



United Bankshares, Inc.

2016 Dodd-Frank Act Company Run Stress-Test (DFAST) Disclosure

For Stress Test Results Covering the Time Period January 1, 2016 through March
31, 2018 for United Bankshares, Inc. under a Hypothetical Severely Adverse
Economic Scenario

FORWARD-LOOKING STATEMENTS

This report contains results of a hypothetical economic scenario from a forward-looking Company-run stress test exercise required by the Company's regulators. These forecasts are not intended to be the Company's expected future results. The forward-looking statements represent projections based on assumptions made by management or required by regulators. There are many factors that could affect future financial outcomes including, but not limited to, the risks listed in our filings with the Securities and Exchange Commission. The Company assumes no obligation to update or revise any forward-looking statements as a result of new information, future events or otherwise, following the disclosure of this report.

INTRODUCTION

The Dodd-Frank Act was passed in 2010 with the stated purpose of promoting the financial stability of the United States by improving accountability and transparency in the financial system. In 2012, the Federal Reserve Board, FDIC, and OCC issued final rules implementing stress testing requirements for companies with assets over \$10 billion pursuant to section 165(i)(2) of the Dodd Frank Act. In 2014, additional interagency guidance was issued outlining principles for implementing stress tests for companies with assets between \$10B and \$50B. The guidance outlines supervisory expectations for stress testing practices and provides details about methodologies that should be employed.

As part of the final rules, banks with assets between \$10B and \$50B are required to submit a nine-quarter stress test utilizing future macro-economic factors provided by the Federal Reserve. The stress test encompasses three scenarios – baseline, adverse, and severely adverse. It is important to note that these scenarios do not represent forecasts of the Federal Reserve. The following information outlines the results of the severely adverse scenario in accordance with regulations of the Federal Reserve.

ABOUT UNITED BANKSHARES INC

United Bankshares, Inc. (UBSI) is a regional banking company with \$14.3 billion in assets and 129 offices in Washington, D.C., Virginia, Maryland, Pennsylvania, Ohio, and West Virginia. United Bankshares stock is traded on the NASDAQ Global Select Market under the quotation symbol "UBSI". In 2015, we celebrated our 25th anniversary providing banking services in the Washington, D.C. M.S.A. We also continued to capitalize on the strength and efficiencies associated with our most recent acquisition, while growing our core franchise in the nation's capital and throughout the Mid-Atlantic region. March of 2016 marked our 177th year in operation and our team has now grown to nearly 1,700 members. United has increased its dividend to shareholders for 42 consecutive years and is one of only two major banking companies in the USA to have achieved such a record. Based upon market capitalization, UBSI is the 41st largest banking company in the USA.

SEVERELY ADVERSE SCENARIO

The following is a description of the 2016 DFAST severely adverse scenario as released by the Federal Reserve. The severely adverse scenario is characterized by a severe global recession, accompanied by a period of heightened corporate financial stress, and negative yields for short-term U.S. Treasury securities. This is a hypothetical scenario designed to assess the strength of banking organizations and their resilience to unfavorable economic conditions. This scenario does not represent a forecast of the Federal Reserve. In this scenario, the level of U.S. real GDP begins to decline in the first quarter of 2016 and reaches a trough in the first quarter of 2017 that is 6¼ percent below the pre-recession peak. The unemployment rate increases by 5 percentage points, to 10 percent, by the middle of 2017 and headline consumer price inflation rises from about ¼ percent at an annual rate in the first quarter of 2016 to about 1¼ percent at an annual rate by the end of the recession.

Asset prices drop sharply in the scenario, consistent with the developments described above. Equity prices fall approximately 50 percent through the end of 2016, accompanied by a surge in equity market volatility, which approaches the levels attained in 2008. House prices and commercial real estate prices also experience considerable declines, with house prices dropping 25 percent through the third quarter of 2018, and commercial real estate prices falling 30 percent through the second quarter of 2018. Corporate financial conditions are stressed severely, reflecting mounting credit losses, heightened investor risk aversion, and strained market liquidity conditions. The spread between yields on investment-grade corporate bonds and yields on long-term Treasury securities increases to 5¾ percent by the end of 2016.

