Northfield Bancorp, Inc.
Form S-1/A
November 06, 2012


**As filed with the Securities and Exchange Commission on November 6, 2012**

**Registration No. 333-181995**

# UNITED STATES

# SECURITIES AND EXCHANGE COMMISSION

**WASHINGTON, D.C. 20549**

# PRE-EFFECTIVE AMENDMENT NO. 3

# TO THE

# FORM S-1

# REGISTRATION STATEMENT

***UNDER***

***THE SECURITIES ACT OF 1933***

# Northfield Bancorp, Inc. and

# Northfield Bank 401(k) Savings Plan

**(Exact Name of Registrant as Specified in Its Charter)**

| Delaware | 6712 | To be Applied For |
|---|---|---|
| (State or Other Jurisdiction of Incorporation or Organization) | (Primary Standard Industrial Classification Code Number) | (I.R.S. Employer Identification Number) |

**581 Main Street**

**Woodbridge, New Jersey 07095**

**(732) 499-7200**

**(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant s Principal Executive Offices)**

**Mr. John W. Alexander**

**Chairman, President and Chief Executive Officer**

**581 Main Street**

**Woodbridge, New Jersey 07095**

**(732) 499-7200**

**(Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent for Service)**

***Copies to:***

**Edward A. Quint, Esq.**

**Eric Luse, Esq.**

**Luse Gorman Pomerenk & Schick, P.C.**

**5335 Wisconsin Avenue, N.W., Suite 780**

**Washington, D.C. 20015**

**(202) 274-2000**

**Approximate date of commencement of proposed sale to the public:** As soon as practicable after this registration statement becomes effective.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box: x

If this Form is filed to register additional shares for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering: ¨

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering: ¨

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering: ¨

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 the 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 x |
| Non-accelerated filer ¨ (Do not check if a smaller reporting company) | Smaller reporting company ¨ |

**CALCULATION OF REGISTRATION FEE**

| **Title of each class of securities to be registered** | **Amount to be registered** | **Proposed maximum offering price per share** | **Proposed maximum aggregate offering price** | **Amount of registration fee** |
|---|---|---|---|---|
| Common Stock, $0.01 par value per share | 68,736,470 shares | $10.00 | $687,364,700 (1) | $78,772 (2) |
| Participation interests | 1,427,579 interests (3) | | | (3) |

(1) Estimated solely for the purpose of calculating the registration fee.
(2) Previously paid.
(3) The securities of Northfield Bancorp, Inc. to be purchased by the Northfield Bank 401(k) Savings Plan are included in the amount shown for the common stock. Accordingly, no separate fee is required for the participation interests. In accordance with Rule 457(h) of the Securities Act of 1933, as amended, the registration fee has been calculated on the basis of the number of shares of common stock that may be purchased with the current assets of such Plan.

**The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.**

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**Prospectus Supplement**

**Interests in**

# NORTHFIELD BANK

# EMPLOYEE SAVINGS PLAN

## Offering of Up to 1,427,579 Shares of

# NORTHFIELD BANCORP, INC.

## Common Stock

In connection with the conversion of Northfield Bancorp, MHC from the mutual to stock form of organization, Northfield Bancorp, Inc., a newly formed Delaware corporation ( Northfield-Delaware ), is offering shares of common stock for sale. Northfield-Delaware is allowing participants in the Northfield Bank Employee Savings Plan (the Plan ) to invest all or a portion of their accounts in stock units representing an ownership interest in the common stock of Northfield-Delaware. Presently, participants have the right to invest in the Northfield Bancorp, Inc. Stock Fund which purchases shares of Northfield Bancorp, Inc., the federally-chartered mid-tier holding company of Northfield Bank (hereinafter, the federal mid-tier holding company will be referred to as Northfield-Federal and the existing stock fund will be referred to as Northfield-Federal Stock Fund ).

Based upon the value of the Plan assets at June 30, 2012, the trustee of the Plan could purchase or acquire up to 1,427,579 shares of the common stock of Northfield-Delaware, at the purchase price of $10.00 per share. This prospectus supplement relates to the initial election of Plan participants to direct the trustee of the Plan to invest all or a portion of their Plan accounts (other than amounts invested in the Northfield-Federal Stock Fund) in stock units representing an ownership interest in the Northfield-Delaware Stock Fund at the time of the stock offering.

Northfield-Delaware s prospectus, dated , 2012, accompanies this prospectus supplement. It contains detailed information regarding the stock offering of Northfield-Delaware common stock and the financial condition, results of operations and business of Northfield Bank. This prospectus supplement provides information regarding the Plan. You should read this prospectus supplement together with the prospectus and keep both for future reference.

**For a discussion of risks that you should consider, see Risk Factors beginning on page 17 of the prospectus.**

**The interests in the Plan and the offering of common stock of Northfield-Delaware have not been approved or disapproved by the Board of Governors of the Federal Reserve System, the Securities and Exchange Commission or any other federal or state agency. Any representation to the contrary is a criminal offense.**

**The securities offered in this prospectus supplement are not deposits or accounts and are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.**

This prospectus supplement may be used only in connection with offers and sales by Northfield-Delaware, in the stock offering, of stock units representing an interest in shares of common stock in the Northfield-Delaware Stock Fund of the Plan. No one may use this prospectus supplement to reoffer or resell interests in shares of common stock of Northfield-Delaware acquired through the Plan.

You should rely only on the information contained in this prospectus supplement and the accompanying prospectus. Northfield-Delaware, Northfield Bank and the Plan have not authorized anyone to provide you with information that is different.

This prospectus supplement does not constitute an offer to sell or solicitation of an offer to buy any securities in any jurisdiction to any person to whom it is unlawful to make an offer or solicitation in that jurisdiction. Neither the delivery of this prospectus supplement and the prospectus nor any sale of common stock or stock units representing an ownership interest in common stock of Northfield-Delaware shall under any circumstances imply that there has been no change in the affairs of Northfield Bank or the Plan since the date of this prospectus supplement, or that the information contained in this prospectus supplement or incorporated by reference is correct as of any time after the date of this prospectus supplement.

**The date of this prospectus supplement is                    , 2012.**

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## THE OFFERING

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| **Securities Offered** | Northfield-Delaware is offering stock units in the Northfield Bank 401(k) Savings Plan (the Plan ). The stock units represent indirect ownership of Northfield-Delaware s common stock through the Northfield-Delaware Stock Fund being established under the Plan in connection with the stock offering. Given the purchase price of $10 per share in the stock offering, the Plan may purchase (or acquire) up to 1,427,579 shares of Northfield-Delaware common stock in the stock offering. |
| | Only employees of Northfield Bank may become participants in the Plan and only participants may purchase stock units in the Northfield-Delaware Inc. Stock Fund. Your investment in stock units in connection with the stock offering through the Northfield-Delaware Stock Fund is subject to the purchase priorities contained in the Plan of Conversion and Reorganization of Northfield Bancorp, MHC. |
| | Information with regard to the Plan is contained in this prospectus supplement and information with regard to the financial condition, results of operations and business of Northfield-Delaware is contained in the accompanying prospectus. The address of the principal executive office of Northfield-Delaware and Northfield Bank is 581 Main Street, Woodbridge, New Jersey 07095. |
| | ***All questions about completing the Special Investment Election Form should be addressed to Judith Calabrese, in the Human Resources Department, Northfield Bank, 581 Main Street, Woodbridge, New Jersey 07095; telephone number (732) 499-7200 ext. 2573; or e-mail Ms. Calabrese at jcalabrese@enorthfield.com.*** |
| | ***Questions about the common stock being offered or about the prospectus may be directed to the Stock Information Center at 1-877- .*** |
| **Northfield-Delaware Stock Fund** | In connection with the stock offering, you may elect to transfer all or part of your account balances in the Plan (except from the Northfield-Federal Stock Fund) to the Northfield-Delaware Stock Fund, to be used to purchase stock units representing an ownership interest in the common stock of Northfield-Delaware issued in the stock offering. The Northfield-Delaware Stock Fund is a new fund in the Plan established to hold share of common stock of Northfield-Delaware. It is different from the Northfield-Federal Stock Fund, which presently holds shares of common stock of Northfield-Federal, the federally-chartered mid-tier holding company of |

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Northfield Bank that will be eliminated in the reorganization of Northfield Bancorp, MHC into Northfield-Delaware, the newly formed stock holding company of Northfield Bank. At the close of the reorganization and offering, shares of Northfield-Federal held in the Northfield-Federal Stock Fund will be exchanged for shares of Northfield-Delaware pursuant to the exchange ratio (discussed in greater detail in the accompanying prospectus) and the Northfield-Federal Stock Fund will be merged into and become part of the Northfield-Delaware Stock Fund.

**Purchase Priorities**

All Plan participants are eligible to direct a transfer of funds to the Northfield-Delaware Stock Fund. However, such directions are subject to the purchase priorities in the Plan of Conversion and Reorganization of Northfield Bancorp, MHC, which provides for a subscription offering and a community offering. In the offering, the purchase priorities are as follows and apply in case more shares are ordered than are available for sale (an oversubscription ):

Subscription Offering:

(1) Depositors of Northfield Bank or the former First State Bank or Flatbush Federal Savings & Loan Association with $50 or more on deposit at the close of business on March 31, 2011, get first priority.

(2) Northfield Bank s tax-qualified plans, including the employee stock ownership plan, get second priority.

(3) Depositors of Northfield Bank or the former Flatbush Federal Savings & Loan Association with $50 or more on deposit at the close of business on , 2012, get third priority.

(4) Depositors of Northfield Bank as of the close of business on , 2012, get fourth priority.

Community Offering:

(5) Natural persons (including trusts of natural persons) residing in the New Jersey Counties of Bergen, Essex, Hudson, Hunterdon, Middlesex, Monmouth, Morris, Ocean, Passaic, Somerset, Sussex and Union, the New York Counties of Bronx, Kings, Nassau, New York, Putnam, Queens, Richmond, Rockland, Suffolk and Westchester, and Pike County, Pennsylvania get fifth priority.

(6) Northfield-Federal s public stockholders as of , 2012 (including stockholders of the former Flatbush Federal Bancorp, Inc., who remain stockholders of Northfield-Federal as of , 2012) get sixth priority.

(7) Other members of the general public get seventh priority.

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If you fall into subscription offering categories (1), (3) or (4), you have subscription rights to purchase stock units representing an ownership interest in shares of Northfield-Delaware common stock in the subscription offering and you may use funds in the Plan to pay for the stock units. You may also be able to purchase stock units representing an ownership interest in shares of Northfield-Delaware common stock in the subscription offering even though you are ineligible to purchase through subscription offering categories (1), (3) or (4) by purchasing stock in the Plan through subscription offering category (2), reserved for Northfield Bank s tax-qualified employee plans.

**Purchases in the Offering and Oversubscriptions**

The trustee of the Northfield-Delaware Stock Fund will purchase common stock of Northfield-Delaware in the stock offering in accordance with your directions. Once you make your election, the amount that you elect to transfer from your existing investment options for the purchase of stock units in connection with the stock offering will be sold from your existing investment options and transferred to the Northfield-Delaware Stock Fund and held in a money market account pending the formal closing of the stock offering, several weeks later. After the end of the stock offering period, we will determine whether all or any portion of your order will be filled (if the offering is oversubscribed you may not receive any or all of your order, depending on your purchase priority, as described above). The amount that can be used toward your order will be applied to the purchase of common stock of Northfield-Delaware and will be denominated in stock units in the Plan.

In the event the offering is oversubscribed, *i.e.*, there are more orders for common stock of Northfield-Delaware than shares available for sale in the offering, and the trustee is unable to use the full amount allocated by you to purchase interests in common stock of Northfield-Delaware in the offering, the amount that cannot be invested in common stock of Northfield-Delaware, and any interest earned on such amount, will be reinvested in the existing funds of the Plan, in accordance with your then existing investment election (in proportion to your investment direction for future contributions). The prospectus describes the allocation procedures in the event of an oversubscription. If you choose not to direct the investment of your account balances towards the purchase of any stock units representing an ownership interest in common stock of Northfield-Delaware through the Northfield-Delaware Stock Fund in connection with the offering, your account balances will remain in the investment funds of the Plan as previously directed by you.

