LORBERBAUM MARK
Form 4
September 08, 2011

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

OMB Number:	3235-0287
Expires:	January 31, 2005
Estimated average burden hours per response...	0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
LORBERBAUM MARK

(Last) (First) (Middle)

7599 ISLA VERDE WAY

(Street)

DELRAY BEACH, FL 33446

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
MOHAWK INDUSTRIES INC [MHK]

3. Date of Earliest Transaction (Month/Day/Year)
09/07/2011

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

_____ Director _____ 10% Owner
_____ Officer (give title below) __X__ Other (specify below)
Possible member of 10% group

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	09/07/2011		S		20,000	D	$ 48.7158 (1)	378,202 (2)	I	Perpet Asset Shield Trust
Common Stock								140,000	I	Ltd. PS (3)
Common Stock								3,815.272	D (4)	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not

SEC 1474 (9-02)

required to respond unless the form displays a currently valid OMB control number.

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (*e.g.*, puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Nu Deriv Secur Bene Owne Follo Repo Trans (Instr
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares		

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
LORBERBAUM MARK 7599 ISLA VERDE WAY DELRAY BEACH, FL 33446				Possible member of 10% group

Signatures

/s/ Donald E. Meyer, Power of Attorney	09/08/2011
**Signature of Reporting Person	Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) The price shown is the weighted average price at which shares were sold in multiple sales transactions made pursuant to a single market order. The range of prices for the transactions made was $48.50 to $49.14. Upon request by SEC staff, the issuer or a security holder of the issuer, the reporting person will provide full information regarding the number of shares sold at each separate price.

(2) Reporting Person may be considered part of a "group" with certain family members holding issuer shares; however, Reporting Person disclaims existence of such a "group" and disclaims beneficial ownership of any shares not reported herein.

(3) Reporting Person is one of three family members who share equal control over the general partner of this limited partnership. Reporting Person disclaims beneficial ownership in the number of shares held by the limited partnership to the extent that he does not have a pecuniary interest.

(4) Held in 401(k) plan.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays

a currently valid OMB number. an" SIZE="2">**$10,724** **$10,132** 7 $245 $239

(1) Excludes loans that were either paid off or charged-off by period end. The pre-modification balance represents the balance outstanding at the beginning of the period. The post-modification balance represents the outstanding balance at period end.

Table of Contents

The following table summarizes TDRs which defaulted (defined as past due 90 days) during the three months ended March 31, 2015 and 2014, respectively, that were restructured within the last twelve months prior to March 31, 2015 and 2014, respectively:

	Defaulted TDRs [(1)] For the Three Months Ended March 31, 2015		Defaulted TDRs [(1)] For the Three Months Ended March 31, 2014	
(unaudited, dollars in thousands)	Number of Defaults	Recorded Investment	Number of Defaults	Recorded Investment
Commercial real estate:				
Land and construction		$		$
Improved property				
Total commercial real estate				
Commercial and industrial				
Residential real estate			8	481
Home equity	**1**	**42**	1	3
Consumer	**1**	**27**		
Total	**2**	**$ 69**	9	$ 484

(1) Excludes loans that were either charged-off or cured by period end. The recorded investment is as of March 31, 2014 and 2013, respectively.

TDRs that defaulted during the three month period that were restructured within the last twelve months represented 0.3% of the total TDR balance at March 31, 2015. These loans are placed on non-accrual status unless they are both well-secured and in the process of collection. At March 31, 2015, none of the loans in the table above were accruing interest.

The following table summarizes other real estate owned and repossessed assets included in other assets:

(unaudited, in thousands)	March 31, 2015	December 31, 2014
Other real estate owned	**$ 5,886**	$ 4,920
Repossessed assets	**340**	162
Total other real estate owned and repossessed assets	**$ 6,226**	$ 5,082

Residential real estate included in other real estate owned at March 31, 2015 and December 31, 2014 was $0.8 million and $0.6 million, respectively. At March 31, 2015, formal foreclosure proceedings were in process on residential real estate loans totaling $4.3 million.

NOTE 6. PENSION PLAN

The following table presents the net periodic pension cost for WesBanco s Defined Benefit Pension Plan (the Plan) and the related components:

	For the Three Months Ended March 31,	
(unaudited, in thousands)	2015	2014
Service cost - benefits earned during year	**$ 827**	$ 717

Interest cost on projected benefit obligation	**1,201**	1,170
Expected return on plan assets	**(1,907)**	(1,783)
Amortization of prior service cost	**6**	11
Amortization of net loss	**784**	363
Net periodic pension cost	**$ 911**	$ 478

The Plan covers all employees of WesBanco and its subsidiaries who were hired on or before August 1, 2007 who satisfy minimum age and length of service requirements, and is not available to employees hired after such date.

A minimum required contribution of $3.1 million is due for 2015 which could be all or partially offset by the Plan s $34.9 million available credit balance. WesBanco expects to make a voluntary contribution of $7.5 million to the Plan in 2015.

19

Table of Contents

NOTE 7. FAIR VALUE MEASUREMENT

Fair value estimates are based on quoted market prices, if available, quoted market prices of similar assets or liabilities, or the present value of expected future cash flows and other valuation techniques. These valuations are significantly affected by discount rates, cash flow assumptions, and risk assumptions used. Therefore, fair value estimates may not be substantiated by comparison to independent markets and are not intended to reflect the proceeds that may be realizable in an immediate settlement of the instruments.

Fair value is determined at one point in time and is not representative of future value. These amounts do not reflect the total value of a going concern organization. Management does not have the intention to dispose of a significant portion of its assets and liabilities and therefore, the unrealized gains or losses should not be interpreted as a forecast of future earnings and cash flows.

The following is a discussion of assets and liabilities measured at fair value on a recurring basis and valuation techniques applied:

Securities available-for-sale: The fair value of securities available-for-sale which are measured on a recurring basis are determined primarily by obtaining quoted prices on nationally recognized securities exchanges or matrix pricing, which is a mathematical technique used widely in the industry to value debt securities without relying exclusively on quoted prices for the specific securities but rather by relying on the securities relationship to other similar securities. These securities are classified within level 1 or 2 in the fair value hierarchy. Certain equity securities that are lightly traded in over-the-counter markets are classified as level 2 in the fair value hierarchy, as quoted market prices may not be available on the fair value measurement date. Positions that are not traded in active markets for which valuations are generated using assumptions not observable in the market or management s best estimate are classified within level 3 of the fair value hierarchy. This includes certain specific municipal debt issues for which the credit quality and discount rate must be estimated.

We may be required from time to time to measure certain assets at fair value on a nonrecurring basis in accordance with GAAP. These adjustments to fair value usually result from application of lower of cost or market accounting or write-downs of individual assets.

Impaired loans: Impaired loans are carried at the lower of cost or the fair value of the collateral for collateral-dependent loans. Collateral may be in the form of real estate or business assets including equipment, inventory and accounts receivable. The use of independent appraisals, discounted cash flow models and management s best judgment are significant inputs in arriving at the fair value measure of the underlying collateral and impaired loans are therefore classified within level 3 of the fair value hierarchy.

Other real estate owned and repossessed assets: Other real estate owned and repossessed assets are carried at the lower of the investment in the assets or the fair value of the assets less estimated selling costs. The use of independent appraisals and management s best judgment are significant inputs in arriving at the fair value measure of the underlying collateral, and therefore other real estate owned and repossessed assets are classified within level 3 of the fair value hierarchy.

Loans held for sale: Loans held for sale are carried, in aggregate, at the lower of cost or fair value. The use of a valuation model using quoted prices of similar instruments are significant inputs in arriving at the fair value and therefore loans held for sale are classified within level 2 of the fair value hierarchy.

Table of Contents

The following tables set forth WesBanco s financial assets and liabilities that were accounted for at fair value on a recurring and nonrecurring basis by level within the fair value hierarchy as of March 31, 2015 and December 31, 2014:

		March 31, 2015 Fair Value Measurements Using:		
(unaudited, in thousands)	March 31, 2015	Quoted Prices in Active Markets for Identical Assets (level 1)	Significant Other Observable Inputs (level 2)	Significant Unobservable Inputs (level 3)
Recurring fair value measurements				
Securities - available-for-sale				
Obligations of government agencies	$ 80,768	$	$ 80,768	$
Residential mortgage-backed securities and collateralized mortgage obligations of government agencies	1,283,445		1,283,445	
Obligations of state and political subdivisions	95,653		95,653	
Corporate debt securities	183,090		183,090	
Equity securities	11,308	8,538	2,770	
Total securities - available-for-sale	$ 1,654,264	$ 8,538	$ 1,645,726	$
Total recurring fair value measurements	$ 1,654,264	$ 8,538	$ 1,645,726	$
Nonrecurring fair value measurements				
Impaired loans	$ 4,533	$	$	$ 4,533
Other real estate owned and repossessed assets	6,226			6,226
Loans held for sale	6,064		6,064	
Total nonrecurring fair value measurements	$ 16,823	$	$ 6,064	$ 10,759

		December 31, 2014 Fair Value Measurements Using:		
(unaudited, in thousands)	December 31, 2014	Quoted Prices in Active Markets for Identical Assets (level 1)	Significant Other Observable Inputs (level 2)	Significant Unobservable Inputs (level 3)
Recurring fair value measurements				
Securities - available-for-sale				
Obligations of government agencies	$ 87,736	$	$ 87,736	$
Residential mortgage-backed securities and collateralized mortgage obligations of government agencies	701,113		701,113	
Obligations of state and political subdivisions	91,433		91,433	
Corporate debt securities	25,996		25,996	
Equity securities	11,146	8,440	2,706	
Total securities - available-for-sale	$ 917,424	$ 8,440	$ 908,984	$
Total recurring fair value measurements	$ 917,424	$ 8,440	$ 908,984	$
Nonrecurring fair value measurements				

Impaired loans	$	6,024	$		$		$	6,024
Other real estate owned and repossessed assets		5,082						5,082
Loans held for sale		5,865				5,865		
Total nonrecurring fair value measurements	$	16,971	$		$	5,865	$	11,106

WesBanco s policy is to recognize transfers between levels as of the actual date of the event or change in circumstances that caused the transfer. There were no transfers between level 1, 2 or 3 for the three months ended March 31, 2015 or 2014.

21

Table of Contents

The following table presents additional quantitative information about assets measured at fair value on a nonrecurring basis and for which WesBanco has utilized level 3 inputs to determine fair value:

		Quantitative Information about Level 3 Fair Value Measurements		
(unaudited, in thousands)	Fair Value Estimate	Valuation Techniques	Unobservable Input	Range (Weighted Average)
March 31, 2015:				
Impaired loans	**$ 4,533**	Appraisal of collateral (1)	Appraisal adjustments (2)	**0% to (38.5%) / (6.9%)**
			Liquidation expenses (2)	**(3.1%) to (8.0%) / (7.4%)**
Other real estate owned and repossessed assets	**6,226**	Appraisal of collateral (1), (3)		
December 31, 2014:				
Impaired loans	$ 6,024	Appraisal of collateral (1)	Appraisal adjustments (2)	0% to (39.7%) / (6.7%)
			Liquidation expenses (2)	(1.2%) to (8.0%) / (6.7%)
Other real estate owned and repossessed assets	5,082	Appraisal of collateral (1), (3)		

(1) Fair value is generally determined through independent appraisals of the underlying collateral, which generally include various level 3 inputs which are not identifiable.

(2) Appraisals may be adjusted by management for qualitative factors such as economic conditions and estimated liquidation expenses. The range and weighted average of appraisal adjustments and liquidation expenses are presented as a percent of the appraisal.

(3) Includes estimated liquidation expenses and numerous dissimilar qualitative adjustments by management which are not identifiable.

22

Table of Contents

The estimated fair values of WesBanco s financial instruments are summarized below:

			Fair Value Measurements at March 31, 2015		
(unaudited, in thousands)	Carrying Amount	Fair Value Estimate	Quoted Prices in Active Markets for Identical Assets (level 1)	Significant Other Observable Inputs (level 2)	Significant Unobservable Inputs (level 3)
Financial Assets					
Cash and due from banks	**$ 92,974**	**$ 92,974**	**$ 92,974**	**$**	**$**
Securities available-for-sale	**1,654,264**	**1,654,264**	**8,538**	**1,645,726**	
Securities held-to-maturity	**743,925**	**772,843**		**772,088**	**755**
Net loans	**4,829,548**	**4,820,779**			**4,820,779**
Loans held for sale	**6,064**	**6,064**		**6,064**	
Accrued interest receivable	**25,232**	**25,232**	**25,232**		
Bank-owned life insurance	**153,991**	**153,991**	**153,991**		
Financial Liabilities					
Deposits	**6,416,202**	**6,423,499**	**4,532,314**	**1,891,185**	
Federal Home Loan Bank borrowings	**432,456**	**435,089**		**435,089**	
Other borrowings	**76,630**	**76,621**	**73,589**	**3,032**	
Junior subordinated debt	**142,269**	**116,070**		**116,070**	
Accrued interest payable	**2,297**	**2,297**	**2,297**		

			Fair Value Measurements at December 31, 2014		
(unaudited, in thousands)	Carrying Amount	Fair Value Estimate	Quoted Prices in Active Markets for Identical Assets (level 1)	Significant Other Observable Inputs (level 2)	Significant Unobservable Inputs (level 3)
Financial Assets					
Cash and due from banks	$ 94,002	$ 94,002	$ 94,002	$	$
Securities available-for-sale	917,424	917,424	8,440	908,984	
Securities held-to-maturity	593,670	619,617		618,895	722
Net loans	4,042,112	4,047,648			4,047,648
Loans held for sale	5,865	5,865		5,865	
Accrued interest receivable	18,481	18,481	18,481		
Bank-owned life insurance	123,298	123,298	123,298		
Financial Liabilities					
Deposits	5,048,983	5,056,828	3,743,887	1,312,941	
Federal Home Loan Bank borrowings	223,126	225,456		225,456	
Other borrowings	80,690	80,696	77,534	3,162	
Junior subordinated debt	106,176	79,212		79,212	
Accrued interest payable	1,620	1,620	1,620		

The following methods and assumptions were used to measure the fair value of financial instruments recorded at cost on WesBanco s consolidated balance sheets:

Cash and due from banks: The carrying amount for cash and due from banks is a reasonable estimate of fair value.

