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21st Annual Financial Services Conference

May 6-8, 2019



Hanmi Financial Corporation

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, capital and financing needs and availability, litigation 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 April 23, 2019.

Hanmi at a Glance

Nationwide Footprint

- Leading Korean American Bank
- 35 branches coast-to-coast in major banking markets

Strong Balance Sheet

- \$5.6 billion in assets makes Hanmi among the largest Korean-American Banks
- Successful portfolio diversification strategy underway

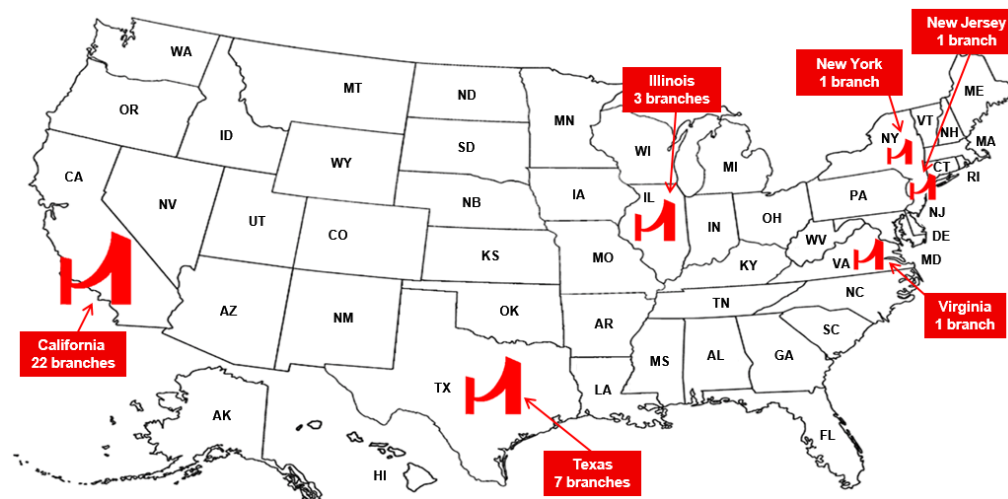
Excellent Asset Quality and Well-Capitalized

- Commitment to conservative, disciplined underwriting
- Net charge-offs of 0.02% of average loans and leases for the 2019 first quarter
- Total risk based capital levels at 146% of minimum threshold for “well-capitalized” institutions

Equity Snapshot ⁽¹⁾

Headquarters:	Los Angeles, CA
Ticker:	NASDAQ: H AFC
Share Price:	\$23.02
52 Week Range:	\$17.56 - \$31.25
Market Cap:	\$710.4 Million
Avg. 3M Daily Volume:	165,734

Branch Network



(1) Based on equity market data as of 4/25/19.

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

Q1 2019 Financial Summary

(\$ million, except EPS)

	1Q19	4Q18	1Q18	Change ^(1,2)	
				Q/Q	Y/Y
Income Statement Summary					
Net interest income	\$ 44.9	\$ 45.6	\$ 44.9	-1.7%	-0.1%
Noninterest income	6.3	6.3	6.1	-0.7%	3.2%
Operating revenue	51.1	51.9	51.0	-1.5%	0.3%
Noninterest expense	29.1	29.3	29.8	-0.8%	-2.3%
Provision for loan losses	1.1	3.0	0.6	-63.3%	72.1%
Pretax income	21.0	19.6	20.6	6.9%	1.9%
Income tax expense	6.3	8.2	5.7	-23.5%	9.9%
Net income	\$ 14.7	\$ 11.4	\$ 14.9	28.9%	-1.2%
EPS-Diluted (in \$)	\$ 0.48	\$ 0.37	\$ 0.46	29.7%	4.3%
Select Balance Sheet Items					
Loans and leases	\$ 4,576	\$ 4,601	\$ 4,414	-0.5%	3.7%
Deposits	4,820	4,747	4,378	1.5%	10.1%
Total assets	5,571	5,502	5,306	1.3%	5.0%
Stockholders' equity	564	553	564	2.1%	0.0%
Profitability Metrics					
Return on average assets	1.09%	0.83%	1.16%	26	-7
Return on average equity	10.62%	7.92%	10.65%	270	-3
TCE/TA	9.93%	9.84%	10.43%	9	-50
Net interest margin	3.52%	3.51%	3.70%	1	-18
Efficiency ratio	56.83%	56.40%	58.36%	43	-153

Note: Numbers may not foot due to rounding

(1) Percentage change calculated from dollars in thousands

(2) Change in basis points for returns and ratios

Key Highlights

- First quarter net income of \$14.7 million, or \$0.48 per diluted share, up 28.9% from the prior quarter and down 1.2% year-over-year.
- Loans and leases receivable of \$4.58 billion at the end of the first quarter, compared with \$4.60 billion at the end of the prior quarter, and up 3.7% from \$4.41 billion at the end of the first quarter of 2018.
- Deposits reached \$4.82 billion, up 6.0% in the first quarter on an annualized basis and up 10.1% year-over-year driven by growth in time deposits; Loan-to-deposit ratio declined to 94.9% from 96.9% for the prior quarter.
- Net interest margin of 3.52% compared with 3.51% for the prior quarter; Net interest margin after adjusting for loan prepayment penalties and the special FHLB dividend was 3.46% for the first quarter and prior quarter.
- Return on average assets was 1.09% and return on average equity was 10.62% compared with 0.83% and 7.92%, respectively, for the prior quarter.
- Announced Q2 2019 dividend of \$0.24 per share; increased dividend 5 times since 2013

Strategic Initiatives for 2019

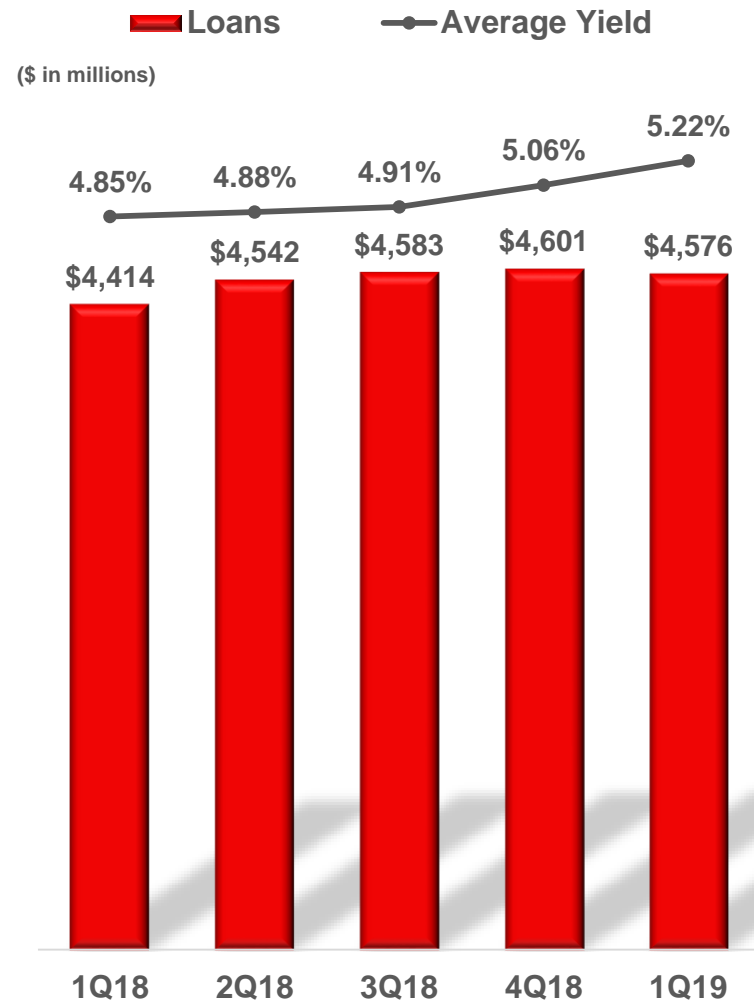
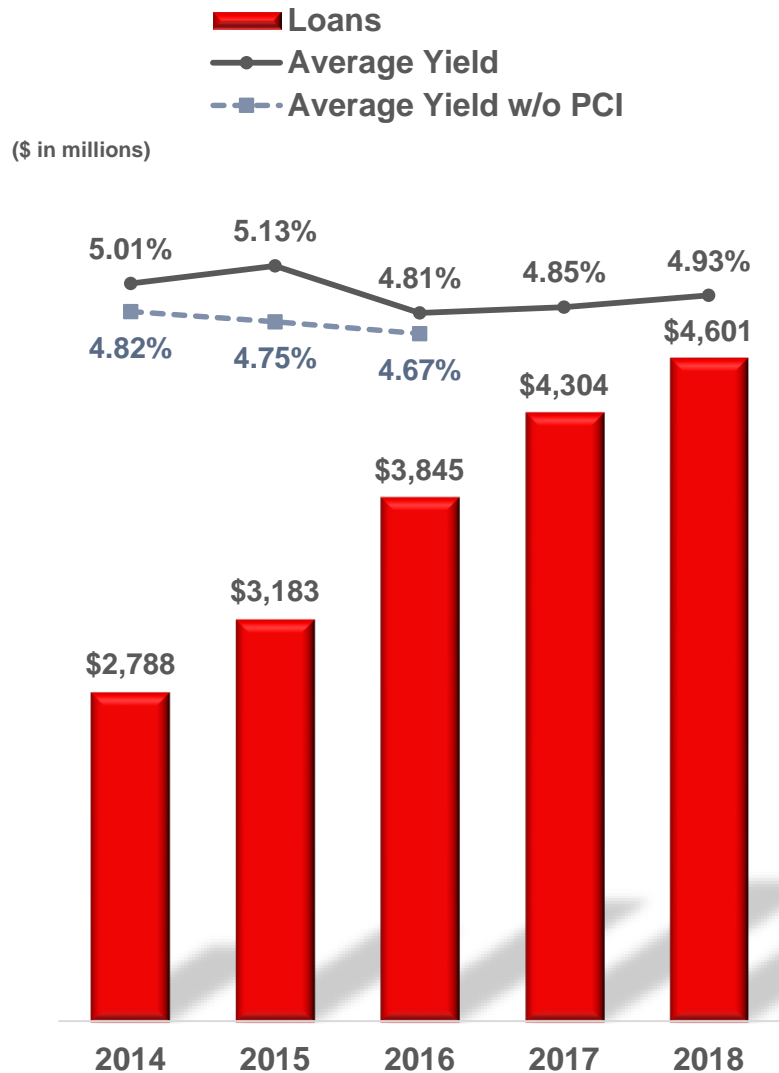
Revenue

