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SEACOAST BANKING CORP OF FLORIDA

Form 8-K

July 18, 2003

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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) July 16, 2003

SEACOAST BANKING CORPORATION OF FLORIDA

(Exact Name of Registrant as Specified in Charter)

Florida	1-13660	59-2260678
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(State or Other Jurisdiction of Incorporation)	Commission File Number	(IRS Employer Identification No.)

815 Colorado Avenue, Stuart, FL	34994
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(Address of Principal Executive Offices)	(Zip Code)

Registrant's telephone number, including area code (772) 287-4000

8K - 1 of 4

SEACOAST BANKING CORPORATION OF FLORIDA

Item 7. Financial Statements and Exhibits

Exhibit Number	Description
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99.1	Press Release dated July 16, 2003 with respect to Seacoast Banking Corporation of Florida's financial results for the second quarter ended June 30, 2003.
99.2	Press Release dated July 18, 2003 with respect to a clarification of the Stock Split and a 30% increase in cash dividends.

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Item 9. Regulation FD Disclosure

Seacoast Banking Corporation of Florida (the "Registrant") is furnishing the information required by Item 12 of Form 8-K, "Results of Operations and Financial Condition," under this Item 9.

In a press release on July 16, 2003, the Registrant announced its financial results for the second quarter ended June 30, 2003, that the Board of Directors had voted to approve a stock split and distribute on August 15, 2003 one additional share of Seacoast common stock for every 10 shares held by shareholders of record as of the close of business on August 1, 2003 and that it had increased the common stock dividend by 30%. The regular quarterly dividend after the issuance of the stock dividend will increase to \$0.13 from the split adjusted \$0.10 per share paid in the second quarter. The indicated annual rate will increase to \$0.52. The dividend is payable on September 30, 2003 to shareholders of record on September 16, 2003. Copies of the press releases are attached hereto as Exhibit 99.1, and 99.2 and are incorporated herein by reference.

On July 17, 2003, the Registrant held an investor conference call to discuss financial results for the second quarter ended June 30, 2003. All information contained herein is presented as of July 17, 2003, and the Registrant does not assume any obligation to correct or update said information in the future.

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 hereunto duly authorized.

SEACOAST BANKING CORPORATION OF FLORIDA

(Registrant)

Dated: July 17, 2003

By: /s/ William R. Hahl

Name: William R. Hahl

Title: Executive Vice President & CFO

NEWS RELEASE

EXHIBIT 99.1

Dennis S. Hudson, III
President and Chief Executive Officer
Seacoast Banking Corporation of Florida
(772) 288-6086

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William R. Hahl
Executive Vice President/
Chief Financial Officer
(772) 221-2825

SEACOAST REPORTS SECOND QUARTER NET INCOME, A 1-FOR-10 STOCK SPLIT, AND A 30% INCREASE IN CASH DIVIDENDS

STUART, FL., July 16, 2003 - Seacoast Banking Corporation of Florida (NASDAQ-NMS: SBCF), a bank holding company whose principal subsidiary is First National Bank and Trust Company of the Treasure Coast, today announced 2003 second quarter net income of \$3.550 million or \$0.23 diluted earnings per share ("DEPS") compared to \$3.223 or \$0.21 DEPS for the first quarter of 2003 and \$4.049 million or \$0.26 DEPS in the year-ago quarter. The diluted earnings per share amounts reflect the impact of a 1-for-10 stock split approved by the Board of Directors which will be distributed on August 15, 2003 to shareholders of record as of the close of business on August 1, 2003.

Earnings per share pre-stock split were \$0.25 DEPS for the second quarter of 2003, \$0.23 DEPS for the first quarter of 2003 and \$0.28 DEPS in the year ago quarter. The results for first quarter 2003 and the second quarter a year ago include profits and (losses) realized from investment securities sold of (\$1,157,000) or (\$0.05) DEPS and \$398,000 or \$0.02 DEPS, respectively.