Securities held-to-maturity: Fair values for securities held-to-maturity are determined in the same manner as securities available-for-sale which is described above.

Net loans: Fair values for loans are estimated using a discounted cash flow methodology. The discount rates take into account interest rates currently being offered to customers for loans with similar terms, the credit risk associated with the loan and other market factors, including liquidity. The valuation of the loan portfolio reflects discounts that WesBanco believes are consistent with transactions occurring in the marketplace for both performing and distressed loan types. The carrying value that fair value is compared to is net of the allowance for loan losses and other associated premiums and discounts. Due to the significant judgment involved in evaluating credit quality, loans are classified within level 3 of the fair value hierarchy.

Table of Contents

Accrued interest receivable: The carrying amount of accrued interest receivable approximates its fair value.

Bank-owned life insurance: The carrying value of bank-owned life insurance represents the net cash surrender value of the underlying insurance policies, should these policies be terminated. Management believes that the carrying value approximates its fair value.

Deposits: The carrying amount is considered a reasonable estimate of fair value for demand, savings and other variable rate deposit accounts. The fair value of fixed maturity certificates of deposit is estimated by a discounted cash flow method using rates currently offered for deposits of similar remaining maturities.

Federal Home Loan Bank borrowings: The fair value of FHLB borrowings is based on rates currently available to WesBanco for borrowings with similar terms and remaining maturities.

Other borrowings: The carrying amount of federal funds purchased and overnight sweep accounts generally approximate fair value. Other repurchase agreements are based on quoted market prices if available. If market prices are not available, for certain fixed and adjustable rate repurchase agreements, then quoted market prices of similar instruments are used.

Junior subordinated debt owed to unconsolidated subsidiary trusts: Due to the pooled nature of these instruments, which are not actively traded, estimated fair value is based on recent similar transactions of single-issuer trust preferred securities.

Accrued interest payable: The carrying amount of accrued interest payable approximates its fair value.

Off-balance sheet financial instruments: Off-balance sheet financial instruments consist of commitments to extend credit, including letters of credit. Fair values for commitments to extend credit are estimated using the fees currently charged to enter into similar agreements, taking into account the remaining terms of the agreements and the present credit standing of the counterparties. The estimated fair value of the commitments to extend credit and letters of credit are insignificant and therefore are not presented in the above tables.

Table of Contents

NOTE 8. COMPREHENSIVE INCOME

The activity in accumulated other comprehensive income for the three months ended March 31, 2015 and 2014 is as follows:

	Accumulated Other Comprehensive Income [1]			
(unaudited, in thousands)	**Defined Benefit Pension Plan**	**Unrealized Gains (Losses) on Securities Available-for-Sale**	**Unrealized Gains on Securities Transferred from Available-for-Sale to Held-to-Maturity**	**Total**
Balance at December 31, 2014	$ (22,776)	$ 2,892	$ 1,059	$ (18,825)
Other comprehensive income before reclassifications		**4,804**		**4,804**
Amounts reclassified from accumulated other comprehensive income	**475**	**(11)**	**(67)**	**397**
Period change	**475**	**4,793**	**(67)**	**5,201**
Balance at March 31, 2015	**$ (22,301)**	**$ 7,685**	**$ 992**	**$ (13,624)**
Balance at December 31, 2013	$ (7,966)	$ (6,126)	$ 1,358	$ (12,734)
Other comprehensive income before reclassifications		3,075		3,075
Amounts reclassified from accumulated other comprehensive income	236	49	(87)	198
Period change	236	3,124	(87)	3,273
Balance at March 31, 2014	$ (7,730)	$ (3,002)	$ 1,271	$ (9,461)

(1) All amounts are net of tax. Related income tax expense or benefit is calculated using a combined Federal and State income tax rate approximating 37%.

The following table provides details about amounts reclassified from accumulated other comprehensive income for the three months ended March 31, 2015 and 2014:

Details about Accumulated Other Comprehensive Income/(Loss) Components	**Amounts Reclassified from Accumulated Other Comprehensive Income/(Loss) For the Three Months Ended March 31,**		**Affected Line Item in the Statement of Net Income**
(unaudited, in thousands)	**2015**	**2014**	
Securities available-for-sale [1]:			
Net securities (gains) losses reclassified into earnings	**(18)**	$ 78	Net securities gains (Non-interest income)
Related income tax expense (benefit)	**7**	(29)	Provision for income taxes

Net effect on accumulated other comprehensive income for the period	**(11)**	49	
Securities held-to-maturity [1]:			
Amortization of unrealized gain transferred from available-for-sale	**(107)**	(138)	Interest and dividends on securities (Interest and dividend income)
Related income tax expense	**40**	51	Provision for income taxes
Net effect on accumulated other comprehensive income for the period	**(67)**	(87)	
Defined benefit pension plan [2]:			
Amortization of net loss and prior service costs	**790**	374	Employee benefits (Non-interest expense)
Related income tax benefit	**(315)**	(138)	Provision for income taxes
Net effect on accumulated other comprehensive income for the period	**475**	236	
Total reclassifications for the period	**397**	$ 198	

(1) For additional detail related to unrealized gains on securities and related amounts reclassified from accumulated other comprehensive income see Note 4, Securities.

(2) Included in the computation of net periodic pension cost. See Note 6, Pension Plan for additional detail.

25

Table of Contents

NOTE 9. COMMITMENTS AND CONTINGENT LIABILITIES

Commitments In the normal course of business, WesBanco offers off-balance sheet credit arrangements to enable its customers to meet their financing objectives. Those instruments involve, to varying degrees, elements of credit and interest rate risk in excess of the amount recognized in the financial statements. WesBanco s exposure to credit losses in the event of non-performance by the other parties to the financial instruments for commitments to extend credit and standby letters of credit is limited to the contractual amount of those instruments. WesBanco uses the same credit policies in making commitments and conditional obligations as for all other lending. Commitments generally have fixed expiration dates or other termination clauses and may require payment of a fee. Since many of the commitments are expected to expire without being drawn upon, the total commitment amounts do not necessarily represent future cash requirements. The allowance for credit losses associated with commitments was $0.5 million as of March 31, 2015 and December 31, 2014, respectively, and is included in other liabilities on the Consolidated Balance Sheets.

Letters of credit are conditional commitments issued by banks to guarantee the performance of a customer to a third party. Those guarantees are primarily issued to support public and private borrowing arrangements, including normal business activities, bond financing and similar transactions. Letters of credit are considered guarantees. The liability associated with letters of credit was $0.2 million as of March 31, 2015 and December 31, 2014, respectively.

Contingent obligations to purchase loans funded by other entities include affordable housing plan guarantees and credit card guarantees. Affordable housing plan guarantees are performance guarantees for various building project loans. The guarantee amortizes as the loan balances decrease. Credit card guarantees are credit card balances not owned by WesBanco, whereby the Bank guarantees the performance of the cardholder.

The following table presents total commitments to extend credit, guarantees and various letters of credit outstanding:

(unaudited, in thousands)	**March 31, 2015**	**December 31, 2014**
Lines of credit	**$ 1,032,235**	$ 984,352
Loans approved but not closed	**295,702**	116,757
Overdraft limits	**110,389**	95,965
Letters of credit	**26,910**	23,362
Contingent obligations to purchase loans funded by other entities	**8,457**	8,312

Contingent Liabilities WesBanco is a party to various legal and administrative proceedings and claims. While any litigation contains an element of uncertainty, management does not believe that a material loss related to such proceedings or claims pending or known to be threatened is reasonably possible.

26

Table of Contents

NOTE 10. BUSINESS SEGMENTS

WesBanco operates two reportable segments: community banking and trust and investment services. WesBanco s community banking segment offers services traditionally offered by full-service commercial banks, including commercial demand, individual demand and time deposit accounts, as well as commercial, mortgage and individual installment loans, and certain non-traditional offerings, such as insurance and securities brokerage services. The trust and investment services segment offers trust services as well as various alternative investment products including mutual funds. The market value of assets managed or held in custody by the trust and investment services segment was approximately $3.9 billion and $3.8 billion at March 31, 2015 and 2014, respectively. These assets are held by WesBanco in fiduciary or agency capacities for their customers and therefore are not included as assets on WesBanco s Consolidated Balance Sheets.

Condensed financial information by business segment is presented below:

(unaudited, in thousands)	Community Banking	Trust and Investment Services	Consolidated
For the Three Months ended March 31, 2015:			
Interest income	**$ 60,379**	**$**	**$ 60,379**
Interest expense	**5,424**		**5,424**
Net interest income	**54,955**		**54,955**
Provision for credit losses	**1,289**		**1,289**
Net interest income after provision for credit losses	**53,666**		**53,666**
Non-interest income	**12,137**	**6,053**	**18,190**
Non-interest expense	**50,278**	**3,163**	**53,441**
Income before provision for income taxes	**15,525**	**2,890**	**18,415**
Provision for income taxes	**3,372**	**1,156**	**4,528**
Net income	**$ 12,153**	**$ 1,734**	**$ 13,887**
For the Three Months ended March 31, 2014:			
Interest income	$ 53,457	$	$ 53,457
Interest expense	6,132		6,132
Net interest income	47,325		47,325
Provision for credit losses	2,199		2,199
Net interest income after provision for credit losses	45,126		45,126
Non-interest income	11,401	5,648	17,049
Non-interest expense	36,827	3,268	40,095
Income before provision for income taxes	19,700	2,380	22,080
Provision for income taxes	4,707	952	5,659
Net income	$ 14,993	$ 1,428	$ 16,421

Total non-fiduciary assets of the trust and investment services segment were $3.7 million and $4.0 million at March 31, 2015 and 2014, respectively. All other assets, including goodwill and other intangible assets, were allocated to the community banking segment.

Table of Contents

ITEM 2. MANAGEMENT S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Management s Discussion and Analysis (MD&A) represents an overview of the results of operations and financial condition of WesBanco for the three months ended March 31, 2015. This discussion and analysis should be read in conjunction with the Consolidated Financial Statements and Notes thereto.

FORWARD-LOOKING STATEMENTS

Forward-looking statements in this report relating to WesBanco s plans, strategies, objectives, expectations, intentions and adequacy of resources, are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. The information contained in this report should be read in conjunction with WesBanco s Form 10-K for the year ended December 31, 2014 and documents subsequently filed by WesBanco with the Securities and Exchange Commission (SEC), which are available at the SEC s website, www.sec.gov or at WesBanco s website, www.wesbanco.com. Investors are cautioned that forward-looking statements, which are not historical fact, involve risks and uncertainties, including those detailed in WesBanco s most recent Annual Report on Form 10-K filed with the SEC under Risk Factors in Part I, Item 1A. Such statements are subject to important factors that could cause actual results to differ materially from those contemplated by such statements, including, without limitation, that the businesses of WesBanco and ESB may not be integrated successfully or such integration may take longer to accomplish than expected; the expected cost savings and any revenue synergies from the merger of WesBanco and ESB may not be fully realized within the expected timeframes; disruption from the merger of WesBanco and ESB may make it more difficult to maintain relationships with clients, associates, or suppliers; the effects of changing regional and national economic conditions; changes in interest rates, spreads on earning assets and interest-bearing liabilities, and associated interest rate sensitivity; sources of liquidity available to WesBanco and its related subsidiary operations; potential future credit losses and the credit risk of commercial, real estate, and consumer loan customers and their borrowing activities; actions of the Federal Reserve Board, the Federal Deposit Insurance Corporation, the SEC, the Financial Institution Regulatory Authority, the Municipal Securities Rulemaking Board, the Securities Investors Protection Corporation, and other regulatory bodies; potential legislative and federal and state regulatory actions and reform, including, without limitation, the impact of the implementation of the Dodd-Frank Act; adverse decisions of federal and state courts; fraud, scams and schemes of third parties; internet hacking; competitive conditions in the financial services industry; rapidly changing technology affecting financial services; marketability of debt instruments and corresponding impact on fair value adjustments; and/or other external developments materially impacting WesBanco s operational and financial performance. WesBanco does not assume any duty to update forward-looking statements.

OVERVIEW

WesBanco is a multi-state bank holding company operating through 142 branches, one loan production office and 130 ATM machines in West Virginia, Ohio and western Pennsylvania, offering retail banking, corporate banking, personal and corporate trust services, brokerage services, mortgage banking and insurance. WesBanco s businesses are significantly impacted by economic factors such as market interest rates, federal monetary and regulatory policies, local and regional economic conditions and the competitive environment s effect upon WesBanco s business volumes. WesBanco s deposit levels are affected by numerous factors including personal savings rates, personal income, and competitive rates on alternative investments, as well as competition from other financial institutions within the markets we serve and liquidity needs of WesBanco. Loan levels are also subject to various factors including construction demand, business financing needs, consumer spending and interest rates, as well as loan terms offered by competing lenders.

