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BRYN MAWR BANK CORP Form 10-Q November 09, 2012 Table of Contents

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-Q

Quarterly Report Under Section 13 or 15 (d) of the Securities and Exchange Act of 1934.

For Quarter ended September 30, 2012

Commission File Number 0-15261

Bryn Mawr Bank Corporation

(Exact name of registrant as specified in its charter)

Pennsylvania (State or other jurisdiction of

23-2434506 (I.R.S. Employer

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incorporation or organization)

identification No.)

801 Lancaster Avenue, Bryn Mawr, Pennsylvania 19010
(Address of principal executive offices) (Zip Code)
Registrant s telephone number, including area code (610) 525-1700

Not Applicable

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

Indicate by checkmark whether the registrant (1) has filed all reports 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 x 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 x No "

Indicate by checkmark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer, or a smaller reporting company. See definition of accelerated filer, large accelerated filer, and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer " Accelerated filer x

Non-accelerated filer "Smaller reporting company Indicate by checkmark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act) Yes "No x

Indicate the number of shares outstanding of each of the issuer s class of common stock, as of the latest practicable date.

Class Outstanding at November 5, 2012
Common Stock, par value \$1 13,399,313

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BRYN MAWR BANK CORPORATION AND SUBSIDIARIES

FORM 10-Q

QUARTER ENDED September 30, 2012

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PART I. FINANCIAL INFORMATION

ITEM 1. Financial Statements

BRYN MAWR BANK CORPORATION AND SUBSIDIARIES

Consolidated Balance Sheets - Unaudited

Cash and due from banks \$ 13,526 \$ 11,771 Interest bearing deposits with banks 23,559 57,369 Cash and cash equivalents 37,085 69,140 Investment securities available for sale, at fair value (amortized cost of \$310,973 and \$271,065 as of September 30, 2012 and December 31, 2011 respectively) 316,644 273,822 Trading securities 1,399 1,436 Loans held for sale 3,420 1,588 Portfolio loans and leases 1,313,713 1,295,392 Less: Allowance for loan and lease losses 1,368 10,275,393 Net portfolio loans and leases 1,308 1,282,639 Premises and equipment, net 29,238 29,328 Accrued interest receivable 5,963 6,061 Deferred income taxes 11,1478 13,452 HILB stock 10,717 11,588 Goodwill 29,588 24,689 Intangible assets 12,975 19,448 Fill B stock 10,717 11,588 Following in given	(dollars in thousands) Assets	(unaudited) September 30 2012	, December 31, 2011
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Trading securities 1,399 1,436 Loans held for sale 3,420 1,588 Portfolio loans and leases 1,313,713 1,295,392 Less: Allowance for loan and lease losses (13,638) (12,753) Net portfolio loans and leases 1,300,075 1,282,639 Premises and equipment, net 29,238 29,328 Accrued interest receivable 5,963 6,061 Deferred income taxes 11,478 13,845 Mortgage servicing rights 4,257 4,041 Bank owned life insurance 19,765 19,434 FHLB stock 10,717 11,588 Goodwill 29,588 24,689 Intangible assets 22,351 18,014 Other assets 18,111 13,641 Other assets 1,814,529 \$1,773,373 Liabilities \$37,214 \$326,409 Interest-bearing 1,071,335 1,055,960 Total deposits 1,982,949 1,382,369 Short-term borrowings 15,416 147,795 <	Investment securities available for sale, at fair value (amortized cost of \$310,973 and \$271,065 as of		
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Net portfolio loans and leases 1,300,075 1,282.639 Premises and equipment, net 29,238 29,328 Accrued interest receivable 5,963 6,061 Deferred income taxes 11,478 13,845 Mortgage servicing rights 4,257 4,041 Bank owned life insurance 19,765 19,434 FHLB stock 10,717 11,588 Goodwill 29,588 24,689 Intangible assets 22,351 18,014 Other investments 4,438 4,107 Other assets 18,111 13,641 Total assets 1,814,529 \$1,773,373 Liabilities 2 2 Deposits: 2 2 Total deposits 327,214 \$326,409 Interest-bearing 327,214 \$326,409 Interest-bearing 1,917,335 1,955,960 Total deposits 1,922 12,863 FHLB advances and other borrowings 15,416 147,795 Subordinated debentures 15,000 <th< td=""><td>Portfolio loans and leases</td><td>1,313,713</td><td>3 1,295,392</td></th<>	Portfolio loans and leases	1,313,713	3 1,295,392
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Other assets 18,111 13,641 Total assets \$1,814,529 \$1,773,373 Liabilities Deposits: Non-interest-bearing \$327,214 \$326,409 Interest-bearing \$1,071,335 \$1,055,960 Total deposits \$1,398,549 \$1,382,369 Short-term borrowings \$15,416 \$147,795 Subordinated debentures \$15,000 \$22,500 Accrued interest payable 982 \$1,592 Other liabilities \$24,298 \$21,875 Total liabilities \$1,613,274 \$1,588,994			
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Liabilities Deposits: Saction of the properties of the propertie	Other assets	18,111	13,041
Deposits: \$ 327,214 \$ 326,409 Interest-bearing 1,071,335 1,055,960 Total deposits 1,398,549 1,382,369 Short-term borrowings 19,029 12,863 FHLB advances and other borrowings 155,416 147,795 Subordinated debentures 15,000 22,500 Accrued interest payable 982 1,592 Other liabilities 24,298 21,875 Total liabilities 1,613,274 1,588,994	Total assets	\$ 1,814,529	\$ 1,773,373
Deposits: \$ 327,214 \$ 326,409 Interest-bearing 1,071,335 1,055,960 Total deposits 1,398,549 1,382,369 Short-term borrowings 19,029 12,863 FHLB advances and other borrowings 155,416 147,795 Subordinated debentures 15,000 22,500 Accrued interest payable 982 1,592 Other liabilities 24,298 21,875 Total liabilities 1,613,274 1,588,994			
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Short-term borrowings 19,029 12,863 FHLB advances and other borrowings 155,416 147,795 Subordinated debentures 15,000 22,500 Accrued interest payable 982 1,592 Other liabilities 24,298 21,875 Total liabilities 1,613,274 1,588,994	Interest-bearing	1,071,335	1,055,960
FHLB advances and other borrowings 155,416 147,795 Subordinated debentures 15,000 22,500 Accrued interest payable 982 1,592 Other liabilities 24,298 21,875 Total liabilities 1,613,274 1,588,994	Total deposits	1,398,549	1,382,369
FHLB advances and other borrowings 155,416 147,795 Subordinated debentures 15,000 22,500 Accrued interest payable 982 1,592 Other liabilities 24,298 21,875 Total liabilities 1,613,274 1,588,994			
Subordinated debentures 15,000 22,500 Accrued interest payable 982 1,592 Other liabilities 24,298 21,875 Total liabilities 1,613,274 1,588,994		,	,
Accrued interest payable 982 1,592 Other liabilities 24,298 21,875 Total liabilities 1,613,274 1,588,994	FHLB advances and other borrowings	155,416	
Other liabilities 24,298 21,875 Total liabilities 1,613,274 1,588,994	Subordinated debentures	15,000	22,500
Total liabilities 1,613,274 1,588,994	• •		
,	Other liabilities	24,298	3 21,875
Shareholders equity	Total liabilities	1,613,274	1,588,994
	Shareholders equity		