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| **Composition of and Purpose of Stock Units** | The Northfield-Delaware Stock Fund will invest in the common stock of Northfield-Delaware. In addition, the Northfield-Delaware Stock Fund will maintain a cash component for liquidity purposes. Liquidity is required in order to facilitate daily transactions such as investment transfers or distributions from the Northfield-Delaware Stock Fund. For purchases in the offering, there will be no cash component. A stock unit will be valued at $10. After the offering, stock units will consist of a percentage interest in both the common stock of Northfield-Delaware and cash held in the Northfield-Delaware Stock Fund. Unit values (similar to the stock s share price) and the number of units (similar to number of shares) are used to communicate the dollar value of a participant s account. Following the stock offering, each day the stock unit value of the Northfield-Delaware Stock Fund will be determined by dividing the total market value of the fund at the end of the day by the total number of units held in the fund by all participants as of the previous day s end. The change in stock unit value reflects the day s change in stock price, any cash dividends accrued and the interest earned on the cash component of the fund, less any investment management fees. The market value and unit holdings of your account in the Northfield-Delaware Stock Fund is reported to you on your quarterly statements. |
| **Value of Plan Assets** | As of June 30, 2012, the market value of the assets of the Plan was approximately $14,275,796. Of this amount, approximately $5,661,726 was invested in the Northfield-Federal Stock Fund. The Plan administrator informed each participant of the value of his or her account balance under the Plan as of June 30, 2012. |
| **Election to Purchase Stock Units in the Stock Offering** | In connection with the stock offering, the Plan will permit you to direct the trustee to transfer all or part of the funds which represent your current beneficial interest in the assets of the Plan (other than amounts invested in the Northfield-Federal Stock Fund) to the Northfield-Delaware Stock Fund. You may not transfer amounts that you have invested in the Northfield-Federal Stock Fund into the Northfield-Delaware Stock Fund. The shares of common stock of Northfield-Federal in the Northfield-Federal Stock Fund will automatically be exchanged for Northfield-Delaware common stock pursuant to the exchange ratio. The trustee of the Plan will subscribe for Northfield-Delaware common stock offered for sale in connection with the stock offering, in accordance with each participant s direction. In order to purchase stock units representing an ownership interest in common stock of Northfield-Delaware in the stock offering through the Plan, you must purchase stock units representing an ownership interest in at least 25 shares in the offering through the Plan. The prospectus describes maximum purchase limits for investors in the stock offering. The trustee will pay $10 per stock unit in the offering, which will be the same price paid by all other persons who purchase shares in the subscription and community offerings. |

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**How to Order Stock in the Offering**

Enclosed is a Special Investment Election Form on which you can elect to purchase stock units in the Northfield-Delaware Stock Fund in connection with the stock offering. Please note the following stipulations concerning this election:

You can direct all or a portion of your current account (other than amounts invested in the Northfield-Federal Stock Fund) to the Northfield-Delaware Stock Fund in increments of $10.

Your election is subject to a minimum purchase of 25 stock units, which equals $250.

Your election, plus any order you placed outside the Plan, are together subject to a maximum purchase of 300,000 shares, which equals $3,000,000.

The election period closes at .m., Eastern Time, on , , 2012.

During the stock offering period, you will continue to have the ability to transfer amounts that are not directed to purchase stock units in the Northfield-Delaware Stock Fund among all other investment funds. However, you will not be permitted to change the investment amounts that you designated to be transferred to the Northfield-Delaware Stock Fund on your Special Investment Election Form.

The amount you elect to transfer to the Northfield-Delaware Stock Fund will be held separately until the offering closes. Therefore, this money is not available for distributions, loans, or withdrawals until the transaction is completed, which is expected to be several weeks after the closing of the subscription offering period.

If you wish to use all or part of your account balance in the Plan to purchase common stock of Northfield-Delaware issued in the stock offering, you should indicate that decision on the Special Investment Election Form. **If you do not wish to make an election, you should check Box E in Section D of the Special Investment Election Form and return the form to Judith Calabrese, at Northfield Bank, 581 Main Street, Woodbridge, New Jersey 07095, to be received no later than , Eastern Time, on , 2012. You may return your Special Investment Election Form by hand delivery, inter-office mail or by mailing it to Ms. Calabrese at the above address in the enclosed self-addressed envelope, so long as it is received by the time specified.**

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| **Order Deadline** | **You must return your Special Investment Election Form to Judith Calabrese, at Northfield Bank, to be received no later than p.m., Eastern Time, on , 2012.** |
| **Irrevocability of Transfer Direction** | **Once you make an election to transfer amounts to the Northfield-Delaware Stock Fund in connection with the stock offering, you may not change your election**. Your election is irrevocable. You will, however, continue to have the ability to transfer amounts not directed towards the purchase of stock units among all of the other investment funds on a daily basis. You may also continue to transfer funds into and out of the Northfield-Federal Stock Fund which will purchase shares of Northfield-Federal in the open market (but not in the offering) or sell the shares in your account until the closing of the offering. |
| **Future Direction to Purchase Common Stock** | You will be able to purchase stock units representing an ownership interest in stock after the offering through your investment in the Northfield-Delaware Stock Fund. You may direct that your future contributions or your account balance in the Plan be transferred to the Northfield-Delaware Stock Fund. After the offering, to the extent that shares are available, the trustee of the Plan will acquire common stock of Northfield-Delaware at your election in open market transactions at the prevailing price. You may change your investment allocation on a daily basis. Special restrictions may apply to transfers directed to and from the Northfield-Delaware Stock Fund by the participants who are subject to the provisions of Section 16(b) of the Securities Exchange Act of 1934, as amended, relating to the purchase and sale of securities by officers, directors and principal shareholders of Northfield-Delaware. |
| **Voting Rights of Common Stock** | The Plan provides that you may direct the trustee as to how to vote any shares of Northfield-Delaware common stock held by the Northfield-Delaware Stock Fund, and the interest in such shares that is credited to your account. If the trustee does not receive your voting instructions, the Plan administrator will exercise these rights as it determines in its discretion and will direct the trustee accordingly. All voting instructions will be kept confidential. |

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## DESCRIPTION OF THE PLAN

### Introduction

Northfield Bank originally adopted the Northfield Savings Bank Employee Savings Plan (the Plan ) effective as of January 1, 1980, and amended and restated it most recently effective as of January 1, 2010. The Plan is a tax-qualified plan with a cash or deferred compensation feature established in accordance with the requirements under Section 401(a) and Section 401(k) of the Internal Revenue Code of 1986, as amended (the Code ).

Northfield Bank intends that the Plan, in operation, will comply with the requirements under Section 401(a) and Section 401(k) of the Code. Northfield Bank will adopt any amendments to the Plan that may be necessary to ensure the continuing qualified status of the Plan under the Code and applicable Treasury Regulations.

*Employee Retirement Income Security Act ( ERISA ).* The Plan is an individual account plan other than a money purchase pension plan within the meaning of ERISA. As such, the Plan is subject to all of the provisions of Title I (Protection of Employee Benefit Rights) and Title II (Amendments to the Code Relating to Retirement Plans) of ERISA, except to the funding requirements contained in Part 3 of Title I of ERISA which by their terms do not apply to an individual account plan (other than a money purchase plan). The Plan is not subject to Title IV (Plan Termination Insurance) of ERISA. The funding requirements contained in Title IV of ERISA are not applicable to participants or beneficiaries under the Plan.

*Reference to Full Text of Plan.* The following portions of this prospectus supplement summarize certain provisions of the Plan. They are not complete and are qualified in their entirety by the full text of the Plan. Copies of the Plan are available to all employees by filing a request with the Plan Administrator at Northfield Bank, 581 Main Street, Woodbridge, New Jersey 07095. You are urged to read carefully the full text of the Plan.

### Eligibility and Participation

If you are a salaried employee of Northfield Bank, you are eligible to participate in the Plan upon completion of a period of 91 days of employment, counted from your date of hire. For purposes of additional eligibility for discretionary employer contributions or matching contributions, you must complete a 365-day year of eligibility service. Employees compensated on an hourly or exclusively on a commission basis, leased employees, and employees covered by a collective bargaining agreement are not eligible to participate in the Plan. If you were a participant in the Liberty Bank 401(k) Savings Plan on December 31, 2002, and became an employee of Northfield Bank on January 1, 2003, you became eligible to participate in the Plan on January 1, 2003.

As of June 30, 2012, there were 255 employees, former employees and beneficiaries with account balances in the Plan and 237 employees participating by making employee before-tax contributions or Roth contributions.

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**Contributions Under the Plan**

The Plan provides for several kinds of contributions, including employee before-tax contributions and employee Roth after-tax contributions ( Roth contributions ), employer matching contributions made on behalf of employees who make employee before-tax contributions and Roth contributions, and discretionary employer contributions. Each type is summarized below. In determining contribution amounts under the Plan, an employee s annual compensation in excess of $250,000 is disregarded, as are certain other amounts of employee compensation.

*Employee Before-tax Contributions*. If you are an eligible employee, Northfield Bank will automatically reduce your salary on a before-tax basis by 2%, unless you elect not to have your salary reduced at all, or you elect to have your salary reduced by another percentage. You may elect to contribute between 2% and 15% of your salary (as defined in the Plan) for the purpose of making employee before-tax contributions or Roth contributions (as discussed below), however, the most you can contribute on a before-tax basis is $17,000 for the 2012 Plan year. You may change the amount of your employee before-tax contributions, including discontinuing or resuming them, by filing a form with the Plan administrator.

*Catch-Up Contributions*. If you are over age 50 or will attain age 50 before the close of the plan year and have made the maximum elective deferral set forth above (or are prevented from making the maximum contribution due to one or more Plan limitations that prohibit you from otherwise contributing an additional before-tax contribution or Roth contribution), you may also make catch-up contributions, in accordance with the tax laws and subject to the tax law limits (for 2012, the limit on catch-up contributions is $5,500). Your catch-up contributions may be either employee before-tax contributions or after-tax Roth contributions.

*After-Tax Contributions*. Prior to January 1, 1993, you were permitted to make after-tax contributions to the Plan. The amount of after-tax contributions, if any, previously made on your behalf is held in a separate account. After-tax contributions are invested in the same investment funds as employee before-tax contributions and earnings on after-tax contributions are tax-deferred until they are actually paid to you.

*Roth Contributions.* Effective January 1, 2010, the Plan was amended to allow you to make after-tax contributions to a Roth Contribution account. If you elect to have your salary reduced, you can direct that an amount from 2% to 15% of your salary be contributed to the plan on a before-tax basis or an after-tax basis, or a combination of both a before-tax basis and an after-tax basis. Roth contributions are taxed when contributed to the Plan. Earnings on Roth contributions will be excluded from gross income for federal income tax purposes when distributed from the Plan if they are part of a qualified distribution. To qualify, distributions must be made more than 5 years after the first designated Roth contributions *and* not before the year in which the account owner turns age 59 $^1/_2$, unless an exception applies.

*In-Plan Roth Direct Rollover.* Effective January 1, 2011, the plan was amended to allow for an in-plan rollover of any of your accounts (other than a designated Roth Contribution account) into your designated Roth Contribution account in the plan. The in-plan direct roll-over must satisfy certain conditions set forth in the Plan s Summary Plan Description. The taxable amount of an in-plan direct rollver to you Roth contribution account will be included in your gross income.

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*Matching Contributions*. Northfield Bank will match a portion of your employee before-tax contributions. Northfield Bank will make a matching contribution equal to 25% of the first 6% of your before-tax base salary contributed to the Plan if you have been making employee before-tax contributions for less than 36 months (e.g., your maximum matching contribution will be 1.5% of your base salary). If you have been making employee before-tax contributions for 36 months or more, Northfield Bank will make a matching contribution equal to 50% of the first 6% of your before-tax base salary contributed to the Plan (e.g., your maximum matching contribution will be 3% of your base salary).

*Discretionary Employer Contributions*. Discretionary employer contributions may be made for each plan year in an amount determined by Northfield Bank. Discretionary employer contributions will be allocated to your account based on the ratio of your salary during the plan year for which the contribution is made to the total salaries of all employees eligible for a discretionary employer contribution for that year.

*Prior Pension Plan Contributions*. If you were a participant in The Retirement Plan of Northfield Savings Bank in RSI Retirement Trust on March 31, 1996, and you elected to have amounts transferred from the pension plan to the Plan in connection with the termination of the pension plan, those amounts were deposited in the prior pension plan contribution account set up on your behalf.

*Prior Employer Matching Contributions*. If you were a participant in the Liberty Bank 401(k) Savings Plan, the matching contributions made on your behalf (including earnings and appreciation, less any distributions and any losses, depreciation of expenses) were deposited into the prior employer matching contribution account set up on your behalf.

