



## News Release

### TCF Reports First Quarter Earnings - Diluted EPS Up 22%

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WAYZATA, Minn., April 18 /PRNewswire/ --

- FIRST QUARTER HIGHLIGHTS
- Diluted earnings per share of 62 cents, up 22 percent
- Top-line revenue increased 10 percent
- Fee income increased 14 percent
- Increased Power Assets by 22 percent
- Supermarket deposits and consumer loans up 22 percent
- Increased retail checking accounts by 31,000 to 1,162,000 in the

quarter

- Non-performing assets unchanged from year-end 2000
- Net charge-offs of .05 % of average loans and leases

EARNINGS SUMMARY (\$ in thousands, except per-share data)	Three Months Ended March 31,	
	2001	2000
Cash net income	\$50,123	\$42,599
Diluted cash earnings per common share	.64	.53
Cash return on average assets	1.77%	1.60%
Cash return on average realized common equity	22.31	20.12
Net income	\$48,223	\$40,721
Diluted earnings per common share	.62	.51
Net interest margin	4.35%	4.32%
Return on average assets	1.71	1.53
Return on average realized common equity	21.47	19.24

TCF Financial Corporation (TCF) (NYSE: [TCB - news](#)) today reported diluted earnings per share of 62 cents for the 2001 first quarter, up 22 percent from 51 cents for the same period in 2000, and diluted cash earnings per common share, which excludes goodwill charges, of 64 cents per share for first quarter 2001, up 21 percent from 53 cents per share in first quarter 2000. Net income for the 2001 first quarter was \$48.2 million, as compared with \$40.7 million for the 2000 first quarter. The 2001 first quarter results included a \$2.1 million after-tax gain on the sale of a branch, or 3 cents per diluted common share. The cash return on average assets was 1.77 percent and cash return on average realized common equity was 22.31 percent for the 2001 first quarter, compared with 1.60 percent and 20.12 percent, respectively, for the 2000 first quarter.

“TCF's strong first quarter earnings performance is the result of our commitment to convenience and our continued focus on the fundamentals that have made us successful over time,” said TCF Chairman and Chief Executive Officer William A. Cooper. “Top-line revenue, a good indicator of how we're performing, continues to grow, and our de novo expansion strategy is generating strong growth in deposit accounts, consumer loans and fee income.”

Top-line revenue, which consists of net interest income and non-interest income (excluding the gain on sale of a branch), increased \$17.2 million, or 10 percent during first quarter 2001, compared with first quarter 2000. TCF's expanding customer base and increased usage of our innovative products and services fueled this growth.

Net interest income for first quarter 2001 was \$113.8 million, an increase of \$7 million or 7 percent, as compared with first quarter 2000. TCF's net interest margin was 4.35 percent for the 2001 first quarter, compared with 4.32 percent for the 2000 first quarter, and 4.33 percent for the 2000 fourth quarter. The increase in net interest income and net interest margin is primarily due to the growth in Power Assets and Power Liabilities. With the recent decline in interest rates, TCF has experienced increased prepayments in its residential real estate loan portfolio. In response to the expected continued run-off, TCF purchased \$550 million of mortgage-backed securities in first quarter 2001.

Non-interest income (excluding the gain on sale of a branch) totaled \$83.2 million for the 2001 first quarter, up \$10.3 million or 14 percent from \$73 million for the 2000 first quarter. These improvements were largely due to increased fee and service charges, and electronic funds transfer revenues (debit card revenue was up \$2 million over the 2000 first quarter, an increase of 33 percent), reflecting TCF's expanded customer base.

Non-interest expense (excluding the amortization of goodwill and deposit base intangibles) totaled \$118 million for the 2001 first quarter, up \$7.9 million or 7 percent from \$110.1 million for the 2000 first quarter. The increase was primarily due to the costs associated with TCF's continued leasing and de novo retail banking expansion. Included in advertising and promotions is a \$592 thousand increase related to the TCF Express Phone Card, which was launched late in the first quarter of 2000.

