMPACT EARNINGS.

WesBanco Bank serves both individuals and business customers throughout West Virginia, Ohio and western Pennsylvania. The substantial majority of WesBanco's loan portfolio is to individuals and businesses in these markets. As a result, the financial condition, results of operations and cash flows of WesBanco are affected by local and regional economic conditions. A downturn in these economies could have a negative impact on WesBanco and the ability of the Bank's customers to repay their loans. The value of the collateral securing loans to borrowers may also decline as the economy declines. As a result, deteriorating economic conditions in these markets could cause a decline in the overall quality of WesBanco's loan portfolio requiring WesBanco to charge-off a higher percentage of loans and/or increase its allowance for loan losses. A decline in economic conditions in these markets may also force customers to utilize deposits held by WesBanco Bank in order to pay current expenses causing the Bank's deposit base to shrink. As a result the Bank may have to borrow funds at higher rates in order to meet liquidity needs. Lower oil and gas prices have reduced shale gas activity in the region which may negatively impact local and regional economic conditions and affect both commercial and retail customers, resulting in lower deposits and credit deterioration in the loan portfolio. These events may have a negative impact on WesBanco's earnings and financial condition.

CURRENT MARKET INTEREST RATES AND COST OF FUNDS MAY NEGATIVELY IMPACT WESBANCO'S BANKING BUSINESS.

Fluctuations in interest rates may negatively impact the business of the Bank. The Bank's main source of income from operations is net interest income, which is equal to the difference between the interest income received on interest-bearing assets (usually loans and investment securities) and the interest expense incurred in connection with interest-bearing liabilities (usually deposits and borrowings). These rates are highly sensitive to many factors beyond WesBanco's control, including general economic conditions, both domestic and foreign, and the monetary and fiscal policies of various governmental and regulatory authorities. WesBanco Bank's net interest income can be affected significantly by changes in market interest rates. Changes in relative interest rates may reduce the Bank's net interest income as the difference between interest income and interest expense decreases. As a result, the Bank has adopted asset and liability management policies to minimize the potential adverse effects of changes in interest rates on net interest income, primarily by altering the mix and maturity of

Table of Contents

loans, investments and funding sources. However, even with these policies in place, WesBanco cannot be certain that changes in interest rates or the shape of the interest rate yield curve will not negatively impact its results of operations or financial position.

WesBanco's cost of funds for banking operations may not decrease at the same pace as asset yields, particularly in the current interest rate environment, where certain rates are subject to artificial floors or are close to 0%. Cost of funds also may increase as a result of future general economic conditions, interest rates and competitive pressures. The Bank has traditionally obtained funds principally through deposits and wholesale borrowings. As a general matter, deposits are a cheaper source of funds than borrowings because interest rates paid for deposits are typically less than interest rates charged for borrowings. If, as a result of general economic conditions, market interest rates, competitive pressures or otherwise, the value of deposits at the Bank decreases relative to its overall banking operations, the Bank may have to rely more heavily on borrowings as a source of funds in the future.

SIGNIFICANT DECLINES IN U.S. AND GLOBAL MARKETS COULD HAVE A NEGATIVE IMPACT ON WESBANCO'S EARNINGS.

The capital and credit markets could experience extreme disruption. These conditions result in less liquidity, greater volatility, widening of credit spreads and a lack of price transparency in certain asset types. In many cases, markets could exert downward pressure on stock prices, security prices and credit capacity for certain issuers without regard to those issuers' underlying financial strength. Sustained weakness in business and economic conditions in any or all of the domestic or foreign financial markets could result in credit deterioration in investment securities held by us, rating agency downgrades for such securities or other market factors that (such as lack of liquidity for re-sales, absence of reliable pricing information or unanticipated changes in the competitive market) could result in us having to recognize other-than-temporary impairment in the value of such investment securities, with a corresponding charge against earnings. Furthermore, our pension assets are primarily invested in equity and debt securities, and weakness in capital and credit markets could result in deterioration of these assets, and changes in certain key pension assumptions based on current interest rates, long-term rates of return and other economic or actuarial assumptions may increase minimum funding contributions and future pension expense. If the markets deteriorate further, these conditions may be material to WesBanco's ability to access capital and may adversely impact results of operations.

Further, WesBanco's trust and investment services income could be impacted by fluctuations in the securities market. A portion of this revenue is based on the value of the underlying investment portfolios. If the values of those investment portfolios decline, the Bank's revenue could be negatively impacted.

RISKS INHERENT IN MUNICIPAL BONDS COULD HAVE A NEGATIVE IMPACT ON WESBANCO'S EARNINGS.