*Rollover Contributions*. You may elect to roll over qualified distributions from another plan or a rollover individual retirement account ( IRA ) into the Plan. You may also make a rollover contribution from a Section 403(b) annuity contract (excluding after-tax contributions), a Section 457(b) governmental plan maintained by a state or agency of the state. Internal Revenue Service ( IRS ) rules govern whether a distribution from another plan or an IRA qualifies for rollover into the Plan, and you may be required to provide information to show that the distribution you wish to roll over qualifies under IRS rules.

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**Limitations on Contributions**

*Limitations on Employee before-tax contributions and Roth contributions.* For the plan year beginning January 1, 2012, the amount of your employee before-tax contributions and Roth contributions, in the aggregate, may not exceed $17,000 per calendar year. This amount may be adjusted periodically by law, based on changes in the cost of living. Contributions in excess of this limit are known as excess deferrals. If you defer amounts in excess of this limitation, your gross income for federal income tax purposes will include the excess in the year of the deferral. In addition, unless the excess deferral is distributed before April 15 of the following year, it will be taxed again in the year distributed. Income on the excess deferral distributed by April 15 of the immediately succeeding year will be treated, for federal income tax purposes, as earned and received by you in the tax year in which the contribution is made.

*Catch-up Contributions*. If you have made the maximum amount of regular employee before-tax contributions allowed by the Plan or other legal limits and you have attained at least age 50 (or will reach age 50 prior to the end of the plan year), you are also eligible to make an additional catch-up contribution. You may authorize your employer to withhold a specified dollar amount of your compensation for this purposes. For 2012, the maximum catch-up contribution is $5,500.

*Limitation on Plan Contributions for Highly Compensated Employees.* Special provisions of the Internal Revenue Code limit the amount of employee before-tax contributions, Roth contributions and employer matching contributions that may be made to the Plan in any year on behalf of highly compensated employees, in relation to the amount of employee deferrals and employer matching contributions made by or on behalf of all other employees eligible to participate in the Plan. A highly compensated employee includes any employee who (1) was a 5% owner of Northfield-Federal or Northfield-Delaware at any time during the current or preceding year, or (2) had compensation for the preceding year of more than $110,000. The dollar amounts in the foregoing sentence may be adjusted annually to reflect increases in the cost of living. If these limitations are exceeded, the level of deferrals by highly compensated employees may have to be adjusted.

**Vesting**

Your vested interest in your employee before-tax contributions, after-tax contributions, Roth contributions, rollover contributions, discretionary employer contributions, prior pension plan contributions, and prior employer matching contributions is always 100%.

Matching contributions become vested according to the following schedule:

| Years of Service | Vested Interest |
|---|---|
| Less than 1 year | 0% |
| 1 year but less than 2 | 20% |
| 2 years but less than 3 | 40% |
| 3 years but less than 4 | 60% |
| 4 years but less than 5 | 80% |
| 5 years or more | 100% |

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You are credited with a year of service for each 365-day period of employment, measured from your date of hire.

You will become immediately 100% vested in your matching contributions upon attainment of your normal retirement age, if you become permanently disabled or terminate employment as a result of your death.

**In-Service Distributions from the Plan**

*Loans*. You may apply for a loan under the Plan, subject to the rules and limitations imposed by the Internal Revenue Code and the Plan document. The amount of any loan is limited to the lesser of $50,000 or 50% of your vested account balance under the Plan. The minimum amount of loan and the term of the loan is determined in accordance with the guidelines of the loan policy established by Northfield Bank with respect to the Plan.

*Non-Hardship Withdrawals from the Plan*. A substantial federal tax penalty may be imposed on withdrawals made prior to your attainment of age 59 $^{1}/_{2}$, regardless of whether such a withdrawal occurs during your employment with Northfield Bank or after termination of employment. If you have not yet reached age 59 $^{1}/_{2}$, you may request a withdrawal from some of your Plan accounts for any reason. Withdrawals will be made in the following order: first, from your after-tax contribution account; second, from your rollover contribution account; third, from the vested portion of your matching contribution account, provided you have completed 60 or more consecutive months of participation in the Plan or prior plan or in the former Liberty Bank 401(k) Savings Plan, and, fourth, from the vested portion of your prior employer matching contribution account, provided you have completed 60 or more consecutive months of participation in the Plan or in the former Liberty Bank 401(k) Savings Plan. You may not make more than one withdrawal in any calendar year.

Upon attainment of age 59 $^{1}/_{2}$, you may withdraw from your Plan accounts for any reason. Withdrawals will be made in the following order: first, from your after-tax contribution account; second, from your rollover contribution account; third, from your employee before-tax contribution account; fourth, from the vested portion of your matching contribution account; fifth, from your prior employer matching contribution account; sixth, from your discretionary employer contribution account; seventh, from your prior pension plan contribution account, eighth, from the lesser of your Roth contributions or the value of your Roth contribution account, ninth, from the value of your Roth contribution account not withdrawn as set forth above. You may not make more than one withdrawal in any calendar year. Withdrawals of after-tax contributions made after December 31, 1986 may include a portion of any earnings credited thereon after December 31, 1986. Non-hardship withdrawals will be made, pro rata, from that portion of your plan accounts invested in investment funds, other than the Northfield-Federal Stock Fund.

*Hardship Withdrawals*. You may be eligible for a hardship withdrawal if you have an immediate and substantial financial need to meet certain expenses and you have no other reasonably available resources to meet your need. Among other requirements, you must first withdraw all amounts available to you under the non-hardship provisions of the Plan before you may apply for a hardship withdrawal. Your hardship withdrawal may include amounts necessary to pay any federal, state or local income taxes or penalties expected to result from the withdrawal. The financial needs for which you can receive a hardship withdrawal are:

Purchase of your principal residence (not including mortgage payments);

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Payment of post-secondary school education for the next 12 months for you, your spouse or dependents;

Unreimbursed medical expenses which were previously incurred, or expenses which are necessary to obtain medical care for you, your spouse or dependents;

Prevention of eviction from your principal residence or foreclosure on the mortgage of your principal residence;

Payment of funeral expenses for your parent, spouse, child, or dependent; and

Expenses for the repair of damage to your principal residence that would qualify for a casualty loss deduction under the Internal Revenue Code.

You must show that the amount does not exceed the amount you need to meet your financial need, you must have obtained all other distributions and non-taxable loans available to you under any employer plan, and you may not have any employee before-tax contributions, Roth contributions or matching contributions made on your behalf for at least six months. You may only receive one hardship withdrawal in any calendar year.

**Distribution Upon Retirement, Disability, or Upon Termination of Employment**

You may choose to have retirement benefits begin on or after your normal retirement date (age 65) or your early retirement date (the first day of any month coincident with or following the date you terminate employment after you attain age 55). If you continue working after your normal retirement date, your distribution will generally be deferred at least until your actual retirement date (your postponed retirement date). You are also eligible for a benefit distribution if you become disabled while you are an active employee of Northfield Bank. In addition, if you terminate your employment before you are eligible to retire, for any reason other than disability or death, you will be entitled to the vested value of your Plan accounts.

**Forms of Distributions**

Plan distributions at retirement, upon disability or upon termination of employment for reasons other than death will be made in the following standard forms of payment, unless you choose an optional form of payment. If you terminate employment at your normal, early or postponed retirement date, or upon becoming permanently disabled, and the value of your Plan accounts is $1,000 or less, your benefits will be paid to you in a single cash payment as soon as administratively possible following your termination of employment. If the value of your Plan accounts exceeds $5,000, your benefits will be paid to you at the time you would have reached your normal retirement date or postponed retirement date, in a single cash payment. If the value of your Plan accounts is at least $1,000 but does not exceed $5,000, and you have not elected to receive your benefit under an available optional form of payment, the value of your Plan account will be transferred to an individual retirement account ( IRA ) established on your behalf by the Plan administrator.

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If you terminate employment for reasons other than retirement or disability and the value of your vested Plan accounts is $1,000 or less, your benefits will be paid to you in a single cash payment as soon as administratively possible after your termination of employment. If you terminate employment for reasons other than retirement or disability and the value of your vested Plan accounts is greater than $5,000, your benefits will be paid in a single cash payment at the time you would have reached your normal retirement date. If you terminate employment for reasons other than retirement or disability and your Plan accounts is greater than $1,000 but does not exceed $5,000 and you have not elected to receive your benefits under an available optional form of payment, the value of your Plan accounts will be transferred to a rollover IRA established on your behalf by the Plan administrator.

Optional forms of payment include a single cash payment, deferred payment and rollovers. A single cash payment is available if you terminate employment at any time on or after your early retirement date and prior to your normal retirement date or due to disability, and the value of your vested Plan accounts exceeds $1,000. You may also elect to receive the value of your vested Plan accounts in a single cash payment if you terminate employment for reasons other than retirement or disability and the value of your vested accounts exceeds $5,000.

You may elect to defer receipt of your vested Plan accounts until after your normal retirement date or after your actual retirement date (if you retire after your normal retirement date), provided you receive at least a portion of your account balance no later than the first day of April following the calendar year in which you retire (or terminate employment due to disability) or, if later, you attain age 70 $^{1}/_{2}$.

Regardless of the reason for which you terminate employment, you may request that the value of your Plan accounts be transferred to a rollover IRA, another employer s qualified plan, a Section 403(b) annuity contract or a Section 457(b) governmental plan maintained by a state or agency of the state, if the other plan or contract permits it.

If you die and have not made a valid election as to how payments are to be made, the value of your vested Plan account will be paid to your beneficiary in a single cash payment. If your designated beneficiary is your spouse and you die before attaining age 70 $^{1}/_{2}$, payment to your spouse will be made no later than the date you would have attained age 70 $^{1}/_{2}$. If your designated beneficiary is your spouse and you die on or after attaining age 70 $^{1}/_{2}$, payment to your spouse will be made as soon as administratively possible. If your designated beneficiary is not your spouse, payment to your designated beneficiary will be made within one year of the date of your death.

**Investment of Contributions and Account Balances**

All amounts credited to your accounts under the Plan are held in the Plan trust (the Trust ), which is administered by Pentegra Trust Company, the trustee appointed by Northfield Bank s Board of Directors.

Prior to the effective date of the stock offering, you were provided the opportunity to direct the investment of your account into one of the following funds:

American Beacon Large Cap Value Fund

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Columbia Mid Cap Index

Wells Fargo Stable Return Fund J

Neuberger Berman Genesis Fund (Tr)

PIMCO Total Return Fund (Adm)

SSgA S&P 500 Index Fund

Sunrise Retirement Balanced Fund

Sunrise Retirement Balanced Equity Fund

T. Rowe Price Retirement Income Fund (Adv)

T. Rowe Price Growth Stock Fund R

T Rowe Price Target Date Funds (2010-2050)

Wells Fargo Advantage International

Northfield-Federal Stock Fund

Once in any calendar quarter, you may submit a request form (including an electronic form) to a Plan representative to increase, decrease, suspend or resume your employee before-tax contributions and Roth contributions. If you increase or decrease your contribution percentage, the change will go into effect as of the first payroll period following 10 days after you submit your written request or as soon as possible thereafter.

You may change your investment direction of future contributions at any time by telephone through Pentegra Retirement Services at (800) 433-4422 or through the Internet (which can be reached via www.pentegra.com). For further information regarding changes to your investment directions, please contact Judith Calabrese, in the Human Resources Department of Northfield Bank at (732) 499-7200 ext. 2573. In addition, if permitted by the Plan Committee, you may submit a written request to a Plan representative at least 10 days prior to the date the change is to take effect. If your change in investment direction is made in this manner, it will become effective as of the first payroll period following your written notice to the Plan representative, or as soon as possible thereafter.

You can transfer existing investment account balances from one fund to another at any time, by telephone though the Pentegra Retirement Services or through the Internet.

In connection with the stock offering, the Plan now provides that in addition to the funds specified above, you may direct the trustee, or its representative, to invest all or a portion of your account in the Northfield-Delaware Stock Fund.

Special rules may apply to investment in the Northfield-Federal Stock Fund and, after the offering, the Northfield-Delaware Stock Fund, for certain officers who are subject to restrictions on distributions under Section 16 of the Securities Exchange Act of 1934. These special rules affect withdrawals, loans, investment direction and transfers of investment account balances for the officers who are subject to these restrictions.

Pending investment in shares of Northfield-Delaware common stock, amounts allocated towards the purchase of Northfield-Delaware common stock in the stock offering will be held in a money market fund. In the event of an oversubscription that prevents you from purchasing all of the shares of Northfield-Delaware that you ordered in the stock offering, the amounts that you

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elected to invest but were unable to invest, plus any earnings on those amounts, will be reinvested among the other funds of the Plan in accordance with your then existing investment election (in proportion to your investment direction for future contributions).

