

UNITED BANCSHARES INC/OH
Form 10-Q
April 26, 2013

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

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

For the quarterly period ended March 31, 2013

Commission file number 000-29283

UNITED BANCSHARES, INC.
(Exact name of Registrant as specified in its charter)

Ohio
(State or other jurisdiction of incorporation or organization)

100 S. High Street, Columbus Grove, Ohio
(Address of principal executive offices)

34-1516518
(I.R.S. Employer Identification Number)

45830
(Zip Code)

(419) 659-2141
(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 X No ___

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes X No ___

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

Large accelerated filer ___ Accelerated filer ___ Non-accelerated filer ___ Smaller Reporting Company X

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

Yes No X

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of April 19, 2013:

3,446,746

This document contains 41 pages. The Exhibit Index is on page 35 immediately preceding the filed exhibits.

UNITED BANCSHARES, INC.

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PART 1 - FINANCIAL INFORMATION

ITEM 1 - FINANCIAL STATEMENTS

United Bancshares, Inc. and Subsidiaries
Consolidated Balance Sheets (Unaudited)

	March 31, 2013	December 31, 2012
ASSETS		
CASH AND CASH EQUIVALENTS		
Cash and due from banks	\$ 7,287,060	\$ 10,605,662
Interest-bearing deposits in other banks	39,336,683	39,306,145
Total cash and cash equivalents	46,623,743	49,911,807
SECURITIES, available-for-sale	183,198,079	177,607,765
FEDERAL HOME LOAN BANK STOCK, at cost	4,893,800	4,893,800
CERTIFICATES OF DEPOSIT	2,490,000	2,490,000
LOANS HELD FOR SALE	1,177,625	2,957,060
LOANS	299,921,454	304,445,298
Less allowance for loan losses	(5,922,658)	(6,917,605)
Net loans	293,998,796	297,527,693
PREMISES AND EQUIPMENT, net	9,202,661	9,217,876
GOODWILL	8,554,979	8,554,979
CASH SURRENDER VALUE OF LIFE INSURANCE	13,866,308	13,761,183
OTHER REAL ESTATE OWNED	882,954	1,568,000
OTHER ASSETS, including accrued interest and intangible assets	4,266,329	3,957,465
TOTAL ASSETS	\$ 569,155,274	\$ 572,447,628
LIABILITIES AND SHAREHOLDERS' EQUITY		
LIABILITIES		
Deposits		
Non-interest bearing	\$ 68,007,324	\$ 77,924,051
Interest bearing	401,769,313	393,275,063
Total deposits	469,776,637	471,199,114
Other borrowings	21,799,303	22,557,220
Junior subordinated deferrable interest debentures	10,300,000	10,300,000
Accrued expenses and other liabilities	2,957,558	4,221,089
Total liabilities	504,833,498	508,277,423
SHAREHOLDERS' EQUITY		
Common stock, \$1.00 stated value. Authorized 10,000,000 shares; issued 3,760,557 shares	3,760,557	3,760,557
Surplus	14,662,845	14,661,664
Retained earnings	47,781,152	46,855,865
Accumulated other comprehensive income	2,915,723	3,697,363

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Treasury stock 313,811 shares at March 31, 2013 and 314,252 shares at December 31, 2012, at cost	(4,798,501)	(4,805,244)
Total shareholders' equity	64,321,776	64,170,205
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 569,155,274	\$ 572,447,628

See notes to consolidated financial statements

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United Bancshares, Inc. and Subsidiaries
Condensed Consolidated Statements of Income (Unaudited)

	Three months ended March 31,	
	2013	2012
INTEREST INCOME		
Loans, including fees	\$3,720,951	\$4,673,552
Securities:		
Taxable	577,123	655,049
Tax-exempt	452,961	457,112
Other	83,324	91,047
Total interest income	4,834,359	5,876,760
INTEREST EXPENSE		
Deposits	543,410	1,096,261
Other borrowings	273,206	363,867
Total interest expense	816,616	1,460,128
NET INTEREST INCOME	4,017,743	4,416,632
Provision for loan losses	-	-
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	4,017,743	4,416,632
NON-INTEREST INCOME		
Gain on sales of loans	217,905	255,528
Gain on sales of securities	129,220	1,206
Change in fair value of mortgage servicing rights	56,429	112,134
Other	721,694	685,575
Total non-interest income	1,125,248	1,054,443
NON-INTEREST EXPENSES	3,766,367	4,235,261
INCOME BEFORE INCOME TAXES	1,376,624	1,235,814
Provision for income Taxes	279,000	233,000
NET INCOME	\$1,097,624	\$1,002,814
NET INCOME PER SHARE		
Basic	\$0.32	\$0.29
Weighted average common shares outstanding	3,446,717	3,445,962
Diluted	\$0.32	\$