As a result of the severe decline in real activity and subdued inflation, short-term Treasury rates fall to negative ½ percent by mid-2016 and remain at that level through the end of the scenario. For the purposes of this scenario, it is assumed that the adjustment to negative short-term interest rates proceeds with no additional financial market disruptions. The 10-year Treasury yield drops to about ¼ percent in the first quarter of 2016, rising gradually thereafter to reach about ¾ percent by the end of the recession in early 2017 and about 1¾ percent by the first quarter of 2019.

SUMMARY OF STRESS TEST RESULTS

The following table summarizes the capital ratios in the severely adverse scenario in comparison to 12/31/15 actuals, regulatory adequately capitalized minimums, and the adequately capitalized minimums plus the capital conservation buffer:

| PROJECTED CAPITAL RATIOS | | | | | | |
|---|---------|---------------------------|-----------|--|------------------------|---|
| | Actual | Severely Adverse Scenario | | | Adequately Capitalized | Adequately Capitalized + Capital Conservation Buffer* |
| | Q4 2015 | Q1 2018 | 9 Qtr Low | | | |
| Common Equity Tier 1 Risk-Based Capital Ratio | 9.67% | 7.70% | 7.70% | | 4.50% | 7.00% |
| Tier 1 Risk-Based Capital Ratio | 11.87% | 9.77% | 9.77% | | 6.00% | 8.50% |
| Total Risk-Based Capital Ratio | 12.59% | 11.02% | 11.02% | | 8.00% | 10.50% |
| Tier 1 Leverage Ratio | 10.70% | 8.94% | 8.94% | | 4.00% | N/A |

*Basel III adequately capitalized minimums, plus 250 basis point capital conservation buffer, which will be fully phased in by 2019. The capital conservation buffer is not applicable to the Leverage Ratio.

The most significant causes of the decline in the capital ratios are:

- The maintenance of the dividend throughout the projection period
- Net charge-offs in the construction, commercial real estate, and commercial & industrial portfolios
- The increase in the provision driven by the credit losses
- The growth in non-performing loans driven by the credit losses

Cumulative revenue, losses, and net income for the nine-quarter projection period from January 1, 2016 to March 31, 2018 are presented in the following table:

| PRE-PROVISION NET REVENUE & NET INCOME | | |
|---|-----------------------|-------------------------------------|
| | \$ in millions | Percentage of Average Assets |
| Pre-Provision Net Revenue | 437.01 | 3.42% |
| Provision for Loan and Lease Losses | 311.03 | 2.44% |
| Realized Gain/(Loss) on Securities | 0.00 | 0.00% |
| Net Income/(Loss) Before Taxes | 47.37 | 0.37% |

**Average assets is the nine-quarter average of total assets under the severely adverse scenario.*

Cumulative net charge-offs for the nine-quarter projection period from January 1, 2016 to March 31, 2018 by loan portfolio are presented in the following table:

| LOAN AND LEASE LOSSES | | |
|------------------------------|---|------------------------------|
| | Cumulative Losses (\$ in millions) | Portfolio Loss Rates* |
| Total Loan and Lease Losses | 231.54 | 2.40% |
| First Lien Mortgages | 24.58 | 1.43% |
| Junior Liens and HELOCs | 16.28 | 2.87% |
| Commercial & Industrial | 39.41 | 3.42% |
| Construction | 90.69 | 6.68% |
| Commercial Real Estate | 43.92 | 1.32% |
| Consumer Loans | 13.96 | 3.11% |
| Other Loans | 2.70 | 0.56% |

