

UNITED BANKSHARES INC/WV
Form DEF 14A
April 10, 2003

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a)

of the Securities Exchange Act of 1934

(Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

CONFIDENTIAL, FOR USE OF THE COMMISSION ONLY (AS PERMITTED BY RULE 14A-6(E)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to (S) 240.14a-11(c) or (S) 240.14a-12

United Bankshares, Inc.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
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(1) Amount Previously Paid:

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(3) Filing Party:

(4) Date Filed:

Notes:

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SEC 1913 (3-99)

[LOGO]

UNITED BANKSHARES, INC.
P. O. BOX 1508
UNITED SQUARE
FIFTH AND AVERY STREETS
PARKERSBURG, WEST VIRGINIA 26101

NOTICE OF 2003 ANNUAL MEETING OF SHAREHOLDERS

TO THE SHAREHOLDERS

NOTICE IS HEREBY GIVEN that, pursuant to the call of its Board of Directors, the 2003 Annual Meeting of Shareholders of UNITED BANKSHARES, INC. (United) will be held at The Blennerhassett Hotel, Fourth and Market Streets, Parkersburg, West Virginia on Monday, May 19, 2003, at 4:00 p.m., local time, for the purpose of considering and voting upon the following matters:

1. To elect sixteen (16) persons to serve as directors of United. The nominees selected by the current Board of Directors are listed in the accompanying Proxy Statement for this Annual Meeting.
2. To act upon any other business which may properly come before this Annual Meeting or any adjournment or adjournments thereof. The Board of Directors at present knows of no other business to come before this Annual Meeting.

The close of business on March 31, 2003, has been fixed by the Board of Directors as the record date for determining shareholders entitled to notice of and to vote at this Annual Meeting.

WE URGE YOU TO SIGN AND RETURN THE ENCLOSED PROXY AS PROMPTLY AS POSSIBLE REGARDLESS OF YOUR PLANS TO ATTEND THIS MEETING. IF YOU DO ATTEND, YOU MAY WITHDRAW YOUR PROXY AND VOTE IN PERSON.

TWO INDIVIDUALS, WHO ARE NOT DIRECTORS OF UNITED, HAVE BEEN NAMED IN THE PROXY TO VOTE THE SHARES REPRESENTED BY PROXY, IF YOU WISH TO CHOOSE SOME OTHER PERSON TO ACT AS YOUR PROXY, MARK OUT THE PRINTED NAME AND WRITE IN THE NAME OF THE PERSON YOU SELECT.

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By Order of the Board of Directors

/s/ Richard M. Adams

Richard M. Adams

Chairman of the Board and

Chief Executive Officer

April 8, 2003

United Bankshares, Inc.

United Square

Fifth and Avery Streets

Parkersburg, West Virginia 26101

PROXY STATEMENT

These proxy materials are delivered in connection with the solicitation by the Board of Directors of United Bankshares, Inc. (United, the Company, we, or us), a West Virginia corporation, of proxies to be voted at our 2003 Annual Meeting of Shareholders and at any adjournment or postponement.

You are invited to attend our Annual Meeting of Shareholders on May 19, 2003, beginning at 4:00 p.m. The Meeting will be held at The Blennerhassett Hotel, Fourth and Market Streets, Parkersburg, West Virginia.

This Proxy Statement, form of proxy and voting instructions are being mailed on or about April 8, 2003.

Shareholders Entitled to Vote

Holders of record of United common shares at the close of business on March 31, 2003 are entitled to receive this notice and to vote their shares at the Annual Meeting. As of that date, there were 41,743,547 common shares outstanding. Each common share is entitled to one vote on each matter properly brought before the Meeting.

Proxies

Shareholders of record may vote their proxies by mail, in person, by telephone or by internet.

Proxies may be revoked at any time before they are exercised by (1) written notice to the Secretary of the Company, (2) timely delivery of a valid, later-dated proxy or (3) voting at the Annual Meeting.

You may save us the expense of a second mailing by voting promptly. Choose one of the following voting methods to cast your vote.

Vote By Mail

If you choose to vote by mail, simply mark your proxy, date and sign it, and return it to us in the postage-paid envelope provided.

Vote By Telephone or Internet

If you have telephone or internet access, you may submit your proxy by following the instructions on the proxy card.

Vote at the Annual Meeting

The method by which you vote now will in no way limit your right to vote at the Annual Meeting if you later decide to attend in person. **If your shares are held in the name of a bank, broker or other holder of record, you must obtain a proxy, executed in your favor, from the holder of record to be able to vote at the Meeting.**

All shares that have been properly voted and not revoked will be voted at the Annual Meeting in accordance with your instructions. If you sign your proxy card but do not give voting instructions, the shares represented by that proxy will be voted as recommended by the Board of Directors.

PROPOSAL 1: ELECTION OF DIRECTORS

The Board of Directors consists of one class of sixteen (16) directors. Sixteen (16) directors will be elected at our 2003 Annual Meeting to serve for a one-year term expiring at our Annual Meeting in the year 2004. The Company's Bylaws provide that the number of directors shall be at least five (5) and no more than thirty-five (35) with the composition and number of nominees to be set at the discretion of the Board of Directors. For the election of directors at the 2003 Annual Meeting, the Board of Directors established the composition and number of nominees to be elected at sixteen (16).

The persons named in the enclosed proxy intend to vote the proxy for the election of each of the sixteen (16) nominees, unless you indicate on the proxy card that your vote should be withheld from any or all of such nominees. Each nominee elected as a director will continue in office until his successor has been elected or until his death, resignation or retirement.

The Board of Directors has proposed the following nominees for election as directors with terms expiring in 2004 at the Annual Meeting: Richard M. Adams, Robert G. Astorg, Thomas J. Blair, III, Harry L. Buch, W. Gaston Caperton, III, H. Smoot Fahlgren, Theodore J. Georgelas, F. T. Graff, Jr., Russell L. Isaacs, John M. McMahon, G. Ogden Nutting, William C. Pitt, III, I. N. Smith, Jr., Warren A. Thornhill, III, P. Clinton Winter, Jr., and James W. Word, Jr.

The Board of Directors recommends a vote FOR the election of each of these nominees for director.

We expect each nominee for election as a director to be able to serve if elected. If any nominee is not able to serve, proxies will be voted in favor of the remainder of those nominated and may be voted for substitute nominees, unless the Board chooses to reduce the number of directors serving on the Board.

The principal occupation and certain other information about the nominees for director are set forth on the following pages.

In January of 2003, one member of the Company's Board of Directors, Joseph S. Bracewell resigned and during February of 2003, one member, Alan E. Groover, elected not to stand for re-election. There are no known disagreements existing with Messrs. Bracewell or Groover and the Company.

Family Relationships

H. Smoot Fahlgren is the father-in-law of F. T. Graff, Jr.

Security Ownership of Directors and Officers

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As of March 31, 2003, directors and the named executive officers of the Company:

owned beneficially, directly or indirectly, the number of shares of common stock indicated; and

held the number of options exercisable within sixty (60) days after that date, to purchase the number of shares indicated pursuant to the Company's Stock Option Plans.

All directors and executive officers as a group beneficially owned 6,528,279 shares or 15.44% of the Company's common stock.