Following the stock offering, you may elect to have both past contributions and earnings, as well as future contributions to your account invested among the funds listed above and the Northfield-Delaware Stock Fund.

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**Performance History and Fund Description**

The following table provides performance data with respect to the investment funds available under the Plan through June 30, 2012:

**TOTAL RETURNS AS OF JUNE 30, 2012**

| | Total Return | | Annualized Total Return | | | |
|---|---|---|---|---|---|---|
| **Investment Option** | **Quarter** | **1-Year** | **3-Year** | **5-Year** | **10-Year** | **Since Inception** |
| **American Beacon Large Cap Value Fund** | -4.46 | 2.24 | 14.64 | -2.26 | 5.88 | 8.49 |
| **Columbia Mid Cap Index Fund** | -5.01 | -2.66 | 18.87 | 2.20 | 7.79 | 6.74 |
| **Wells Fargo Stable Return Fund J** | 0.30 | 1.39 | 1.89 | 2.56 | 3.22 | 5.31 |
| **Neuberger Berman Genesis Fund (Tr)** | -3.11 | -0.96 | 16.65 | 3.62 | 9.62 | 12.15 |
| **PIMCO Total Return Fund (Adm)** | 2.73 | 6.68 | 8.41 | 8.96 | 6.71 | 8.07 |
| **SSgA S&P 500 Index Fund** | -2.61 | 5.48 | 16.27 | 0.11 | 5.19 | 7.93 |
| **Sunrise Retirement Balanced Fund** | -2.10 | 1.46 | 10.66 | 3.40 | | 3.97 |
| **Sunrise Retirement Balanced Equity Fund** | -3.60 | -0.39 | 11.85 | 2.14 | | 2.96 |
| **T. Rowe Price Retirement Income Fund (Adv)** | -1.48 | 1.80 | 9.44 | 3.19 | | 5.24 |
| **T. Rowe Price Growth Stock Fund R** | -5.03 | 6.04 | 17.16 | 1.48 | 6.31 | 9.92 |
| **T. Rowe Price Retirement 2010 Fund** | -1.98 | 1.53 | 11.63 | 2.25 | | 5.92 |
| **T. Rowe Price Retirement 2015 Fund** | -2.62 | 0.95 | 12.48 | 1.78 | | 1.57 |
| **T. Rowe Price Retirement 2020 Fund** | -3.21 | 0.36 | 13.17 | 1.21 | | 6.06 |
| **T. Rowe Price Retirement 2025 Fund** | -3.66 | -0.28 | 13.58 | 0.69 | | 0.50 |
| **T. Rowe Price Retirement 2030 Fund** | -4.12 | -0.78 | 14.00 | 0.29 | | 6.11 |
| **T. Rowe Price Retirement 2035 Fund** | -4.50 | -1.30 | 14.16 | 0.04 | | -0.12 |
| **T. Rowe Price Retirement 2040 Fund** | -4.62 | -1.38 | 14.13 | 0.04 | | 5.98 |
| **T. Rowe Price Retirement 2045 Fund** | -4.59 | -1.33 | 14.15 | 0.06 | | -0.10 |
| **T. Rowe Price Retirement 2050 Fund** | -4.62 | -1.23 | 14.15 | 0.04 | | 1.53 |
| **Wells Fargo Advantage International** | -9.26 | -16.58 | 6.26 | -6.99 | 3.73 | 7.47 |
| **Northfield-Federal Stock Fund** | | | | | | |

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The following is a brief description of each of the Plan s investment funds. For more complete information with respect to a particular fund, you should request a prospectus for that fund. You may request a prospectus for a particular fund by contacting Judith Calabrese at (732) 499-7200, ext. 2573.

**American Beacon Large Cap Value Fund.** The fund s assets are invested primarily in equity securities of large market capitalization U.S. companies. The fund s managers select stocks that, in their opinion, have above-average earnings growth potential and are also selling at a discount to the market. These companies generally have market capitalizations similar to the market capitalization of the companies in the Russell 1000 index. These may consist of common and preferred stocks, convertible securities, U.S. dollar-denominated American Depositary Receipts and U.S. dollar-denominated foreign stocks traded on U.S. exchanges.

**Columbia Mid Cap Index Fund.** The fund seeks total return before fees and expenses that corresponds to the total return of the S&P MidCap 400 Index. The fund normally invests primarily in common stocks that comprise the Index in approximately the same weightings as the Index.

**Wells Fargo Stable Return Fund J.** The fund seeks safety of principal and consistency of returns with minimal volatility. The fund is intended for conservative investors seeking more income than money market funds without the price fluctuation of stock or bond funds. The fund invests in financial instruments issued by highly rated companies. These include guaranteed investment contracts (GICs), security backed investment contracts, separate account GICs, and cash equivalents. The fund is one of the oldest and largest stable value collective funds in the nation and has been managed by the same portfolio management team since 1988.

**Neuberger Berman Genesis Fund (Tr).** This fund seeks growth of capital. The fund invests primarily in common stocks of companies with market capitalizations of $2 billion or less at the time of purchase. The fund s management generally looks for undervalued companies whose current market shares and balance sheets are strong.

**PIMCO Total Return Fund (Adm).** The fund seeks maximum total return, consistent with preservation of capital and prudent investment management. The fund seeks to achieve its investment objective by investing in a diversified portfolio of fixed income instruments. The average portfolio duration normally varies within a three- to six-year frame.

**SSgA S&P 500 Index Fund.** The fund seeks to replicate the total return of the S&P 500 index. The fund substantially invests all of investable assets in a corresponding portfolio of the State Street Equity 500 index portfolio that has the same investment objective as and investment policies that are substantially similar to those of the fund. It invests at least 80% of total assets in stocks in the S&P 500 index in proportion to their weighting.

**Sunrise Retirement Balanced Fund.** The fund targets 55% of its assets in a diversified mix of equity mutual funds and 45% in fixed-income mutual funds. The equity allocation includes mutual funds that invest in U.S. large-cap, mid-cap and small-cap equity securities, as well as non-U.S. equity securities. The fixed-income exposure will be invested in intermediate-term fixed-income and money market mutual funds. This fund s strategic asset class targets include: 30% U.S. large-cap equity, 15% U.S. mid/small-cap equity, 10% non-U.S. equity, 42% fixed-income, and 3% cash equivalents.

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**Sunrise Retirement Balanced Equity Fund.** The fund targets 70% of its assets in a diversified mix of equity mutual funds and 30% in fixed-income mutual funds. The equity allocation includes mutual funds that invest in U.S. large-cap, mid-cap and small-cap equity securities, as well as non-U.S. equity securities. The fixed-income exposure will be invested in intermediate-term fixed-income and money market mutual funds. This fund s strategic asset class targets include: 35% U.S. large-cap equity, 22% U.S. mid/small-cap equity, 13% non-U.S. equity, 27% fixed-income, and 3% cash equivalents.

**T. Rowe Price Retirement Income Fund (Adv).** The fund seeks the highest total return over time consistent with an emphasis on both capital growth and income. The fund invests in a diversified portfolio of T. Rowe Price funds, with an allocation consisting of about 40% stock funds and 60% bond funds.

**T. Rowe Price Growth Stock Fund R.** The fund seeks long-term growth of capital; income is secondary. The fund normally invests at least 80% of assets in the common stocks of a diversified group of growth companies. It mostly seeks investments in companies that have the ability to pay increasing dividends through strong cash flow. The fund generally looks for companies with an above-average rate of earnings growth and a lucrative niche in the economy. While it invests most assets in U.S. common stocks, the fund may also purchase other securities, including foreign stocks, futures, and options.

**T. Rowe Price Retirement 2010-2050 Funds.** These funds seek the highest total return over time consistent with an emphasis on both capital growth and income. The funds invest in a diversified portfolio of T. Rowe Price stock and bond funds, the allocation of which will change over time in relation to the applicable fund s target retirement date.

**Wells Fargo Advantage International.** The fund seeks long-term capital appreciation. The fund normally invests primarily in equity securities. The fund seeks both growth and value opportunities.

**Northfield-Federal Stock Fund.** The Northfield-Federal Stock Fund consists primarily of shares of common stock of Northfield-Federal and a small amount of cash to provide for liquidity for transactions and distributions.

**An investment in any of the funds listed above is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. As with any mutual fund investment, there is always a risk that you may lose money on your investment in any of the funds listed above.**

**Investment in Common Stock of Northfield-Delaware**

The Northfield-Delaware Stock Fund will consist primarily of investments in common stock of Northfield-Delaware, Inc. The trustee will use all amounts allocated to the Northfield-Delaware Stock Fund pursuant to the Special Investment Election Form to acquire shares in the

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conversion and common stock offering. Shares of Northfield-Federal, which were held in the Northfield-Federal Stock Fund prior to the conversion and common stock offering will be automatically converted into shares of common stock of Northfield-Delaware, in accordance with the exchange ratio. After the offering, the trustee will, to the extent practicable, use amounts held by it in the Northfield-Delaware Stock Fund, including cash dividends paid on common stock held in the Northfield-Delaware Stock Fund, to purchase shares of common stock of Northfield-Delaware, taking into consideration cash amounts needed to maintain liquidity in the account. It is expected that all purchases will be made at prevailing market prices. Under certain circumstances, the trustee may be required to limit the daily volume of shares purchased. Pending investment in common stock, amounts allocated towards the purchase of shares in the offering will be held in the Northfield-Delaware Stock Fund in an interest-bearing account. In the event of an oversubscription, any earnings that result therefrom will be reinvested among the other funds of the 401(k) plan in accordance with your then existing investment election (in proportion to your investment direction allocation percentages).

Following the offering, Northfield-Delaware, a Delaware corporation, will be 100% owned by its public shareholders, including Northfield Bank s tax-qualified plans. Currently, Northfield Bank is a wholly-owned subsidiary of Northfield-Federal, a federal mid-tier holding company, that is a majority-owned subsidiary of Northfield Bancorp, MHC, a mutual holding company. The historical performance of the Northfield-Federal Stock Fund, the predecessor to the Northfield-Delaware Stock Fund is set forth on page 16. Performance of the Northfield-Delaware Stock Fund will be dependent upon a number of factors, including the financial condition and profitability of Northfield-Delaware and Northfield Bank and market conditions for the common stock generally. An investment in the fund is not insured or guaranteed by the FDIC or any other government agency. It is possible to lose money by investing in the fund.

As of the date of this prospectus supplement, none of the shares of Northfield-Delaware common stock have been issued or are outstanding and there is no established market for Northfield-Delaware common stock. Accordingly, there is no record of the historical performance of the Northfield-Delaware Stock Fund. Performance of the Northfield-Delaware Stock Fund depends on a number of factors, including the financial condition and profitability of Northfield-Delaware and Northfield Bank and market conditions for Northfield-Delaware common stock generally.

Investments in the Northfield-Delaware Stock Fund involve special risks common to investments in the common stock of Northfield-Delaware.

*For a discussion of material risks you should consider, see Risk Factors beginning on page of the attached prospectus and Notice of Your Rights Concerning Employer Securities below.*

**An investment in any of the funds listed above is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. As with any mutual fund investment, there is always a risk that you may lose money on your investment in any of the funds listed above.**

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**Administration of the Plan**

***The Trustee and Custodian.*** The trustee of the Plan is Pentegra Trust Company. Pentegra Trust Company serves as trustee for all the investments funds under the Plan, including during the offering period for Northfield-Delaware common stock. Following the offering period, Pentegra Trust Company will also serve as the trustee of the Northfield-Delaware Stock Fund**.**

***Plan Administrator*****.** Pursuant to the terms of the Plan, the Plan is administered by the Plan Administrator, Northfield Bank. The address of the Plan Administrator is 581 Main Street, Woodbridge, New Jersey 07095**,** telephone number (732) 499-7200, ext. 2573. The Plan Administrator is responsible for the administration of the Plan, interpretation of the provisions of the Plan, prescribing procedures for filing applications for benefits, preparation and distribution of information explaining the Plan, maintenance of Plan records, books of account and all other data necessary for the proper administration of the Plan, preparation and filing of all returns and reports relating to the Plan which are required to be filed with the U.S. Department of Labor and the Internal Revenue Service, and for all disclosures required to be made to participants, beneficiaries and others under Sections 104 and 105 of ERISA.

***Reports to Plan Participants.*** The Plan Administrator will furnish you a statement at least quarterly showing the balance in your account as of the end of that period, the amount of contributions allocated to your account for that period, and any adjustments to your account to reflect earnings or losses (if any).

