

SOUTHSIDE BANCSHARES INC
Form 10-Q/A
May 09, 2007

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
Form 10-Q/A

(Mark One)

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

For the quarterly period ended March 31, 2007

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 0-12247

SOUTHSIDE BANCSHARES, INC.
(Exact name of registrant as specified in its charter)

TEXAS
(State or other jurisdiction of
incorporation or organization)

75-1848732
(I.R.S. Employer
Identification No.)

1201 S. Beckham, Tyler, Texas

75701

903-531-7111

(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 .

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

Large accelerated filer
filer

Non-accelerated filer

Accelerated

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes . No .

The number of shares of the issuer's common stock, par value \$1.25, outstanding as of April 26, 2007 was 12,389,116 shares.

Explanatory Note

This amendment to the registrant's Quarterly Report on Form 10-Q for the period ended March 31, 2007 filed with the Securities and Exchange Commission on May 7, 2007 (the "Form 10-Q") is being filed solely to correct the inadvertent omission of a portion of the text of Exhibit 32 to the Form 10-Q. This Form 10-Q/A does not alter any other part of the Form 10-Q.

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Certification Pursuant to Section 302

Certification Pursuant to Section 302

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PART I. FINANCIAL INFORMATION**ITEM 1. FINANCIAL STATEMENTS****SOUTHSIDE BANCSHARES, INC. AND SUBSIDIARIES****CONSOLIDATED BALANCE SHEETS**

(UNAUDITED)

(in thousands, except share amounts)

ASSETS	March 31, 2007	December 31, 2006
Cash and due from banks	\$ 45,481	\$ 52,537
Interest earning deposits	558	550
Federal funds sold	7,075	1,925
Total cash and cash equivalents	53,114	55,012
Investment securities:		
Available for sale, at estimated fair value	91,753	98,952
Held to maturity, at cost	1,352	1,351
Mortgage-backed and related securities:		
Available for sale, at estimated fair value	591,873	643,164
Held to maturity, at cost	215,854	226,162
Federal Home Loan Bank stock, at cost	20,452	25,614
Other investments, at cost	881	882
Loans held for sale	2,809	3,909
Loans:		
Loans	766,374	759,147
Less: allowance for loan losses	(7,261)	(7,193)
Net Loans	759,113	751,954
Premises and equipment, net	35,095	32,641
Interest receivable	9,468	10,110
Deferred tax asset	7,930	8,678
Other assets	30,531	32,547
TOTAL ASSETS	\$ 1,820,225	\$ 1,890,976
LIABILITIES AND SHAREHOLDERS' EQUITY		
Deposits:		
Noninterest bearing	\$ 322,157	\$ 325,771
Interest bearing	987,207	956,704
Total Deposits	1,309,364	1,282,475
Short-term obligations:		
Federal funds purchased	-	5,675
FHLB Dallas advances	244,834	322,241
Other obligations	-	1,605
Total Short-term obligations	244,834	329,521
Long-term obligations:		
FHLB Dallas advances	108,869	129,379
Long-term debt	20,619	20,619
Total Long-term obligations	129,488	149,998
Other liabilities	20,983	18,378
TOTAL LIABILITIES	1,704,669	1,780,372

Off-Balance-Sheet Arrangements, Commitments and Contingencies (Note 8)

Shareholders' equity:

Common stock: (\$1.25 par, 20,000,000 shares authorized, 14,101,466 and 14,075,653 shares issued)	17,626	17,594
Paid-in capital	101,012	100,736
Retained earnings	32,050	29,648
Treasury stock (1,718,737 shares at cost)	(22,850)	(22,850)
Accumulated other comprehensive loss	(12,282)	(14,524)
TOTAL SHAREHOLDERS' EQUITY	115,556	110,604
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 1,820,225	\$ 1,890,976

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

SOUTHSIDE BANCSHARES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
(UNAUDITED)
(in thousands, except per share data)

	Three Months Ended March 31,	
	2007	2006
Interest income		
Loans		