DIRECTORS WHOSE TERMS EXPIRE IN 2003 AND NOMINEES FOR DIRECTORS

| Name and Age as of the May 19, 2003 Meeting | | Position, Principal Occupation, Business Experience and Directorships | Amount of Beneficial Ownership of Shares of Common Stock and Options | | |
|--|----|---|--|------------------------|-------|
| | | | Shares ^(a) | Options ^(b) | % |
| Richard M. Adams | 56 | Chairman and Chief Executive Officer of both United and United Bank (WV). Director of the Company since 1984. | 510,112 | 208,856 | 1.70% |
| Robert G. Astorg | 59 | CPA and Managing Director of American Express Tax and Business Services, Inc. Member of Astorg, Weyer & Daugherty, P.L.L.C.; Director of the Company since 1991. | 26,091 | | * |
| Thomas J. Blair, III | 71 | Consulting Engineer and former President and Chief Executive Officer of Kelley, Gidley, Blair & Wolfe, Inc. Director of the Company since 1988. | 156,010 | | * |
| Harry L. Buch | 72 | Attorney and Partner with Bailey, Riley, Buch & Harman. Former partner with Gompers, Buch, McCarthy & McLure. Director of the Company since 1990. | 24,126 | | * |
| W. Gaston Caperton, III | 63 | President of The College Board. Director of Owens Corning. President of the Caperton Group. Former Governor of West Virginia. Director of the Company since 1997. | 24,739 | | * |
| H. Smoot Fahlgren | 72 | Chairman of the Board of Fahlgren, Inc. Director of the Company since 1984. | 362,537 | | * |
| Theodore J. Georgelas | 56 | President of Georgelas & Sons, Inc. Chairman of the Board of Sector Communications. Former Chairman of the Board of United Bank (VA). Director of the Company since 1990. | 44,764 | | * |
| F. T. Graff, Jr | 64 | Attorney and Managing Partner of Bowles Rice McDavid Graff & Love PLLC. Director of the Company since 1984. | 24,000 | | * |
| Alan E. Groover | 55 | Former Chairman of the Board, President and Chief Executive Officer of Fed One Bancorp, Inc. Director of the Company since 1998. | 97,003 | | * |

DIRECTORS WHOSE TERMS EXPIRE IN 2003 AND NOMINEES FOR DIRECTORS

| Name and Age as of the May 19, 2003 Meeting Date | | Position, Principal Occupation, Business Experience and Directorships | Amount of Beneficial Ownership of Shares of Common Stock and Options | | |
|--|----|--|--|------------------------|--------|
| | | | Shares ^(a) | Options ^(b) | % |
| Russell L. Isaacs | 70 | Owner of Russell L. Isaacs and Company. Director of the Company since 1984. | 37,709 | | * |
| John M. McMahon | 62 | Chairman of the Board of Miller & Long Co., Inc. Director of United Bank (VA). Director of the Company since 1998. | 239,025 | | * |
| G. Ogden Nutting | 67 | President of The Ogden Newspapers, Inc. Director of the Company since 1986. | 654,656 | | 1.55% |
| William C. Pitt, III | 58 | Hotel and Resort Developer. Director of the Company since 1987. | 3,250 | | * |
| I. N. Smith, Jr. | 70 | Consultant for United. Former President of United. Former President of United Bank (WV). Director of the Company since 1986. | 322,706 | | * |
| Warren A. Thornhill, III | 74 | Attorney at Law. Director of the Company since 1992. | 449,454 | | 1.06% |
| P. Clinton Winter, Jr | 55 | President of Bray & Oakley Insurance Agency. Director of the Company since 1996. | 542,152 | | 1.28% |
| James W. Word, Jr | 79 | President of Beckley Loan Company. Director of the Company since 1992. | 130,270 | | * |
| All Directors, Nominees and Executive Officers as a Group (24 persons) | | | 6,000,168 | 528,111 | 15.44% |

* Indicates the director owns less than 1% of United's issued and outstanding shares.

(a) Includes shares held by United Bank's (WV) Trust Department as follows: Mr. Adams, 61,348 shares; Mr. Astorg, 6,231 shares; Mr. Buch, 12,600 shares; Mr. Fahlgren, 362,537 shares; Mr. Graff, 20,000 shares; Mr. Smith, 321,006 shares; non-director executive officers as a group, 38,813 shares; and 2,136,225 shares in which the voting authority is exercised by United Bank's (WV) Board of Directors.

(b) Includes shares of Common Stock that may be acquired within sixty (60) days of March 31, 2003, through the exercise of stock options pursuant to United's Stock Option Plans.

PRINCIPAL STOCKHOLDERS

Principal Shareholder of United

The following table lists each shareholder of United who is the beneficial owner of more than 5% of United's common stock, the only class of stock outstanding, as of March 31, 2003.

| Title of Class | Name and Address of Beneficial Owner | Amount and Nature of Beneficial Ownership (1) | Percent of Class |
|----------------|--|---|------------------|
| Common Stock | United Bank (WV) Trust Department 514 Market Street, Parkersburg, WV 26101 (2,958,760 shares or 7.00% are registered under the nominee name of Parbanc Co.) | 2,136,225 | 5.05% |

- (1) United Bank (WV), a wholly-owned subsidiary of United and its Trust Department, holds in fiduciary or agency capacity 2,958,760 shares or 7.00% of United's stock. The investment authority for these shares is held by the Trust Department and is exercised by United Bank's (WV) Board of Directors. Of these total shares, sole voting authority for 2,136,225 shares or 5.05% of United's outstanding common stock is held by the Trust Department and is exercised by United Bank's (WV) Board of Directors.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934 requires our directors and executive officers to file reports of holdings and transactions in United shares with the Securities and Exchange Commission (SEC). To our knowledge, based solely on our review of the copies of such reports furnished and written representations that no other reports were required during 2002, we believe that in 2002 our directors and executive officers met all applicable SEC filing requirements except Joseph S. Bracewell, H. Smoot Fahlgren, I.N. Smith, Jr. and P. Clinton Winter, Jr. Messrs. Bracewell and Fahlgren did not timely file one report each involving one transaction each during the period. Mr. Smith did not timely file two reports each involving one transaction during the year. Mr. Winter did not timely file one report involving three transactions and one other report involving a single transaction.

Voting of Other Matters

If any other matters are properly presented for consideration at the Annual Meeting, the persons named in the enclosed form of proxy will have the discretion to vote on those matters for you. At the date this proxy statement went to press, we do not know of any other matter to be raised at the Annual Meeting.

Required Vote

The presence, in person or by proxy, of the holders of a majority of the votes entitled to vote at the Annual Meeting is necessary to constitute a quorum. Abstentions and broker non-votes are counted as present and entitled to vote for purposes of determining a quorum. A broker non-vote occurs when a nominee holding shares for a beneficial owner does not vote on a particular proposal because the nominee does not have discretionary voting power for that particular item and has not received instructions from the beneficial owner.

A plurality of the votes cast is required for the election of directors. Abstentions and broker non-votes are not counted for purposes of the election of directors.

In the election of directors, shareholders cast one (1) vote for each nominee for each share held. However, every shareholder has the right of cumulative voting, in person or by proxy, in the election of directors. Cumulative voting gives each shareholder the right to aggregate all votes which he or she is entitled to cast in the election of directors and to cast all such votes for one candidate or distribute them among as many candidates and in such a manner as the shareholder desires.

At our 2003 Annual Meeting, the number of directors to be elected is sixteen (16). Each shareholder has the right to cast sixteen (16) votes in the election of directors for each share of stock held on the record date. If you wish to exercise, by proxy, your right to cumulative voting in the election of directors, you must provide a proxy showing how your votes are to be distributed among one or more candidates. Unless contrary instructions are given by a shareholder who signs and returns a proxy, all votes for the election of directors represented by such proxy will be divided equally among the sixteen (16) nominees. If cumulative voting is invoked by any shareholder, the vote represented by the proxies delivered pursuant to this solicitation, which do not contain contrary instructions, may be cumulated at the discretion of the Board of Directors of United Bankshares, Inc. in order to elect to the Board of Directors the maximum nominees named in this proxy statement.

On the record date, there were 41,743,547 shares of common stock outstanding that are held by approximately 12,278 shareholders of record. A majority of the outstanding shares of United Bankshares, Inc. will constitute a quorum at the meeting.

