TRUSTCO BANK CORP N Y Form 10-Q May 04, 2012

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 March 31, 2012

Commission File Number 0-10592

#### TRUSTCO BANK CORP NY (Exact name of registrant as specified in its charter)

NEW YORK (State or other jurisdiction of incorporation or organization) 14-1630287 (I.R.S. Employer Identification No.)

# 5 SARNOWSKI DRIVE, GLENVILLE, NEW YORK12302(Address of principal executive offices)(Zip Code)

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

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. xYes o 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 (Sec. 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). xYes o 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 "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer o Accelerated filer x Non-accelerated filer o Smaller reporting company o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). oYes x No

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

Common Stock \$1 Par Value Number of Shares Outstanding as of April 30, 2012 93,674,359

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## TrustCo Bank Corp NY

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### TRUSTCO BANK CORP NY Consolidated Statements of Income (Unaudited) (dollars in thousands, except per share data)

20122011Interest and dividend income:\$32,42531,677Interest and fees on loans\$32,42531,677Interest and dividends on securities available for sale:2,3043,199U. S. government sponsored enterprises2,3043,199States and political subdivisions410784Mortgage-backed securities and collateralized mortgage obligations-residential1,093608Corporate bonds8221,139Other securities9561Total interest and dividends on securities available for sale4,7245,791		Three Mont March 31,	Three Months Ended March 31	
Interest and fees on loans\$32,42531,677Interest and dividends on securities available for sale:2,3043,199States and political subdivisions410784Morgage-backed securities and collateralized mortgage obligations-residential1,093608Corporate bonds8221,139Other securities9561Total interest and dividends on securities available for sale4,7245,791Interest on held to maturity securities:25-U. S. government sponsored enterprises25-Morgage-backed securities and collateralized mortgage obligations-residential1,2901,188Corporate bonds509715715Total interest on held to maturity securities1,8241,903Interest on federal funds sold and other short term investments320246Total interest income39,29339,617Interest expense:Interest on deposits:-Interest on deposits:1,102933Money market deposit accounts9231,227Time deposits3,4184,443Interest income33,38432,542Provision for loan losses3,1004,600Net interest income after provision for loan losses30,28427,942Noninterest income:1,3941,574Trustoe Financial Services income1,3941,574Fees for other services to customers2,2402,094Noti interest income:774287Other20731			2011	
Interest and dividends on securities available for sale: U. S. government sponsored enterprises States and political subdivisions Mortgage-backed securities and collateralized mortgage obligations-residential Corporate bonds Corporate bon	Interest and dividend income:			
U. S. government sponsored enterprises 2,304 3,199   States and political subdivisions 410 784   Mortgage-backed securities and collateralized mortgage obligations-residential 1,093 608   Corporate bonds 822 1,139   Other securities 95 61   Total interest and dividends on securities available for sale 4,724 5,791   Interest on held to maturity securities: 25 -   U. S. government sponsored enterprises 25 -   Mortgage-backed securities and collateralized mortgage obligations-residential 1,290 1,188   Corporate bonds 509 715 5   Total interest on held to maturity securities 1,824 1,903   Interest on federal funds sold and other short term investments 320 246   Total interest income 39,293 39,617   Interest expense: 1,102 933   Money market deposita accounts 1,102 933   Money market deposit accounts 923 1,227   Time deposits 3,418 4,443   Interest on short-term borrowings 388 407	Interest and fees on loans	\$32,425	31,677	
