

BANCFIRST CORP /OK/
Form 10-Q
May 11, 2009

FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

(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, 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 0-14384

BancFirst Corporation

(Exact name of registrant as specified in charter)

Oklahoma
(State or other Jurisdiction of
incorporation or organization)

73-1221379
(I.R.S. Employer
Identification No.)

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101 N. Broadway, Oklahoma City, Oklahoma

73102-8405

(Address of principal executive offices)

(Zip Code)

(405) 270-1086

(Registrant's telephone number, including area code)

(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 (sec. 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, or a non-accelerated filer. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company

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

As of April 30, 2009 there were 15,296,641 shares of the registrant's Common Stock outstanding.

PART I FINANCIAL INFORMATION**Item 1. Financial Statements.**

BANCFIRST CORPORATION
CONSOLIDATED BALANCE SHEETS

(Unaudited)

(Dollars in thousands, except per share data)

	March 31,		December 31,
	2009	2008	2008
ASSETS			
Cash and due from banks	\$ 123,378	\$ 172,915	\$ 126,227
Interest-bearing deposits with banks	381,381	4,754	326,874
Federal funds sold		452,000	1,000
Securities (market value: \$439,963, \$463,295, and \$456,075, respectively)	439,220	462,832	455,568
Loans:			
Total loans (net of unearned interest)	2,808,499	2,500,849	2,757,854
Allowance for loan losses	(36,765)	(30,193)	(34,290)
Loans, net	2,771,734	2,470,656	2,723,564
Premises and equipment, net	91,806	87,429	91,411
Other real estate owned	5,245	1,723	3,782
Intangible assets, net	7,315	7,874	7,508
Goodwill	34,327	34,327	34,327
Accrued interest receivable	24,472	25,569	24,398
Other assets	79,277	66,032	72,545
Total assets	\$ 3,958,155	\$ 3,786,111	\$ 3,867,204
LIABILITIES AND STOCKHOLDERS EQUITY			
Deposits:			
Noninterest-bearing	\$ 1,000,846	\$ 958,216	\$ 1,025,749
Interest-bearing	2,470,672	2,343,887	2,351,859
Total deposits	3,471,518	3,302,103	3,377,608
Short-term borrowings	1,250	38,065	12,884
Accrued interest payable	4,734	7,202	5,827
Other liabilities	37,468	25,253	30,290
Long-term borrowings		507	
Junior subordinated debentures	26,804	26,804	26,804
Total liabilities	3,541,774	3,399,934	3,453,413
Commitments and contingent liabilities			
Stockholders' equity:			
Senior preferred stock, \$1.00 par; 10,000,000 shares authorized; none issued			
Cumulative preferred stock, \$5.00 par; 900,000 shares authorized; none issued			
Common stock, \$1.00 par, 20,000,000 shares authorized; shares issued and outstanding: 15,291,641, 15,183,483 and 15,281,141, respectively	15,292	15,183	15,281

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Capital surplus	68,380	64,297	67,975
Retained earnings	319,615	292,837	315,858
Accumulated other comprehensive income, net of income tax of \$(7,051), \$(7,463) and \$(7,903), respectively	13,094	13,860	14,677
Total stockholders' equity	416,381	386,177	413,791
Total liabilities and stockholders' equity	\$ 3,958,155	\$ 3,786,111	\$ 3,867,204

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

BANCFIRST CORPORATION
CONSOLIDATED STATEMENTS OF INCOME

(Unaudited)

(Dollars in thousands, except per share data)

	Three Months Ended March 31,	
	2009	2008
INTEREST INCOME		
Loans, including fees	\$ 38,268	\$ 45,164
Securities:		
Taxable	3,626	4,557
Tax-exempt	381	339
Federal funds sold		3,140
Interest-bearing deposits with banks	359	44
 Total interest income	 42,634	 53,244
INTEREST EXPENSE		
Deposits	10,380	17,175
Short-term borrowings	10	184
Long-term borrowings		7
Junior subordinated debentures	491	491
 Total interest expense	 10,881	 17,857
 Net interest income	 31,753	 35,387
Provision for loan losses	3,365	1,780
 Net interest income after provision for loan losses	 28,388	 33,607
NONINTEREST INCOME		
Trust revenue	1,315	1,428
Service charges on deposits	8,568	7,519
Securities transactions	339	28
Income from sales of loans	325	569
Insurance commissions	1,934	1,901
Cash management services	2,688	2,533
Gain on sale of other assets	15	1,822
Other	1,438	1,441
 Total noninterest income	 16,622	 17,241
NONINTEREST EXPENSE		
Salaries and employee benefits	20,117	20,189
Occupancy and fixed assets expense, net	2,210	2,076
Depreciation	1,771	1,755
Amortization of intangible assets	230	225
Data processing services	905	736
Net expense (income) from other real estate owned	107	(8)
Marketing and business promotion	1,452	1,279
Other	7,737	6,676

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Total noninterest expense	34,529	32,928
Income before taxes	10,481	17,920
Income tax expense	(3,356)	(6,326)
Net income	7,125	11,594
Other comprehensive income, net of tax:		
Unrealized gains (losses) on securities	(2,774)	10,605
Reclassification adjustment for gains (losses) included in net income	1,191	(3,694)
Comprehensive income	\$ 5,542	\$ 18,505
NET INCOME PER COMMON SHARE		
Basic	\$ 0.47	\$ 0.76
Diluted	\$ 0.46	\$ 0.74

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

BANCFIRST CORPORATION

CONSOLIDATED STATEMENTS OF STOCKHOLDERS EQUITY

(Unaudited)

(Dollars in thousands, except per share data)

	Three Months Ended March 31,	
	2009	2008
COMMON STOCK		
Issued at beginning of period	\$ 15,281	\$ 15,217
Shares issued	11	6
Shares acquired and canceled		(40)
Issued at end of period	\$ 15,292	\$ 15,183
CAPITAL SURPLUS		
Balance at beginning of period	\$ 67,975	\$ 63,917
Common stock issued	405	380
Balance at end of period	\$ 68,380	\$ 64,297
RETAINED EARNINGS		
Balance at beginning of period	\$ 315,858	\$ 285,879
Net income	7,125	11,594
Dividends on common stock	(3,368)	(3,043)
Common stock acquired and canceled		(1,593)
Balance at end of period	\$ 319,615	\$ 292,837
ACCUMULATED OTHER COMPREHENSIVE INCOME		
Unrealized gains on securities:		
Balance at beginning of period	\$ 14,677	\$ 6,949
Net change	(1,583)	6,911
Balance at end of period	\$ 13,094	\$ 13,860
Total stockholders equity	\$ 416,381	\$ 386,177

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

BANCFIRST CORPORATION

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(Unaudited)

(Dollars in thousands)