Cost of Proxy Solicitation

We will pay the expenses of soliciting proxies. Proxies may be solicited on our behalf by directors, officers or employees in person or by telephone, electronic transmission, facsimile transmission or by telegram. Brokers, fiduciaries, custodians and other nominees have been requested to forward solicitation materials to the beneficial owners of the Company's common stock. Upon request we will reimburse these entities for their reasonable expenses.

In order to facilitate and expedite distribution of these proxy solicitation materials to brokers, fiduciaries, custodians, nominee holders and institutional investors, United has retained Georgeson Shareholder New Jersey of Carlstadt, New Jersey (Georgeson). Pursuant to a retention letter dated February 10, 2003, Georgeson will contact all broker and other nominee accounts identified on United's shareholder mailing list in order to facilitate determination of the number of sets of proxy materials such accounts require for purposes of forwarding the same to the beneficial owners. Georgeson will then assist in the delivery of proxy materials to these accounts for distribution. Georgeson will also assist in the distribution of proxy materials to institutional investors. Georgeson will follow-up with the brokers, other nominee accounts and institutional investors, requesting return of proxies. United is not retaining Georgeson to solicit proxies from registered holders or from non-objecting beneficial owners. Georgeson's fee for the above services is \$4,000 plus reasonable disbursements that may include the broker search, printing, postage, courier charges, filing reports, data transmissions and other expenses approved by United.

Shareholder Account Maintenance

Mellon Investor Services LLC acts as our Transfer Agent. All communications concerning accounts of shareholders of record, including address changes, name changes, inquiries as to requirements to transfer common shares and similar issues can be handled by contacting the Shareholder Relations Department, (304) 424-8800, or by writing to us at the corporate offices located at United Square, Fifth and Avery Streets, Parkersburg, West Virginia 26101.

GOVERNANCE OF THE COMPANY

Board and Committee Membership

The committee descriptions and membership set forth below are those applicable as of the mailing date of this proxy statement.

During 2002, the Board of Directors met five (5) times. The Board of Directors of the Company has four (4) standing committees: The Executive Committee, Audit Committee, Compensation Committee and Nominating Committee. During 2002, each director attended 75% or more of the aggregate of the total number of meetings of the Board of Directors and all committees of the Board on which he served except W. Gaston Caperton, III.

The Executive Committee

The Executive Committee is comprised of nine (9) directors, Richard M. Adams, Chairman, W. Gaston Caperton, III, H. Smoot Fahlgren, F. T. Graff, Jr., Russell L. Isaacs, John M. McMahon, G. Ogden Nutting, Warren A. Thornhill, III and P. Clinton Winter, Jr. The Executive Committee exercises all the authority of the Board of Directors whenever the Board of Directors is not meeting unless prohibited by law or under the provisions of the articles of incorporation or bylaws of the Corporation. The Board of Directors has specifically empowered the Executive Committee to investigate mergers and acquisitions by marshaling necessary information and data to evaluate the advisability of mergers and acquisitions and to report their findings to the Board of Directors. The Board of Directors may accept, ratify, approve, amend, modify, repeal or change the actions of the Executive Committee. During 2002, the Executive Committee met three (3) times.

The Audit Committee

The Audit Committee has the primary responsibility to review and evaluate significant matters relating to audit, internal control and compliance. It reviews, with representatives of the independent auditors, the scope and results of the examination of financial statements, audit fees and any recommendations with respect to internal controls and financial matters. This committee is also responsible for monitoring trust activities, including the review of the assets in each trust as to their safety and current value, and the advisability of retaining or disposing of such assets. The United Bankshares, Inc. Board of Director's Audit Committee Charter, as approved by the Board of Directors, governs the Audit Committee. Members of this committee are Robert G. Astorg, Chairman, P. Clinton Winter, Jr., and James W. Word, Jr., and R. Terry Butcher, who is a director of one of United's subsidiary banks. The Audit Committee met four (4) times during 2002.

Compensation Committee

The Compensation Committee makes recommendations regarding executive officer compensation to the Board of Directors. Members of this committee are Russell L. Isaacs, Chairman, W. Gaston Caperton, III, H. Smoot Fahlgren, F. T. Graff, Jr., John M. McMahon, G. Ogden Nutting, Warren A. Thornhill, III and P. Clinton Winter, Jr. The Compensation Committee met one (1) time during the year.

Nominating Committee

The Nominating Committee is empowered to nominate the annual slate of directors and present the same to the Board of Directors for approval. Members of this committee are G. Ogden Nutting, Chairman, W. Gaston Caperton, III, H. Smoot Fahlgren, F. T. Graff, Jr., Russell L. Isaacs, John M. McMahon, Warren A. Thornhill, III and P. Clinton Winter, Jr. The Nominating Committee met one (1) time during the year.

Related Transactions

United's subsidiaries have had, and expect to have in the future, banking transactions with United and with its officers, directors, principal shareholders, or their interests (entities in which they have more than a 10% interest). The transactions were in the ordinary course of business and, with respect to loans, were made on substantially the same terms, including interest rates, collateral and repayment terms as those prevailing at the time for comparable transactions. United's subsidiary banks are subject to federal statutes and regulations governing loans to officers and directors and extend loans in compliance with such laws and only with the approval of the Board of Directors.

H. Smoot Fahlgren, a member of the Board of Directors of United, is Chairman of Fahlgren, Inc., an advertising agency with its headquarters in Parkersburg, West Virginia. The agency has provided the advertising for United since 1978. During 2002, payment for the advertising by United to Fahlgren, Inc. was less than 5% of that firm's revenues during the year 2002.

F. T. Graff, Jr., a member of the Board of Directors of United, is a partner in the law firm of Bowles Rice McDavid Graff & Love PLLC in Charleston, West Virginia. Bowles Rice McDavid Graff & Love PLLC rendered legal services to United during 2002 and it is expected that the firm will continue to render certain services in the future. The fees paid to Bowles Rice McDavid Graff & Love PLLC represent less than 5% of that firm's revenues for the year 2002.

During the third quarter of 2002, United Bank (WV) opened its newly constructed Charleston branch on land that is leased from the Kanawha-Roxalana Company pursuant to a written lease agreement dated November 28, 2001 (the "Kanawha City Lease"). The Kanawha-Roxalana Company is a shareholder of United, and the voting and investment authority for its shares are beneficially owned by its President and Chief Executive Officer, I.N. Smith, Jr. who is a director of United. The Kanawha City Lease provides for an initial term of twenty-five (25) years that commenced on December 1, 2001, with five (5) additional five (5) year renewal options after expiration of the initial twenty-five (25) year term. The Kanawha City Lease provides for the base rent to be paid by United Bank (WV) to be adjusted on December 1, 2006, and every five years thereafter following the commencement and any renewal option properly exercised by United Bank (WV). The adjusted amount of rent shall be calculated based on changes in the Consumer Price Index of the United States Bureau of Labor Statistics. Additionally, the Kanawha City Lease provides an option for United Bank (WV) to purchase the property after the expiration of the initial twenty-five year term at a purchase price equal to the average of three separate appraisals. Upon the expiration of the Kanawha City Lease for any cause, all improvements and structures shall become the property of the Kanawha-Roxalana Company. Management believes the Kanawha City Lease is on terms comparable to market terms for similar rental space in Charleston, West Virginia.