As of December 31, 2015, approximately 35% of WesBanco's total securities portfolio was invested in municipal bonds. Although WesBanco's municipal portfolio is broadly spread across the U.S., any downturn in the economy of a state or municipality in which WesBanco holds municipal obligations could increase the default risk of the respective debt. In addition, a portion of WesBanco's municipal portfolio is comprised of Build America bonds. Due to the current government sequester reducing the interest subsidy that the government provides to the issuing municipalities, extraordinary redemption provisions (ERP) may be executed by the municipality if it is in their favor to do so. There is a risk that when an ERP is executed, WesBanco may not recover its amortized cost in the bond if it was purchased at a premium. Credit risks are also prevalent when downgrades of credit ratings are issued by major credit rating agencies, which are caused by creditworthiness issues of both bond insurers and the municipality itself. Credit rating downgrades to a non-investment grade level may force WesBanco to sell a municipal bond at a price where amortized cost may not be recovered. Any of the above default risks, early redemption risks and credit risks could cause WesBanco to take impairment charges, which could be significant, that would negatively impact earnings.

Table of Contents

WESBANCO MAY BE REQUIRED TO WRITE DOWN GOODWILL AND OTHER INTANGIBLE ASSETS, CAUSING ITS FINANCIAL CONDITION AND RESULTS TO BE NEGATIVELY AFFECTED.

When WesBanco acquires a business, a portion of the purchase price of the acquisition is allocated to goodwill and other identifiable intangible assets. The amount of the purchase price which is allocated to goodwill and other intangible assets is determined by the excess of the purchase price over the net identifiable assets acquired. Under current accounting standards, if WesBanco determines that goodwill or intangible assets are impaired, it is required to write down the carrying value of these assets. WesBanco conducts an annual review to determine whether goodwill and other identifiable intangible assets are impaired. WesBanco completed such an impairment analysis in 2015 and concluded that no impairment charge was necessary for the year ended December 31, 2015. WesBanco cannot provide assurance that it will not be required to take an impairment charge in the future. Any impairment charge would have a negative effect on its shareholders' equity and financial results and may cause a decline in our stock price.

SUITABLE ACQUISITION OPPORTUNITIES MAY NOT BE AVAILABLE TO WESBANCO IN THE FUTURE.

WesBanco continually evaluates opportunities to acquire other businesses. However, WesBanco may not have the opportunity to make suitable acquisitions on favorable terms in the future, which could negatively impact the growth of its business. WesBanco expects that other banking and financial companies, many of which have significantly greater resources, will compete to acquire compatible businesses. This competition could increase prices for acquisitions that WesBanco would likely pursue, and its competitors may have greater resources than it does. Also, acquisitions of regulated businesses such as banks are subject to various regulatory approvals. If WesBanco fails to receive the appropriate regulatory approvals, it will not be able to consummate an acquisition that it believes is in its best interests.

WESBANCO IS SUBJECT TO EXTENSIVE GOVERNMENT REGULATION AND SUPERVISION.

WesBanco is subject to extensive federal and state regulation, supervision and examination. Banking regulations are primarily intended to protect depositors' funds, federal deposit insurance funds and the banking system as a whole, rather than corporate shareholders. These regulations affect WesBanco's lending practices, capital structure, investment practices, dividend policy, operations and growth, among other things. These regulations also impose obligations to maintain appropriate policies, procedure and controls. Congress and federal regulatory agencies continually review banking laws, regulations and policies for possible changes. Changes to statutes, regulations or regulatory policies, including changes in interpretation or implementation of statutes, regulations or policies, could affect WesBanco in substantial and unpredictable ways. Such changes could subject WesBanco to additional costs, limit the types of financial services and products that could be offered, and/or increase the ability of non-banks to offer competing financial services and products, among other things. Failure to comply with laws, regulations or policies could result in sanctions by regulatory agencies, civil penalties and/or reputation damage, which could have a material adverse effect on WesBanco's business, financial condition and result of operations.

As of December 31, 2015, WesBanco had \$106.2 million in junior subordinated debt presented as a separate category of long-term debt on its Consolidated Balance Sheets. For regulatory purposes, Trust Preferred Securities totaling \$103.0 million underlying such junior subordinated debt are included in Tier 1 capital in accordance with regulatory reporting requirements. On March 1, 2005, the Federal Reserve Board adopted a rule that retains trust preferred securities in Tier 1 capital, but with stricter quantitative limits and clearer qualitative standards. Under the rule, the aggregate amount of trust preferred securities and certain other capital elements is limited to 25% of Tier 1 capital elements, net of goodwill. The amount of trust preferred securities and certain other elements in excess of the limit can be included in Tier 2 capital, subject to restrictions. The Dodd-Frank Act required the federal banking agencies to develop new consolidated capital requirements applicable to bank holding companies and banks. Rules issued in 2013 generally exclude trust preferred securities from Tier 1

Table of Contents

capital beginning in 2015, however, a grandfather provision will permit bank holding companies with consolidated assets of less than \$15 billion, such as WesBanco, to continue counting existing trust preferred securities as Tier 1 capital until they mature.

In addition, new international capital standards known as Basel III, which were implemented by a U.S. federal banking agencies' joint final rule issued in July 2013, and effective January 1, 2015, further increases the minimum capital requirements applicable to WesBanco and the Bank, which may negatively impact both entities. Additional information about these changes in capital requirements are described above in Item 1. Business Capital Requirements.

