



News Release

TCF Reports Record Second-Quarter Earnings (part 2)

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

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|--------------------------------|-----------|------------------------------|-----------|
| | 2000 | 1999 | 2000 | 1999 |
| Interest income: | | | | |
| Loans and leases | \$172,432 | \$152,177 | \$337,688 | \$302,418 |
| Securities available for sale | 25,218 | 28,683 | 51,020 | 56,771 |
| Loans held for sale | 4,362 | 3,273 | 8,095 | 6,792 |
| Investments | 2,395 | 2,226 | 4,761 | 4,421 |
| Total interest income | 204,407 | 186,359 | 401,564 | 370,402 |
| Interest expense: | | | | |
| Deposits | 46,893 | 42,965 | 92,404 | 86,855 |
| Borrowings | 47,316 | 36,672 | 92,122 | 71,986 |
| Total interest expense | 94,209 | 79,637 | 184,526 | 158,841 |
| Net interest income | 110,198 | 106,722 | 217,038 | 211,561 |
| Provision for credit losses | 5,383 | 2,947 | 6,373 | 10,707 |
| Net interest income after provision for credit losses | 104,815 | 103,775 | 210,665 | 200,854 |
| Non-interest income: | | | | |
| Fee and service charge revenues | 44,842 | 37,469 | 83,693 | 71,310 |
| Electronic funds transfer revenues | 19,914 | 16,890 | 37,274 | 31,287 |
| Leasing revenues | 10,144 | 5,389 | 19,162 | 12,983 |
| Commissions on sales of annuities | 1,942 | 2,451 | 4,044 | 4,651 |
| Commissions on sales of mutual funds | 1,466 | 1,716 | 3,077 | 3,258 |
| Gain on sale of loans held for sale | 552 | 1,061 | 1,507 | 2,630 |
| Other | 3,578 | 3,409 | 6,634 | 6,185 |
| | 82,438 | 68,385 | 155,391 | 132,304 |
| Gain (loss) on sales of securities available for sale | -- | (5) | -- | 3,194 |
| Gain on sales of loan servicing | -- | 743 | -- | 3,076 |
| Gain on sale of branches | 3,866 | 2,382 | 3,866 | 2,382 |
| Title insurance revenues (a) | -- | 4,512 | -- | 8,978 |
| | 3,866 | 7,632 | 3,866 | 17,630 |
| Total non-interest income | 86,304 | 76,017 | 159,257 | 149,934 |
| Non-interest expense: | | | | |
| Compensation and employee benefits | 59,768 | 60,151 | 118,187 | 118,204 |
| Occupancy and equipment | 18,772 | 18,131 | 37,677 | 36,240 |

| | | | | |
|--|----------|----------|----------|----------|
| Advertising and promotions | 4,958 | 4,730 | 9,135 | 9,384 |
| Amortization of goodwill and other intangibles | 2,484 | 2,673 | 4,967 | 5,348 |
| Other | 29,263 | 27,094 | 57,869 | 51,928 |
| Total non-interest expense | 115,245 | 112,779 | 227,835 | 221,104 |
| Income before income tax expense | 75,874 | 67,013 | 142,087 | 129,684 |
| Income tax expense | 29,212 | 26,024 | 54,704 | 51,355 |
| Net income | \$46,662 | \$40,989 | \$87,383 | \$78,329 |

Net income per common share:

| | | | | |
|---------|--------|--------|--------|--------|
| Basic | \$.60 | \$.50 | \$1.10 | \$.94 |
| Diluted | \$.59 | \$.49 | \$1.10 | \$.94 |

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

| | | | |
|--------|--------|--------|--------|
| \$.61 | \$.52 | \$1.14 | \$.98 |
|--------|--------|--------|--------|

Dividends declared per common share

| | | | |
|----------|----------|--------|--------|
| \$.2125 | \$.1875 | \$.40 | \$.35 |
|----------|----------|--------|--------|

Average common and common equivalent shares outstanding:

| | | | | |
|---------|--------|--------|--------|--------|
| Basic | 78,340 | 82,616 | 79,160 | 83,115 |
| Diluted | 79,010 | 83,238 | 79,750 | 83,667 |

(a) Title insurance business was sold in 1999.