United Bank (WV) leases one of its Wheeling drive-in facilities from The Ogden Newspapers, Inc. pursuant to a written lease agreement dated August 1, 2000 (the "Wheeling Lease"). The Ogden Newspapers, Inc. is a shareholder of United, and the voting and investment authority for its shares are beneficially owned by its President, G. Ogden Nutting who is a director of United. Management believes the Wheeling Lease is on terms comparable to market terms for similar rental space in Wheeling, West Virginia. The Wheeling Lease provides for an initial term of ten (10) years with two (2) successive options to renew and extend the terms of the Lease for ten (10) additional years each. Additionally, the Wheeling Lease provides that The Ogden Newspapers, Inc. may, at its option, terminate the Lease upon nine (9) months advance written notice to United Bank (WV). Previously, United had leased its Wheeling branch premises and the drive-in facility from The Ogden Newspapers, Inc. pursuant to a written lease agreement dated August 1, 1979. The Wheeling Lease supercedes the prior lease agreements and only pertains to United Bank (WV)'s lease of the drive-in facility; United Bank (WV) no longer leases the Wheeling branch premises from The Ogden Newspapers, Inc.

In addition, during the year subsidiaries of United advertised, at market rates, in newspapers published by The Ogden Newspaper, Inc. The fees paid in such advertising and the rent paid to The Ogden Newspapers, Inc. represent less than 5% of that firm's revenue for the year 2002.

Director Compensation

Non-employee directors of the Company receive a retainer of \$700 per month regardless of meeting attendance.

Each non-employee director who serves on the Executive, Audit, Compensation and Nominating Committees receives a fee of \$700 for each United Board Committee Meeting attended except for Mr. Astorg and Mr. Isaacs in their capacity as chairman of the Audit Committee and Compensation Committee, respectively. As Chairman of the Audit Committee, Mr. Astorg receives a retainer payment of \$700 per month without regard to committee meeting attendance. Mr. Isaacs, as Chairman of the Compensation Committee, receives a retainer payment of \$700 per quarter without regard to committee meeting attendance.

Beneficial Ownership of Named Executive Officers

The following table sets forth certain information regarding the named executive's beneficial ownership of common stock of United as of March 31, 2003:

| Title of Class | Name of Officer | Shares of Common | |
|----------------|------------------------|------------------|------------------|
| | | Number of Shares | Percent of Class |
| Common Stock | Richard M. Adams | 718,968 | 1.70% |
| Common Stock | Steven E. Wilson | 157,257 | 0.37% |
| Common Stock | James B. Hayhurst, Jr. | 118,577 | 0.28% |
| Common Stock | Kendal E. Carson | 37,245 | 0.09% |
| Common Stock | Joe L. Wilson | 112,410 | 0.27% |

- (1) The amounts shown represent the total shares owned directly by such named executive officers together with shares, which are owned indirectly. The direct shares include shares that are issuable upon the exercise of all stock options currently exercisable. These individuals have the right to acquire the shares indicated after their names, upon exercise of such stock options: Mr. Adams, 208,856; Mr. S. Wilson, 64,256; Mr. Hayhurst, 68,165; Mr. Carson, 36,125; and Mr. J. Wilson, 56,087. The indirect shares include those shares owned by spouses and immediate family members, shares held in trust in which the executive is a beneficiary, and shares held by a corporation which the executive controls.

EXECUTIVE COMPENSATION

Cash Compensation

The following table is a summary of certain information concerning the compensation awarded or paid to, or earned by, the Company's chief executive officer and each of the Company's other four most highly compensated executive officers during the last three fiscal years.

Summary Compensation Table

| Name and Principal Position | Year | Annual Compensation | | | Long-term Compensation | All Other Compensation (\$) ⁽²⁾ |
|--|------|---------------------|------------|--|-----------------------------------|--|
| | | Salary (\$) | Bonus (\$) | Other Compensation (\$) ⁽¹⁾ | Securities Underlying Options (#) | |
| Richard M. Adams | 2002 | 527,500 | 341,300 | 0 | 30,000 | 6,875 |
| Chairman of the Board and Chief Executive Officer | 2001 | 476,608 | 260,000 | 0 | 30,000 | 6,600 |
| Executive Officer | 2000 | 446,600 | 300,000 | 0 | 24,000 | 4,250 |
| Steven E. Wilson | 2002 | 216,667 | 101,250 | 0 | 15,000 | 6,932 |
| Executive Vice President, Chief Financial Officer, Secretary and Treasurer | 2001 | 204,808 | 81,000 | 0 | 14,400 | 6,607 |
| James B. Hayhurst, Jr. | 2000 | 198,833 | 85,000 | 0 | 12,000 | 6,620 |
| | 2002 | 186,667 | 52,500 | 0 | 10,000 | 6,233 |
| Executive Vice President | 2001 | 179,850 | 42,000 | 0 | 9,000 | 5,062 |
| | 2000 | 176,167 | 50,000 | 0 | 7,500 | 5,565 |
| Kendal E. Carson | 2002 | 183,600 | 52,500 | 0 | 10,000 | 5,000 |
| Executive Vice President | 2001 | 177,083 | 42,000 | 0 | 9,000 | 4,427 |
| | 2000 | 165,001 | 45,000 | 0 | 7,500 | 5,031 |
| Joe L. Wilson | 2002 | 177,667 | 52,500 | 0 | 10,000 | 5,934 |
| Executive Vice President | 2001 | 169,792 | 42,000 | 0 | 9,000 | 5,115 |
| | 2000 | 165,833 | 47,000 | 0 | 7,500 | 5,321 |

(1) The aggregate value of all perquisites and other personal benefits did not exceed either \$50,000 or 10% of the total annual salary and bonus reported for the named executive officers; therefore, no disclosure has been made.

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- (2) The amounts included in All Other Compensation consist entirely of United's contributions on behalf of the listed officers to the 401(K) Plan.

STOCK OPTION GRANTS IN 2002

The following table sets forth information concerning individual grants of options to purchase the Company's Common Stock made to the named executives in 2002.

Stock Option Grants in Last Fiscal Year

| Name | Number of Securities Underlying Options Granted (#) | % of Total Options Granted to All Employees in Fiscal Year | Exercise of Base Price (\$/Share) | Expiration Date | Grant Date Present Value (\$) ⁽²⁾ |
|------------------------|--|---|--------------------------------------|--------------------|---|
| | | | | | |
| Richard M. Adams | 30,000 ⁽¹⁾ | 10.17% | 29.37 | 11/08/2012 | 150,900 |
| Steven E. Wilson | 15,000 ⁽¹⁾ | 5.09% | 29.37 | 11/08/2012 | 75,450 |
| James B. Hayhurst, Jr. | 10,000 ⁽¹⁾ | 3.39% | 29.37 | 11/08/2012 | 50,300 |
| Kendal E. Carson | 10,000 ⁽¹⁾ | 3.39% | 29.37 | 11/08/2012 | 50,300 |
| Joe L. Wilson | 10,000 ⁽¹⁾ | 3.39% | 29.37 | 11/08/2012 | 50,300 |

(1) Granted under the 2001 Incentive Stock Option Plan. The option exercise price is the market value of United's stock at the date the option was granted. All options granted under this plan are exercisable in accordance with a three-year vesting schedule: 50% after the first year; 75% after the second year; and 100% after the third year.

(2) Calculated using the Black-Scholes pricing model. The assumptions used in determining the valuation of these options using this methodology are as follows: average expected life of options of 7 years; risk-free interest rate of 3.63%; a volatility factor of 0.213; and a dividend yield of 3.55%.

STOCK OPTION EXERCISES AND YEAR-END VALUE TABLE

The following table sets forth certain information regarding individual exercises of stock options during 2002 by each of the named executives.

