

HomeTrust Bancshares, Inc.
Form 10-Q
May 08, 2015

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended March 31, 2015

TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE EXCHANGE ACT

For the transition period from _____ to _____

Commission file number: 001-35593

HOMETRUST BANCSHARES, INC.

(Exact name of registrant as specified in its charter)

Maryland

(State or other jurisdiction of incorporation of organization)

45-5055422

(IRS Employer Identification No.)

10 Woodfin Street, Asheville, North Carolina 28801

(Address of principal executive offices; Zip Code)

(828) 259-3939

(Registrant's telephone number, including area code)

None

(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 and 15(d) of the Exchange Act 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.

Large accelerated filer

Accelerated filer

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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 in Rule 12b-2 of the Exchange Act). Yes No

APPLICABLE ONLY TO CORPORATE ISSUERS

There were 20,234,574 shares of common stock, par value of \$.01 per share, issued and outstanding as of May 6, 2015.

HOMETRUST BANCSHARES, INC. AND SUBSIDIARIES
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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

HOMETRUST BANCSHARES, INC. AND SUBSIDIARY

Consolidated Balance Sheets

(Dollars in thousands, except per share data)

	(Unaudited)	
	March 31, 2015	June 30, 2014
Assets		
Cash	\$40,988	\$19,801
Interest-bearing deposits	253,671	26,029
Cash and cash equivalents	294,659	45,830
Certificates of deposit in other banks	204,596	163,780
Securities available for sale, at fair value	230,512	168,749
Other investments, at cost	19,142	3,697
Loans held for sale	2,225	2,537
Total loans, net of deferred loan fees and discount	1,641,057	1,496,528
Allowance for loan losses	(22,681)	(23,429)
Net loans	1,618,376	1,473,099
Premises and equipment, net	58,943	47,411
Accrued interest receivable	7,249	6,787
Real estate owned (REO)	8,558	15,725
Deferred income taxes	57,649	58,381
Bank owned life insurance	77,050	71,285
Goodwill	13,768	9,815
Core deposit intangibles	10,850	4,014
Other assets	5,060	3,344
Total Assets	\$2,608,637	\$2,074,454
Liabilities and Stockholders' Equity		
Liabilities		
Deposits	\$1,913,773	\$1,583,047
Other borrowings	250,000	50,000
Capital lease obligations	1,984	1,998
Other liabilities	60,945	62,258
Total liabilities	2,226,702	1,697,303
Stockholders' Equity		
Preferred stock, \$0.01 par value, 10,000,000 shares authorized, none issued or outstanding	—	—
Common stock, \$0.01 par value, 60,000,000 shares authorized, 20,335,781 shares issued and outstanding at March 31, 2015; 20,632,008 at June 30, 2014	203	207
Additional paid in capital	223,234	225,889
Retained earnings	165,799	160,332
Unearned Employee Stock Ownership Plan (ESOP) shares	(9,125)	(9,522)
Accumulated other comprehensive income	1,824	245
Total stockholders' equity	381,935	377,151
Total Liabilities and Stockholders' Equity	\$2,608,637	\$2,074,454

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

HOMETRUST BANCSHARES, INC. AND SUBSIDIARY

Consolidated Statements of Income

(Dollars in thousands, except per share data)

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2015	2014	2015	2014
Interest and Dividend Income				
Loans	\$19,575	\$13,557	\$57,954	\$42,010
Securities available for sale	919	376	2,608	1,097
Certificates of deposit and other interest-bearing deposits	781	439	1,846	1,346
Other investments	261	20	551	47
Total interest and dividend income	21,536	14,392	62,959	44,500
Interest Expense				
Deposits	1,220	1,247	3,710	4,172
Other borrowings	128	1	271	5
Total interest expense	1,348	1,248	3,981	4,177
Net Interest Income	20,188	13,144	58,978	40,323
Recovery of Loan Losses	—	(1,800)	(250)	(4,800)
Net Interest Income after Recovery for Loan Losses	20,188	14,944	59,228	45,123
Noninterest Income				
Service charges on deposit accounts	1,732	620	4,111	1,954
Mortgage banking income and fees	672	632	2,232	2,417
Gain from sales of securities available for sale	—	10	61	10
Other, net	909	763	2,497	2,161
Total noninterest income	3,313	2,025	8,901	6,542
Noninterest Expense				
Salaries and employee benefits	10,629	7,496	30,506	22,192
Net occupancy expense	2,381	1,284	6,266	3,746
Marketing and advertising	461	336	1,472	1,028
Telephone, postage, and supplies	912	403	2,348	1,269
Deposit insurance premiums	608	321	1,453	989
Computer services	1,763	828	4,366	2,652
Loss (gain) on sale and impairment of REO	(32)	468	(268)	673
REO expense	390	333	1,178	1,154
Core deposit intangible amortization	842	31	1,740	95
Merger-related expenses	1,686	449	5,417	711
Other	2,385	1,447	6,179	4,109
Total other expense	22,025	13,396	60,657	38,618
Income Before Income Taxes	1,476	3,573	7,472	13,047
Income Tax Expense	314	967	2,005	4,238
Net Income	\$1,162	\$2,606	\$5,467	\$8,809
Per Share Data:				
Net income per common share:				
Basic	\$0.06	\$0.14	\$0.28	\$0.46
Diluted	\$0.06	\$0.14	\$0.28	\$0.46
Average shares outstanding:				
Basic	19,113,387	18,302,672	19,146,025	18,724,242
Diluted	19,192,702	18,378,159	19,232,791	18,815,416

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

HOMETRUST BANCSHARES, INC. AND SUBSIDIARY

Consolidated Statements of Comprehensive Income

(Dollars in thousands)

	Three Months Ended		Nine Months Ended	
	March 31,		March 31,	
	2015	2014	2015	2014
Net Income	\$1,162	\$2,606	\$5,467	\$8,809
Other Comprehensive Income (Loss)				
Unrealized holding gains (losses) on securities available for sale				
Gains (losses) arising during the period	1,216	434	2,336	(47)
Deferred income tax (expense) benefit	(413)	(148)	(794)	16)
Reclassification of securities gains recognized in net income	—	10	57	—
Deferred income tax expense	—	(3)	(20)	—)
Total other comprehensive income (loss)	\$803	\$293	\$1,579	\$(31)
Comprehensive Income	\$1,965	\$2,899	\$7,046	\$8,778

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

HOMETRUST BANCSHARES, INC. AND SUBSIDIARY
Consolidated Statements of Changes in Stockholders' Equity
(Dollars in thousands)

Common Stock	Additional Paid In Capital	Retained Earnings	Unearned ESOP Shares
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