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TRUSTCO BANK CORP N Y
Form 8-K
July 18, 2006

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UNITED STATES
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 18, 2006

TrustCo Bank Corp NY
(Exact name of registrant as specified in its charter)

NEW YORK	0-10592	14-1630287
State or Other Jurisdiction of Incorporation or Organization	Commission File No.	I.R.S. Employer Identification Number

5 SARNOWSKI DRIVE, GLENNVILLE, 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))

TrustCo Bank Corp NY

Item 2.02. Results of Operations and Financial Condition

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On July 18, 2006, TrustCo Bank Corp NY ("TrustCo") issued a press release with year to date and second quarter results for the period ending June 30, 2006. 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 18, 2006, for the period ending June 30, 2006, regarding year to date and second quarter 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: July 18, 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 -----
99(a)	Press release dated July 18, 2006,	5 - 12

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highlighting year to date and second quarter 2006 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 M. Leonard
Administrative Vice President
(518) 381-3693

FOR IMMEDIATE RELEASE

TrustCo Announces Second Quarter Results

Glenville, New York - July 18, 2006 TrustCo Bank Corp NY (TrustCo, Nasdaq: TRST) today announced results for the second quarter of 2006 and for the first six months of the year. Net income for the second quarter of 2006 was \$12.4 million, compared to \$15.0 million for 2005. Diluted earnings per share were \$0.165 for the second quarter compared to \$0.199 for the second quarter of 2005. Return on average assets and return on average equity were 1.69% and 21.44% for the second quarter of 2006 compared to 2.11% and 26.52% for the second quarter of 2005. For 2006 the second quarter net income represents an increase of \$58 thousand over the net income for the first quarter. Though down from a year ago, we are encouraged by this upward trend for net income in the second quarter.

Net income for the six months ending June 30, 2006 was \$24.8 million, or \$0.330 in diluted earnings per share, compared to \$29.9 million, or \$0.396 in diluted earnings per share, for the six month period ending June 30, 2005.

Robert J. McCormick, President and Chief Executive Officer, commented, "As we have previously discussed, the flat or inverted interest rate yield curve continues. This has resulted in there being little or no margin between short-term and long-term interest rates, which in turn places a downward pressure on earnings. Our initiative to grow out of these downward pressures is continuing to show momentum. As of June 30, 2006, total loans have increased \$275.9 million and total deposits have increased \$143.8 million compared to June 30, 2005. The increases in deposits and loans have come from all the markets we serve, and we are pleased with these results."

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Trustco recently opened its New City office, which is located in Rockland County, New York. This is their 84th branch with approximately four additional openings planned during the third quarter of 2006.

TrustCo is a \$3.0 billion bank holding company and through its subsidiary, Trustco Bank, operates 84 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 Global Market 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 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.

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TRUSTCO BANK CORP NY
GLENVILLE, NY

FINANCIAL HIGHLIGHTS

(dollars in thousands, except per share data)

	06/30/06	Three Months Ended 03/31/06
Summary of operations		
Net interest income (TE)	\$ 25,704	26,245
Provision (credit) for loan losses	(1,775)	(1,800)
Net securities transactions	-	(288)
Noninterest income	3,917	3,593
Noninterest expense	11,986	11,925
Net income	12,424	12,366
Per common share		
Net income per share:		
- Basic	\$ 0.166	0.165

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- Diluted	0.165	0.164
Cash dividends	0.160	0.160
Tangible Book value at period end	2.86	2.96
Market price at period end	11.02	12.17
At period end		
Full time equivalent employees	532	530
Full service banking offices	84	82
Performance ratios		
Return on average assets	1.69 %	1.73
Return on average equity (1)	21.44	21.61
Efficiency (2)	41.48	39.82
Net interest spread (TE)	3.15	3.33
Net interest margin (TE)	3.56	3.70
Dividend payout ratio	96.28	96.83
Capital ratios at period end (3)		
Total equity to assets	7.89 %	7.99
Tier 1 risk adjusted capital	15.45	16.07
Total risk adjusted capital	16.72	17.34
Asset quality analysis at period end		
Nonperforming loans to total loans	0.32 %	0.22
Nonperforming assets to total assets	0.17	0.12
Allowance for loan losses to total loans	2.63	2.88
Coverage ratio (4)	8.3 X	12.8

- (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 and any nonrecurring charges) divided by taxable equivalent net interest income plus noninterest income (excluding net securities transactions).
- (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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FINANCIAL HIGHLIGHTS, Continued

	Six Months Ended	
	06/30/06	06/30/05
Summary of operations		
Net interest income (TE)	\$ 51,949	53,452
Provision (credit) for loan losses	(3,575)	(3,080)
Net securities transactions	(288)	4,907
Noninterest income	7,510	9,017
Noninterest expense	23,911	22,839
Net income	24,790	29,892

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Per common share		
Net income per share:		
- Basic	\$ 0.331	0.399
- Diluted	0.330	0.396
Cash dividends	0.320	0.300
Tangible Book value at period end	2.86	3.12
Market price at period end	11.02	13.06
Performance ratios		
Return on average assets	1.71 %	2.12
Return on average equity (1)	21.52	26.67
Efficiency (2)	40.65	38.13
Net interest spread (TE)	3.24	3.61
Net interest margin (TE)	3.63	3.87
Dividend payout ratio	96.56	75.29

(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 and any nonrecurring charges) divided by taxable equivalent net interest income plus noninterest income (excluding net securities transactions).