States and political subdivisions410784Mortgage-backed securities and collateralized mortgage obligations-residential1,093608Corporate bonds8221,139Other securities9561Total interest and dividends on securities available for sale4,7245,791Interest on held to maturity securities:125-U. S. government sponsored enterprises25Mortgage-backed securities and collateralized mortgage obligations-residential1,2901,188Corporate bonds509715-Total interest on held to maturity securities1,8241,903Interest on federal funds sold and other short term investments320246Total interest income39,29339,617Interest expense:Interest expense:Interest on deposits:Interest on sort-term borrowings388407Total interest income33,38432,542Provision for loan losses3,1004,600Net interest income33,38432,542Provision for loan losses3,028427,942Noninterest income:Trustoo Financial Services income1,3941,574Fees for other services to customers2,2402,094Notinterest income:-2,7402,094Notinterest income:Trustoo Financial Services income1,3941,574Fees for other se	Interest and dividends on securities available for sale:			
Mortgage-backed securities and collateralized mortgage obligations-residential1,093608Corporate bonds8221,139Other securities9561Total interest and dividends on securities available for sale4,7245,791Interest on held to maturity securities:UUU. S. government sponsored enterprises25-Mortgage-backed securities and collateralized mortgage obligations-residential1,2901,188Corporate bonds509715Total interest on held to maturity securities1,8241,903Interest on federal funds sold and other short term investments320246Total interest income39,29339,617Interest expense:Interest expense:Interest bearing checking78Interest expense:Interest expense1,102933Money market deposits34184,443Interest expense3,4184,443Interest expense3,0004,600Net interest income33,38432,542Provision for loan losses30,28427,942Noninterest income1,3941,574Fees for other services to customers2,2402,094Net interest income1,3941,574Fees for other services to customers2,2402,094Net gain on securities transactions677287Other2073161	U. S. government sponsored enterprises	2,304	3,199	
Corporate bonds8221,139Other securities9561Total interest and dividends on securities available for sale4,7245,791Interest on held to maturity securities:25-U. S. government sponsored enterprises25-Mortgage-backed securities and collateralized mortgage obligations-residential1,2901,188Corporate bonds509715715Total interest on held to maturity securities1,8241,903Interest on federal funds sold and other short term investments320246Total interest income39,29339,617Interest expense:Interest on deposits:Interest on short-term borrowings7865Savings accounts1,102933Money market deposit accounts3,4184,443Interest on short-term borrowings388407Total interest income33,38432,542Provision for loan losses3,1004,600Net interest income effect provision for loan losses3,202246Noninterest income:Trustoo Financial Services income1,3941,574Fees for other services to customers2,2402,094Net gain on securities transactions677287Other207316	States and political subdivisions	410	784	
Other securities9561Total interest and dividends on securities available for sale4,7245,791Interest on held to maturity securities:	Mortgage-backed securities and collateralized mortgage obligations-residential	1,093	608	
Total interest and dividends on securities available for sale4.7245.791Interest on held to maturity securities:.U. S. government sponsored enterprises25Mortgage-backed securities and collateralized mortgage obligations-residential1,2901,188509Corporate bonds509Total interest on held to maturity securities1,824Interest on federal funds sold and other short term investments320246Total interest income39,29339,617Interest expense:Interest on deposits:Interest on deposits:Interest on goots:Interest on boysits accounts1,102933Money market deposit accounts1,1029388407Total interest income3,3843,2,542Provision for loan losses3,0004,600Net interest income:Trusteo Financial Services income1,3941,574Fees for other services to customers2,2402,0442,0402,2402,2402,2402,2402,2412,2402,2402,2402,2402,2402,2402,2402,2402,2402,2402,2402,2402,2402,2402,2402,2402,2402,2402,240 <td>Corporate bonds</td> <td>822</td> <td>1,139</td>	Corporate bonds	822	1,139	
Interest on held to maturity securities: U. S. government sponsored enterprises 25 - Mortgage-backed securities and collateralized mortgage obligations-residential 1,290 1,188 Corporate bonds 509 715 Total interest on held to maturity securities 1,824 1,903 Interest on federal funds sold and other short term investments 320 246 Total interest income 39,293 39,617 Interest expense: Interest expense: Interest on deposits: Interest on deposits: Interest on deposits: Interest deposits 1,102 933 Money market deposit accounts 923 1,227 Time deposits 3,418 4,443 Interest on short-term borrowings 388 407 Total interest expense 5,909 7,075 Net interest expense 5,909 7,075 Net interest income 33,384 32,542 Provision for loan losses 3,100 4,600 Net interest income 1,394 1,574 Fees for other services to customers 2,240 2,094 Net gain on securities transactions 677 287 Other 207 316	Other securities	95	61	
