

MGE ENERGY INC  
Form ARS  
April 24, 2006

This document was generated as part of a paper submission.  
Please reference the Document Control Number 06034284 for access to the original document.

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): July 17, 2007 TrustCo Bank Corp NY (Exact name of registrant as specified in its charter)  
NEW YORK 0-10592 14-1630287 State or Other Jurisdiction of Commission File No. I.R.S. Employer Incorporation  
or Organization Identification Number 5 SARNOWSKI DRIVE, GLENVILLE, NEW YORK 12302 (Address of  
principal executive offices) (518) 377-3311 (Registrant's Telephone Number, Including Area Code) NOT  
APPLICABLE (Former Name or Former Address, if Changed Since Last Report) Check the appropriate box below if  
the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the  
following provisions:  Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)   
 Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)  Pre-commencement  
communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))  Pre-commencement  
communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

===== 1  
TrustCo Bank Corp NY Item 2.02. Results of Operations and Financial Condition -----  
----- On July 17, 2007, TrustCo Bank Corp NY ("TrustCo") issued a press release  
with year to date and second quarter results for the period ending June 30, 2007. Attached is a copy of the press  
release labeled as Exhibit 99(a). Item 9.01. Financial Statements and Exhibits ----- (c)  
Exhibits Reg S-K Exhibit No. Description ----- 99(a) Press release dated July 17, 2007, for the  
period ending June 30, 2007, regarding year to date and second quarter results. 2 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: July 17, 2007 TrustCo Bank Corp NY (Registrant) By: /s/  
Robert T. Cushing ----- Robert T. Cushing Executive Vice President and Chief Financial Officer 3  
Exhibits Index The following exhibits are filed herewith: Reg S-K Exhibit No. Description Page -----  
----- 99(a) Press release dated July 17, 2007, 5 - 12 highlighting year to date and second  
quarter 2007 results. 4 TRUSTCO Exhibit 99 (a) Bank Corp NY News Release  
----- 5 Sarnowski Drive, Glenville, New York, 12302  
(518) 377-3311 Fax: (518) 381-3668 Subsidiary: Trustco Bank NASDAQ -- TRST Contact: Kevin T. Timmons  
Administrative Vice President (518) 381-3607 FOR IMMEDIATE RELEASE TrustCo Announces Second Quarter  
2007 Results Glenville, New York - July 17, 2007 TrustCo Bank Corp NY (TrustCo, Nasdaq: TRST) today  
announced that net income for the second quarter of 2007 was \$8.1 million compared to \$12.4 million for the  
comparable 2006 quarter. As previously announced, the results included net trading portfolio losses of \$2.8 million  
related to the change in value during the second quarter of 2007 of this portfolio. Diluted earnings per share were  
\$0.108 for the second quarter of 2007, compared to \$0.165 for the same period in 2006. Return on average equity and  
return on average assets were 14.13% and 0.98%, respectively for the second quarter of 2007 compared to 20.59% and  
1.69% for the second quarter of 2006. For the first half of 2007 net income was \$20.4 million and resulted in diluted  
earnings per share of \$0.272, as compared to the comparable period of 2006 which resulted in net income of \$24.8  
million and diluted earnings per share of \$0.330. Return on average assets and return on average equity was 1.27%  
and 17.88%, respectively, for the first six months of 2007 and 1.71% and 20.67% for the comparable period in 2006.  
As noted, second quarter results included net trading portfolio losses of \$2.8 million. After adoption of fair value  
accounting under Statement of Financial Accounting Standards No. 159 "The Fair Value Option for Financial Assets  
and Liabilities" (SFAS 159) in the first quarter, \$517 million of longer duration securities were sold in the second  
quarter of 2007. The appreciation in fair value of the trading portfolio during the first quarter of 2007 resulted in an  
unrealized gain of \$3.4 million, which was included in first quarter results. The actual sales of the securities resulted  
in the \$2.8 million loss recorded in the current period. The securities sold had an average remaining life of  
approximately nine years. The proceeds were primarily invested in securities with maturities of six months and