- Moderate growth in loans and leases to a range of 5% - 7% in response to current interest rate environment
- Grow areas of business that generate lower cost deposits and/or higher spreads such as C&I loans and equipment leases
 - Deposits of \$4.82 billion, up 1.5% from the prior quarter and 10.1% from a year ago
 - Loan and lease production on track
 - Equipment leases comprised 39% of first quarter production compared with 22% a year ago
 - C&I loans comprised 19% of first quarter production compared with 11% a year ago
 - First quarter net interest margin of 3.52%, up slightly during the last 2 consecutive quarters
 - Average loan and lease yield of 5.22%, up 16 bps from the prior quarter and 37 bps from a year ago
 - Weighted average interest rate for newly originated loans and leases in the first quarter of 5.97% up 8 bps quarter-over-quarter and 93 bps year-over-year

Cost Structure

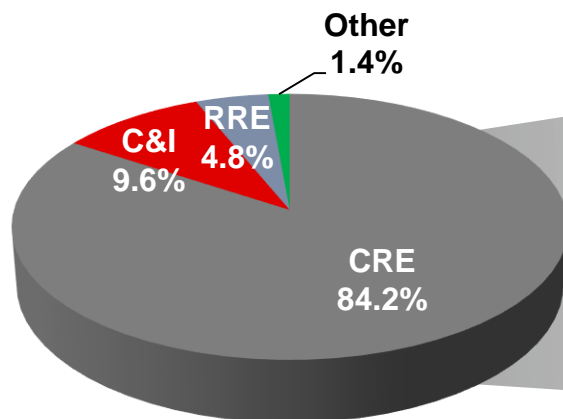
- Goal to reduce non-interest expense by at least \$5 million or approximately \$0.12 per share in 2019
 - Through the first quarter, cost reduction efforts (branch rationalization & staff reductions) have generated approximately \$4 million in gross annual savings
 - Branch rationalization complete: closed six branches and opened one branch
 - Successfully consolidated approximately 10% of the Hanmi branch network
 - Streamline back office operations by implementing process improvements and investing in more efficient technology platforms
 - Increasing front office productivity and capability through further centralization of loan underwriting and credit management functions

Loan Trends



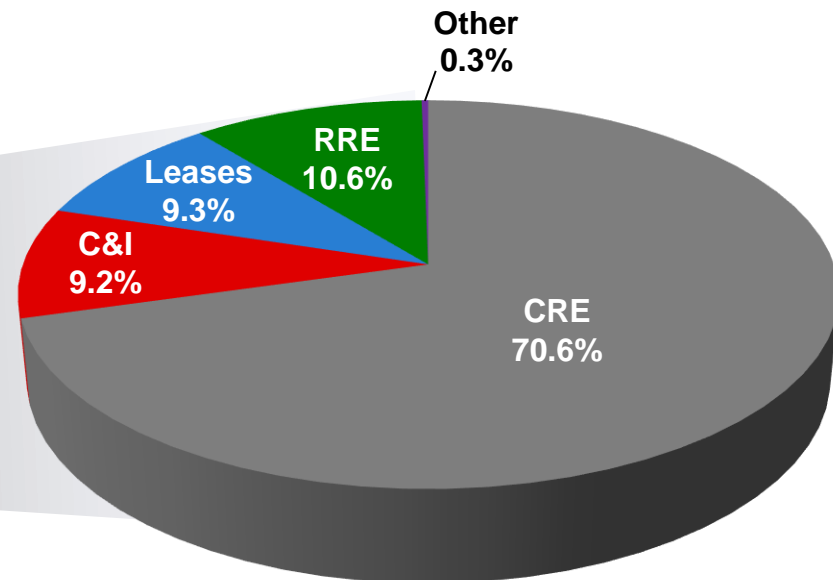
Successful Portfolio Diversification Strategy

**Loan Composition
Q1 2014**



**Total Portfolio:
\$2.3 billion**

**Loan Composition
Q1 2019**



**Total Portfolio:
\$4.6 billion**

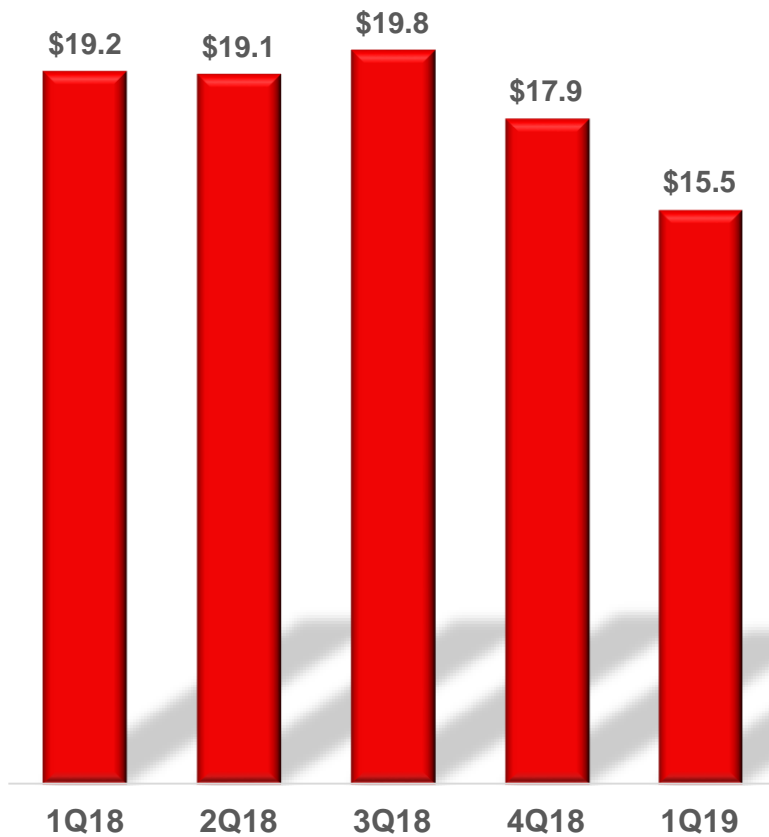
15% CAGR

Significant progress in reducing CRE concentration from 84% of total portfolio to 71% today

