

SCBT FINANCIAL CORP  
Form 10-Q  
November 07, 2008  
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**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

WASHINGTON, D.C. 20549

**FORM 10-Q**

(Mark One)

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

**For the Quarterly Period ended September 30, 2008**

**OR**

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

**Commission file number 001-12669**

# SCBT FINANCIAL CORPORATION

(Exact name of registrant as specified in its charter)

**South Carolina**

**57-0799315**

(State or other jurisdiction of incorporation)

(IRS Employer Identification No.)

**520 Gervais Street  
Columbia, South Carolina**

**29201**

(Address of principal executive offices)

(Zip Code)

**(800) 277-2175**

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes  No

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

Large Accelerated Filer

Accelerated Filer

Non-Accelerated Filer

Smaller Reporting Company

Indicate by check mark whether the registrant is a shell company

(as defined in Rule 12b-2 of the Exchange Act). Yes  No

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

**Class**  
Common Stock, \$2.50 par value

**Outstanding as of October 31, 2008**  
11,242,532



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**SCBT Financial Corporation and Subsidiaries**

**September 30, 2008 Form 10-Q**

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	September 30, 2008 (Unaudited)	December 31, 2007 (Note 1)	September 30, 2007 (Unaudited)
<b>ASSETS</b>			
Cash and cash equivalents:			
Cash and due from banks	\$ 56,813	\$ 62,595	\$ 46,930
Interest-bearing deposits with banks	824	3,437	2,831
Federal funds sold and securities purchased under agreements to resell	22,500	29,301	10,600
Total cash and cash equivalents	80,137	95,333	60,361
Investment securities:			
Securities held to maturity (fair value of \$23,547, \$21,215 and \$16,014, respectively)	24,560	21,457	15,962
Securities available for sale, at fair value	198,899	223,380	216,493
Other investments	15,502	13,472	10,235
Total investment securities	238,961	258,309	242,690
Loans held for sale	11,419	17,351	13,921
Loans	2,279,726	2,083,047	1,842,226
Less allowance for loan losses	(29,199)	(26,570)	(23,822)
Loans, net	2,250,527	2,056,477	1,818,404
Premises and equipment, net	64,056	55,454	52,504
Goodwill	62,888	61,709	32,313
Other assets	58,757	52,550	47,050
Total assets	\$ 2,766,745	\$ 2,597,183	\$ 2,267,243
<b>LIABILITIES AND SHAREHOLDERS EQUITY</b>			
Deposits:			
Noninterest-bearing	\$ 313,700	\$ 315,791	\$ 293,388
Interest-bearing	1,825,027	1,612,098	1,520,454
Total deposits	2,138,727	1,927,889	1,813,842
Federal funds purchased and securities sold under agreements to repurchase	224,328	296,186	172,496
Other borrowings	172,738	143,860	88,865
Other liabilities	11,365	14,183	16,568
Total liabilities	2,547,158	2,382,118	2,091,771
Shareholders' equity:			
Common stock - \$2.50 par value; authorized 40,000,000 shares; 10,225,776, 10,160,432 and 9,201,820 shares issued and outstanding	25,564	25,401	23,005
Surplus	141,911	140,652	108,367
Retained earnings	57,534	50,499	46,923
Accumulated other comprehensive loss	(5,422)	(1,487)	(2,823)

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Total shareholders' equity		<b>219,587</b>		215,065		175,472
Total liabilities and shareholders' equity	\$	<b>2,766,745</b>	\$	2,597,183	\$	2,267,243

**The Accompanying Notes are an Integral Part of the Financial Statements.**

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## SCBT Financial Corporation and Subsidiaries

## Condensed Consolidated Statements of Income (unaudited)

*(In thousands, except per share data)*

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2008	2007	2008	2007
Interest income:				
Loans	\$ 35,727	\$ 34,332	\$ 107,528	\$ 99,829
Investment securities:				
Taxable	2,760	2,646	8,356	7,482
Tax-exempt	291	308	1,212	951
Federal funds sold and securities purchased under agreements to resell	177	498	835	1,567
Deposits with banks	3	83	50	165
Total interest income	38,958	37,867	117,981	109,994
Interest expense:				
Deposits	11,231	13,925	36,527	39,412
Federal funds purchased and securities sold under agreements to repurchase	1,392	2,132	5,069	6,677
Other borrowings	1,678	1,322	5,252	4,820
Total interest expense	14,301	17,379	46,848	50,909
Net interest income	24,657	20,488	71,133	59,085
Provision for loan losses	2,785	1,161	6,362	2,743
Net interest income after provision for loan losses	21,872	19,327	64,771	56,342
Noninterest income:				
Service charges on deposit accounts	4,157	3,909	11,994	10,952
Bankcard services income	1,247	1,051	3,679	3,067
Mortgage banking income	507	863	2,777	2,964
Trust and investment services income	725	697	2,102	1,971
Securities gains (losses), net	(9,760)		(9,420)	42
Other	431	584	1,807	1,791
Total noninterest income (loss)	(2,693)	7,104	12,939	20,787
Noninterest expense:				
Salaries and employee benefits	10,164	9,685	32,248	28,981
Furniture and equipment expense	1,577	1,459	4,667	4,227
Net occupancy expense	1,528	1,247	4,520	3,585
Advertising and marketing	771	985	2,782	2,432
Professional fees	597	513	1,638	1,522
Amortization of intangibles	144	125	433	377
Other	4,315	3,809	12,632	11,379
Total noninterest expense	19,096	17,823	58,920	52,503
Earnings:				
Income before provision for income taxes	83	8,608	18,790	24,626
Provision for income taxes	(41)	2,966	6,554	8,203
Net income	\$ 124	\$ 5,642	\$ 12,236	\$ 16,423
Earnings per share:				
Basic	\$ 0.01	\$ 0.61	\$ 1.21	\$ 1.79
Diluted	\$ 0.01	\$ 0.61	\$ 1.19	\$ 1.78
Dividends per share	\$ 0.17			