U. S. government sponsored enterprises25-Mortgage-backed securities and collateralized mortgage obligations-residential1,2901,188Corporate bonds509715Total interest on held to maturity securities1,8241,903Interest on federal funds sold and other short term investments320246Total interest income39,29339,617Interest expense:320246Interest on deposits:1,102933Money market deposit accounts9231,227Time deposits3,4184,443Interest income33,38432,542Total interest income33,38432,542Provision for loan losses3,1004,600Net interest income:33,38432,542Noninterest income:1,3941,574Fees for other services to customers2,2402,094Net gain on securities transactions677287Other207316	Total interest and dividends on securities available for sale	4,724	5,791	
Mortgage-backed securities and collateralized mortgage obligations-residential $1,290$ $1,188$ Corporate bonds $509$ $715$ Total interest on held to maturity securities $1,824$ $1,903$ Interest on federal funds sold and other short term investments $320$ $246$ Total interest income $39,293$ $39,617$ Interest expense: $39,293$ $39,617$ Interest expense: $1102$ $933$ Interest on deposits: $1102$ $933$ Money market deposit accounts $923$ $1,227$ Time deposits $3,418$ $4,443$ Interest on short-term borrowings $388$ $407$ Total interest income $33,384$ $32,542$ Provision for loan losses $3,100$ $4,600$ Net interest income after provision for loan losses $30,284$ $27,942$ Noninterest income: $1,394$ $1,574$ Fees for other services to customers $2,240$ $2,094$ Not gain on securities transactions $677$ $287$ Other $207$ $316$	Interest on held to maturity securities:			
Corporate bonds509715Total interest on held to maturity securities1,8241,903Interest on federal funds sold and other short term investments320246Total interest income39,29339,617Interest expense:39,29339,617Interest on deposits:7865Savings accounts1,102933Money market deposit accounts9231,227Time deposits3,4184,443Interest on short-term borrowings388407Total interest expense5,9097,075Net interest income33,38432,542Provision for loan losses31,004,600Net interest income after provision for loan losses30,28427,942Noninterest income:1,3941,574Fees for other services to customers2,2402,094Net gain on securities transactions677287Other207316	U. S. government sponsored enterprises	25	-	
Corporate bonds509715Total interest on held to maturity securities1,8241,903Interest on federal funds sold and other short term investments320246Total interest income39,29339,617Interest expense:39,29339,617Interest on deposits:7865Savings accounts1,102933Money market deposit accounts9231,227Time deposits3,4184,443Interest on short-term borrowings388407Total interest expense5,9097,075Net interest income33,38432,542Provision for loan losses31,004,600Net interest income after provision for loan losses30,28427,942Noninterest income:1,3941,574Fees for other services to customers2,2402,094Net gain on securities transactions677287Other207316		1,290	1,188	
Interest on federal funds sold and other short term investments 320 246 Total interest income 39,293 39,617 Interest expense: Interest on deposits: Interest-bearing checking 78 65 Savings accounts 1,102 933 Money market deposit accounts 923 1,227 Time deposits 3,418 4,443 Interest on short-term borrowings 388 407 Total interest expense 5,909 7,075 Net interest income 33,384 32,542 Provision for loan losses 3,100 4,600 Net interest income after provision for loan losses 30,284 27,942 Noninterest income: Trustco Financial Services income 1,394 1,574 Fees for other services to customers 2,240 2,094 Net gain on securities transactions 677 287 Other 207 316	Corporate bonds	509	715	
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Interest expense:Interest on deposits:Interest-bearing checking78Interest-bearing checking78Savings accounts1,102Money market deposit accounts923Interest on short-term borrowings3,418Interest on short-term borrowings388407Total interest expense5,909Note interest income33,38432,542Provision for loan losses30,28427,942Noninterest income:Trustco Financial Services income1,3941,3941,574Fees for other services to customers2,2402,094677Net gain on securities transactions677207316	Interest on federal funds sold and other short term investments	320	246	