**Amendment and Termination**

It is the intention of Northfield Bank to continue the Plan indefinitely. Nevertheless, Northfield Bank may terminate the Plan at any time. If the Plan is terminated in whole or in part, then regardless of other provisions in the Plan, you will have a fully vested interest in your accounts. Northfield Bank reserves the right to make any amendment or amendments to the Plan which do not cause any part of the trust to be used for, or diverted to, any purpose other than the exclusive benefit of participants or their beneficiaries; provided, however, that Northfield Bank may make any amendment it determines necessary or desirable, with or without retroactive effect, to comply with ERISA.

**Merger, Consolidation or Transfer**

In the event of the merger or consolidation of the Plan with another plan, or the transfer of the trust assets to another plan, the Plan requires that you would receive a benefit immediately after the merger, consolidation or transfer which is equal to or greater than the benefit you would have been entitled to receive immediately before the merger, consolidation or transfer.

**Federal Income Tax Consequences**

The following is a brief summary of the material federal income tax aspects of the Plan. You should not rely on this summary as a complete or definitive description of the material federal income tax consequences relating to the Plan. Statutory provisions change, as do their interpretations, and their application may vary in individual circumstances. Finally, the consequences under applicable state and local income tax laws may not be the same as under the federal income tax laws. Please consult your tax advisor with respect to any distribution from the Plan and transactions involving the Plan.

As a tax-qualified retirement plan, the Code affords the Plan special tax treatment, including:

(1) the sponsoring employer is allowed an immediate tax deduction for the amount contributed to the Plan each year;

(2) participants pay no current income tax on amounts contributed by the employer on their behalf; and

(3) earnings of the Plan are tax-deferred, thereby permitting the tax-free accumulation of income and gains on investments;

(4) earnings of the Plan related to Roth contributions will be received free from Federal income tax if received in a qualified distribution (discussed above under *Contributions Under the Plan Roth Contributions*).

Northfield Bank will administer the Plan to comply with the requirements of the Code as of the applicable effective date of any change in the law.

*Lump-Sum Distribution*. A distribution from the Plan to a participant or the beneficiary of a participant will qualify as a lump-sum distribution if it is made within one taxable year, on account of the participant s death, disability or separation from service, or after the participant attains age 59 $^1/_2$, and consists of the balance credited to the participant under the Plan and all other profit sharing plans, if any, maintained by Northfield Bank. The portion of any lump-sum distribution required to be included in your taxable income for federal income tax purposes consists of the entire amount of the lump-sum distribution, less the amount of after-tax contributions, if any, you have made to this Plan and any other profit sharing plans maintained by Northfield Bank, which is included in the distribution.

*Northfield-Delaware Common Stock Included in Lump-Sum Distribution*. If a lump-sum distribution includes Northfield-Delaware common stock, the distribution generally will be taxed in the manner described above, except that the total taxable amount may be reduced by the amount of any net unrealized appreciation with respect to Northfield-Delaware common stock; that is, the excess of the value of Northfield-Delaware common stock at the time of the distribution over its cost or other basis of the securities to the trust. The tax basis of Northfield-Delaware common stock, for purposes of computing gain or loss on its subsequent sale, equals the value of Northfield-Delaware common stock at the time of distribution, less the amount of net unrealized appreciation. Any gain on a subsequent sale or other taxable disposition of Northfield-Delaware common stock, to the extent of the amount of net unrealized appreciation at the time of distribution, will constitute long-term capital gain, regardless of the holding period of Northfield-Delaware common stock. Any gain on a subsequent sale or other taxable disposition of Northfield-Delaware common stock, in excess of the amount of net unrealized appreciation at

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the time of distribution, will be considered long-term capital gain. The recipient of a distribution may elect to include the amount of any net unrealized appreciation in the total taxable amount of the distribution, to the extent allowed by regulations to be issued by the Internal Revenue Service.

*Distributions: Rollovers and Direct Transfers to Another Qualified Plan or to an IRA*. You may roll over virtually all distributions from the Plan to another qualified plan or to an individual retirement account in accordance with the terms of the other plan or account.

**Notice of Your Rights Concerning Employer Securities.**

Federal law provides specific rights concerning investments in employer securities. Because you may in the future have investments in the Northfield-Delaware Stock Fund under the Plan, you should take the time to read the following information carefully.

*Your Rights Concerning Employer Securities*. The Plan must allow you to elect to move any portion of your account that is invested in the Northfield-Federal Stock Fund and Northfield-Delaware. Stock Fund from that investment into other investment alternatives under the Plan. You may contact the Plan Administrator shown above for specific information regarding this right, including how to make this election. In deciding whether to exercise this right, you will want to give careful consideration to the information below that describes the importance of diversification. All of the investment options under the Plan are available to you if you decide to diversify out of either the Northfield-Federal Stock Fund or the Northfield-Delaware Stock Fund.

*The Importance of Diversifying Your Retirement Savings*. To help achieve long-term retirement security, you should give careful consideration to the benefits of a well-balanced and diversified investment portfolio. Spreading your assets among different types of investments can help you achieve a favorable rate of return, while minimizing your overall risk of losing money. This is because market or other economic conditions that cause one category of assets, or one particular security, to perform very well often cause another asset category, or another particular security, to perform poorly. If you invest more than 20% of your retirement savings in any one company or industry, your savings may not be properly diversified. Although diversification is not a guarantee against loss, it is an effective strategy to help you manage investment risk.

In deciding how to invest your retirement savings, you should take into account all of your assets, including any retirement savings outside of the Plan. No single approach is right for everyone because, among other factors, individuals have different financial goals, different time horizons for meeting their goals, and different tolerance for risk. Therefore, you should carefully consider the rights described here and how these rights affect the amount of money that you invest in employer common stock through the Plan.

It is also important to periodically review your investment portfolio, your investment objectives, and the investment options under the Plan to help ensure that your retirement savings will meet your retirement goals.

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**Additional Employee Retirement Income Security Act ( ERISA ) Considerations**

As noted above, the Plan is subject to certain provisions of ERISA, including special provisions relating to control over the Plan s assets by participants and beneficiaries. The Plan s feature that allows you to direct the investment of your account balances is intended to satisfy the requirements of section 404(c) of ERISA relating to control over plan assets by a participant or beneficiary. The effect of this is two-fold. First, you will not be deemed a fiduciary because of your exercise of investment discretion. Second, no person who otherwise is a fiduciary, such as Northfield Bank, the Plan administrator, or the Plan s trustee is liable under the fiduciary responsibility provision of ERISA for any loss which results from your exercise of control over the assets in your Plan account.

Because you will be entitled to invest all or a portion of your account balance in the Plan in Northfield-Delaware common stock, the regulations under section 404(c) of the ERISA require that the Plan establish procedures that ensure the confidentiality of your decision to purchase, hold, or sell employer securities, except to the extent that disclosure of such information is necessary to comply with federal or state laws not preempted by ERISA. These regulations also require that your exercise of voting and similar rights with respect to the common stock be conducted in a way that ensures the confidentiality of your exercise of these rights.

**Securities and Exchange Commission Reporting and Short-Swing Profit Liability**

Section 16 of the Securities Exchange Act of 1934 imposes reporting and liability requirements on officers, directors, and persons beneficially owning more than 10% of public companies such as Northfield-Delaware. Section 16(a) of the Securities Exchange Act of 1934 requires the filing of reports of beneficial ownership. Within 10 days of becoming an officer, director or person beneficially owning more than 10% of the shares of Northfield-Delaware, a Form 3 reporting initial beneficial ownership must be filed with the Securities and Exchange Commission. Changes in beneficial ownership, such as purchases, sales and gifts generally must be reported periodically, either on a Form 4 within 2 business days after the change occurs, or annually on a Form 5 within 45 days after the close of Northfield-Delaware s fiscal year. Discretionary transactions in and beneficial ownership of the common stock through the Northfield-Delaware Stock Fund of the Plan by officers, directors and persons beneficially owning more than 10% of the common stock of Northfield-Delaware generally must be reported to the Securities and Exchange Commission by such individuals.

In addition to the reporting requirements described above, Section 16(b) of the Securities Exchange Act of 1934 provides for the recovery by Northfield-Delaware of profits realized by an officer, director or any person beneficially owning more than 10% of Northfield-Delaware s common stock resulting from non-exempt purchases and sales of Northfield-Delaware common stock within any six-month period.

The Securities and Exchange Commission has adopted rules that provide exemptions from the profit recovery provisions of Section 16(b) for all transactions in employer securities within an employee benefit plan, provided certain requirements are met. These requirements generally involve restrictions upon the timing of elections to acquire or dispose of employer securities for the accounts of Section 16(b) persons.

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Except for distributions of common stock due to death, disability, retirement, termination of employment or under a qualified domestic relations order, persons affected by Section 16(b) are required to hold shares of common stock distributed from the Plan for six months following such distribution and are prohibited from directing additional purchases of units within the Northfield-Delaware Stock Fund for six months after receiving such a distribution.

**Financial Information Regarding Plan Assets**

Financial information representing the net assets available for Plan benefits and the change in net assets available for Plan benefits at December 31, 2011, is available upon written request to the Plan Administrator at the address shown above.

## LEGAL OPINION

The validity of the issuance of the common stock has been passed upon by Luse Gorman Pomerenk & Schick, P.C., Washington, D.C., which firm is acting as special counsel to Northfield Bank in connection with Northfield-Delaware s stock offering.

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**SUBSCRIPTION AND COMMUNITY**

**OFFERING PROSPECTUS**

# NORTHFIELD BANCORP, INC.

## (Proposed Holding Company for Northfield Bank)

## Up to 41,975,000 Shares of Common Stock

Northfield Bancorp, Inc., a Delaware corporation, is offering up to 41,975,000 shares of common stock for sale at $10.00 per share on a best efforts basis in connection with the conversion of Northfield Bancorp, MHC from the mutual holding company to the stock holding company form of organization. The shares we are offering represent the ownership interest in Northfield Bancorp, Inc., a federal corporation, currently owned by Northfield Bancorp, MHC. In this prospectus, we will refer to Northfield Bancorp, Inc., the Delaware corporation, as Northfield-Delaware, and we will refer to Northfield Bancorp, Inc., the federal corporation, as Northfield-Federal. Northfield-Federal s common stock is currently traded on the Nasdaq Global Select Market under the trading symbol NFBK, and we expect the shares of Northfield-Delaware common stock will also trade on the Nasdaq Global Select Market under the symbol NFBK.

The shares of common stock are first being offered in a subscription offering to eligible depositors of Northfield Bank, the former First State Bank and the former Flatbush Federal Savings & Loan Association, and to the tax-qualified employee benefit plans of Northfield Bank, as described in this prospectus. Eligible depositors and tax-qualified employee benefit plans have priority rights to buy all of the shares offered. Shares not purchased in the subscription offering will be offered simultaneously for sale to the general public in a community offering, with a preference given to residents of the communities served by Northfield Bank and existing stockholders of Northfield-Federal. We also may offer for sale shares of common stock not purchased in the subscription or community offerings through a syndicate of broker-dealers, referred to in this prospectus as the syndicated offering, or, in our discretion after consultation with our financial advisors, in a separate firm commitment underwritten public offering. The syndicated offering or the firm commitment underwritten offering may commence before the subscription and community offerings (including any extensions) have expired. The subscription, community, syndicated and firm commitment underwritten offerings are collectively referred to in this prospectus as the offering.

We must sell a minimum of 31,025,000 shares in order to complete the offering and the conversion.

In addition to the shares we are selling in the offering, the shares of Northfield-Federal currently held by the public will be exchanged for shares of common stock of Northfield-Delaware based on an exchange ratio that will result in existing public stockholders of Northfield-Federal owning approximately the same percentage of Northfield-Delaware common stock as they owned in Northfield-Federal common stock immediately prior to the completion of the conversion. The number of shares we expect to issue in the exchange ranges from 19,780,217 shares to 26,761,470 shares.

The minimum order is 25 shares. The subscription and community offerings are expected to expire at 4:00 p.m., Eastern Time, on December 17, 2012. We may extend this expiration date without notice to you until January 31, 2013. Once submitted, orders are irrevocable unless the subscription and community offerings are terminated or extended, with regulatory approval, beyond January 31, 2013, or the number of shares of common stock to be sold is increased to more than 41,975,000 shares or decreased to less than 31,025,000 shares. If the subscription and community offerings are extended past January 31, 2013, or if the number of shares to be sold in the offerings is increased to more than 41,975,000 shares or decreased to less than 31,025,000 shares, we will resolicit subscribers, and all funds delivered to us to purchase shares of common stock in the subscription and community offerings will be returned promptly with interest. Funds received in the subscription and the community offerings will be held in a segregated account at Northfield Bank and will earn interest at [interest rate]% per annum until completion or termination of the offering. No shares purchased in the subscription offering or the community offering will be issued until the completion of any syndicated or firm commitment underwritten offering.