	Three Months Ended March 31,	
	2009	2008
CASH FLOWS FROM OPERATING ACTIVITIES	\$ 9,674	\$ 14,861
INVESTING ACTIVITIES		
Purchases of securities:		
Held for investment		(150)
Available for sale		(1)
Maturities of securities:		
Held for investment	1,986	868
Available for sale	10,654	13,448
Proceeds from sales and calls of securities:		
Held for investment	9	25
Available for sale	839	1,300
Net decrease (increase) in federal funds sold	1,000	(53,000)
Purchases of loans	(18,879)	(136)
Proceeds from sales of loans	2,061	16,255
Net other increase in loans	(34,023)	(30,206)
Purchases of premises, equipment and other	(2,319)	(7,228)
Proceeds from the sale of other real estate owned, repossessed assets and other	1,333	8,267
Net cash used in investing activities	(37,339)	(50,558)
FINANCING ACTIVITIES		
Net increase/(decrease) in demand, transaction and savings deposits	66,975	(17,814)
Net increase in certificates of deposits	26,935	31,414
Net (decrease)/increase in short-term borrowings	(11,634)	7,665
Net decrease in long-term borrowings		(99)
Issuance of common stock	416	386
Acquisition of common stock		(1,633)
Cash dividends paid	(3,369)	(3,043)
Net cash provided by financing activities	79,323	16,876
Net increase/(decrease) in cash, due from banks and interest bearing deposits	51,658	(18,821)
Cash, due from banks and interest bearing deposits at the beginning of the period	453,101	196,490
Cash, due from banks and interest bearing deposits at the end of the period	\$ 504,759	\$ 177,669
SUPPLEMENTAL DISCLOSURE		
Cash paid during the period for interest	\$ 11,975	\$ 18,486

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

BANCFIRST CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

(1) GENERAL

The accompanying consolidated financial statements include the accounts of BancFirst Corporation, Council Oak Partners, LLC, Wilcox, Jones & McGrath, Inc., and BancFirst and its subsidiaries (the Company). The operating subsidiaries of BancFirst are Council Oak Investment Corporation, BancFirst Agency, Inc., Lenders Collection Corporation, BancFirst Community Development Corporation and Council Oak Real Estate, Inc. All significant intercompany accounts and transactions have been eliminated. Assets held in a fiduciary or agency capacity are not assets of the Company and, accordingly, are not included in the consolidated financial statements.

The unaudited interim financial statements contained herein reflect all adjustments which are, in the opinion of management, necessary to provide a fair statement of the financial position and results of operations of the Company for the interim periods presented. All such adjustments are of a normal and recurring nature. There have been no significant changes in the accounting policies of the Company since December 31, 2008, the date of the most recent annual report.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States inherently involves the use of estimates and assumptions that affect the amounts reported in the financial statements and the related disclosures. These estimates relate principally to the determination of the allowance for loan losses, income taxes and the fair values of financial instruments. Such estimates and assumptions may change over time and actual amounts realized may differ from those reported.

(2) RECENT ACCOUNTING PRONOUNCEMENTS

In March 2008, the FASB issued FAS No. 161 (FAS 161), Disclosures About Derivative Instruments and Hedging Activities, and Amendment of FASB Statement No. 133 amends FAS 133, Accounting for Derivative Instruments and Hedging Activities, to amend and expand the disclosure requirements of FAS 133 to provide greater transparency about (i) how and why an entity uses derivative instruments, (ii) how derivative instruments and related hedge items are accounted for under FAS 133 and its related interpretations, and (iii) how derivative instruments and related hedged items affect an entity's financial position, results of operations and cash flows. To meet those objectives, FAS 161 requires qualitative disclosures about objectives and strategies for using derivatives, quantitative disclosures about fair value amounts of gains and losses on derivative instruments and disclosures about credit-risk-related contingent features in derivative agreements. FAS 161 was effective for the Company on January 1, 2009 and did not have a significant impact on the Company's financial statements.

In December 2007, the FASB issued FAS No. 141R, Business Combinations (FAS 141R), which establishes principles and requirements for the reporting entity in a business combination, including recognition and measurement in the financial statements of the identifiable assets acquired, the liabilities assumed, and any noncontrolling interest in the acquiree. This statement also establishes disclosure requirements to enable financial statement users to evaluate the nature and financial effects of the business combination. FAS 141R applies prospectively to business combinations for which the acquisition date is on or after fiscal years beginning after December 15, 2008. FAS 141R was effective for our fiscal year beginning January 1, 2009. The Company has evaluated the effect that the adoption of FAS 141R will have on future acquisitions; however, there have been no transactions in 2009 for this accounting standard to apply.

In September 2006, the FASB issued FAS No. 157, Fair Value Measurements (FAS 157), which defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles, and expands disclosures about fair value measurements (see Note 14 Fair Value Measurements). The Company adopted the provisions of FAS 157 on January 1, 2008 for financial assets and financial liabilities. In accordance with Financial Accounting Standards Board Staff Position (FSP) No. SFAS 157-2, Effective Date of FASB Statement No. 157, the Company delayed the application of FAS 157 for non-financial assets and non-financial liabilities to January 1, 2009. The provisions of SFAS 157-2 did not have a significant impact on the Company's financial statements.

In March 2009, the FASB issued three FASB Staff Positions (FSP):

FAS No. 115-2 and FAS No. 124-2, Recognition and Presentation of Other-Than-Temporary Impairments This FSP amends the other-than-temporary impairment guidance under U.S. GAAP for debt securities to make the guidance more operational and improve the presentation and disclosure in the financial statement. The FSP specifies that if a company does not have the intent to sell a debt security prior to recovery and it is more likely than not that it will not have to sell the debt security prior to recovery, the security would not be considered other-than-temporarily impaired unless there is a credit loss. The credit loss component of an other-than-temporarily impaired debt security must be determined based on the company's best estimate of cash flows expected to be collected.

FAS No. 157-4, Determining Fair Value When the Volume and Level of Activity for the Asset or Liability Have Significantly Decreased and Identifying Transactions That are Not Orderly This FSP provides additional guidance for estimating fair value in accordance with FAS No. 157, Fair Value Measurements, when the volume and level of activity for the asset and liability have significantly decreased and for identifying circumstances that indicate a transaction is not orderly. FAS 157 does not prescribe a methodology for making significant adjustments to transactions or quoted prices when estimating fair value in these situations but this FSP states that a change in valuation technique or the use of multiple valuation techniques may be appropriate.

FAS No. 107-1 and APB 28-1, Interim Disclosure about Fair Value of Financial Instruments - This FSP requires companies to provide the same fair value of financial instruments disclosures presently required on an annual basis on a quarterly interim basis. These three FSP's will be effective for the interim and annual periods ending after June 15, 2009 and are not expected to have a significant impact on the Company's financial statements.

(3) RECENT DEVELOPMENTS: MERGERS, ACQUISITIONS AND DISPOSALS

On November 18, 2008 the Company announced it will not accept funds from the U.S. Treasury's Capital Purchase Program due to current capital levels that exceed well-capitalized guidelines and the potential for additional governmental regulation related to the program. Also, the Company did not elect to participate in the Debt Guarantee Program for newly issued senior unsecured debt. The Company did elect to participate in the Transaction Account Guarantee Program for extended coverage on non-interest bearing transaction deposit accounts.

In April 2008, the Company completed an \$80 million sale of securities resulting in a securities pre-tax gain of \$6.1 million. The transactions resulted in the sale of \$80 million of US Treasury securities and the purchase of Government Sponsored Enterprises (GSE) senior debt securities of similar amounts and maturities. The after-tax gain related to these transactions, net of the interest income differential, was approximately \$3.3 million for the year.

In March 2008, the Company, as a member bank of Visa, recorded a \$1.8 million pre-tax gain from the mandatory partial redemption of the Company's Visa shares received in the first quarter initial public offering. The gain was included in gain on sale of other assets.