**Based on the average asset size of the respective portfolio.*

DESCRIPTION OF METHODOLOGIES USED IN THE STRESS TEST

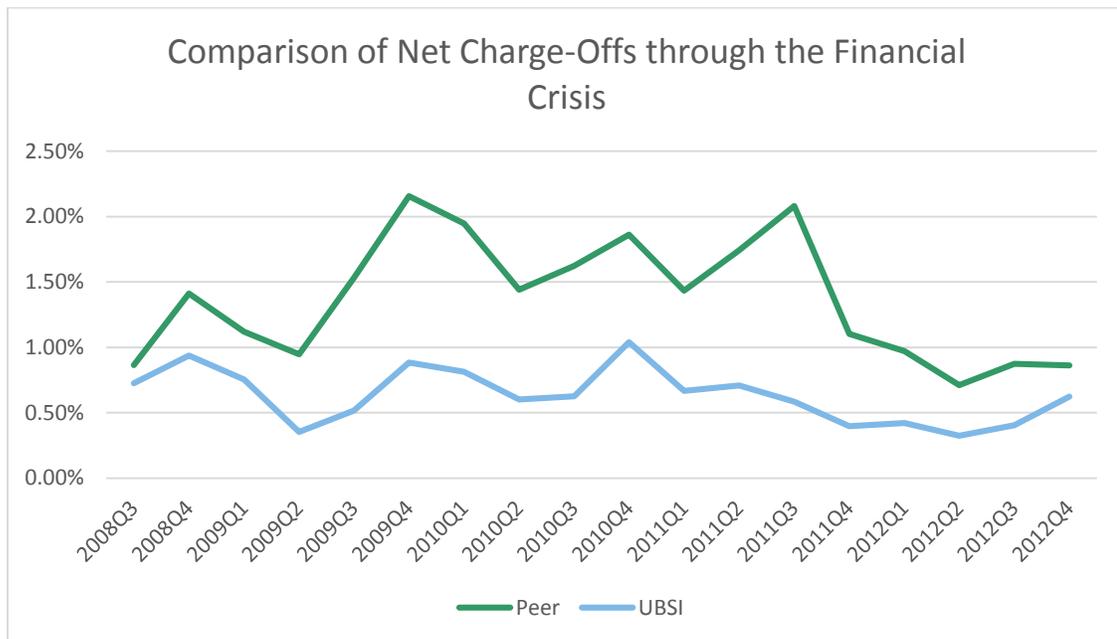
Under the stress test rules implementing the DFAST requirements, the Company estimated losses, pre-provision net revenue (PPNR), balance sheet, risk-weighted assets, provision for loan and lease losses (PLLL), and net income. The Company uses a mix of financial and econometric models in the stress test. Additionally, a mix of qualitative and quantitative reasoning is used when applicable. All qualitative inputs were based on conservative assumptions and consultations with subject matter experts.

Loss Estimation

For DFAST, United has credible loss estimation practices that capture the risks associated with its portfolios, business lines, and activities. Credit losses associated with loan portfolios are estimated directly and separately using a statistical analysis software. The Company's loss estimation practices are commensurate with the materiality of the risks measured and well supported by sound, empirical analysis. Loss estimates include projections of other-than-temporary impairments (OTTI) for securities both held for sale and held to maturity.

Use of Peer Data

UBSI’s historical net charge-off data throughout the most recent financial crisis did not exhibit an adequate amount of stress in order to project stressful losses going forward. That is, relying on UBSI’s historical net-charge-offs to forecast future net charge-offs would have resulted in an amount of net charge-offs not representative of the amount of stress anticipated under this regulatory exercise. UBSI’s own net charge-off data was supplemented with peer group net charge-off data to calculate probability of default and loss given default for the loan portfolios. This had a significant impact on the Company’s projected net charge-offs in the stress tests because the peer group’s net charge-offs were significantly higher than UBSI’s throughout the most recent financial crisis, as shown by the following graph of total net charge-off rates.



**UBSI data smoothed due to a fraud charge-off (2009Q2) and its subsequent recovery (2010Q4).*

Pre-Provision Net Revenue (PPNR)

United projected PPNR over the planning horizon for each supervisory scenario. The Bank estimated PPNR at a level at least as granular as the components outlined in the \$10-50 billion reporting form. United ensured that PPNR projections were generally consistent with projections of losses, the balance sheet, and risk-weighted assets. The Company estimated the stressed components of PPNR based on its own or industry-wide historical income and expense experience. Other types of losses that could arise under the supervisory scenarios are included in projections of PPNR to the extent they would arise under the specified scenario conditions.

Balance Sheet and Risk-Weighted Asset Projections

United projected its balance sheet and risk-weighted assets for the nine-quarter planning horizon for each of the supervisory scenarios. In doing so, these projections were consistent with scenario conditions. The projections of the balance sheet and risk-weighted assets were generally consistent with other aspects of stress test projections, such as losses and PPNR.