SBA Loan Sales

SBA Loan Sales

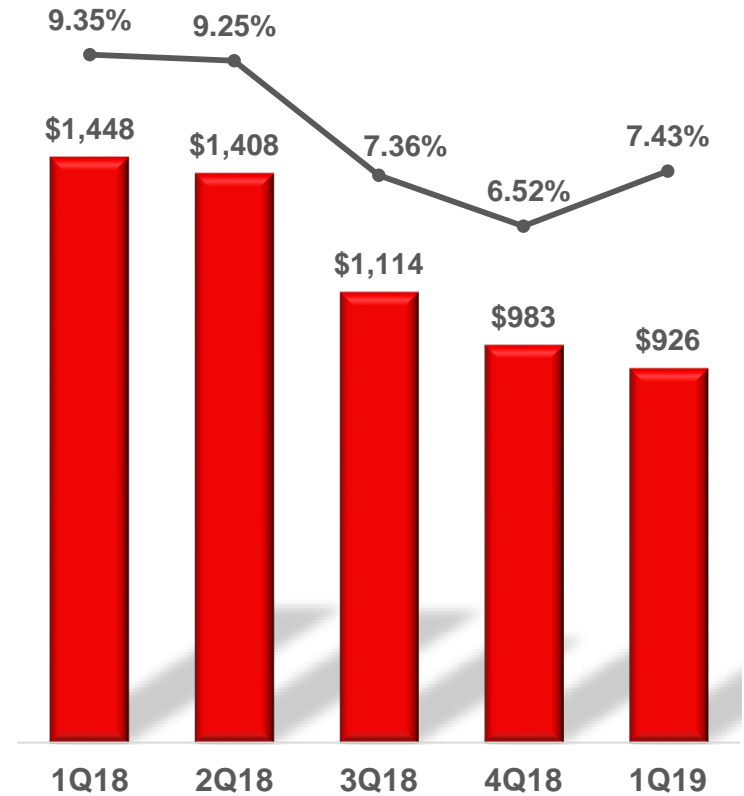
(\$ in millions)



SBA Gain on Sale

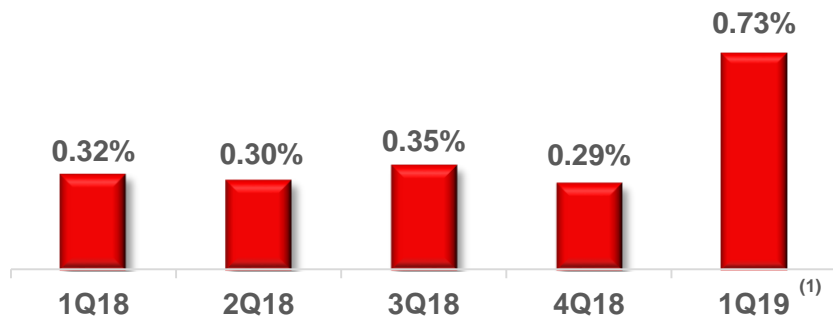
Gain on Sale SBA Premium

(\$ in thousands)

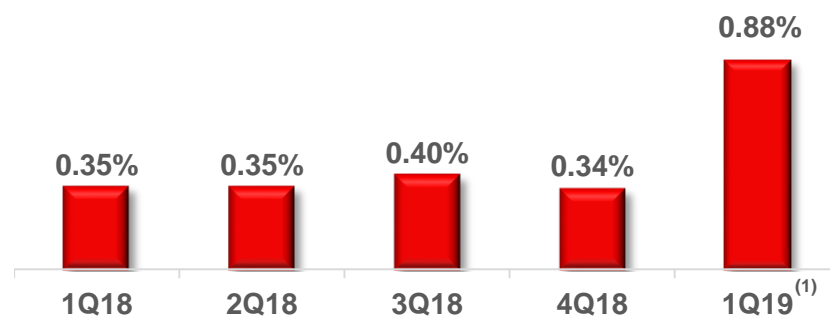


Asset Quality

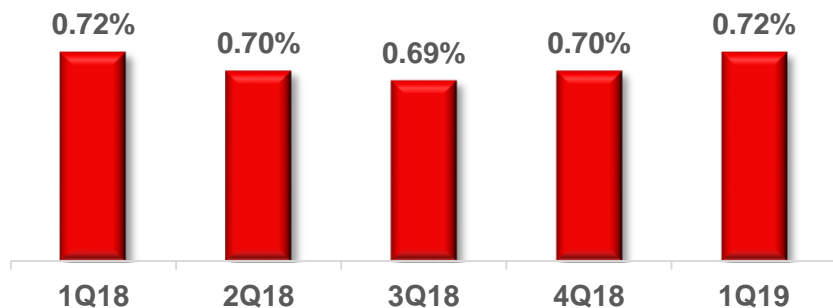
Nonperforming Assets to Assets



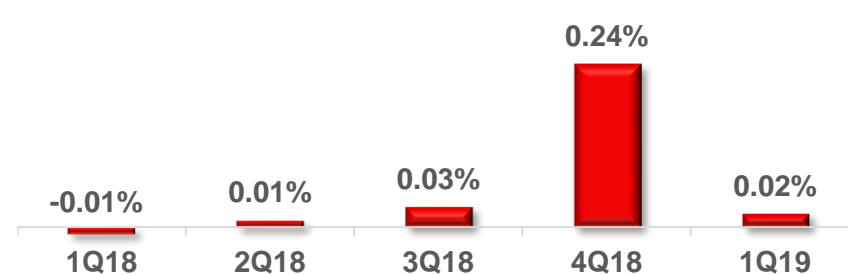
Nonperforming Loans to Loans



Allowance for Loan Losses to Loans

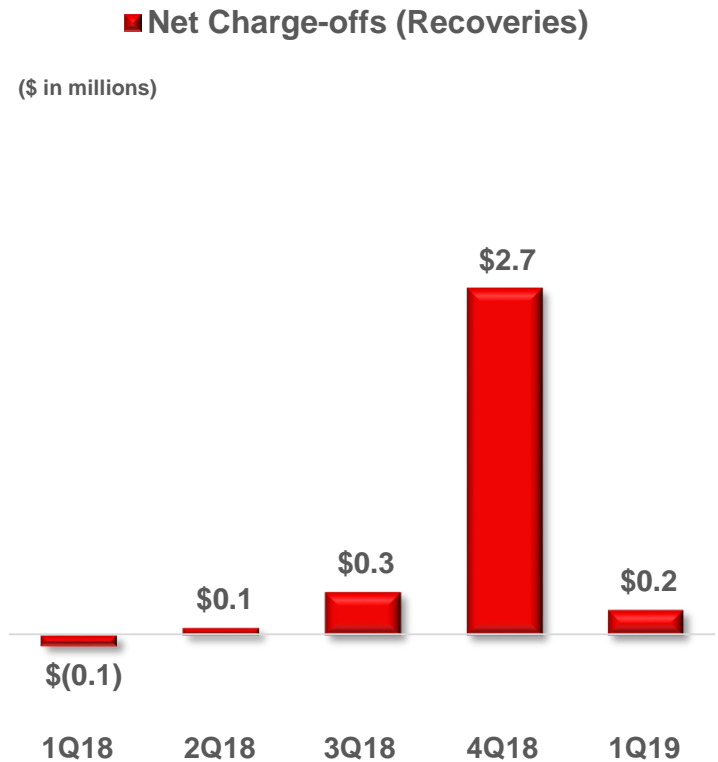
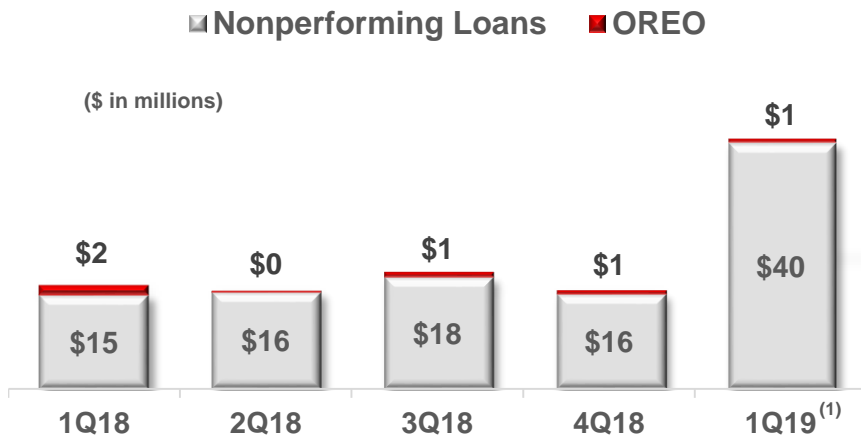
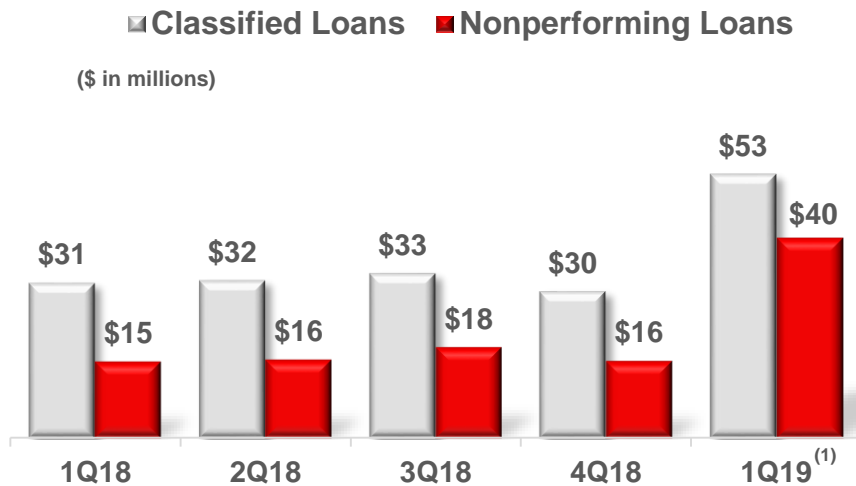


Net Loan and Lease Charge-offs (Recoveries) to Average Loans and Leases



(1) 1Q19 results include a single secured commercial loan relationship totaling \$25 million which experienced an interruption to business activities at the start of the 2nd quarter.