(4) SECURITIES

The following table summarizes securities held for investment and securities available for sale (dollars in thousands):

	March 31,		December 31,
	2009	2008	2008
	\$ 32,473	\$ 24,527	\$ 34,468

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Held for investment, at cost (market value; \$33,216, \$24,990 and \$34,975, respectively)			
Available for sale, at market value	406,747	438,305	421,100
Total	\$ 439,220	\$ 462,832	\$ 455,568

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The following table summarizes the maturity of securities (**dollars in thousands**):

	March 31,		December 31,
	2009	2008	2008
Contractual maturity of debt securities:			
Within one year	\$ 122,977	\$ 166,972	\$ 116,396
After one year but within five years	272,772	241,653	289,849
After five years	27,466	40,619	32,978
Total debt securities	423,215	449,244	439,223
Equity securities	16,005	13,588	16,345
Total	\$ 439,220	\$ 462,832	\$ 455,568

The Company held 221 and 265 debt securities available for sale that had unrealized gains as of March 31, 2009 and 2008, respectively. These securities had a market value totaling \$390.0 million and \$414.2 million, respectively, and unrealized gains totaling \$17.3 million and \$18.3 million, respectively. The Company also held 15 and 26 debt securities available for sale that had unrealized losses, respectively. These securities had a market value totaling \$1.2 million and \$12.0 million and unrealized losses totaling \$11,000 and \$8,000, respectively. The Company has both the intent and ability to hold these debt securities until the unrealized losses are recovered.

(5) LOANS AND ALLOWANCE FOR LOAN LOSSES

The following is a schedule of loans outstanding by category (**dollars in thousands**):

	2009		March 31, 2008		December 31, 2008	
	Amount	Percent	Amount	Percent	Amount	Percent
Commercial and industrial	\$ 533,837	19.01%	\$ 490,279	19.61%	\$ 513,647	18.63%
Oil & gas production & equipment	86,803	3.09	94,293	3.77	84,770	3.07
Agriculture	82,947	2.96	85,067	3.40	86,752	3.15
State and political subdivisions:						
Taxable	6,154	0.22	5,789	0.23	5,595	0.20
Tax-exempt	8,108	0.29	8,728	0.35	8,292	0.30
Real Estate:						
Construction	237,948	8.47	236,763	9.47	246,269	8.93
Farmland	87,610	3.12	92,009	3.68	92,050	3.34
One to four family residences	551,645	19.64	505,473	20.21	543,183	19.70
Multifamily residential properties	48,575	1.73	35,909	1.44	45,250	1.64
Commercial	760,630	27.08	663,221	26.52	768,562	27.87
Consumer	374,019	13.32	263,986	10.56	335,938	12.18
Other	30,223	1.07	19,332	0.76	27,546	0.99
Total loans	\$ 2,808,499	100.00%	\$ 2,500,849	100.00%	\$ 2,757,854	100.00%
Loans held for sale (included above)	\$ 8,772		\$ 9,468		\$ 5,136	

The Company's loans are mostly to customers within Oklahoma and over half of the loans are secured by real estate. Credit risk on loans is managed through limits on amounts loaned to individual borrowers, underwriting standards and loan monitoring procedures. The amounts and types of collateral obtained, if any, to secure loans are based upon the Company's underwriting standards and management's credit evaluation. Collateral varies, but may include real estate, equipment, accounts receivable, inventory, livestock and securities. The Company's interest in collateral is secured through filing mortgages and liens, and in some cases, by possession of the collateral. The amount of estimated loss due to credit risk in the Company's loan portfolio is provided for in the allowance for loan losses. The amount of the allowance required to provide for all existing losses in the loan portfolio is an estimate based upon evaluations of loans, appraisals of collateral and other estimates which are subject to rapid change due to changing economic conditions and the economic prospects of borrowers. It is reasonably possible that a material change could occur in the estimated allowance for loan losses in the near term.

Changes in the allowance for loan losses are summarized as follows (**dollars in thousands**):

	Three Months Ended March 31,	
	2009	2008
Balance at beginning of period	\$ 34,290	\$ 29,127
Charge-offs	(1,068)	(899)
Recoveries	178	185
Net charge-offs	(890)	(714)
Provisions charged to operations	3,365	1,780
Balance at end of period	\$ 36,765	\$ 30,193

The net charge-offs by category are summarized as follows (**dollars in thousands**):

	Three Months Ended March 31,	
	2009	2008
Commercial, financial and other	\$ 377	\$ 32
Real estate construction	135	8
Real estate mortgage	224	513
Consumer	154	161
Total	\$ 890	\$ 714

(6) NONPERFORMING AND RESTRUCTURED ASSETS

The following is a summary of nonperforming and restructured assets (**dollars in thousands**):

	March 31,		December 31,
	2009	2008	2008
Past due over 90 days and still accruing	\$ 867	\$ 643	\$ 1,346
Nonaccrual	25,255	11,892	21,359
Restructured	353	864	1,022
Total nonperforming and restructured loans	26,475	13,399	23,727
Other real estate owned and repossessed assets	5,576	2,074	3,997
Total nonperforming and restructured assets	\$ 32,051	\$ 15,473	\$ 27,724
Nonperforming and restructured loans to total loans	0.94%	0.54%	0.86%
Nonperforming and restructured assets to total assets	0.81%	0.41%	0.72%

(7) INTANGIBLE ASSETS AND GOODWILL

The following is a summary of intangible assets (**dollars in thousands**):

	March 31,				December 31,	
	2009		2008		2008	
	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Core deposit intangibles	\$ 6,722	\$ (3,054)	\$ 6,703	\$ (2,363)	\$ 6,722	\$ (2,886)
Customer relationship intangibles	4,429	(782)	4,081	(547)	4,392	(720)
Total	\$ 11,151	\$ (3,836)	\$ 10,784	\$ (2,910)	\$ 11,114	\$ (3,606)

Amortization of intangible assets and estimated amortization of intangible assets are as follows: (**dollars in thousands**):

Amortization:

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Three months ended March 31, 2009	\$ 230
Three months ended March 31, 2008	\$ 225
Year ended December 31, 2008	902

Estimated Amortization

Year ending December 31:

2009	\$ 916
2010	916
2011	916
2012	904
2013	762

The following is a summary of goodwill by business segment (dollars in thousands):

	Metropolitan Banks	Community Banks	Other Financial Services	Executive, Operations & Support	Eliminations	Consolidated
Three Months Ended March 31, 2009						
Balance at beginning and end of period	\$ 6,150	\$ 23,295	\$ 4,258	\$ 624	\$	\$ 34,327
March 31, 2008						
Balance at beginning and end of period	\$ 6,150	\$ 23,295	\$ 4,258	\$ 624	\$	\$ 34,327
Year Ended December 31, 2008						
Balance at beginning and end of period	\$ 6,150	\$ 23,295	\$ 4,258	\$ 624	\$	\$ 34,327

(8) CAPITAL

The Company is subject to risk-based capital guidelines issued by the Board of Governors of the Federal Reserve System. These guidelines are used to evaluate capital adequacy and involve both quantitative and qualitative evaluations of the Company's assets, liabilities, and certain off-balance-sheet items calculated under regulatory practices. Failure to meet the minimum capital requirements can initiate certain mandatory or discretionary actions by the regulatory agencies that could have a direct material effect on the Company's financial statements. The required minimums and the Company's respective ratios are shown as follows (dollars in thousands):

	Minimum Required	March 31, 2009	March 31, 2008	December 31, 2008
Tier 1 capital		\$ 387,622	\$ 356,093	\$ 383,255
Total capital		\$ 424,387	\$ 387,350	\$ 418,710
Risk-adjusted assets		\$ 3,022,808	\$ 2,860,704	\$ 3,038,538
Leverage ratio	3.00%	9.90%	9.50%	10.02%
Tier 1 capital ratio	4.00%	12.82%	12.45%	12.61%
Total capital ratio	8.00%	14.04%	13.54%	13.78%

As of March 31, 2009 and 2008, and December 31, 2008, BancFirst was considered to be well capitalized. There are no conditions or events since the most recent notification of BancFirst's capital category that management believes would change its category.

