



Bank CEO Forum

January 31 - February 1, 2018



Hanmi Financial Corporation

C. G. Kum, President & CEO

Forward-Looking Statements

Hanmi Financial Corporation (the “Company”) cautions investors that any statements contained herein that are not historical facts are forward-looking statements within the meaning of the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995, including, but not limited to, those statements regarding operating and financial performance, financial position and liquidity, business strategies, regulatory and competitive outlook, investment and expenditure plans, financing needs and availability, plans and objectives, merger or sale activity, and all other forecasts and statements of expectation or assumption. These statements involve risks and uncertainties that are difficult to predict. Investors should not rely on any forward-looking statement and should consider risks, such as changes in governmental policy, legislation and regulations, economic climate uncertainty, fluctuations in interest rate and credit risk, competitive pressures, the ability to succeed in new markets, balance sheet management, and other operational factors. Forward-looking statements are based upon the good faith beliefs and expectations of management as of this date only and are further subject to additional risks and uncertainties, including, but not limited to, the risk factors set forth in the Company’s most recent Form 10-K, 10-Q and other filings with the Securities and Exchange Commission (“SEC”). Investors are urged to review the Company’s SEC filings. The Company disclaims any obligation to update or revise the forward-looking statements herein.

For non-GAAP reconciliation, please see the Company’s earnings release on January 23, 2018.

Hanmi Profile

First Korean American bank

- Founded in 1982; Nasdaq listed 2001
- Headquartered in Los Angeles
- Second largest Korean-American U.S.-based bank with \$5.2B in assets
- Specializing in real estate, commercial, SBA and trade finance lending to small and middle market businesses

Attractive Customer Demographics

- Leading brand affinity & loyal customer base
 - 46% of customers with bank for 10+ years
- Expanding to wider Asian American & mainstream communities

Strategic focus on entering new markets

- 40 branches and 8 loan production offices in California, Texas, Illinois, Virginia, New Jersey, New York, Colorado, Washington and Georgia
- Accelerating organic growth in recently entered markets to capitalize on sizable growth opportunities
- Opened first branch in New York in the fourth quarter of 2017



Los Angeles, CA



Arlington, TX



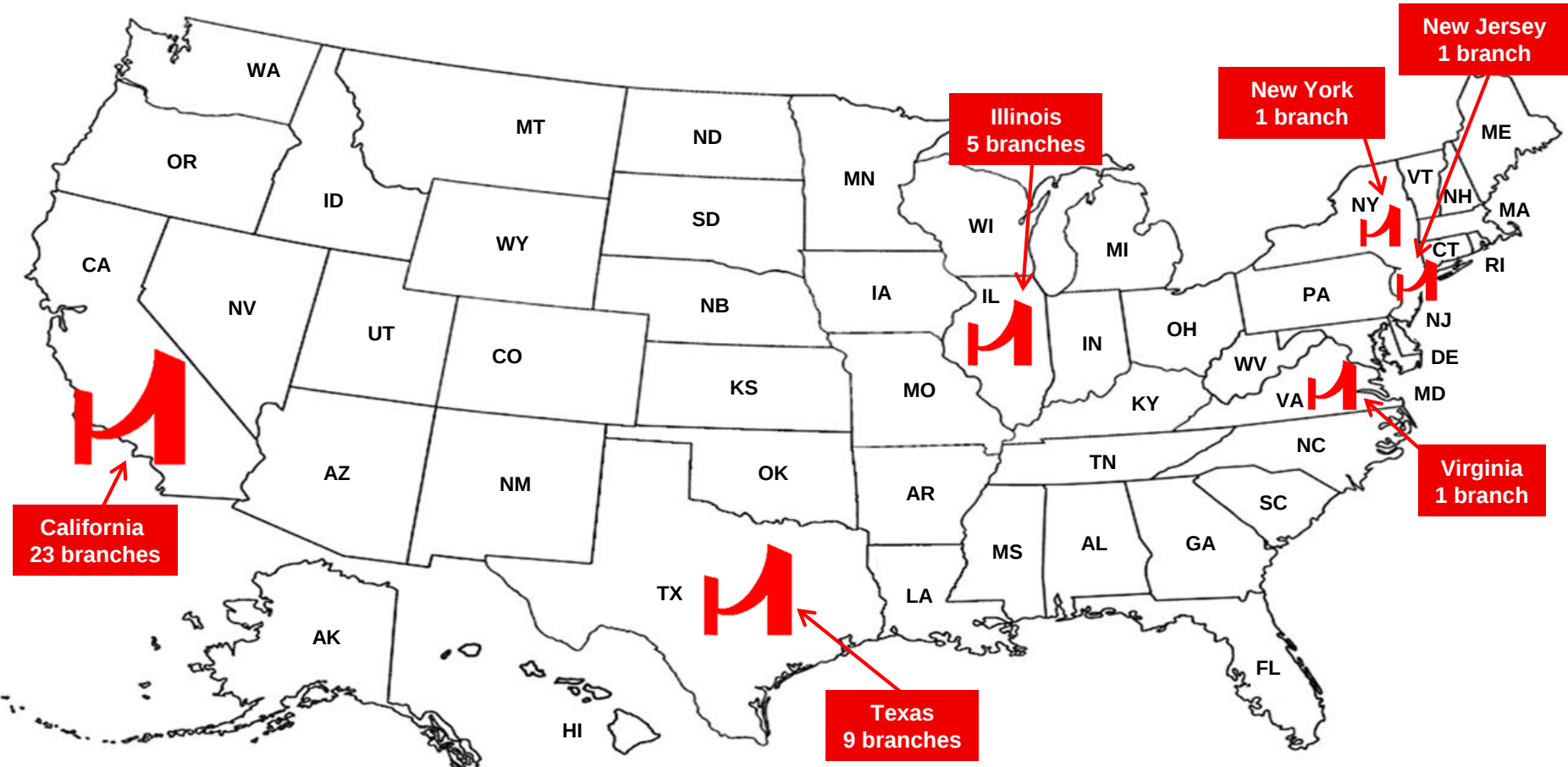
Chicago, IL



Annandale, VA

Nationwide Branch Network

Branches strategically located in largest Asian-American markets;
Expanded into NYC during 4Q 2017