Power Assets, higher yielding consumer and commercial loans and leases, totaled \$5 billion at March 31, 2001, up \$137.4 million from December 31, 2000. On an average balance basis, Power Assets for the 2001 first quarter were \$4.9 billion, up \$871.7 million, or 22 percent from first quarter 2000, and up \$250.6 million, or 5 percent from fourth quarter 2000. The growth from the 2000 first quarter reflects increases of \$331.3 million, or 23 percent, for commercial loans, \$176.5 million, or 9 percent, for consumer loans and \$363.9 million, or 71 percent, for leasing and equipment financing.

Credit quality remained strong in the 2001 first quarter. Net loan and lease charge-offs were \$958 thousand or .05 percent of loans and leases in the 2001 first quarter, compared with a net recovery of \$30 thousand in the 2000 first quarter. Non-performing assets were \$46.7 million at March 31, 2001, unchanged from December 31, 2000. At March 31, 2001, TCF's allowance for loan and lease losses totaled \$68.1 million, compared with \$66.7 million at year-end 2000, and was 196 percent of non-accrual loans and leases, compared with 189 percent at year-end 2000. TCF's over-30-day delinquency rate was .72 percent at March 31, 2001, compared with .69 percent at year-end 2000. The over-30-day delinquency rate for the leasing and equipment finance portfolio was 1.21 percent at March 31, 2001, down from 1.83 percent at year-end 2000.

Deposits totaled \$7 billion at March 31, 2001, up \$139 million from year-end 2000. Average deposits increased \$201.1 million during the 2001 first quarter compared with the 2000 first quarter, including an increase of \$325.3 million, or 9 percent, in lower cost checking, savings and money market deposits. TCF had 1,162,000 checking accounts at March 31, 2001, a net increase of 31,000 accounts from year-end 2000, and an increase of 91,000 or 9 percent from March 31, 2000. The weighted average rate on total deposits for the 2001 first quarter was 2.96 percent, compared with 2.75 percent for the 2000 first quarter.

With the recent increase in refinance activity, our mortgage company generated \$898.7 million in new loan applications and \$395.5 million in closed loans during the 2001 first quarter, up from \$367.2 million and \$184.5 million, respectively,

in the 2000 first quarter. TCF's mortgage pipeline (applications in process but not yet closed) was \$671 million at March 31, 2001, compared with \$221 million at December 31, 2000. Included in other expense is a \$1.3 million increase in amortization of mortgage servicing rights reflecting the larger servicing portfolio and the accelerating prepayments.

At March 31, 2001, book value per common share was \$11.35 based on 78,872,100 common shares outstanding. TCF repurchased 1.6 million shares of its common stock in the 2001 first quarter at an average cost of \$36.76 per share. TCF has 1 million shares remaining in a 5 percent stock repurchase program authorized by the board of directors in March 2000.

TCF is a Minnesota-based national financial holding company with \$11.8 billion in assets. TCF has more than 350 banking offices in Minnesota, Illinois, Michigan, Wisconsin, Colorado and Indiana. Other TCF affiliates provide leasing, mortgage banking, and investments and insurance sales.

TCF's website, <http://www.tcfexpress.com>, will host a live webcast of the conference call to discuss first quarter earnings on April 18, 2001 at 10:00 a.m. CDT. The website also includes access to company news releases, TCF's annual report, quarterly reports, investor presentations and SEC filings.

This earnings release contains "forward-looking" statements that deal with future results, plans or performance. In addition, TCF's management may make such statements orally to the media, or to securities analysts, investors or others. Forward-looking statements deal with matters that do not relate strictly to historical facts. TCF's future results may differ materially from historical performance and forward-looking statements about TCF's expected financial results or other plans are subject to a number of risks and uncertainties. These include but are not limited to possible legislative changes and adverse economic, business and competitive developments such as shrinking interest margins; deposit outflows; reduced demand for financial services and loan and lease products; changes in accounting policies and guidelines, or monetary and fiscal policies of the federal government; changes in credit and other risks posed by TCF's loan, lease and investment portfolios; technological, computer-related or operational difficulties; adverse changes in securities markets; results of litigation or other significant uncertainties.