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

ASSETS

| | At June 30, 2000 | At December 31, 1999 |
|-------------------------------------|------------------------|----------------------------|
| Cash and due from banks | \$382,464 | \$429,262 |
| Investments | 131,635 | 148,154 |
| Securities available for sale | 1,436,836 | 1,521,661 |
| Loans held for sale | 259,085 | 198,928 |
| Loans and leases: | | |
| Residential real estate | 3,866,659 | 3,919,678 |
| Consumer | 2,150,763 | 2,058,584 |
| Commercial real estate | 1,191,999 | 1,073,472 |
| Commercial business | 365,807 | 351,353 |
| Leasing and equipment finance | 655,922 | 492,656 |
| Total loans and leases | 8,231,150 | 7,895,743 |
| Allowance for loan and lease losses | (60,997) | (55,755) |
| Net loans and leases | 8,170,153 | 7,839,988 |
| Goodwill | 156,432 | 158,468 |
| Deposit base intangibles | 12,340 | 13,262 |
| Other assets | 356,760 | 351,993 |
| | \$ 10,905,705 | \$ 10,661,716 |

LIABILITIES AND STOCKHOLDERS' EQUITY

Deposits:

| | | |
|------------------------|-------------|-------------|
| Checking | \$2,068,761 | \$1,913,279 |
| Passbook and statement | 1,128,863 | 1,091,292 |
| Money market | 745,096 | 708,417 |

| | | |
|---|---------------|---------------|
| Certificates | 2,777,242 | 2,871,847 |
| Total deposits | 6,719,962 | 6,584,835 |
| Securities sold under repurchase agreements and federal funds purchased | 927,331 | 1,010,000 |
| Federal Home Loan Bank advances | 1,948,952 | 1,759,787 |
| Discounted lease rentals | 165,432 | 178,369 |
| Other borrowings | 164,017 | 135,732 |
| Total borrowings | 3,205,732 | 3,083,888 |
| Accrued interest payable | 29,447 | 40,352 |
| Accrued expenses and other liabilities | 143,182 | 143,659 |
| Total liabilities | 10,098,323 | 9,852,734 |
| Stockholders' equity: | | |
| Common stock, par value \$.01 per share, 280,000,000 shares authorized; 92,780,873 and 92,804,205 shares issued | 928 | 928 |
| Additional paid-in capital | 505,476 | 500,797 |
| Retained earnings, subject to certain restrictions | 770,541 | 715,461 |
| Accumulated other comprehensive income (loss) | (46,891) | (47,382) |
| Treasury stock at cost, 12,501,737 and 10,863,017 shares, and other | (422,672) | (360,822) |
| Total stockholders' equity | 807,382 | 808,982 |
| | \$ 10,905,705 | \$ 10,661,716 |

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

| | | | | |
|--|--------------------------|-----------|-----------|----------|
| SUPERMARKET BANKING DATA: | At or For the Six Months | | | |
| | Ended June 30, | | | |
| | 2000 | 1999 | Increase | % Change |
| Number of branches | 207 | 174 | 33 | 19.0% |
| Number of deposit accounts | 614,983 | 491,251 | 123,732 | 25.2 |
| Deposits: | | | | |
| Checking | \$436,220 | \$309,076 | \$127,144 | 41.1 |
| Passbook and statement | 142,878 | 118,050 | 24,828 | 21.0 |
| Money market | 86,837 | 60,390 | 26,447 | 43.8 |
| Certificates | 305,214 | 229,281 | 75,933 | 33.1 |
| Total Power Liabilities | \$971,149 | \$716,797 | \$254,352 | 35.5 |
| Average rate on deposits | 2.35% | 1.99% | 0.36% | 18.1 |
| Total fees and other revenues (quarter-to-date) | \$28,497 | \$21,553 | \$6,944 | 32.2 |
| Total fees and other revenues (year-to-date) | \$51,811 | \$39,010 | \$12,801 | 32.8 |
| Consumer loans | \$213,498 | \$155,210 | \$58,288 | 37.6 |