*LPOs located in: CA, WA, CO, NY, NJ, GA, VA

2017 Financial Summary

Income Statement Summary

(\$ million, except EPS)	Twelve Months Ended		
	December 31, 2017	December 31, 2016	Change ⁽¹⁾
Net interest income	\$ 176.8	\$ 160.2	10.4%
Noninterest income	33.4	33.1	1.0%
Operating revenue	210.2	193.3	8.8%
Noninterest expense	114.1	108.2	5.4%
Provision for loan losses	0.8	(4.3)	-119.2%
Pretax income	95.3	89.4	6.6%
Income tax expense	40.6	32.9	23.5%
Net income	\$ 54.7	\$ 56.5	-3.2%
Reported EPS-Diluted	\$ 1.69	\$ 1.75	-3.1%

Select Balance Sheet Items

Loans	\$ 4,304	\$ 3,845	12.0%
Deposits	4,349	3,810	14.1%
Total Assets	5,210	4,701	10.8%
Stockholders' Equity	562	531	5.9%

Profitability Metrics⁽²⁾

Return on average assets	0.88%	1.26%	-38
Return on average equity	8.12%	10.84%	-272
TCE/TA	10.58%	11.05%	-47
Net interest margin	3.79%	3.96%	-17
NIM ex. purchase acct	3.76%	3.86%	-10
Efficiency ratio	54.16%	51.77%	238

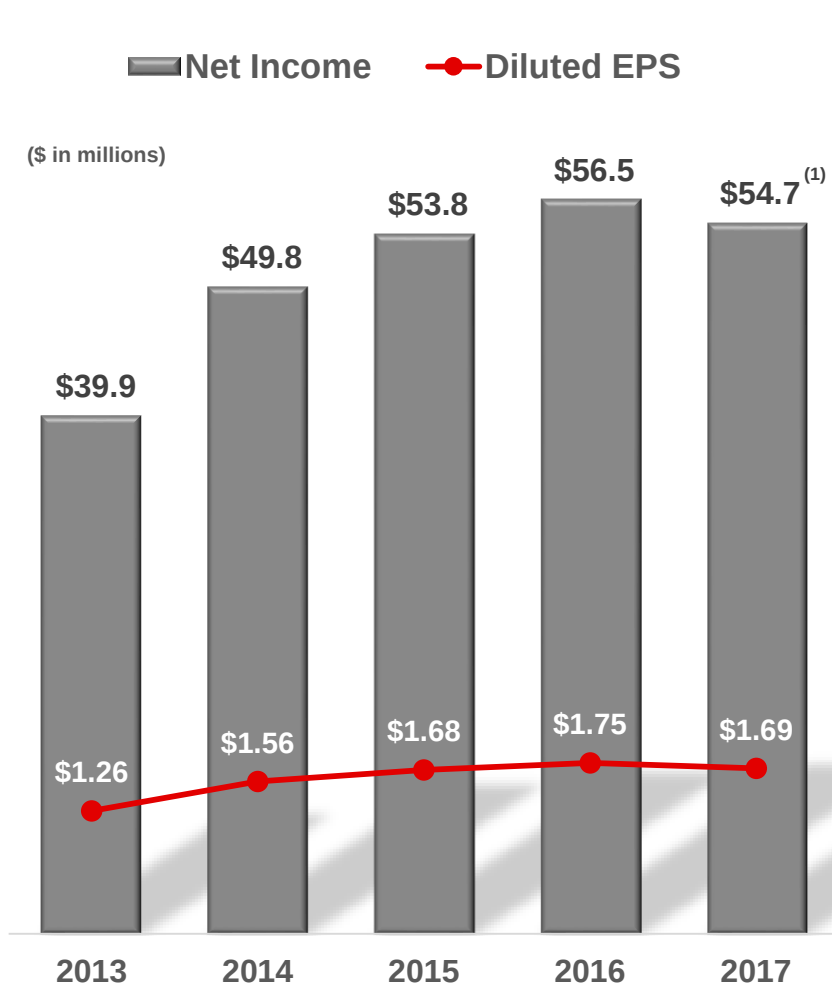
(1) Percentage change calculated from dollars in thousands