Aggregate Stock Option Exercises in Last Fiscal Year and FY-End Stock Option Plan

| Shares | Value | Number of |
|--------|-------|-----------|
|--------|-------|-----------|

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| Name | Acquired on Exercise (#) | Realized (\$) | Unexercised Stock Options at Fiscal Year End # Exercisable/Unexercisable | Value of Unexercised In-the-Money Stock Options at Fiscal Year End (\$) Exercisable/Unexercisable |
|------------------------|-----------------------------|---------------|---|---|
| Richard M. Adams | 20,000 | 387,500 | 208,856/51,000 | 2,075,019/88,335 |
| Steven E. Wilson | 0 | 0 | 64,256/25,200 | 434,495/43,586 |
| James B. Hayhurst, Jr. | 10,000 | 206,890 | 68,165/16,375 | 690,443/27,241 |
| Kendal E. Carson | 0 | 0 | 36,125/16,375 | 514,401/27,241 |
| Joe L. Wilson | 12,000 | 207,270 | 56,087/16,375 | 355,673/27,241 |

EXECUTIVE COMPENSATION COMMITTEE REPORT

Board Compensation Committee Report

The Compensation Committee is responsible for administration of United Bankshares, Inc.'s (United's) Executive Compensation programs. This includes recommendations related to base salary, short-term incentives and long-term stock option incentives for all Executive Officers of the Company.

The Compensation Committee's Executive Compensation policies, developed based on competitive information, are designed to provide competitive levels of compensation that integrate pay with United's annual and long-term performance goals and assist in attracting and retaining qualified executives.

Periodically the Committee retains the services of nationally recognized compensation consulting firms to do extensive reviews of the compensation program for all Executive Officers.

Buck Consultants, a global human resources consulting firm, previously reported to the Committee that the total compensation plan for Executive Officers was conservative related to peer banking companies. Of the three primary aspects of total compensation, salary, annual incentive, and long-term incentives/stock options, UBSI salaries were found to be the most conservative form of pay. Option awards approached the median. The Bank Compensation Strategies Group reported similar findings.

Executive Officers are paid base salaries determined by the value of their position compared to published survey data, information gathered on competing banks of similar size and the officer's individual performance level.

The short-term Incentive Plan stresses reward for achievement of performance goals set each year. Each Executive Officer participates in a pool of funds set aside for this purpose. Participation level is based on a rating system tied to accomplishment of assigned goals as well as a specific formula, which relates the incentive award to a percentage of salary range midpoint. Company performance must exceed peer performance to activate compensation incentives.

The United management team should share the same goals as its shareholders. Toward this end, the long-term Incentive Stock Option Plan is designed to provide an ownership opportunity to key management personnel. Stock ownership provides an ever-important stockholder perspective necessary for successful management of the company. Awards are based on industry guidelines, which relate base compensation to stock price. Grant calculations are tested for reasonableness against competitive industry data, keeping in mind cumulative ownership targets.

Buck Consultants and the Bank Compensation Strategies Group reported that stock option grants to Executive Officers have historically been conservative when compared to general industry and practices for major regional banking organizations. The most recent share allocations as a percentage of outstanding shares have been consistent with competitive practices in the banking industry.

Peer group performance analysis is a continual process at United. Data provided by the Federal Reserve Bank Holding Company Performance Report is analyzed quarterly. Proxy data on an appropriate group of individual financial institutions is used to evaluate operating performance and profitability. United consistently performs well compared to peer. The Committee concluded that Company performance for the year exceeded peer performance and activated compensation incentives.

The Committee determined that the base pay for Richard Adams, Chief Executive Officer, was determined to be well within a competitive market range when compared to published compensation survey information and proxy data from similar size bank holding companies.

Mr. Adams was awarded a pro-rata share of the established short-term incentive pool based on his performance rating assigned by the Committee. The Committee concluded that total cash compensation for the position of CEO was conservative in view of performance levels attained for companies of similar size as presented in a report by Buck Consultants. UBSI's CEO was positioned below the median. The Bank Compensation Strategies Group reported cash compensation for the CEO to be somewhat low based on the performance levels of the peer group.

Stock option shares granted to Mr. Adams were determined to be competitive when compared by the Committee to the grant practices of a broad spectrum of banking organizations as presented in a report by Buck Consultants.

Mr. Adams at age 56 has served the company for 34 years; 28 of those years he has been responsible for motivating and building the organization.

During the past 12 years, UBSI stock has outperformed the S&P 500 and the KBW Bank Index. Over the past 28 years of the current administration dividends have increased each year for an annual compound growth rate of 10.4%. United's pay for performance compensation program emphasizing written performance objectives has been a major contributor to our ability to consistently enhance long-term shareholder value.

No member of the Committee is a former or current officer or employee of United.

COMPENSATION COMMITTEE

Russell L. Isaacs, Chairman
W. Gaston Caperton, III
H. Smoot Fahlgren

F. T. Graff, Jr.
John M. McMahon

G. Ogden Nutting
W. A. Thornhill, III
P. Clinton Winter, Jr.

Compensation Committee Interlocks and Insider Participation

F. T. Graff, Jr., a member of the Board of Directors of United, its Executive Committee and the Board's Compensation and Nominating Committees, is a partner in the law firm of Bowles Rice McDavid Graff & Love in Charleston, West Virginia. Bowles Rice McDavid Graff & Love rendered legal services to United and United Bank (WV) during 2002 and it is expected that the firm will continue to render certain services to both in the future. The fees paid to Bowles Rice McDavid Graff & Love represent less than 5% of that firm's revenues for 2002.

PERFORMANCE GRAPH

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The following graph compares United's cumulative total shareholder return on its common stock for the five year period ending December 31, 2002, with the cumulative total return of the Standard and Poor's Midcap 400 Index and with the NASDAQ OTC Bank Index. There is no assurance that United's common stock performance will continue in the future with the same or similar trends as depicted in the graph. The graph shall not be deemed incorporated by reference by any general statement incorporating by reference this proxy statement into any filing under the Securities Act of 1933 or the Securities Exchange Act of 1934 except to the extent United specifically incorporates this graph by reference, and shall not otherwise be filed under such Acts.

United Bankshares, Inc.**Total Return Analysis**

| | <u>United Bankshares</u> | <u>NASDAQ Bank Index</u> | <u>S&P Mid-Cap Index</u> |
|------|--------------------------|--------------------------|------------------------------|
| 1997 | 100.000 | 100.000 | 100.000 |
| 1998 | 114.020 | 88.229 | 104.234 |
| 1999 | 106.233 | 81.186 | 118.145 |
| 2000 | 98.661 | 93.099 | 137.299 |
| 2001 | 138.746 | 102.480 | 135.054 |
| 2002 | 144.304 | 107.108 | 114.192 |

United Bankshares, Inc. Plans

Officer Employment Contracts. Richard M. Adams, Chairman and Chief Executive Officer of United and United National Bank, now United Bank (WV), entered into an employment contract with United effective April 11, 1986, effective for a five year term from March 31, 1986, with the provision that the contract could be extended by one (1) year to maintain a rolling five (5) year contract. This contract was amended in November 2002. This most recent amendment superseded all other amendments and extended the initial term of the contract through March 31, 2008 with the provision for additional one (1) year term extensions by the Executive Committee with the approval of Mr. Adams. Under the amended contract Mr. Adams is required to devote his full-time energies to performing his duties as Chairman and CEO on behalf of United and its subsidiaries. The contract provides for a base compensation of \$536,000 and additional benefits consistent with the office. This base compensation may be increased but not decreased. If the contract is terminated for any reason other than mutual consent or cause based on (i) excessive, unapproved absences, (ii) gross or willful neglect of duty that results in some substantial loss to United, or (iii) fraud or commission of any criminal act, if proven, Mr. Adams, or his family or estate, is entitled to his base salary for a sixty (60) month period. If the contract is terminated by mutual consent, the amount due Mr. Adams or his family or estate shall be the amount mutually agreed upon by Mr. Adams and United. In an instance of termination for cause based on (i), (ii), (iii) or any combination thereof, United shall pay Mr. Adams base salary only for the period of his active full-time employment to the date of termination.