For the first six months, after the effect of the stock split, net income totaled \$6.773 million, or \$0.43 DEPS, compared to \$7.735 million and \$0.49 DEPS earned in 2002. Core operating earnings, excluding investment securities gains and losses, for the first half of 2003 totaled \$7.528 million or \$0.48 DEPS compared to \$7.450 million or \$0.47 DEPS for the same period in 2002.

Simultaneous with the stock split, the Board of Directors approved a 30 percent increase in the cash dividends paid on the Company's common shares. The regular quarterly dividend after the issuance of the additional shares will increase to \$0.13 from the split adjusted \$0.10 per share paid in the second quarter. The indicated annual rate will increase to \$0.52. The dividend is payable on September 30, 2003 to shareholders of record on September 16, 2003. Fractional shares resulting from the split will be paid in cash. The Company has paid cash dividends continually since its inception and has increased cash dividends annually in all but one of the past twenty years. This year's dividend increase reflects the substantial improvement in the Company's financial performance over the past few years, its outlook for the future, and recent changes in tax law that improve the efficiency with which capital can be distributed to shareholders.

"The flat core earnings growth for the second quarter and the first six months this year is attributable to both our strategic change in loan mix, which began over one year ago, from long-term fixed rate residential lending to shorter term or adjustable rate commercial and consumer lending and our reluctance to increase duration during this period of historic low interest rates. We believe that during this time of unprecedented low rates it is best to stick with successful strategies which assure earnings growth over the long run." said Dennis S. Hudson, III, President and Chief Executive Officer. "Our long-term perspective shows an increase in franchise value from households serviced, expansion of products and services offered, improved profitability, increased capital for geographic expansion and positive asset quality."

Highlights for the quarter include the following:

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Long term fixed rate commercial and residential mortgage loans declined \$91 million or 34.6% compared to the prior year, while adjustable rate mortgage loans, which are repricable within one year, increased \$24 million or 20.3%;

The opening of three branches in Palm Beach County has been very successful with loan growth for the quarter of \$16 million and total outstandings of \$25 million at June 30, 2003. Deposits grew by over \$7 million in the quarter with all but \$1 million in transaction and savings accounts and now total over \$14 million;

Total noninterest income (excluding securities gains and losses) grew by 28.6 percent, an increase of \$1,157,000 over the second quarter of 2002;

Residential loan production improved to \$68 million for the quarter and \$153 million for the first six months compared to \$34 million and \$81 million for the same periods in 2002, respectively;

Mortgage banking revenues increased \$603,000 or 97.3 percent in the second quarter and by \$1,465,000 or 104.9 percent during the first six months of 2003;

Year-over-year second quarter total deposits increased \$61.3 million or 6.0 percent, \$28.6 million or 16.3 percent for noninterest bearing deposits and \$38.7 million or 8.4% for low-cost savings and NOW accounts;

Seacoast Marine originated loans totaling \$47 million for the second quarter with total fees of \$859,000, compared to \$339,000 for the same period in 2002. Year-to-date loans originated totaled \$92 million, an increase of \$62 million over the first half of 2002; and

The solid earnings performance over the last year has maintained our strong capital position with an average equity to asset ratio of 7.77 percent and an increase in book value per share from \$6.41 to \$6.63.

Nonperforming assets increased \$1.2 million from a year ago to \$3.2 million or 0.50% of loans and other real estate owned outstanding at June 30, 2003, due to a loan totaling approximately \$2 million secured with commercial real estate being placed on nonaccrual. Net charge-offs were \$435,000 for the second quarter (due to the write-off of one commercial credit), compared to \$280,000 for the first quarter 2003 and \$8,000 for the second quarter last year. For the first six months, annualized net charge-offs as a percent of average loans totaled 0.21 percent compared to 0.03 percent a year earlier. The allowance for loan losses as a percentage of loans totaled 0.94 percent at June 30, 2003, unchanged from one year earlier. Although there was an increase in charge-offs for the first six months of 2003, management is not aware of any factors which would significantly impact the Company's credit quality. Therefore, no provision for loan losses was necessary for the second quarter and first six months of 2003.

Fully taxable net interest income for the second quarter 2003 was impacted by the persistently low interest rate environment and the Company's continued desire to control its exposure to longer term residential real estate loans and other similar assets. Net interest income declined \$441,000 or 3.8% from the first quarter of 2003 and \$1.1 million or 8.7 percent compared to the same period in 2002.

