

IRWIN FINANCIAL CORPORATION

Form 10-Q/A

July 16, 2001

UNITED STATES	
SECURITIES AND EXCHANGE COMMISSION	
Washington, D. C. 20549	
FORM 10-Q/A	
(Mark One)	
<input checked="" type="checkbox"/> QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934	
For the quarterly period ended <u>March 31, 2001</u>	
OR	
<input type="checkbox"/> 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 <u>0-6835</u>	
<u>IRWIN FINANCIAL CORPORATION</u>	
(Exact name of registrant as specified in its charter)	
<u>INDIANA</u>	<u>35-1286807</u>
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)
<u>500 Washington Street, Columbus, IN 47201</u>	

(Address of principal executive offices)
(Zip Code)
812/376-1020
Registrant's telephone number, including area code)
(Former name, former address and former fiscal year
if changed since last report)
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 <input checked="" type="checkbox"/> No
APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY
PROCEEDINGS DURING THE PRECEDING FIVE YEARS
Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13, or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court.
Yes No
As of July 12, 2001 there were outstanding 21,194,748 common shares, no par value, of the Registrant.

EXPLANATORY STATEMENT:

This Form 10-Q/A is being filed to include an exhibit that was omitted from the initial Form 10-Q filing.

Part I									
Item 1									
IRWIN FINANCIAL CORPORATION AND SUBSIDIARIES									
CONSOLIDATED BALANCE SHEET (Unaudited)									
(In thousands, except for shares)					March 31,		December 31,		
Assets:					2001		2000		
Cash and cash equivalents					\$ 119,388		\$ 83,493		
Interest-bearing deposits with financial institutions					61,783		36,400		
Trading assets					177,814		154,921		
Investment securities (Market value: \$32,222 in 2001 and \$37,163 in 2000) - Note 2					32,075		37,095		
Loans held for sale					851,484		579,788		
Loans and leases, net of unearned income - Note 3					1,317,161		1,234,922		
Less: Allowance for loan and lease losses - Note 4					(13,622)		(13,129)		
					1,303,539		1,221,793		
Servicing assets - Note 5					142,639		130,522		
Accounts receivable					67,597		69,224		
Accrued interest receivable					10,873		12,979		
Premises and equipment					31,004		29,409		
Other assets					68,173		66,805		
Total assets					\$2,866,369		\$2,422,429		

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Liabilities and Shareholders' Equity:									
Deposits									
Noninterest-bearing					\$ 411,838		\$ 263,159		
Interest-bearing					686,745		517,127		
Certificates of deposit over \$100,000					721,421		663,044		
					1,820,004		1,443,330		
Short-term borrowings- Note 6					516,522		475,502		
Long-term debt- Note 7					29,619		29,608		
Other liabilities					154,869		136,897		
Company-obligated mandatorily redeemable preferred securities of subsidiary trust- Note 8					147,139		147,167		
Total liabilities					2,668,153		2,232,504		
Commitments and contingencies - Note 10									
Shareholders' equity									
Preferred stock, no par value - authorized									
4,000,000 shares; issued 96,336 shares as of March 31, 2001 and									
December 31, 2000					1,386		1,386		
Common stock; no par value - authorized 40,000,000 shares;									
issued 23,402,080 shares as of March 31, 2001 and December 31, 2000;									
including 2,235,366 and 2,376,119 shares in treasury as of March 31, 2001 and December 31, 2000 respectively					29,965		29,965		
Additional paid-in capital					4,065		4,331		
Minority interest					922		1,055		
Accumulated other comprehensive income net of deferred income tax									
					(1,176)		(962)		

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asset of (\$456) and (\$305) in 2001 and 2000, respectively.									
Retained earnings					209,524		201,729		
					244,686		237,504		
Less treasury stock, at cost					(46,470)		(47,579)		
Total shareholders' equity					198,216		189,925		
Total liabilities and shareholders' equity					\$2,866,369		\$2,422,429		
The accompanying notes are an integral part of the consolidated financial statements.									
IRWIN FINANCIAL CORPORATION AND SUBSIDIARIES									
CONSOLIDATED STATEMENT OF INCOME (Unaudited)									
					Three Months Ended				
					March 31,				
(In thousands, except for per share)					2001		2000		
Interest income:									
Loans and leases					\$ 29,250		\$ 20,210		
Investment securities:									
Taxable					1,243		929		
Tax-exempt					62		63		
Loans held for sale					22,856		12,140		
Trading account					7,146		2,484		
Federal funds sold					33		46		
Total interest income					60,590		35,872		
Interest expense:									
Deposits					19,053		8,460		
Short-term borrowings					8,151		6,550		
Long-term debt					580		583		
Preferred securities distribution					3,704		1,174		
Total interest expense					31,488		16,767		
Net interest income					29,102		19,105		