(9) STOCK REPURCHASE PLAN

In November 1999, the Company adopted a Stock Repurchase Program (the SRP) authorizing management to repurchase up to 600,000 shares of the Company's common stock. The SRP was amended in May 2001, August 2002, and September 2007 to increase the shares authorized to be purchased by 555,832 shares, 364,530 shares and 366,948 shares, respectively. The SRP may be used as a means to increase earnings per share and return on equity, to purchase treasury stock for the exercise of stock options or for distributions under the Deferred Stock Compensation Plan, to provide liquidity for optionees to dispose of stock from exercises of their stock options, and to provide liquidity for shareholders wishing to sell their stock. The timing, price and amount of stock repurchases under the SRP may be determined by management and approved by the Company's Executive Committee. At March 31, 2009 there were 560,000 shares remaining that could be repurchased under the SRP. The following is a summary of the shares repurchased under the program:

	Three Months Ended March 31,	
	2009	2008
Number of shares repurchased		40,000
Average price of shares repurchased	\$	\$ 40.70

(10) SHARE-BASED COMPENSATION

BancFirst Corporation adopted a nonqualified incentive stock option plan (the BancFirst ISOP) in May 1986. In May 2006, the Company amended the BancFirst ISOP to increase the number of shares to be issued under the plan to 2,500,000 shares. At March 31, 2009, 94,660 shares are available for future grants. The BancFirst ISOP will terminate December 31, 2011. The options are exercisable beginning four years from the date of grant at the rate of 25% per year for four years. Options granted prior to 1996 expire at the end of eleven years from the date of the grant. Options granted after January 1, 1996 expire at the end of fifteen years from the date of grant. Options outstanding as of March 31, 2009 will become exercisable through the year 2015. The option price must be no less than 100% of the fair market value of the stock relating to such option at the date of grant.

In June 1999, the Company adopted the BancFirst Corporation Non-Employee Directors Stock Option Plan (the BancFirst Directors Stock Option Plan). Each non-employee director is granted an option for 10,000 shares. In May 2006, the Company amended the BancFirst Directors Stock Option Plan to increase the number of shares to be issued under the plan to 180,000 shares. At March 31, 2009, 25,000 shares are available for future grants. The options are exercisable beginning one year from the date of grant at the rate of 25% per year for four years, and expire at the end of fifteen years from the date of grant. Options outstanding as of March 31, 2009 will become exercisable through the year 2012. The option price must be no less than 100% of the fair value of the stock relating to such option at the date of grant.

The following is a summary of the activity under both the BancFirst ISOP and the BancFirst Directors Stock Option Plan (**dollars in thousands, except per share data**):

	Three Months Ended March 31, 2009			
	Options	Wgt. Avg. Exercise Price	Wgt. Avg. Remaining Contractual Term	Aggregate Intrinsic Value
Outstanding at January 1, 2009	1,092,453	\$ 27.80		
Options granted				
Options exercised	(500)	16.94		
Options canceled	(2,500)	42.60		
Outstanding at March 31, 2009	1,089,453	27.78	8.70	\$ 9,396
Exercisable at March 31, 2009	617,900	19.89	7.48	\$ 10,204

The following is additional information regarding options granted and options exercised under both the BancFirst ISOP and the BancFirst Directors Stock Option Plan (**dollars in thousands, except per share data**):

	Three Months Ended March 31,	
	2009	2008
Weighted average grant-date fair value per share of options granted	N/A	\$ 20.86
Total intrinsic value of options exercised	\$ 17	163
Cash received from options exercised	8	112
Tax benefit realized from options exercised	7	63

The fair value of each option grant is estimated on the date of grant using the Black-Scholes option-pricing model and is based on certain assumptions including risk-free rate of return, dividend yield, stock price volatility, and the expected term. The fair value of each option is expensed over its vesting period.

For the three months ended March 31, 2009 and 2008, the Company recorded share-based employee compensation expense of approximately \$163,000 and \$175,000, respectively, net of tax.

The Company will continue to amortize the remaining fair value of these stock options of approximately \$3.5 million, over the remaining vesting period of approximately six years. Share-based employee compensation expense under the fair value method was measured using the following assumptions for the options granted:

	March 31,	
	2009	2008
Risk-free interest rate	2.17%	4.12%
Dividend yield	1.50%	1.50%
Stock price volatility	68.96%	38.05%
Expected term	10 Yrs	10 Yrs

The risk-free interest rate is determined by reference to the spot zero-coupon rate for the U.S. Treasury security with a maturity similar to the expected term of the options. The dividend yield is the expected yield for the expected term. The stock price volatility is estimated from the recent historical volatility of the Company's stock. The expected term is estimated from the historical option exercise experience.

(11) COMPREHENSIVE INCOME

The only component of comprehensive income reported by the Company is the unrealized gain or loss on securities available for sale. The amount of this unrealized gain or loss, net of tax, has been presented in the statement of income for each period as a component of other comprehensive income. The following is a summary of the tax effects of this unrealized gain or loss (**dollars in thousands**):

	Three Months Ended March 31,	
	2009	2008
Unrealized gain (loss) during the period:		
Before-tax amount	\$ (2,436)	\$ 10,633
Tax (expense) benefit	853	(3,722)
Net-of-tax amount	\$ (1,583)	\$ 6,911

The amount of unrealized gain or loss included, net of tax, in accumulated other comprehensive income is summarized in the following table (**dollars in thousands**):

	Three Months Ended March 31,	
	2009	2008
Unrealized gain (loss) on securities:		
Beginning balance	\$ 14,677	\$ 6,949
Current period change	(2,774)	10,605
Reclassification adjustment for gains (losses) included in net income	1,191	(3,694)
Ending balance	\$ 13,094	\$ 13,860

(12) NET INCOME PER COMMON SHARE

Basic and diluted net income per common share are calculated as follows (dollars in thousands, except per share data):

	Income (Numerator)	Shares (Denominator)	Per Share Amount
Three Months Ended March 31, 2009			
Basic			
Income available to common stockholders	\$ 7,125	15,291,636	\$ 0.47
Effect of stock options		287,454	
Diluted			
Income available to common stockholders plus assumed exercises of stock options	\$ 7,125	15,579,090	\$ 0.46
Three Months Ended March 31, 2008			
Basic			
Income available to common stockholders	\$ 11,594	15,208,049	\$ 0.76
Effect of stock options		354,521	
Diluted			
Income available to common stockholders plus assumed exercises of stock options	\$ 11,594	15,562,570	\$ 0.74

The following table contains the number and average exercise prices of options that were excluded from the computation of diluted net income per share for each period because the options' exercise prices were greater than the average market price of the common shares.