Regulation of WesBanco and its subsidiaries is expected to continue to expand in scope and complexity in the future. These laws are expected to have the effect of increasing WesBanco's costs of doing business and reducing its revenues, and may limit its ability to pursue business opportunities or otherwise adversely affect its business and financial condition. The Dodd-Frank Act and other laws, as well as rules implementing or related to them, may adversely affect WesBanco. Specifically, any governmental or regulatory action having the effect of requiring WesBanco to obtain additional capital could reduce earnings and have a material dilutive effect on current shareholders, including the Dodd-Frank Act source of strength requirement that bank holding companies make capital infusions into a troubled subsidiary bank. Legislation and regulation of debit card fees, credit cards and other bank services, as well as changes in WesBanco's practices relating to those and other bank services, may affect WesBanco's revenue and other financial results. Additional information about increased regulation is provided in Item 1. Business under the headings Supervision and Regulation, Holding Company Regulations, Capital Requirements, Dodd-Frank Act, and Consumer Protection Laws.

WesBanco is also subject to tax laws and regulations promulgated by the United States government and the states in which it operates. Changes to these laws and regulations or the interpretations of such laws and regulations by taxing authorities could impact future tax expense and the value of deferred tax assets.

ADDITIONAL GROWTH WILL SUBJECT WESBANCO TO ADDITIONAL REGULATION AND INCREASED SUPERVISION.

The Dodd-Frank Act imposes additional regulatory requirements on institutions with \$10 billion or more in assets. WesBanco had \$8.5 billion in assets as of December 31, 2015. Additional growth that results in WesBanco having assets of \$10 billion or more would subject WesBanco to the following:

Supervision, examination and enforcement by the CFPB with respect to consumer financial protection laws;

Regulatory stress testing requirements, whereby WesBanco would be required to conduct an annual stress test (using assumptions for baseline, adverse and severely adverse scenarios);

A modified methodology for calculating FDIC insurance assessments and potentially higher assessment rates as a result of institutions with \$10 billion or more in assets being required to bear a greater portion of the cost of raising the reserve ratio;

Heightened compliance standards under the Volcker Rule;

Reduced debit card interchange revenue from applicability of the Durbin Amendment; and

Enhanced supervision as a larger financial institution.

The imposition of these regulatory requirements and increased supervision may require additional commitment of financial resources to regulatory compliance and may increase WesBanco's cost of operations. Further, the results of the stress testing process may lead WesBanco to retain additional capital or alter the mix of its capital components.

Table of Contents

LIMITED AVAILABILITY OF BORROWINGS AND LIQUIDITY FROM THE FEDERAL HOME LOAN BANK SYSTEM AND OTHER SOURCES COULD NEGATIVELY IMPACT EARNINGS.

WesBanco Bank is currently a member bank of the Federal Home Loan Bank (FHLB) of Pittsburgh, and while it retains certain short-term borrowings from the FHLB of Cincinnati from prior bank acquisitions, it is no longer considered a member bank of such FHLB. Membership in this system of quasi-governmental, regional home-loan oriented agency banks allows us to participate in various programs offered by the FHLB. We borrow funds from the FHLB, which are secured by a blanket lien on certain residential and commercial mortgage loans, and if applicable, investment securities with collateral values in excess of the outstanding balances. Future earnings shortfalls and minimum capital requirements of the FHLB may impact the collateral necessary to secure borrowings and limit the borrowings extended to their member banks, as well as require additional capital contributions by member banks. The FHLB's rating assigned to WesBanco Bank may also negatively impact the amount of term collateral and other conditions imposed by the FHLB upon WesBanco Bank. Should these situations occur, WesBanco's short-term liquidity needs could be negatively impacted. If WesBanco was restricted from using FHLB advances due to weakness in the system or with the FHLB of Pittsburgh, WesBanco may be forced to find alternative funding sources. If WesBanco is required to rely more heavily on higher cost funding sources, revenues may not increase proportionately to cover these costs, which would adversely affect WesBanco's results of operations and financial position.

WESBANCO'S FINANCIAL CONDITION AND RESULTS OF OPERATIONS DEPEND ON THE SUCCESSFUL GROWTH OF ITS SUBSIDIARIES.

WesBanco's primary business activity for the foreseeable future will be to act as the holding company of its banking and other subsidiaries. Therefore, WesBanco's future profitability will depend on the success and growth of these subsidiaries. In the future, part of WesBanco's growth may come from buying other banks and buying or establishing other companies. Such entities may not be profitable after they are purchased or established, and they may lose money or be dilutive to earnings per share, particularly for the first few years. A new bank or company may bring with it unexpected liabilities, bad loans, or poor employee relations, or the new bank or company may lose customers and the associated revenue. Dilution of book and tangible book value may occur as a result of an acquisition that may not be earned back for several years, if at all.