Sandler O Neill & Partners, L.P. will assist us in selling the shares on a best efforts basis in the subscription and community offerings, and will serve as a joint book-running manager for any syndicated or firm commitment underwritten offering. Sandler O Neill & Partners, L.P. is not required to purchase any shares of common stock that are sold in the subscription and community offerings.

**OFFERING SUMMARY**

**Price: $10.00 per Share**

| | Minimum | Midpoint | Maximum |
|---|---|---|---|
| Number of shares | 31,025,000 | 36,500,000 | 41,975,000 |
| Gross offering proceeds | $ 310,250,000 | $ 365,000,000 | $ 419,750,000 |
| Estimated offering expenses, excluding selling agent and underwriters commissions | $ 2,240,000 | $ 2,240,000 | $ 2,240,000 |
| Selling agent and underwriters commissions (1)(2) | $ 13,197,700 | $ 15,530,000 | $ 17,862,400 |
| Estimated net proceeds | $ 294,812,300 | $ 347,230,000 | $ 399,647,600 |
| Estimated net proceeds per share | $ 9.50 | $ 9.51 | $ 9.52 |

(1) Includes $100,000 payable to Sandler O Neill & Partners, L.P. for records management.

(2) The amounts shown assume that 25% of the shares are sold in the subscription and community offerings and the remaining 75% are sold in a syndicated or firm commitment underwritten offering. The amounts shown further assume that Sandler O Neill & Partners, L.P. will receive fees in the amount of: (i) 1.0% of the aggregate amount of common stock sold in the subscription and community offerings (net of insider purchases and shares purchased by our employee stock ownership plan) up to the first 10% of the shares sold in such offering; and (ii) 3.0% of the aggregate amount of common stock sold in the subscription and community offerings (net of insider purchases and shares purchased by our employee stock ownership plan) in excess of 10% of the shares sold in such offerings. The amounts shown also include fees of 5% of the aggregate amount of common stock sold in the syndicated or firm commitment underwritten offering, which will be paid to Sandler O Neill & Partners, L.P., Jefferies & Company, Inc. and Stifel, Nicolaus & Company, Incorporated and any other broker-dealers included in the syndicated or syndicated or firm commitment offering. See The Conversion and Offering Plan of Distribution; Selling Agent and Underwriter Compensation for information regarding compensation to be received by Sandler O Neill & Partners, L.P. in the subscription and community offerings and the compensation to be received by Sandler O Neill & Partners, L.P. and the other underwriters that may participate in the syndicated or firm commitment underwritten offering. If all shares of common stock were sold in the syndicated or firm commitment underwritten offering, the selling agent and underwriters commissions would be approximately $15.5 million, $18.3 million and $21.0 million at the minimum, midpoint and maximum levels of the offering, respectively.

**This investment involves a degree of risk, including the possible loss of principal.**

**Please read Risk Factors beginning on page 17.**

*These securities are not deposits or accounts and are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Neither the Securities and Exchange Commission, the Board of Governors of the Federal Reserve System, the Office of the Comptroller of the Currency, nor any state securities regulator has approved or disapproved of these securities or determined if this Prospectus is accurate or complete. Any representation to the contrary is a criminal offense.*

## Sandler O Neill + Partners, L.P.

**For assistance, please contact the Stock Information Center, toll-free, at [stock center phone #] .**

**The date of this prospectus is [prospectus date].**

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[MAP TO BE INSERTED ON INSIDE FRONT COVER]

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## SUMMARY

The following summary explains the significant aspects of the conversion, the offering and the exchange of existing shares of Northfield-Federal common stock for shares of Northfield-Delaware common stock. It may not contain all of the information that is important to you. For additional information before making an investment decision, you should read this entire document carefully, including the consolidated financial statements and the notes to the consolidated financial statements, and the section entitled Risk Factors.

### Our Business

Our business operations are conducted through our wholly-owned subsidiary, Northfield Bank. Northfield Bank is a community bank that has served the banking needs of its customers since 1887. Northfield Bank conducts business primarily from its home office located in Staten Island, New York, its operations center located in Woodbridge, New Jersey, and its 28 branch offices located in the New York counties of Richmond (Staten Island) and Kings (Brooklyn) and the New Jersey counties of Union and Middlesex.

Northfield Bank s principal business consists of accepting deposits, primarily through its retail banking offices, and investing those funds in loans and securities. Northfield Bank offers a variety of deposit accounts with a range of interest rates and terms, and relies on its convenient locations, customer service, technological capabilities and competitive pricing and products to attract and retain deposits. To a lesser extent, Northfield Bank uses borrowed funds and brokered deposits as additional sources of funds. Northfield Bank s principal lending activity is originating multifamily and commercial real estate loans for retention in its portfolio. Northfield Bank also offers, to a lesser extent, construction and land loans, commercial and industrial loans, one- to four-family residential mortgage loans, and home equity loans and lines of credit. Northfield Bank s investment securities portfolio is comprised principally of mortgage-backed securities and corporate bonds. Northfield Bank is subject to comprehensive regulation and examination by the Office of the Comptroller of the Currency.

Northfield-Delaware s executive offices are located at 581 Main Street, Suite 810, Woodbridge, New Jersey 07095, and its telephone number at this address is (732) 499-7200. Our website address is www.eNorthfield.com. Information on this website is not and should not be considered a part of this prospectus.

### Our Organizational Structure

Northfield Bank has been organized in the mutual holding company structure since 1995 and Northfield-Federal completed its initial public offering of shares in 2007. Northfield-Federal s parent mutual holding company is Northfield Bancorp, MHC, a federally chartered mutual holding company. Northfield-Federal is our federally chartered, publicly-traded mid-tier holding company and the parent holding company of Northfield Bank. At June 30, 2012, Northfield-Federal had consolidated assets of $2.5 billion, deposits of $1.5 billion and stockholders equity of $388.9 million. At June 30, 2012, Northfield-Federal had 40,206,678 shares of common stock outstanding, of which 15,564,994 shares, or 38.7%, were owned by the public (including 896,061 shares by Northfield Bank Foundation), and the remaining 24,641,684 shares were held by Northfield Bancorp, MHC.

Pursuant to the terms of the plan of conversion and reorganization, Northfield Bancorp, MHC is now converting from the mutual holding company corporate structure to the stock holding company corporate structure. As part of the conversion, we are offering for sale the majority ownership interest in Northfield-Federal that is currently held by Northfield Bancorp, MHC. The shares being offered in the offering will be issued by Northfield-Delaware. We are not contributing additional shares to the Northfield Bank Foundation in connection with the conversion and offering. Upon completion of the conversion, public stockholders of Northfield-Federal will receive shares of common stock of Northfield-Delaware in exchange for their shares of Northfield-Federal and Northfield Bancorp, MHC s shares will be cancelled, Northfield Bancorp, MHC and Northfield-Federal will cease to exist, and Northfield-Delaware will become the successor corporation to Northfield-Federal and the parent holding company for Northfield Bank.

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The following diagram shows our current organizational structure, reflecting ownership percentages as of June 30, 2012 and assuming the acquisition of Flatbush Federal Bancorp, Inc. (described below) had been completed as of that date:

After the conversion and offering are completed, we will be organized as a fully public holding company, as follows:

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**Recent Acquisitions**

In October 2011, Northfield Bank assumed all of the deposits and acquired substantially all of the assets of First State Bank, a New Jersey chartered bank, from the Federal Deposit Insurance Corporation as receiver for First State Bank, pursuant to the terms of a Purchase and Assumption Agreement. The agreement contained no loss-share provisions with the Federal Deposit Insurance Corporation and the deposits were acquired at no premium while the asset discount was $46.9 million, resulting in a cash payment from the Federal Deposit Insurance Corporation of approximately $50.5 million. Northfield Bank acquired approximately $194.6 million of assets at fair value, including $91.9 million of loans, net of fair value adjustment of $40.5 million. Northfield Bank also assumed deposit liabilities with a fair value of $188.2 million. The assets purchased and liabilities assumed have been accounted for under the acquisition method of accounting. As the acquisition date fair value of the identifiable assets acquired exceeded the liabilities assumed, we recognized an after-tax bargain purchase gain of $3.6 million.

On November 2, 2012, Northfield Bancorp, MHC, Northfield-Federal and Northfield Bank acquired Flatbush Federal Bancorp, MHC, Flatbush Federal Bancorp, Inc. and Flatbush Federal Savings & Loan Association, respectively. Flatbush Federal Bancorp, Inc. stockholders received 0.4748 of a share of Northfield-Federal stock for each share of Flatbush Federal Bancorp, Inc. common stock they owned, which at the date of announcement was valued at $6.50 per share, subject to the terms and conditions of the merger agreement. At June 30, 2012, Flatbush Federal Bancorp, Inc. had 2,736,907 shares of common stock outstanding, and consolidated assets of $143.3 million, deposits of $117.5 million, stockholders equity of $18.8 million and a book value per share of $6.88. As a result of the acquisition, we expect to record $800,000 of core deposit intangibles. As merger consideration, we issued approximately 1,299,483 shares of Northfield-Federal common stock, including 594,781 shares to stockholders other than Flatbush Federal Bancorp, MHC, and 704,702 shares to Northfield Bancorp, MHC, as the successor to Flatbush Federal Bancorp, MHC, with shares issued subject to adjustment for cash paid in lieu of fractional shares.

**Business Strategy**

Our business strategies are:

***Disciplined expansion through organic growth coupled with opportunistic acquisitions.*** Since we became a public company in 2007, we have successfully pursued a strategy of organic growth by continuing to leverage our existing franchise and expanding the franchise through de novo branching. Since 2007, we opened a branch in Staten Island to enhance an already significant presence, added a branch in New Jersey, and expanded into Brooklyn where we have opened four branches. We also have four branches (one in Union County, New Jersey, one in Staten Island and two in Brooklyn) in various stages of construction to be completed by early 2013. While organic growth has been our primary focus, we also have selectively pursued acquisition opportunities in our market area that we believe will enhance our franchise and yield financial benefits for our stockholders. In October 2011, we acquired all the deposits and substantially all the assets of First State Bank from the Federal Deposit Insurance Corporation, and on November 2, 2012, we acquired Flatbush Federal Bancorp, Inc. The First State Bank transaction was immediately accretive to earnings and resulted in a $3.6 million after-tax bargain purchase gain. The Flatbush Federal Bancorp acquisition also is expected to be accretive to earnings and tangible book value, and added three branches in Brooklyn with approximately $88.4 million in loans and $117.5 million in deposits at June 30, 2012.

***Increased lending, with an emphasis on multifamily real estate loans.*** We increased our loan portfolio to $1.07 billion at June 30, 2012 from $424.2 million at December 31, 2007, and have rebalanced the mix of our earning assets away from securities and into loans as a percentage of our earning assets. Our loan portfolio accounted for 46.2% of our earning assets at June 30, 2012, compared to 33.3% at December 31, 2007. Our loan-to-deposit ratio has increased to 69.5% at June 30, 2012 from 48.4% in December 31, 2007, which has improved our net interest margin. This growth in our loan portfolio has helped maintain our net interest margin and mitigated the impact of the protracted low interest rates on our earnings. To achieve this growth, and in

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recognition of the current economic environment, we adjusted our lending focus to emphasize the origination of multifamily real estate loans. At June 30, 2012, our multifamily loan portfolio totaled $538.3 million, or 50.3% of total loans, compared to $14.2 million, or 3.3% of total loans, at December 31, 2007. We intend to continue to emphasize multifamily lending, and as economic conditions improve, we also anticipate increasing the origination of commercial real estate, commercial and home equity loans.

***Enhanced core earnings through improved funding mix and continued emphasis on operational efficiencies.*** In addition to increasing our loans outstanding, we have made a concerted effort to improve our core funding profile by increasing lower-cost transaction deposit accounts and reducing time deposits and wholesale borrowings. Deposits increased 75.9% to $1.54 billion at June 30, 2012 from $877.2 million at December 31, 2007. Our ratio of non-time deposits to total deposits increased to 68.7% from 54.1% over the same period. We also recognize that controlling operating expenses is essential to our long term profitability. We intend to further capitalize on our technology capabilities to improve operating efficiencies and enhance customer service. Our efficiency ratio for the year ended December 31, 2011 was 53.6%, which compared favorably to the ratio of the SNL Thrift Index of 60.6% for the same period.