The expansion into Palm Beach County in late 2002 is beginning to gain momentum and should have greater impact on loan growth as the year progresses. Average loans declined \$18.3 million from the first quarter 2003 or 2.6 percent, compared with a decline of \$28.6 million or 4.0 percent during the first quarter of 2003. Commercial loans originated exceeded \$82 million for the first six months of 2003.

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Besides the negative impact on the margin from the decline in loan portfolio during the past twelve months, continued low interest rates have resulted in higher principal payments from the Company's investment portfolio and reinvestment at lower yields. Corresponding with the Company's objective regarding asset duration, the investment portfolio's average life at June 30, 2003 was 0.84 years and would extend to 3.1 years if interest rates were to increase 100 basis points.

The yield on earning assets for the second quarter totaled 5.03 percent, 36 basis points lower than the first quarter of 2003, while interest bearing liabilities declined by 10 basis points to 1.73 percent.

Consistent with the strategy to remix the Company's loan portfolio, a total of \$79 million of residential mortgage loans were closed in the second quarter and approximately \$56 million were sold in the secondary market. In addition, the year-over-year results included: a decline in long term lower yield 1-4 family loans outstanding to 33 percent of total loans at June 30, 2003, compared to 40 percent a year earlier; consumer outstandings remained unchanged at 21 percent; and an increase in commercial/commercial real estate loans outstanding to 46 percent of total loans compared to 39 percent in 2002.

Despite a challenging and uncertain economic environment, which negatively impacted revenues from the Company's investment management businesses, noninterest income (excluding securities gains and losses) increased 28.6 percent when compared to the prior year's second quarter.

During the current quarter, fees related to marine loan production increased \$520,000 or 153.4 percent compared to the same quarter for 2002, and added \$859,000 to second quarter 2003 revenues. Brokerage commissions and fees totaled \$586,000 for the second quarter, an improvement over the 2003 first quarter results of \$420,000, and \$570,000 in the prior year's second quarter. Trust revenues declined to \$527,000 for the second quarter, compared to the prior year results of \$542,000, and stand at \$1,051,000 at June 30, 2003, compared to \$1,139,000 for the first six months of 2002.

Noninterest expenses totaled \$10.8 million, an increase of 8.0 percent from the prior year's second quarter, a result of increased wages, benefits, occupancy and data processing services, primarily due to the addition of branches and personnel in the Palm Beach County market. All other noninterest expenses declined \$39,000 or 1.3 percent, consistent with the Company's strong emphasis on cost controls.

Seacoast will host a conference call on July 17 at 9:00 a.m. (Eastern time) to discuss the earnings results and business trends. Investors may call in by dialing 800-693-5693 (passcode: 3729324; leader: Dennis S. Hudson, III). A replay of the call will be available beginning the afternoon of July 17 by dialing 888-211-2648 (domestic), using the passcode 3729324.

Seacoast Banking Corporation of Florida has approximately \$1.3 billion in assets. It is one of the largest independent commercial banking organizations in Florida, headquartered on Florida's Treasure Coast, one of the wealthiest and fastest growing areas in the nation.

This press release contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934.

Forward-looking statements include statements with respect to our beliefs,

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plans, objectives, goals, expectations, anticipations, estimates and intentions, and involve known and unknown risks, uncertainties and other factors, which may be beyond our control, and which may cause the actual results, performance or achievements of Seacoast Banking Corporation of Florida ("Seacoast" or the "Company") to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. You should not expect us to update any forward-looking statements.

