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TRUSTCO BANK CORP N Y
Form 8-K
January 21, 2003

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): January 21, 2003
(January 21, 2003)

TrustCo Bank Corp NY

(Exact name of registrant as specified in its charter)

New York
(State or other jurisdiction of incorporation)

0-10592

14-1630287

(Commission File Number)

(IRS Employer Identification No.)

5 Sarnowski Drive, Glenville, New York 12302
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (518) 377-3311

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TrustCo Bank Corp NY

Item 5. Other Events

On January 21, 2003, TrustCo Bank Corp NY ("TrustCo") issued two press releases with year to date and fourth quarter

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results for the period ending December 31, 2002. Attached is a copy of each press release labeled as Exhibits 99(a) and 99(b).

Item 7

(c) Exhibits

| Reg S-K Exhibit No. | Description |
|---------------------|---|
| 99(a) | Highlights Press Release of January 21, 2003, for the period ending December 31, 2002, regarding year to date and fourth quarter results. |
| 99(b) | Press Release of January 21, 2003, for the period ending December 31, 2002, regarding year to date and fourth quarter results. |

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Dated: January 21, 2003

TrustCo Bank Corp NY
(Registrant)

By:/s/ Robert T. Cushing

Robert T. Cushing
President and
Chief Executive Officer

Exhibits Index

The following exhibits are filed herewith:

| Reg S-K Exhibit No. ----- | Description ----- | Page ----- |
|------------------------------|--|---------------|
| 99(a) | Highlights Press Release of January 21, 2003, for the period ending December 31, 2002, regarding year to date and fourth quarter results. | 5 |
| 99(b) | Press Release of January 21, 2003, for the period ending December 31, 2002, regarding year to date and fourth quarter results. | 6-7 |

TRUSTCO
Bank Corp NY

Exhibit 99(a)
News Release

5 Sarnowski Drive, Glenville, New York, 12302

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(518) 377-3311 Fax: (518) 381-3668

Subsidiary: Trustco Bank

NASDAQ - TRST

Contact: Robert Leonard
Vice President
518-381-3693

FOR IMMEDIATE RELEASE: Glenville, New York - January 21, 2003

TrustCo Bank Corp NY

(dollars in thousands, except per share data)

| | | |
|---|------------|------------|
| | 12/02 | 12/01 |
| Three Months Ended December 31: | | |
| Net Income | \$ 11,014 | 10,949 |
| Provision for Loan Losses | 300 | 1,575 |
| Average Equivalent Shares Outstanding: | | |
| Basic | 74,256,000 | 71,288,000 |
| Diluted | 75,407,000 | 73,877,000 |
| Net Income per Share: | | |
| Basic | \$ 0.148 | 0.154 |
| Diluted | 0.146 | 0.148 |
| | ===== | ===== |
| Twelve Months Ended December 31: | | |
| Net Income | \$ 49,244 | 45,510 |
| Provision for Loan Losses | 1,420 | 4,940 |
| Average Equivalent Shares Outstanding: | | |
| Basic | 72,675,000 | 71,154,000 |
| Diluted | 74,618,000 | 73,673,000 |
| Net Income per Share: | | |
| Basic | \$ 0.678 | 0.640 |
| Diluted | 0.660 | 0.618 |
| | ===== | ===== |
| Period End: | | |
| Total Assets | 2,696,088 | 2,578,621 |
| Total Nonperforming Loans | 4,918 | 7,050 |
| Total Nonperforming Assets | 5,004 | 7,653 |
| Allowance for Loan Losses | 52,558 | 57,203 |
| Allowance as a Percentage of Total Loans | 3.70% | 3.67% |

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TRUSTCO Bank Corp NY

News Release

5 Sarnowski Drive, Glenville, New York, 12302
(518) 377-3311 Fax: (518) 381-3668

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Subsidiary: Trustco Bank

NASDAQ-- TRST

Contact: Robert M. Leonard
Vice President
518-381-3693

FOR IMMEDIATE RELEASE:

TrustCo Announces 2002 Results

Glenville, New York - January 21, 2003

TrustCo Bank Corp NY (TrustCo, NASDAQ:TRST) today announced record results for 2002. Net income for the full year 2002 was \$49.2 million, an increase of \$3.7 million or 8.2% over net income of \$45.5 million for 2001. Diluted earnings per share were \$0.660 for 2002, an increase of 6.8% compared to the \$0.618 diluted earnings per share in 2001. Return on average equity and return on average assets were 26.08% and 1.83% respectively for 2002 and 25.31% and 1.83% respectively for 2001.