***Improved asset quality and a reduction in problem assets.*** Maintaining strong asset quality has been, and will continue to be, a key element of our business strategy. Our ratio of non-performing assets to total assets decreased to 1.50% at June 30, 2012 from 2.72% at December 31, 2010, a level that compares favorably to the SNL Thrift Index ratio of 2.86% at June 30, 2012. At June 30, 2012, non-performing loans totaled $34.8 million, or 3.24% of total loans, as compared to $60.9 million, or 7.36% of total loans at December 31, 2010.

***Stockholder-focused management of capital.*** We began paying regular quarterly dividends in the fourth quarter of 2008, and increased the dividend twice from our initial annual rate of $0.16 to $0.20 and then to $0.24, respectively. These dividend increases were accomplished during a period when many depository institutions were reducing or eliminating their dividends. Our average dividend yield for the quarter ended March 31, 2012 was 1.7% compared to 1.2% for the SNL Thrift Index. Our board of directors decided to delay future dividend payments after our March 2012 dividend, because the Board of Governors of the Federal Reserve System, or Federal Reserve Board, currently requires Northfield Bancorp, MHC to obtain a member (depositor) vote before waiving its right to receive dividends from Northfield-Federal. However, following the completion of the conversion we intend to seek regulatory approval to pay a one-time, special dividend of $0.25 per share to all stockholders, and also resume the payment of regular quarterly dividends.

See Management s Discussion and Analysis of Financial Condition and Results of Operations Business Strategy for a more complete discussion of our business strategy.

**Reasons for the Conversion and Offering**

Our primary reasons for converting to the fully public stock form of ownership and undertaking the stock offering are to:

***Eliminate the uncertainties associated with the mutual holding company structure under financial reform legislation.*** The Dodd-Frank Wall Street Reform and Consumer Protection Act, or Dodd-Frank Act, has changed our primary bank and holding company regulator, which has resulted in changes in regulations applicable to Northfield Bancorp, MHC and Northfield-Federal. Under the Dodd-Frank Act, the Federal Reserve Board became the federal regulator of all savings and loan holding companies and mutual holding companies, and the Federal Reserve Board historically has not allowed mutual holding companies to waive the receipt of dividends from their

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mid-tier holding company subsidiaries. Absent approval for Northfield Bancorp, MHC to waive dividends, any dividend declared on Northfield-Federal s common stock would have to be paid to Northfield Bancorp, MHC as well as our public stockholders, resulting in a tax liability for Northfield Bancorp, MHC and a decrease in the exchange ratio for our public shareholders upon conversion to stock form. The Federal Reserve Board currently requires a grandfathered mutual holding company, like Northfield Bancorp, MHC, to obtain member (depositor) approval and comply with other procedural requirements prior to waiving dividends, which would make dividend waivers impracticable. The conversion will eliminate our mutual holding company structure and will enable us to continue paying dividends to our stockholders, subject to the customary legal, regulatory and financial considerations applicable to all financial institutions. See Our Dividend Policy. It also will eliminate the risk that the Federal Reserve Board will amend existing regulations applicable to the conversion process in a manner disadvantageous to our public stockholders or depositors.

***Transition us to a more familiar and flexible organizational structure***. The stock holding company structure is a more familiar form of organization, which we believe will make our common stock more appealing to investors, and will give us greater flexibility to access the capital markets through possible future equity and debt offerings, although we have no current plans, agreements or understandings regarding any additional securities offerings.

***Improve the liquidity of our shares of common stock***. The larger number of shares that will be outstanding after completion of the conversion and offering is expected to result in a more liquid and active market for Northfield-Federal common stock. A more liquid and active market would make it easier for our stockholders to buy and sell our common stock and would give us greater flexibility in implementing capital management strategies.

***Facilitate future mergers and acquisitions.*** Although we do not currently have any understandings or agreements regarding any specific acquisition transaction, the stock holding company structure will give us greater flexibility to structure, and make us a more attractive and competitive bidder for, mergers and acquisitions of other financial institutions, as opportunities arise. The additional capital raised in the offering also will enable us to consider larger transactions. In addition, although we intend to remain an independent financial institution, the stock holding company structure may make us a more attractive acquisition candidate for other institutions. Applicable regulations prohibit the acquisition of Northfield-Delaware for three years following completion of the conversion.

See The Conversion and Offering for a more complete discussion of our reasons for conducting the conversion and offering.

**Terms of the Offering**

We are offering between 31,025,000 and 41,975,000 shares of common stock to eligible depositors of Northfield Bank, the former First State Bank and the former Flatbush Federal Savings & Loan Association, to our tax-qualified employee benefit plans and, to the extent shares remain available, in a community offering to residents of the New Jersey Counties of Bergen, Essex, Hudson, Hunterdon, Middlesex, Monmouth, Morris, Ocean, Passaic, Somerset, Sussex and Union, the New York Counties of Bronx, Kings, Nassau, New York, Putnam, Queens, Richmond, Rockland, Suffolk and Westchester, and Pike County, Pennsylvania, and to our existing public stockholders and to the general public. If necessary, we will also offer shares to the general public in a syndicated or firm commitment underwritten offering. Unless the number of shares of common stock to be offered is increased to more than 41,975,000 shares or decreased to fewer than 31,025,000 shares, or the subscription and community offerings are extended beyond January 31, 2013, subscribers will not have the opportunity to change or cancel their stock orders once submitted. If the subscription and community offering is extended past January 31, 2013, or if the number of shares to be sold is increased to more than 41,975,000 shares or decreased to less than 31,025,000 shares, all subscribers stock orders will be canceled, their withdrawal authorizations will be canceled and funds delivered to us to purchase shares of common stock in the subscription and community offerings will be returned promptly with interest at [interest rate]% per annum. We will then resolicit subscribers, giving them an opportunity to place new orders for a period of time. No shares purchased in the community offering and subscription offering will be issued until the completion of any syndicated or firm commitment underwritten offering.

The purchase price of each share of common stock offered for sale in the offering is $10.00. All investors will pay the same purchase price per share, regardless of whether the shares are purchased in the community offering, the subscription offering or a syndicated or firm commitment underwritten offering. Investors will not be charged a commission to purchase shares of common stock in the offering. Sandler O Neill & Partners, L.P., our marketing agent in the subscription and community offerings, will use its best efforts to assist us in selling shares of our common stock but is not obligated to purchase any shares of common stock being offered for sale in the subscription and community offerings.

**How We Determined the Offering Range, the Exchange Ratio and the $10.00 Per Share Stock Price**

The amount of common stock we are offering for sale and the exchange ratio for the exchange of shares of Northfield-Delaware for shares of Northfield-Federal are based on an independent appraisal of the estimated market value of Northfield-Delaware, assuming the acquisition of Flatbush Federal Bancorp, Inc. and the conversion offering are completed. RP Financial, LC., our independent appraiser, has estimated that, as of October 12, 2012, and assuming that we had completed our acquisition of Flatbush Federal Bancorp, Inc. as of June 30, 2012, this market value was $597.7 million. Based on federal regulations, this market value forms the midpoint of a valuation range with a minimum of $508.1 million and a maximum of $687.4 million. Based on this valuation range, the 61.1% pro forma ownership interest of Northfield Bancorp, MHC in Northfield-Federal as of June 30, 2012 (assuming completion of the Flatbush Federal Bancorp, Inc. acquisition at that date) being sold in the offering and the $10.00 per share price, the number of shares of common stock being offered for sale by Northfield-Delaware ranges from 31,025,000 shares to 41,975,000 shares. The $10.00 per share price was selected primarily because it is the price most commonly used in mutual-to-stock conversions of financial institutions. The exchange ratio ranges from 1.2240 shares at the minimum of the offering range to 1.6561 shares at the maximum of the offering range, and will preserve the existing percentage ownership of public stockholders of Northfield-Federal (excluding any new shares purchased by them in the stock offering and their receipt of cash in lieu of fractional shares).

The appraisal is based in part on Northfield-Federal s financial condition and results of operations (assuming completion of the Flatbush Federal Bancorp, Inc. acquisition as of June 30, 2012), the pro forma effect of the additional capital raised by the sale of shares of common stock in the offering, and an analysis of a peer group of ten publicly traded thrift holding companies that RP Financial, LC. considers comparable to Northfield-Federal. The appraisal peer group consists of the following companies, all of which are traded on the Nasdaq Stock Market.

| **Company Name** | **Ticker Symbol** | **Headquarters** | **Total Assets (1)** (in millions) |
|---|---|---|---|
| Cape Bancorp, Inc. | CBNJ | Cape May Courthouse, NJ | $ 1,048 |
| ESSA Bancorp, Inc. | ESSA | Stroudsburg, PA | $ 1,113 |
| Flushing Financial Corp. | FFIC | Lake Success, NY | $ 4,436 |
| Fox Chase Bancorp, Inc. | FXCB | Hatboro, PA | $ 1,012 |
| OceanFirst Financial Corp. | OCFC | Toms River, NJ | $ 2,288 |
| Oritani Financial Corp. | ORIT | Township of Washington, NJ | $ 2,701 |
| Provident NY Bancorp, Inc. | PBNY | Montebello, NY | $ 3,150 |
| Rockville Financial, Inc. | RCKB | Rockville, CT | $ 1,928 |
| United Financial Bancorp | UBNK | West Springfield, MA | $ 1,654 |
| Westfield Financial Inc. | WFD | Westfield, MA | $ 1,319 |

(1) Asset size for all companies is as of June 30, 2012.

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The following table presents a summary of selected pricing ratios for Northfield-Delaware (on a pro forma basis) and for the peer group companies based on earnings and other information as of and for the twelve months ended June 30, 2012, and stock prices as of October 12, 2012, as reflected in the appraisal report. Compared to the average pricing of the peer group, our pro forma pricing ratios at the midpoint of the offering range indicated a discount of 18.9% on a price-to-book value basis, a discount of 22.3% on a price-to-tangible book value basis, and a premium of 154.7% on a price-to-earnings basis.

| | Price-to-earnings multiple (1) | Price-to-book value ratio | Price-to-tangible book value ratio |
|---|---|---|---|
| **Northfield-Delaware (on a pro forma basis, assuming completion of the conversion)** | | | |
| Maximum | 71.43x | 88.65% | 90.74% |
| Midpoint | 62.50x | 82.17% | 84.25% |
| Minimum | 50.00x | 74.79% | 76.86% |
| **Valuation of peer group companies, all of which are fully converted (on an historical basis)** | | | |
| Averages | 24.54x | 101.32% | 108.41% |
| Medians | 24.52x | 103.70% | 113.09% |

(1) Price-to-earnings multiples calculated by RP Financial, LC. in the independent appraisal are based on an estimate of core or recurring earnings on a trailing twelve-month basis through June 30, 2012. These ratios are different than those presented in Pro Forma Data.

**The independent appraisal does not indicate trading market value. Do not assume or expect that our valuation as indicated in the appraisal means that after the conversion and offering the shares of our common stock will trade at or above the $10.00 per share purchase price. Furthermore, the pricing ratios presented in the appraisal were utilized by RP Financial, LC. to estimate our *pro forma* appraised value for regulatory purposes and not to compare the relative value of shares of our common stock with the value of the capital stock of the peer group. The value of the capital stock of a particular company may be affected by a number of factors such as financial performance, asset size and market location.**

For a more complete discussion of the amount of common stock we are offering for sale and the independent appraisal, see The Conversion and Offering Stock Pricing and Number of Shares to be Issued.

**The Exchange of Existing Shares of Northfield-Federal Common Stock**

If you are currently a stockholder of Northfield-Federal, your shares will be canceled at the completion of the conversion and will be exchanged for shares of common stock of Northfield-Delaware. The number of shares of common stock you receive will be based on the exchange ratio, which will depend upon our final appraised value and the percentage of outstanding shares of Northfield-Federal common stock owned by public stockholders immediately prior to the completion of the conversion. The following table shows how the exchange ratio will adjust, based on the appraised value of Northfield-Delaware as of October 12, 2012, assuming public stockholders of Northfield-Federal, including former stockholders of Flatbush Federal Bancorp, Inc., own 38.9% of Northfield-Federal common stock immediately prior to the completion of the conversion. The table also shows the number of shares of Northfield-Delaware common stock a hypothetical owner of Northfield-Federal common stock would receive in exchange for 100 shares of Northfield-Federal common stock owned at the completion of the conversion, depending on the number of shares of common stock issued in the offering.

