

Edgar Filing: HomeTrust Bancshares, Inc. - Form 10-Q

HomeTrust Bancshares, Inc.  
Form 10-Q  
February 09, 2018

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 December 31, 2017

☐ 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

45-5055422

(State or other jurisdiction of incorporation of organization) (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, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐

Accelerated filer ☒

(Do not check if a smaller reporting company)

Non-accelerated filer ☐

Smaller reporting company ☐

Emerging growth company ☒ [X]

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐ [ ]

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

**APPLICABLE ONLY TO CORPORATE ISSUERS**

There were 18,985,175 shares of common stock, par value of \$.01 per share, issued and outstanding as of February 6, 2018.

---

HOMETRUST BANCSHARES, INC. AND SUBSIDIARIES  
10-Q  
TABLE OF CONTENTS

	Page Number
 <u>PART I FINANCIAL INFORMATION</u>	
Item 1. <u>Financial Statements</u>	
<u>Consolidated Balance Sheets (Unaudited) at December 31, 2017 and June 30, 2017</u>	<u>2</u>
<u>Consolidated Statements of Income (Unaudited) for the Three and Six Months Ended December 31, 2017 and 2016</u>	<u>3</u>
<u>Consolidated Statements of Comprehensive Income (Unaudited) for the Three and Six Months Ended December 31, 2017 and 2016</u>	<u>4</u>
<u>Consolidated Statements of Changes in Stockholders' Equity (Unaudited) for the Three and Six Months Ended December 31, 2017 and 2016</u>	<u>5</u>
<u>Consolidated Statements of Cash Flows (Unaudited) for the Three and Six Months Ended December 30, 2017 and 2016</u>	<u>6</u>
<u>Notes to Consolidated Financial Statements</u>	<u>8</u>
Item 2. <u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	<u>34</u>
Item 3. <u>Quantitative and Qualitative Disclosures about Market Risk</u>	<u>51</u>
Item 4. <u>Controls and Procedures</u>	<u>51</u>
 <u>PART II OTHER INFORMATION</u>	
Item 1. <u>Legal Proceedings</u>	<u>51</u>
Item 1A. <u>Risk Factors</u>	<u>51</u>
Item 2. <u>Unregistered Sales of Equity Securities and Use of Proceeds</u>	<u>51</u>
Item 3. <u>Defaults Upon Senior Securities</u>	<u>52</u>
Item 4. <u>Mine Safety Disclosures</u>	<u>52</u>
Item 5. <u>Other Information</u>	<u>52</u>
Item 6. <u>Exhibits</u>	<u>52</u>
<u>SIGNATURES</u>	<u>53</u>

EXHIBIT INDEX

54

1

---

## PART I. FINANCIAL INFORMATION

## Item 1. Financial Statements

## HOMETRUST BANCSHARES, INC. AND SUBSIDIARY

## Consolidated Balance Sheets

(Dollars in thousands, except per share data)

	(Unaudited)	
	December 31, 2017	June 30, 2017
Assets		
Cash	\$46,743	\$41,982
Interest-bearing deposits	51,922	45,003
Cash and cash equivalents	98,665	86,985
Commercial paper	199,722	149,863
Certificates of deposit in other banks	100,349	132,274
Securities available for sale, at fair value	167,669	199,667
Other investments, at cost	38,877	39,355
Loans held for sale	7,072	5,607
Total loans, net of deferred loan fees	2,418,014	2,351,470
Allowance for loan losses	(21,090)	(21,151)
Net loans	2,396,924	2,330,319
Premises and equipment, net	62,435	63,648
Accrued interest receivable	9,371	8,758
Real estate owned ("REO")	4,818	6,318
Deferred income taxes	36,526	57,387
Bank owned life insurance ("BOLI")	86,984	85,981
Goodwill	25,638	25,638
Core deposit intangibles	5,773	7,173
Other assets	9,765	7,560
Total Assets	\$3,250,588	\$3,206,533
Liabilities and Stockholders' Equity		
Liabilities		
Deposits	\$2,108,208	\$2,048,451
Borrowings	685,000	696,500
Capital lease obligations	1,925	1,937
Other liabilities	60,094	61,998
Total liabilities	2,855,227	2,808,886
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, 18,967,175 shares issued and outstanding at December 31, 2017; 18,967,875 at June 30, 2017	190	190
Additional paid in capital	215,928	213,459
Retained earnings	187,241	191,660
Unearned Employee Stock Ownership Plan ("ESOP") shares	(7,670)	(7,935)
Accumulated other comprehensive income (loss)	(328)	273
Total stockholders' equity	395,361	397,647
Total Liabilities and Stockholders' Equity	\$3,250,588	\$3,206,533

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



HOMETRUST BANCSHARES, INC. AND SUBSIDIARY

Consolidated Statements of Income (Loss)

(Dollars in thousands, except per share data)

	(Unaudited)			
	Three Months		Six Months	
	Ended		Ended	
	December 31,		December 31,	
	2017	2016	2017	2016
Interest and Dividend Income				
Loans	\$26,140	\$19,871	\$51,390	\$40,352
Securities available for sale	904	862	1,875	1,742
Certificates of deposit and other interest-bearing deposits	1,303	939	2,472	1,982
Other investments	501	391	1,007	