continue to be recorded at fair value. The transaction 5 allowed the Company to significantly reduce its exposure to rising rates on its securities portfolio while maintaining the yield at about the same level and increasing flexibility going forward. The growth of TrustCo's deposits and loans continue to show impressive results. For the quarter ended June 30, 2007, average deposits were up \$353 million or 13.6% compared to second quarter of 2006. Average loans showed similar results, rising \$253 million or 16.2% compared to the same period in 2006. Much of the success can be attributed to the branch growth initiative. During the second quarter of 2007, TrustCo opened nine offices to bring the total to 101. Current plans call for the expansion program to continue into 2008 with new branches planned in the markets currently served. Robert J. McCormick, President and Chief Executive Officer noted that, "We are pleased with the early results of our expansion program but are mindful that achieving our profit goals will take time and continued hard work." TrustCo has again been nationally recognized. In its April 2007 edition, US Banker Magazine, a leading industry publication, ranked TrustCo 6th among the top 200 mid-tier banks in the country. In May, SNL Financial ranked TrustCo as the 5th best performing thrift institution of the nation's 100 largest public thrifts. This marks the third consecutive year in which the Company has ranked in the top seven in this study. Commenting on these achievements, Mr. McCormick stated "In a difficult market environment for banks, TrustCo continues to be ranked as one of the top institutions in its peer group in the nation. We have accomplished this through diligent expense controls and being ever mindful of asset quality." Mr. McCormick also noted "Press reports continue to cover the fallout related to the subprime mortgage lending area. Subprime loans are mortgage loans to borrowers who do not qualify for conventional loans due to poor credit, employment issues, etc. TrustCo has never been involved in this type of lending. We have always believed that mortgage loans are our most important asset and growth is never an excuse to sacrifice credit quality." Nonperforming loans continue at low levels. At the end of the second quarter nonperforming loans were 0.50% of total loans outstanding, compared to 0.32% in the prior year. In addition, the allowance for loan losses is 3.8 times nonperforming loans, compared to 6.8 times in the prior year. On May 15th the Board of Directors declared a quarterly cash dividend of \$0.16 per share, which shareholders received in early July. This dividend equates to an annualized yield of 6.48% based on the June 30, 2007 closing stock price. TrustCo Bank Corp is a \$3.4 billion bank holding company and through its subsidiary, Trustco Bank, operates 101 offices in New York, New Jersey, Vermont, Massachusetts, and Florida. 6 In addition, the Bank operates a full service Trust Department. The common shares of TrustCo are traded on The NASDAQ Global Select 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 such forward-looking statements, which speak only as of the date made. The following important factors, among others, in some cases have affected and in the future could affect TrustCo's actual results, and could cause TrustCo's actual financial performance to differ materially from that expressed in any forward-looking statement: (1) credit risk, (2) interest rate risk, (3) competition, (4) changes in the regulatory environment, and (5) changes in local market area and general business and economic trends. The foregoing list should not be construed as exhaustive, and the Company disclaims any obligation to subsequently revise any forward-looking statements to reflect events or circumstances after the date of such statements, or to reflect the occurrence of anticipated or unanticipated events. 7

**TRUSTCO BANK CORP NY GLENVILLE, NY FINANCIAL HIGHLIGHTS** (dollars in thousands, except per share data) (Unaudited) Three Months Ended 06/30/07 03/31/07 06/30/06

Summary of operations	Net interest income (TE)	\$ 24,752	24,506	25,704
Provision (credit) for loan losses	-	(1,775)	-	-
Net securities transactions	-	-	-	-
Net trading (losses) gains	(2,841)	3,445	-	-
Noninterest income	3,987	4,103	3,917	3,917
Noninterest expens	13,458	12,706	11,986	11,986
Net income	8,107	12,314	12,424	12,424
Per common share	Net income per share:	-	-	-
Basic	\$ 0.108	0.164	0.166	0.166
Diluted	0.108	0.164	0.165	0.165
Cash dividends	0.160	0.160	0.160	0.160
Tangible Book value at period end	3.06	3.20	2.98	2.98
Market price at period end	9.88	9.58	11.02	11.02
At period end	Full time equivalent employees	610	570	532
Full service banking offices	101	95	84	84
Performance ratios	Return on average assets	0.98	1.57	1.69
Return on average equity (1)	14.13	21.67	20.59	20.59
Efficiency (2)	46.20	43.76	41.48	41.48
Net interest spread (TE)	2.63	2.73	3.15	3.15
Net interest margin (TE)	3.07	3.16	3.56	3.56
Dividend payout ratio	148.02	97.29	96.28	96.28
Capital ratios at period end (3)	Total equity to assets	6.87	7.24	8.21
Tier 1 risk adjusted capital	13.29	14.02	16.07	16.07
Total risk adjusted capital	14.55	15.28	17.33	17.33
Asset quality analysis at period end	Nonperforming loans to total loans	0.50	0.45	0.45
Nonperforming assets to total assets	0.28	0.26	0.17	0.17
Allowance for loan losses to total loans	1.90	1.96	2.16	2.16