(2) Change in basis points

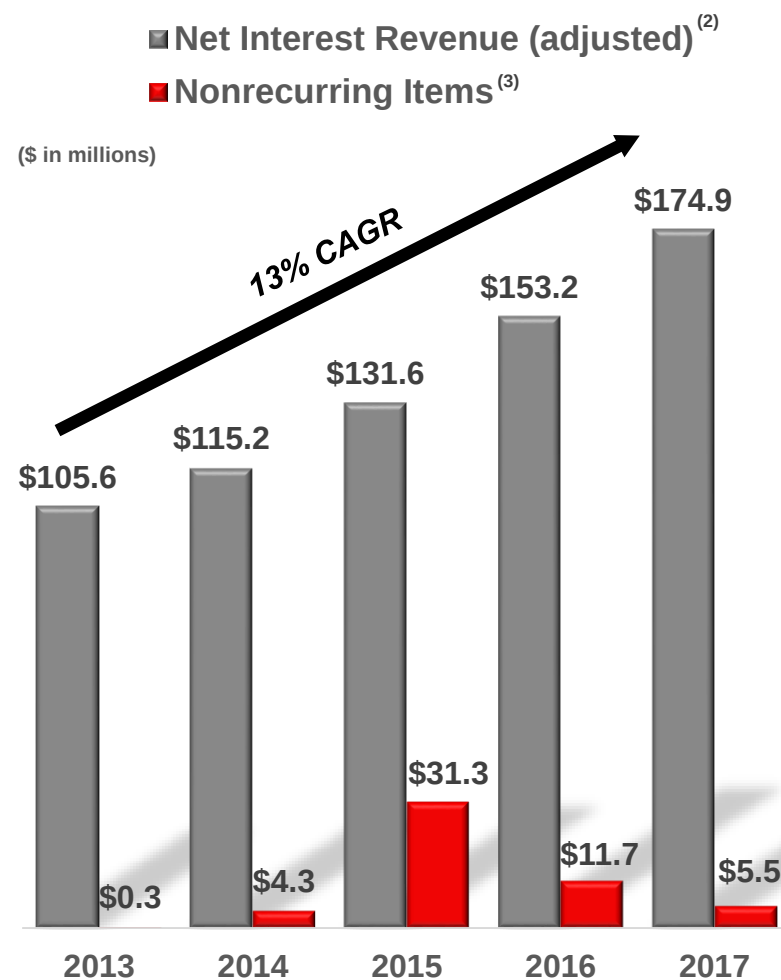
Key Highlights

- Net income was \$54.7 million, or \$1.69 per diluted share, compared with \$56.5 million, or \$1.75 per diluted share for 2016
 - Includes \$3.9 million of additional income tax expense from the re-measurement of deferred tax assets due to passage of Tax Reform; reduced full year net income by \$0.12 per diluted share
- Loans and leases receivable of \$4.30 billion, up 12.0% from a year ago driven by 2017 loan production of \$964.6 million and of the Commercial Equipment Leasing division
 - 4th consecutive year of double-digit loan growth
- Deposits of \$4.35 billion increased 14.1% from last year with time deposits up 20.0% and money market and savings deposits up 14.9% from a year ago
- Stable NIM throughout 2017
- Annual 2017 dividend of \$0.80 per share, up 21% from \$0.66 per share in 2016
 - Announced 14% dividend increase for first quarter 2018

Strong Earnings Performance



(1) Includes \$3.9 million of additional income tax expense from the re-measurement of deferred tax assets due to passage of Tax Reform; reduced full year net income by \$0.12 per diluted share

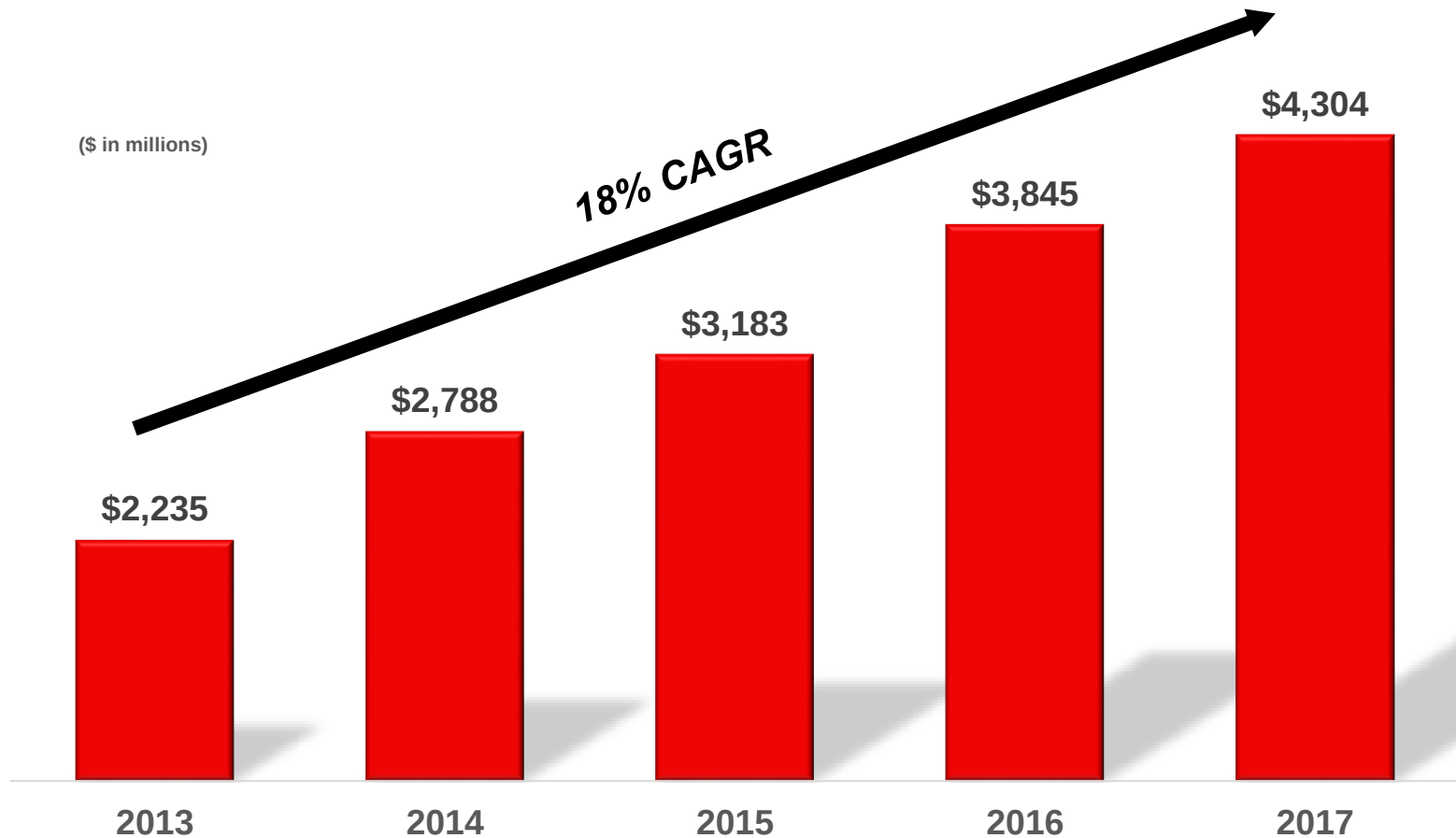


(2) Excludes purchase accounting

(3) Include purchase accounting, disposition gains on PCI loans, gain on sales of securities, and merger & integration costs