CREDIT QUALITY DATA:

| | | | | |
|----------------------------------|--|-----------|-------------------------------------|---------------------------------------|
| | At or For the Six Months Ended June 30, 2000 | | | |
| | Total Loans and Leases | Allowance | Allowance as a % of Portfolio | Net Charge-offs (Recoveries)(a) |
| Commercial real estate | \$1,191,999 | \$17,431 | 1.46% | (.03)% |
| Commercial business | 365,807 | 8,778 | 2.40 | (.24) |
| Consumer | 2,150,763 | 10,200 | 0.47 | .04 |
| Leasing and equipment finance | 655,922 | 5,095 | 0.78 | .49 |
| Unallocated | -- | 16,639 | 0.20 | n/a |
| Subtotal | 4,364,491 | 58,143 | 1.33 | .05 |
| Residential real estate | 3,866,659 | 2,854 | 0.07 | -- |

| | | | | |
|--|---------------------------|-----------|-------------------------------------|------------------------------------|
| Total | \$8,231,150 | \$60,997 | 0.74 | .03 |
| At or For the Year Ended December 31, 1999 | | | | |
| | Total Loans and Leases | Allowance | Allowance as a % of Portfolio | Net Charge-offs (Recoveries) |
| Commercial real estate | \$1,073,472 | \$12,708 | 1.18% | (.08)% |
| Commercial business | 351,353 | 8,256 | 2.35 | (.08) |
| Consumer | 2,058,584 | 10,701 | .52 | 1.30 |
| Leasing and equipment finance | 492,656 | 4,237 | .86 | .39 |
| Unallocated | -- | 16,839 | .21 | n/a |
| Subtotal | 3,976,065 | 52,741 | 1.33 | .72 |
| Residential real estate | 3,919,678 | 3,014 | .08 | -- |
| Total | \$7,895,743 | \$55,755 | .71 | .35 |

| | | | |
|---|--|---------------------|-------------------------|
| | | At June 30, 2000 | At December 31, 1999 |
| Non-performing assets: | | | |
| Non-accrual loans and leases: | | | |
| Consumer | | \$12,259 | \$12,178 |
| Residential real estate | | 5,917 | 5,431 |
| Commercial real estate | | 1,913 | 1,576 |
| Commercial business | | 736 | 2,960 |
| Leasing and equipment finance | | 3,652 | 1,929 |
| | | 24,477 | 24,074 |
| Other real estate owned and other assets | | 9,636 | 11,348 |
| Total non-performing assets | | \$34,113 | \$35,422 |
| Total non-performing assets excluding amounts funded by non-recourse discounted lease rentals | | \$31,171 | \$34,803 |
| Accruing loans and leases 90 days or more past due | | \$5,829 | \$ 5,789 |
| Delinquency data: | | | |
| Total loans and leases over 30 days delinquent | | .42% | .42% |
| Total consumer loans over 30 days delinquent | | .94 | .93 |

(a) Annualized.

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

CONSOLIDATED REGULATORY CAPITAL DATA:

| | | |
|--|------------------|----------------------|
| | At June 30, 2000 | At December 31, 1999 |
| Tier 1 leverage capital | \$688,856 6.38% | \$688,357 6.56% |
| Tier 1 leverage capital requirement | 324,150 3.00 | 314,582 3.00 |
| Excess | \$364,706 3.38% | \$373,775 3.56% |
| Tier 1 risk-based capital | \$688,856 10.29% | \$688,357 10.22% |
| Tier 1 risk-based capital requirement | 267,673 4.00 | 269,448 4.00 |
| Excess | \$421,183 6.29% | \$418,909 6.22% |
| Total risk-based capital | \$750,785 11.22% | \$745,171 11.06% |
| Total risk-based capital | | |

| | | | | |
|--------------------------------------|-----------|-------|-----------|-------|
| requirement | 535,346 | 8.00 | 538,897 | 8.00 |
| Excess | \$215,439 | 3.22% | \$206,274 | 3.06% |
| Tangible net worth | \$638,610 | | \$637,252 | |
| Stockholders' equity to total assets | 7.40% | | 7.59% | |
| Book value per common share | \$10.06 | | \$9.87 | |
| Tangible book value per common share | 7.95 | | 7.78 | |

