

First Savings Financial Group Inc
Form 10-Q
September 26, 2008
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended June 30, 2008

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 No. 1-34155

First Savings Financial Group, Inc.

(Exact name of registrant as specified in its charter)

Indiana
(State or other jurisdiction of
incorporation or organization)

37-1567871
(I.R.S. Employer
Identification Number)

501 East Lewis & Clark Parkway, Indiana
(Address of principal executive offices)

47129
(Zip Code)

Registrant's telephone number including area code 1-812-283-0724

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 is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of accelerated filer, large accelerated filer and smaller 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

As of September 22, 2008, there were no shares of the registrant's common stock outstanding.

Table of Contents**FIRST SAVINGS FINANCIAL GROUP, INC.****EXPLANATORY NOTE**

First Savings Financial Group, Inc. (the Company) filed a Registration Statement on Form S-1, as amended (Registration Statement) which was declared effective by the Securities and Exchange Commission on August 12, 2008. The Registration Statement includes unaudited financial statements for the interim period ended March 31, 2008. The Company is filing this Form 10-Q pursuant to Rule 13a-13 of the Securities Exchange Act of 1934, as amended in order to file financial statements for the first quarter after the quarter period in the Registration Statement.

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	June 30, 2008	September 30, 2007
	<i>(In thousands)</i>	
ASSETS		
Cash and due from banks	\$ 5,342	\$ 6,391
Interest-bearing deposits with banks	5,604	4,004
Total cash and cash equivalents	10,946	10,395
Securities available for sale, at fair value	9,545	8,260
Securities held to maturity	8,647	7,422
Loans, net	172,055	167,371
Federal Home Loan Bank stock, at cost	1,336	1,336
Premises and equipment	4,306	4,369
Foreclosed real estate	2,101	1,278
Accrued interest receivable:		
Loans	779	900
Securities	140	182
Cash value of life insurance	3,706	596
Other assets	1,833	1,212
Total Assets	\$ 215,394	\$ 203,321
LIABILITIES		
Deposits:		
Noninterest-bearing	\$ 8,950	\$ 5,011
Interest-bearing	167,467	163,771
Total deposits	176,417	168,782
Advances from Federal Home Loan Bank	8,000	3,000
Accrued interest payable	187	175
Advance payments by borrowers for taxes and insurance	304	332
Accrued expenses and other liabilities	1,145	1,370
Total Liabilities	186,053	173,659
EQUITY		
Retained earnings - substantially restricted	29,303	29,610
Accumulated other comprehensive income	38	52
Total Equity	29,341	29,662
Total Liabilities and Equity	\$ 215,394	\$ 203,321

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See notes to consolidated financial statements.

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	Three Months Ended June 30,		Nine Months Ended June 30,	
	2008	2007	2008	2007
	<i>(In thousands)</i>			
INTEREST INCOME				
Loans, including fees	\$ 2,888	\$ 2,910	\$ 8,734	\$ 8,768
Securities:				
Taxable	204	167	475	476
Tax-exempt	14	14	42	40
Federal Home Loan Bank dividends	17	15	50	50
Interest-bearing deposits with banks	20	170	143	503
Total interest income	3,143	3,276	9,444	9,837
INTEREST EXPENSE				
Deposits	1,402	1,576	4,404	4,667
Borrowed funds	68		162	
	1,470	1,576	4,566	4,667
Net interest income	1,673	1,700	4,878	5,170
Provision for loan losses	333	222	1,536	642
Net interest income after provision for loan losses	1,340	1,478	3,342	4,528
NONINTEREST INCOME				
Service charges on deposit accounts	128	130	379	376
Net gain on sales of mortgage loans	6		21	
Other income	118	78	351	219
Total noninterest income	252	208	751	595
NONINTEREST EXPENSE				
Compensation and benefits	808	701	2,299	2,221
Occupancy and equipment	204	183	597	547
Data processing	159	138	439	405
Advertising	37	50	96	130
Professional fees	67	38	177	105
Net loss on foreclosed real estate	4	14	118	76
Other operating expenses	282	224	983	813
Total noninterest expense	1,561	1,348	4,709	4,297
Income (loss) before income taxes	31	338	(616)	826

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Income tax expense (benefit)	(10)	117	(309)	279
Net Income (Loss)	41	221	(307)	547
OTHER COMPREHENSIVE LOSS, NET OF TAX				
Unrealized loss on securities:				
Unrealized holding losses arising during the period	(99)	(39)	(14)	(18)
Less: reclassification adjustment				
Other comprehensive loss	(99)	(39)	(14)	(18)
Comprehensive Income (Loss)	\$ (58)	\$ 182	\$ (321)	\$ 529

See notes to consolidated financial statements.

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	Nine Months Ended June 30,	
	2008	2007
	<i>(In thousands)</i>	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (loss)	\$ (307)	\$ 547
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Provision for loan losses	1,536	642
Depreciation	219	202
Amortization of premiums and accretion of discounts on securities, net	22	6
Mortgage loans originated for sale	(1,858)	
Proceeds on sale of mortgage loans	1,879	
Gain on sale of mortgage loans	(21)	
Net realized and unrealized (gain) loss on foreclosed real estate	56	(1)
Increase in cash value of life insurance	(110)	(31)
Deferred income taxes	(150)	13
Decrease in accrued interest receivable	163	59
Increase in accrued interest payable	12	26
Change in other assets and liabilities, net	(688)	(293)
Net Cash Provided By Operating Activities	753	1,170
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of securities available for sale	(6,377)	(2,311)
Proceeds from maturities of securities available for sale	5,000	
Purchase of securities held to maturity	(6,040)	
Proceeds from maturities of securities held to maturity	4,000	
Principal collected on mortgage-backed securities	805	625
Principal collected on collateralized mortgage obligations	57	
Proceeds on redemption of Federal Home Loan Bank stock		43
Net (increase) decrease in loans	(7,531)	3,101
Investment in cash surrender value of life insurance	(3,000)	