On February 10, 2015, WesBanco completed the acquisition of ESB a Pennsylvania savings bank holding company, headquartered in Ellwood City, Lawrence County, northwest of Pittsburgh, PA, with approximately $1.9 billion in assets and 23 offices in four southwestern PA counties, three of which are in the Pittsburgh Metropolitan Statistical Area (MSA). WesBanco now has $8.2 billion in total assets; the transaction expanded WesBanco s franchise in western Pennsylvania from 16 to 38 offices with approximately $1.7 billion in total deposits. ESB s results were included in WesBanco s results from the date of the consummation of the merger.

APPLICATION OF CRITICAL ACCOUNTING POLICIES AND ESTIMATES

WesBanco s critical accounting policies involving the significant judgments and assumptions used in the preparation of the Consolidated Financial Statements as of March 31, 2015 have remained unchanged from the disclosures presented in WesBanco s Annual Report on Form 10-K for the year ended December 31, 2014 within the section Management s Discussion and Analysis of Financial Condition and Results of Operations.

Table of Contents

RESULTS OF OPERATIONS

EARNINGS SUMMARY

Net income for the three months ended March 31, 2015 was $13.9 million, while diluted earnings per share were $0.40, compared to $16.4 million or $0.56 per share for the first quarter of 2014. After tax merger-related expenses of $6.3 million, and temporary extra operating costs of approximately $0.5 million associated with ESB were the reasons for the decrease in net income in the first quarter. Net income for the three months ended March 31, 2015, excluding after-tax merger-related expenses, was $20.2 million (non-GAAP measure) compared to $16.4 million for the first quarter of 2014, representing an increase of 23.1%. Diluted earnings per share, excluding after-tax merger-related expenses, were $0.59 (non-GAAP measure), compared to $0.56 per share for the first quarter of 2014.

	For the Three Months Ended March 31,			
	2015		2014	
(unaudited, dollars in thousands, except per share amounts)	**Net Income**	**Diluted Earnings Per Share**	**Net Income**	**Diluted Earnings Per Share**
Net income, excluding after-tax merger-related expenses (Non-GAAP) [1]	$ 20,213	$ 0.59	$ 16,421	$ 0.56
Less: After tax merger-related expenses	(6,326)	(0.19)		
Net income (GAAP)	$ 13,887	$ 0.40	$ 16,421	$ 0.56

(1) The above non-GAAP financial measures used by WesBanco provide information useful to investors in understanding WesBanco s operating performance and trends, and facilitate comparisons with the performance of WesBanco s peers.

Net interest income increased $7.6 million or 16.1% in the first quarter of 2015 compared to the first quarter of 2014 due to a 16.9% increase in average earning assets, primarily through the ESB acquisition, and through a 6.4% increase in average loan balances, exclusive of ESB, slightly offset by a 4 basis point decrease in the net interest margin. Growth in net interest income has been consistent. The first quarter of 2015 is the seventh consecutive quarter that net interest income has increased. The net interest margin decreased to 3.59% in the first quarter compared to 3.63% in the same quarter of 2014. The net interest margin has ranged from 3.64% to 3.58% over the last five quarters as reduced funding costs have generally exceeded the effect of lower rates on newly acquired securities and loans. In addition, the aforementioned loan growth improves asset yields as the average rate on loans is higher than the average rate on securities. Funding costs continued to decrease in 2015 as a result of a 14.2% increase in average lower-cost demand, money market and savings account deposits, while higher-cost CDs increased by only 8.6%, entirely due to the ESB acquisition. The average rate on CDs declined by 27 basis points as higher-rate CDs matured. Overall, average deposits increased by 12.6% in the first quarter of 2015 compared to the same quarter of 2014. In addition, a 20.0% reduction in higher-rate average other borrowings improved funding costs through the prepayment of a higher-rate $22.0 million repurchase agreement with another bank in the third quarter of 2014, and through maturities. Increased average FHLB borrowings in the first quarter were generally short to medium-term with an average rate lower than the average CD rate. The increase in other interest income was due to FHLB special dividends totaling $0.6 million received in the first quarter. Excluding accretion of various purchase accounting adjustments relating to recent acquisitions, the net interest margin would have been 3.49% in the first quarter of 2015 compared to 3.58% for the same quarter of 2014. The reduction is primarily due to asset and liability mix shifts post-ESB, with a greater percentage of lower-yielding investment securities and a greater percentage of CDs versus lower-cost deposits. Loan accretion included in interest income on acquired ESB loans is estimated to approximate $1.9 million in 2015, while accretion of $2.9 million is estimated on acquired ESB interest bearing liabilities in 2015, primarily CDs.

Continued improvement in the credit quality of the pre-acquisition legacy portfolio resulted in a provision for credit losses of $1.3 million in the first quarter of 2015 compared to $2.2 million in the same quarter of 2014. Net charge-offs for the first three months of 2015 were $1.7 million or 0.16% of average portfolio loans compared to $4.1 million or 0.43% in the first quarter of 2014.

For the first quarter of 2015, non-interest income increased $1.1 million or 6.7% compared to the first quarter of 2014. Trust fees increased $0.4 million or 7.2% for the quarter as assets under management continued to increase from customer development initiatives and overall market improvements. Total trust assets were $3.9 billion at March 31, 2015, representing an increase of 2.7% from March 31, 2014. Net securities brokerage revenues increased $0.2 million or 12.6%, due to significant production increases from the addition of support and sales staff in several regions, as well as an increase in referrals and production from a licensed retail banker program. Bank-owned life insurance increased $0.4 million or 43.0%, primarily due to a death claim in the first quarter, and electronic banking fees increased $0.3 million or 10.4%. Mortgage loan sale gains increased slightly, as production increased from last year s first quarter. Service charges on deposits decreased $0.2 million or 5.4% compared to the 2014 first quarter due to lower overdraft fees that are affected by customer usage patterns and consistent increases in deposit levels and higher average deposits per account.

In the first quarter of 2015, non-interest expense increased $13.3 million compared to the first quarter of 2014 due to normal operating expenses from the ESB acquisition and $9.7 million of merger-related expenses. Excluding merger-related expenses, non-interest expense increased just $3.6 million or 9.0%, primarily due to the ESB acquisition, with approximately $0.7 million of such increase related to post-merger personnel and IT costs that will be immediately saved as a result of the April 24 weekend systems and branch conversions. Salaries and wages increased $1.9 million or 11.5%, due to an 8.6% increase in average full-time equivalent employees, routine annual adjustments to compensation, and increased commissions on higher brokerage sales, partially offset by increased deferred loan costs. Employee benefits expense increased $1.6 million or 28.2%, primarily from increased pension, health insurance and other benefit plan costs. Even with the ESB acquisition, net occupancy, marketing and other expenses were down from last year due to efficiencies applied in several of our vendor contracts, lower real estate owned (REO) costs, marketing campaign timing and other seasonal factors. The merger of ESB s information systems into WesBanco s will result in additional cost savings beyond those noted above over the course of the next 12 18 months.

29

Table of Contents

The provision for income taxes in the first quarter of 2015 included a credit of $0.5 million relating to the completion of an IRS audit which closed the 2011 and 2012 tax years. As a result, the effective tax rate decreased to 24.59% compared to 25.63% for the first quarter of 2014.

NET INTEREST INCOME

TABLE 1. NET INTEREST INCOME

	For the Three Months Ended March 31,	
(unaudited, dollars in thousands)	**2015**	**2014**
Net interest income	**$ 54,955**	$ 47,325
Taxable equivalent adjustments to net interest income	**1,902**	1,823
Net interest income, fully taxable equivalent	**$ 56,857**	$ 49,148
Net interest spread, non-taxable equivalent	**3.38%**	3.39%
Benefit of net non-interest bearing liabilities	**0.09%**	0.11%
Net interest margin	**3.47%**	3.50%
Taxable equivalent adjustment	**0.12%**	0.13%
Net interest margin, fully taxable equivalent	**3.59%**	3.63%

Net interest income, which is WesBanco s largest source of revenue, is the difference between interest income on earning assets, primarily loans and securities, and interest expense on liabilities (deposits and short and long-term borrowings). Net interest income is affected by the general level and changes in interest rates, the steepness and shape of the yield curve, changes in the amount and composition of interest earning assets and interest bearing liabilities, as well as the frequency of repricing of existing assets and liabilities. Net interest income increased $7.6 million or 16.1% in the first quarter of 2015 compared to the first quarter of 2014 due to a 16.9% increase in average earning assets, primarily through the ESB acquisition, and through a 6.4% increase in average portfolio loan balances, exclusive of ESB. The increase was slightly offset by a 4 basis point decrease in the net interest margin. Average loan balances increased by $629.1 million or 16.2% from the first quarter of 2014, of which $243.6 million of the increase was from organic loan growth. Total average deposits increased by $645.4 million or 12.6% as all major categories within deposits increased. Excluding the ESB acquisition, average certificates of deposit, which have the highest interest cost among interest bearing deposits, decreased by $214.4 million or 14.2%, while all other deposit types increased by $184.9 million or 5.1%. These lower-cost and non-interest bearing deposit increases were the result of marketing campaigns, customer incentives, wealth management and business initiatives as well as deposits from Marcellus and Utica shale gas bonus and royalty payments. The net interest margin decreased to 3.59% in the first quarter of 2015 from 3.63% in the same period of 2014. The reduction is primarily due to asset and liability mix shifts post-ESB. The cost of funds continued to improve, declining 13 basis points from the first quarter of 2014 due to lower offered rates, increases in the percentage of lower-cost and non-interest bearing deposit balances to total deposits and lower rates on FHLB and other borrowings.

Interest income increased in the first quarter of 2015 by $6.9 million or 13.0% compared to the same period in 2014 due to higher average balances of earning assets acquired both in the ESB acquisition and organically, offset by lower yields on loans and the investment portfolio. Rates decreased 18 basis points in the first quarter on average loan balances from reduced rates on acquired, organic and repriced assets due to the necessity of offering lower rates on quality credits in an increasingly competitive and low interest rate environment. However, the increase in average loans helped to mitigate the effect of the lower rates, as rates earned on loans are higher than those on securities. In the first quarter of 2015, average loans represented 70.3% of average earning assets, a slight decrease compared to 70.7% in the same quarter of 2014 due to the acquired loan portfolio being smaller than the acquired investment portfolio. Total securities yields decreased by 22 basis points in the first quarter of 2015 from the same period in 2014 due to the ESB acquisition, net of sales, and the reinvestment of funds from pre-acquisition portfolio restructuring at current lower available interest rates. Within the investment portfolio, the average rate declined on taxable and tax-exempt securities by 12 and 29 basis points, respectively, from the first quarter of 2014, offset somewhat by the aforementioned higher average balances in each category. The average balance of tax-exempt securities, which provide the highest yield within securities, increased 10.5% or $42.1 million over the last year, but were only 23.9% of total average securities in the first quarter of 2015 compared to 26.0% in the first quarter of 2014, contributing to the overall lower yield on total securities. Taxable securities balances increased by $269.2 million or 23.6% from the first quarter of 2014 as a significant portion of the acquired securities consisted of 10-15 year residential mortgage pools. Shorter-term mortgage pools reduce the average life of the portfolio, particularly for the portion accounted for as available-for-sale, positioning the Bank for possible future increases in interest rates, while maintaining required levels of pledgeable securities.

Portfolio loans increased $986.6 million in the twelve months ended March 31, 2015 with $699.0 million from the ESB acquisition and $287.6 million or 7.4% from loan growth exclusive of ESB as originations continued to outpace paydowns. Organic loan growth from December 31, 2014, annualized was 8.7%, primarily due to $357 million in loan originations for the first quarter compared to $273 million last year. Loan growth was driven by increased business activity, additional commercial and lending personnel in our urban markets, focused marketing efforts, and continued improvement in loan origination processes, while paydowns decreased.

Interest expense decreased $0.7 million or 11.5% in the first quarter of 2015 compared to the same period in 2014 due to decreases in average rates paid, and a continued shift in the liability mix towards less expensive sources of funding; offset slightly by an increase in average balances of interest bearing deposits and FHLB borrowings. Total average interest bearing liabilities increased $763.6 million or 17.3% in the first quarter due to deposits from the ESB acquisition, increased organic deposits and increased short to medium-term FHLB borrowings. The average rate paid on

30

Table of Contents

interest bearing liabilities decreased 13 basis points in the first quarter of 2015 compared to the same period in 2014. Rates paid on interest bearing deposits declined by 11 basis points to 0.34% in the first quarter due to a significant decline in rates on certificates of deposit, as a result of management reducing offered rates and the repricing, through purchase accounting, of acquired CDs on the acquisition date at lower market rates. The average rate paid on certificates of deposit declined by 27 basis points from the first quarter of 2014, while the rates paid on other deposit types remained nearly unchanged. Improvements in the deposit funding mix also lowered the cost of funds, with average certificates of deposit decreasing to 28.3% of total average deposits from 29.3% in the first quarter of last year, even after the acquisition of ESB. Average CDs increased by only 8.6%, entirely due to the ESB acquisition, as average demand, money market and savings deposits increased by 14.2%. WesBanco continues to focus on reducing rate offerings and growing customers with multiple banking relationships, as opposed to single service certificates of deposit customers. In addition, non-interest bearing demand deposits increased to 20.1% of total average deposits in the first quarter of 2015 compared to 19.2% in the same period of 2014. Average total other borrowings decreased by $23.0 million or 20.0% in the first quarter which further improved funding costs due to the prepayment of a higher-rate $22.0 million repurchase agreement with another bank in the third quarter of 2014. Average FHLB borrowings increased in the first quarter of 2015 to manage normal liquidity needs and were generally short to medium-term with an average rate of 0.68%, which is lower than the average CD rate.