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Common stock, par value \$1; authorized 100,000,000 shares; issued 16,389,289 and 16,103,981 shares as of September 30, 2012 and December 31, 2011, respectively, and outstanding of 13,399,635 and 16,104 13,106,353 as of September 30, 2012 and December 31, 2011, respectively 16,389 Paid-in capital in excess of par value 88,744 84,425 Less: Common stock in treasury at cost 2,989,654 and 2,997,628 shares as of September 30, 2012 and December 31, 2011, respectively (30,924)(31,027)Accumulated other comprehensive loss, net of tax benefit (11,365)(8,655)Retained earnings 135,701 126,242 Total shareholders equity 201,255 184,379 Total liabilities and shareholders equity \$ 1,814,529 \$ 1,773,373

The accompanying notes are an integral part of the unaudited consolidated financial statements.

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BRYN MAWR BANK CORPORATION AND SUBSIDIARIES

Consolidated Statements of Income - Unaudited

(dollars in thousands, except share and per share data)	Three Months Ended September 30, ad per share data) Three Months Ended September 30, 2012 2011		Nine Months Ended September 30, 2012 2011	
Interest income:				
Interest and fees on loans and leases	\$ 17,027	\$ 17,471	\$ 51,233	\$ 51,705
Interest on cash and cash equivalents	34	29	86	88
Interest on investment securities:				
Taxable	937	1,132	3,088	3,475
Non-taxable	56	16	139	203
Dividends	27	43	95	365
Total interest income	18,081	18,691	54,641	55,836
Interest expense on:				
Deposits	937	1,493	3,128	4,434
Short-term borrowings	5	7	14	19
FHLB advances and other borrowings	918	968	2,808	2,787
Subordinated debentures	270	279	852	835
Junior subordinated debentures	0	271	0	814
Total interest expense	2,130	3,018	6,802	8,889
Net interest income	15,951	15,673	47,839	46,947
Provision for loan and lease losses	1,000	1,828	3,003	5,032
Net interest income after provision for loan and lease losses	14,951	13,845	44,836	41,915
Non-interest income:				
Fees for wealth management services	7,993	6,098	21,433	15,363
Service charges on deposits	634	646	1,823	1,841
Loan servicing and other fees	432	449	1,303	1,370
Net gain on sale of residential mortgage loans	1,837	764	4,311	1,818
Net gain on sale of available for sale securities	416	343	1,132	1,410
Net loss (gain) on sale of other real estate owned (OREO)	(45)	70	(86)	(59)
Bank owned life insurance (BOLI) income	108	115	331	348
Other operating income	873	779	2,969	2,497
Total non-interest income	12,248	9,264	33,216	24,588
Non-interest expenses:				
Salaries and wages	8,703	7,639	24,283	20,680
Employee benefits	1,903	1,674	6,086	5,000
Occupancy and bank premises	1,488	1,225	4,258	3,752
Furniture, fixtures, and equipment	935	865	2,766	2,571
Advertising	267	204	946	909
Amortization of mortgage servicing rights	243	197	718	524
Net (recovery) impairment of mortgage servicing rights	105	468	82	672
Amortization of intangible assets	669	541	1,738	968
FDIC insurance	262			