You can identify these forward-looking statements through our use of words such as "may", "will", "anticipate", "assume", "should", "indicate", "would", "believe", "contemplate", "expect", "estimate", "continue", "point to", "project", "could", "intend" or other similar words and expressions of the future. These forward-looking statements may not be realized due to a variety of factors, including, without limitation: the effects of future economic conditions; governmental monetary and fiscal policies, as well as legislative and regulatory changes; the risks of changes in interest rates on the level and composition of deposits, loan demand, and the values of loan collateral, securities, and interest sensitive assets and liabilities; interest rate risks and sensitivities; the effects of competition from other commercial banks, thrifts, mortgage banking firms, consumer finance companies, credit unions, securities brokerage firms, insurance companies, money market and other mutual funds and other financial institutions operating in the Company's market area and elsewhere, including institutions operating regionally, nationally and internationally, together with such competitors offering banking products and services by mail, telephone, computer and the Internet; the failure of assumptions underlying the establishment of reserves for possible loan losses, and the risks of mergers and acquisitions, including, without limitation, the related costs, including integrating operations as part of these transactions, and the failure to achieve the expected gains, revenue growth and/or expense savings from such transactions.

All written or oral forward looking statements attributable to the Company are expressly qualified in their entirety by this Cautionary Notice including, without limitation, those risks and uncertainties, described in the Company's annual report on Form 10-K for the year ended December 31, 2002 under "Special Cautionary Notice Regarding Forward Looking Statements", and otherwise in the Company's SEC reports and filings. Such reports are available upon request from Seacoast, or from the Securities and Exchange Commission, including the SEC's website at <http://www.sec.gov>.

FINANCIAL HIGHLIGHTS

(Unaudited)

SEACOAST BANKING CORPORATION OF FLORIDA AND SUBSIDIARIES

(Dollars in thousands, except per share data)	Three Months Ended June 30,		Six Months Ended June 30,	
	2003	2002	2003	2002
Net income	\$ 3,550	\$ 4,049	\$ 6,773	\$ 7,735
Core operating earnings (4)	3,557	3,805	7,528	7,450
Net interest income (1)	11,198	12,260	22,837	24,076
 Performance Ratios				
Rturn on average assets(2), (3)	1.09%	1.33%	1.06%	1.26%
Return on average shareholders'equity(2), (3)	14.08	16.76	13.58	16.18

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Net interest margin(1), (2)	3.63	4.23	3.76	4.15
Per Share Data (A)				
Net income diluted	\$ 0.23	\$ 0.26	\$ 0.43	\$ 0.49
Net income basic	0.23	0.26	0.44	0.50
Cash dividends declared	0.10	0.09	0.20	0.18

	June 30,		Increase/ (Decrease)
	2003	2002	
Credit Analysis			
Net charge-offs year-to-date	\$715	\$ 132	441.7%
Net charge-offs to average loans	0.21%	0.03%	600.0
Loan loss provision year-to-date	--	--	--
Allowance to loans at end of period	0.94%	0.94%	0.0
Nonperforming assets	\$3,238	\$1,993	62.5
Nonperforming assets to loans and other real estate owned at end of period	0.50%	0.27%	85.2
Selected Financial Data			
Total assets	\$1,320,151	\$1,195,937	10.4
Securities - Trading(at fair value)	10,949	0	n/m
Securities - Available for Sale (at fair value)	463,848	357,218	29.9
Securities - Held for Sale (at amortized cost)	113,720	23,809	377.6
Net loans	645,380	731,099	(11.7)
Deposits	1,075,252	1,013,972	6.0
Shareholders' equity	101,570	98,507	3.1
Book value per share	6.63	6.41	3.4
Tangible book value per share	6.43	6.16	4.4
Average shareholders' equity to average assets	7.77%	7.80%	(0.4)

(A) Reflects a 1-for-10 stock split effective August 1, 2003.

(1) Calculated on a fully taxable equivalent basis using amortized cost. (2) These ratios are stated on an annualized basis and are not necessarily indicative of future periods.

(3) The calculation of ROA and ROE do not include the mark-to-market unrealized gains (losses) because the unrealized gains (losses) are not included in net income.

(4) Net income excluding investment security gains and losses.

