

REGIONS FINANCIAL CORP
Form 10-Q/A
June 09, 2009
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-Q/A

(Amendment No. 2)

Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the quarterly period ended March 31, 2009

or

Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the transition period from _____ to _____

Commission File Number: 000-50831

Regions Financial Corporation

(Exact name of registrant as specified in its charter)

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Delaware
(State or other jurisdiction of
incorporation or organization)

63-0589368
(IRS Employer

Identification Number)

1900 Fifth Avenue North

Birmingham, Alabama
(Address of principal executive offices)

35203
(Zip code)

(205) 944-1300

(Registrant's telephone number, including area code)

NOT APPLICABLE

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

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 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 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

(Do not check if a 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

The number of shares outstanding of each of the issuer's classes of common stock was 695,030,000 shares of common stock, par value \$.01, outstanding as of April 30, 2009.

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EXPLANATORY NOTE

This Amendment No. 2 on Form 10-Q/A (this Amendment) amends our Quarterly Report on Form 10-Q for the quarter ended March 31, 2009 as filed with the Securities and Exchange Commission on May 11, 2009 as previously amended by Amendment No. 1 filed on Form 10-Q/A on May 13, 2009 (Amendment No. 1). This Amendment is being made solely for the purpose of filing as Exhibit 32 the certification pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

This Quarterly Report on Form 10-Q/A has not been updated to reflect other events occurring after the filing date of the original Quarterly Report on Form 10-Q or Amendment No. 1 or to modify or update those disclosures affected by subsequent events.

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<i>(In millions, except share data)</i>	March 31 2009	December 31 2008	March 31 2008
Assets			
Cash and due from banks	\$ 2,429	\$ 2,643	\$ 3,061
Interest-bearing deposits in other banks	2,288	7,540	48
Federal funds sold and securities purchased under agreements to resell	418	790	852
Trading account assets	1,348	1,050	1,519
Securities available for sale	20,970	18,850	17,766
Securities held to maturity	45	47	50
Loans held for sale (includes \$1,365 measured at fair value at March 31, 2009)	1,956	1,282	757
Loans, net of unearned income	95,686	97,419	96,385
Allowance for loan losses	(1,861)	(1,826)	(1,376)
Net loans	93,825	95,593	95,009
Other interest-earnings assets	849	897	617
Premises and equipment, net	2,808	2,786	2,666
Interest receivable	426	458	549
Goodwill	5,551	5,548	11,510
Mortgage servicing rights	161	161	269
Other identifiable intangible assets	603	638	746
Other assets	8,303	7,965	8,830
Total assets	\$ 141,980	\$ 146,248	\$ 144,249
Liabilities and Stockholders Equity			
Deposits:			
Non-interest-bearing	\$ 19,988	\$ 18,457	\$ 18,182
Interest-bearing	73,548	72,447	71,005
Total deposits	93,536	90,904	89,187
Borrowed funds:			
Short-term borrowings:			
Federal funds purchased and securities sold under agreements to repurchase	2,828	3,143	8,451
Other short-term borrowings	6,525	12,679	8,717
Total short-term borrowings	9,353	15,822	17,168
Long-term borrowings	18,762	19,231	12,357
Total borrowed funds	28,115	35,053	29,525
Other liabilities	3,512	3,478	5,515
Total liabilities	125,163	129,435	124,227
Stockholders equity:			
Preferred stock, cumulative perpetual participating, par value \$1.00 (liquidation preference \$1,000.00) per share, net of discount:			
Authorized 10,000,000 shares			
Issued 3,500,000 shares in 2008	3,316	3,307	

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Common stock, par value \$.01 per share:

Authorized 1,500,000,000 shares			
Issued including treasury stock 738,570,609; 735,667,650 and 735,775,383 shares, respectively	7	7	7
Additional paid-in capital	16,828	16,815	16,560
Retained earnings (deficit)	(1,913)	(1,869)	4,495
Treasury stock, at cost 43,676,701; 44,301,693 and 41,054,113 shares, respectively	(1,415)	(1,425)	(1,371)
Accumulated other comprehensive income (loss), net	(6)	(22)	331
Total stockholders' equity	16,817	16,813	20,022
Total liabilities and stockholders' equity	\$ 141,980	\$ 146,248	\$ 144,249

See notes to consolidated financial statements.

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<i>(In millions, except per share data)</i>	Three Months Ended March 31	
	2009	2008
Interest income on:		
Loans, including fees	\$ 1,099	\$ 1,529
Securities:		
Taxable	239	200
Tax-exempt	7	10
Total securities	246	210
Loans held for sale	15	9
Federal funds sold and securities purchased under agreements to resell	1	7
Trading account assets	12	21
Other interest-earning assets	6	7
Total interest income	1,379	1,783
Interest expense on:		
Deposits	366	503
Short-term borrowings	20	113
Long-term borrowings	184	149
Total interest expense	570	765
Net interest income	809	1,018
Provision for loan losses	425	181
Net interest income after provision for loan losses	384	837
Non-interest income:		
Service charges on deposit accounts	269	272
Brokerage, investment banking and capital markets	217	273
Mortgage income	73	46
Trust department income	46	57
Securities gains, net	53	91
SILO termination gains	323	
Other	85	169
Total non-interest income	1,066	908
Non-interest expense:		
Salaries and employee benefits	539	643
Net occupancy expense	107	107
Furniture and equipment expense	76	80
Impairment of mortgage servicing rights		42
Other	336	378
Total non-interest expense	1,058	1,250
Income before income taxes	392	495
Income taxes	315	158
Net income	\$ 77	\$ 337

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Net income available to common shareholders	\$ 26	\$ 337
Weighted-average number of shares outstanding:		
Basic	693	695
Diluted	694	696
Earnings per common share:		
Basic	0.04	0.48
Diluted	0.04	0.48
Cash dividends declared per common share	0.10	0.38

See notes to consolidated financial statements.

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REGIONS FINANCIAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

	Preferred Stock		Common Stock		Additional Paid-In Capital	Retained Earnings (Deficit)	Treasury Stock, At Cost	Accumulated Other Comprehensive Income (Loss)	Total
	Shares	Amount	Shares	Amount					
<i>(In millions, except per share data)</i>									
BALANCE AT JANUARY 1, 2008		\$	694	\$ 7	\$ 16,545	\$ 4,439	\$ (1,371)	\$ 203	\$ 19,823
Cumulative effect of changes in accounting principles due to adoption of EITF 06-4, EITF 06-10 and FAS 158 (see Note 12)						(17)			(17)
Comprehensive income:									
Net income						337			337
Net change in unrealized gains and losses on securities available for sale, net of tax and reclassification adjustment*								24	24
Net change in unrealized gains and losses on derivative instruments, net of tax and reclassification adjustment*								104	104
Comprehensive income									465
Cash dividends declared \$0.38 per share						(264)			