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TRUSTCO BANK CORP N Y
Form 8-K
January 17, 2006

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 17, 2006
(January 17, 2006)

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

TrustCo Bank Corp NY

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Item 2.02 Results of Operations and Financial Condition

On January 17, 2006, TrustCo Bank Corp NY ("TrustCo") issued a press release with fourth quarter and year to date results for the period ending December 31, 2005. 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 January 17, 2006, for the period ending December 31, 2005, regarding fourth quarter and year to date 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 17, 2006

TrustCo Bank Corp NY
(Registrant)

By: /s/ Robert T. Cushing

Robert T. Cushing
Executive Vice President and
Chief Financial Officer

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Exhibits Index

The following exhibits are filed herewith:

| Reg S-K Exhibit No. | Description | Page |
|---------------------|-------------|------|
|---------------------|-------------|------|

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99(a)

Press Release dated January 17,
2006, for the period ending
December 31, 2005, regarding
fourth quarter and year to
date results.

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TRUSTCO
Bank Corp NY

Exhibit 99(a)
News Release

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

Subsidiary: Trustco Bank

NASDAQ - TRST

Contact: Robert Leonard
Administrative Vice President
(518) 381-3693

FOR IMMEDIATE RELEASE:

TRUSTCO ANNOUNCES RECORD 2005 RESULTS

Glenville, New York - January 17, 2006 - TrustCo Bank Corp NY (TrustCo, Nasdaq: TRST) today announced record results for 2005. Net income for 2005 was \$59.0 million, an increase of 4.3% over net income of \$56.5 million for 2004. Diluted earnings per share were \$0.782 for 2005 an increase of 3.9% compared to \$0.753 diluted earnings per share in 2004. Return on average equity and return on average assets were 26.07% and 2.07% respectively for 2005 and 26.65% and 2.00% respectively for 2004. In 2005 TrustCo showed solid growth in its loan portfolio. As of December 31, 2005 loans grew by \$230.7 million or 18.6% compared to December 31, 2004.

Robert J. McCormick, President and Chief Executive Officer commented, "I am extremely pleased by the significant growth we achieved in our loan portfolio during 2005. The customers in our new markets are discovering that Trustco Bank provides some of the most competitive products and rates in the industry. Our easy to understand products combined with customer service, which is second to none, sets the stage for continued growth into 2006."

The expansion of our branch network continues. We recently opened our Tuskawilla and Maitland offices in Florida. This brings the total of our Florida offices to eleven with a number of openings planned for the first quarter of 2006. Our Highland, NY branch also opened in the fourth quarter of 2005, our first office in Ulster County.

- More -

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TrustCo Bank Corp NY is a \$2.9 billion holding company and through its subsidiary, Trustco Bank, operates 79 offices in New York, New Jersey, Vermont, and Florida. In addition, the Bank operates a full service Trust Department. 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 concerning future events or performance and assumptions and other statements that are other than 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
GLENVILLE, NY

FINANCIAL HIGHLIGHTS
(dollars in thousands, except per share data)

| | 12/31/05 | Three Months 09/30/05 |
|------------------------------------|-----------|--------------------------|
| Summary of operations | | |
| Net interest income (TE) | \$ 26,791 | 27,710 |
| Provision (credit) for loan losses | (1,500) | (1,680) |
| Net securities transactions | 316 | 776 |
| Noninterest income | 5,191 | 6,326 |
| Noninterest expense | 13,156 | 11,481 |
| Net income | 13,378 | 15,719 |
| Per common share | | |
| Net income per share: | | |

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| | | |
|--|----------|-------|
| - Basic | \$ 0.179 | 0.210 |
| - Diluted | 0.178 | 0.208 |
| Cash dividends | 0.160 | 0.150 |
| Tangible Book value at period end | 3.05 | 3.07 |
| Market price at period end | 12.42 | 12.53 |
| At period end | | |
| Full time equivalent employees | 512 | 504 |
| Full service banking offices | 79 | 77 |
| Performance ratios | | |
| Return on average assets | 1.86% | 2.20 |
| Return on average equity (1) | 23.57 | 27.38 |
| Efficiency (2) | 40.75 | 36.23 |
| Net interest spread (TE) | 3.50 | 3.73 |
| Net interest margin (TE) | 3.85 | 4.03 |
| Dividend payout ratio | 89.39 | 71.43 |
| Capital ratios at period end (3) | | |
| Total equity to assets | 8.04% | 8.17 |
| Tier 1 risk adjusted capital | 16.58 | 16.92 |
| Total risk adjusted capital | 17.85 | 18.19 |
| Asset quality analysis at period end | | |
| Nonperforming loans to total loans | 0.22% | 0.21 |
| Nonperforming assets to total assets | 0.11 | 0.10 |
| Allowance for loan losses to total loans | 3.09 | 3.34 |
| Coverage ratio (4) | 14.1X | 16.1 |