TABLE 2. AVERAGE BALANCE SHEETS AND NET INTEREST MARGIN ANALYSIS

	For the Three Months Ended March 31,			
	2015		2014	
(unaudited, dollars in thousands)	Average Balance	Average Rate	Average Balance	Average Rate
ASSETS				
Due from banks - interest bearing	**$ 29,585**	**0.14%**	$ 51,149	0.17%
Loans, net of unearned income (1)	**4,502,920**	**4.30%**	3,873,789	4.48%
Securities: (2)				
Taxable	**1,410,138**	**2.41%**	1,140,982	2.53%
Tax-exempt (3)	**441,923**	**4.92%**	399,794	5.21%
Total securities	**1,852,061**	**3.01%**	1,540,776	3.23%
Other earning assets (4)	**17,817**	**14.03%**	11,568	2.73%
Total earning assets (3)	**6,402,383**	**3.93%**	5,477,282	4.08%
Other assets	**1,128,712**		709,216	
Total Assets	**$ 7,531,095**		$ 6,186,498	
LIABILITIES AND SHAREHOLDERS EQUITY				
Interest bearing demand deposits	**$ 1,041,608**	**0.16%**	$ 887,518	0.17%
Money market accounts	**978,086**	**0.19%**	945,412	0.19%
Savings deposits	**962,987**	**0.06%**	808,710	0.07%
Certificates of deposit	**1,633,854**	**0.71%**	1,504,605	0.98%
Total interest bearing deposits	**4,616,535**	**0.34%**	4,146,245	0.45%
Federal Home Loan Bank borrowings	**331,703**	**0.68%**	35,028	2.44%
Other borrowings	**92,307**	**0.33%**	115,326	1.96%
Junior subordinated debt	**125,826**	**2.88%**	106,141	3.02%
Total interest bearing liabilities (1)	**5,166,371**	**0.43%**	4,402,740	0.56%
Non-interest bearing demand deposits	**1,158,228**		983,096	
Other liabilities	**249,660**		41,821	
Shareholders equity	**956,836**		758,841	

Total Liabilities and Shareholders Equity	**$ 7,531,095**	$ 6,186,498
Taxable equivalent net interest spread	**3.50%**	3.52%
Taxable equivalent net interest margin	**3.59%**	3.63%

(1) Gross of allowance for loan losses and net of unearned income. Includes non-accrual and loans held for sale. Loan fees included in interest income on loans totaled $1.1 million and $0.9 million for the three months ended March 31, 2015 and 2014, respectively. Additionally, loan accretion included in net interest income on loans acquired from prior acquisitions was $0.8 million and $0.4 million for the three months ended March 31, 2015 and 2014, respectively, while accretion on interest bearing liabilities from prior acquisitions was $0.8 million and $0.2 million for the three months ended March 31, 2015 and 2014, respectively.

(2) Average yields on available-for-sale securities are calculated based on amortized cost and include premium amortization and discount accretion from prior acquisitions.

(3) Taxable equivalent basis is calculated on tax-exempt securities using a tax rate of 35% for each year presented.

(4) Interest income on other earning assets includes $0.6 million from a special dividend from FHLB Pittsburgh for the three months ended March 31, 2015.

31

Table of Contents

TABLE 3. RATE/VOLUME ANALYSIS OF CHANGES IN INTEREST INCOME AND INTEREST EXPENSE

	Three Months Ended March 31, 2015 Compared to March 31, 2014		
(unaudited, in thousands)	**Volume**	**Rate**	**Net Increase (Decrease)**
Increase (decrease) in interest income:			
Due from banks - interest bearing	**$ (7)**	**$ (5)**	**$ (12)**
Loans, net of unearned income	**6,720**	**(1,753)**	**4,967**
Taxable securities	**1,636**	**(363)**	**1,273**
Tax-exempt securities [(1)]	**528**	**(300)**	**228**
Other earning assets	**67**	**479**	**546**
Total interest income change [(1)]	**8,944**	**(1,942)**	**7,002**
Increase (decrease) in interest expense:			
Interest bearing demand deposits	**63**	**(15)**	**48**
Money market accounts	**16**		**16**
Savings deposits	**24**	**(6)**	**18**
Certificates of deposit	**291**	**(1,049)**	**(758)**
Federal Home Loan Bank borrowings	**599**	**(253)**	**346**
Other borrowings	**(93)**	**(389)**	**(482)**
Junior subordinated debt	**141**	**(37)**	**104**
Total interest expense change	**1,041**	**(1,749)**	**(708)**
Net interest income increase (decrease) [(1)]	**$ 7,903**	**$ (193)**	**$ 7,710**

(1) Taxable equivalent basis is calculated on tax-exempt securities using a tax rate of 35% for each year presented.

PROVISION FOR CREDIT LOSSES

The provision for credit losses is the amount to be added to the allowance for credit losses after net charge-offs have been deducted to bring the allowance to a level considered appropriate to absorb probable losses in the loan portfolio. The provision for credit losses also includes the amount to be added to the reserve for loan commitments to bring that reserve to a level considered appropriate to absorb probable losses on unfunded commitments. Continued improvement in the credit quality of the pre-acquisition legacy portfolio resulted in a provision for credit losses of $1.3 million in the first quarter of 2015 compared to $2.2 million in the same quarter of 2014. Net charge-offs for the first three months of 2015 were $1.7 million or 0.16% of average portfolio loans compared to $4.1 million or 0.43% in the first quarter of 2014. Legacy non-performing loans, including TDRs, as well as criticized and classified loans, also improved as a percentage of total portfolio loans from their pre-acquisition levels in the fourth quarter of 2014. (Please see the Allowance for Credit Losses section of this MD&A for additional discussion).

Table of Contents

NON-INTEREST INCOME

TABLE 4. NON-INTEREST INCOME

(unaudited, dollars in thousands)	**For the Three Months Ended March 31, 2015**	**2014**	**$ Change**	**% Change**
Trust fees	**$ 6,053**	$ 5,648	$ 405	7.2
Service charges on deposits	**3,652**	3,860	(208)	(5.4)
Electronic banking fees	**3,325**	3,013	312	10.4
Net securities brokerage revenue	**2,059**	1,829	230	12.6
Bank-owned life insurance	**1,251**	875	376	43.0
Net gains on sales of mortgage loans	**272**	154	118	76.6
Net securities gains	**22**	10	12	120.0
Net gain on other real estate owned and other assets	**122**	113	9	8.0
Net insurance services revenue	**862**	741	121	16.3
Other	**572**	806	(234)	(29.0)
Total non-interest income	**$ 18,190**	$ 17,049	$ 1,141	6.7

Non-interest income is a significant source of revenue and an important part of WesBanco s results of operations. WesBanco offers its customers a wide range of retail, commercial, investment and electronic banking services, which are viewed as a vital component of WesBanco s ability to attract and maintain customers, as well as providing additional fee income beyond normal spread-related income to WesBanco. For the first quarter of 2015, non-interest income increased $1.1 million or 6.7% compared to the first quarter of 2014. The increase was primarily due to improved trust fee income and securities brokerage revenue, a $0.4 million bank-owned life insurance death benefit and a 10.4% increase in electronic banking fees, while service charges on deposits decreased due to lower overdraft fees affected by customer usage and increases in customer deposits.

Trust fees increased $0.4 million or 7.2% as assets under management continued to increase from customer development initiatives and overall market improvements. Total trust assets were up 2.7% from $3.8 billion at March 31, 2014 to $3.9 billion at March 31, 2015. At March 31, 2015, trust assets include managed assets of $3.2 billion and non-managed (custodial) assets of $0.7 billion. Assets managed for the WesMark Funds, a proprietary group of mutual funds that is advised by WesBanco s trust and investment services group, were $961.0 million as of March 31, 2015 and $915.1 million at March 31, 2014 and are included in trust managed assets.

Service charges on deposits decreased 5.4% for the quarter compared to the first quarter of 2014 due to lower overdraft fees that were affected by lower customer usage patterns, implementation of certain FDIC guidelines for overdraft products, consistent increases in deposit levels and higher average deposits per account. The acquisition somewhat mitigated these factors.

Electronic banking fees, which include debit card interchange fees, continued to grow, increasing 10.4% compared to the first quarter of 2014, due to a higher volume of debit card transactions from the acquisition and WesBanco s legacy customers. The volume increase is due to marketing and process initiatives and as customers move more towards electronic transactions and a higher percentage of customers using these products.

Net securities brokerage revenue increased $0.2 million or 12.6% from the first quarter of 2014 due to significant production increases from existing markets, additional market coverage in the expanded western Pennsylvania market, the addition of support and producing staff in several regions, as well as an increase in referrals and production from a licensed retail banker program.

Net gains on sales of mortgage loans increased 76.6% compared to the three months ended March 31, 2014 due to increased production and a greater volume of loans sold into the secondary market, despite the recently-adopted Qualified Mortgage and Ability-to-Repay rules, which have somewhat limited our product offerings and overall loan approvals. Total mortgage production was $80.5 million in the first quarter of 2015, up 74.3% from the comparable 2014 quarter. Mortgages sold into the secondary market represented $22.9 million or 28.4% of overall mortgage loan production in the first quarter of 2015 compared to $17.1 million or 37.0% in the first quarter of 2014.

33

Table of Contents

NON-INTEREST EXPENSE

TABLE 5. NON-INTEREST EXPENSE

(unaudited, dollars in thousands)	**For the Three Months Ended March 31, 2015**	**2014**	**$ Change**	**% Change**
Salaries and wages	**$ 18,357**	$ 16,467	$ 1,890	11.5
Employee benefits	**7,316**	5,708	1,608	28.2
Net occupancy	**3,490**	3,491	(1)	(0.0)
Equipment	**2,973**	2,783	190	6.8
Marketing	**965**	1,003	(38)	(3.8)
FDIC insurance	**910**	877	33	3.8
Amortization of intangible assets	**566**	495	71	14.3
Restructuring and merger-related expenses	**9,733**		9,733	100.0
Miscellaneous, franchise, and other taxes	**1,561**	1,626	(65)	(4.0)
Postage	**788**	841	(53)	(6.3)
Consulting, regulatory, accounting and advisory fees	**1,330**	1,144	186	16.3
Other real estate owned and foreclosure expenses	**170**	259	(89)	(34.4)
Legal fees	**541**	658	(117)	(17.8)
Communications	**346**	521	(175)	(33.6)
ATM and interchange expenses	**1,021**	1,102	(81)	(7.4)
Supplies	**637**	626	11	1.8
Other	**2,737**	2,494	243	9.7
Total non-interest expense	**$ 53,441**	$ 40,095	$ 13,346	33.3

Non-interest expense increased $13.3 million in the first quarter compared to the first quarter of 2014 due to normal operating expenses from the ESB acquisition and $9.7 million of merger-related expenses. Total non-interest expense would have increased $3.6 million or 9.0% for the quarter without merger-related expenses, to a large extent due to the normal operating expenses from the 23 ESB offices acquired in the Pittsburgh area and increased revenue generation activity throughout the organization. Even with the ESB acquisition, other expenses including marketing, communications, and legal were down from last year due to efficiencies applied in several of our vendor contracts, lower REO costs and marketing campaign timing. The merger of ESB s information systems into WesBanco s will result in additional cost savings beyond those noted above over the course of the next 12 18 months as per our earlier announced plans.

Salaries and wages increased $1.9 million or 11.5% from the first quarter of 2014 due to an 8.6% increase in average full-time equivalent employees, with approximately $0.5 million of such increase related to post-merger personnel costs that will be immediately saved as a result of the April 24 weekend systems and branch conversions. In addition, routine annual adjustments to compensation and increased brokerage revenue commissions increased over the prior comparable period. Employee benefit expenses increased 28.2%, primarily from increased pension, health insurance and other benefit plan costs as well as the addition of ESB s personnel.

Net occupancy and equipment expense increased $0.2 million or 3.0% due to increased depreciation and other maintenance costs resulting primarily from the 23 ESB offices. In addition, new teller cash recycling machines continue to be introduced into our branches, which have improved the speed of customer service, improved cash controls and reduced full-time equivalent employees.

Amortization of intangible assets increased due to the ESB acquisition, which added approximately $5.3 million in core deposit intangibles.

Restructuring and merger-related expenses of $9.7 million in 2015 related to the ESB acquisition include $7.5 million in executive change-in-control and employee severance expenses, $1.7 million in investment banking services, $0.2 million in legal expenses, and $0.3 million of various other merger-related expenses.

Other real estate owned and foreclosure expenses decreased $0.1 million in 2015 compared to 2014 due to lower foreclosure and liquidation activity. Other real estate owned and repossessed assets increased $0.8 million from the first quarter of 2014 to $6.2 million due to the ESB acquisition, which added approximately $1.4 million.

Communications expense decreased 33.6% from the first quarter of 2014 due to the implementation of a company-wide modernization of the communication infrastructure during 2014.

Table of Contents

INCOME TAXES

The provision for federal and state income taxes was $4.5 million in 2015 compared to $5.7 million in the first quarter of 2014. The decrease in income tax expense was due to a decrease in pre-tax income, from merger-related expenses of $9.7 million, and a $0.5 million benefit relating to the completion of an IRS audit which closed the 2011 and 2012 tax years, which resulted in an effective tax rate of 24.6% for 2015 compared to 25.6% for 2014. The effective tax rate is anticipated to range between 26.5% and 27.5% for the remainder of 2015.