TCF FINANCIAL CORPORATION AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF OPERATIONS  
(In thousands, except per-share data)  
(Unaudited)

	Three Months Ended March 31,			
	2001	2000	\$ Change	% Change
Interest income:				
Loans and leases	\$180,268	\$165,256	\$15,012	9.1 %
Securities available for sale	25,001	25,802	(801)	(3.1)
Loans held for sale	4,996	3,733	1,263	33.8
Investments	2,296	2,366	(70)	(3.0)
Total interest income	212,561	197,157	15,404	7.8
Interest expense:				
Deposits	50,357	45,511	4,846	10.6
Borrowings	48,413	44,806	3,607	8.1
Total interest expense	98,770	90,317	8,453	9.4
Net interest income	113,791	106,840	6,951	6.5
Provision for credit losses	2,425	990	1,435	144.9
Net interest income after provision for credit losses	111,366	105,850	5,516	5.2
Non-interest income:				
Fees and service charges	47,531	38,851	8,680	22.3
Electronic funds transfer revenues	19,438	17,360	2,078	12.0
Leasing	8,220	9,018	(798)	(8.8)
Investments and insurance	2,735	3,713	(978)	(26.3)
Gains on sales of loans held for sale	1,344	955	389	40.7

Other	3,977	3,056	921	30.1
Fees and other revenues	83,245	72,953	10,292	14.1
Gain on sale of branch	3,316	--	3,316	--
Total non-interest income	86,561	72,953	13,608	18.7
Non-interest expense:				
Compensation and employee benefits	62,764	58,419	4,345	7.4
Occupancy and equipment	19,591	18,905	686	3.6
Advertising and promotions	5,268	4,177	1,091	26.1
Amortization of goodwill and other intangibles	2,429	2,483	(54)	(2.2)
Other	30,408	28,606	1,802	6.3
Total non-interest expense	120,460	112,590	7,870	7.0
Income before income tax expense	77,467	66,213	11,254	17.0
Income tax expense	29,244	25,492	3,752	14.7
Net income	\$48,223	\$40,721	\$7,502	18.4

Net income per common share:

Basic	\$ .62	\$ .51	\$ .11	21.6
Diluted	\$ .62	\$ .51	\$ .11	21.6

Earnings before goodwill charges (cash earnings) per diluted common share

\$ .64	\$ .53	\$ .11	20.8
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Dividends declared per common share	\$ .25	\$ .1875	\$ .0625	33.3
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Average common and common equivalent shares outstanding:

Basic	77,174	79,980
Diluted	78,147	80,491

TCF FINANCIAL CORPORATION AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION  
(Dollars in thousands, except per-share data)  
(Unaudited)

ASSETS

	At March 31, 2001	At December 31, 2000	\$ Change	% Change
Cash and due from banks	\$356,102	\$392,007	\$(35,905)	(9.2)%
Investments	242,065	134,059	108,006	80.6
Securities available for sale	1,928,338	1,403,888	524,450	37.4
Loans held for sale	363,027	227,779	135,248	59.4
Loans and leases:				
Residential real estate	3,450,311	3,673,831	(223,520)	(6.1)
Consumer	2,269,585	2,234,134	35,451	1.6
Commercial real estate	1,430,529	1,371,841	58,688	4.3
Commercial business	413,464	410,422	3,042	0.7
Leasing and equipment finance	896,678	856,471	40,207	4.7
Total loans and leases	8,460,567	8,546,699	(86,132)	(1.0)
Allowance for loan and lease losses	(68,136)	(66,669)	(1,467)	2.2
Net loans and leases	8,392,431	8,480,030	(87,599)	(1.0)
Goodwill	151,295	153,239	(1,944)	(1.3)
Deposit base intangibles	10,698	11,183	(485)	(4.3)
Other assets	401,168	395,277	5,891	1.5
	\$11,845,124	\$11,197,462	\$647,662	5.8

