

HANMI FINANCIAL CORP  
Form 10-Q  
August 10, 2015

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

FORM 10-Q

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

For the Quarterly Period Ended June 30, 2015

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: 000-30421

HANMI FINANCIAL CORPORATION  
(Exact Name of Registrant as Specified in its Charter)

Delaware 95-4788120  
(State or Other Jurisdiction of (I.R.S. Employer  
Incorporation or Organization) Identification No.)

3660 Wilshire Boulevard, Penthouse Suite A 90010  
Los Angeles, California (Address of Principal Executive Offices) (Zip Code)

(213) 382-2200  
(Registrant's Telephone Number, Including Area Code)

Not Applicable  
(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 Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T 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 Act).    Yes                          No                     

As of July 31, 2015, there were 31,977,091 outstanding shares of the Registrant's Common Stock.

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Hanmi Financial Corporation and Subsidiaries  
 Quarterly Report on Form 10-Q  
 Three and Six Months Ended June 30, 2015  
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## Part I — Financial Information

## Item 1. Financial Statements

## Hanmi Financial Corporation and Subsidiaries

## Consolidated Balance Sheets

(in thousands, except share data)

	(Unaudited) June 30, 2015	December 31, 2014
Assets		
Cash and cash equivalents	\$ 153,231	\$ 158,320
Securities available for sale, at fair value (amortized cost of \$729,763 as of June 30, 2015 and \$1,061,703 as of December 31, 2014)	728,683	1,060,717
Loans held for sale, at the lower of cost or fair value	4,158	5,451
Loans receivable, net of allowance for loan losses of \$50,820 as of June 30, 2015 and \$52,666 as of December 31, 2014	2,826,086	2,735,832
Accrued interest receivable	8,133	9,749
Premises and equipment, net	30,656	30,912
Other real estate owned ("OREO"), net	11,857	15,790
Customers' liability on acceptances	1,638	1,847
Servicing assets	13,125	13,773
Other intangible assets, net	1,890	2,080
Investment in Federal Home Loan Bank ("FHLB") stock, at cost	16,385	17,580
Investment in Federal Reserve Bank ("FRB") stock, at cost	13,517	12,273
Income tax assets	82,819	84,371
Bank-owned life insurance	48,041	48,866
Prepaid expenses and other assets	30,551	34,882
Total assets	\$3,970,770	\$4,232,443
Liabilities and stockholders' equity		
Liabilities:		
Deposits:		
Noninterest-bearing	\$ 1,061,823	\$ 1,022,972
Interest-bearing	2,377,958	2,533,774
Total deposits	3,439,781	3,556,746
Accrued interest payable	3,443	3,450
Bank's liability on acceptances	1,638	1,847
FHLB advances	—	150,000
Servicing liabilities	5,368	5,971
Federal Deposit Insurance Corporation ("FDIC") loss sharing liability	116	2,074
Rescinded stock obligation	150	933
Subordinated debentures	18,623	18,544
Accrued expenses and other liabilities	28,911	39,491
Total liabilities	3,498,030	3,779,056
Stockholders' equity:		
Common stock, \$0.001 par value; authorized 62,500,000 shares; issued 32,552,736 shares (31,974,842 shares outstanding) as of June 30, 2015 and 32,488,097 shares (31,910,203 shares outstanding) as of December 31, 2014	257	257
Additional paid-in capital	556,289	554,904
Accumulated other comprehensive income, net of tax benefit of \$1,486 as of June 30, 2015 and \$1,432 as of December 31, 2014	423	463
Accumulated deficit	(14,371	) (32,379

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Less: treasury stock, at cost; 577,894 shares as of June 30, 2015 and December 31, 2014	(69,858	) (69,858	)
Total stockholders' equity	472,740	453,387	
Total liabilities and stockholders' equity	\$3,970,770	\$4,232,443	

See Accompanying Notes to Consolidated Financial Statements (Unaudited)

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Hanmi Financial Corporation and Subsidiaries  
 Consolidated Statements of Income (Unaudited)  
 (in thousands, except share and per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
Interest and dividend income:				
Interest and fees on loans	\$36,915	\$27,522	\$73,949	\$54,851
Taxable interest on securities	2,959	2,375	6,813	4,912
Tax-exempt interest on securities	20	20	40	96
Interest on interest-bearing deposits in other banks	40	18	88	38
Dividends on FRB stock	201	172	385	340
Dividends on FHLB stock				