The contract between Mr. Adams and United also provides for an additional payment by United to Mr. Adams in the form of a gross-up payment in the event that a payment or distribution pursuant to the contract would be subject to the excise tax imposed by Section 4999 of the Internal Revenue Code of 1986, as amended. Any calculated gross-up payment amount shall be equal to one hundred percent (100%) of the excise tax plus one hundred percent (100%) of

any federal, state and local income taxes plus the additional excise tax on the gross-up amount. Any gross-up payment pursuant to the contract shall be paid to Mr. Adams within 30 days of the receipt of the amount determined.

On July 27, 1990, United also entered into a Supplemental Retirement Agreement with Mr. Adams. The agreement was amended on November 1, 2001. This amended agreement provides for an annual supplemental retirement benefit upon his reaching age 65 or upon the later termination of his employment with United or an affiliated or successor entity to United, whichever last occurs. The annual benefit will be equal to seventy percent (70%) of the average of Mr. Adams' three highest base salaries, reduced by benefits actuarially calculated at the time the supplemental retirement benefit becomes payable under (i) the United Pension Plan; (ii) social security; and the United Savings and Stock Investment Plan. The amended agreement also provides for reduced benefits for early retirement before age 65 as well as payments to his spouse or his estate if unmarried in the event of his death. The benefits under the amended agreement are fully vested in Mr. Adams and shall survive his termination of employment from United or an affiliated or successor entity to United for whatever reason, including but not limited to, change in control, dismissal with or without cause, voluntary termination, expiration of contract or disability.

United and United National Bank, now United Bank (WV), entered into an employment agreement with I. N. Smith, Jr., the now former President of United, on December 17, 1985. The term of the agreement extends until Mr. Smith reaches the age of 75. In June of 1997, Mr. Smith retired from United. Until he reaches the age of 75, Mr. Smith shall render such consulting and advisory services as United may request, and shall receive for such services an annual fee of \$36,000 until he reaches age 70, and \$30,000 thereafter. In addition, Mr. Smith has agreed to serve as a director of United and United has agreed to use its best efforts to nominate and elect him.

On December 7, 2001, United and United Bank (VA) entered into an agreement (the Agreement) with Joseph S. Bracewell, then Chairman of the Board, Chief Executive Officer, and President of Century Bancshares, Inc. (Century). Upon consummation of the acquisition of Century by United, the Agreement provided for the assumption of the obligations and liabilities of Century under an employment agreement dated September 1, 1996 between Mr. Bracewell and Century (the Employment Agreement), and for the termination of the Employment Agreement effective as of January 1, 2002. Upon termination of the Employment Agreement, United paid Mr. Bracewell \$250,000 as consideration for certain non-competition and non-solicitation provisions and \$500,000 for a change of control provision in accordance with the Employment Agreement. At the effective time of United's acquisition of Century, Mr. Bracewell was appointed to serve as Vice Chairman of the Board of United Bank (VA) and as a Director of United with duties and responsibilities commensurate with such positions, including promoting the products and services of United and United Bank (VA) to the customer base of Century, maintaining relationships and soliciting business with such former customers, general customer and employee relations, public relations, assisting in strategic planning and the full development of the potential of the strategic combination of United and Century, assisting in the smooth and orderly transition of management and employees from Century, and such other services and duties consistent with the foregoing as may be reasonably assigned to him from time to time by the Boards of Directors of United and United Bank (VA). In exchange for his services, Mr. Bracewell received cash compensation of \$75,000 paid in periodic monthly installments that began on January 31, 2002 and ended on December 31, 2002. Effective January 3, 2003, Mr. Bracewell resigned from all positions he held with United including his directorship.

Change of Control Agreements. In March of 1994, United entered into agreements with Steven E. Wilson, James B. Hayhurst, Jr. and Joe L. Wilson to encourage those executive officers not to terminate their employment with United because of the possibility that United might be acquired by another entity. In August of 2000, United entered into similar change of control agreements with Richard M. Adams, Jr., Kendal E. Carson, James J. Consagra and John Neuner, III. The Board of Directors determined that such an arrangement was appropriate, considering the entry of large regional bank holding companies into West Virginia. The agreements were not undertaken in the belief that a change of control of United was imminent.

Generally, the agreements provide severance compensation to those officers if their employment should end under certain specified conditions after a change of control of United. Compensation is paid upon any involuntary termination following a change of control unless the officer is terminated for cause. In addition, compensation will be paid after a change of control if the officer voluntarily terminates employment because of a decrease in the total amount of the officer's base salary below the level in effect on the date of consummation of the change of control, without the officer's consent; a material reduction in the importance of the officer's job responsibilities without the officer's consent; geographical relocation of the officer without consent to an office more than fifty (50) miles from the officer's location at the time of a change of control; failure by United to obtain assumption of the contract by its successor or any termination of employment within thirty-six (36) months after consummation of a change of control which is effected for any reason other than good cause.

Under the agreements, a change of control is deemed to occur in the event of a change of ownership of United which must be reported to the Securities and Exchange Commission as a change of control, including but not limited to the acquisition by any person (as such term is used in Sections 13(d) and 14(d) of the Securities and Exchange Act of 1934 (the Exchange Act)) of direct or indirect beneficial ownership (as defined by Rule 13d-3 under the Exchange Act) of twenty-five percent (25%) or more of the combined voting power of United's then outstanding securities, or the failure during any period of two (2) consecutive years of individuals who at the beginning of such period constitute the Board for any reason to constitute at least a majority thereof, unless the election of each director who was not a director at the beginning of such period has been approved in advance by directors representing at least two-thirds (2/3) of the directors at the beginning of the period.

Under the agreements, severance benefits include: (a) cash payment equal to the officer's monthly base salary in effect on either (i) the date of termination; (ii) the date immediately preceding the change of control, whichever is higher, multiplied by the number of full months between the date of termination and the date that is thirty-six (36) months after the date of consummation of the change of control; (b) payment of cash incentive award, if any, under United's Incentive Plan; (c) continuing participation in employee benefit plans and programs such as retirement, disability and medical insurance for a period of thirty-six (36) months following the date of termination.

The agreements do not effect the right of United to terminate the officer, or change the salary or benefits of the officer, with or without good cause, prior to any change of control; provided, however, any termination or change which takes place after discussions have commenced which result in a change of control will be presumed to be a violation of the agreement and will entitle the officer to the benefits under the agreement, absent clear and convincing evidence to the contrary.

Employee Benefit Plans. No directors or principal shareholders of United and its subsidiaries, other than those persons who are salaried officers, participate in any type of benefit plan of United.

United's subsidiaries provide, on a substantially non-contributory basis for all full-time employees, life, disability, health and dental insurance. Life insurance with value of 250% of base salary is provided to all full-time employees, including executive officers. The premiums paid by United for life insurance on any individual, which has a face value greater than \$50,000 is properly reported as compensation. These plans do not discriminate, in scope, terms or operation, in favor of the executive officers of United or its subsidiaries and are available generally to all salaried employees of United and its subsidiaries.

Each employee of United, or its participating subsidiaries, who completes one year of eligible service and is 21 years of age is eligible to participate in the Pension Plan. The plan is noncontributory on the part of the employee. Vesting is attained with five years of participation.