	Shares	Average Exercise Price
Three Months Ended March 31, 2009	267,417	\$ 36.99
Three Months Ended March 31, 2008	264,104	\$ 43.28

(13) SEGMENT INFORMATION

The Company evaluates its performance with an internal profitability measurement system that measures the profitability of its business units on a pre-tax basis. The four principal business units are metropolitan banks, community banks, other financial services, and executive, operations and support. Metropolitan and community banks offer traditional banking products such as commercial and retail lending, and a full line of deposit accounts. Metropolitan banks consist of banking locations in the metropolitan Oklahoma City and Tulsa areas. Community banks consist of banking locations in communities throughout Oklahoma. Other financial services are specialty product business units including guaranteed small business lending, guaranteed student lending, residential mortgage lending, trust services, securities brokerage, electronic banking and insurance. The executive, operations and support groups represent executive management, operational support and corporate functions that are not allocated to the other business units.

The results of operations and selected financial information for the four business units are as follows (**dollars in thousands**):

	Metropolitan Banks	Community Banks	Other Financial Services	Executive, Operations & Support	Eliminations	Consolidated
Three Months Ended:						
March 31, 2009						
Net interest income (expense)	\$ 9,245	\$ 21,337	\$ 1,846	\$ (675)	\$	\$ 31,753
Noninterest income	2,868	8,298	4,795	8,149	(7,488)	16,622
Income before taxes	4,428	11,577	1,991	(70)	(7,445)	10,481
March 31, 2008						
Net interest income (expense)	\$ 10,856	\$ 23,467	\$ 1,705	\$ (641)	\$	\$ 35,387
Noninterest income	2,260	7,755	4,740	14,503	(12,017)	17,241
Income before taxes	6,730	12,932	1,919	8,316	(11,977)	17,920
Total Assets:						
March 31, 2009	\$ 1,277,940	\$ 2,511,295	\$ 272,162	\$ 377,807	\$ (481,049)	\$ 3,958,155
March 31, 2008	\$ 1,156,525	\$ 2,405,207	\$ 155,634	\$ 536,905	\$ (468,160)	\$ 3,786,111
December 31, 2008	\$ 1,256,685	\$ 2,449,916	\$ 218,984	\$ 421,842	\$ (480,223)	\$ 3,867,204

The financial information for each business unit is presented on the basis used internally by management to evaluate performance and allocate resources. The Company utilizes a transfer pricing system to allocate the benefit or cost of funds provided or used by the various business units. Certain revenues related to other financial services are allocated to the banks whose customers receive the services and, therefore, are not reflected in the income for other financial services. Certain services provided by the support group to other business units, such as item processing, are allocated at rates approximating the cost of providing the services. Eliminations are adjustments to consolidate the business units and companies.

(14) FAIR VALUE MEASUREMENTS

FAS 157 establishes a fair value hierarchy for valuation inputs that gives the highest priority to quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The fair value hierarchy is as follows:

- Level 1 Inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.
- Level 2 Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset and liability, either directly or indirectly, for substantially the full term of the financial instrument.
- Level 3 Unobservable inputs for determining the fair values of assets or liabilities that reflect an entity's own assumptions about the assumptions that market participants would use in pricing the assets or liabilities.

A description of the valuation methodologies used for instruments measured at fair value, as well as the general classification of such instruments pursuant to the valuation hierarchy, is set forth below. These valuation methodologies were applied to all of the Company's financial assets and financial liabilities carried at fair value effective January 1, 2008.

Securities Available for Sale

Securities classified as available for sale are reported at fair value utilizing Level 2 inputs. For these securities, the Company obtains fair value information from an independent pricing service. The fair value measurements consider observable data that may include dealer quotes, market spreads, cash flows, the U.S. Treasury yield curve, live trading levels, trade execution data, market consensus prepayment speeds, credit information and the bond's terms and conditions, among other things. The Company also invests in equity securities classified as available for sale for which observable information is not readily available. These securities are reported at fair value utilizing Level 3 inputs. For these securities, management determines the fair value based on replacement cost, the income approach or information provided by outside consultants or lead investors.

Derivatives

Derivatives are reported at fair value utilizing Level 2 inputs. The Company obtains dealer and market quotations to value its oil and gas swaps/options. The Company utilizes dealer quotes and observable market data inputs to substantiate internal valuation models.

Loans Held For Sale

The Company originates mortgage loans to be sold in the secondary market. At the time of origination, the acquiring bank has already been determined and the terms of the loan, including interest rate, have already been set by the acquiring bank, allowing the Company to originate the loan at fair value. Mortgage loans are generally sold within 30 days of origination and gains or losses recognized upon the sale of the loans are determined on a specific identification basis.

The following table summarizes financial assets and financial liabilities measured at fair value on a recurring basis as of March 31, 2009, segregated by the level of the valuation inputs within the fair value hierarchy utilized to measure fair value (**dollars in thousands**):

	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Total Fair Value
Securities Available for Sale	\$	\$ 390,741	\$ 16,006	\$ 406,747
Derivative Assets		19,043		19,043
Derivative Liabilities		16,847		16,847
Loans Held For Sale		8,772		8,772

(15) DERIVATIVE FINANCIAL INSTRUMENTS

The Company enters into oil and gas swaps and options contracts to accommodate the business needs of its customers. Upon the origination of an oil or gas swap or option contract with a customer, the Company simultaneously enters into an offsetting contract with a counterparty to mitigate the exposure to fluctuations in oil and gas prices. These derivatives are not designated as hedged instruments and are recorded on the Company's consolidated balance sheet at fair value.

The Company utilizes dealer quotations and observable market data inputs to substantiate internal valuation models. The notional amounts and estimated fair values of oil and gas derivative positions outstanding are presented in the following table (**notional amounts and dollars in thousands**):

	Notional Units	2009		March 31, 2008		December 31, 2008	
		Notional Amount	Estimated Fair Value	Notional Amount	Estimated Fair Value	Notional Amount	Estimated Fair Value
Oil and natural gas swaps and options							
Oil							
Customer	Barrels	256	\$ (8,707)	124	\$ 3,221	395	\$ (11,159)
Counterparty	Barrels	(256)	9,378	(124)	(3,164)	(395)	11,396
Natural Gas							
Customer	MMBTUs	7,020	(6,734)	3,860	4,488	8,310	\$ (2,918)
Counterparty	MMBTUs	(7,020)	8,259	(3,860)	(4,251)	(8,310)	3,994

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The following table summarizes the Company's gross fair values and income for the period indicated (**notional amounts and dollars in thousands**):

Commodity Derivatives	Notional Units	March 31, 2009	
		Notional Amount	Estimated Fair Value
Oil			
Derivative Assets	Barrels	(256)	\$ 9,378
Derivative Liabilities	Barrels	256	(8,707)
Natural Gas			
Derivative Assets	MMBTUs	(6,830)	9,665
Derivative Liabilities	MMBTUs	6,830	(8,140)
Total Fair Value			
	Included in		
Derivative Assets	Other Assets		19,043
Derivative Liabilities	Other Liabilities		(16,847)

The Company recognized \$372,000 in income related to the activity in the first quarter which was included in Other Income.