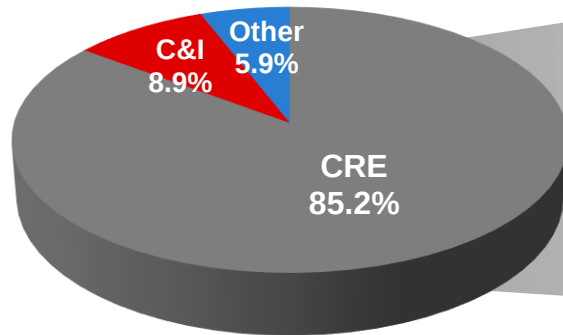
Solid Loan Growth

4th consecutive year of double-digit loan growth



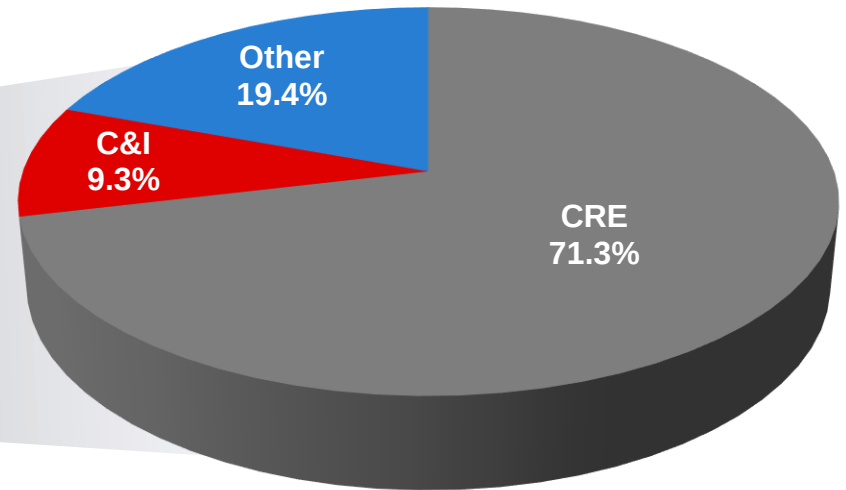
Successful Portfolio Diversification Strategy

**Loan Composition
Year-End 2014**



**Total Portfolio:
\$2.8 billion**

**Loan Composition
Year-End 2017**

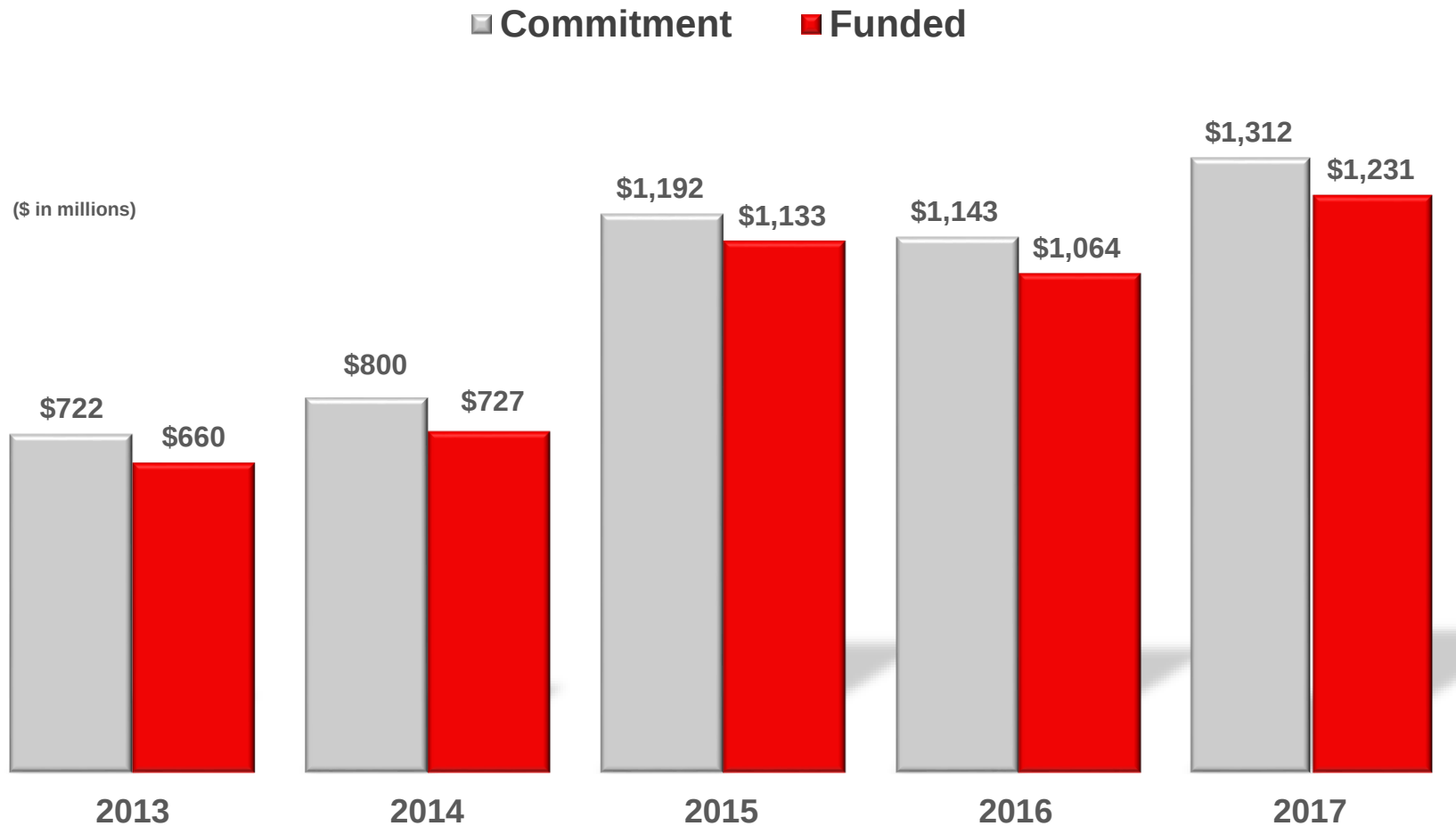


**Total Portfolio:
\$4.3 billion**

16% CAGR

Significant progress in reducing CRE concentration from 85% of total portfolio to 71% today

Robust Loan Production



Production includes purchased loans: \$112MM (2014), \$215MM (2015), \$195MM (2016); \$266MM (2017)

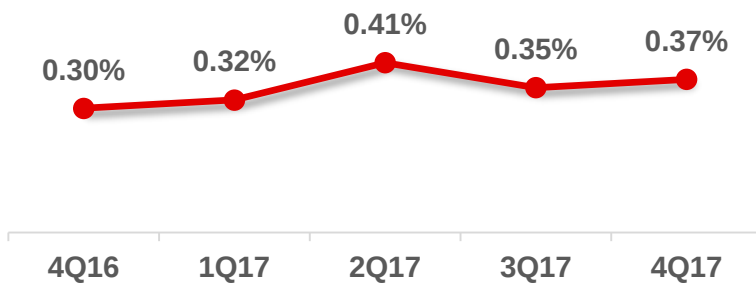
Strong Asset Quality

■ Classified Loans ■ Nonperforming Loans

(\$ in millions)