Edgar Filing: MGE ENERGY INC - Form ARS

Coverage ratio (4) 3.8 X 4.4 6.8 (1) Average equity excludes the effect of accumulated other comprehensive income (loss). (2) Calculated as noninterest expense (excluding other real estate owned income/expense, specialized consulting and any one-time charges) divided by taxable equivalent net interest income plus noninterest income (excluding net securities transactions, net trading gains and losses and one-time income items). (3) Capital ratios exclude the effect of accumulated other comprehensive income (loss). (4) Calculated as allowance for loan losses divided by total nonperforming loans. TE = Taxable equivalent. 8 FINANCIAL HIGHLIGHTS, Continued (dollars in thousands, except per share data) (Unaudited) Six Months Ended 06/30/07 06/30/06 Summary of operations Net interest income (TE) \$ 49,258 51,949 Provision (credit) for loan losses - (3,575) Net securities transactions - (288) Net trading gains 604 - Noninterest income 8,090 7,510 Noninterest expense 26,164 23,911 Net income 20,421 24,790 Per common share Net income per share: - Basic \$ 0.272 0.331 - Diluted 0.272 0.330 Cash dividends 0.320 0.320 Tangible Book value at period end 3.06 2.98 Market price at period end 9.88 11.02 Performance ratios Return on average assets 1.27 % 1.71 Return on average equity (1) 17.88 20.67 Efficiency (2) 44.98 40.65 Net interest spread (TE) 2.68 3.24 Net interest margin (TE) 3.11 3.63 Dividend payout ratio 117.43 96.56 (1) Average equity excludes the effect of accumulated other comprehensive income (loss). (2) Calculated as noninterest expense (excluding other real estate owned income/expense, specialized consulting and any one-time charges) divided by taxable equivalent net interest income plus noninterest income (excluding net securities transactions, net trading gains and losses and one-time income items). TE = Taxable equivalent. 9 CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION (dollars in thousands) (Unaudited) 06/30/07 12/31/06 06/30/06 ASSETS Loans, net \$ 1,813,280 1,726,898 1,575,116 Securities available for sale 502,833 1,048,270 1,090,247 Trading securities 450,198 - - Federal funds sold and other short-term investments 470,174 243,449 171,708 ----- Total earning assets 3,236,485 3,018,617 2,837,071 Cash and due from banks 45,820 47,889 43,561 Bank premises and equipment 27,858 24,050 22,669 Other assets 64,031 70,631 65,783 ----- Total assets \$ 3,374,194 3,161,187 2,969,084 ===== LIABILITIES Deposits: Demand \$ 268,579 259,401 249,686 Interest-bearing checking 282,919 290,784 290,239 Savings 647,331 662,310 715,540 Money market 343,962 310,719 266,181 Certificates of deposit (in denominations of \$100,000 or more) 369,720 299,813 234,608 Other time deposits 1,110,025 976,356 875,437 ----- Total deposits 3,022,536 2,799,383 2,631,691 Short-term borrowings 93,855 95,507 90,599 Long-term debt 44 59 73 Other liabilities 27,849 26,715 22,988 ----- Total liabilities 3,144,284 2,921,664 2,745,351 SHAREHOLDERS' EQUITY 229,910 239,523 223,733 ----- Total liabilities and shareholders' equity \$ 3,374,194 3,161,187 2,969,084 ===== Number of common shares outstanding, in thousands 75,016 74,873 74,828 10 CONSOLIDATED STATEMENTS OF INCOME (dollars in thousands, except per share data) (Unaudited) Three Months Ended 06/30/07 03/31/07 06/30/06 Interest income Loans \$ 29,566 28,631 25,470 Investments 11,126 13,211 14,201 Federal funds sold and other short term investments 6,856 3,439 2,271 ----- Total interest income 47,548 45,281 41,942 Interest expense Deposits 22,577 20,566 16,056 Borrowings 989 994 962 ----- Total interest expense 23,566 21,560 17,018 ----- Net interest income 23,982 23,721 24,924 Provision (credit) for loan losses - - (1,775) ----- Net interest income after provision for loan losses 23,982 23,721 26,699 Net securities transactions - - - Trading gains (losses) (2,841) 3,445 - Noninterest income 3,987 4,103 3,917 Noninterest expense 13,458 12,706 11,986 ----- Income before income taxes 11,670 18,563 18,630 Income tax expense 3,563 6,249 6,206 ----- Net income \$ 8,107 12,314 12,424 ===== Net income per share: - Basic \$ 0.108 0.164 0.166 - Diluted \$ 0.108 0.164 0.165 Avg equivalent shares outstanding, in thousands: - Basic 75,040 74,952 74,894 - Diluted 75,068 75,054 75,112 11 CONSOLIDATED STATEMENTS OF INCOME (dollars in thousands, except per share data) (Unaudited) Six Months Ended 06/30/07 06/30/06 Interest income Loans \$ 58,197 49,821 Investments 24,337 28,067 Federal funds sold and other short term investments 10,295 4,763 ----- Total interest income 92,829 82,651 Interest expense Deposits 43,143 30,475 Borrowings 1,983 1,741 ----- Total interest expense 45,126 32,216 Net interest income 47,703 50,435 Provision (credit) for loan losses - (3,575) ----- Net interest income after provision for loan losses 47,703 54,010 Net securities transactions - (288) Trading gains 604 - Noninterest income 8,090 7,510 Noninterest expense 26,164 23,911 ----- Income before income taxes 30,233 37,321 Income tax expense 9,812 12,531 ----- Net income \$ 20,421 24,790

Edgar Filing: MGE ENERGY INC - Form ARS

===== Net income per share: - Basic \$ 0.272 0.331 - Diluted \$ 0.272 0.330 Avg  
equivalent shares outstanding, in thousands: - Basic 74,996 74,883 - Diluted 75,061 75,188 12