CONDENSED CONSOLIDATED STATEMENTS OF INCOME (Unaudited)

SEACOAST BANKING CORPORATION OF FLORIDA AND SUBSIDIARIES

	Three Months Ended June 30,		Six Months Ended June 30,	
	2003	2002	2003	2002
(Dollars in thousands, except per share data)				

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Interest on securities:

Taxable	\$3,716	\$3,816	\$7,749	\$7,072
Nontaxable	40	48	81	100
Interest and fees on loans	11,702	14,132	23,684	28,900
Interest on federal funds sold	20	138	41	423

Total Interest Income	15,478	18,134	31,555	36,495
Interest on deposits	864	1,280	1,767	2,626
Interest on time certificates	2,596	3,854	5,297	8,242
Interest on borrowed money	857	792	1,730	1,642

Total Interest Expense	4,317	5,926	8,794	12,510

Net Interest Income	11,161	12,208	22,761	23,985
Provision for loan losses	0	0	0	0

Net Interest Income After Provision for Loan Losses	11,161	12,208	22,761	23,985
Noninterest income:				
Service charges on deposit accounts	1,202	1,270	2,419	2,487
Trust income	527	542	1,051	1,139
Mortgage banking fees	1,223	620	2,861	1,396
Brokerage commissions and fees	586	570	1,006	1,113
Marine finance fees	859	339	1,666	506
Debit card income	320	252	609	475
Other deposit based EFT fees	105	90	221	191
Other income	368	350	728	709

	5,190	4,033	10,561	8,016
Securities gains (losses)	(11)	398	(1,168)	464

Total Noninterest Income	5,179	4,431	9,393	8,480
Noninterest expenses:				
Salaries and wages	4,273	3,855	8,432	7,615
Employee benefits	1,212	1,063	2,428	2,111
Outsourced data processing	1,315	1,185	2,601	2,431
Occupancy expense	976	831	1,970	1,660
Furniture and equipment expense	427	499	926	1,034
Marketing expense	518	514	1,068	1,027
Legal and professional fees	370	455	778	780
FDIC assessments	41	44	82	87
Amortization of intangibles	63	63	126	126
Other expense	1,610	1,493	3,269	2,899

Total Noninterest Expenses	10,805	10,002	21,680	19,770
Income Before Income Taxes	5,535	6,637	10,474	12,695
Provision for income taxes	1,985	2,588	3,701	4,960

Net Income	\$3,550	\$4,049	\$6,773	\$7,735

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 Per share common stock (A):

Net income diluted	\$0.23	\$0.26	\$0.43	\$0.49
Net income basic	0.23	0.26	0.44	0.50
Cash dividends declared	0.10	0.09	0.20	0.18
Average diluted shares outstanding	15,640,582	15,754,263	15,657,015	15,744,891
Average basic shares outstanding	15,325,412	15,393,329	15,320,819	15,400,635

 (A) Reflects a 1-for-10 stock split effective August 1, 2003.

CONDENSED CONSOLIDATED BALANCE SHEETS (Unaudited)

SEACOAST BANKING CORPORATION OF FLORIDA AND SUBSIDIARIES

(Dollars in thousands)	June 30, 2003	December 31, 2002	June 30, 2002

Assets			
Cash and due from banks	\$37,522	\$49,571	\$40,634
Federal funds sold and interest bearing deposits	254	251	-
Securities:			
Trading (at fair value)	10,949	-	-
Available for sale (at fair value)	463,848	466,278	357,218
Held for sale (at amortized cost)	113,720	32,181	23,809
Total Securities	588,517	498,459	381,027
Loans sold and available for sale	13,675	13,814	13,439
Loans	651,491	688,161	738,001
Less: Allowance for loan losses	(6,111)	(6,826)	(6,902)
Net Loans	645,380	681,335	731,099
Bank premises and equipment	16,748	16,045	15,111
Other real estate owned	50	8	119
Other assets	18,005	21,814	14,508
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	\$1,320,151	\$1,281,297	\$1,195,937
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Liabilities and Shareholders' Equity

Liabilities

Deposits

Demand deposits (noninterest bearing)	\$204,599	\$184,524	\$175,959
Savings deposits	497,930	472,976	459,251
Other time deposits	278,281	279,255	293,072
Time certificates of \$100,000 or more	94,442	93,785	85,690

Total Deposits	1,075,252	1,030,540	1,013,972
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Federal funds purchased and securities sold under agreements to repurchase, maturing within 30 days

