

MVB FINANCIAL CORP  
Form 10-Q  
November 05, 2015  
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United States

Securities and Exchange Commission

Washington, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended September 30, 2015

OR

TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_ .

Commission File number 000-50567

MVB Financial Corp.

(Exact name of registrant as specified in its charter)

West Virginia 20-0034461  
(State or other jurisdiction of incorporation or organization) (I.R.S. Employer Identification No.)

301 Virginia Avenue

Fairmont, West Virginia 26554-2777

(Address of principal executive offices)

304-363-4800

(Registrant's telephone number, including area code)

Not Applicable

(Former name, former address, and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant has (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check One):

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act.)

Yes  No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date:

As of November 5, 2015, the number of shares outstanding of the issuer's only class of common stock was 8,061,921.

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MVB Financial Corp.

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Part Financial Information

I.

Item Financial Statements

1.

The unaudited interim consolidated financial statements of MVB Financial Corp. (“the Company” or “MVB”) and subsidiaries (“Subsidiaries”) including MVB Bank, Inc. (the “Bank” or “MVB Bank”) and its wholly-owned subsidiary Potomac Mortgage Group, Inc., which does business as MVB Mortgage (“MVB Mortgage”) and MVB Insurance, LLC (“MVB Insurance”) listed below are included on pages 3-38 of this report.

Consolidated Balance Sheets as of September 30, 2015 and December 31, 2014

Consolidated Statements of Income for the Nine Months and Three Months ended September 30, 2015 and 2014

Consolidated Statements of Comprehensive Income for the Nine Months and Three Months ended September 30, 2015 and 2014

Consolidated Statements of Cash Flows for the Nine Months ended September 30, 2015 and 2014

Notes to Consolidated Financial Statements

Item Management’s Discussion and Analysis of Financial Condition and Results of Operations

2.

Management’s Discussion and Analysis of Financial Condition and Results of Operations are included on pages 39-53 of this report.

Item Quantitative and Qualitative Disclosures About Market Risk.

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Item Controls and Procedures

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Item Legal Proceedings

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Item Risk Factors

1A.

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## Part I. Financial Information

## Item 1. Financial Statements

## MVB Financial Corp. and Subsidiaries

## Consolidated Balance Sheets

(Dollars in thousands except per share data)

	September 30, 2015 (Unaudited)	December 31, 2014 (Note 1)
Assets		
Cash and cash equivalents:		
Cash and due from banks	\$ 16,522	\$ 13,403
Interest bearing balances	8,613	16,674
Total cash and cash equivalents	25,135	30,077
Certificates of deposits in other banks	13,150	11,907
Investment securities:		
Securities available-for-sale	68,158	68,213
Securities held-to-maturity (fair value of \$53,923 for 2015 and \$55,871 for 2014)	52,969	54,538
Loans held for sale	73,047	69,527
Loans:	994,833	798,297
Less: Allowance for loan losses	(7,388)	(6,223)
Net loans	987,445	792,074
Bank premises, furniture and equipment	26,292	25,472
Bank owned life insurance	22,172	21,679
Accrued interest receivable and other assets	19,681	19,193
Goodwill	18,480	17,779
Total assets	\$ 1,306,529	\$ 1,110,459
Liabilities		
Deposits		
Non-interest bearing	\$ 87,244	\$ 67,066
Interest bearing	931,011	756,161
Total deposits	1,018,255	823,227
Accrued interest, taxes and other liabilities	11,591	10,310
Repurchase agreements	26,562	32,673
FHLB and other borrowings	102,468	101,287
Subordinated debt	33,524	33,524
Total liabilities	1,192,400	1,001,021
Stockholders' equity		
	16,334	16,334

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Preferred stock, par value \$1,000; 20,783 authorized and 9,283 issued in 2015 and 2014, respectively

Common stock, par value \$1; 20,000,000 shares authorized; 8,112,998 and 8,034,362 issued; and 8,061,921 and 7,983,285 outstanding in 2015 and 2014, respectively

Additional paid-in capital

Retained earnings

Accumulated other comprehensive loss

Treasury stock, 51,077 shares, at cost

Total stockholders' equity

Total liabilities and stockholders' equity

8,113	8,034
74,123	74,342
18,958	14,454
(2,315)	(2,642)
(1,084)	(1,084)
114,129	109,438
\$ 1,306,529	\$ 1,110,459

See accompanying notes to unaudited financial statements.

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MVB Financial Corp. and Subsidiaries

Consolidated Statements of Income

(Unaudited) (Dollars in thousands except per share data)

	Nine months ended September 30,		Three months ended September 30,	
	2015	2014	2015	2014
Interest income				
Interest and fees on loans	\$ 29,187	\$ 23,322	\$ 10,584	\$ 8,161
Interest on deposits with other banks	198	150	71	53
Interest on investment securities – taxable	674	1,022	213	253
Interest on tax exempt loans and securities	1,689	2,138	548	627
Total interest income	31,748	26,632	11,416	9,094
Interest expense				
Deposits	4,554	4,133	1,665	1,337
Repurchase agreements	62	262		