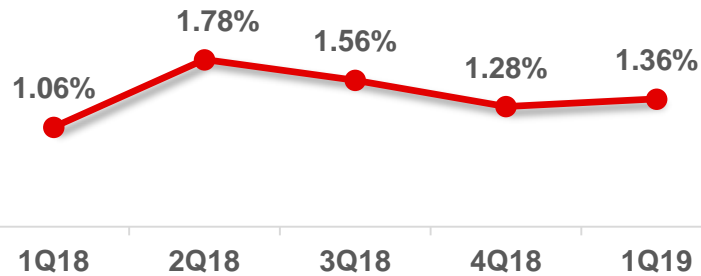
Asset Quality



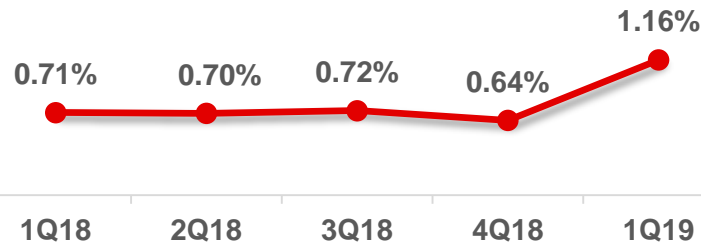
(1) 1Q19 results include a single secured commercial loan relationship totaling \$25 million which experienced an interruption to business activities at the start of the 2nd quarter.

Asset Quality

● Criticized Loans

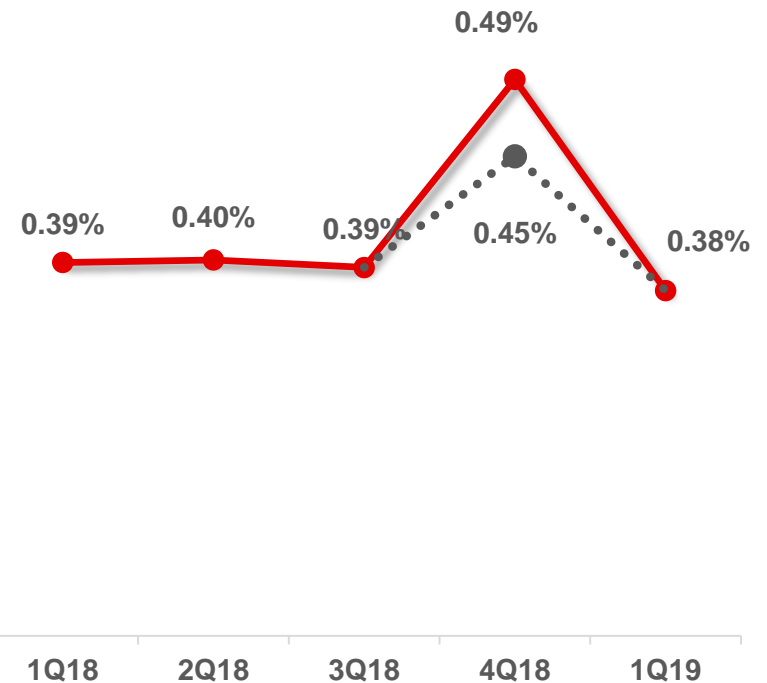


● Classified Loans



● Delinquency (30+)⁽¹⁾

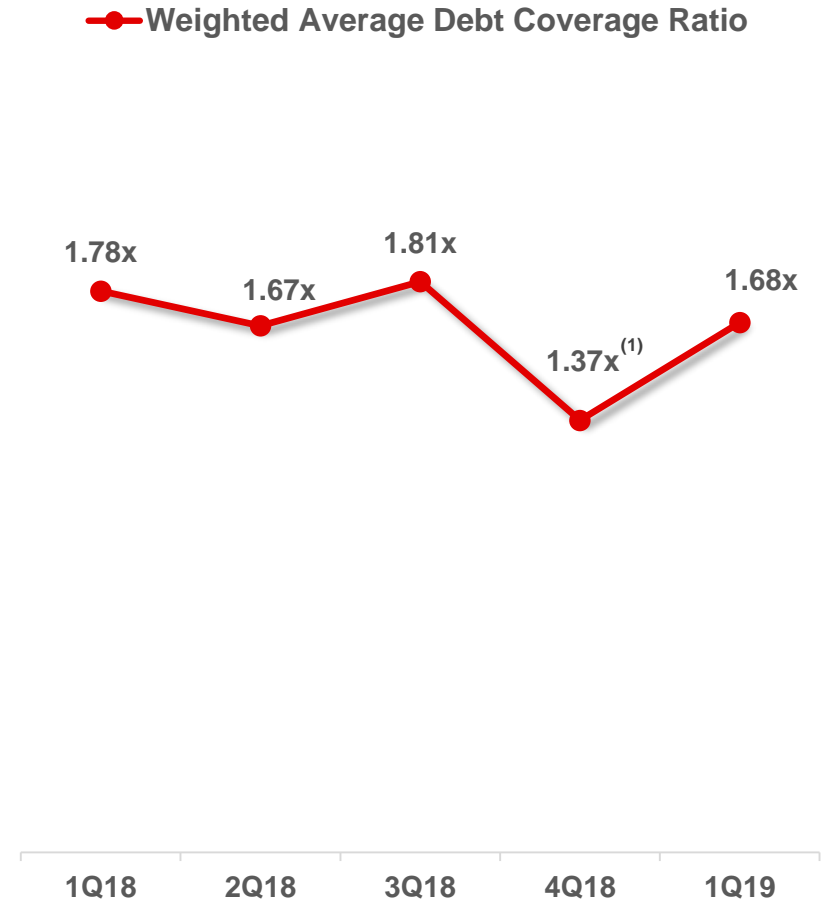
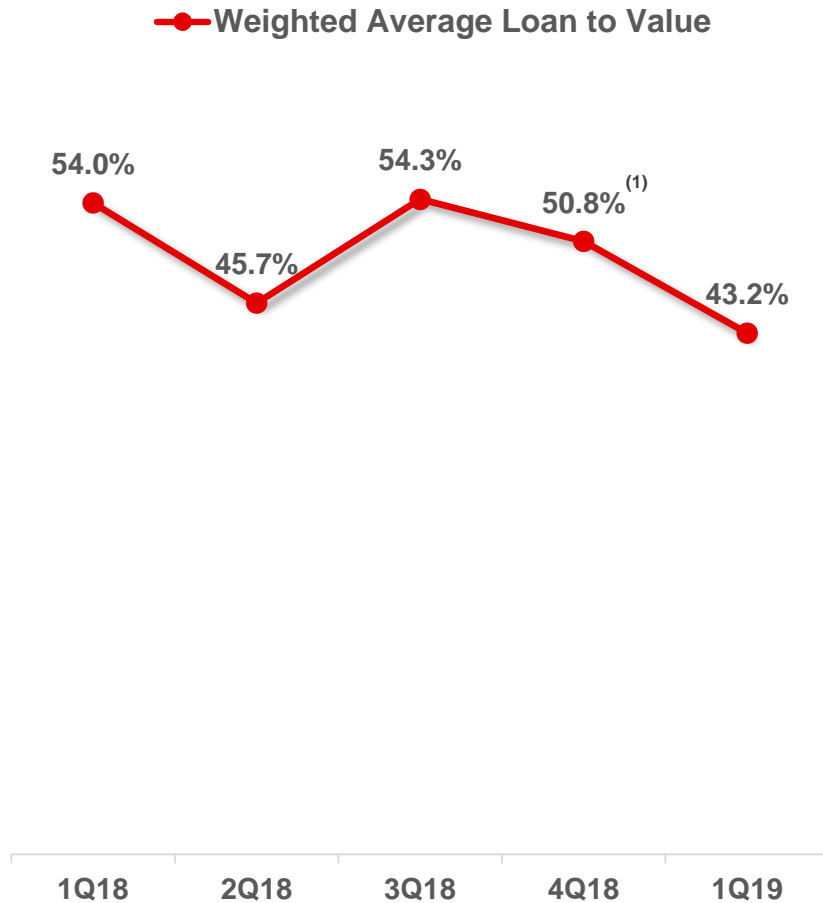
●● Adjusted Delinquency (30+)⁽²⁾



(1) Includes Delinquency 30+ Days and Nonaccrual.