Other borrowings	65,000	40,000	40,000
Other liabilities	6,410	7,043	4,960

	1,218,581	1,180,550	1,097,430
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Shareholders' Equity

Preferred stock	-	-	-
Common stock	1,710	1,555	1,554
Additional paid in capital	26,839	26,994	26,888
Retained earnings	92,489	89,960	85,406
Treasury stock	(17,800)	(18,578)	(17,012)

Other comprehensive income (loss)	103,238	99,931	96,836
	(1,668)	816	1,671

Total Shareholders' Equity	101,570	100,747	98,507
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	\$1,320,151	\$1,281,297	\$1,195,937
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Common Shares Outstanding	15,328,669	15,279,001	15,377,673
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Note: The balance sheet at December 31, 2002 has been derived from the audited financial statements at that date.

CONSOLIDATED QUARTERLY FINANCIAL DATA

(Unaudited)

SEACOAST BANKING CORPORATION OF FLORIDA AND SUBSIDIARIES

Quarters

(Dollars in thousands, except per share data)	2003	2002	Last 12
	Second First	Fourth Third	Months

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Operating Ratios

Return on average assets (2), (3)	1.09%	1.02%	1.32%	1.17%	1.15%
Return on average shareholders' equity (2), (3)	14.08	13.07	16.24	14.19	14.40
Net interest margin (1), (2)	3.63	3.89	4.02	4.17	3.97
Average equity to average assets	7.74	7.81	8.12	8.26	7.98

Credit Analysis

Net charge-offs	\$435	\$280	\$7	\$69	\$791
Net charge-offs to average loans	0.26%	0.16%	0.00%	0.04%	0.11%
Loan loss provision	\$ -	\$ -	\$ -	\$ -	\$ -
Allowance to loans at end of period	0.94%	0.99%	0.9%	0.95%	
Nonperforming assets	\$3,238	\$1,901	\$2,249	\$2,454	
Nonperforming assets to loans and other real estate owned at end of period	0.50	0.29	0.33	0.34	
Nonaccrual loans and accruing loans 90 days or more past due to loans outstanding at end of period	0.49	0.29	0.33	0.32	

Per Share Common Stock (A)

Net income diluted	\$0.23	\$0.21	\$0.26	\$0.22	\$0.92
Net income basic	0.23	0.21	0.26	0.23	0.94
Cash dividends declared	0.10	0.10	0.10	0.09	0.39
Book value per share	6.63	6.56	6.59	6.47	

- (A) Reflects a 1-for-10 stock split effective August 1, 2003. (1) Calculated on a fully taxable equivalent basis using amortized cost.
(2) These ratios are stated on an annualized basis and are not necessarily indicative of ratios which may be expected for the entire year.
(3) The calculation of ROA and ROE do not include the mark-to-market unrealized gains (losses), because the unrealized gains (losses) are not included in net income.

CONSOLIDATED QUARTERLY FINANCIAL DATA

SEACOAST BANKING CORPORATION OF FLORIDA AND SUBSIDIARIES

SECURITIES	June 30, 2003	December 31, 2002	June 30, 2002
Mortgage-backed	\$10,949	\$ -	\$ -

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Securities Trading	10,949	-	-

U.S. Treasury and U.S. Government Agencies	6,585	2,508	2,543
Mutual funds	-	292	285
Mortgage-backed	451,109	456,655	346,888
Other securities	6,154	6,823	7,502

Securities Available for Sale	463,848	466,278	357,218

U.S. Treasury and U.S. Government Agencies	4,997	\$ -	\$ -
Mortgage-backed	105,598	28,555	19,945
Obligations of states and political subdivisions	3,125	3,626	3,864

Securities Held for Investment	113,720	32,181	23,809

Total Securities	\$588,517	\$498,459	\$381,027

	June 30, 2003	December 31, 2002	June 30, 2002

LOANS			

Real estate construction	\$83,871	\$77,909	\$74,957
Real estate mortgage	444,492	478,123	527,220
Instalment loans to individuals	79,295	91,307	99,558
Commercial and financial	43,034	40,491	35,918
Other loans	799	331	348