Interest on deposits: 78 65   Interest-bearing checking 78 65   Savings accounts 1,102 933   Money market deposit accounts 923 1,227   Time deposits 3,418 4,443   Interest on short-term borrowings 388 407   Total interest expense 5,909 7,075   Net interest income 33,384 32,542   Provision for loan losses 30,284 27,942   Noninterest income: 1,394 1,574   Trustco Financial Services income 1,394 1,574   Fees for other services to customers 2,240 2,094   Net gain on securities transactions 677 287   Other 207 316	Total interest income	39,293	39,617	
Interest-bearing checking 78 65   Savings accounts 1,102 933   Money market deposit accounts 923 1,227   Time deposits 3,418 4,443   Interest on short-term borrowings 388 407   Total interest expense 5,909 7,075   Net interest income 33,384 32,542   Provision for loan losses 30,284 27,942   Noninterest income: 1,394 1,574   Trustco Financial Services income 1,394 1,574   Fees for other services to customers 2,240 2,094   Net gain on securities transactions 677 287   Other 207 316	Interest expense:			
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Money market deposit accounts9231,227Time deposits3,4184,443Interest on short-term borrowings388407Total interest expense5,9097,075Net interest income33,38432,542Provision for loan losses3,1004,600Net interest income after provision for loan losses30,28427,942Noninterest income:1,3941,574Fees for other services income1,3941,574Fees for other services to customers2,2402,094Net gain on securities transactions677287Other207316	Interest-bearing checking	78	65	
Time deposits3,4184,443Interest on short-term borrowings388407Total interest expense5,9097,075Net interest income33,38432,542Provision for loan losses3,1004,600Net interest income after provision for loan losses30,28427,942Noninterest income:1,3941,574Trustco Financial Services income1,3941,574Fees for other services to customers2,2402,094Net gain on securities transactions677287Other207316	Savings accounts	1,102	933	
Interest on short-term borrowings388407Total interest expense5,9097,075Net interest income33,38432,542Provision for loan losses3,1004,600Net interest income after provision for loan losses30,28427,942Noninterest income:1,3941,574Trustco Financial Services income1,3941,574Fees for other services to customers2,2402,094Net gain on securities transactions677287Other207316	Money market deposit accounts	923	1,227	
Total interest expense5,9097,075Net interest income33,38432,542Provision for loan losses3,1004,600Net interest income after provision for loan losses30,28427,942Noninterest income:1,3941,574Trustco Financial Services income1,3941,574Fees for other services to customers2,2402,094Net gain on securities transactions677287Other207316	Time deposits	3,418	4,443	
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Provision for loan losses3,1004,600Net interest income after provision for loan losses30,28427,942Noninterest income:1,3941,574Trustco Financial Services income1,3941,574Fees for other services to customers2,2402,094Net gain on securities transactions677287Other207316	Total interest expense	5,909	7,075	
Net interest income after provision for loan losses30,28427,942Noninterest income:1,3941,574Trustco Financial Services income1,3941,574Fees for other services to customers2,2402,094Net gain on securities transactions677287Other207316	Net interest income	33,384	32,542	
Noninterest income:Trustco Financial Services income1,3941,574Fees for other services to customers2,2402,094Net gain on securities transactions677287Other207316	Provision for loan losses	3,100	4,600	
Trustco Financial Services income1,3941,574Fees for other services to customers2,2402,094Net gain on securities transactions677287Other207316	Net interest income after provision for loan losses	30,284	27,942	
Fees for other services to customers2,2402,094Net gain on securities transactions677287Other207316	Noninterest income:			
Net gain on securities transactions677287Other207316	Trustco Financial Services income	1,394	1,574	
Other 207 316	Fees for other services to customers	2,240	2,094	
Other 207 316		677	287	
		207	316	
, , ,	Total noninterest income	4,518		

Noninterest expenses:

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Salaries and employee benefits	7,743	7,026
Net occupancy expense	3,795	3,737
Equipment expense	1,520	1,332
Professional services	1,436	1,485
Outsourced services	1,250	1,350
Advertising	809	706
FDIC and other insurance	880	1,851
Other real estate expense, net	966	1,590
Other	2,245	1,769
Total noninterest expenses	20,644	20,846
Income before taxes	14,158	