PENSION PLAN TABLE

Years of Service

| Remuneration | 15 | 20 | 25 | 30 | 35 |
|--------------|----------|----------|----------|----------|----------|
| \$125,000 | \$30,744 | \$40,992 | \$51,241 | \$51,241 | \$51,241 |
| 150,000 | 37,307 | 49,742 | 62,178 | 62,178 | 62,178 |
| 175,000 | 37,307 | 49,742 | 62,178 | 62,178 | 62,178 |
| 200,000 | 37,307 | 49,742 | 62,178 | 62,178 | 62,178 |
| 225,000 | 37,307 | 49,742 | 62,178 | 62,178 | 62,178 |
| 250,000 | 37,307 | 49,742 | 62,178 | 62,178 | 62,178 |
| 275,000 | 37,307 | 49,742 | 62,178 | 62,178 | 62,178 |
| 300,000 | 37,307 | 49,742 | 62,178 | 62,178 | 62,178 |
| 325,000 | 37,307 | 49,742 | 62,178 | 62,178 | 62,178 |
| 350,000 | 37,307 | 49,742 | 62,178 | 62,178 | 62,178 |
| 375,000 | 37,307 | 49,742 | 62,178 | 62,178 | 62,178 |
| 400,000 | 37,307 | 49,742 | 62,178 | 62,178 | 62,178 |
| 425,000 | 37,307 | 49,742 | 62,178 | 62,178 | 62,178 |
| 450,000 | 37,307 | 49,742 | 62,178 | 62,178 | 62,178 |
| 475,000 | 37,307 | 49,742 | 62,178 | 62,178 | 62,178 |
| 500,000 | 37,307 | 49,742 | 62,178 | 62,178 | 62,178 |

The table above illustrates the operation of United's Pension Plan and Supplemental Retirement Plan (SERP) by showing various annual benefits, after reduction for Social Security retirement income, assuming various annual base salaries and years of credited service. Benefit figures shown are computed on the assumption that participants retire at the normal retirement age of 65. For purposes of the table, it is assumed each participant is receiving benefits from the Pension Plan in the form of a life annuity. Benefits under the SERP are paid in the form of a life annuity.

The SERP ensures that each participating executive officer, who retires at age 65, receives a level of retirement benefits, without regard to years of service, equal to 70% of the executive officer's average three highest base salary years during his employment with United or an affiliated or successor entity. At the time a participating executive officer retires, the benefit the participant is entitled to through the SERP is calculated, and then funds from the following sources are deducted to determine the amount, if any, of the payment due under the SERP:

(i) the benefit under the Pension Plan; (ii) Social Security benefits payable; and (iii) any benefits under United's Savings and Stock Investment Plan.

The estimated credited years of service for each of the executive officers named in the Summary Compensation Table under the Pension Plan as of December 31, 2002, are as follows: Mr. Adams 34 years; Mr. S. Wilson 31 years; Mr. Hayhurst 31 years; Mr. Carson 11 years; and Mr. J. Wilson 32 years.

Each employee of United, who completes ninety (90) days of qualified service, is eligible to participate in the United Savings and Stock Investment Plan, a deferred compensation plan under Section 401(k) of the Internal Revenue Code. Each participant may contribute from 1% to

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100% of compensation to his/her account, subject to Internal Revenue Service maximum deferral limits. After one year of eligible service, United matches 100% of the first 2% of salary deferred and 25% of the second 2% of salary deferred with United stock. Vesting is 100% for employee deferrals and the company match at the time the employee makes his/her deferral.

United employees may participate in an employee stock purchase plan whereby its employees may purchase shares of United's common stock. Purchases made by employees under this plan are coordinated by the Trust Department of United Bank (WV), and involve stock purchased at market price for this purpose.

AUDIT COMMITTEE REPORT

The United Bankshares, Inc. Audit Committee reviews United's financial reporting process on behalf of the Board of Directors. Management has the primary responsibility for the financial statements and the reporting process including the systems of internal control. United's independent auditors are responsible for expressing an opinion on the conformity of the audited financial statements with accounting principles generally accepted in the United States. In fulfilling its oversight responsibilities, the Audit Committee reviewed and discussed with management and the independent auditors the 2002 audited financial statements. This discussion included the quality, not just the acceptability, of the accounting principles, the reasonableness of significant judgements and the clarity of disclosures in the financial statements.

The Audit Committee discussed with the independent auditors the matters required to be discussed by Statement on Auditing Standards No. 61 (Communications with Audit Committees). In addition, the Audit Committee received from the independent auditors the written disclosures required by Independence Standards Board No. 1 (Independence Discussions with Audit Committees) and discussed with them their independence from the Company and its management. And, the Audit Committee determined that the nonaudit services provided to the Company by the independent auditors are compatible with the auditors' independence.

In reliance on the reviews and discussions referred to above, the Audit Committee recommended to the Board of Directors, and the Board of Directors approved, that the audited financial statements be included in United's Annual Report on Form 10-K for the year ended December 31, 2002, for filing with the Securities and Exchange Commission.

No member of the Audit Committee is a former or current officer or employee of United.

AUDIT COMMITTEE

Robert G. Astorg, Chairman
James W. Word, Jr.

P. Clinton Winter, Jr.
R. Terry Butcher

EXECUTIVE OFFICERS

Set forth below are the executive officers of United and relations that exist with affiliates and others for the past five years.

| <u>Name</u> | <u>Age</u> | <u>Present Position</u> | <u>Principal Occupation and Banking Experience During the Last Five Years</u> |
|------------------------|------------|--|---|
| Richard M. Adams | 56 | Chairman of the Board & Chief Executive Officer United; Chairman of the Board & Chief Executive Officer United Bank (WV) | Chairman of the Board & Chief Executive Officer United; Chairman of the Board & Chief Executive Officer United Bank (WV) |
| Richard M. Adams, Jr. | 34 | Executive Vice-President United; Executive Vice-President United Bank (WV) | Senior Vice-President United Bank (WV) President United Brokerage Co. |
| Kendal E. Carson | 47 | Executive Vice-President United; President & Chief Executive Officer United Bank (VA) | Executive Vice-President United Bank (VA); Executive Vice-President George Mason Bank |
| James J. Consagra, Jr. | 42 | Executive Vice-President United; Executive Vice-President & Chief Financial Officer United Bank (VA) | Executive Vice-President United; Executive Vice-President & Chief Financial Officer United Bank (VA); Treasurer George Mason Bankshares, Inc.; Executive Vice-President George Mason Bank |
| James B. Hayhurst, Jr. | 56 | Executive Vice-President United; Executive Vice-President United Bank (WV) | Executive Vice-President United; Executive Vice-President United Bank (WV) |
| John Neuner, III | 57 | Executive Vice-President United; Executive Vice-President United Bank (WV) | Executive Vice-President United; Executive Vice-President United Bank (WV) |
| Joe L. Wilson | 55 | Executive Vice-President United; Executive Vice-President United Bank (WV) | Executive Vice-President United; Executive Vice-President United Bank (WV) |
| Steven E. Wilson | 54 | Executive Vice-President, Chief Financial Officer, Treasurer & Secretary United; Executive Vice-President, Chief Financial Officer, Treasurer & Secretary United Bank (WV) | Executive Vice-President, Chief Financial Officer, Treasurer & Secretary United; Executive Vice-President, Chief Financial Officer, Treasurer & Secretary United Bank (WV) |

Richard M. Adams and Richard M Adams, Jr. are father and son.

**REQUIREMENTS, INCLUDING DEADLINES, FOR SUBMISSION OF PROXY PROPOSALS,
NOMINATIONS OF DIRECTORS, AND OTHER BUSINESS OF SHAREHOLDERS**

Nomination of Directors

Nominations may be made only if such nominations are made in accordance with the procedures set forth in Article II, Section 5 of the Restated Bylaws of United, which section, in full, is set forth below:

Section 5. Nomination of directors. Directors shall be nominated by the Board prior to the giving of notice of any meeting of shareholders wherein directors are to be elected. Additional nominations of directors may be made by any shareholder; provided that such nomination or nominations must be made in writing, signed by the shareholder and received by the Chairman or President no later than ten (10) days from the date the notice of the meeting of shareholders was mailed; however, in the event that notice is mailed less than thirteen (13) days prior to the meeting, such nomination or nominations must be received no later than three (3) days prior to any meeting of the shareholders wherein directors are to be elected.