WESBANCO'S ABILITY TO PAY DIVIDENDS IS LIMITED, AND COMMON STOCK DIVIDENDS MAY HAVE TO BE REDUCED OR ELIMINATED.

Holders of shares of WesBanco's common stock are entitled to dividends if, when, and as declared by WesBanco's Board of Directors out of funds legally available for that purpose. Although the Board of Directors has declared cash dividends in the past, the current ability to pay dividends is largely dependent upon the receipt of dividends from the Bank. Federal and state laws impose restrictions on the ability of the Bank to pay dividends, which restrictions are more fully described in Item 1. Business - Payment of Dividends. In general, future dividend policy is subject to the discretion of the Board of Directors and will depend upon a number of factors, including WesBanco's and the Bank's future earnings, liquidity and capital requirements, regulatory constraints and financial condition.

FUTURE EXPANSION BY WESBANCO MAY ADVERSELY AFFECT OUR FINANCIAL CONDITION AND RESULTS OF OPERATIONS AS WELL AS DILUTE THE INTERESTS OF OUR SHAREHOLDERS AND NEGATIVELY AFFECT THE PRICE OF OUR COMMON STOCK.

WesBanco may acquire other financial institutions, or branches or assets of other financial institutions, in the future. WesBanco may also open new branches and enter into new lines of business or offer new products or services. Any such expansion of our business will involve a number of expenses and risks, which may include:

the time and expense associated with identifying and evaluating potential expansions;

the potential inaccuracy of estimates and judgments used to evaluate credit, operations, management and market risk with respect to target institutions;

Table of Contents

the time and costs of evaluating new markets, hiring local management and opening new offices, and the delay between commencing these activities and the generation of profits from the expansion;

the risk we could discover undisclosed liabilities resulting from any acquisitions for which we may become responsible;

our financing of the expansion;

the diversion of management's attention to the negotiation of a transaction and the integration of the operations and personnel of the combining businesses;

entry into unfamiliar markets;

the introduction of new products and services into our existing business;

the incurrence and possible impairment of goodwill associated with an acquisition and possible adverse short-term effects on our results of operations;

the risk that benefits such as enhanced earnings that we anticipate from any new acquisitions may not develop and future results of the combined companies may be materially lower from those estimated; and

the risk of loss of key employees and customers.

We can give no assurance that integration efforts for any future acquisitions will be successful. We may issue equity securities in connection with acquisitions, which could dilute the economic and voting interests of our existing shareholders. WesBanco completed the acquisition of ESB on February 10, 2015 and integration issues such as those described above could be experienced in the future as a result.

HIGHER FDIC DEPOSIT INSURANCE PREMIUMS AND ASSESSMENTS COULD ADVERSELY AFFECT WESBANCO'S FINANCIAL CONDITION.

Since 2008, the economic environment caused higher levels of bank failures, which dramatically increased FDIC resolution costs and led to a significant reduction in the deposit insurance fund. In order to restore reserve ratios of the deposit insurance fund, the FDIC has in the past few years significantly increased the assessment rates paid by financial institutions for deposit insurance. In addition, in May 2009, the FDIC imposed a special assessment on all insured institutions, and in November 2009, it adopted a rule requiring banks to prepay their FDIC assessments for years through 2012, which accompanied a rate increase beginning in 2011. While the Deposit Insurance Fund balance has significantly improved since then, and a new assessment base that reduced rates for community banks was adopted in 2011, the FDIC has indicated that future special assessments are possible, although it has not determined the magnitude or timing of any future assessments. Additionally, as WesBanco's total assets approach \$10 billion, under the Dodd Frank Act, to the extent the FDIC increases reserves against future losses, the increased assessments are to be borne primarily by institutions with assets of greater than \$10 billion. Additional increases in FDIC insurance premiums and future special assessments may adversely affect WesBanco's results of operations and financial condition.

INTERRUPTION TO OUR INFORMATION SYSTEMS OR BREACHES IN SECURITY COULD ADVERSELY AFFECT WESBANCO'S OPERATIONS.

WesBanco relies on information systems and communications for operating and monitoring all major aspects of business, as well as internal management functions. Any failure, interruption, intrusion or breach in security of these systems could result in failures or disruptions in the WesBanco customer relationship, management, general ledger, deposit, loan and other systems. While WesBanco has policies, procedures and technical safeguards designed to prevent or limit the effect of any failure, interruption, intrusion or security breach of its information systems,

Edgar Filing: WESBANCO INC - Form 10-K

there can be no assurance that the above-noted issues will not occur or, if they do occur, that they will be adequately addressed.

Table of Contents

There have been several cyber-attacks on websites of large financial services companies. Even if not directed at WesBanco specifically, attacks on other entities with whom we do business or on whom we otherwise rely or attacks on financial or other institutions important to the overall functioning of the financial system could adversely affect, directly or indirectly, aspects of WesBanco's business.