Projections for Quarterly Provisions and Allowance for Loan and Lease Losses (ALLL)

United projected quarterly provision for loan and lease losses (PLLL). The Bank projected PLLL for each scenario based on projections of quarterly loan and lease net charge-offs. The Bank also maintained an appropriate ALLL balance at the end of each quarter of the planning horizon, including the last quarter.

Projections for Quarterly Net Income

United estimated projected quarterly net income for each scenario. Net income projections were based on loss, revenue, and expense projections.

DESCRIPTION OF RISKS INCLUDED IN THE STRESS TEST

Credit Risk

The largest potential risk to United's earnings and capital relates to the uncertainty that a counterparty will perform as agreed. There are risks inherent in making any loan, including risks with respect to the period of time over which the loan may be repaid, risks resulting from changes in economic and industry conditions, risks inherent in dealing with individual borrowers, and risks resulting from uncertainties as to the future value of collateral. The stress test incorporates credit risk models used in estimating loan portfolio net charge-offs. The models are based on macroeconomic environments provided by the Federal Reserve.

Market/Interest Rate Risk

Market risk refers to the risk of loss due to changes in the market values of assets and liabilities. This risk is further substantiated through changes in interest rates, which would be inherent in lending and deposit-taking activities. United's earnings, like most financial institutions, are significantly dependent on its net interest income. Net interest income is the difference between the interest income United earns on loans and other assets which earn interest and the interest expense incurred to fund those assets, such as on deposits and borrowed money. Therefore, changes in general market interest rates, such as a change in the monetary policy of the Board of Governors of the Federal Reserve System could have an effect on net interest income. The stress test incorporates market risk through the inclusion of interest rate variables as macroeconomic factors.

Liquidity Risk

Liquidity risk refers to the risk arising from United's inability to reasonably satisfy obligations as they come due, as well as the risk that United may not be able to access sources of funding to achieve asset growth. The stress test requires United to assess and manage liquidity in the event that alternative funding sources will be needed to supply funds for growth in the midst of challenging economic environments.

Operational/Security Risk

United relies heavily on communications and information systems to conduct its business. In addition, as part of its business, United collects, processes and retains sensitive and confidential client and customer information. United's facilities and systems, and those of our third party service providers, may be vulnerable to security breaches, acts of vandalism, computer viruses, misplaced or lost data, programming and/or human errors, or other similar events. Any failure, interruption or breach in security of these systems could result in failures or disruptions in the Company's customer relationship management, general ledger, deposit, loan, and other systems.

These losses would be reflected in the stress test within non-interest expense, which is a component of Pre-Provision Net Revenue.

Compliance and Regulatory Risk

United is subject to extensive federal and state regulation, supervision, and examination. Banking regulations are primarily intended to protect depositors' funds, the federal deposit insurance fund, and the banking system as a whole. These regulations affect United's lending practices, capital structure, investment practices, dividend policy, operations, and growth. These regulations also impose obligations to maintain appropriate policies, procedures and controls, among other things, to detect, prevent and report money laundering and terrorist financing and to verify the identities of United's customers. Failure to comply with relevant laws, regulations or policies could result in sanctions by regulatory agencies, civil money penalties and/or reputation damage, which could have a material adverse effect on United's business, financial condition, and results of operations.

Strategic Risk

Strategic Risk refers to the risk of loss due to inadequate implementation of decisions during periods of adverse business environments. This risk can affect many components of earnings and should be a primary focus in order to ensure United's management is prepared to act accordingly in the event of economic distress. The intended purpose of the stress testing is to enhance United's ability to foresee and plan to adapt to potential risk factors by measuring capital levels through various economic scenarios.

CONCLUSION

The results included in this document are projections based on the severely adverse scenario provided by the Federal Reserve. In this scenario, UBSI remains capitalized above the regulatory adequately capitalized minimums plus the fully-phased in capital conservation buffer. The Bank also does not breach any internal capital ratio policy limits throughout the projection period. It is also important to note that the results do not incorporate any potential mitigating actions that could be taken in order to lessen the impact of the severely adverse scenario shown in the analysis.