The Company's credit exposure on oil and gas swaps and options varies based on the current market prices of oil and natural gas. Other than credit risk, changes in the fair value of customer positions will be offset by equal and opposite changes in the counterparty positions. The net positive fair value of the contracts is the profit derived from the activity and is unaffected by market price movements.

Customer credit exposure is managed by strict position limits and is primarily offset by first liens on production while the remainder is offset by cash. Counterparty credit exposure is managed by selecting highly rated counterparties (rated A- or better by Standard and Poor's) and monitoring market information.

The Company had credit exposure relating to oil and gas swaps and options with bank counterparties of approximately \$17.6 million at March 31, 2009 and \$15.4 million at December 31, 2008. Conversely, the Company had exposure to bank customers of approximately \$7.7 million at March 31, 2008.

The Company entered into a \$30 million five year guaranty with a counterparty on June 4, 2008 for the timely payment of the obligations of its subsidiary Bank related to the settlement of oil and gas positions.

**Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.
BANCFIRST CORPORATION**

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

SUMMARY

Net income for the first quarter of 2009 was \$7.1 million compared to \$11.6 million for the first quarter of 2008. Diluted net income per share was \$0.46 and \$0.74 for the first quarter of 2009 and 2008, respectively. The results for 2008 included a \$1.2 million after-tax gain related to the Visa initial public offering.

Total assets at March 31, 2009 were \$4.0 billion, up \$172 million or 4.5% from a year ago. Total loans were \$2.8 billion, an increase of \$308 million or 12.3% from March 31, 2008. At quarter end total deposits were \$3.5 billion, up \$170 million or 5.2% from the previous year. Stockholders' equity was \$416 million or 10.5% of total assets as of March 31, 2009, an increase of \$30 million from a year ago. The Company's liquidity remains strong as its average loan to deposit ratio was 83.3% at quarter end and core deposits represented 89.6% of total deposits. The Company had no brokered deposits and no Federal Home Loan Bank borrowings.

Compared to year end 2008, total assets grew by \$91 million from \$3.9 billion. Loans increased by \$51 million from December 31, 2008 while deposits were up by \$91 million. At March 31, 2009 the Company's stockholders equity was \$416 million compared to \$414 million at December 31, 2008.

On November 18, 2008 the Company announced it will not accept funds from the U.S. Treasury's Capital Purchase Program due to current capital levels that exceed well-capitalized guidelines and the potential for additional governmental regulation related to the program. Also, the Company did not elect to participate in the Debt Guarantee Program for newly issued senior unsecured debt. The Company did elect to participate in the Transaction Account Guarantee Program for extended coverage on non-interest bearing transaction deposit accounts.

In April 2008, the Company completed an \$80 million sale of securities resulting in a securities pre-tax gain of \$6.1 million. The transactions resulted in the sale of \$80 million of US Treasury securities and the purchase of Government Sponsored Enterprises (GSE) senior debt securities of similar amounts and maturities. The after-tax gain related to these transactions, net of the interest income differential, was approximately \$3.3 million for the year.

In March 2008, the Company, as a member bank of Visa, recorded a \$1.8 million pre-tax gain from the mandatory partial redemption of the Company's Visa shares received in the first quarter initial public offering. The gain was included in gain on sale of other assets.

Beginning in 2008 and into 2009, the national economy has seen declining home sales and values, declining commodity prices, increasing unemployment, and unstable financial markets. These events have caused credit and liquidity issues throughout the country and has resulted in an increase in credit losses at many U.S. banks. While the Oklahoma economy has performed better than the national average, the state is beginning to feel the impact of the national recession. Consequently, it is reasonable to expect nonperforming loans and loan losses of the Company to increase. Also, in light of declining interest rates and competitive pressures for deposits, the Company's interest rate margin will likely compress further, and it is likely to experience slower loan growth. The FDIC has increased deposit insurance premiums and will likely make a special assessment in the third quarter of 2009. These increases will cause the Company's noninterest expense to increase in 2009. The Company opted to participate in the deposit insurance guarantee for noninterest bearing deposits in excess of \$250,000. This program is at a cost of 10 basis points on those account balances.

RESULTS OF OPERATIONS

First Quarter

Net interest income totaled \$31.8 million, a decrease of \$3.6 million, or 10.3%, compared to the first quarter of 2008. The Company's net interest margin (on a taxable equivalent basis) was 3.69% compared to 4.03% for the same period a year ago. The lower interest rate environment in 2009 compared to a year ago has caused the Company's net interest margin to decline. From March 31, 2008 earning assets increased \$148 million to \$3.5 billion. The volume variance impact on the net interest margin was a positive \$5.2 million which was more than offset by the rate variance impact of a negative \$8.8 million.

The Company's provision for loan losses was \$3.4 million compared to \$1.8 million during the same period a year ago. The increase in the loan loss provision was due to a number of specific credits and the overall slowdown in the economy. Net loan charge-offs were \$890,000 for the first quarter of 2009, compared to \$714,000 for the first quarter of 2008. The net charge-offs represent a rate of 0.13% of average total loans for the first quarter of 2009 compared to 0.12% for the same period in 2008.

Noninterest income was \$16.6 million for the quarter, up \$1.2 million or 7.8% over operating noninterest income for the same quarter a year ago, excluding the \$1.8 million pretax gain related to the Visa initial public offering. The increase in core noninterest income was due to commercial deposit fees and treasury and cash management services. Noninterest expense of \$34.5 million was up 10.9% from the operating expenses a year ago due primarily to higher FDIC premiums and other operating expenses. The Company's effective tax rate was 32.0% for the quarter compared to 35.3% a year ago due to federal and state tax credits.

FINANCIAL POSITION

The aggregate of cash and due from banks, interest-bearing deposits with banks, and federal funds sold as of March 31, 2009 increased \$51 million from December 31, 2008 but decreased \$124 million from March 31, 2008. The increase from year-end was mainly from deposit growth in early 2009. The decrease from the previous year mainly resulted from a decrease in federal funds sold to help fund loan growth. Due to the Federal Reserve Bank's intervention into the Federal funds market that has resulted in near zero overnight fed funds rates, the Company has maintained its excess funds with the Federal Reserve Bank. The Federal Reserve Bank pays interest on these funds based upon the lowest target rate for the maintenance period.

Total securities decreased \$16 million compared to December 31, 2008 and \$24 million compared to March 31, 2008. The size of the Company's securities portfolio is a function of liquidity management and excess funds available for investment. The Company has maintained a very liquid securities portfolio to provide funds for loan growth. The net unrealized gain on securities available for sale, before taxes, was \$17.3 million at the end of the first quarter of 2009, compared to \$18.3 million at March 31, 2008. The decrease in unrealized gains from March 31, 2008 to March 31, 2009 was due in part to the realization of securities gains resulting from the \$80 million sale of securities previously discussed. The average taxable equivalent yield on the securities portfolio for the first quarter of 2009 decreased to 3.74% from 4.36% for the same quarter of 2008. The Company does not own any equity securities issued by Fannie Mae or Freddie

Mac. On April 2, 2009, the Company redeemed \$4.8 million of FHLB-Topeka stock at par which reduced the outstanding amount of FHLB-Topeka stock to \$1.0 million. As a result of this transaction, the amount the Company may potentially borrow from the FHLB-Topeka was reduced to \$20 million from \$115 million.