Cyber-attacks on third party retailers or other business establishments that widely accept debit card or check payments could compromise sensitive bank customer information, such as debit card and account numbers. Such an attack could result in significant costs to the bank, such as costs to reimburse customers, reissue debit cards and open new customer accounts.

In addition, there have been efforts on the part of third parties to breach data security at financial institutions, including through the use of social engineering schemes such as phishing. The ability of our customers to bank remotely, including online and through mobile devices, requires secure transmission of confidential information and increases the risk of data security breaches. Because the techniques used to attack financial services company communications and information systems change frequently (and generally increase in sophistication), often attacks are not recognized until launched against a target, may be supported by foreign governments or other well-financed entities, and may originate from less regulated and remote areas around the world, we may be unable to address these techniques in advance of attacks, including by implementing adequate preventative measures.

The occurrence of any such failure, disruption or security breach of WesBanco's information systems, particularly if widespread or resulting in financial losses to our customers, could damage WesBanco's reputation, result in a loss of customer business, subject WesBanco to additional regulatory scrutiny, and expose WesBanco to civil litigation and possible financial liability. In addition, the prevalence of cyber-attacks and other efforts to breach or disrupt our systems has led, and will continue to lead, to costs to WesBanco with respect to prevention and mitigation of these risks, as well as costs reimbursing customers for losses suffered as a result of these actions. Successful attacks or systems failures at other large financial institutions, whether or not WesBanco is included, could lead to a general loss of customer confidence in financial institutions with a potential negative impact on WesBanco's business, additional demands on the part of our regulators, and increased costs to deal with risks identified as a result of the problems affecting others. The risks described above could have a material effect on WesBanco's business, results of operations and financial condition.

LOSS OF KEY EMPLOYEES COULD IMPACT GROWTH AND EARNINGS AND MAY HAVE AN ADVERSE IMPACT ON BUSINESS.

Our operating results and ability to adequately manage our growth are highly dependent on the services, managerial abilities and performance of our key employees, including executive officers and senior management. Our success depends upon our ability to attract and retain highly skilled and qualified management, loan origination, finance, administrative, marketing and technical personnel and upon the continued contributions of this management and personnel. The loss of services, or the inability to successfully complete planned or unplanned transitions of key personnel approaching normal retirement age, could have an adverse impact on WesBanco's business, operating results and financial condition because of their skills, knowledge of the local markets, years of industry experience and the difficulty of promptly finding qualified replacement personnel.

A HIGH PERCENTAGE OF WESBANCO'S LOAN PORTFOLIO IS IN WEST VIRGINIA, OHIO, AND PENNSYLVANIA AND IN COMMERCIAL AND RESIDENTIAL REAL ESTATE. DETERIORATIONS IN ECONOMIC CONDITIONS IN THIS AREA OR IN THE REAL ESTATE MARKET GENERALLY COULD BE MORE HARMFUL TO THE COMPANY COMPARED TO MORE DIVERSIFIED INSTITUTIONS.

As of December 31, 2015, approximately 25% of WesBanco's loan portfolio was comprised of residential real estate loans, and 45% was comprised of commercial real estate loans.

Table of Contents

Inherent risks of commercial real estate (CRE) lending include the cyclical nature of the real estate market, construction risk and interest rate risk. The cyclical nature of real estate markets can cause CRE loans to suffer considerable distress. During these times of distress, a property s performance can be negatively affected by tenants deteriorating credit strength and lease expirations in times of softening demand caused by economic deterioration or over-supply conditions. Even if borrowers are able to meet their payment obligations, they may find it difficult to refinance their full loan amounts at maturity due to declines in property value. Other risks associated with CRE lending include regulatory changes and environmental liability. Regulatory changes in tax legislation, zoning or similar external conditions including environmental liability may affect property values and the economic feasibility of existing and proposed real estate projects.

The company s CRE loan portfolio is concentrated in West Virginia, Ohio and Pennsylvania. There are a wide variety of economic conditions within the local markets of the three states in which most of the company s CRE loan portfolio will be situated. Rates of employment, consumer loan demand, household formation, and the level of economic activity can vary widely from state to state and among metropolitan areas, cities and towns. Metropolitan markets comprise various submarkets where property values and demand can be affected by many factors, such as demographic makeup, geographic features, transportation, recreation, local government, school systems, utility infrastructure, tax burden, building-stock age, zoning and building codes, and available land for development. As a result of the high concentration of the company s loan portfolio, it may be more sensitive, as compared to more diversified institutions, to future disruptions in and deterioration of this market, which could lead to losses which could have a material adverse effect on the business, financial condition and results of operations of the company.

WESBANCO MAY NEED TO RAISE CAPITAL IN THE FUTURE, BUT CAPITAL MAY NOT BE AVAILABLE WHEN NEEDED OR AT ACCEPTABLE TERMS.