● Nonperforming Loans to Loans



■ Net Charge-offs (Recoveries)⁽¹⁾

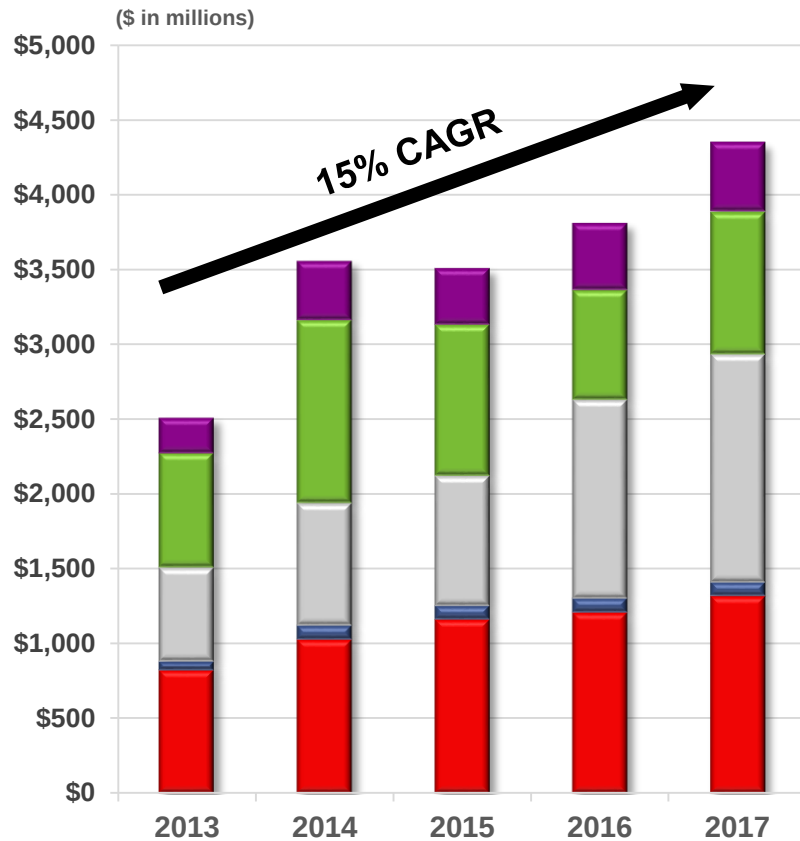
(\$ in millions)



