

NEW YORK COMMUNITY BANCORP INC
Form 10-Q
May 10, 2007

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 March 31, 2007

Commission File Number 1-31565

NEW YORK COMMUNITY BANCORP, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

06-1377322
(I.R.S. Employer Identification No.)

615 Merrick Avenue, Westbury, New York 11590

(Address of principal executive offices)

(Registrant's telephone number, including area code) (516) 683-4100

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 is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act. Large Accelerated Filer Accelerated Filer Non-Accelerated Filer

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

Par Value: \$0.01

Classes of Common Stock

313,407,070

Number of shares outstanding at

May 3, 2007

NEW YORK COMMUNITY BANCORP, INC.

FORM 10-Q

Quarter Ended March 31, 2007

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NEW YORK COMMUNITY BANCORP, INC.

CONSOLIDATED STATEMENTS OF CONDITION

(in thousands, except share data)

	March 31, 2007 (unaudited)	December 31, 2006
Assets:		
Cash and cash equivalents	\$ 247,028	\$ 230,759
Securities available for sale:		
Mortgage-related securities (\$1,534,491 and \$1,592,064 pledged, respectively)	1,607,389	1,664,337
Other securities (\$95,305 and \$102,067 pledged, respectively)	311,986	276,450
Securities held to maturity:		
Mortgage-related securities (fair value of \$1,270,138 and \$1,272,546, respectively; \$1,329,077 and \$1,374,806 pledged, respectively)	1,350,118	1,387,817
Other securities (fair value of \$1,472,059 and \$1,593,023, respectively; \$1,162,990 and \$1,155,070 pledged, respectively)	1,472,280	1,597,380
Total securities	4,741,773	4,925,984
Loans, net of deferred loan fees and costs	19,287,251	19,652,891
Less: Allowance for loan losses	(85,321)	(85,389)
Loans, net	19,201,930	19,567,502
Federal Home Loan Bank of New York stock, at cost	391,188	404,311
Premises and equipment, net	194,599	196,084
Goodwill	2,144,642	2,148,108
Core deposit intangibles	101,379	106,381
Bank-owned life insurance (BOLI)	591,095	585,013
Other assets	364,280	318,228
Total assets	\$ 27,977,914	\$ 28,482,370
Liabilities and Stockholders Equity:		
Deposits:		
NOW and money market accounts	\$ 2,786,687	\$ 3,156,988
Savings accounts	2,392,204	2,394,145
Certificates of deposit	6,076,219	5,944,585
Non-interest-bearing accounts	1,158,795	1,123,286
Total deposits	12,413,905	12,619,004
Official checks outstanding	29,359	20,158
Borrowed funds:		
Wholesale borrowings	10,670,319	11,070,333
Junior subordinated debentures	455,693	455,659
Other borrowings	353,469	354,016
Total borrowed funds	11,479,481	11,880,008
Mortgagors escrow	155,785	74,736
Other liabilities	187,778	198,627
Total liabilities	24,266,308	24,792,533

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Stockholders' equity:

Preferred stock at par \$0.01 (5,000,000 shares authorized; none issued)		
Common stock at par \$0.01 (600,000,000 shares authorized; 296,385,458 and 295,350,936 shares issued and outstanding at March 31, 2007 and December 31, 2006, respectively)	2,964	2,954
Paid-in capital in excess of par	3,362,456	3,341,340
Retained earnings (partially restricted)	413,190	421,313
Less: Unallocated common stock held by Employee Stock Ownership Plan (ESOP)	(4,319)	(4,604)
Common stock held by Supplemental Executive Retirement Plan (SERP)	(3,113)	(3,113)
Accumulated other comprehensive loss, net of tax	(59,572)	(68,053)
Total stockholders' equity	3,711,606	3,689,837

Commitments and contingencies

Total liabilities and stockholders' equity	\$ 27,977,914	\$ 28,482,370
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See accompanying notes to the unaudited consolidated financial statements.

NEW YORK COMMUNITY BANCORP, INC.

CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME

(in thousands, except per share data)

(unaudited)

	For the Three Months Ended March 31,	
	2007	2006
Interest Income:		
Mortgage and other loans	\$ 298,467	\$ 255,623
Securities	70,688	71,846
Money market investments	246	166
Total interest income	369,401	327,635
Interest Expense:		
NOW and money market accounts	23,902	26,349
Savings accounts	5,701	2,658
Certificates of deposit	70,228	48,492
Borrowed funds	123,349	113,184
Mortgagors escrow	33	54
Total interest expense	223,213	190,737
Net interest income	146,188	136,898
Provision for loan losses		
Net interest income after provision for loan losses	146,188	136,898
Non-interest Income:		
Fee income	9,753	8,326
Bank-owned life insurance	6,082	5,465
Net securities gains		2,823
Loss on mark-to-market of interest rate swaps		(6,071)
Other	8,246	8,633
Total non-interest income	24,081	19,176
Non-interest Expense:		
Operating expenses:		
Compensation and benefits	37,203	29,541
Occupancy and equipment	15,103	12,060
General and administrative	15,328	12,510
Other	1,711	1,208
Total operating expenses	69,345	55,319
Amortization of core deposit intangibles	5,002	3,306
Total non-interest expense	74,347	58,625
Income before income taxes	95,922	97,449
Income tax expense	31,103	31,074

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Net Income	\$ 64,819	\$ 66,375
Other comprehensive income, net of tax:		
Change in net unrealized losses on securities	8,271	(13,445)
Amortization relating to pension and post- retirement obligations	210	
Total comprehensive income, net of tax	\$ 73,300	\$ 52,930
Basic earnings per share	\$ 0.22	\$ 0.25
Diluted earnings per share	\$ 0.22	\$ 0.25

See accompanying notes to the unaudited consolidated financial statements.

NEW YORK COMMUNITY BANCORP, INC.

CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS EQUITY

(in thousands, except share data)

(unaudited)

	Three Months
	Ended
	March 31, 2007
Common Stock (Par Value: \$0.01):	
Balance at beginning of year	\$ 2,954
Shares issued (1,034,522 shares)	10
Balance at end of period	2,964
Paid-in Capital in Excess of Par:	
Balance at beginning of year	3,341,340
Allocation of ESOP stock	1,237
Restricted stock activity	76
Exercise of stock options	21,179
Tax effect of stock plans	(1,376)
Balance at end of period	3,362,456
Retained Earnings (partially restricted):	
Balance at beginning of year	421,313
Net income	64,819
Dividends paid on common stock (\$0.25 per share for the three-month period)	(73,509)
Effect of adoption of Financial Accounting Standards Board Interpretation No. 48	567
Balance at end of period	413,190
Treasury Stock:	
Balance at beginning of year	
Purchase of common stock (2,601 shares)	(44)
Exercise of stock options (2,601 shares)	44
Balance at end of period	
Unallocated Common Stock Held by ESOP:	
Balance at beginning of year	(4,604)
Earned portion of ESOP	285
Balance at end of period	(4,319)
Common Stock Held by SERP:	
Balance at beginning of year	(3,113)
Balance at end of period	(3,113)

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Accumulated Other Comprehensive Loss, Net of Tax:

Balance at beginning of year	(68,053)
Change in net unrealized loss on securities available for sale, net of tax of \$(5,025)	7,591
Amortization of net unrealized loss on securities transferred from available for sale to held to maturity, net of tax of \$(450)	680
Amortization relating to pension and post-retirement obligations, net of tax of \$(140)	210
Balance at end of period	(59,572)

Total stockholders' equity \$ 3,711,606

See accompanying notes to the unaudited consolidated financial statements.

NEW YORK COMMUNITY BANCORP, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(in thousands)

(unaudited)

	Three Months Ended	
	March 31,	
	2007	2006
Cash Flows from Operating Activities:		
Net income	\$ 64,819	\$ 66,375
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	4,085	3,420
Premium amortization (accretion of discounts), net	1,898	(1,363)
Net change in net deferred loan origination costs and fees	257	(1,265)
Amortization of core deposit intangibles	5,002	3,306
Net securities gains		(2,823)
Loss on mark-to-market of interest rate swaps		6,071
Net gains on sales of loans	(172)	