BANK BRANCHES:

| | At June 30, 2000 | | | At December 31, 1999 | | |
|-----------|------------------|-------------|-------|----------------------|-------------|-------|
| | Supermarket | Traditional | Total | Supermarket | Traditional | Total |
| Minnesota | 37 | 46 | 83 | 36 | 46 | 82 |
| Illinois | 132 | 32 | 164 | 121 | 31 | 152 |
| Wisconsin | 14 | 18 | 32 | 13 | 18 | 31 |
| Michigan | 13 | 44 | 57 | 15 | 48 | 63 |
| Colorado | 11 | -- | 11 | 10 | -- | 10 |
| | 207 | 140 | 347 | 195 | 143 | 338 |

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

| | Three Months Ended June 30, | | | | | |
|-------------------------------|-----------------------------|----------|-------------------------------|-----------------|----------|-------------------------------|
| | 2000 | | | 1999 | | |
| | Average Balance | Interest | Interest Yields and Rates (a) | Average Balance | Interest | Interest Yields and Rates (a) |
| Assets: | | | | | | |
| Investments | \$136,415 | \$2,395 | 7.02% | \$135,754 | \$2,226 | 6.56% |
| Securities available for sale | 1,525,731 | 25,218 | 6.61 | 1,750,324 | 28,683 | 6.55 |
| Loans held for sale | 225,429 | 4,362 | 7.74 | 199,472 | 3,273 | 6.56 |
| Loans and leases: | | | | | | |
| Residential real estate | 3,913,543 | 69,356 | 7.09 | 3,777,903 | 65,879 | 6.98 |
| Commercial real estate | 1,167,672 | 25,050 | 8.58 | 890,028 | 18,669 | 8.39 |
| Commercial business | 365,749 | 8,302 | 9.08 | 340,824 | 6,654 | 7.81 |
| Consumer | 2,117,569 | 53,770 | 10.16 | 1,956,935 | 49,777 | 10.17 |
| Leasing and equipment finance | 601,497 | 15,954 | 10.61 | 401,159 | 11,198 | 11.17 |
| Total loans and leases | 8,166,030 | 172,432 | 8.45 | 7,366,849 | 152,177 | 8.26 |
| Total interest-earning assets | 10,053,605 | 204,407 | 8.13 | 9,452,399 | 186,359 | 7.89 |
| Other assets | 747,250 | | | 799,359 | | |
| Total assets | \$10,800,855 | | | \$10,251,758 | | |

Liabilities and Stockholders' Equity:

Non-interest

bearing

deposits \$1,328,548

\$1,183,438

Interest-

bearing

deposits:

Checking 751,803 1,067 0.57 719,213 1,023 0.57

Passbook and statement 1,065,822 2,951 1.11 1,132,265 3,148 1.11

Money market 725,875 5,582 3.08 730,421 4,683 2.56

Certificates 2,806,039 37,293 5.32 2,875,211 34,111 4.75

Total

interest-

bearing

deposits 5,349,539 46,893 3.51 5,457,110 42,965 3.15

Total

deposits 6,678,087 46,893 2.81 6,640,548 42,965 2.59

Borrowings:

Securities

sold under

repurchase

agreements

and federal

funds

purchased 801,699 12,476 6.22 388,108 4,826 4.97

FHLB advances 1,924,567 27,666 5.75 1,873,381 25,529 5.45

Discounted

lease rentals 163,722 3,502 8.56 172,515 3,447 7.99

Other

borrowings 212,775 3,672 6.90 197,574 2,870 5.81

Total

borrowings 3,102,763 47,316 6.10 2,631,578 36,672 5.57

Total

interest-

bearing

liabilities 8,452,302 94,209 4.46 8,088,688 79,637 3.94

Other

liabilities 233,289 164,160

Total

liabilities 10,014,139 9,436,286

Stockholders'

equity 786,716 815,472

Total

liabilities

and

stockholders'

equity \$10,800,855 \$10,251,758

Net interest

income \$110,198 \$106,722

Net interest-

rate spread 3.67% 3.95%

Net interest

margin 4.38% 4.52%

(a) Annualized.