- (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, specialized consulting and any one-time charges) divided by taxable equivalent net interest income plus noninterest income (excluding net securities transactions and one-time income items).
- (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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12/31/05

| | |
|------------------------------------|------------|
| Summary of operations | |
| Net interest income (TE) | \$ 107,948 |
| Provision (credit) for loan losses | (6,260) |
| Net securities transactions | 5,999 |
| Noninterest income | 21,648 |
| Noninterest expense | 48,590 |
| Net income | 58,989 |
| Per common share | |
| Net income per share: | |
| - Basic | \$ 0.787 |
| - Diluted | 0.782 |
| Cash dividends | 0.610 |
| Tangible Book value at period end | 3.05 |
| Market price at period end | 12.42 |
| Performance ratios | |
| Return on average assets | 2.07% |
| Return on average equity (1) | 26.07 |
| Efficiency (2) | 38.29 |
| Net interest spread (TE) | 3.61 |
| Net interest margin (TE) | 3.90 |
| Dividend payout ratio | 77.46 |

(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, specialized consulting and any one-time charges) divided by taxable equivalent net interest income plus noninterest income (excluding net securities transactions and one-time income items).

TE = Taxable equivalent.

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CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION
(dollars in thousands)

12/31/05

| | |
|---|--------------|
| ASSETS | |
| Loans, net | \$ 1,425,342 |
| Securities available for sale | 1,084,076 |
| Federal funds sold and other short-term investments | 257,196 |
| | ----- |

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| | | |
|---|----|---------------------|
| Total earning assets | | 2,766,614 |
| Cash and due from banks | | 55,667 |
| Bank premises and equipment | | 21,734 |
| Other assets | | 68,744 |
| Total assets | | <u>\$ 2,912,759</u> |
| LIABILITIES | | |
| Deposits: | | |
| Demand | \$ | 251,012 |
| Interest-bearing checking | | 309,668 |
| Savings | | 725,336 |
| Money market | | 190,560 |
| Certificates of deposit (in denominations of \$100,000 or more) | | 225,611 |
| Other time deposits | | 860,300 |
| Total deposits | | <u>2,562,487</u> |
| Short-term borrowings | | 87,935 |
| Long-term debt | | 87 |
| Other liabilities | | 33,589 |
| Total liabilities | | <u>2,684,098</u> |
| SHAREHOLDERS' EQUITY | | <u>228,661</u> |
| Total liabilities and shareholders' equity | | <u>\$ 2,912,759</u> |
| Number of common shares outstanding, in thousands | | 74,775 |

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

| | 12/31/05 | Three Months 09/30/05 |
|---|---------------|--------------------------|
| Interest income | | |
| Loans | \$ 23,441 | |
| Investments | 13,909 | |
| Federal funds sold and other short term investments | 2,490 | |
| Total interest income | <u>39,840</u> | |

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| | | |
|--|--|-----------|
| Interest expense | | |
| Deposits | | 13,146 |
| Borrowings | | 677 |
| | | ----- |
| Total interest expense | | 13,823 |
| | | ----- |
| Net interest income | | 26,017 |
| Provision (credit) for loan losses | | (1,500) |
| | | ----- |
| Net interest income after provision for loan losses | | 27,517 |
| Net securities transactions | | 316 |
| Noninterest income | | 5,191 |
| Noninterest expense | | 13,156 |
| | | ----- |
| Income before income taxes | | 19,868 |
| Income tax expense | | 6,490 |
| | | ----- |
| Net income | | \$ 13,378 |
| | | ===== |
| Net income per share: | | |
| - Basic | | \$ 0.179 |
| - Diluted | | \$ 0.178 |
| Avg equivalent shares outstanding, in thousands: | | |
| - Basic | | 74,841 |
| - Diluted | | 75,287 |

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

| | | |
|---|--|-----------|
| | | Twelve M |
| | | 12/31/05 |
| Interest income | | |
| Loans | | \$ 86,636 |
| Investments | | 51,529 |
| Federal funds sold and other short term investments | | 12,009 |
| | | ----- |
| Total interest income | | 150,174 |
| Interest expense | | |

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| | |
|---|-----------|
| Deposits | 43,626 |
| Borrowings | 2,031 |
| | ----- |
| Total interest expense | 45,657 |
| Net interest income | 104,517 |
| Provision (credit) for loan losses | (6,260) |
| | ----- |
| Net interest income after provision for loan losses | 110,777 |
| Net securities transactions | 5,999 |
| Noninterest income | 21,648 |
| Noninterest expense | 48,590 |
| | ----- |
| Income before income taxes | 89,834 |
| Income tax expense | 30,845 |
| | ----- |
| Net income | \$ 58,989 |
| | ===== |
| Net income per share: | |
| - Basic | \$ 0.787 |
| - Diluted | \$ 0.782 |
| Avg equivalent shares outstanding, in thousands: | |
| - Basic | 74,928 |
| - Diluted | 75,397 |