

TF FINANCIAL CORP  
Form 10-Q  
November 13, 2008  
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## SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

### FORM 10-Q

**x**

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR  
15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the period ended September 30, 2008**

- or -

**o**

**TRANSITION REPORT PURSUANT TO SECTION 13 OR  
15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the transition period from**

**to**

**Commission file number: 0-24168**

## TF FINANCIAL CORPORATION

(Exact Name of Registrant as Specified in Its Charter)

**Delaware**

(State or Other Jurisdiction of Incorporation  
or Organization)

**74-2705050**

(I.R.S. Employer Identification No.)

**3 Penns Trail, Newtown, Pennsylvania**

(Address of Principal Executive Offices)

**18940**

(Zip Code)

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Registrant's telephone number, including area code: **(215) 579-4000**

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. YES  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

Accelerated filer

Non-accelerated filer   
(Do not check if a smaller reporting company)

Smaller reporting company

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

Indicate the number of shares outstanding of each of the issuer's classes of common stock as of the latest practicable date: **November 7, 2008**

Class	Outstanding
\$.10 par value common stock	2,670,530 shares

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**Exhibits**

31. Certifications pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

32. Certification pursuant of Section 906 of the Sarbanes-Oxley Act of 2002

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	Unaudited September 30, 2008	Audited December 31, 2007
	(in thousands)	
<b>ASSETS</b>		
Cash and cash equivalents	\$ 4,562	\$ 5,680
Investment securities available for sale at fair value	30,328	32,363
Investment securities held to maturity (fair value of \$0 and \$246, respectively)		244
Mortgage-backed securities available for sale at fair value	88,067	98,178
Mortgage-backed securities held to maturity (fair value of \$5,047 and \$6,343, respectively)	4,912	6,160
Loans receivable, net	548,263	517,027
Loans receivable held for sale		1,040
Federal Home Loan Bank stock at cost	9,490	8,782
Accrued interest receivable	2,783	3,036
Premises and equipment, net	5,765	6,267
Goodwill	4,324	4,324
Bank-owned life insurance	16,351	15,881
Other assets	3,268	2,691
<b>TOTAL ASSETS</b>	<b>\$ 718,113</b>	<b>701,673</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Liabilities</b>		
Deposits	\$ 492,535	\$ 472,394
Borrowings from the Federal Home Loan Bank	148,341	153,221
Advances from borrowers for taxes and insurance	1,531	2,193
Accrued interest payable	3,829	3,415
Other liabilities	2,465	2,607
<b>Total liabilities</b>	<b>648,701</b>	<b>633,830</b>
<b>Stockholders' equity</b>		
Preferred stock, no par value; 2,000,000 shares authorized at September 30, 2008 and December 31, 2007, none issued		
Common stock, \$0.10 par value; 10,000,000 shares authorized, 5,290,000 shares issued, 2,640,530 and 2,671,083 shares outstanding at September 30, 2008 and December 31, 2007, respectively, net of shares in treasury 2,499,305 and 2,459,440, respectively	529	529
Additional paid-in capital	53,999	53,337
Unearned ESOP shares	(1,504)	(1,595)
Treasury stock-at cost	(52,128)	(51,216)
Retained earnings	69,857	67,735
Accumulated other comprehensive loss	(1,341)	(947)
<b>Total stockholders' equity</b>	<b>69,412</b>	<b>67,843</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>\$ 718,113</b>	<b>\$ 701,673</b>

The accompanying notes are an integral part of these statements



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	For the three months ended September 30,		For the nine months ended September 30,	
	2008	2007	2008	2007
	(in thousands, except per share data)			
Interest income				
Loans, including fees	\$ 8,257	\$ 8,262	\$ 24,595	\$ 24,027
Mortgage-backed securities	1,079	1,054	3,442	2,993
Investment securities	383	393	1,161	1,231
Interest-bearing deposits and other	6	11	16	97
<b>TOTAL INTEREST INCOME</b>	<b>9,725</b>	<b>9,720</b>		