Total loans increased \$51 million from December 31, 2008 and \$308 million from March 31, 2008. The increase compared to year end and first quarter 2008 was due to internal loan growth in commercial and student loans. The allowance for loan losses increased \$2.5 million from year-end 2008 and \$6.6 million from the first quarter of 2008. The allowance as a percentage of total loans was 1.31%, 1.24% and 1.21% at March 31, 2009, December 31, 2008 and March 31, 2008, respectively. The allowance to nonperforming and restructured loans at the same dates was 138.87%, 144.52% and 225.34%, respectively.

Nonperforming and restructured loans totaled \$26.5 million at March 31, 2009, compared to \$23.7 million at December 31, 2008 and \$13.4 million at March 31, 2008. The ratio of nonperforming and restructured loans to total loans for the same periods was 0.94%, 0.86% and 0.54%, respectively. The level of nonperforming loans and loan losses may rise over time as a result of economic and credit cycles.

Potential problem loans are performing loans to borrowers with a weakened financial condition, or which are experiencing unfavorable trends in their financial condition, which causes management to have concerns as to the ability of such borrowers to comply with the existing repayment terms. The Company had approximately \$68.4 million of these loans at March 31, 2009 compared to \$66.8 million at December 31, 2008 and \$54.8 million at March 31, 2008. These loans are not included in nonperforming and restructured assets. In general, these loans are adequately collateralized and have no specific identifiable probable loss. Loans which are considered to have identifiable loss potential are generally placed on nonaccrual status, are allocated a specific allowance for loss or are directly charged-down, and are reported as nonperforming. The Company's nonaccrual loans are primarily commercial and real estate loans.

Total deposits increased \$94 million compared to December 31, 2008, and \$169 million compared to March 31, 2008 due to internal growth. The Company's deposit base continues to be comprised substantially of core deposits, with large denomination certificates of deposit being only 10.5% of total deposits at March 31, 2009, compared to 10.0% at December 31, 2008 and 10.3% at March 31, 2008.

Short-term borrowings decreased \$2 million from December 31, 2008, and \$30 million from March 31, 2008. Fluctuations in short-term borrowings are a function of federal funds purchased from correspondent banks, customer demand for repurchase agreements and liquidity needs of the bank.

Long-term borrowings decreased \$507,000 from the first quarter of 2008. The decrease since the first quarter of 2008 was due to scheduled principal payments and early payoff of the note payable related to the acquisition of Armor Assurance Company.

Stockholders' equity was \$416 million at March 31, 2009 which was an increase of \$3 million from year-end 2008 and an increase of \$30 million from the first quarter of 2008 due to accumulated earnings. Average stockholders' equity to average assets for the first quarter of 2009 was 10.85%, compared to 10.27% for the first quarter of 2008. The Company's leverage ratio and total risk-based capital ratio were 9.90% and 14.04%, respectively, at March 31, 2009, well in excess of the regulatory minimums.

FUTURE APPLICATION OF ACCOUNTING STANDARDS

See note (2) of the Notes to Consolidated Financial Statements for a discussion of recently issued accounting pronouncements.

SEGMENT INFORMATION

See note (13) of the Notes to Consolidated Financial Statements for disclosures regarding business segments.

FORWARD LOOKING STATEMENTS

The Company may make forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 with respect to earnings, credit quality, corporate objectives, interest rates and other financial and business matters. Forward-looking statements include estimates and give management's current expectations or forecasts of future events. The Company cautions readers that these forward-looking statements are subject to numerous assumptions, risks and uncertainties, including economic conditions, the performance of financial markets and interest rates; legislative and regulatory actions and reforms; competition; as well as other factors, all of which change over time. Actual results may differ materially from forward-looking statements.

BANCFIRST CORPORATION

SELECTED CONSOLIDATED FINANCIAL DATA

(Unaudited)

(Dollars in thousands, except per share data)

	Three Months Ended March 31,		
	2009	2008	
Per Common Share Data			
Net income basic	\$ 0.47	\$ 0.76	
Net income diluted	0.46	0.74	
Cash dividends	0.22	0.20	
Performance Data			
Return on average assets	0.75%	1.26%	
Return on average stockholders' equity	6.92	12.24	
Cash dividend payout ratio	46.81	26.32	
Net interest spread	3.06	3.35	
Net interest margin	3.69	4.24	
Efficiency ratio	71.38	62.57	
Net charge-offs	0.13	0.12	
	March 31, 2009	March 31, 2008	December 31, 2008
Balance Sheet Data			
Book value per share	\$ 27.23	\$ 25.43	\$ 27.08
Tangible book value per share	24.51	22.65	24.34
Average loans to deposits (year-to-date)	83.29%	76.91%	78.82%
Average earning assets to total assets (year-to-date)	91.51	91.27	91.23
Average stockholders' equity to average assets (year-to-date)	10.85	10.27	10.35
Asset Quality Ratios			
Nonperforming and restructured loans to total loans	0.94%	0.54%	0.86%
Nonperforming and restructured assets to total assets	0.81	0.41	0.72
Allowance for loan losses to total loans	1.31	1.21	1.24
Allowance for loan losses to nonperforming and restructured loans	138.87	225.34	144.52

BANCFIRST CORPORATION

CONSOLIDATED AVERAGE BALANCE SHEETS AND INTEREST MARGIN ANALYSES

(Unaudited)

Taxable Equivalent Basis (Dollars in thousands)

	Three Months Ended March 31,					
	2009			2008		
	Average Balance	Interest Income/ Expense	Average Yield/ Rate	Average Balance	Interest Income/ Expense	Average Yield/ Rate
ASSETS						
Earning assets:						
Loans (1)	\$ 2,801,385	\$ 38,344	5.55%	\$ 2,493,224	\$ 45,249	7.28%
Securities taxable	408,908	3,626	3.60	431,435	4,557	4.24
Securities tax exempt	41,518	586	5.72	34,625	522	6.05
Interest Bearing Deposits with Banks and Federal funds sold	270,854	359	0.54	415,731	3,183	3.07
Total earning assets	3,522,665	42,915	4.94	3,375,015	53,511	6.36
Nonearning assets:						
Cash and due from banks	127,832			135,121		
Interest receivable and other assets	233,479			217,117		
Allowance for loan losses	(34,550)			(29,394)		
Total nonearning assets	326,761			322,844		
Total assets	\$ 3,849,426			\$ 3,697,859		
LIABILITIES AND STOCKHOLDERS EQUITY						
Interest-bearing liabilities:						
Transaction deposits	\$ 356,831	\$ 226	0.26%	\$ 410,017	\$ 642	0.63%
Savings deposits	1,102,520	4,599	1.69	1,095,980	7,910	2.89
Time deposits	849,815	5,555	2.65	824,832	8,623	4.19
Short-term borrowings	8,714	10	0.47	23,644	184	3.12
Long-term borrowings				523	7	5.37
Junior subordinated debentures	26,804	491	7.43	26,539	491	7.42
Total interest-bearing liabilities	2,344,684	10,881	1.88	2,381,535	17,857	3.01
Interest-free funds:						
Noninterest-bearing deposits	1,054,079			911,055		
Interest payable and other liabilities	32,860			25,456		
Stockholders equity	417,803			379,813		
Total interest free funds	1,504,742			1,316,324		
Total liabilities and stockholders equity	\$ 3,849,426			\$ 3,697,859		
Net interest income		\$ 32,034			\$ 35,654	

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Net interest spread	3.06%	3.35%
Net interest margin	3.69%	4.24%

(1) Nonaccrual loans are included in the average loan balances and any interest on such nonaccrual loans is recognized on a cash basis.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

There have been no significant changes in the Registrant's disclosures regarding market risk since December 31, 2008, the date of its annual report to stockholders.