Federal and state banking regulators require WesBanco and its banking subsidiary, WesBanco Bank, to maintain adequate levels of capital to support its operations. In addition, in the future WesBanco may need to raise additional capital to support its business or to finance acquisitions, if any, or WesBanco may otherwise elect to raise additional capital in anticipation of future growth opportunities.

WesBanco s ability to raise additional capital for parent company or banking subsidiary needs will depend on conditions at that time in the capital markets, overall economic conditions, WesBanco s financial performance and condition, and other factors, many of which are outside our control. There is no assurance that, if needed, WesBanco will be able to raise additional capital on favorable terms or at all. An inability to raise additional capital may have a material adverse effect on our ability to expand operations, and on our financial condition, results of operations and future prospects.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

WesBanco s subsidiaries generally own their respective offices, related facilities and any unimproved real property held for future expansion. At December 31, 2015, WesBanco operated 141 banking offices in West Virginia, Ohio and western Pennsylvania, of which 112 were owned and 29 were leased. WesBanco also operated one loan production office leased in western Pennsylvania. These leases expire at various dates through April 2034 and generally include options to renew. The Bank also owns several regional headquarters buildings in various markets, most of which also house a banking office and/or certain back office functions.

The main office of WesBanco is located at 1 Bank Plaza, Wheeling, West Virginia, in a building owned by the Bank. The building contains approximately 100,000 square feet and serves as the main office for both

Table of Contents

WesBanco's community banking segment and its trust and investment services segment, as well as its executive offices. The Bank's major back office operations currently occupy approximately 75% of the space available in an office building connected via sky-bridge to the main office. This adjacent back office building is owned by WesBanco Properties, Inc., a subsidiary of WesBanco, with the remainder of the building leased to unrelated businesses.

At various building locations, WesBanco rents or makes available commercial office space to unrelated businesses. Rental income totaled \$0.6 million, \$0.7 million and \$0.8 million in 2015, 2014 and 2013, respectively. For additional disclosures related to WesBanco's properties, other fixed assets and leases, please refer to Note 6, Premises and Equipment in the Consolidated Financial Statements.

ITEM 3. LEGAL PROCEEDINGS

Litigation Related to the ESB Merger

On October 29, 2014, ESB and WesBanco entered into an Agreement and Plan of Merger (the Merger Agreement), providing for the merger of ESB with and into WesBanco, with WesBanco as the surviving corporation (the Merger). Each of ESB and WesBanco filed a definitive joint proxy statement/prospectus, dated as of December 11, 2014 (the Joint Proxy Statement/Prospectus), with the Securities and Exchange Commission in connection with the Merger. The Merger was consummated on February 10, 2015.

As previously reported by each of ESB and WesBanco on Current Reports on Form 8-K, each dated December 15, 2014 and filed on December 19, 2014, two putative class action complaints were filed by purported shareholders of ESB with respect to the Merger. One complaint was filed in the United States District Court for the Western District of Pennsylvania (the Federal District Court), and captioned and numbered James Elliott vs. ESB Financial, Inc., et al., Case No. 2:14-cv-01689-MRH (the Federal Lawsuit). The other complaint was filed in the Court of Common Pleas of Lawrence County, Pennsylvania, and captioned and numbered Randall Kress v. ESB Bank, Case No. 11185/14 CA (the Lawrence County Lawsuit). Both complaints alleged generally, among other things, that each member of ESB's board of directors (the Director Defendants) breached their fiduciary duties in approving the Merger Agreement, that ESB and WesBanco aided and abetted such breaches of fiduciary duty and that the disclosure regarding the Merger contained in the Joint Proxy Statement/Prospectus was materially deficient.

On January 15, 2015, solely to avoid the costs, risks and uncertainties inherent in litigation, ESB, ESB Bank, WesBanco and the Director Defendants (ESB, ESB Bank, WesBanco and the Director Defendants, collectively the Defendants) entered into a Memorandum of Settlement (the MOS) with the respective plaintiffs (collectively, the Plaintiffs) regarding the settlement of both the Federal Lawsuit and the Lawrence County Lawsuit. Pursuant to the MOS, ESB and WesBanco agreed to file with the SEC and make publicly available to shareholders of ESB and WesBanco supplemental disclosures provided on Form 8-K and the Plaintiffs agreed to release ESB, ESB Bank, WesBanco and the Director Defendants from all claims related to the Merger Agreement and the Merger, subject to approval of the Federal District Court. The court approved the settlement contemplated in the MOS on September 21, 2015, and both the Federal Lawsuit and the Lawrence County Lawsuit were dismissed with prejudice, and all claims that were or could have been brought challenging any aspect of the Merger, the Merger Agreement, and any disclosure made in connection therewith were released and barred. ESB or its successor or insurer paid the fees and expenses awarded by the court. The parties prepared a stipulation of settlement which was entered into by the parties and filed with the court on April 28, 2015. By Order dated July 2, 2015, the Federal district Court made preliminary determinations regarding (i) certification of a class of ESB shareholders such that notice could be disseminated to class members relating to, among other things, the Federal Lawsuit, the Lawrence County Lawsuit, the settlement contemplated in the MOS (the Settlement), a final hearing to approve the Settlement and the right of class members to participate in such hearing, and (ii) the role of Mr. Elliott and his counsel as Class Representative and Class Counsel, respectively. A final hearing was held on September 21, 2015, the Settlement was approved by the Court and the matter has now been dismissed.