(2) Represents Delinquency 30+ Days and Nonaccrual excluding the effects of the 4Q18 delay in remittance of payments from a servicer resulting in administrative delinquency.

Asset Quality in New CRE Originations



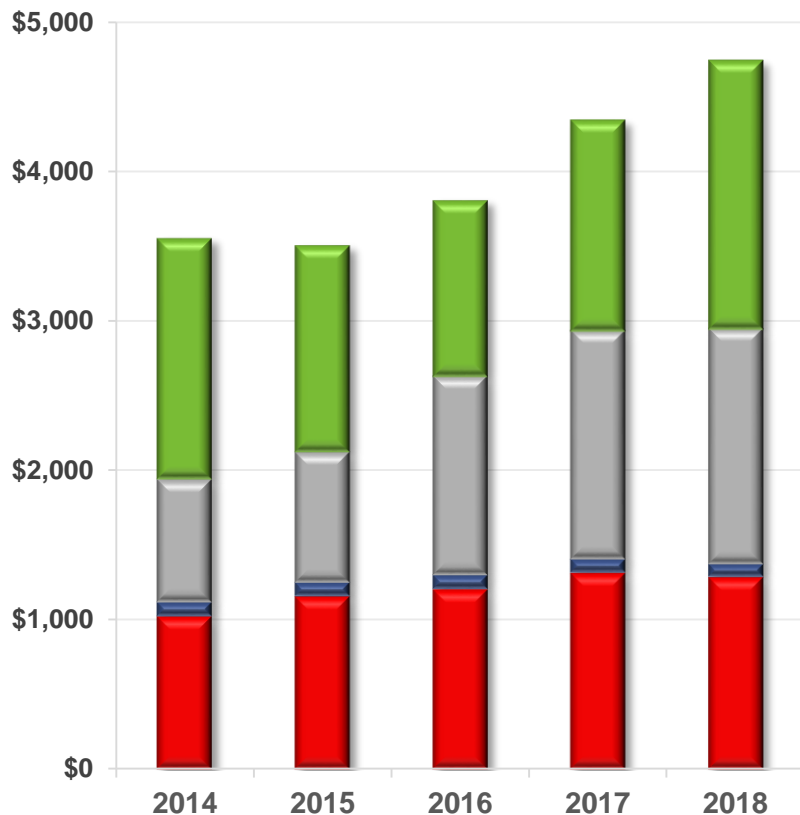
(1) Includes one large hospitality loan booked in 4Q18 with an LTV of 55% and a debt coverage ratio of 1.25 times. The stabilized DCR projected for this property is 1.8 times. Weighted average LTV and DCR for the entire CRE portfolio for 4Q18 are 50% and 2.1 times, respectively.

Diversified Deposit Base

Deposits

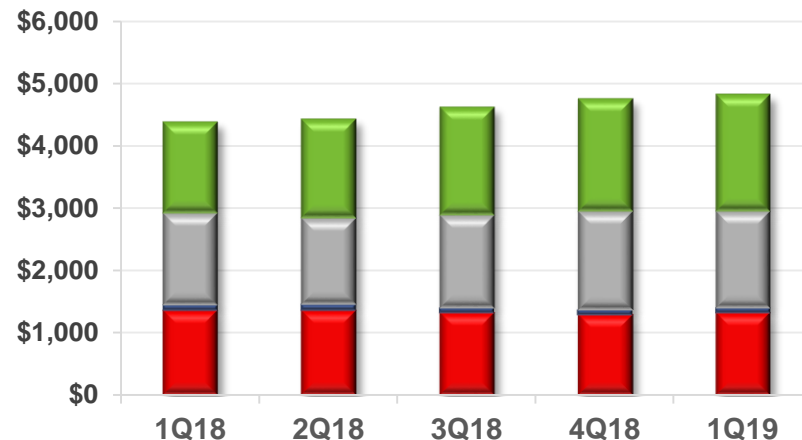
(\$ in millions)

- Time Deposits
- Demand Interest-bearing
- Money Market & Savings
- Demand Noninterest-bearing



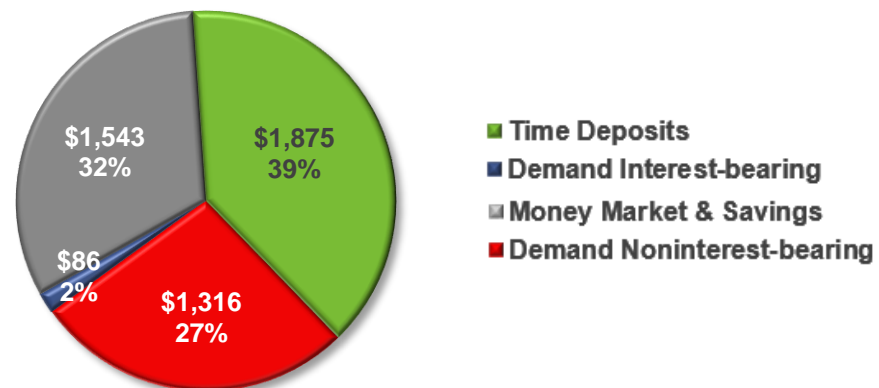
Deposits

(\$ in millions)



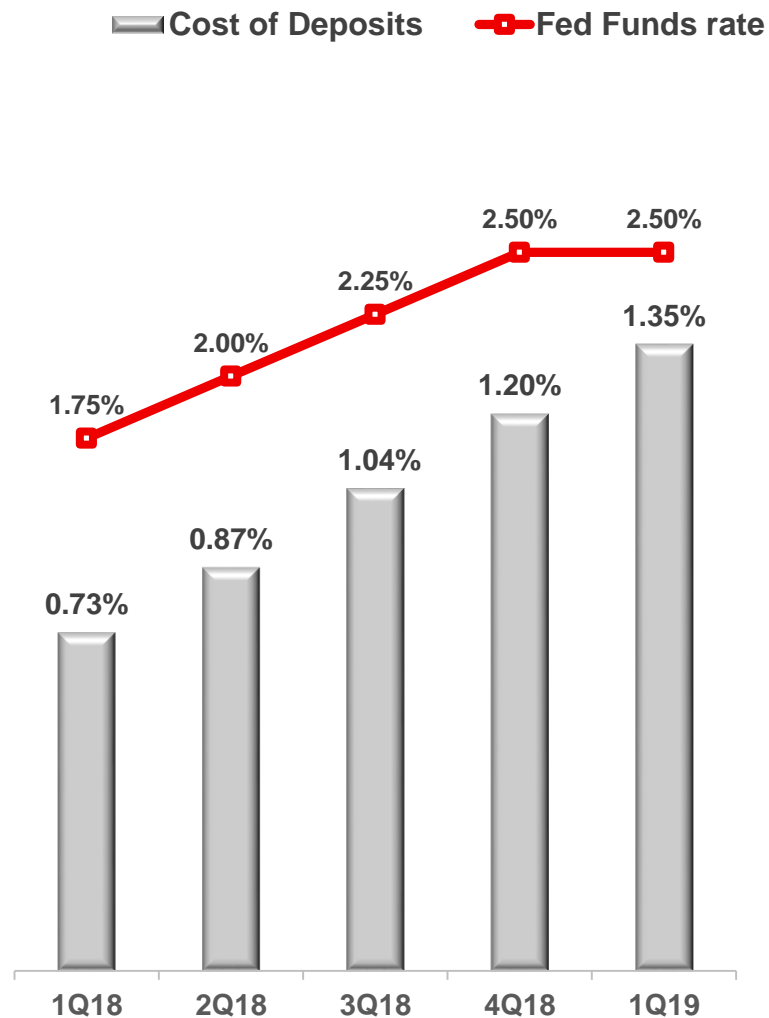
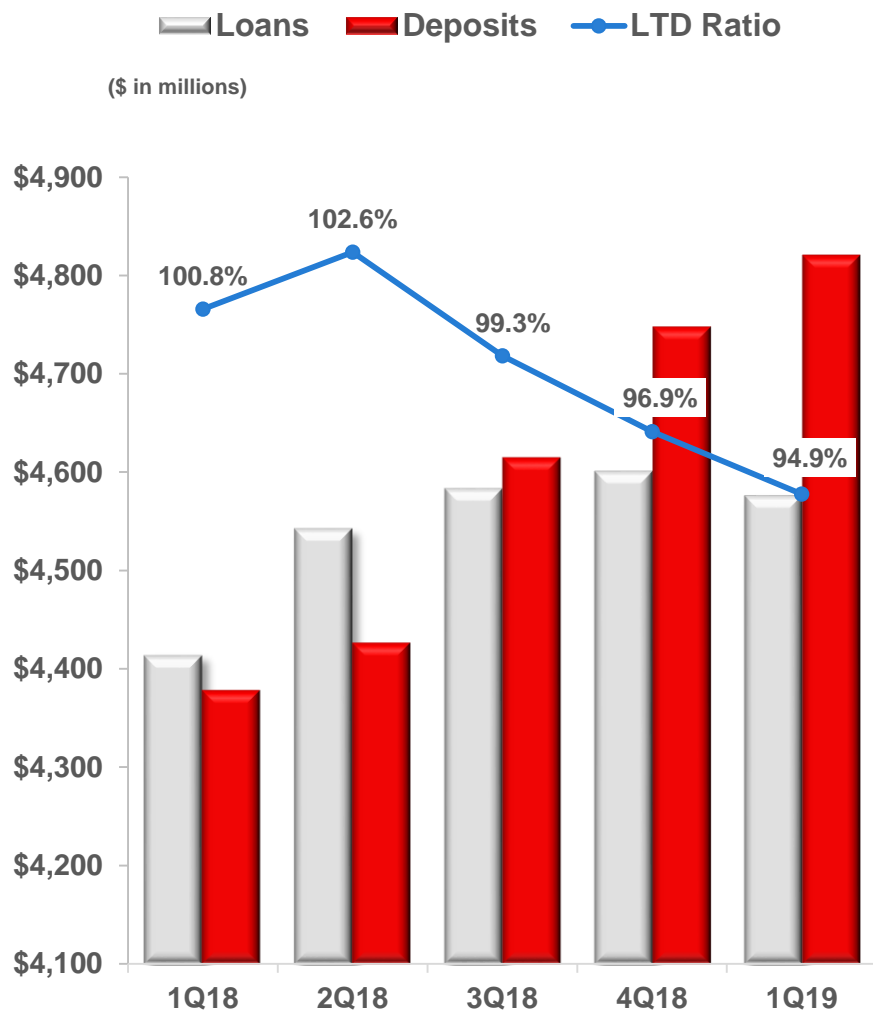
Deposits by Type – March 31, 2019