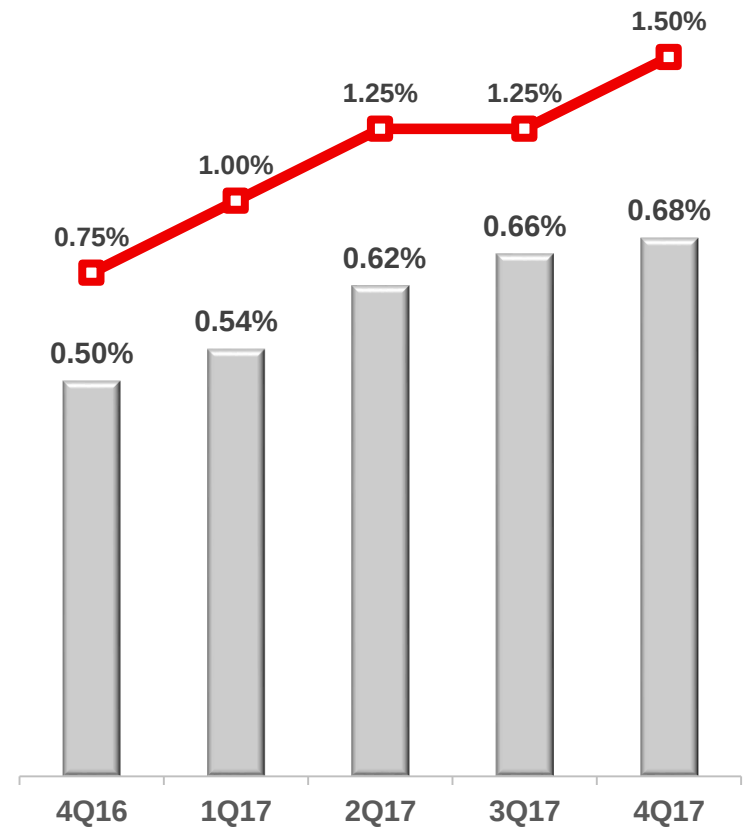
(1) Excludes charge-offs on PCI loans

Increasing and Diversified Deposit Base

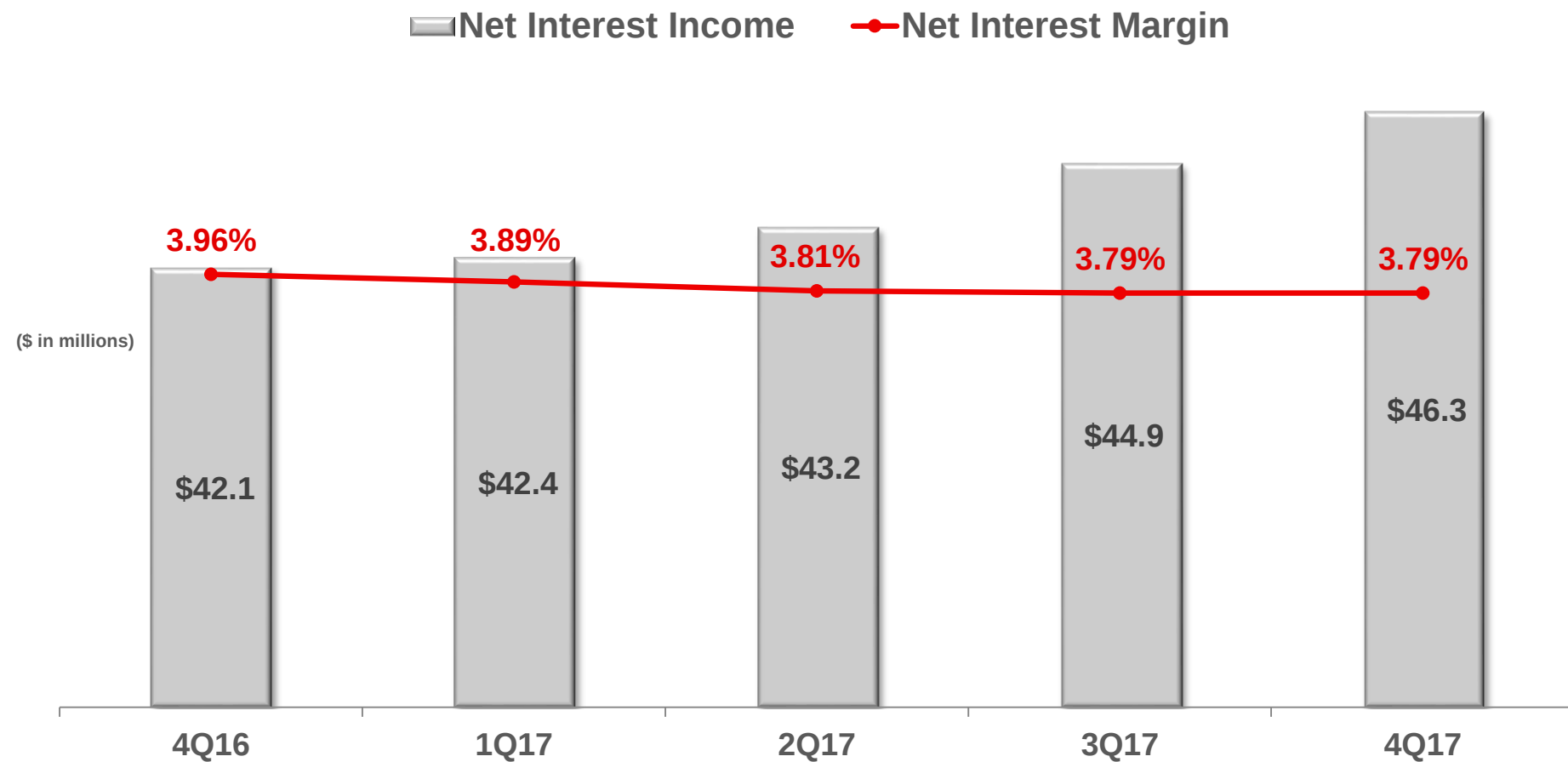
- Demand Noninterest-bearing
- Demand Interest-bearing
- Money Market & Savings
- Time Deposits ≤ \$250K
- Time Deposits > \$250K



- Cost of Deposits
- Fed Funds rate

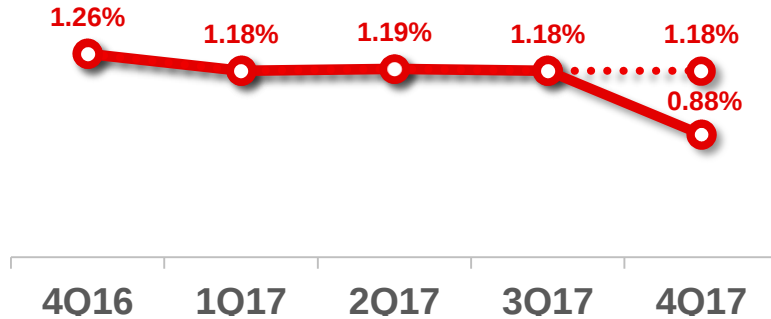


Strong Income Growth with Stable Net Interest Margin

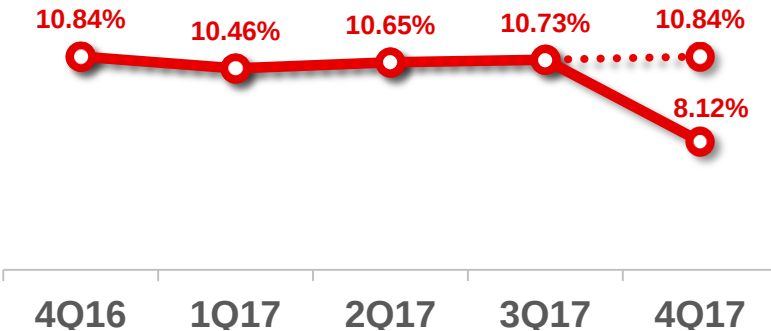


Strong Profitability Metrics

—●— Hanmi's ROAA ···●··· Hanmi's Adjusted ROAA⁽²⁾

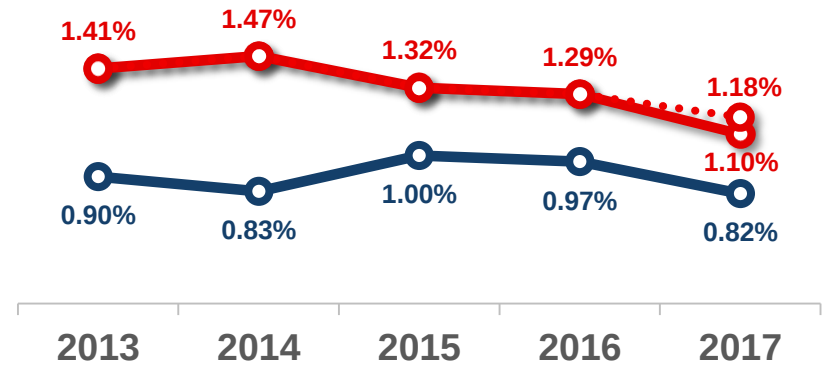


—●— Hanmi's ROAE ···●··· Hanmi's Adjusted ROAE⁽²⁾



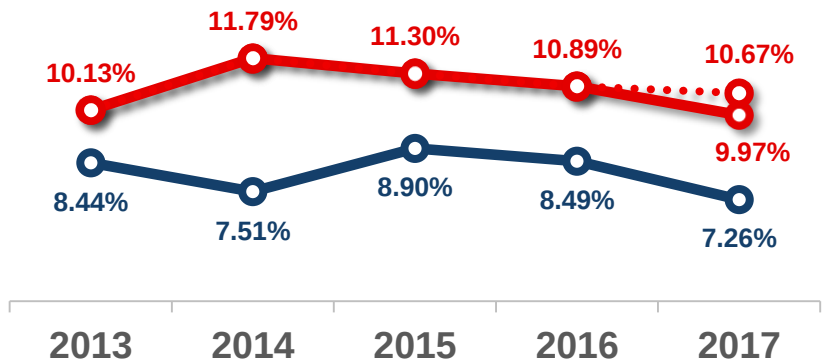
—●— Hanmi's ROAA ···●··· Hanmi's Adjusted ROAA⁽²⁾