LIABILITIES AND STOCKHOLDERS' EQUITY

Deposits:				
Checking	\$2,257,000	\$2,203,943	\$53,057	2.4
Passbook and statement	1,140,401	1,045,388	95,013	9.1
Money market	883,390	836,888	46,502	5.6
Certificates	2,750,027	2,805,605	(55,578)	(2.0)
Total deposits	7,030,818	6,891,824	138,994	2.0
Securities sold under repurchase agreements and federal funds purchased				
	1,347,301	1,085,320	261,981	24.1
Federal Home Loan Bank advances				
	2,041,028	1,891,037	149,991	7.9
Discounted lease rentals	158,731	165,763	(7,032)	(4.2)
Other borrowings	128,368	42,125	86,243	204.7
Total borrowings	3,675,428	3,184,245	491,183	15.4
Accrued interest payable	30,904	37,055	(6,151)	(16.6)
Accrued expenses and other liabilities				
	212,908	174,118	38,790	22.3
Total liabilities	10,950,058	10,287,242	662,816	6.4
Stockholders' equity:				
Common stock, par value \$ .01 per share, 280,000,000 shares authorized; 92,736,126 and 92,755,659 shares issued				
	927	928	(1)	(0.1)
Additional paid-in capital	510,412	508,682	1,730	0.3
Retained earnings, subject to certain restrictions	864,146	835,605	28,541	3.4
Accumulated other comprehensive income (loss)				
	567	(9,868)	10,435	N.M.
Treasury stock at cost, 13,864,026 and 12,466,626 shares, and other				
	(480,986)	(425,127)	(55,859)	13.1
Total stockholders' equity	895,066	910,220	(15,154)	(1.7)
	\$11,845,124	\$11,197,462	\$647,662	5.8

TCF FINANCIAL CORPORATION AND SUBSIDIARIES  
 FINANCIAL HIGHLIGHTS - Continued  
 (Dollars in thousands, except per-share data)  
 (Unaudited)

TOP-LINE REVENUES AND OPERATING INCOME:

	Three Months Ended			
	March 31,		\$ Change	% Change
	2001	2000		
Net interest income	\$113,791	\$106,840	\$6,951	6.5 %
Fees and other revenues (a)	83,245	72,953	10,292	14.1
Top-line revenues	197,036	179,793	17,243	9.6
Provision for credit losses	2,425	990	1,435	144.9
Non-interest expense	120,460	112,590	7,870	7.0
Operating income (pre-tax)	74,151	66,213	7,938	12.0
Non-operating income	3,316	--	3,316	--
Income tax expense	29,244	25,492	3,752	14.7
Net income	\$48,223	\$40,721	\$7,502	18.4

(a) Excludes gain on sale of branch.

BUSINESS LINE RESULTS:

	Three Months Ended			
	March 31,		\$ Change	% Change
	2001	2000		
Banking	\$42,377	\$36,816	\$5,561	15.1 %
Leasing and equipment finance	4,555 (a)	4,715	(160)	(3.4)
Mortgage banking	1,051 (a)	(258)	1,309	N.M.
Other	240	(552)	792	N.M.
Total	\$48,223	\$40,721	\$7,502	18.4

(a) 2001 results reflect changes in methodologies of certain allocations. First quarter 2001 results for Leasing and equipment finance include a \$500 thousand, after-tax, increase in intercompany expense, and for Mortgage banking include a reduction of \$249 thousand, after-tax in intercompany expense compared with 2000. The net offset to these changes in intercompany expense is included in Banking results.

SUPERMARKET BANKING DATA:

	At March 31,		Increase	% Change
	2001	2000		
Number of branches	215	204	11	5.4 %
Number of deposit accounts	677,856	591,956	85,900	14.5
Deposits:				
Checking	\$536,847	\$427,756	\$109,091	25.5
Passbook and statement	155,897	140,838	15,059	10.7
Money market	115,746	71,173	44,573	62.6
Certificates	344,473	301,836	42,637	14.1
Total Power Liabilities	\$1,152,963	\$941,603	\$211,360	22.4
Average rate on deposits	2.34 %	2.24 %	0.10 %	4.5
Total fees and other revenues (quarter ended)	\$29,636	\$23,314	\$6,322	27.1
Consumer loans outstanding	\$247,624	\$203,474	\$44,150	21.7

BANK BRANCHES:

	At March 31, 2001			At December 31, 2000		
	Supermarket	Traditional	Total	Supermarket	Traditional	Total
Minnesota	37	47	84	37	47	84
Illinois	140	29	169	138	30	168
Wisconsin	14	18	32	14	18	32
Michigan	13	42	55	13	43	56
Colorado	11	1	12	11	1	12
	215	137	352	213	139	352

MORTGAGE BANKING:

	At March 31, 2001	At Dec. 31, 2000	Change
Servicing portfolio	\$4,009,310	\$3,970,670	\$38,640
Weighted average rate	7.40 %	7.42 %	(2)bp
Mortgage servicing rights	\$43,745	\$40,086	\$3,659
Mortgage servicing rights as a percentage of servicing portfolio	1.09 %	1.01 %	8 bp

TCF FINANCIAL CORPORATION AND SUBSIDIARIES  
FINANCIAL HIGHLIGHTS  
(Dollars in thousands, except per-share data)  
(Unaudited)

CREDIT QUALITY DATA:

	At or For the Three Months Ended March 31, 2001			
	Total Loans and Leases	Allowance	Allowance as a % of Portfolio	Net Charge-offs (Recoveries)(a)
Commercial real estate	\$1,430,529	\$21,021	1.47 %	.01 %
Commercial business	413,464	10,377	2.51	(.10)
Consumer	2,269,585	9,231	.41	.06
Leasing and equipment finance	896,678	8,733	.97	.30
Unallocated	--	16,139	.19	n/a
Subtotal	5,010,256	65,501	1.31	.08
Residential real estate	3,450,311	2,635	.08	--
Total	\$8,460,567	\$68,136	.81	.05

	At or For the Year Ended December 31, 2000			
	Total Loans and Leases	Allowance	Allowance as a % of Portfolio	Net Charge-offs (Recoveries)
Commercial real estate	\$1,371,841	\$20,753	1.51 %	(.02)%
Commercial business	410,422	9,668	2.36	(.15)
Consumer	2,234,134	9,764	.44	.12
Leasing and equipment finance	856,471	7,583	.89	.33
Unallocated	--	16,139	.19	n/a
Subtotal	4,872,868	63,907	1.31	.09
Residential real estate	3,673,831	2,762	.08	--
Total	\$8,546,699	\$66,669	.78	.05

(a) Annualized

	Three Months Ended March 31,	
	2001	2000
Allowance for loan and lease losses:		
Balance at beginning of period	\$66,669	\$55,755
Provision for credit losses	2,425	990
Charge-offs	(2,259)	(1,941)
Recoveries	1,301	1,971
Net charge-offs	(958)	30
Balance at end of period	\$68,136	\$56,775

Annualized net loan and lease charge-offs  
as a percentage of average total loans  
and leases

.05 %                      -- %

	At March 31, 2001	At December 31, 2000
Non-performing assets:		
Non-accrual loans and leases:		
Consumer	\$12,055	\$13,027
Residential real estate	4,854	4,829
Commercial real estate	4,741	5,820
Commercial business	504	236
Leasing and equipment finance, net	9,747	7,376
Total non-accrual loans and leases, net	31,901	31,288
Non-recourse discounted lease rentals	2,873	3,910

Total non-accrual loans and leases, gross	34,774	35,198
Other real estate owned and other assets	11,930	11,524
Total non-performing assets, gross	\$46,704	\$46,722
Total non-performing assets, net	\$43,831	\$42,812
Accruing loans and leases 90 days or more past due	\$6,887	\$5,020

	At March 31, 2001		At December 31, 2000	
Delinquency data:	Principal Balances	% of Portfolio	Principal Balances	% of Portfolio
Consumer	\$21,756	.96 %	\$20,628	.93 %
Residential real estate	14,214	.41	16,971	.46
Commercial real estate	3,913	.27	1,793	.13
Commercial business	10,488 (b)	2.54	3,958	.96
Leasing and equipment finance	10,659	1.21	15,508	1.83
Total	\$61,030	.72	\$58,858	.69

(b) Includes \$6,550 with a customer which was brought current April 4, 2001.