Highlights

Robert T. Cushing and Robert J. McCormick, the Presidents and CEOs of Holding Company and Bank respectively, commented on the strong results for 2002 and it's exceptional performance. "The results for 2002 are right on our targets for all performance measurements. We achieved a return on average equity of 26.08%, an increase in our net income of 8.2% and an efficiency ratio of 36.66%.

"We are very encouraged by these results as an indication that our banking strategy of delivering high quality services through our network of community based branches is not only meeting our customer needs, but also providing the desired financial results for our shareholders."

Recently, Nancy A. McNamara, Senior Vice President, indicated that she is contemplating retiring in May 2004. In the interim she will work closely with other TrustCo executives to insure a smooth transition of her responsibilities.

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2002 Results

Net income for 2002 was \$49.2 million, an increase of 8.2% over the net income of \$45.5 million in 2001. The increase in net income combined with TrustCo's capital management process resulted in a return on average equity of 26.08% for 2002 and 25.31% for 2001. TrustCo's efficiency ratio for 2002 was 36.66% compared to 38.96% in 2001.

Commenting on the efficiency ratio, they noted, "Our efficiency ratio continues to reflect our focus on reducing operating costs at every level in the organization. The results for 2002 are world-class." In addition, TrustCo has paid-out approximately 89% of 2002's net income to shareholders in the form of cash dividends on its common stock. They noted, "The primary focus used by TrustCo to measure our performance is return on average equity, because that ratio is a clear indicator of how well we are able to invest and generate returns on the funds that our owners have given to us. For 2002 we achieved a

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26.08% return on average equity while at the same time opening seven new branch offices, insuring growth into the future."

Also, enclosed are tables of quarterly and year to date information for 2002 and 2001.

TrustCo is a \$2.7 billion bank holding company and through its subsidiary Trustco Bank, operates 62 offices in Albany, Columbia, Dutchess, Greene, Montgomery, Rennselaer, Rockland, Saratoga, Schenectady, Schoharie, Warren, Washington, and Westchester Counties in New York, and Bennington County in Vermont. In addition, the bank operates a full service Trust Department that has \$897 million of assets under management. The common shares of TrustCo are traded on the NASDAQ National Market tier of the NASDAQ Stock Market under the symbol TRST.

Except for the historical information contained herein, the matters discussed in this news release and other information contained in TrustCo's Securities and Exchange Commission filings may express "forward-looking statements". Those forward-looking statements may involve risk and uncertainties, including statements containing future events or performance and assumptions and other statements of historical facts.

TrustCo wishes to caution readers not to place undue reliance on any forward-looking statements, which speak only as of the date made. Readers are advised that various risk factors, including, but not limited to: (1) credit risk, (2) interest rate risk, (3) competition, (4) changes in the regulatory environment, and (5) changes in general business and economic trends, could cause the actual results or circumstances for future periods to differ materially from those anticipated or projected in the forward-looking statements.

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TRUSTCO BANK CORP NY
SCHENECTADY, NY

(dollars in thousands, except per share data)

| | 12/31/2002 | Three Months Ended 09/30/2002 |
|-----------------------------|------------|----------------------------------|
| Summary of operations | | |
| Net interest income (TE) | \$26,090 | \$25,817 |
| Provision for loan losses | 300 | 300 |
| Net securities transactions | 1,328 | 2,399 |
| Noninterest income | 4,618 | 4,465 |
| Noninterest expense | 17,794 | 11,422 |
| Net income | 11,014 | 13,291 |
| Per common share | | |
| Net income per share: | | |
| - Basic | 0.148 | 0.183 |
| - Diluted | 0.146 | 0.179 |
| Cash dividends | 0.150 | 0.150 |

