

HomeTrust Bancshares, Inc.
Form 10-Q
November 10, 2014

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended September 30, 2014

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.

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

APPLICABLE ONLY TO CORPORATE ISSUERS

There were 20,502,248 shares of common stock, par value of \$.01 per share, issued and outstanding as of November 6, 2014.

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

(Dollar amounts in thousands except per share data)

	(Unaudited) September 30, 2014	June 30, 2014
Assets		
Cash	\$ 19,397	\$ 19,801
Interest-bearing deposits	12,826	26,029
Cash and cash equivalents	32,223	45,830
Certificates of deposit in other banks	175,869	163,780
Securities available for sale, at fair value	176,237	168,749
Other investments, at cost	12,758	3,697
Loans held for sale	2,632	2,537
Total loans, net of deferred loan fees and discount	1,608,214	1,496,528
Allowance for loan losses	(23,080)	(23,429)
Net loans	1,585,134	1,473,099
Premises and equipment, net	49,983	47,411
Accrued interest receivable	7,270	6,787
Real estate owned (REO)	14,514	15,725
Deferred income taxes	59,080	58,381
Bank owned life insurance	76,419	71,285
Goodwill	13,768	9,815
Core deposit intangibles	4,240	4,014
Other assets	3,768	3,344
Total Assets	\$2,213,895	\$2,074,454
Liabilities and Stockholders' Equity		
Liabilities		
Deposits	\$ 1,658,793	\$ 1,583,047
Other borrowings	112,000	50,000
Capital lease obligations	1,993	1,998
Other liabilities	63,061	62,258
Total liabilities	1,835,847	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, 20,507,248 shares issued and outstanding at September 30, 2014; 20,632,008 at June 30, 2014	205	207
Additional paid in capital	224,434	225,889
Retained earnings	162,588	160,332

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Unearned Employee Stock Ownership Plan (ESOP) shares	(9,390)	(9,522)
Accumulated other comprehensive income	211		245	
Total stockholders' equity	378,048		377,151	
Total Liabilities and Stockholders' Equity	\$2,213,895		\$2,074,454	

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

HOMETRUST BANCSHARES, INC. AND SUBSIDIARY
Consolidated Statements of Income
(Dollar amounts in thousands except per share data)

	Three Months Ended September 30,	
	2014	2013
Interest and Dividend Income		
Loans	\$18,557	\$14,082
Securities available for sale	805	297
Certificates of deposit and other interest-bearing deposits	439	452
Other investments	64	12
Total interest and dividend income	19,865	14,843
Interest Expense		
Deposits	1,227	1,543
Other borrowings	38	3
Total interest expense	1,265	1,546
Net Interest Income	18,600	13,297
Recovery of Loan Losses	(250)	(2,300)
Net Interest Income after Recovery for Loan Losses	18,850	15,597
Noninterest Income		
Service charges on deposit accounts	1,062	679
Mortgage banking income and fees	846	998
Other, net	861	594
Total noninterest income	2,769	2,271
Noninterest Expense		
Salaries and employee benefits	9,808	7,177
Net occupancy expense	1,853	1,150
Marketing and advertising	388	355
Telephone, postage, and supplies	678	382
Deposit insurance premiums	430	335
Computer services	1,353	889
Gain on sale and impairment of REO	(36)	(271)
REO expense	356	454
Core deposit intangible amortization	413	29
Merger-related expenses	1,421	219
Other	1,833	1,156
Total other expense	18,497	11,875
Income Before Income Taxes	3,122	5,993
Income Tax Expense	866	2,666

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Net Income	\$2,256	\$3,327
Per Share Data:		
Net income per common share:		
Basic	\$0.12	\$0.17
Diluted	\$0.12	\$0.17
Average shares outstanding:		
Basic	19,178,607	19,288,154
Diluted	19,242,722	19,377,896

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

HOMETRUST BANCSHARES, INC. AND SUBSIDIARY
 Consolidated Statements of Comprehensive Income
 (Dollar amounts in thousands)

	Three Months Ended September 30,	
	2014	2013
Net Income	\$2,256	\$3,327
Other Comprehensive Loss		
Unrealized holding losses on securities available for sale		
Losses arising during the period	\$(52) \$(102
Deferred income tax benefit	18	35
Total other comprehensive loss	\$(34) \$(67
Comprehensive Income	\$2,222	\$3,260

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

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

	Common Stock	Additional Paid In Capital	Retained Earnings	Unearned ESOP Shares	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Equity
Balance at June 30, 2013	\$208	\$227,397	\$149,990	\$(10,051)	\$ (29)	\$ 367,515
Net income	-	-	3,327	-	-	3,327
Stock repurchased	(2)	(3,592)	-	-	-	(3,594)
Stock option expense	-	325	-	-	-	325
Restricted stock expense	-	343	-	-	-	343
ESOP shares allocated	-	85	-	132	-	217
Other comprehensive loss	-	-	-	-	(67)	(67)
Balance at September 30, 2013	\$206	\$224,558	\$153,317	\$(9,919)	\$ (96)	\$ 368,066