#### CONSOLIDATED CAPITAL DATA:

	At March 31, 2001		At December 31, 2000	
Stockholders' equity	\$895,066		\$910,220	
Tangible net worth	733,073		745,798	
Stockholders' equity to total assets	7.56 %		8.13 %	
Tangible net worth to total assets	6.19		6.66	
Book value per common share	\$11.35		\$11.34	
Tangible book value per common share	9.29		9.29	
Total risk-based capital	803,676	10.97 %	825,527	11.59 %

#### TCF FINANCIAL CORPORATION AND SUBSIDIARIES CONSOLIDATED AVERAGE BALANCE SHEETS (Dollars In Thousands) (Unaudited)

	Three Months Ended March 31, 2001		
	Average Balance	Interest	Interest Yields and Rates (a)
Assets:			
Investments	\$145,135	\$2,296	6.33 %
Securities available for sale	1,511,908	25,001	6.61
Loans held for sale	285,464	4,996	7.00
Loans and leases:			
Residential real estate	3,586,981	64,608	7.20
Commercial real estate	1,393,839	28,767	8.26
Commercial business	402,666	8,583	8.53
Consumer	2,247,686	55,300	9.84
Leasing and equipment finance	879,272	23,010	10.47
Total loans and leases	8,510,444	180,268	8.47
Total interest-earning assets	10,452,951	212,561	8.13



Other assets	844,279		
Total assets	\$11,297,230		
Liabilities and Stockholders' Equity:			
Non-interest bearing deposits	\$1,457,149		
Interest-bearing deposits:			
Checking	748,935	1,107	0.59
Passbook and statement	983,646	2,480	1.01
Money market	859,865	6,995	3.25
Certificates	2,763,152	39,775	5.76
Total interest-bearing deposits	5,355,598	50,357	3.76
Total deposits	6,812,747	50,357	2.96
Borrowings:			
Securities sold under repurchase agreements and federal funds purchased	1,127,230	16,479	5.85
FHLB advances	1,953,255	27,385	5.61
Discounted lease rentals	158,155	3,228	8.16
Other borrowings	66,147	1,321	7.99
Total borrowings	3,304,787	48,413	5.86
Total deposits and borrowings	10,117,534	98,770	3.90
Other liabilities	284,213		
Total liabilities	10,401,747		
Stockholders' equity	895,483		
Total liabilities and stockholders' equity	\$11,297,230		
Net interest income		\$113,791	
Net interest margin			4.35 %

	Three Months Ended March 31, 2000		
	Average Balance	Interest	Interest Yields and Rates (a)
Assets:			
Investments	\$138,388	\$2,366	6.84 %
Securities available for sale	1,566,447	25,802	6.59
Loans held for sale	197,533	3,733	7.56
Loans and leases:			
Residential real estate	3,938,823	69,626	7.07
Commercial real estate	1,110,105	23,320	8.40
Commercial business	355,126	7,669	8.64
Consumer	2,071,155	51,174	9.88
Leasing and equipment finance	515,377	13,467	10.45
Total loans and leases	7,990,586	165,256	8.27
Total interest-earning assets	9,892,954	197,157	7.97
Other assets	757,761		
Total assets	\$10,650,715		
Liabilities and Stockholders' Equity:			
Non-interest bearing deposits	\$1,229,774		
Interest-bearing deposits:			

Checking	730,299	1,118	0.61
Passbook and statement	1,056,986	2,934	1.11
Money market	707,214	4,761	2.69
Certificates	2,887,390	36,698	5.08
Total interest-bearing deposits	5,381,889	45,511	3.38
Total deposits	6,611,663	45,511	2.75
Borrowings:			
Securities sold under repurchase agreements and federal funds purchased	883,776	12,944	5.86
FHLB advances	1,839,953	26,172	5.69
Discounted lease rentals	170,713	3,450	8.08
Other borrowings	122,890	2,240	7.29
Total borrowings	3,017,332	44,806	5.94
Total deposits and borrowings	9,628,995	90,317	3.75
Other liabilities	228,949		
Total liabilities	9,857,944		
Stockholders' equity	792,771		
Total liabilities and stockholders' equity	\$10,650,715		
Net interest income		\$106,840	
Net interest margin			4.32 %

(a) Annualized.