FINANCIAL CONDITION

Total assets increased 30.8% during the quarter, while deposits and shareholders equity increased 27.1% and 38.5%, respectively, compared to December 31, 2014 primarily due to the acquisition of ESB. Total loans increased $787.2 million or 19.2% with $699.0 million from the ESB acquisition and the remaining $88.2 million from WesBanco s originations outpacing pay downs, which were a result of increased business activity, additional lending personnel, focused marketing efforts, an expanded presence in larger urban markets, and continued improvement in the loan origination process. Deposits increased $1.4 billion, with $1.2 billion from the ESB acquisition and $134.9 million from organic growth. The organic growth in deposits resulted from a 5.8% increase in demand deposits, a 3.8% increase in savings deposits and a 2.6% increase in money market deposits, which more than offset the 2.6% decrease in certificates of deposit due to lower rate offerings on maturities. The increase in demand deposits, savings deposits and money market deposits were attributable to marketing, incentives paid to customers, focused retail and business strategies to obtain more account relationships, and customers preference for short-term maturities, coupled with initial deposits from bonus and royalty payments for Marcellus and Utica shale gas payments from energy companies in WesBanco s southwestern Pennsylvania, eastern Ohio and northern West Virginia markets. Total borrowings increased 58.9% during the quarter. FHLB borrowings increased $209.3 million from December 31, 2014, due primarily to $173.9 million in new borrowings, coupled with $35.4 million in FHLB borrowings provided from the ESB acquisition. New borrowings were utilized to manage WesBanco s normal liquidity needs, including loan and investment funding, as well as certificates of deposit runoff. Total shareholders equity increased by approximately $303.2 million or 38.5%, compared to December 31, 2014, primarily due to $293.6 million of common stock issued in the ESB acquisition and net income exceeding dividends for the period by $5.0 million, coupled with $5.2 million of additional unrealized gains in accumulated other comprehensive income.

Table of Contents

TABLE 6. COMPOSITION OF SECURITIES (1)

(unaudited, dollars in thousands)	**March 31, 2015**	**December 31, 2014**	**$ Change**	**% Change**
Available-for-sale (at fair value)				
Obligations of government agencies	**$ 80,768**	$ 87,736	$ (6,968)	(7.9)
Residential mortgage-backed securities and collateralized mortgage obligations of government agencies	**1,283,445**	701,113	582,332	83.1
Obligations of states and political subdivisions	**95,653**	91,433	4,220	4.6
Corporate debt securities	**183,090**	25,996	157,094	604.3
Total debt securities	**1,642,956**	906,278	736,678	81.3
Equity securities	**11,308**	11,146	162	1.5
Total available-for-sale securities	**$ 1,654,264**	$ 917,424	$ 736,840	80.3
Held-to-maturity (at amortized cost)				
Residential mortgage-backed securities and collateralized mortgage obligations of government agencies	**$ 126,935**	$ 79,004	$ 47,931	60.7
Obligations of states and political subdivisions	**610,249**	507,927	102,322	20.1
Corporate debt securities	**6,741**	6,739	2	0.0
Total held-to-maturity securities	**743,925**	593,670	150,255	25.3
Total securities	**$ 2,398,189**	$ 1,511,094	$ 887,095	58.7
Available-for-sale securities:				
Weighted average yield at the respective period end (2)	**2.06%**	2.34%		
As a % of total securities	**69.0%**	60.7%		
Weighted average life (in years)	**4.1**	4.0		
Held-to-maturity securities:				
Weighted average yield at the respective period end (2)	**4.29%**	4.67%		
As a % of total securities	**31.0%**	39.3%		
Weighted average life (in years)	**5.0**	5.1		
Total securities:				
Weighted average yield at the respective period end (2)	**2.76%**	3.27%		
As a % of total securities	**100.0%**	100.0%		
Weighted average life (in years)	**4.4**	4.4		

(1) At March 31, 2015 and December 31, 2014, there were no holdings of any one issuer, other than the U.S. government and certain federal or federally-related agencies, in an amount greater than 10% of WesBanco s shareholders equity.

(2) Weighted average yields have been calculated on a taxable-equivalent basis using the federal statutory tax rate of 35%.

Total investment securities, which are a source of liquidity for WesBanco as well as a contributor to interest income, increased by $887.1 million or 58.7% from December 31, 2014 to March 31, 2015. This increase is attributable to the ESB acquisition. On the date of merger, the investment portfolio increased by $486.9 million. Portfolio restructuring on the acquired portfolio began prior to merger, and continued after the merger which resulted in purchases of $457.2 million in the first quarter. Offsetting the acquired securities and purchases in the first quarter were maturities, paydowns, and calls that totaled $62.2 million. Through the first quarter, the available-for-sale portfolio increased by $736.8 million or 80.3%, while the held-to-maturity portfolio increased by $150.3 million or 25.3%. The weighted average yield of the portfolio declined from 3.27% at December 31, 2014 to 2.76% at March 31, 2015 due to the ESB acquisition and purchases of securities in the first quarter at lower current market rates.

Net unrealized gains on available-for-sale securities included in accumulated other comprehensive income, net of tax, as of March 31, 2015 and December 31, 2014 were $12.1 million and $4.6 million, respectively. Unrealized gains increased on available-for-sale securities due to a decrease in market rates from December 31, 2014. With approximately 31% of the investment portfolio in the held-to-maturity category, the recent volatility in interest rates does not have as much impact on other comprehensive income as if the entire portfolio were included in the category available-for-sale.

36

Table of Contents

WesBanco s municipal portfolio comprises 29.4% of the overall securities portfolio as of March 31, 2015 as compared to 39.7% as of December 31, 2014, and it carries different risks that are not as prevalent in other security types contained in the portfolio. The following table presents the allocation of the municipal bond portfolio based on the combined S&P and Moody s ratings of the individual bonds (at fair value):

TABLE 7. MUNICIPAL BOND RATINGS

	March 31, 2015		December 31, 2014	
(unaudited, dollars in thousands)	**Amount**	**% of Total**	**Amount**	**% of Total**
Municipal bonds (at fair value) (1):				
Moody s: Aaa / S&P: AAA	**$ 66,260**	**9.1**	$ 50,205	8.1
Moody s: Aa1 ; Aa2 ; Aa3 / S&P: AA+ ; AA ; AA-	**530,741**	**72.5**	449,219	72.1
Moody s: A1 ; A2 ; A3 / S&P: A+ ; A ; A-	**128,608**	**17.6**	117,398	18.9
Moody s: Baa1 ; Baa2 ; Baa3 / S&P: BBB+ ; BBB ; BBB- (2)	**3,035**	**0.4**	1,958	0.3
Not rated by either agency	**2,940**	**0.4**	3,454	0.6
Total municipal bond portfolio	**$ 731,584**	**100.0**	$ 622,234	100.0

(1) The highest available rating was used when placing the bond into a category in the table.
(2) As of March 31, 2015 and December 31, 2014, there are no securities in the municipal portfolio rated below investment grade.

WesBanco s municipal bond portfolio consists of both taxable (primarily Build America Bonds) and tax-exempt general obligation and revenue bonds. The following table presents additional information regarding the municipal bond type and issuer (at fair value):

TABLE 8. COMPOSITION OF MUNICIPAL SECURITIES

	March 31, 2015		December 31, 2014	
(unaudited, dollars in thousands)	**Amount**	**% of Total**	**Amount**	**% of Total**
Municipal bond type:				
General Obligation	**$ 506,111**	**69.2**	$ 432,967	69.6
Revenue	**225,473**	**30.8**	189,267	30.4
Total municipal bond portfolio	**$ 731,584**	**100.0**	$ 622,234	100.0
Municipal bond issuer:				
State Issued	**$ 69,888**	**9.6**	$ 53,931	8.7
Local Issued	**661,696**	**90.4**	568,303	91.3
Total municipal bond portfolio	**$ 731,584**	**100.0**	$ 622,234	100.0

The amortized cost of the municipal bond portfolio at March 31, 2015 and December 31, 2014 was $700.2 million and $594.0 million, respectively.

WesBanco s municipal bond portfolio is broadly spread across the United States. The following table presents the top five states of municipal bond concentration based on total fair value at March 31, 2015:

TABLE 9. CONCENTRATION OF MUNICIPAL SECURITIES

(unaudited, dollars in thousands)	March 31, 2015 Fair Value	% of Total
Pennsylvania	**$ 180,130**	**24.6**
Texas	**102,953**	**14.1**
Ohio	**85,508**	**11.7**
Illinois	**40,595**	**5.5**
Michigan	**27,451**	**3.8**
All other states (1)	**294,947**	**40.3**
Total municipal bond portfolio	**$ 731,584**	**100.0**

(1) WesBanco s municipal bond portfolio contains obligations in the state of West Virginia totaling $14.8 million or 2.0% of the total municipal portfolio.

WesBanco uses prices from independent pricing services and, to a lesser extent, indicative (non-binding) quotes from independent brokers, to measure the fair value of its securities. WesBanco validates prices received from pricing services or brokers using a variety of methods, including, but not limited to, comparison to secondary pricing services, corroboration of pricing by reference to other independent market data such as secondary broker quotes and relevant benchmark indices, review of pricing by personnel familiar with market liquidity and other market-related conditions, review of pricing service methodologies, review of independent auditor reports received from the pricing service regarding its internal controls, and through review of inputs and assumptions used in pricing certain securities thinly traded or with limited observable data points. The

Table of Contents

procedures in place provide management with a sufficient understanding of the valuation models, assumptions, inputs and pricing to reasonably measure the fair value of WesBanco s securities. For additional disclosure relating to fair value measurements, refer to Note 7, Fair Value Measurement in the Consolidated Financial Statements.

LOANS AND CREDIT RISK

Loans represent WesBanco s single largest balance sheet asset classification and the largest source of interest income. Business purpose loans consist of commercial real estate (CRE) loans and other commercial and industrial (C&I) loans that are not secured by real estate. CRE loans are further segmented into land and construction loans, and loans for improved property. Consumer purpose loans consist of residential real estate loans, home equity lines of credit and other consumer loans. Loans held for sale generally consist of residential real estate loans originated for sale in the secondary market, but at times may also include other types of loans. The outstanding balance of each major category of the loan portfolio is summarized in Table 10.

The risk that borrowers will be unable or unwilling to repay their obligations and default on loans is inherent in all lending activities. Credit risk arises from many sources including general economic conditions, external events that impact businesses or industries, isolated events that impact a major employer, individual loss of employment or other personal hardships as well as changes in interest rates or the value of collateral. Credit risk is also impacted by a concentration of exposure within a geographic market or to one or more borrowers, industries or collateral types. The primary goal in managing credit risk is to minimize the impact of default by an individual borrower or group of borrowers. Credit risk is managed through the initial underwriting process as well as through ongoing monitoring and administration of the portfolio that varies by the type of loan. The Bank s credit policies establish standard underwriting guidelines for each type of loan and require an appropriate evaluation of the credit characteristics of each borrower. This evaluation includes the borrower s primary source of repayment capacity; the adequacy of collateral, if any, to secure the loan; the potential value of personal guarantees as secondary sources of repayment; and other factors unique to each loan that may increase or mitigate its risk. Credit bureau scores are also considered when evaluating consumer purpose loans as well as guarantors of business purpose loans. However, the Bank does not periodically update credit bureau scores subsequent to when loans are made to determine changes in credit history.

Credit risk is mitigated for all types of loans by continuously monitoring delinquency levels and pursuing collection efforts at the earliest stage of delinquency. The Bank also monitors general economic conditions, including employment, housing activity and real estate values in its market. The Bank also periodically evaluates and changes its underwriting standards when warranted based on market conditions, the historical performance of a category of the portfolio, or other external factors. Credit risk is also regularly evaluated for the impact of adverse economic and other events that increase the risk of default and the potential loss in the event of default to understand their impact on the Bank s earnings and capital.

TABLE 10. COMPOSITION OF LOANS (1)

	March 31, 2015		**December 31, 2014**	
(unaudited, dollars in thousands)	**Amount**	**% of Loans**	**Amount**	**% of Loans**
Commercial real estate:				
Land and construction	**$ 288,075**	**5.9**	$ 262,643	6.4
Improved property	**1,908,869**	**39.1**	1,682,817	41.1
Total commercial real estate	**2,196,944**	**45.0**	1,945,460	47.5
Commercial and industrial	**709,621**	**14.6**	638,410	15.6
Residential real estate:				
Land and construction	**37,038**	**0.8**	19,681	0.5
Other	**1,202,125**	**24.6**	909,089	22.2
Home equity	**362,163**	**7.4**	330,031	8.1
Consumer	**365,830**	**7.5**	244,095	6.0
Total portfolio loans	**4,873,721**	**99.9**	4,086,766	99.9
Loans held for sale	**6,064**	**0.1**	5,865	0.1
Total loans	**$ 4,879,785**	**100.0**	$ 4,092,631	100.0

(1) Loans are presented gross of the allowance for loan losses and net of unearned income, credit valuation adjustments, and unamortized net deferred loan fee income and loan origination costs.