TE = Taxable equivalent.

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CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION
(dollars in thousands)

	06/30/06	12/31/05
ASSETS		
Loans, net	\$ 1,567,516	1,425,342
Securities available for sale	1,090,247	1,084,076
Federal funds sold and other short-term investments	171,708	257,196
	-----	-----
Total earning assets	2,829,471	2,766,614
Cash and due from banks	43,561	55,667
Bank premises and equipment	22,669	21,734
Other assets	72,088	68,744
	-----	-----
Total assets	\$ 2,967,789	2,912,759
	=====	=====
LIABILITIES		
Deposits:		
Demand	\$ 249,686	251,012
Interest-bearing checking	290,239	309,668

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Savings	715,540	725,336
Money market	266,181	190,560
Certificates of deposit (in denominations of \$100,000 or more)	234,608	225,611
Other time deposits	875,437	860,300
	-----	-----
Total deposits	2,631,691	2,562,487
Short-term borrowings	90,599	87,935
Long-term debt	73	87
Due to broker	-	-
Other liabilities	31,266	33,589
	-----	-----
Total liabilities	2,753,629	2,684,098
SHAREHOLDERS' EQUITY	214,160	228,661
	-----	-----
Total liabilities and shareholders' equity	\$ 2,967,789	2,912,759
	=====	=====
Number of common shares outstanding, in thousands	74,828	74,776

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

	06/30/06	Three Months Ended 03/31/06
Interest income		
Loans	\$ 25,470	24,351
Investments	14,201	13,866
Federal funds sold and other short term investments	2,271	2,492
	-----	-----
Total interest income	41,942	40,709
Interest expense		
Deposits	16,056	14,419
Borrowings	962	779
	-----	-----
Total interest expense	17,018	15,198
	-----	-----
Net interest income	24,924	25,511

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Provision (credit) for loan losses	(1,775)	(1,800)
	-----	-----
Net interest income after provision for loan losses	26,699	27,311
Net securities transactions	-	(288)
Noninterest income	3,917	3,593
Noninterest expense	11,986	11,925
	-----	-----
Income before income taxes	18,630	18,691
Income tax expense	6,206	6,325
	-----	-----
Net income	\$ 12,424	12,366
	=====	=====
Net income per share:		
- Basic	\$ 0.166	0.165
- Diluted	\$ 0.165	0.164
Avg equivalent shares outstanding, in thousands:		
- Basic	74,894	74,871
- Diluted	75,112	75,263

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

	Six Months Ended	
	06/30/06	06/30/05
Interest income		
Loans	\$ 49,821	40,970
Investments	28,067	23,931
Federal funds sold and other short term investments	4,763	7,000
	-----	-----
Total interest income	82,651	71,901
Interest expense		
Deposits	30,475	19,517
Borrowings	1,741	816
	-----	-----
Total interest expense	32,216	20,333
Net interest income	50,435	51,568
Provision (credit) for loan losses	(3,575)	(3,080)
	-----	-----
Net interest income after		

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provision for loan losses	54,010	54,648
Net securities transactions	(288)	4,907
Noninterest income	7,510	9,017
Noninterest expense	23,911	22,839
	-----	-----
Income before income taxes	37,321	45,733
Income tax expense	12,531	15,841
	-----	-----
Net income	\$ 24,790	29,892
	=====	=====
Net income per share:		
- Basic	\$ 0.331	0.399
- Diluted	\$ 0.330	0.396
Avg equivalent shares outstanding, in thousands:		
- Basic	74,883	74,972
- Diluted	75,188	75,429

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CONSOLIDATED AVERAGE STATEMENTS OF FINANCIAL CONDITION
(in thousands)

	06/30/06	Three Months Ended 03/31/06	06/30/05
Total assets	\$ 2,946,441	2,898,342	2,946,441
Shareholders' equity	215,412	225,030	215,412
Total loans	1,567,535	1,495,867	1,567,535
Securities available for sale	1,129,033	1,099,024	1,129,033
Interest-earning assets	2,882,392	2,819,811	2,882,392
Interest-bearing deposits	2,356,285	2,311,333	2,356,285
Interest-bearing liabilities	2,455,573	2,403,167	2,455,573
Demand deposits	247,029	241,903	247,029
		Six Months Ended 06/30/05	
Total assets	\$ 2,922,526	2,843,406	2,922,526
Shareholders' equity	220,194	228,332	220,194
Total loans	1,531,898	1,275,550	1,531,898
Securities available for sale	1,114,112	949,857	1,114,112
Interest-earning assets	2,851,642	2,762,772	2,851,642
Interest-bearing deposits	2,333,934	2,276,151	2,333,934
Interest-bearing liabilities	2,429,516	2,358,235	2,429,516
Demand deposits	244,480	229,789	244,480