Table of Contents

The settlement did not affect the timing of the special meeting of shareholders of ESB held January 22, 2015 in Ellwood City, Pennsylvania to vote upon a proposal to adopt the Merger Agreement. Similarly, the settlement did not affect the timing of the special meeting of shareholders of WesBanco held January 22, 2015 in Wheeling, West Virginia to vote on a proposal to approve the issuance of shares of WesBanco common stock in connection with the Merger. The shareholders of both corporations approved the Merger. ESB and the other Defendants denied all of the allegations in the lawsuits and believed the disclosures previously included in the Joint Proxy Statement/Prospectus were appropriate under the law. Nevertheless, ESB and the other Defendants agreed to settle the putative class action lawsuits in order to avoid the costs, disruptions and distraction of further litigation.

ESB and the other Defendants vigorously denied, and continue to vigorously deny, that they committed or aided and abetted in the commission of any violation of law or engaged in any of the wrongful acts that were alleged in the lawsuits, and expressly maintain that, to the extent applicable, they diligently and scrupulously complied with their fiduciary and other legal burdens and entered into the MOS solely to eliminate the burden and expense of further litigation and to put the claims that were or could have been asserted to rest. Nothing in the MOS or any stipulation of settlement shall be deemed an admission of the legal necessity or materiality under applicable laws of any of the disclosures set forth therein.

Other Litigation

WesBanco is also involved in lawsuits, claims, investigations and proceedings which arise in the ordinary course of business. While any litigation contains an element of uncertainty, WesBanco does not believe that a material loss related to such proceedings or claims pending or known to be threatened is reasonably possible.

ITEM 4. MINE SAFETY DISCLOSURES

Not Applicable.

Table of Contents**PART II****ITEM 5. MARKET FOR THE REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES**

WesBanco's common stock is quoted on the NASDAQ Global Stock Market under the symbol WSBC. The approximate number of record holders of WesBanco's \$2.0833 par value common stock as of February 17, 2016 was 6,224, not including shares held in nominee positions. The number of holders does not include WesBanco employees who have purchased stock or had stock allocated to them through WesBanco's Employee Stock Ownership and 401(k) plan (the KSOP). All WesBanco employees who meet the eligibility requirements of the KSOP are included in this retirement plan.

The table below presents for each quarter in 2015 and 2014, the high and low sales price per share as reported by NASDAQ and cash dividends declared per share.

	2015			2014		
	High	Low	Dividend Declared	High	Low	Dividend Declared
Fourth quarter	\$ 34.32	\$ 29.49	\$ 0.230	\$ 35.70	\$ 29.71	\$ 0.220
Third quarter	36.11	29.26	0.230	32.11	28.87	0.220
Second quarter	35.39	30.75	0.230	32.49	28.27	0.220
First quarter	35.08	30.11	0.230	32.38	26.77	0.220

In April 2015, WesBanco shareholders approved an increase in the number of authorized shares of common stock from 50,000,000 shares to 100,000,000 shares.

In May 2015, WesBanco repurchased from the United States Department of the Treasury (Treasury) a warrant to purchase 101,320.6 shares of the Company's common stock. This warrant was acquired through WesBanco's acquisition of Fidelity Bancorp, Inc. (Fidelity) in 2012 and was originally issued by Fidelity pursuant to the Treasury's Capital Purchase Program established as part of the Troubled Asset Relief Program. The purchase price paid by WesBanco to the Treasury for the warrant was \$2.2 million.

At December 31, 2015, WesBanco had eight capital trusts, which are all wholly-owned trust subsidiaries of WesBanco formed for the purpose of issuing Trust Preferred Securities and lending the proceeds to WesBanco. The debentures and trust preferred securities issued by the trusts provide that WesBanco has the right to elect to defer the payment of interest on the debentures and trust preferred securities for up to an aggregate of 20 quarterly periods. However, if WesBanco should defer the payment of interest or default on the payment of interest, it may not declare or pay any dividends on its common stock during any such period. For additional disclosure relating to WesBanco Trust Preferred Securities, refer to Note 11, Junior Subordinated Debt Owed to Unconsolidated Subsidiary Trusts in the Consolidated Financial Statements.

Federal and state laws impose restrictions on the ability of the Bank to pay dividends, which restrictions are more fully described in Item 1. Business Payment of Dividends.

Table of Contents

As of December 31, 2015, WesBanco had two active one million share stock repurchase plans. The first plan was originally approved by the Board of Directors on March 21, 2007 and the second, which is incremental to the first, was approved October 22, 2015. Each provides for shares to be repurchased for general corporate purposes, which may include a subsequent resource for potential acquisitions, shareholder dividend reinvestment and employee benefit plans. The timing, price and quantity of purchases are at the discretion of WesBanco, and the plan may be discontinued or suspended at any time.