Total loans increased $787.2 million compared to December 31, 2014 with $699.0 million from the ESB acquisition. Excluding the acquisition, the legacy portfolio increased $88.2 million, or 2.2% for the quarter and 8.7% annualized. Organic loan growth was achieved through $357.0 million in loan originations during the quarter, which represents a 30.6% increase over the first quarter in 2014. Loan growth was driven by increased business activity, additional lending personnel, focused marketing efforts, an expanded presence in our larger urban markets, a reduction in unscheduled payoffs and a less severe winter that did not stifle certain types of business activity as much as it did the prior year. Excluding the ESB acquisition, CRE improved property and C&I loans provided the most significant organic growth, respectively increasing 2.2% and 2.0% for the quarter. A portion of the increase in CRE improved property came from CRE land and construction loans upon completion of the project. Organic loan growth was achieved without sacrificing profitability, loan structure and credit quality of the loan portfolio despite a highly competitive lending market for high quality borrowers.

Total loan commitments, including loans approved but not closed, increased $244.8 million from December 2014 with $85.3 million from the ESB acquisition and the remainder due primarily to increases in CRE land and construction and home equity lines of credit originations.

38

Table of Contents

NON-PERFORMING ASSETS, IMPAIRED LOANS AND LOANS PAST DUE 90 DAYS OR MORE

Non-performing assets consist of non-accrual loans and TDRs, other real estate acquired through or in lieu of foreclosure, bank premises held for sale, and repossessed automobiles acquired to satisfy defaulted consumer loans.

TABLE 11. NON-PERFORMING ASSETS

(unaudited, dollars in thousands)	**March 31, 2015**	**December 31, 2014**
Non-accrual loans:		
Commercial real estate - land and construction	**$ 1,463**	$ 1,488
Commercial real estate - improved property	**22,143**	20,227
Commercial and industrial	**3,849**	4,110
Residential real estate	**11,249**	10,329
Home equity	**1,899**	1,923
Consumer	**771**	741
Total non-accrual loans (1)	**41,374**	38,818
TDRs accruing interest:		
Commercial real estate - land and construction	**1,013**	
Commercial real estate - improved property	**6,804**	2,437
Commercial and industrial	**351**	329
Residential real estate	**7,883**	8,215
Home equity	**718**	740
Consumer	**561**	345
Total TDRs accruing interest (1)	**17,330**	12,066
Total non-performing loans	**$ 58,704**	$ 50,884
Other real estate owned and repossessed assets	**6,226**	5,082
Total non-performing assets	**$ 64,930**	$ 55,966
Non-performing loans/total loans	**1.20%**	1.25%
Non-performing assets/total assets	**0.79%**	0.89%
Non-performing assets/total loans, other real estate and repossessed assets	**1.33%**	1.37%

(1) TDRs on nonaccrual of $9.2 million and $5.4 million at March 31, 2015 and December 31, 2014, respectively, are included in total nonaccrual loans.

Non-performing loans, which consist of non-accrual loans and TDRs, increased $7.8 million, or 15.4% from December 31, 2014 to March 31, 2015 with $9.3 million from the ESB acquisition, while legacy non-performing loans decreased $1.5 million or 3.0%. Non-performing loans acquired, recognized at their acquisition date fair value of $9.7 million with an unpaid principal balance of $16.0 million primarily consist of three commercial relationships with an acquisition date aggregate fair value of $8.9 million. Organic non-performing loans decreased primarily from an unscheduled principal payment on one loan as well as other successful exit strategies and overall improvement in economic conditions in our markets. (Please see the Notes to the Consolidated Financial Statements for additional discussion.)

Other real estate owned and repossessed assets increased $1.1 million from December 31, 2014 to March 31, 2015, entirely due to the ESB acquisition.

39

Table of Contents

The following table presents past due and accruing loans excluding non-accrual and TDRs:

TABLE 12. PAST DUE AND ACCRUING LOANS EXCLUDING NON-ACCRUAL AND TDRs

(unaudited, dollars in thousands)	**March 31, 2015**	**December 31, 2014**
Loans past due 90 days or more:		
Commercial real estate - land and construction	**$**	$ 71
Commercial real estate - improved property		
Commercial and industrial	**3**	22
Residential real estate	**74**	1,306
Home equity	**684**	570
Consumer	**270**	319
Total loans past due 90 days or more	**1,031**	2,288
Loans past due 30 to 89 days:		
Commercial real estate - land and construction		
Commercial real estate - improved property	**1,144**	480
Commercial and industrial	**848**	216
Residential real estate	**4,661**	3,105
Home equity	**2,433**	2,524
Consumer	**2,917**	3,022
Total loans past due 30 to 89 days	**12,003**	9,347
Total 30 days or more	**$ 13,034**	$ 11,635
Loans past due 90 days or more and accruing to total portfolio loans	**0.02%**	0.06%
Loans past due 30-89 days and accruing to total portfolio loans	**0.25%**	0.23%

Loans past due 90 days or more and accruing interest excluding TDRs decreased $1.3 million or 54.9% from December 31, 2014 due to loans being placed on nonaccrual or migrated back to 30-89 days past due or current status. These loans continue to accrue interest because they are both well-secured and in the process of collection. Loans past due 30-89 days increased $2.7 million or 28.4% between December 31, 2014 and March 31, 2015 with $1.3 million from the ESB acquisition and $1.4 million from the legacy portfolio as certain legacy loans migrated from the 90 days past due category. Loans past due 30-89 days to total portfolio loans improved to 0.25% from 0.38% one year ago, representing a 34.2% decrease. This improvement in delinquency is the result of management s focus on controlling early stage delinquency as well as improving economic conditions.

Table of Contents

ALLOWANCE FOR CREDIT LOSSES

Continued improvement in the credit quality of the pre-acquisition legacy portfolio resulted in a decrease in the allowance as supported by reductions in nearly all categories of legacy loans with adverse characteristics and continued improvement in economic conditions. The allowance was not affected by the acquired ESB loan portfolio, as these loans were recorded at fair value at the date of acquisition and credit quality adjustments of $21.3 million were reflected in the acquired loan portfolio at March 31, 2015.

The allowance for credit losses decreased $0.5 million from December 31, 2014 to March 31, 2015 as a result of a lower provision expense than net charge-offs, representing 0.91% of total loans at March 31, 2015 compared to 1.09% of total loans at December 31, 2014. However, if the credit component of the unaccreted loan mark on acquired loans of $24.2 million, including prior acquisitions, were added to the allowance, the resulting ratio provides greater coverage over total loans and is considered by management to be a better comparison of the adequacy of the allowance and the unaccreted credit mark to absorb potential losses.

The allowance for loans individually evaluated was relatively unchanged from December 31, 2014 to March 31, 2015, while the allowance for loans collectively evaluated decreased $0.4 million to $40.5 million due to lower charge-offs and continued improvement in delinquent, non-performing and classified and criticized loans.

The allowance for loan commitments of $0.5 million at March 31, 2015 was unchanged from December 31, 2014.

The allowance for credit losses by loan category, presented in Note 5 Loans and the Allowance for Credit Losses to the Consolidated Financial Statements, summarizes the impact of changes in various factors that affect the allowance for loan losses in each segment of the portfolio. The allowance for all segments is impacted by changes in loan balances, as well as changes in historical loss rates adjusted for qualitative factors such as economic conditions. The CRE and C&I segments of the portfolio are also impacted by changes in the risk grading distribution of the portfolio as well as the migration of CRE loans from land and construction to improved property upon the completion of construction.

The loss migration rate by internal risk grade is the primary factor for establishing the allowance for all commercial loans, and the portfolio segment loss history is the primary factor for establishing the allowance for residential real estate, home equity and consumer loans. The categorization of loans as non-performing is not as significant a factor as the loss migration rate by risk grade or the segment loss history, although certain non-performing loans that carry specific reserves are also typically considered classified under the internal risk grading system. Criticized and classified loans were $93.0 million, or 1.91% of total loans at March 31, 2015, which represents a decrease of 28.1% from $129.3 million or 3.33% of total loans at March 31, 2014, as credit quality continued to improve, enabling certain loans to be upgraded that were criticized but not classified throughout the economic downturn. The ESB acquisition increased criticized and classified loans by $9.6 million.

Table of Contents

Table 13 summarizes the allocation of the allowance for credit losses to each category of the loan portfolio. The decrease in the allowance for CRE land and construction loans is due primarily to that category of loans consisting of more multi-family apartment and other commercial building construction loans than land and residential development loans, which had higher loss rates during the recession but now represent a much smaller percentage of the category. The increase in the allowance for CRE improved property and home equity loans is primarily attributable to growth in those categories, while the decrease in the allowance for residential real estate and consumer loans reflects lower historical loss rates in each category.

TABLE 13. ALLOCATION OF THE ALLOWANCE FOR CREDIT LOSSES

(unaudited, dollars in thousands)	**March 31, 2015**	**Percent of Total**	**December 31, 2014**	**Percent of Total**
Allowance for loan losses:				
Commercial real estate - land and construction	**$ 5,331**	**11.9**	$ 5,654	12.5
Commercial real estate - improved property	**18,035**	**40.4**	17,573	39.0
Commercial and industrial	**9,011**	**20.2**	9,063	20.1
Residential real estate	**5,034**	**11.3**	5,382	11.9
Home equity	**2,497**	**5.6**	2,329	5.2
Consumer	**3,723**	**8.3**	4,078	9.0
Deposit account overdrafts	**542**	**1.2**	575	1.3
Total allowance for loan losses	**$ 44,173**	**98.9**	$ 44,654	99.0
Allowance for loan commitments:				
Commercial real estate - land and construction	**$ 178**	**0.4**	$ 194	0.4
Commercial real estate - improved property	**18**	**0.0**	10	0.0
Commercial and industrial	**120**	**0.4**	112	0.3
Residential real estate	**13**	**0.0**	9	0.0
Home equity	**107**	**0.2**	90	0.2
Consumer	**42**	**0.1**	40	0.1
Total allowance for loan commitments	**478**	**1.1**	455	1.0
Total allowance for credit losses	**$ 44,651**	**100.0**	$ 45,109	100.0

Although the allowance for credit losses is allocated as described in Table 13, the total allowance is available to absorb actual losses in any category of the loan portfolio. However, differences between management s estimation of probable losses and actual incurred losses in subsequent periods for any category may necessitate future adjustments to the provision for loan losses applicable to the category. Management believes the allowance for credit losses is appropriate to absorb probable losses at March 31, 2015.

Table of Contents

DEPOSITS

TABLE 14. DEPOSITS

(unaudited, dollars in thousands)	**March 31, 2015**	**December 31, 2014**	**$ Change**	**% Change**
Deposits				
Non-interest bearing demand	**$ 1,249,521**	$ 1,061,075	$ 188,446	17.8
Interest bearing demand	**1,199,801**	885,037	314,764	35.6
Money market	**1,018,184**	954,957	63,227	6.6
Savings deposits	**1,064,808**	842,818	221,990	26.3
Certificates of deposit	**1,883,888**	1,305,096	578,792	44.3
Total deposits	**$ 6,416,202**	$ 5,048,983	$ 1,367,219	27.1

Deposits, which represent WesBanco s primary source of funds, are offered in various account forms at various rates through WesBanco s 142 branches. The FDIC insures deposits up to $250,000 per account.

Total deposits increased by $1.4 billion or 27.1% during the first three months of 2015 primarily due to the ESB acquisition which provided $1.2 billion of additional deposits, while organic deposit growth was an annualized 10.8%. Interest bearing demand and non-interest bearing deposits increased 35.6% and 17.8%, respectively, while savings and money market deposits increased 26.3% and 6.6%, respectively, due to the ESB acquisition and corresponding marketing, incentive compensation paid to customers and employees, focused retail and business strategies to obtain more account relationships and customers preferences for shorter-term maturities coupled with initial deposits from bonus and royalty payments for Marcellus and Utica shale gas payments from energy companies in WesBanco s southwestern Pennsylvania, eastern Ohio and northern West Virginia markets. Demand deposits, savings deposits and money market deposits acquired through the ESB acquisition were $391.1 million, $189.7 million and $38.3 million, respectively.

Certificates of deposit increased $578.8 million due primarily to the ESB acquisition. Certificates of deposit acquired from the ESB acquisition totaled $613.1 million, while organic balances declined 2.6% due to the effects of an overall corporate strategy designed to increase and remix retail deposit relationships with a focus on overall products that can be offered at a lower cost to the Bank. The decline is also impacted by lowered offered rates on maturing certificates of deposit and customer preferences for other non-maturity deposit types. WesBanco does not generally solicit brokered or other deposits out-of-market or over the internet, but does participate in the Certificate of Deposit Account Registry Services (CDARS®) program and the Insured Cash Sweep (ICS®) money market deposit program. CDARS® balances totaled $304.7 million in total outstanding balances at March 31, 2015, of which $205.0 million represented one-way buys, compared to $283.0 million in total outstanding balances at December 31, 2014, of which $172.3 million represented one-way buys. ICS® reciprocal balances totaled $143.3 million at March 31, 2015 compared to $117.1 million at December 31, 2014. Certificates of deposit greater than $250,000 were approximately $306.4 million at March 31, 2015 compared to $174.7 million at December 31, 2014. Certificates of deposit of $100,000 or more were approximately $974.9 million at March 31, 2015 compared to $706.1 million at December 31, 2014. The increase in jumbo certificates of deposit was primarily due to the acquisition. Certificates of deposit totaling approximately $1.2 billion at March 31, 2015 with a cost of 0.75% are scheduled to mature within the next 12 months. WesBanco will continue to focus on its core deposit strategies and improving its overall mix of transaction accounts to total deposits. From time to time the Bank may offer special promotions on certain certificates of deposit maturities and savings products based on competition, sales strategies, liquidity needs and wholesale borrowing costs, although in the current interest rate environment, CD rate offerings are generally equal or lower for all maturities and types compared to rates paid on existing CDs.