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

| | Six Months Ended June 30, | | | | | |
|--|---------------------------|----------|-------------------------------------|--------------------|----------|-------------------------------------|
| | 2000 | | | 1999 | | |
| | Average Balance | Interest | Interest Yields and Rates (a) | Average Balance | Interest | Interest Yields and Rates (a) |
| Assets: | | | | | | |
| Investments | \$137,401 | \$4,761 | 6.93% | \$137,375 | \$4,421 | 6.44% |
| Securities available for sale | 1,546,089 | 51,020 | 6.60 | 1,727,589 | 56,771 | 6.57 |
| Loans held for sale | 211,481 | 8,095 | 7.66 | 207,173 | 6,792 | 6.56 |
| Loans and leases: | | | | | | |
| Residential real estate | 3,926,183 | 138,979 | 7.08 | 3,782,537 | 132,254 | 6.99 |
| Commercial real estate | 1,138,888 | 48,371 | 8.49 | 868,987 | 36,375 | 8.37 |
| Commercial business | 360,438 | 15,972 | 8.86 | 321,077 | 12,491 | 7.78 |
| Consumer | 2,094,362 | 104,945 | 10.02 | 1,926,219 | 98,611 | 10.24 |
| Leasing and equipment finance | 558,437 | 29,421 | 10.54 | 399,272 | 22,687 | 11.36 |
| Total loans and leases | 8,078,308 | 337,688 | 8.36 | 7,298,092 | 302,418 | 8.29 |
| Total interest- earning assets | 9,973,279 | 401,564 | 8.05 | 9,370,229 | 370,402 | 7.91 |
| Other assets | 752,913 | | | 813,057 | | |
| Total assets | \$10,726,192 | | | \$10,183,286 | | |
| Liabilities and Stockholders' Equity: | | | | | | |
| Non-interest bearing deposits | \$1,279,164 | | | \$1,152,945 | | |
| Interest- bearing deposits: | | | | | | |
| Checking | 741,052 | 2,188 | 0.59 | 706,153 | 2,021 | 0.57 |
| Passbook and statement | 1,061,404 | 5,885 | 1.11 | 1,122,707 | 6,223 | 1.11 |
| Money market | 716,545 | 10,345 | 2.89 | 726,760 | 9,386 | 2.58 |
| Certificates | 2,846,714 | 73,986 | 5.20 | 2,891,212 | 69,225 | 4.79 |
| Total interest- bearing deposits | 5,365,715 | 92,404 | 3.44 | 5,446,832 | 86,855 | 3.19 |
| Total deposits | 6,644,879 | 92,404 | 2.78 | 6,599,777 | 86,855 | 2.63 |

| | | | | | | |
|---------------|--------------|-----------|-------|--------------|-----------|-------|
| Borrowings: | | | | | | |
| Securities | | | | | | |
| sold under | | | | | | |
| repurchase | | | | | | |
| agreements | | | | | | |
| and federal | | | | | | |
| funds | | | | | | |
| purchased | 842,737 | 25,421 | 6.03 | 420,886 | 10,476 | 4.98 |
| FHLB | | | | | | |
| advances | 1,882,260 | 53,839 | 5.72 | 1,812,283 | 49,205 | 5.43 |
| Discounted | | | | | | |
| lease | | | | | | |
| rentals | 167,218 | 6,952 | 8.31 | 176,570 | 7,105 | 8.05 |
| Other | | | | | | |
| borrowings | 167,833 | 5,910 | 7.04 | 174,112 | 5,200 | 5.97 |
| Total | | | | | | |
| borrowings | 3,060,048 | 92,122 | 6.02 | 2,583,851 | 71,986 | 5.57 |
| Total | | | | | | |
| interest- | | | | | | |
| bearing | | | | | | |
| liabilities | 8,425,763 | 184,526 | 4.38 | 8,030,683 | 158,841 | 3.96 |
| Other | | | | | | |
| liabilities | 230,174 | | | 176,918 | | |
| Total | | | | | | |
| liabilities | 9,935,101 | | | 9,360,546 | | |
| Stockholders' | | | | | | |
| equity | 791,091 | | | 822,740 | | |
| Total | | | | | | |
| liabilities | | | | | | |
| and | | | | | | |
| stockholders' | | | | | | |
| equity | \$10,726,192 | | | \$10,183,286 | | |
| Net interest | | | | | | |
| income | | \$217,038 | | | \$211,561 | |
| Net interest- | | | | | | |
| rate spread | | | 3.67% | | | 3.95% |
| Net interest | | | | | | |
| margin | | | 4.35% | | | 4.52% |

(a) Annualized. SOURCE TCF Financial Corporation

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