

NASB FINANCIAL INC
Form 10-Q
May 10, 2012

Securities and Exchange Commission

Washington, DC 20549

FORM 10-Q

Quarterly Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the period ended March 31, 2012

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 0-24033

NASB Financial, Inc.

(Exact name of registrant as specified in its charter)

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(State or other jurisdiction of incorporation or organization) (IRS Employer Identification No.)
12498 South 71 Highway, Grandview, Missouri 64030

(Address of principal executive offices) (Zip Code)

(816) 765-2200

(Registrant's telephone number, including area code)

N/A

(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 web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (Section 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, or non-accelerated filer, or a small reporting company. See definition of "accelerated filer", "large accelerated filer" and "small reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer

Non-accelerated filer 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

The number of shares of Common Stock of the Registrant outstanding as of May 4, 2012, was 7,867,614.

NASB Financial, Inc. and Subsidiary

Condensed Consolidated Balance Sheets

	March 31, 2012 (Unaudited)	September 30, 2011
	(Dollars in thousands)	
ASSETS		
Cash and cash equivalents	\$ 7,575	5,030
Securities:		
Available for sale, at fair value	85,391	72,125
Stock in Federal Home Loan Bank, at cost	7,633	13,551
Mortgage-backed securities:		
Available for sale, at fair value	606	715
Held to maturity, at cost	32,778	39,146
Loans receivable:		
Held for sale, at fair value	133,990	115,434
Held for investment, net	866,228	987,400
Allowance for loan losses	(36,797)	(70,266)
Total loans receivable, net	963,421	1,032,568
Accrued interest receivable	4,085	4,870
Foreclosed assets held for sale, net	21,155	16,937
Premises and equipment, net	15,148	14,434
Investment in LLCs	17,480	17,674
Deferred income tax asset, net	16,389	19,221
Income taxes receivable	6,451	3,124
Other assets	14,096	14,189
	\$ 1,192,208	1,253,584
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities:		
Customer deposit accounts	\$ 845,610	784,681
Brokered deposit accounts	24,975	24,994
Advances from Federal Home Loan Bank	125,000	247,000
Subordinated debentures	25,774	25,774
Escrows	4,954	10,082
Accrued expenses and other liabilities	9,367	10,675
Total liabilities	1,035,680	1,103,206
Stockholders' equity:		
Common stock of \$0.15 par value; 20,000,000 shares authorized; 9,857,112 shares issued	1,479	1,479
Additional paid-in capital	16,655	16,652
Retained earnings	176,720	171,406
Treasury stock, at cost; 1,989,498 shares	(38,418)	(38,418)
Accumulated other comprehensive income (loss)	92	(741)
Total stockholders' equity	156,528	150,378
	\$ 1,192,208	1,253,584

See accompanying notes to condensed consolidated financial statements.

NASB Financial, Inc. and Subsidiary
Condensed Consolidated Statements of Operations**(Unaudited)**

	Three months ended March 31,		Six months ended March 31,	
	2012	2011	2012	2011
	(Dollars in thousands, except per share data)			
Interest on loans receivable	\$ 14,270	16,195	30,163	34,266
Interest on mortgage-backed securities	463	577	962	1,129
Interest and dividends on securities	498	1,215	1,466	1,838
Other interest income	4	2	6	6
Total interest income	15,235	17,989	32,597	37,239
Interest on customer and brokered deposit accounts	2,435	3,862	4,914	8,148
Interest on advances from Federal Home Loan Bank	566	1,310	1,201	3,107
Interest on subordinated debentures	137	122	266	249
Total interest expense	3,138	5,294	6,381	11,504
Net interest income	12,097	12,695	26,216	25,735
Provision for loan losses	5,000	38,800	7,500	49,326
Net interest income (loss) after provision for loan losses	7,097	(26,105)	18,716	(23,591)
Other income (expense):				
Loan servicing fees, net	18	(34)	65	43
Impairment recovery on mortgage servicing rights		18		17
Customer service fees and charges	1,202	1,302	2,612	3,760
Provision for loss on real estate owned	(2,069)	(9,688)	(3,423)	(11,731)
Gain (loss) on sale of securities available for sale		190	(343)	470
Gain on sale of securities held to maturity		411		411
Gain from sale of loans receivable held for sale	8,565	8,514	19,836	15,849
Impairment loss on investment in LLCs	(200)		(200)	
Other	773	(2,466)	291	(1,486)
Total other income (loss)	8,289	(1,753)	18,838	7,333
General and administrative expenses:				
Compensation and fringe benefits	5,473	4,761	10,821	9,876
Commission-based mortgage banking compensation	3,608	2,220	7,309	8,392
Premises and equipment	1,294	1,077	2,485	2,113
Advertising and business promotion	1,370	1,334	2,381	2,601
Federal deposit insurance premiums	400	466	787	903
Other	2,626	2,133	5,125	4,641
Total general and administrative expenses	14,771	11,991	28,908	28,526
Income (loss) before income tax expense (benefit)	615	(39,849)	8,646	(44,784)
Income tax expense (benefit)	240	(15,342)	3,332	(17,242)
Net income (loss)	\$ 375	(24,507)	5,314	(27,542)

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Basic earnings (loss) per share	\$	0.05	(3.11)	0.68	(3.50)
Diluted earnings (loss) per share	\$	0.05	(3.11)	0.68	(3.50)
Basic weighted average shares outstanding		7,867,614	7,867,614	7,867,614	7,867,614

See accompanying notes to condensed consolidated financial statements.

NASB Financial, Inc. and Subsidiary

Condensed Consolidated Statement of Stockholders Equity (Unaudited)

	Common stock	Additional paid-in capital	Retained earnings (Dollars in thousands)	Treasury stock	Accumulated other comprehensive income (loss)	Total stockholders equity
Balance at October 1, 2011	\$ 1,479	16,652	171,406	(38,418)		