BORROWINGS

TABLE 15. BORROWINGS

(unaudited, dollars in thousands)	**March 31, 2015**	**December 31, 2014**	**$ Change**	**% Change**
Federal Home Loan Bank Borrowings	**$ 432,456**	$ 223,126	$ 209,330	93.8
Other short-term borrowings	**76,630**	80,690	(4,060)	(5.0)

Junior subordinated debt owed to unconsolidated subsidiary trusts	**142,269**	106,176	36,093	34.0
Total	**$ 651,355**	$ 409,992	$ 241,363	58.9

Borrowings are currently a less significant source of funding for WesBanco compared to total deposits. During the first quarter of 2015, FHLB borrowings increased $209.3 million due to the acquisition of ESB which provided $35.4 million in borrowings coupled with $173.9 million in new borrowings which were utilized to manage WesBanco s normal liquidity needs, including loan and investment funding, as well as CD runoff.

Other short-term borrowings, which consist of securities sold under agreements to repurchase at March 31, 2015, but may also include federal funds purchased and other borrowings, were $76.6 million at March 31, 2015 compared to $80.7 million at December 31, 2014. The ESB acquisition also provided $36.1 million in junior subordinated debentures which the Federal Reserve Bank has approved for redemption, which will occur on the next payment due date of May 11, 2015. WesBanco has a revolving line of credit, which is a senior obligation of the parent company, with another financial institution. This line of credit, which accrues interest at an adjusted LIBOR rate, provides for aggregate unsecured borrowings of up to $25.0 million. There were no outstanding balances as of March 31, 2015 or December 31, 2014.

Table of Contents

OFF-BALANCE SHEET ARRANGEMENTS

WesBanco enters into financial instruments with off-balance sheet risk in the normal course of business to meet the financing needs of its customers. These financial instruments include commitments to extend credit, letters of credit, loans approved but not closed, overdraft limits and contingent obligations to purchase loans funded by other entities. Since many of these commitments expire unused or partially used, these commitments may not reflect future cash requirements. Please refer to Note 9, Commitments and Contingent Liabilities, of the Consolidated Financial Statements and the Loans and Credit Risk section of this MD&A for additional information.

CAPITAL RESOURCES

Shareholders equity was $1.1 billion at March 31, 2015 compared to $788.2 million at December 31, 2014. The increase was due primarily to $293.6 million of common stock issued in the ESB acquisition coupled with net income during the current three month period of $13.9 million and a $5.2 million increase in other comprehensive income, which were partially offset by the declaration of common shareholder dividends totaling $8.8 million for the three months ended March 31, 2015. WesBanco also increased its quarterly dividend rate to $0.23 per share in February, representing a 4.5% increase over the prior quarterly rate and a cumulative 64% increase over the last seventeen quarters.

Regulatory guidelines require bank holding companies and commercial banks to maintain certain minimum capital ratios and define companies as well capitalized that sufficiently exceed the minimum ratios. At March 31, 2015, regulatory capital levels for both the Bank and WesBanco were substantially greater than the minimum amounts needed to be considered well capitalized under the regulations. There are various legal limitations under federal and state laws that limit the payment of dividends from the Bank to WesBanco. As of March 31, 2015, under FDIC regulations, WesBanco could receive, without prior regulatory approval, a dividend of approximately $29.2 million from the Bank. WesBanco intends to continue to improve its consolidated and Bank capital ratios primarily from retaining a majority of its increasing earnings.

The following table summarizes risk-based capital amounts and ratios for WesBanco and the Bank for the periods indicated:

			March 31, 2015			December 31, 2014		
(unaudited, dollars in thousands)	Minimum Value (1)	Well Capitalized (2)	Amount	Ratio	Minimum Amount (1)	Amount	Ratio	Minimum Amount (1)
WesBanco, Inc. (3)								
Tier 1 leverage	4.00%	5.00%	**$ 747,248**	**10.59%**	**$ 282,363**	$ 593,031	9.88%	$ 240,068
Common equity tier 1 (4)	4.50%	6.50%	**609,248**	**11.49%**	**238,684**	N/A	N/A	N/A
Tier 1 capital to risk-weighted assets	6.00%	8.00%	**747,248**	**14.09%**	**318,245**	593,031	13.76%	172,357
Total capital to risk-weighted assets	8.00%	10.00%	**791,455**	**14.92%**	**424,327**	638,064	14.81%	344,714
WesBanco Bank, Inc.								
Tier 1 leverage	4.00%	5.00%	**$ 676,262**	**9.66%**	**$ 279,973**	$ 516,689	8.63%	$ 239,533
Common equity tier 1 (4)	4.50%	6.50%	**676,262**	**12.79%**	**237,842**	N/A	N/A	N/A
Tier 1 capital to risk-weighted assets	6.00%	8.00%	**676,262**	**12.79%**	**317,122**	516,689	12.04%	171,612
Total capital to risk-weighted assets	8.00%	10.00%	**720,469**	**13.63%**	**422,829**	561,369	13.08%	343,225

(1) Minimum to remain adequately capitalized. Minimums prior to January 1, 2015 were 4.00% for Tier 1 leverage and Tier 1 capital and 8.00% for total capital.
(2) Well-capitalized under prompt corrective action regulations.
(3) March 31, 2015 regulatory ratios for Tier 1 leverage, Tier 1 capital and total capital will be reduced by approximately 50, 66 and 66 basis points, respectively, after payoff of ESB s trust preferred securities totaling $36.1 million on May 11, 2015.
(4) The Common Equity Tier 1 ratio (known as CET 1) is a new regulatory ratio as of March 31, 2015, as the regulatory agencies adopted new guidelines for such ratio as a result of international adoption of the BASEL III regulatory capital accords in 2013.

Table of Contents

LIQUIDITY RISK

Liquidity is defined as a financial institution s capacity to meet its cash and collateral obligations at a reasonable cost. Liquidity risk is the risk that an institution s financial condition or overall safety and soundness is adversely affected by an inability, or perceived inability, to meet its obligations. An institution s obligations, and the funding sources to meet them, depend significantly on its business mix, balance sheet structure, and the cash flows of its on- and off-balance sheet obligations. Institutions confront various internal and external situations that can give rise to increased liquidity risk including funding mismatches, market constraints on funding sources, contingent liquidity events, changes in economic conditions, and exposure to credit, market, operation, legal and reputation risk. WesBanco actively manages liquidity risk through its ability to provide adequate funds to meet changes in loan demand, unexpected outflows in deposits and other borrowings as well as to take advantage of market opportunities and meet operating cash needs. This is accomplished by maintaining liquid assets in the form of securities, sufficient borrowing capacity and a stable core deposit base. Liquidity is centrally monitored by WesBanco s Asset/Liability Committee (ALCO).

WesBanco determines the degree of required liquidity by the relationship of total holdings of liquid assets to the possible need for funds to meet unexpected deposit losses and/or loan demands. The ability to quickly convert assets to cash at a minimal loss is a primary function of WesBanco s investment portfolio management. WesBanco believes its cash flow from the loan portfolio, the investment portfolio, and other sources, adequately meet its liquidity requirements. WesBanco s net loans to assets ratio was 58.7% at March 31, 2015 and deposit balances funded 77.9% of assets.

The following table lists the sources of liquidity from assets at March 31, 2015 expected within the next year:

(in thousands)	
Cash and cash equivalents	**$ 92,974**
Securities with a maturity date within the next year	**89,523**
Projected payments and prepayments on mortgage-backed securities and collateralized mortgage obligations (1)	**222,707**
Callable securities	**114,834**
Loans held for sale	**6,064**
Accruing loans scheduled to mature	**626,743**
Normal loan repayments	**529,717**
Total sources of liquidity expected within the next year	**$ 1,682,562**

(1) Projected prepayments are based on current prepayment speeds.

Deposit flows are another principal factor affecting overall WesBanco liquidity. Deposits totaled $6.4 billion at March 31, 2015. Deposit flows are impacted by current interest rates, products and rates offered by WesBanco versus various forms of competition, as well as customer behavior. Certificates of deposit scheduled to mature within one year totaled $1.2 billion at March 31, 2015, which includes jumbo regular certificates of deposit totaling $453.6 million with a weighted-average cost of 0.85%, and jumbo CDARS® deposits of $195.5 million with a cost of 0.55%.

WesBanco maintains a line of credit with the FHLB as an additional funding source. Available credit with the FHLB was approximately $1.7 billion and $1.5 billion at March 31, 2015 and December 31, 2014, respectively. At March 31, 2015, the Bank had unpledged available-for-sale securities with an amortized cost of $647.8 million, a portion of which is an available liquidity source, or such securities could be pledged to secure additional FHLB borrowings. The FHLB requires securities to be specifically pledged to the FHLB and maintained in a FHLB-approved custodial arrangement if the member wishes to include such securities in the maximum borrowing capacity calculation. WesBanco has elected not to specifically pledge to the FHLB otherwise unpledged securities.

WesBanco participates in the Federal Reserve Bank s Borrower-in-Custody Program (BIC) whereby WesBanco pledges certain consumer loans as collateral for borrowings. At March 31, 2015, WesBanco had a BIC line of credit totaling $146.9 million, none of which was outstanding. Alternative funding sources may include the utilization of existing overnight lines of credit with third party banks totaling $205.0 million, none of which was outstanding at March 31, 2015, along with seeking other lines of credit, borrowings under repurchase agreement lines, increasing deposit rates to attract additional funds, accessing brokered deposits, or selling securities available-for-sale or certain types of loans.

Other short-term borrowings of $76.6 million at March 31, 2015 consisted of overnight sweep checking accounts for large commercial customers. There has not been a significant fluctuation in the average deposit balance of the overnight sweep checking accounts during the first three months of 2015. The overnight sweep checking accounts require securities to be pledged equal to or greater than the average deposit balance in the related customer accounts.

The principal sources of parent company liquidity are dividends from the Bank, $31.8 million in cash and investments on hand, and a $25.0 million revolving line of credit with another financial institution, which did not have an outstanding balance at March 31, 2015. WesBanco is in compliance with all loan covenants. There are various legal limitations under federal and state laws that limit the payment of dividends from the Bank to the parent company. As of March 31, 2015, under FDIC and State of West Virginia regulations, WesBanco could receive, without prior regulatory approval, dividends of approximately $29.2 million from the Bank. Management believes these are appropriate levels of cash for the parent company given the current environment. Management continuously monitors the adequacy of parent company cash levels and sources of liquidity through the use of metrics that relate current cash levels to historical and forecasted cash inflows and outflows.

WesBanco had outstanding commitments to extend credit in the ordinary course of business approximating $1.5 billion and $1.2 billion at March 31, 2015 and December 31, 2014, respectively. On a historical basis, only a small portion of these commitments will result in an outflow of funds. Please refer to Note 9, Commitments and Contingent Liabilities, of the Consolidated Financial Statements and the Loans and Credit Risk section of this MD&A for additional information.

Table of Contents

Federal financial regulatory agencies previously have issued guidance to provide for sound practices for managing funding and liquidity risk and strengthening liquidity risk management practices. WesBanco maintains a comprehensive management process for identifying, measuring, monitoring, and controlling liquidity risk which is fully integrated into its risk management process. Management believes WesBanco has sufficient current liquidity to meet current obligations to borrowers, depositors and others as of March 31, 2015 and that WesBanco s current liquidity risk management policies and procedures adequately address this guidance.

Table of Contents

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The disclosures set forth in this item are qualified by the section captioned Forward-Looking Statements included in Item 2. Management s Discussion and Analysis of Financial Condition and Results of Operations of this report.

MARKET RISK

The primary objective of WesBanco s ALCO is to maximize net interest income within established policy parameters. This objective is accomplished through the management of balance sheet composition, market risk exposures arising from changing economic conditions and liquidity risk.

Market risk is defined as the risk of loss due to adverse changes in the fair value of financial instruments resulting from fluctuations in interest rates and equity prices. Management considers interest rate risk to be WesBanco s most significant market risk. Interest rate risk is the exposure to adverse changes in net interest income due to changes in interest rates. The relative consistency of WesBanco s net interest income is largely dependent on effective management of interest rate risk. As interest rates change in the market, rates earned on interest rate sensitive assets and rates paid on interest rate sensitive liabilities do not necessarily move concurrently. Differing rate sensitivities may arise because fixed rate assets and liabilities may not have the same maturities, or because variable rate assets and liabilities differ in the timing and/or the percentage of rate changes.

WesBanco s ALCO, comprised of senior management from various functional areas, monitors and manages interest rate risk within Board approved policy limits. Interest rate risk is monitored primarily through the use of an earnings simulation model. The model is highly dependent on various assumptions, which change regularly as the balance sheet and market interest rates change. The key assumptions and strategies employed are analyzed bi-monthly and reviewed and documented by the ALCO.