(\$ in millions)



Note: Numbers may not foot due to rounding

Utilization of Funding Capital



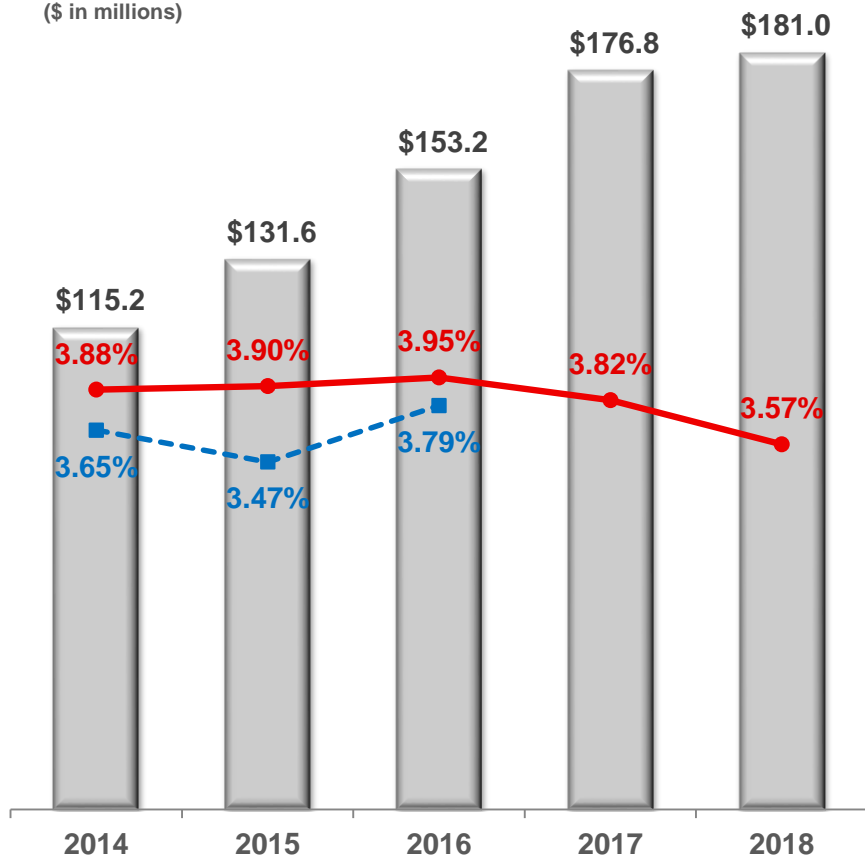
Stabilizing Net Interest Income and Net Interest Margin

Net Interest Income w/o PCI

Net Interest Margin

Net Interest Margin w/o PCI

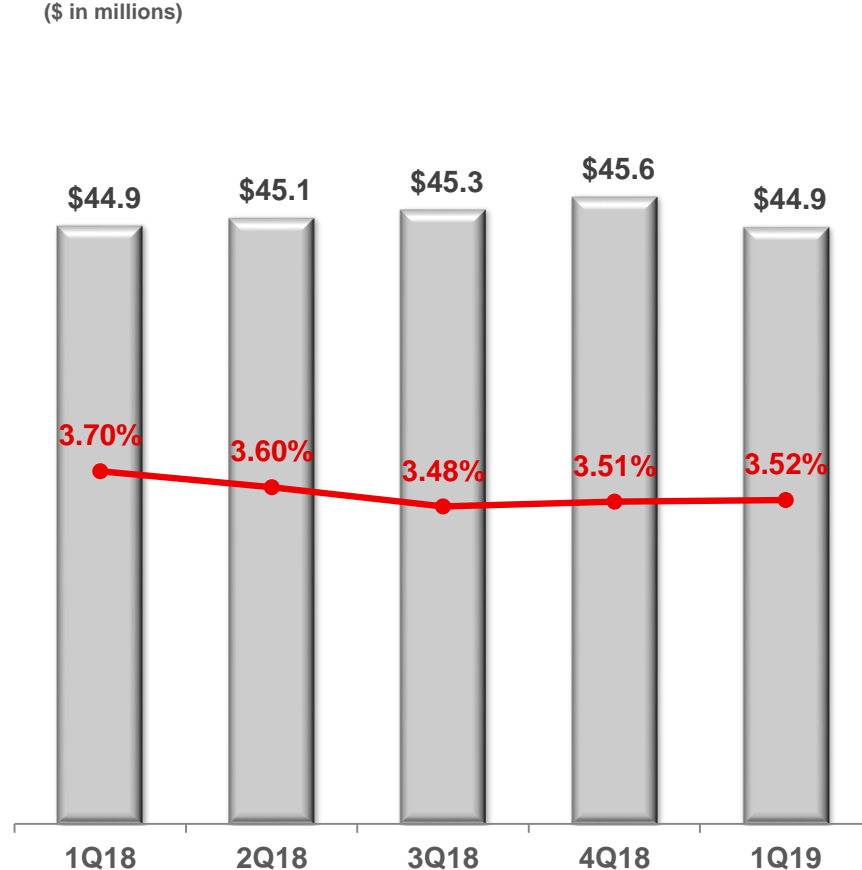
(\$ in millions)



Net Interest Income

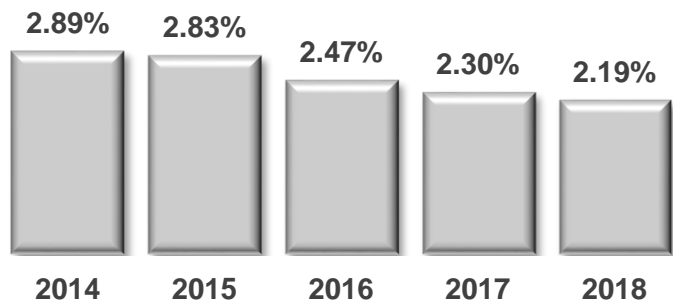
Net Interest Margin

(\$ in millions)

