

Hilltop Holdings Inc.
Form 10-Q
May 05, 2014
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM 10-Q

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

For the quarterly period ended March 31, 2014

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

Commission File Number: 1-31987

Hilltop Holdings Inc.

(Exact name of registrant as specified in its charter)

Maryland
(State or other jurisdiction of incorporation or organization)

84-1477939
(I.R.S. Employer Identification No.)

200 Crescent Court, Suite 1330

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Dallas, TX
(Address of principal executive offices)

75201
(Zip Code)

(214) 855-2177

(Registrant's telephone number, including area code)

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 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 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

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

The number of shares of the registrant's common stock outstanding at May 2, 2014 was 90,180,699.

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HILLTOP HOLDINGS INC.

FORM 10-Q

FOR THE QUARTER ENDED MARCH 31, 2014

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(in thousands, except share and per share data)

	March 31, 2014 (Unaudited)	December 31, 2013
Assets		
Cash and due from banks	\$ 889,950	\$ 713,099
Federal funds sold and securities purchased under agreements to resell	27,460	32,924
Securities:		
Trading, at fair value	53,350	58,846
Available for sale, at fair value (amortized cost of \$1,270,685 and \$1,256,862, respectively)	1,245,359	1,203,143
Held to maturity, at amortized cost (fair value of \$30,902)	30,981	
	1,329,690	1,261,989
Loans held for sale	887,200	1,089,039
Non-covered loans, net of unearned income	3,646,946	3,514,646
Allowance for non-covered loan losses	(34,645)	(33,241)
Non-covered loans, net	3,612,301	3,481,405
Covered loans, net of allowance of \$2,665 and \$1,061, respectively	909,783	1,005,308
Broker-dealer and clearing organization receivables	174,442	119,317
Insurance premiums receivable	26,234	25,597
Deferred policy acquisition costs	21,096	20,991
Premises and equipment, net	202,155	200,706
FDIC indemnification asset	188,736	188,291
Covered other real estate owned	152,310	142,833
Mortgage servicing rights	29,939	20,149
Other assets	262,220	279,745
Goodwill	251,808	251,808
Other intangible assets, net	68,108	70,921
Total assets	\$ 9,033,432	\$ 8,904,122
Liabilities and Stockholders Equity		
Deposits:		
Noninterest-bearing	\$ 1,748,391	\$ 1,773,749
Interest-bearing	4,914,785	4,949,169
Total deposits	6,663,176	6,722,918
Broker-dealer and clearing organization payables	161,888	129,678
Reserve for losses and loss adjustment expenses	28,258	27,468
Unearned insurance premiums	89,646	88,422
Short-term borrowings	491,406	342,087
Notes payable	55,465	56,327
Junior subordinated debentures	67,012	67,012
Other liabilities	121,368	158,288
Total liabilities	7,678,219	7,592,200
Commitments and contingencies (see Notes 11 and 12)		
Stockholders equity:		
Hilltop stockholders equity:		
	114,068	114,068

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Preferred stock, \$0.01 par value, 10,000,000 shares authorized; Series B, liquidation value per share of \$1,000; 114,068 shares issued and outstanding			
Common stock, \$0.01 par value, 100,000,000 shares authorized; 90,177,991 and 90,175,688 shares issued and outstanding, respectively		902	902
Additional paid-in capital		1,388,002	1,388,641
Accumulated other comprehensive loss		(16,054)	(34,863)
Accumulated deficit		(132,421)	(157,607)
Total Hilltop stockholders' equity		1,354,497	1,311,141
Noncontrolling interest		716	781
Total stockholders' equity		1,355,213	1,311,922
Total liabilities and stockholders' equity	\$	9,033,432	\$ 8,904,122

See accompanying notes.

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HILLTOP HOLDINGS INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share data)
(Unaudited)

Three Months Ended March 31,