—●— SNL US Bank Index⁽¹⁾



—●— Hanmi's ROAE ···●··· Hanmi's Adjusted ROAE⁽²⁾

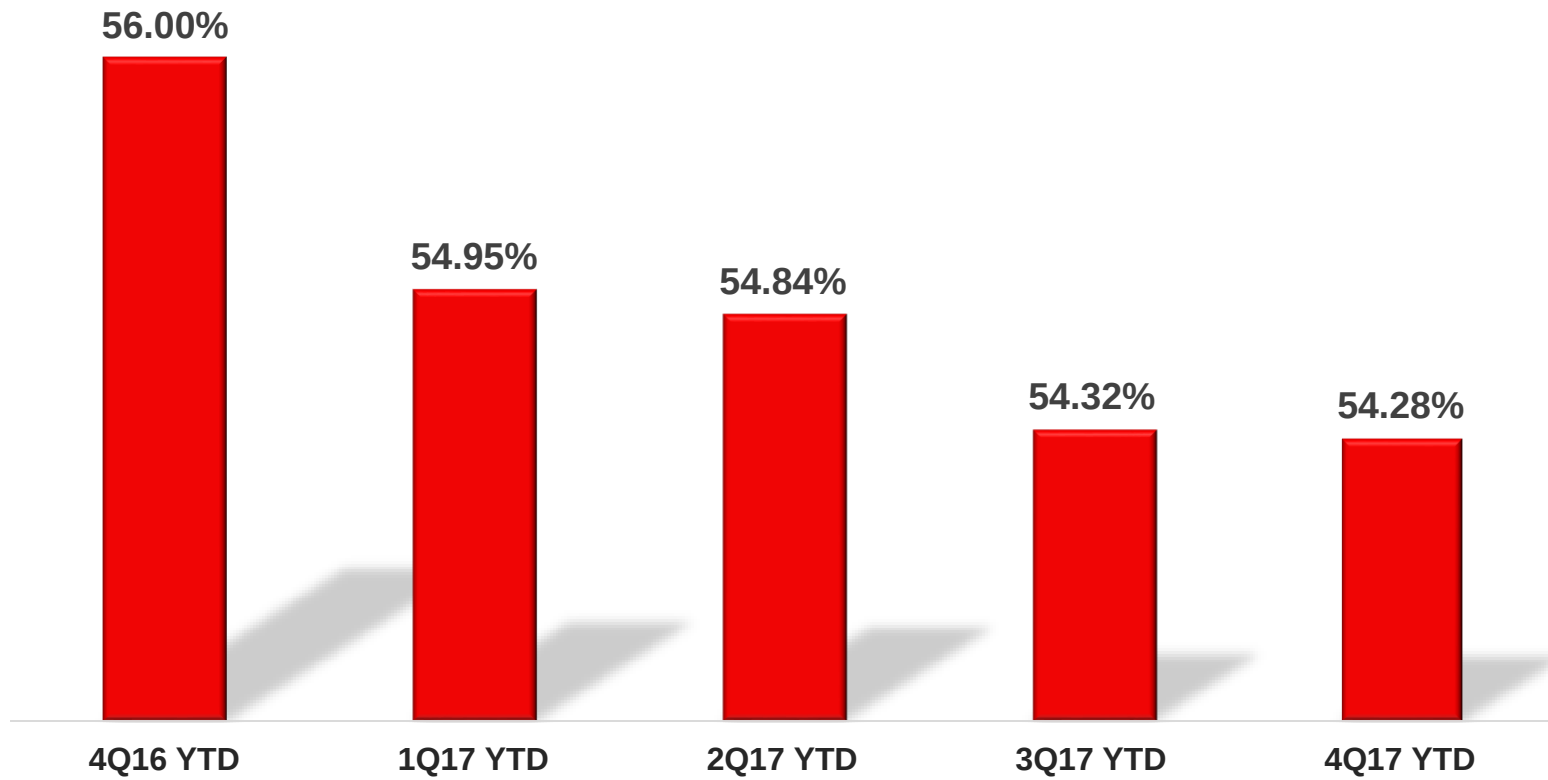
—●— SNL US Bank Index⁽¹⁾



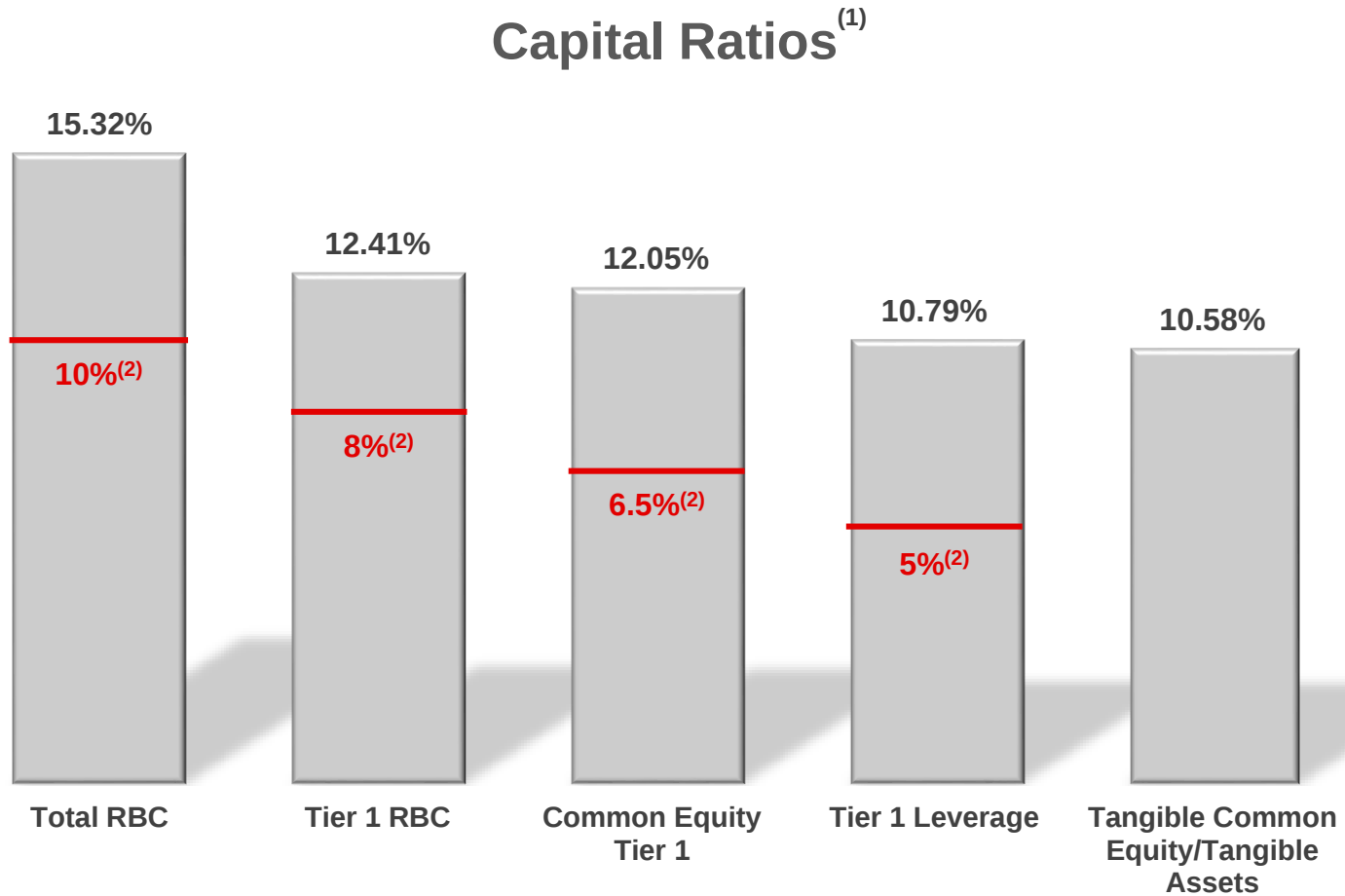
(1) SNL US Bank Index includes all major exchange banks in SNL's coverage universe.