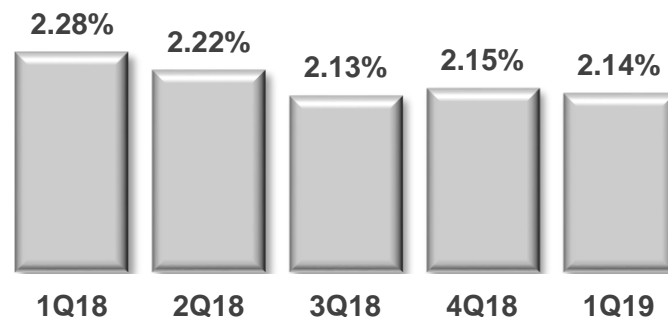


Expense Minded Culture, Improving Efficiency

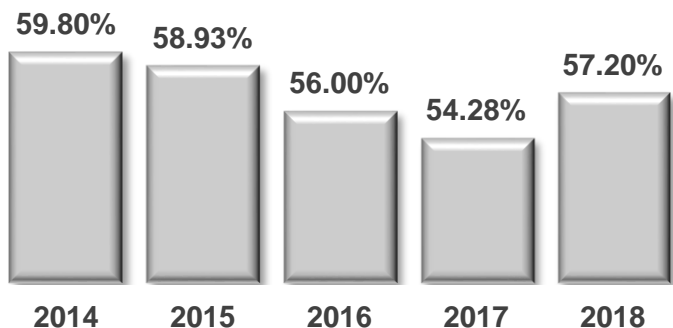
NIE/Avg. Assets



NIE/Avg. Assets

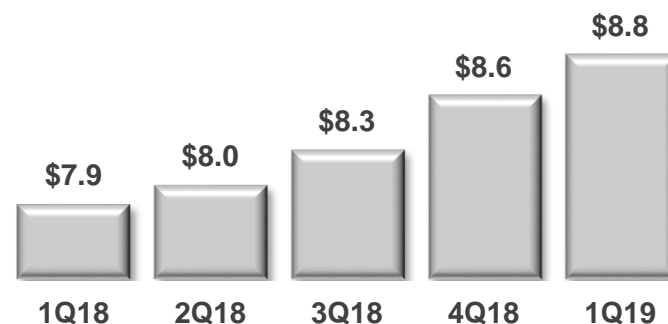


Efficiency Ratio



Avg. Assets/FTE

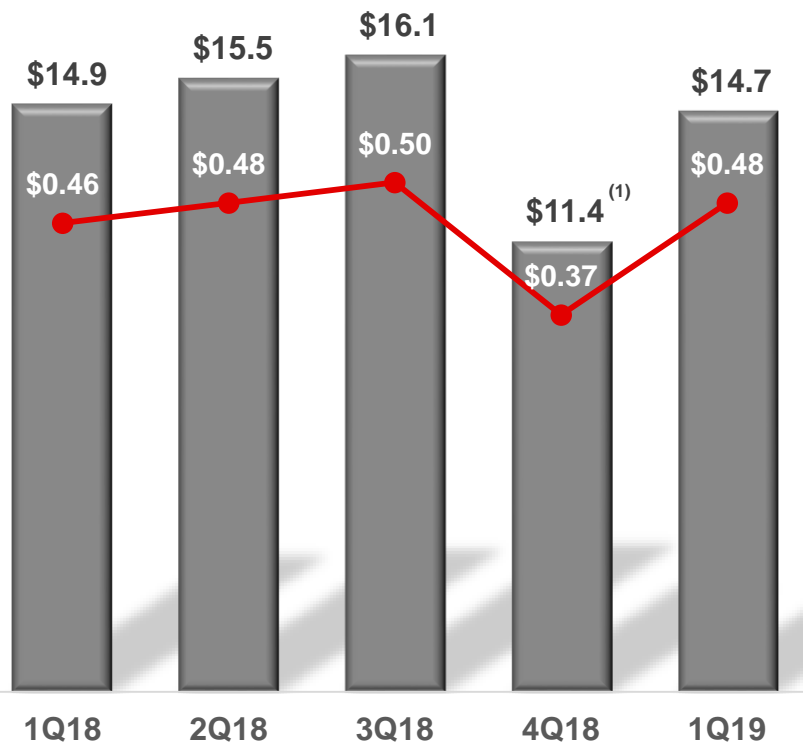
(\$ in millions)



Earnings Performance

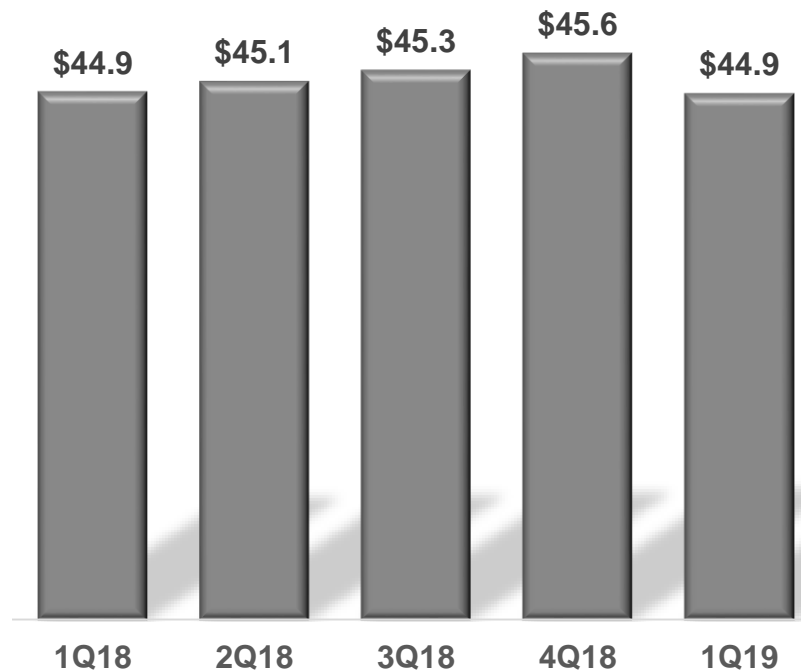
■ Net Income ● Diluted EPS

(\$ in millions)



■ Net Interest Income

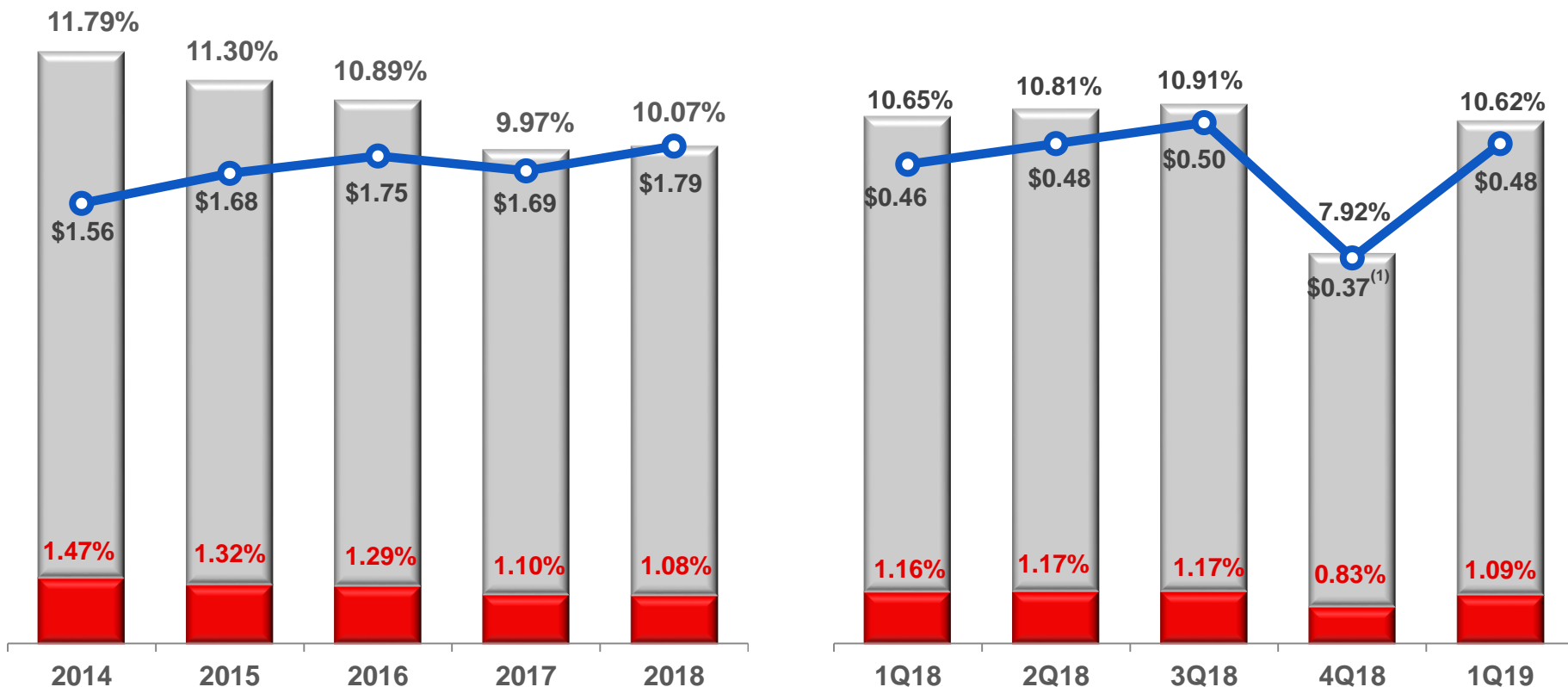
(\$ in millions)