Item 4. Controls and Procedures.

The Company's Chief Executive Officer, Chief Financial Officer and Disclosure Committee, which includes the Company's Chief Risk Officer, Chief Asset Quality Officer, Chief Internal Auditor, Treasurer, Bank Controller and General Counsel, have evaluated, as of the last day of the period covered by this report, the Company's disclosure controls and procedures. Based on their evaluation they concluded that the disclosure controls and procedures of the Company are effective to ensure that information required to be disclosed by the Company in the reports filed or submitted by it under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported, within the time periods specified in the applicable rules and forms. No changes were made to the Company's internal control over financial reporting during the first fiscal quarter of 2009 that materially affected, or are likely to materially affect, the Company's internal control over financial reporting. There have been no changes in the Company's internal controls or in other factors that could significantly affect internal controls subsequent to the date of their evaluation.

PART II OTHER INFORMATION

Item 6. Exhibits.

- (a) Exhibits

Exhibit

Number	Exhibit
3.1	Second Amended and Restated Certificate of Incorporation (filed as Exhibit 1 to the Company's Form 8-A/A filed July 23, 1998 and incorporated herein by reference).
3.2	Certificate of Amendment of the Second Amended and Restated Certificate of Incorporation of BancFirst Corporation (filed as Exhibit 3.5 to the Company's Quarterly Report on Form 10-Q for the Quarter Ended June 30, 2004 and incorporated herein by reference).
3.3	Certificate of Designations of Preferred Stock (filed as Exhibit 3.2 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1998 and incorporated herein by reference).
3.4	Amended By-Laws (filed as Exhibit 3.2 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1992 and incorporated herein by reference).
3.5	Amendment to the Second Amended and Restated Certificate of Incorporation (filed as Exhibit 3.5 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2005 and incorporated herein by reference).
3.6	Resolution of the Board of Directors amending Section XXVII of the Company's By-Laws (filed as Exhibit 3.1 to the Company's Current Report on Form 8-K dated February 26, 2004 and incorporated herein by reference).
3.7	Resolution of the Board of Directors amending Article XVI, Section 1 and Article XVII, Section 1 of the Company's By-Laws (filed as Exhibit 3.1 to the Company's Current Report on Form 8-K dated February 28, 2008 and incorporated herein by reference).
4.1	Instruments defining the rights of securities holders (see Exhibits 3.1, 3.2, 3.3 and 3.4 above).

Exhibit

Number	Exhibit
4.2	Rights Agreement, dated as of February 25, 1999, between BancFirst Corporation and BancFirst, as Rights Agent, including as Exhibit A the form of Certificate of Designations of the Company setting forth the terms of the Preferred Stock, as Exhibit B the form of Right Certificate and as Exhibit C the form of Summary of Rights Agreement (filed as Exhibit 4.1 to the Company's 8-K dated January 28, 2009 and incorporated herein by reference).
4.3	Amendment No. 1 to Rights Agreement, dated as of February 25, 1999, between BancFirst Corporation and BancFirst, as Rights Agent (filed as Exhibit 4.2 to the Company's 8-K dated January 28, 2009 and incorporated herein by reference).
4.4	Form of Amended and Restated Trust Agreement relating to the 7.20% Cumulative Trust Preferred Securities of BFC Capital Trust II (filed as Exhibit 4.5 to the Company's registration statement on Form S-3, File No. 333-112488, and incorporated herein by reference).
4.5	Form of 7.20% Cumulative Trust Preferred Security Certificate for BFC Capital Trust II (included as Exhibit D to Exhibit 4.8).
4.6	Form of Indenture relating to the 7.20% Junior Subordinated Deferrable Interest Debentures of BancFirst Corporation issued to BFC Capital Trust II (filed as Exhibit 4.1 to the Company's registration statement on Form S-3, File No. 333-112488, and incorporated herein by reference).
4.7	Form of Certificate of 7.20% Junior Subordinated Deferrable Interest Debenture of BancFirst Corporation (included in Section 2.2 and Section 2.3 of Exhibit 4.10).
4.8	Form of Guarantee of BancFirst Corporation relating to the 7.20% Cumulative Trust Preferred Securities of BFC Capital Trust II (filed as Exhibit 4.7 to the Company's registration statement on Form S-3, File No. 333-112488, and incorporated herein by reference).
4.9	Amended Stock Repurchase Program (filed as Exhibit 99.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2008 and incorporated herein by reference).
10.1	Eighth Amended and Restated BancFirst Corporation Stock Option Plan (filed as Exhibit 10.1 to the Company's Quarter Report on Form 10-Q for the Quarter Ended September 30, 2006 and incorporated herein by reference).
10.2	Amended and Restated BancFirst Corporation Employee Stock Ownership and Thrift Plan, as amended by amendments dated September 19, 1992, November 21, 2002 and December 18, 2003 (filed as Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the Quarter Ended March 31, 2008 and incorporated herein by reference).
10.3	1988 Incentive Stock Option Plan of Security Corporation as assumed by BancFirst Corporation (filed as Exhibit 4.1 to the Company's Registration Statement on Form S-8, File No. 333-65129 and incorporated herein by reference).
10.4	1993 Incentive Stock Option Plan of Security Corporation as assumed by BancFirst Corporation (filed as Exhibit 4.2 to the Company's Registration Statement on Form S-8, File No. 333-65129 and incorporated herein by reference).
10.5	1995 Non-Employee Director Stock Plan of AmQuest Financial Corp. as assumed by BancFirst Corporation (filed as Exhibit 4.3 to the Company's Registration Statement on Form S-8, File No. 333-65129 and incorporated herein by reference).

Exhibit

Number	Exhibit
10.6	Amended and Restated BancFirst Corporation Non-Employee Directors' Stock Option Plan (filed as Exhibit 10.6 to the Company's Quarter Report on Form 10-Q for the Quarter Ended June 30, 2006 and incorporated herein by reference).
10.7	Amended and Restated BancFirst Corporation Directors' Deferred Stock Compensation Plan (filed as Exhibit 10.7 to the Company's Quarter Report on Form 10-Q for the Quarter Ended June 30, 2006 and incorporated herein by reference).
31.1*	CEO's Certification pursuant to Rule 13a-14(a) or Rule 15d-14(a).
31.2*	CFO's Certification pursuant to Rule 13a-14(a) or Rule 15d-14(a).
32.1*	CEO's Certification Pursuant to 18 U.S.C. Section 1350, As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2*	CFO's Certification Pursuant to 18 U.S.C. Section 1350, As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

* Filed herewith.

SIGNATURES

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

BANCFIRST CORPORATION

(Registrant)

Date May 11, 2009

/s/ Joe T. Shockley, Jr.

(Signature)

Joe T. Shockley, Jr.

Executive Vice President

Chief Financial Officer