Total Loans	\$651,491	\$688,161	\$738,001

AVERAGE BALANCES, YIELDS AND RATES (1)

SEACOAST BANKING CORPORATION OF FLORIDA AND SUBSIDIARIES

	2003		2002		2002	
	Second Quarter		First Quarter		Second Quarter	
(Dollars in thousands)	Average Balance	Yield/ Rate	Average Balance	Yield/ Rate	Average Balance	Yield/ Rate

Assets

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Earning assets:

Securities:

Taxable	\$555,142	2.68%	\$512,781	3.15%	\$ 371,208	4.11%
Nontaxable	2,980	8.05	3,193	7.77	3,654	7.77
Total Securities	558,122	2.71	515,974	3.17	374,862	4.15

Federal funds sold and other short-term investments

	6,769	1.19	6,723	1.27	32,979	1.68
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Loans, net	671,740	7.00	690,022	7.05	754,021	7.53
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Total Earning Assets	1,236,631	5.03	1,212,719	5.39	1,161,862	6.28
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Allowance for loan losses

	(6,542)		(6,795)		(6,906)	
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Cash and due from banks	47,638		47,048		39,336	
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Premises and equipment	16,339		16,122		15,111	
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Other assets	11,687		12,105		13,265	
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	\$1,305,753		\$1,281,199		\$1,222,668	
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Liabilities and Shareholders' Equity

Interest-bearing liabilities:

NOW (including Super NOW)	\$66,854	0.58%	\$67,373	0.66%	\$63,146	0.94%
Savings deposits	150,818	0.55	148,857	0.62	151,219	0.97
Money market accounts	283,526	0.79	265,843	0.86	256,021	1.20
Time deposits	375,143	2.78	372,273	2.94	379,228	4.08

Federal funds purchased and securities sold under agreements to repurchase	62,430	0.83	78,495	0.96	54,444	1.13
Other borrowings	65,000	4.49	56,944	4.90	40,000	6.41

Total Interest-Bearing Liabilities	1,003,771	1.73	989,785	1.83	944,058	2.52
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Demand deposits (noninterest-bearing)	196,451		186,613		176,869	
Other liabilities	4,406		4,787		4,856	

Total Liabilities	1,204,628		1,181,185		1,125,783	
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Shareholders' equity	101,125		100,014		96,885	
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	\$1,305,753		\$1,281,199		\$1,222,668	
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Interest expense as

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a % of earning assets	1.40%	1.50%	2.05%
Net interest income as			
a % of earning assets	3.63	3.89	4.23

(1) On a fully taxable equivalent basis. All yields and rates have been computed on an annualized basis using amortized cost. Fees on loans have been included in interest on loans. Nonaccrual loans are included in loan balances.

Dennis S. Hudson, III
President and Chief Executive Officer
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Executive Vice President/

Chief Financial Officer
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SEACOAST CLARIFIES ANNOUNCEMENT OF A STOCK SPLIT AND A 30% INCREASE IN CASH DIVIDENDS

STUART, FL., July 18, 2003 Seacoast Banking Corporation of Florida (NASDAQ-NMS: SBCF), a bank holding company whose principal subsidiary is First National Bank and Trust Company of the Treasure Coast, announced on July 16, 2003 that its Board of Directors had voted to approve a stock split and distribute on August 15, 2003 one additional share of Seacoast common stock for every 10 shares held by shareholders of record as of the close of business on August 1, 2003. Cash will be paid in lieu of fractional shares that otherwise would be distributed.

At the same time Seacoast announced that it had increased the common stock dividend by 30%. The regular quarterly dividend after the issuance of the stock dividend will increase to \$0.13 from the split adjusted \$0.10 per share paid in the second quarter. The indicated annual rate will increase to \$0.52. The dividend is payable on September 30, 2003 to shareholders of record on September 16, 2003.

Seacoast Banking Corporation of Florida has approximately \$1.3 billion in assets. It is one of the largest independent commercial banking organizations in Florida, headquartered on Florida's Treasure Coast, one of the wealthiest and fastest growing areas in the nation.