(1) Includes \$2.7 million charge reflecting changes in the valuation of deferred tax assets; reduced 4Q18 net income by \$0.09 per diluted share

Track Record of Profitability

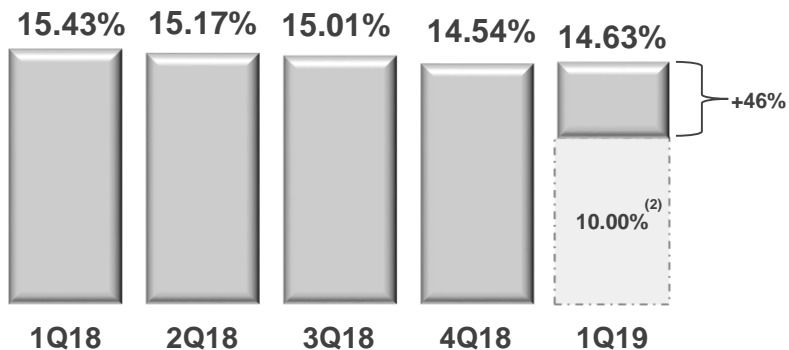
■ ROAA
 ■ ROAE
 —○— Diluted EPS



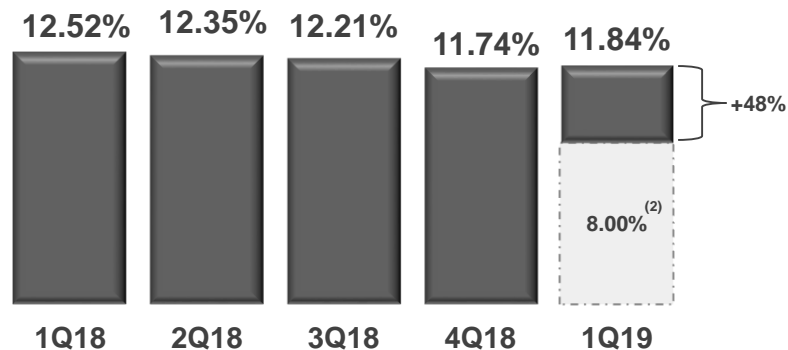
(1) Includes \$2.7 million charge reflecting changes in the valuation of deferred tax assets; reduced 4Q18 net income by \$0.09 per diluted share

Capital Ratios Exceed Well-Capitalized Thresholds⁽¹⁾

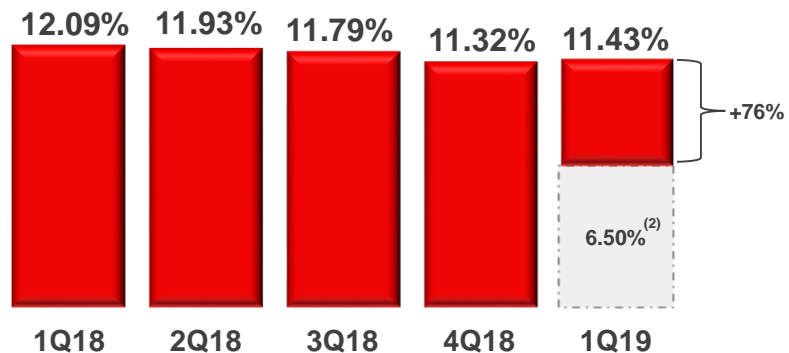
Total RBC



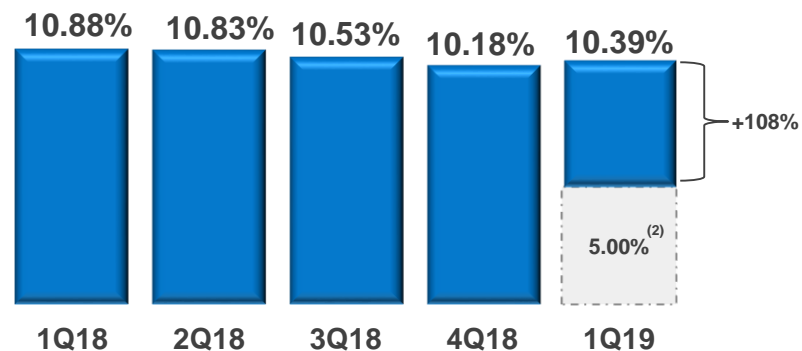
Tier 1 RBC



CET 1



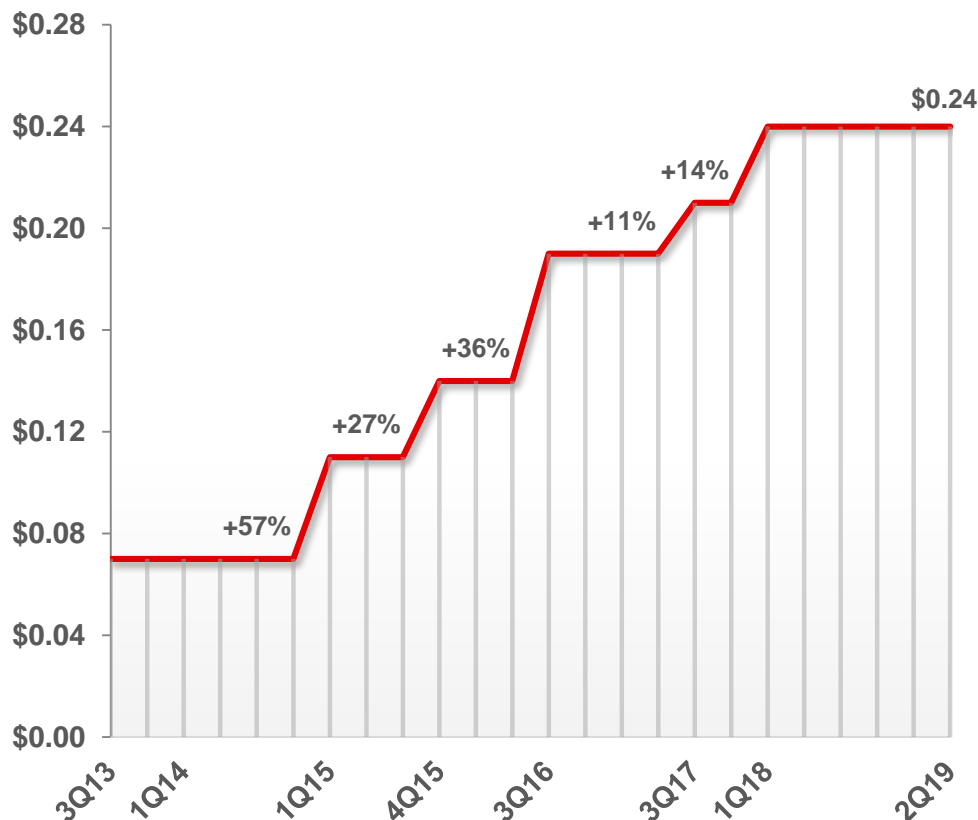
Tier 1 Leverage



(1) Capital ratios are preliminary for March 31, 2019.
 (2) Minimum threshold for a well-capitalized institution.

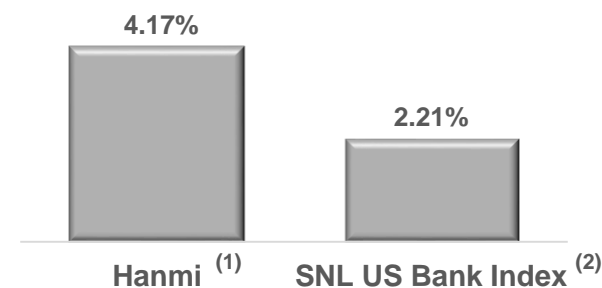
Return of Shareholder Cash - Dividends

Dividend Increases Since 2013



- Quarterly cash dividend substantially increased since initiated; last increase was 14% to \$0.24 per share in 1Q 2018
 - Increased dividend by 243% since dividend initiated in 2013
- Strong dividend yield: 4.17%⁽¹⁾ HAFC vs. 2.21%⁽²⁾ SNL US Bank Index

Annualized Yield



(1) Based on closing HAFC stock price on 4/25/2019 of \$23.02 and annualized quarterly dividend of \$0.24 announced on 4/25/2019.

(2) As of 4/25/2019; Banks in SNL's coverage universe with \$5B to \$10B in assets as of most recent financial data.

Investment Highlights & Opportunities

- **Strong balance sheet and excellent asset quality**
- **Premier core deposit franchise**
- **Future earnings power - expense reduction initiatives underway**
 - Targeting a reduction in non-interest expense by at least \$5 million or approximately \$0.12 per share in 2019
- **Robust annualized dividend yield**
- **Completed repurchase of approximately 5.0% or 1.6 million shares, of Hanmi common stock from September to December 2018**
 - New share repurchase program authorized on January 24, 2019 (5.0% of shares outstanding or 1.5 million shares)