Repurchases in the fourth quarter include those for the KSOP and dividend reinvestment plans, repurchases to facilitate stock compensation transactions, and repurchases for general corporate purposes.

Certain information relating to securities authorized for issuance under equity compensation plans is set forth under the heading "Equity Compensation Plan Information" in Part III, Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

The following table shows the activity in WesBanco's stock repurchase plan and other purchases for the quarter ended December 31, 2015:

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans	Maximum Number of Shares that May Yet Be Purchased Under the Plans
Balance at September 30, 2015				313,564
October 1, 2015 to October 31, 2015				
Open market repurchases		\$		313,564
Other repurchases (1)	5,530	31.81	5,530	308,034
Other transactions (2), (3)	17,711	31.71	N/A	1,308,034
November 1, 2015 to November 30, 2015				
Open market repurchases				1,308,034
Other repurchases (1)	32	31.41	32	1,308,002
Other transactions (2)	2,258	29.38	N/A	N/A
December 1, 2015 to December 31, 2015				
Open market repurchases	55,000	30.07	55,000	1,253,002
Other repurchases (1)	742	33.95	742	1,252,260
Other transactions (2)	1,489	30.89	N/A	N/A
Fourth Quarter 2015				
Open market repurchases	55,000	30.07	55,000	N/A
Other repurchases (1)	6,304	32.06	6,304	N/A
Other transactions (2)	21,458	31.41	N/A	N/A
Total	82,762	\$ 30.57	61,304	1,252,260

- (1) Consists of shares purchased to facilitate in the termination of ESB's ESOP plan and from employees for the payment of withholding taxes to facilitate in the vesting of various stock compensation plans.
- (2) Consists of open market purchases transacted in the KSOP and dividend reinvestment plans.
- (3) Reflects the impact of an additional 1.0 million shares approved on October 22, 2015.
- N/A Not applicable

Table of Contents

The following graph shows a comparison of cumulative total shareholder returns for WesBanco, the Russell 2000 Index, and the SNL Small Cap Bank Index. The total shareholder return assumes a \$100 investment in the common stock of WesBanco and each index since December 31, 2010 with reinvestment of dividends.

<i>Index</i>	Period Ending					
	12/31/10	12/31/11	12/31/12	12/31/13	12/31/14	12/31/15
WesBanco, Inc.	100.00	106.01	125.23	185.63	207.58	184.32
Russell 2000	100.00	95.82	111.49	154.78	162.35	155.18
SNL Small Cap Bank Index	100.00	95.51	111.26	155.17	163.56	179.12

Table of Contents**ITEM 6. SELECTED FINANCIAL DATA**

The following consolidated selected financial data is derived from WesBanco's audited financial statements as of and for the five years ended December 31, 2015. The following consolidated financial data should be read in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations (MD&A) and the Consolidated Financial Statements and related notes included elsewhere in this report. WesBanco's acquisitions during the five years ended December 31, 2015 include ESB on February 10, 2015 and Fidelity on November 30, 2012 and include the results of operations since the date of acquisition.

<i>(dollars in thousands, except shares and per share amounts)</i>	For the years ended December 31,				
	2015	2014	2013	2012	2011
PER COMMON SHARE INFORMATION					
Earnings per common share - basic	\$ 2.15	\$ 2.39	\$ 2.18	\$ 1.84	\$ 1.65
Earnings per common share - diluted	2.15	2.39	2.18	1.84	1.65
Dividends declared per common share	0.92	0.88	0.78	0.70	0.62
Book value at year end	29.18	26.90	25.59	24.45	23.80
Tangible book value at year end (1)	16.51	16.09	14.68	13.48	13.29
Average common shares outstanding - basic	37,488,331	29,249,499	29,270,922	26,867,227	26,614,697
Average common shares outstanding - diluted	37,547,127	29,333,876	29,344,683	26,888,847	26,615,281
SELECTED BALANCE SHEET INFORMATION					
Securities	\$ 2,422,450	\$ 1,511,094	\$ 1,532,906	\$ 1,623,753	\$ 1,609,265
Loans held for sale	7,899	5,865	5,855	21,903	6,084
Net portfolio loans	5,024,132	4,042,112	3,847,549	3,635,063	3,184,558
Total assets	8,470,298	6,296,565	6,144,773	6,078,717	5,536,030
Deposits	6,066,299	5,048,983	5,062,530	4,944,284	4,393,866
Total FHLB and other borrowings	1,123,106	303,816	190,044	254,158	365,073
Junior subordinated debt owed to unconsolidated subsidiary trusts	106,196	106,176	106,137	113,832	106,066
Shareholders' equity	1,122,132	788,190	746,595	714,184	633,790
SELECTED RATIOS					
Return on average assets	0.99%				