

## Press Releases

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February 15, 1996

OTS 96-08 - Thrift Conversions Generate Near Record Capital In 1995

**Office of Thrift Supervision**

### News Release

FOR RELEASE at 11:45 a.m. EST

For further information

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### **THRIFT CONVERSIONS GENERATE NEAR RECORD CAPITAL IN 1995**

WASHINGTON, D.C., Feb. 15, 1996 -- For the third consecutive year, the conversions of thrift institutions from mutual to stock ownership in 1995 resulted in the infusion of more than \$2 billion in capital into the thrift industry, the Office of Thrift Supervision (OTS) reported today. For the year, OTS said 75 mutual thrift institutions and four mutual holding companies converted and raised \$2.05 billion in new capital.

Conversions in the fourth quarter raised \$812.9 million in capital. This was the second largest quarterly figure, surpassed only by the second quarter of 1983 when thrift conversions raised nearly \$1.1 billion.

OTS said a variety of factors may be contributing to the high level of conversion activity over the past three years. These include a strong stock market that has helped converting institutions boost their net worth; a perception by investors and thrift managements of continued value in the thrift charter; and over the past year, anxiety over the future of the mutual thrifts as a result of proposed legislation related to the thrift charter.

From 1972 through year-end 1995, a total of 1,225 mutual institutions converted to stock form and raised \$21.14 billion in capital. The record year was 1983, with 83 conversions and \$2.74 billion in new capital.

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The Office of Thrift Supervision (OTS), a bureau of the U.S. Treasury, regulates and supervises the nation's thrift industry. OTS' mission is to ensure the safety and soundness of thrift institutions and to support their role as home mortgage lenders and providers of other community credit and financial services. For copies of news releases or other documents call PubliFax at 202/906-5660, or visit the OTS web page at [www.ots.treas.gov](http://www.ots.treas.gov).