Stock Transfers

United Bankshares, Inc. common stock is listed on NASDAQ, National Association of Securities Dealers Quotation System, National Market System. The quotation symbol is UBSI .

Independent Auditors

Ernst & Young LLP, Charleston, West Virginia, has served as the independent auditors for United and its subsidiaries since 1986 and has been selected by the Board of Directors to continue as the independent auditors for United and its subsidiaries for the next fiscal year. Representatives of Ernst & Young LLP will be present at the Annual Meeting and will have an opportunity to make a statement if they desire to do so. Such representatives of the firm will be available to respond to appropriate shareholder inquiries at the Annual Meeting.

Independent Auditor Fees Information

Audit Fees. Fees for audit services were \$338,100 in 2002 and \$370,300 in 2001, including fees associated with the annual audit, the reviews of United's quarterly reports on Form 10-Q and annual report on Form 10-K, and required statutory audits.

Audit-Related Fees. Fees for audit-related services were \$69,500 in 2002 and \$47,800 in 2001. Audit-related services principally include accounting consultations, audits of employee benefit plans and other attest services not classified as audit.

Tax Fees. Fees for tax services, including tax compliance, tax advice and tax planning were \$501,795 in 2002 and \$352,450 in 2001.

Shareholder Proposals for 2004 Annual Meeting

Presently, the next annual meeting of United shareholders is scheduled for May 17, 2004. Any shareholder proposals to be presented at that 2004 Annual Meeting must be received at the principal office of United no later than December 12, 2003. If the scheduled date for the 2004 Annual Meeting is changed by more than thirty (30) days, shareholders will be informed of the new meeting date and the revised date by which shareholder proposals must be received.

FORM 10-K

The Company will furnish without charge to each person whose proxy is being solicited, upon the request of any such person, a copy of the Company's annual report on Form 10-K for 2002. Requests for copies of such report should be directed to Shareholder Relations, United Bankshares, Inc., P. O. Box 1508, Parkersburg, West Virginia 26102.

Whether or not you plan to attend the Meeting, please mark, sign, date and promptly return the enclosed proxy in the enclosed envelope. No postage is required for mailing in the United States.

By Order of the Board of Directors

/s/ Richard M. Adams

Richard M. Adams

Chairman of the Board and

Chief Executive Officer

April 8, 2003

UNITED BANKSHARES, INC.

PROXY FOR 2003 ANNUAL SHAREHOLDERS MEETING

Know all men by these presents that the undersigned shareholder(s) of United Bankshares, Inc., Charleston, West Virginia does hereby nominate, constitute and appoint James J. Consagra, Jr. and Steven E. Wilson or either one of them, with full power to act alone as the true and lawful attorneys for the undersigned with full power of substitution for and in the name, place and stead of the undersigned to vote all the common stock of United Bankshares, Inc., standing in the undersigned's name on its books on March 31, 2003, at the 2003 Annual Meeting of Shareholders to be held at The Blennerhassett Hotel, Fourth and Market Streets, Parkersburg, West Virginia, on May 19, 2003 at 4:00 p.m., local time or any adjournments thereof, with all the powers the undersigned would possess if personally present as follows:

The undersigned acknowledges receipt of the Notice and Proxy Statement dated April 8, 2003, and hereby revokes all proxies previously given by the undersigned for said meeting.

This proxy confers authority to vote FOR the propositions listed below unless otherwise indicated. The Board of Directors recommends a vote FOR the proposals below. If any matter shall properly come before the meeting, or any adjournments thereof, this proxy will be voted on such matters in accordance with the judgment of the above proxies, based upon the conditions then prevailing and any recommendation of the Board of Directors.

Unless a different allocation is indicated, the proxies will vote your total cumulative vote ratably for the directors for whom you are voting unless directed otherwise by the Board of Directors of United Bankshares, Inc.

This proxy is solicited on behalf of the Board of Directors of United Bankshares, Inc. and may be revoked prior to its exercise.

Continued, and to be marked, dated and signed, on the other side. All joint owners must sign.

When signing as attorney, executor, administrator, trustee or guardian, please give full title. If more than one trustee, all should sign.

ñFOLD AND DETACH HEREñ

UBSI-

Annual Meeting

of

United Bankshares, Inc.

Monday, May 19, 2003 at 4:00 p.m.

The Blennerhassett Hotel,

Fourth and Market Streets

Parkersburg, WV

The Board of Directors recommends a vote FOR the following sixteen nominees:

Please mark
 your vote as
 indicated in
 this example x

1. Election of Directors.

| | | | | |
|---|---|---|--|--|
| FOR all nominees listed (except as marked to the contrary) .. | WITHHOLD AUTHORITY to vote for all nominees listed .. | 01. Richard M. Adams 02. Robert G. Astorg 03. Thomas J. Blair, III 04. Harry L. Buch 05. W. Gaston Caperton 06. H. Smoot Fahlgren | 07. Theodore J. Georgelas 08. F. T. Graff, Jr. 09. Russell L. Isaacs 10. John M. McMahan 11. G. Ogden Nutting | 12. William C. Pitt, III 13. I. N. Smith, Jr. 14. Warren A. Thornhill, III 15. P. Clinton Winter, Jr. 16. James W. Word, Jr. |
|---|---|---|--|--|

If you wish to withhold your vote for any of the above nominees, so indicate by striking the name of the nominee.

2. To transact other business that may

| | | |
|--|---------------|---------------|
| properly come before the meeting. FOR .. | AGAINST .. | ABSTAIN .. |
|--|---------------|---------------|

By checking the box to the right, I consent to future delivery of annual reports, proxy statements, prospectuses and other materials and shareholder communications electronically via the Internet at a webpage which will be disclosed to me. I understand that the Company may no longer distribute printed materials to me from any future shareholder meeting until such consent is revoked. I understand that I may revoke my consent at any time by contacting the Company's transfer agent, Mellon Investor Services LLC, Ridgefield Park, NJ and that costs normally associated with electronic delivery, such as usage and telephone charges as well as any costs I may incur in printing documents, will be my responsibility.

THIS PROXY WHEN PROPERLY EXECUTED WILL BE VOTED IN THE MANNER DIRECTED HEREIN BY THE UNDERSIGNED SHAREHOLDER. IF NO DIRECTION IS MADE, THIS PROXY WILL BE VOTED FOR PROPOSALS 1 AND 2.

Dated _____, 2003

By: _____
 (Signature or Signatures)

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PLEASE SIGN, DATE AND PROMPTLY RETURN THIS PROXY

IN THE ENCLOSED ENVELOPE

PLEASE MARK INSIDE BOXES SO THAT DATA PROCESSING EQUIPMENT WILL RECORD YOUR VOTES

ñFOLD AND DETACH HEREñ

[LOGO] UNITED BANKSHARES, INC.

Vote by Internet or Telephone or Mail

24 Hours a Day, 7 Days a Week

Internet and telephone voting is available through 11PM Eastern Time

the day prior to annual meeting day.

Your Internet or telephone vote authorizes the named proxies to vote your shares in the same manner

as if you marked, signed and returned your proxy card.

Internet

<http://www.eproxy.com/ubsi>
Use the Internet to vote your proxy. Have your proxy card in hand when you access the web site. You will be prompted to enter your control number, located in the box below, to create and submit an electronic ballot.

OR

Telephone

1-800-435-6710
Use any touch-tone telephone to vote your proxy. Have your proxy card in hand when you call. You will be prompted to enter your control number, located in the box below, and then follow the directions given.

OR

Mail

Mark, sign, and date your proxy card and return it in the enclosed postage-paid envelope.

If you vote your proxy by Internet or by telephone,

You do NOT need to mail back your proxy card.