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Provision for loan and lease losses - Note 4				1,553		1,136		
Net interest income after provision for								
loan and lease losses				27,549		17,969		
Other income:								
Loan origination fees				13,703		10,088		
Gain from sale of loans				32,893		16,029		
Loan servicing fees				16,052		15,121		
Amortization and impairment of servicing assets				7,535		6,101		
Net loan administration income				8,517		9,020		
Gain on sale of mortgage servicing assets				2,092		252		
Trading gains (losses)				3,238		3,389		
Other				1,608		11,360		
Total other income				62,051		50,138		
Other expense:								
Salaries				41,283		25,955		
Pension and other employee benefits				6,736		5,668		
Office expense				3,642		3,269		
Premises and equipment				7,428		6,057		
Marketing and development				1,529		4,778		
Other				14,207		8,209		
Total other expense				74,825		53,936		
Income before income taxes				14,775		14,171		
Provision for income taxes				5,779		5,689		
Income before cumulative effect of change in accounting principle				8,996		8,482		
Cumulative effect of change in accounting principle, net of tax				175		-		
Net income				\$ 9,171		\$ 8,482		

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Earnings per share of common stock available to shareholders:									
Basic - Note 9					\$ 0.44		\$ 0.40		
Diluted - Note 9					\$ 0.41		\$ 0.40		
Dividends per share of common stock					\$ 0.065		\$ 0.06		
The accompanying notes are an integral part of the consolidated financial statements.									
IRWIN FINANCIAL CORPORATION AND SUBSIDIARIES									
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (Unaudited)									
FOR THE THREE MONTHS ENDED MARCH 31, 2001 AND 2000									
				Accumulated					
				Other					
				Compre-			Additional		
			Retained	hensive	Preferred	Common	Paid in	Treasury	Minority
		Total	Earnings	Income	Stock	Stock	Capital	Stock	Interest
Balance at January 1, 2001		\$189,925	\$ 201,729	\$ (962)	\$ 1,386	\$29,965	\$ 4,331	\$(47,579)	\$1,055
Net income		9,171	9,171						
Unrealized gain on investment									
securities net of \$43 tax liability		63		63					
Foreign currency adjustment net of									
\$187 tax credit		(281)		(281)					
Deferred compensation		4		4					
Total comprehensive income		8,957							
Cash dividends		(1,376)	(1,376)						
Tax benefit on stock option exercises		1,590					1,590		
Treasury stock:									
		(2,138)						(2,138)	

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Purchase of 90,120 shares								
Sales of 230,873 shares	1,391	-				(1,856)	3,247	
Minority Interest	(133)							(133)
Balance March 31, 2001	\$198,216	\$ 209,524	\$ (1,176)	\$ 1,386	\$29,965	\$ 4,065	\$(46,470)	\$ 922
Balance at January 1, 2000	\$159,296	\$ 171,101	\$ (70)	\$ -	\$29,965	\$ 4,250	\$(45,950)	\$ -
Net income	8,482	8,482						
Unrealized loss on investment								
securities net of \$27 tax credit	(42)		(42)					
Total comprehensive income	8,440							
Cash dividends	(1,259)	(1,259)						
Treasury stock:								
Purchase of 198,253 shares	(3,052)						(3,052)	
Sales of 29,169 shares	444					137	307	
Issuance of 96,336 shares of preferred stock	1,387			1,387				
Balance March 31, 2000	\$165,256	\$ 178,324	\$ (112)	\$ 1,387	\$29,965	\$ 4,387	\$(48,695)	\$ -
IRWIN FINANCIAL CORPORATION AND SUBSIDIARIES								
CONSOLIDATED STATEMENT OF CASH FLOWS (Unaudited)								
For the three months ended March 31,		2001		2000				
(In thousands)								
Net income		\$ -		\$ 8,482				
Adjustments to reconcile net income to cash provided								