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| | | |
|--|--------|-------|
| Tangible Book value at period end | 3.16 | 3.08 |
| Market price at period end | 10.78 | 10.58 |
| At period end | | |
| Full time equivalent employees | 468 | 469 |
| Full service banking offices | 62 | 63 |
| Performance ratios | | |
| Return on average assets | 1.64 % | 1.92 |
| Return on average equity (1) | 22.17 | 27.50 |
| Efficiency (2) | 35.30 | 36.26 |
| Net interest spread (TE) | 3.77 | 3.61 |
| Net interest margin (TE) | 4.09 | 3.93 |
| Dividend payout ratio | 101.08 | 81.64 |
| Capital ratios at period end (3) | | |
| Total equity to assets | 7.78 | 7.54 |
| Tier 1 risk adjusted capital | 15.48 | 14.43 |
| Total risk adjusted capital | 16.77 | 15.71 |
| Asset quality analysis at period end | | |
| Nonperforming loans to total loans | 0.35 % | 0.42 |
| Nonperforming assets to total assets | 0.19 | 0.25 |
| Allowance for loan losses to total loans | 3.70 | 3.61 |
| Coverage ratio (4) | 10.7 X | 8.6 X |

- (1) Average equity excludes the effect of the market value adjustment for securities available for sale.
- (2) Calculated as noninterest expense (excluding ORE income/expense, goodwill amortization and any nonrecurring charges) divided by taxable equivalent net interest income plus noninterest income (excluding net securities transactions).
- (3) Capital ratios exclude the effect of the market value adjustment for securities available for sale.
- (4) Calculated as allowance for loan losses divided by total nonperforming loans.
- TE = Taxable equivalent.

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FINANCIAL HIGHLIGHTS, Continued

| | Twelve Months Ended | |
|-----------------------------|---------------------|------------|
| | 12/31/2002 | 12/31/2001 |
| Summary of operations | | |
| Net interest income (TE) | \$103,289 | \$102,416 |
| Provision for loan losses | 1,420 | 4,940 |
| Net securities transactions | 7,499 | 4,517 |
| Noninterest income | 19,799 | 21,285 |
| Noninterest expense | 55,326 | 51,313 |
| Net income | 49,244 | 45,510 |

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Per common share

| | | |
|-----------------------------------|-------|-------|
| Net income per share: | | |
| - Basic | 0.678 | 0.640 |
| - Diluted | 0.660 | 0.618 |
| Cash dividends | 0.600 | 0.541 |
| Tangible Book value at period end | 3.16 | 2.88 |
| Market price at period end | 10.78 | 12.57 |

Performance ratios

| | | |
|------------------------------|--------|-------|
| Return on average assets | 1.83 % | 1.83 |
| Return on average equity (1) | 26.08 | 25.31 |
| Efficiency (2) | 36.66 | 38.96 |
| Net interest spread (TE) | 3.65 | 3.83 |
| Net interest margin (TE) | 4.00 | 4.31 |
| Dividend payout ratio | 88.58 | 84.58 |

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CONSOLIDATED BALANCE SHEETS
(dollars in thousands)

12/31/2002

ASSETS

| | |
|---|-------------|
| Loans, net | \$1,369,743 |
| Securities available for sale | 653,163 |
| Federal funds sold and other short term investments | 542,125 |

| | |
|----------------------|-----------|
| Total earning assets | 2,565,031 |
|----------------------|-----------|

| | |
|-----------------------------|--------|
| Cash and due from banks | 63,957 |
| Bank premises and equipment | 19,544 |
| Other assets | 47,556 |

| | |
|--------------|-------------|
| Total assets | \$2,696,088 |
|--------------|-------------|

LIABILITIES

| | |
|--------------------------------------|-----------|
| Deposits: | |
| Demand | \$178,058 |
| Interest-bearing checking | 338,740 |
| Savings | 715,349 |
| Money Market | 130,914 |
| Certificates of deposit > \$100 thou | 137,513 |
| Other time deposits | 773,694 |

| | |
|----------------|-----------|
| Total deposits | 2,274,268 |
|----------------|-----------|

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| | |
|--|-------------|
| Short-term borrowings | 141,231 |
| Long-term debt | 427 |
| Other liabilities | 45,318 |
| | ----- |
| Total liabilities | 2,461,244 |
| SHAREHOLDERS' EQUITY | 234,844 |
| | ----- |
| Total liabilities and shareholders' equity | \$2,696,088 |
| | ===== |
| Number of common shares outstanding, in thousands | 74,178 |

