

Hilltop Holdings Inc.
Form 10-Q
May 06, 2013
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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, 2013

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 3, 2013 was 83,955,870.

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FOR THE QUARTER ENDED MARCH 31, 2013

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(in thousands, except share and per share data)

	March 31, 2013 (Unaudited)	December 31, 2012
Assets		
Cash and due from banks	\$ 588,838	\$ 722,039
Federal funds sold and securities purchased under agreements to resell	23,691	4,421
Securities:		
Trading, at fair value	60,769	90,113
Available for sale, at fair value (amortized cost of \$1,132,701 and \$978,502, respectively)	1,146,505	990,953
	1,207,274	1,081,066
Loans held for sale	1,242,322	1,401,507
Loans, net of unearned income	3,248,367	3,152,396
Allowance for loan losses	(16,637)	(3,409)
Loans, net	3,231,730	3,148,987
Broker-dealer and clearing organization receivables	187,833	145,564
Insurance premiums receivable	24,924	24,615
Deferred policy acquisition costs	20,301	19,812
Reinsurance receivable, net of uncollectible amounts	18,210	18,567
Premises and equipment, net	111,894	111,381
Other assets	233,033	277,398
Goodwill	251,808	253,770
Other intangible assets, net	75,052	77,738
Total assets	\$ 7,216,910	\$ 7,286,865
Liabilities and Stockholders Equity		
Deposits:		
Noninterest-bearing	\$ 249,678	\$ 323,367
Interest-bearing	4,508,760	4,377,094
Total deposits	4,758,438	4,700,461
Broker-dealer and clearing organization payables	250,280	187,990
Reserve for losses and loss adjustment expenses	32,070	34,012
Unearned insurance premiums	84,032	82,598
Short-term borrowings	576,730	728,250
Notes payable	140,747	141,539
Junior subordinated debentures	67,012	67,012
Other liabilities	129,016	198,453
Total liabilities	6,038,325	6,140,315
Commitments and contingencies (see Notes 9 and 10)		
Stockholders equity:		
Hilltop Holdings stockholders equity:		
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, respectively	114,068	114,068
Common stock, \$0.01 par value, 100,000,000 shares authorized; 83,487,340 shares issued and outstanding, respectively	835	835

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Additional paid-in capital	1,304,771	1,304,707
Accumulated other comprehensive income	8,973	8,094
Accumulated deficit	(250,838)	(283,208)
Total Hilltop Holdings stockholders' equity	1,177,809	1,144,496
Noncontrolling interest	776	2,054
Total stockholders' equity	1,178,585	1,146,550
Total liabilities and stockholders' equity	\$ 7,216,910	\$ 7,286,865

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,	
	2013	2012
Interest income:		
Loans, including fees	\$ 64,886	\$
Securities:		
Taxable	5,863	3,355
Tax-exempt	1,347	