The earnings simulation model projects changes in net interest income resulting from the effect of changes in interest rates. Forecasting changes in net interest income requires management to make certain assumptions regarding loan and security prepayment rates, bond call dates, and adjustments to non-maturing deposit rates, which may not necessarily reflect the manner in which actual yields and costs respond to changes in market interest rates. Assumptions used are based primarily on historical experience and current market rates. Security portfolio maturities and prepayments are assumed to be reinvested in similar instruments and callable bond forecasts are adjusted at varying levels of interest rates. While management believes such assumptions to be reasonable, there can be no assurance that assumed prepayment rates, callable bond forecasts and non-maturing deposit rates will approximate actual future results. Moreover, the net interest income sensitivity chart presented in Table 1, Net Interest Income Sensitivity, assumes the composition of interest sensitive assets and liabilities existing at the end of the period remains constant over the period being measured and also assumes that a particular change in interest rates is reflected uniformly across the yield curve, regardless of the duration of the maturity or re-pricing of specific assets and liabilities. Since the assumptions used in the model relative to changes in interest rates are uncertain, the simulation analysis may not be indicative of actual results. In addition, the analysis may not consider all actions that management could employ in response to changes in interest rates and various earning asset and costing liability balances.

Management is aware of the significant effect inflation or deflation has upon interest rates and ultimately upon financial performance. WesBanco s ability to cope with inflation or deflation is best determined by analyzing its capability to respond to changing market interest rates, as well as its ability to manage the various elements of non-interest income and expense during periods of increasing or decreasing inflation or deflation. WesBanco monitors the level and mix of interest-rate sensitive assets and liabilities through ALCO in order to reduce the impact of inflation or deflation on net interest income. Management also controls the effects of inflation or deflation by conducting periodic reviews of the prices and terms of its various products and services, both in terms of the costs to offer the services as well as outside market influences upon such pricing, by introducing new products and services or reducing the availability of existing products and services, and by controlling overhead expenses.

Interest rate risk policy limits are determined by measuring the anticipated change in net interest income over a twelve month period assuming an immediate and sustained 100, 200 and 300 basis point increase or decrease in market interest rates compared to a stable rate environment or base model. WesBanco s current policy limits this exposure to a reduction of 5.0%, 12.5% and 25% or less, respectively, of net interest income from the base model over a twelve month period. The table below shows WesBanco s interest rate sensitivity at March 31, 2015 and December 31, 2014 assuming a 100, 200 and 300 basis point interest rate increase, compared to a base model. Due to the current low interest rate environment, particularly for short-term rates, the 200 and 300 basis point decreasing change is not calculated.

TABLE 1. NET INTEREST INCOME SENSITIVITY

Immediate Change in Interest Rates (basis points)	Percentage Change in Net Interest Income from Base over One Year March 31, 2015	December 31, 2014	ALCO Guidelines
+300	0.9%	0.9%	(25.0%)
+200	1.9%	2.1%	(12.5%)
+100	1.8%	1.9%	(5.0%)
-100	(2.4%)	(1.8%)	(5.0%)

Table of Contents

As per the table above, the earnings simulation model at March 31, 2015 currently projects that net interest income for the next twelve month period would decrease by 2.4% if interest rates were to fall immediately by 100 basis points, compared to a decrease of 1.8% for the same scenario as of December 31, 2014.

For rising rate scenarios, net interest income would increase by 1.8%, 1.9%, and 0.9% if rates increased by 100, 200 and 300 basis points, respectively, as of March 31, 2015 compared to increases of 1.9%, 2.1% and 0.9% in a 100, 200 and 300 basis point increasing rate environment as of December 31, 2014.

The balance sheet is asset sensitive as of March 31, 2015, slightly less than at December 31, 2014, based upon changes in the mix of various earning assets and costing liabilities, 2015 loan and transaction deposit account growth, an increase in borrowings, the ESB transaction and certain changes in modeling assumptions. Should rates rise more rapidly and by a higher amount than currently anticipated in the short to intermediate term, overall asset sensitivity may be somewhat neutralized due to slower anticipated prepayment speeds and extension risk associated with residential mortgages and mortgage-backed securities. In addition, variable rate commercial loans with rate floors averaging 4.23% approximated $1.1 billion at March 31, 2015, which represented approximately 37% of commercial loans. In a 100 basis point rising rate environment, these loans would not as significantly re-price from their current floor level as compared to non-floor loans. However, not all such loans are currently priced at their floor. In the current lower spread and recently downward trending yield curve environment, WesBanco expects that the net interest margin may contract somewhat due to the acquisition and the continued low interest rate environment, until after rates begin to rise. A short-term rate increase is anticipated by late third quarter by a majority of economists and the Federal Reserve Board which should help the margin eventually improve assuming no earning asset or costing liability changes. Maturities of higher-costing certificates of deposit scheduled over the next year should help to mitigate potential compression from lower loan spreads and general loan re-pricing in an increasingly more competitive loan environment, along with anticipated loan growth in most loan categories. Of note, certificates of deposit totaling approximately $1.2 billion mature within the next year at an average cost of 0.75%.

The Bank has significant additional borrowing capacity with the FHLB of Pittsburgh, the Federal Reserve Bank of Cleveland, and various correspondent banks, and may utilize these funding sources as necessary to lengthen liabilities, help offset mismatches in various asset maturities, and manage short-term cash needs. CDARS® and ICS® deposits also continue to be used to lengthen maturities in certificates of deposit, and for customers seeking higher yielding instruments and to maintain deposit balances below insured limits.

Current balance sheet strategies to reduce the potential for margin compression in the current rate environment include:

- increasing total loans; primarily commercial and residential with fixed rate periods of between 3-15 years, or variable to a published index;
- investing available short-term liquidity;
- continuing marketing programs to increase consumer loans and transaction deposits versus certificates of deposit;
- reinvestment of securities cash flows into new loans as demand warrants, or into other investments such as short and intermediate-term CMO pay structures, lower coupon MBS, and mid-term tax-exempt municipal securities;
- paying down borrowings as they mature with available cash from deposit growth, or extending term borrowings at current lower rates to balance asset/liability mismatches; and
- extending a portion of CD maturities through the CDARS® program and continuing to decrease offered rates on CDs and other costing deposit types.

As an alternative to the immediate rate shock analysis, the ALCO monitors interest rate risk by ramping or increasing interest rates 200 basis points gradually over a twelve month period. WesBanco s current policy limits this exposure to 5.0% of net interest income from the base model for a twelve month period. Management believes that the ramping analysis reflects a more realistic movement of interest rates, whereas the immediate rate shock reflects a less likely scenario. The simulation model at March 31, 2015, using the 200 basis point increasing rate ramp analysis, projects that net interest income would increase 2.0% over the next twelve months, compared to a 1.9% increase at December 31, 2014.

WesBanco also periodically measures the economic value of equity, which is defined as the market value of tangible equity in various increasing and decreasing rate scenarios. At March 31, 2015, the market value of tangible equity as a percent of base in a 200 basis point rising rate environment indicates an increase of 2.6%, compared to a increase of 6.0% at December 31, 2014. In a 100 basis point falling rate environment, the model indicates a decrease of 3.6%, compared to a decrease of 11.0% as of December 31, 2014. WesBanco s policy is to limit such change to minus 20% for a 200 basis point change in interest rates, as long as the Tier 1 leverage capital ratio is not forecasted to decrease below 5.0% as a result of the change. Balance sheet changes in loan and securities portfolios, new borrowings, transaction deposits and certificates of deposit, as well as certain other modeling assumptions, resulted in the change in equity market value from 2014.

Table of Contents

ITEM 4. CONTROLS AND PROCEDURES

EVALUATION OF DISCLOSURE CONTROLS AND PROCEDURES WesBanco s Chief Executive Officer (CEO) and Chief Financial Officer (CFO) have concluded that WesBanco s disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended), based on their evaluation of these controls and procedures as of the end of the period covered by this Form 10-Q, are effective at the reasonable assurance level as discussed below to ensure that information required to be disclosed by WesBanco in the reports it files under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC and that such information is accumulated and communicated to WesBanco s management, including its principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure.

LIMITATIONS ON THE EFFECTIVENESS OF CONTROLS WesBanco s management, including the CEO and CFO, does not expect that WesBanco s disclosure controls and internal controls will prevent all errors and all fraud. While WesBanco s disclosure controls and procedures are designed to provide reasonable assurance of achieving their objective, no control system, no matter how well conceived and operated, can provide absolute assurance that the objectives of the control system are met. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls.

CHANGES IN INTERNAL CONTROLS There were no changes in WesBanco s internal control over financial reporting that occurred during our fiscal quarter ended March 31, 2015 as required to be reported by paragraph (d) of Rules 13a-15 and 15d-15 under the Securities Exchange Act of 1934, that materially affected, or are reasonably likely to materially affect, WesBanco s internal control over financial reporting.

Table of Contents

PART II   OTHER INFORMATION

ITEM 1. 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 is 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 is 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. If the court approves the settlement contemplated in the MOS, both the Federal Lawsuit and the Lawrence County Lawsuit will be 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 will be released and barred. Under the terms of the MOS, counsel for the Plaintiffs reserved the right to seek an award of attorneys   fees and expenses. The Defendants have reserved the right to contest the fee and expense petition. The amount of any fees and expense awarded will ultimately be determined and approved by the court, and will not affect the amount of merger consideration paid by WesBanco. ESB or its successor or insurer will pay any fees and expenses awarded by the court. In the MOS, the parties have agreed to negotiate in good faith to prepare a stipulation of settlement to be filed with the court and other documentation as may be required to effectuate the settlement. There can be no assurance that the parties ultimately will enter into a stipulation of settlement or that the court will approve the settlement even if the parties were to enter into such stipulation. The proposed settlement contemplated by the MOS will become void in the event that the parties do not enter into such stipulation or the court does not approve the settlement.

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 deny all of the allegations in the lawsuits and believe the disclosures previously included in the Joint Proxy Statement/Prospectus were appropriate under the law. Nevertheless, ESB and the other Defendants have 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 have vigorously denied, and continue to vigorously deny, that they have 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. WesBanco does not believe that a material loss related to these claims is reasonably possible.

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.

Table of Contents

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

As of March 31, 2015, WesBanco had a current stock repurchase plan in which up to one million shares can be acquired. The plan was originally approved by the Board of Directors on March 21, 2007 and 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. There were no repurchases during the first quarter of 2015, other than those for the KSOP and dividend reinvestment plans and a repurchase to facilitate the payoff of ESB s ESOP loan.

The following table presents the monthly share purchase activity during the quarter ended March 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 December 31, 2014				378,286
January 1, 2015 to January 31, 2015				
Open market repurchases				378,286
Other transactions (1)	13,627	$ 33.78	N/A	N/A
February 1, 2015 to February 28, 2015				
Open market repurchases				378,286
Other transactions (1)	1,601	$ 32.61	N/A	N/A
March 1, 2015 to March 31, 2015				
Open market repurchases				378,286
Other repurchases (2)	38,237	$ 33.01	38,237	340,049
Other transactions (1)	1,707	32.94	N/A	N/A
First Quarter 2015				
Open market repurchases				378,286
Other repurchases (2)	38,237	$ 33.01	38,237	340,049
Other transactions (1)	16,935	33.59	N/A	N/A
Total	55,172	$ 33.19	38,237	340,049

(1) Consists of open market purchases transacted in the KSOP and dividend reinvestment plans.
(2) Consists of repurchases to facilitate the payoff of ESB s ESOP loan.

Table of Contents

ITEM 6. EXHIBITS

10.1	Separation Agreement and Release and Waiver of Claims, dated October 29, 2014, by and among ESB Financial Corporation, ESB Bank, Charlotte A. Zuschlag, WesBanco, Inc. and WesBanco Bank, Inc. (incorporated by reference to Exhibit 10.1 of the Form 8-K filed by the Registrant with the Securities and Exchange Commission on February 10, 2015).*
10.2	Employment Agreement, dated October 29, 2014, by and between WesBanco Bank, Inc., Charlotte A. Zuschlag, and WesBanco, Inc. (incorporated by reference to Exhibit 10.2 of the Form 8-K filed by the Registrant with the Securities and Exchange Commission on February 10, 2015).*
10.3	Non-competition Agreement, dated October 29, 2014, by and between WesBanco, Inc., WesBanco Bank, Inc. and Charlotte A. Zuschlag. (incorporated by reference to Exhibit 10.3 of the Form 8-K filed by the Registrant with the Securities and Exchange Commission on February 10, 2015).*
10.4	Amended and Restated Employment Agreement, dated February 25, 2015, by and between WesBanco Bank, Inc., Bernard P. Twigg and WesBanco, Inc. (incorporated by reference to Form 10-K filed by the Registrant with the Securities and Exchange Commission on February 27, 2015).*
31.1	Certification of Chief Executive Officer of Periodic Report Pursuant to Rule 13a-15(e) or Rule 15d-15(e).
31.2	Certification of Chief Financial Officer of Periodic Report Pursuant to Rule 13a-15(e) or Rule 15d-15(e).
32.1	Certification Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101	The following materials from WesBanco s Quarterly Report on Form 10-Q for the quarter ended March 31, 2015, formatted in XBRL (Extensible Business Reporting Language): (i) the Consolidated Balance Sheets at March 31, 2015 and December 31, 2014, (ii) the Consolidated Statements of Comprehensive Income for the three months ended March 31, 2015 and 2014, (iii) the Consolidated Statements of Changes in Stockholders Equity for the three months ended March 31, 2015 and 2014, (iv) the Consolidated Statements of Cash Flows for the three months ended March 31, 2015 and 2014, and (v) the Notes to Consolidated Financial Statements.

* Indicates management compensatory plan, contract or arrangement.

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

	WESBANCO, INC.
Date: May 7, 2015	/s/ Todd F. Clossin Todd F. Clossin President and Chief Executive Officer (Principal Executive Officer)
Date: May 7, 2015	/s/ Robert H. Young Robert H. Young Executive Vice President and Chief Financial Officer (Principal Financial and Accounting Officer)