

Northfield Bancorp, Inc.  
Form 10-Q  
November 09, 2012  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**WASHINGTON, D.C. 20549**

**FORM 10-Q**

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the quarterly period ended September 30, 2012**

**or**

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For transition period from            to**

**Commission File Number 1-33732**

**NORTHFIELD BANCORP, INC.**

**(Exact name of registrant as specified in its charter)**

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**United States of America**  
(State or other jurisdiction)

**42-1572539**  
(I.R.S. Employer

of incorporation)

Identification No.)

**1410 St. Georges Avenue, Avenel, New Jersey**  
(Address of principal executive offices)

**07001**  
(Zip Code)

**Registrant's telephone number, including area code: (732) 499-7200**

**Not Applicable**

(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  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for shorter period that the registrant was required and post such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer", "accelerated filer", and "smaller reporting company" in Rule 12b-2 of the Exchange Act (Check one):

Large accelerated filer  Accelerated filer

Non-accelerated filer  (Do not check if smaller reporting company) Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

Indicate the number of shares outstanding of each of the issuer's classes of common stock as of the latest practicable date. 40,216,999 shares of Common Stock, par value \$0.01 per share, were issued and outstanding as of November 2, 2012.

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**NORTHFIELD BANCORP, INC.**

Form 10-Q Quarterly Report

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September 30, 2012, and December 31, 2011

(In thousands, except share amounts)

|   | September 30,<br>2012<br>(Unaudited) | December 31,<br>2011 |
|---|--------------------------------------|----------------------|
| <b>ASSETS:</b>  |                                      |                      |
| Cash and due from banks   | \$ 11,849                            | \$ 15,539            |
| Interest-bearing deposits in other financial institutions   | 20,162                               | 49,730               |
| Total cash and cash equivalents   | 32,011                               | 65,269               |
| Trading securities  | 4,737                                | 4,146                |
| Securities available-for-sale, at estimated fair value (encumbered \$286,585 in 2012 and \$309,816 in 2011)                                       | 1,209,006                            | 1,098,725            |
| Securities held-to-maturity, at amortized cost (estimated fair value of \$2,656 in 2012 and \$3,771 in 2011)<br>(encumbered \$0 in 2012 and 2011) | 2,537                                | 3,617                |
| Loans held-for-sale   | 856                                  | 3,900                |
| Purchased credit-impaired (PCI) loans held-for-investment   | 77,423                               | 88,522               |
| Originated loans held-for-investment, net   | 1,023,928                            | 985,945              |
| Loans held-for-investment, net  | 1,101,351                            | 1,074,467            |
| Allowance for loan losses   | (27,069)                             | (26,836)             |
| Net loans held-for-investment   | 1,074,282                            | 1,047,631            |
| Accrued interest receivable   | 7,346                                | 8,610                |
| Bank owned life insurance   | 79,917                               | 77,778               |
| Federal Home Loan Bank of New York stock, at cost   | 14,478                               | 12,677               |
| Premises and equipment, net   | 24,074                               | 19,988               |
| Goodwill  | 16,159                               | 16,159               |
| Other real estate owned   | 633                                  | 3,359                |
| Other assets  | 25,075                               | 15,059               |
| <b>Total assets</b>   | <b>2,491,111</b>                     | <b>2,376,918</b>     |
| <b>LIABILITIES AND STOCKHOLDERS EQUITY:</b>   |                                      |                      |
| <b>LIABILITIES:</b>   |                                      |                      |
| Deposits  | 1,570,780                            | 1,493,526            |
| Securities sold under agreements to repurchase  | 256,000                              | 276,000              |
| Other borrowings  | 243,934                              | 205,934              |
| Advance payments by borrowers for taxes and insurance   | 3,995                                | 2,201                |
| Accrued expenses and other liabilities  | 20,608                               | 16,607               |

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|  |                     |                     |
|--|---------------------|---------------------|
| <b>Total liabilities</b>   | 2,095,317           | 1,994,268           |
| <b>STOCKHOLDERS EQUITY:</b>  |                     |                     |
| Preferred stock, \$0.01 par value; 10,000,000 shares authorized, none issued or outstanding  |                     |                     |
| Common stock, \$0.01 par value: 90,000,000 shares authorized, 45,632,611 shares issued at September 30, 2012, and December 31, 2011, respectively, 40,216,999 and 40,518,591 outstanding at September 30, 2012 and December 31, 2011, respectively | 456                 | 456                 |
| Additional paid-in-capital   | 211,997             | 209,302             |
| Unallocated common stock held by employee stock ownership plan   | (14,133)            | (14,570)            |
| Retained earnings  | 246,657             | 235,776             |
| Accumulated other comprehensive income   | 20,824              | 17,470              |
| Treasury stock at cost; 5,415,612 and 5,114,020 shares at September 30, 2012 and December 31, 2011, respectively   | (70,007)            | (65,784)            |
| <b>Total stockholders equity</b>   | 395,794             | 382,650             |
| <b>Total liabilities and stockholders equity</b>   | <b>\$ 2,491,111</b> | <b>\$ 2,376,918</b> |

See accompanying notes to consolidated financial statements.