(2) Represents Hanmi's ROAA and ROAE excluding the effects of the 4Q17 \$3.9 million charge from the re-measurement of deferred tax assets.

Improving Efficiency



Well-Capitalized



(1) Capital ratios are preliminary for December 31, 2017.

(2) Minimum threshold for a well-capitalized institution.

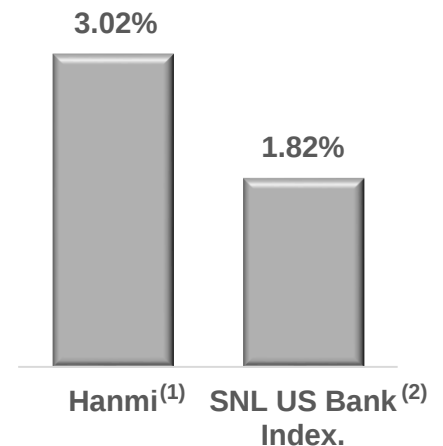
Growing Dividends

- Quarterly cash dividend increased 14% year-over-year to \$0.24 per share in 1Q 2018
 - Increased dividend five times since 2013
- Strong dividend yield: 3.02%⁽¹⁾ HAFC vs. 1.82%⁽²⁾ SNL US Bank Index

Quarterly Cash Dividends



Annualized Yield



(1) Based on closing HAFC stock price on 1/24/2018 of \$31.75 and annualized quarterly dividend of \$0.24 announced on 1/25/2018.

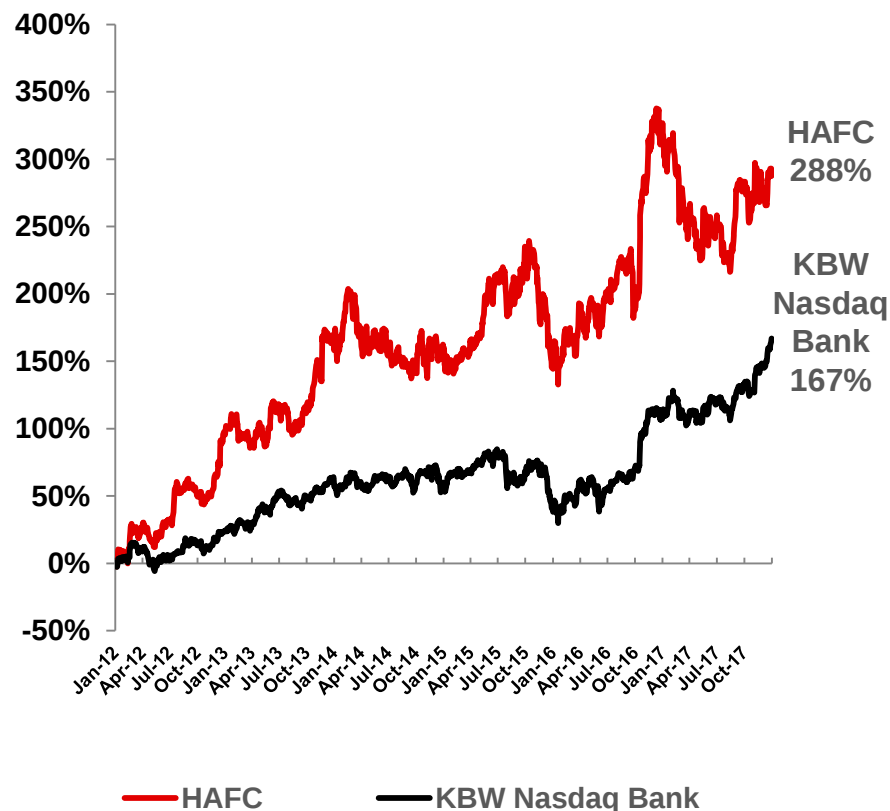
(2) As of 1/25/2018; SNL US Bank Index includes all major exchange banks in SNL's coverage universe.

Investment Highlights & Opportunities

- Strong balance sheet and excellent asset quality
- Track-record of profitable growth
- Premier core deposit franchise
- Future earnings power
 - Loan growth
 - Healthy net interest margin
 - Scalable infrastructure to support growth
- Robust annualized dividend yield
- Solid relative long term stock performance *

6-Year Stock Price Change (%)		
HAFC	KBW Nasdaq Bank	SNL US Bank
288%	167%	170%

6-Year Stock Price Change (%)



* As of 1/25/2018; SNL US Bank Index includes all major exchange banks in SNL's coverage universe.

As of 1/24/2018