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CONSOLIDATED STATEMENTS OF INCOME
(dollars in thousands, except per share data)

| | 12/31/2002 | Three Months 09/30/ |
|--|------------|------------------------|
| Interest income | | |
| Loans | 26,967 | 28 |
| Investments | 8,351 | 8 |
| Federal funds sold and other short term investments | 1,895 | 2 |
| | ----- | ----- |
| Total interest income | 37,213 | 38 |
| Interest expense | | |
| Deposits | 12,811 | 13 |
| Borrowings | 417 | |
| | ----- | ----- |
| Total interest expense | 13,228 | 14 |
| | ----- | ----- |
| Net interest income | 23,985 | 23 |
| Provision for loan losses | 300 | |
| | ----- | ----- |
| Net interest income after provision for loan losses | 23,685 | 23 |
| Net securities transactions | 1,328 | 2 |

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| | | |
|--|----------|------|
| Noninterest income | 4,618 | 4 |
| Noninterest expense | 17,794 | 11 |
| ----- | | |
| Income before income taxes | 11,837 | 19 |
| Income tax expense | 823 | 5 |
| ----- | | |
| Net income | \$11,014 | \$13 |
| ===== | | |
| Net income per share: | | |
| - Basic | \$0.148 | \$0 |
| - Diluted | \$0.146 | \$0 |
| Avg equivalent shares outstanding, in thousands: | | |
| - Basic | 74,256 | 72 |
| - Diluted | 75,407 | 74 |
| ===== | | |

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CONSOLIDATED STATEMENTS OF INCOME
(dollars in thousands, except per share data)

| | Twelve Months Ended | |
|--|---------------------|------|
| | 12/31/02 | 12/3 |
| Interest income | | |
| Loans | \$111,993 | 119 |
| Investments | 33,284 | 38 |
| Federal funds sold and other short term investments | 8,458 | 10 |
| | ----- | |
| Total interest income | 153,735 | 168 |
| Interest expense | | |
| Deposits | 55,150 | 66 |
| Borrowings | 2,870 | 6 |
| | ----- | |
| Total interest expense | 58,020 | 72 |
| | ----- | |
| Net interest income | 95,715 | 95 |
| Provision for loan losses | 1,420 | 4 |
| | ----- | |
| Net interest income after provision for loan losses | 94,295 | 90 |

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| | | |
|--|----------|----|
| Net securities transactions | 7,499 | 4 |
| Noninterest income | 19,799 | 21 |
| Noninterest expense | 55,326 | 51 |
| <hr/> | | |
| Income before income taxes | 66,267 | 65 |
| Income tax expense | 17,023 | 19 |
| <hr/> | | |
| Net income | \$49,244 | 45 |
| <hr/> | | |
| Net income per share: | | |
| - Basic | \$0.678 | 0 |
| - Diluted | \$0.660 | 0 |
| Avg equivalent shares outstanding, in thousands: | | |
| - Basic | 72,675 | 71 |
| - Diluted | 74,618 | 73 |
| <hr/> | | |

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CONSOLIDATED AVERAGE BALANCE SHEETS
(in thousands)

| | 12/31/2002 | Three Months Ended | |
|------------------------------|-------------|--------------------|------------|
| | | 09/30/2002 | 12/31/2001 |
| Total assets | \$2,672,676 | 2,748,406 | 2,532,314 |
| Shareholders' equity | \$224,299 | 220,687 | 207,002 |
| Total loans | \$1,468,160 | 1,519,558 | 1,556,180 |
| Interest earning assets | \$2,561,030 | 2,636,263 | 2,420,064 |
| Interest-bearing liabilities | \$2,203,967 | 2,278,769 | 2,083,476 |

| | Twelve Months Ended | |
|------------------------------|---------------------|------------|
| | 12/31/2002 | 12/31/2001 |
| Total assets | \$2,693,505 | 2,488,169 |
| Shareholders' equity | \$214,963 | 202,848 |
| Total loans | \$1,512,448 | 1,518,768 |
| Interest earning assets | \$2,579,379 | 2,376,359 |
| Interest-bearing liabilities | \$2,230,224 | 2,053,100 |

###