**Table of Contents****NORTHFIELD BANCORP, INC.****CONSOLIDATED STATEMENTS OF INCOME AND OTHER COMPREHENSIVE INCOME**

Three and nine months ended September 30, 2012, and 2011

(Unaudited)

(In thousands, except share data)

|   | <b>Three Months Ended<br/>September 30,</b> |               | <b>Nine Months Ended<br/>September 30,</b> |               |
|---|---|---------------|--|---------------|
|   | <b>2012</b>                                 | <b>2011</b>   | <b>2012</b>                                | <b>2011</b>   |
| <b>Interest income:</b>   |   |               |  |               |
| Loans   | \$ 15,162                                   | \$ 14,044     | \$ 45,187                                  | \$ 39,296     |
| Mortgage-backed securities                                      | 6,799                                       | 7,746         | 20,418                                     | 24,838        |
| Other securities  | 559   | 781           | 2,102                                      | 2,538         |
| Federal Home Loan Bank of New York dividends                    | 151   | 113           | 435  | 343           |
| Deposits in other financial institutions                        | 19  | 35            | 47   | 140           |
| <b>Total interest income</b>                                    | <b>22,690</b>                               | <b>22,719</b> | <b>68,189</b>                              | <b>67,155</b> |
| <b>Interest expense:</b>  |   |               |  |               |
| Deposits  | 2,447                                       | 3,111         | 7,432                                      | 9,399         |
| Borrowings  | 3,244                                       | 3,331         | 9,820                                      | 9,879         |
| <b>Total interest expense</b>                                   | <b>5,691</b>                                | <b>6,442</b>  | <b>17,252</b>                              | <b>19,278</b> |
| Net interest income   | 16,999                                      | 16,277        | 50,937                                     | 47,877        |
| Provision for loan losses                                       | 502   | 2,000         | 1,661                                      | 5,117         |
| Net interest income after provision for loan losses             | 16,497                                      | 14,277        | 49,276                                     | 42,760        |
| <b>Non-interest income:</b>                                     |   |               |  |               |
| Fees and service charges for customer services                  | 720   | 740           | 2,285                                      | 2,181         |
| Income on bank owned life insurance                             | 710   | 749           | 2,139                                      | 2,235         |
| Gain (loss) on securities transactions, net                     | 428   | (271)         | 2,488                                      | 2,373         |
| Other-than-temporary impairment losses on securities            |   |               |  | (1,152)       |
| Portion recognized in other comprehensive income (before taxes) |   |               |  | 743           |
| Net impairment losses on securities recognized in earnings      |   |               |  | (409)         |
| Other   | (148)                                       | 22            | 203  | 159           |
| <b>Total non-interest income</b>                                | <b>1,710</b>                                | <b>1,240</b>  | <b>7,115</b>                               | <b>6,539</b>  |
| <b>Non-interest expense:</b>                                    |   |               |  |               |
| Compensation and employee benefits                              | 5,950                                       | 4,890         | 17,881                                     | 15,101        |
| Director compensation   | 409   | 370           | 1,212                                      | 1,141         |
| Occupancy   | 2,201                                       | 1,685         | 6,230                                      | 4,508         |
| Furniture and equipment   | 375   | 312           | 1,064                                      | 891           |
| Data processing   | 826   | 720           | 2,829                                      | 2,054         |
| Professional fees   | 684   | 382           | 2,480                                      | 1,242         |

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|                                   |               |              |               |               |
|-----------------------------------|---------------|--------------|---------------|---------------|
| FDIC insurance                    | 409           | 454          | 1,218         | 1,523         |
| Other                             | 1,174         | 973          | 3,557         | 2,863         |
| <b>Total non-interest expense</b> | <b>12,028</b> | <b>9,786</b> | <b>36,471</b> | <b>29,323</b> |
| Income before income tax expense  | 6,179         | 5,731        | 19,920        | 19,976        |