

META FINANCIAL GROUP INC
Form 10-Q
August 02, 2016

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, 2016

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: 0-22140

META FINANCIAL GROUP, INC.®
(Exact name of registrant as specified in its charter)

Delaware 42-1406262
(State or other jurisdiction of incorporation or organization) (I.R.S. Employer Identification No.)

5501 South Broadband Lane, Sioux Falls, South Dakota 57108
(Address of principal executive offices)

(605) 782-1767
(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 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. (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

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Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class:	Outstanding at July 27, 2016:
Common Stock, \$.01 par value	8,524,142 Common Shares
Nonvoting Common Stock, \$.01 par value	0 Common Shares

META FINANCIAL GROUP, INC.
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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements.

META FINANCIAL GROUP, INC.

AND SUBSIDIARIES

Condensed Consolidated Statements of Financial Condition (Unaudited)

(Dollars in Thousands, Except Share and Per Share Data)

	June 30, 2016	September 30, 2015
ASSETS		
Cash and cash equivalents	\$36,830	\$ 27,658
Investment securities available for sale	863,468	679,504
Mortgage-backed securities available for sale	579,330	576,583
Investment securities held to maturity	465,451	279,167
Mortgage-backed securities held to maturity	139,138	66,577
Loans receivable - net of allowance for loan losses of \$6,120 at June 30, 2016 and \$6,255 at September 30, 2015	854,506	706,255
Federal Home Loan Bank Stock, at cost	25,311	24,410
Accrued interest receivable	17,911	13,352
Premises, furniture, and equipment, net	18,695	17,393
Bank-owned life insurance	57,038	45,830
Goodwill	36,928	36,928
Intangible assets	30,088	33,577
Prepaid assets	10,434	9,360
Deferred taxes	407	6,997
Meta Payment Systems accounts receivable	6,694	5,337
Other assets	1,937	777
 Total assets	 \$3,144,166	 \$ 2,529,705
 LIABILITIES AND STOCKHOLDERS' EQUITY		
 LIABILITIES		
Non-interest-bearing checking	\$1,922,802	\$ 1,449,101
Interest-bearing checking	39,946	33,320
Savings deposits	78,547	41,720
Money market deposits	45,325	42,222
Time certificates of deposit	100,336	91,171
Total deposits	2,186,956	1,657,534
Advances from Federal Home Loan Bank	107,000	7,000
Federal funds purchased	437,000	540,000
Securities sold under agreements to repurchase	2,234	4,007
Subordinated debentures	10,310	10,310
Capital lease	2,048	2,143
Accrued interest payable	337	272
Contingent liability	—	331
Accrued expenses and other liabilities	65,612	36,773
Total liabilities	2,811,497	2,258,370
 STOCKHOLDERS' EQUITY	 —	 —

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Preferred stock, 3,000,000 shares authorized, no shares issued or outstanding at June 30, 2016 and September 30, 2015, respectively		
Common stock, \$.01 par value; 15,000,000 shares authorized, 8,523,641 shares issued and outstanding at June 30, 2016 and 8,183,272 shares issued and 8,163,022 shares outstanding at September 30, 2015	85	82
Common stock, Nonvoting, \$.01 par value; 3,000,000 shares authorized, no shares issued or outstanding at June 30, 2016 and September 30, 2015, respectively	—	—
Additional paid-in capital	184,700	170,749
Retained earnings	122,292	98,359
Accumulated other comprehensive income (loss)	25,592	2,455
Treasury stock, at cost, no common shares at June 30, 2016 and 20,250 common shares at September 30, 2015	—	(310)
Total stockholders' equity	332,669	271,335
Total liabilities and stockholders' equity	\$3,144,166	\$ 2,529,705

See Notes to Condensed Consolidated Financial Statements.

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META FINANCIAL GROUP, INC.

AND SUBSIDIARIES

Condensed Consolidated Statements of Operations (Unaudited)

(Dollars in Thousands, Except Share and Per Share Data)

	Three Months		Nine Months	
	Ended June 30,		Ended June 30,	
	2016	2015	2016	2015
Interest and dividend income:				
Loans receivable, including fees	\$9,280	\$7,528	\$26,147	\$21,561
Mortgage-backed securities	3,777	3,055		