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| | Shares to be Sold in This Offering Amount | Percent | Shares of Northfield-Delaware to be Issued for Shares of Northfield-Federal Amount | Percent | Total Shares of Common Stock to be Issued in Exchange and Offering | Exchange Ratio | Equivalent Value of Shares Based Upon Offering Price (1) | Equivalent Pro Forma Tangible Book Value Per Exchanged Share (2) | Shares to be Received for 100 Existing Shares (3) |
|---|---|---|---|---|---|---|---|---|---|
| Minimum | 31,025,000 | 61.1% | 19,780,217 | 38.9% | 50,805,217 | 1.2240 | $ 12.24 | $ 15.94 | 122 |
| Midpoint | 36,500,000 | 61.1 | 23,270,844 | 38.9 | 59,770,844 | 1.4400 | 14.40 | 17.09 | 144 |
| Maximum | 41,975,000 | 61.1 | 26,761,470 | 38.9 | 68,736,470 | 1.6561 | 16.56 | 18.25 | 165 |

(1) Represents the value of shares of Northfield-Delaware common stock to be received in the conversion by a holder of one share of Northfield-Federal, pursuant to the exchange ratio, based upon the $10.00 per share purchase price.
(2) Represents the pro forma tangible book value per share at each level of the offering range multiplied by the respective exchange ratio.
(3) Cash will be paid in lieu of fractional shares.

No fractional shares of Northfield-Delaware common stock will be issued to any public stockholder of Northfield-Federal. For each fractional share that otherwise would be issued, Northfield-Delaware will pay in cash an amount equal to the product obtained by multiplying the fractional share interest to which the holder otherwise would be entitled by the $10.00 per share offering price.

Outstanding options to purchase shares of Northfield-Federal common stock also will convert into and become options to purchase shares of Northfield-Delaware common stock based upon the exchange ratio. The aggregate exercise price, duration and vesting schedule of these options will not be affected by the conversion. At June 30, 2012, there were 2,053,100 outstanding options to purchase shares of Northfield-Federal common stock, 1,240,040 of which have vested. Such outstanding options will be converted into options to purchase 2,512,994 shares of common stock at the minimum of the offering range and 3,400,139 shares of common stock at the maximum of the offering range. Because federal regulations prohibit us from repurchasing our common stock during the first year following the conversion unless compelling business reasons exist for such repurchases, we may use authorized but unissued shares to fund option exercises that occur during the first year following the conversion. If all existing options were exercised for authorized but unissued shares of common stock following the conversion, stockholders would experience dilution of approximately 4.71%.

**How We Intend to Use the Proceeds From the Offering**

We intend to invest at least 50% of the net proceeds from the stock offering in Northfield Bank, loan funds to our employee stock ownership plan to fund its purchase of shares of common stock in the stock offering and retain the remainder of the net proceeds from the offering at Northfield-Delaware. Therefore, assuming we sell 36,500,000 shares of common stock in the stock offering, and we have net proceeds of $347.2 million, we intend to invest $173.6 million in Northfield Bank, loan $14.6 million to our employee stock ownership plan to fund its purchase of shares of common stock and retain the remaining $159.0 million of the net proceeds at Northfield-Delaware.

Northfield-Delaware may use the funds it retains to acquire other financial institutions, for investments, to pay cash dividends, to repurchase shares of common stock and for other general corporate purposes. Northfield Bank may use the proceeds it receives to acquire other financial institutions, to expand its branch network and to support increased lending and other products and services.

Please see the section of this prospectus entitled How We Intend to Use the Proceeds from the Offering for more information on the proposed use of the proceeds from the offering.

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**Persons Who May Order Shares of Common Stock in the Offering**

We are offering the shares of common stock in a subscription offering in the following descending order of priority:

(i) To depositors with accounts at Northfield Bank, or the former First State Bank or Flatbush Federal Savings & Loan Association, with aggregate balances of at least $50 at the close of business on March 31, 2011.

(ii) To our tax-qualified employee benefit plans (including Northfield Bank s employee stock ownership plan and 401(k) plan), which will receive, without payment therefor, nontransferable subscription rights to purchase in the aggregate up to 10% of the shares of common stock sold in the offering. We expect our employee stock ownership plan to purchase 4% of the shares of common stock sold in the stock offering, although we reserve the right to have the employee stock ownership plan purchase more than 4% of the shares sold in the offering to the extent necessary to complete the offering at the minimum of the offering range.

(iii) To depositors with accounts at Northfield Bank or the former Flatbush Federal Savings & Loan Association with aggregate balances of at least $50 at the close of business on September 30, 2012.

(iv) To depositors of Northfield Bank at the close of business on November 6, 2012.

Shares of common stock not purchased in the subscription offering will be offered for sale to the general public in a community offering, with a preference given first to natural persons (including trusts of natural persons) residing in the New Jersey Counties of Bergen, Essex, Hudson, Hunterdon, Middlesex, Monmouth, Morris, Ocean, Passaic, Somerset, Sussex and Union, the New York Counties of Bronx, Kings, Nassau, New York, Putnam, Queens, Richmond, Rockland, Suffolk and Westchester, and Pike County, Pennsylvania. To the extent shares of common stock remain available, we will also offer the shares to Northfield-Federal s public stockholders as of November 8, 2012. The community offering is expected to begin concurrently with the subscription offering. We also may offer for sale shares of common stock not purchased in the subscription offering or the community offering through a syndicated or firm commitment underwritten offering. Sandler O Neill & Partners, L.P., Jefferies & Company, Inc. and Stifel, Nicolaus & Company, Incorporated will act as joint book-running managers for the syndicated or firm commitment underwritten offering. We have the right to accept or reject, in our sole discretion, orders received in the community offering or syndicated or firm commitment underwritten offering. Any determination to accept or reject stock orders in the community offering or syndicated or firm commitment underwritten offering will be based on the facts and circumstances available to management at the time of the determination.

If we receive orders for more shares than we are offering, we may not be able to fully or partially fill your order. Shares will be allocated first to categories in the subscription offering. A detailed description of the subscription offering, the community offering and the syndicated or firm commitment underwritten offering, as well as a discussion regarding allocation procedures, can be found in the section of this prospectus entitled The Conversion and Offering.

**Limits on How Much Common Stock You May Purchase**

The minimum number of shares of common stock that may be purchased is 25.

Generally, no individual may purchase more than 300,000 shares ($3.0 million) of common stock. If any of the following persons purchase shares of common stock, their purchases, in all categories of the offering, when combined with your purchases, cannot exceed 300,000 shares ($3.0 million) of common stock:

your spouse or relatives of you or your spouse living in your house;

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most companies, trusts or other entities in which you are a trustee, have a substantial beneficial interest or hold a senior position; or

other persons who may be your associates or persons acting in concert with you.

Unless we determine otherwise, persons having the same address and persons exercising subscription rights through qualifying deposit accounts registered to the same address will be subject to the overall purchase limitation of 300,000 shares ($3.0 million).

In addition to the above purchase limitations, there is an ownership limitation for current stockholders of Northfield-Federal other than our employee stock ownership plan. Shares of common stock that you purchase in the offering individually and together with persons described above, *plus* any shares you and they receive in exchange for existing shares of Northfield-Federal common stock, may not exceed 5% of the total shares of common stock to be issued and outstanding after the completion of the conversion. However, if, based on your current ownership level, you will own more than 5% of the total shares of common stock to be issued and outstanding after the completion of the conversion following the exchange of your shares of Northfield-Federal common stock, you will not need to divest any of your shares.

Subject to regulatory approval, we may increase or decrease the purchase and ownership limitations at any time. See the detailed description of the purchase limitations in the section of this prospectus headed The Conversion and Offering Additional Limitations on Common Stock Purchases.

**How You May Purchase Shares of Common Stock in the Subscription Offering and the Community Offering**

In the subscription offering and community offering, you may pay for your shares only by:

(i) personal check, bank check or money order made payable directly to Northfield Bancorp, Inc.; or

(ii) authorizing us to withdraw available funds from the types of Northfield Bank deposit accounts designated on the stock order form.

Northfield Bank is not permitted to lend funds to anyone for the purpose of purchasing shares of common stock in the offering. Additionally, you may not use a Northfield Bank line of credit check or any type of third party check to pay for shares of common stock. Please do not submit cash or wire transfers. You may not designate withdrawal from Northfield Bank s accounts with check-writing privileges; instead, please submit a check. You may not authorize direct withdrawal from a Northfield Bank retirement account. See Using Individual Retirement Account Funds to Purchase Shares of Common Stock.

You may subscribe for shares of common stock in the subscription and community offerings by delivering a signed and completed original stock order form, together with full payment payable to Northfield Bancorp, Inc. or authorization to withdraw funds from one or more of your Northfield Bank deposit accounts, provided that the stock order form is *received* before 4:00 p.m., Eastern Time, on December 17, 2012, which is the end of the subscription offering period. You may submit your stock order form and payment by mail using the stock order reply envelope provided, or by overnight delivery to our Stock Information Center at the address noted below. You may hand-deliver stock order forms to the Stock Information Center, which will be located at Northfield Bank s Woodbridge operations center, 581 Main Street, Eighth Floor, Woodbridge, New Jersey. Hand-delivered stock order forms will only be accepted at this location. We will not accept stock order forms at our banking offices. **Please do not mail stock order forms to Northfield Bank s offices.**

Please see The Conversion and Offering Procedure for Purchasing Shares Payment for Shares for a complete description of how to purchase shares in the subscription and community offerings.

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**Using Individual Retirement Account Funds to Purchase Shares of Common Stock**

You may be able to subscribe for shares of common stock using funds in your individual retirement account, or IRA. If you wish to use some or all of the funds in your Northfield Bank individual retirement account, the applicable funds must be transferred to a self-directed account maintained by an independent trustee, such as a brokerage firm, and the purchase must be made through that account. If you do not have such an account, you will need to establish one before placing your stock order. An annual administrative fee may be payable to the independent trustee. Because individual circumstances differ and the processing of retirement fund orders takes additional time, we recommend that you contact our Stock Information Center promptly, preferably at least two weeks before the December 17, 2012 offering deadline, for assistance with purchases using your individual retirement account or other retirement account you may have at Northfield Bank *or elsewhere*. Whether you may use such funds for the purchase of shares in the stock offering may depend on timing constraints and, possibly, limitations imposed by the institution where the funds are held.

See The Conversion and Offering Procedure for Purchasing Shares Payment for Shares and Using Individual Retirement Account Funds for a complete description of how to use IRA funds to purchase shares in the stock offering.

**Market for Common Stock**

Existing publicly held shares of Northfield-Federal s common stock are listed on the Nasdaq Global Select Market under the symbol NFBK. Upon completion of the conversion, the shares of common stock of Northfield-Delaware will replace the existing shares, and we expect the shares of Northfield-Delaware common stock will also trade on the Nasdaq Global Select Market under the symbol NFBK. In order to list our stock on the Nasdaq Global Select Market, we are required to have at least three broker-dealers who will make a market in our common stock. As of November 8, 2012, Northfield-Federal had approximately registered market makers in its common stock. Sandler O Neill & Partners, L.P., Jefferies & Company, Inc. and Stifel, Nicolaus & Company, Incorporated have advised us that they intend to make a market in our common stock following the offering, but are under no obligation to do so.

**Our Dividend Policy**

After the completion of the conversion, we intend to pay cash dividends on a quarterly basis. We expect the quarterly dividends to be $0.06 per share, which equals $0.24 per share on an annualized basis and an annual yield of 2.4% based on a price of $10.00 per share.

We also intend to seek regulatory approval to pay a one-time, special dividend of $0.25 per share to all Northfield-Delaware stockholders. We cannot assure you that we will obtain such approval or when such approval may be obtained.

The dividend rate and the continued payment of dividends will depend on a number of factors, including our capital requirements, our financial condition and results of operations, tax considerations, statutory and regulatory limitations, and general economic conditions. We cannot assure you that we will pay dividends in the future, or that any such dividends will not be reduced or eliminated.

For information regarding our historical dividend payments, see Selected Consolidated Financial and Other Data of Northfield Bancorp, Inc. and Market for the Common Stock. For information regarding our current and proposed dividend policy, see Our Dividend Policy.

**Purchases by Officers and Directors**

We expect our directors and executive officers, together with their associates, to subscribe for 190,000 shares of common stock in the offering, representing 0.6% of shares to be sold at the minimum of the offering range. The purchase price paid by them will be the same $10.00 per share price paid by all other persons who purchase shares of common stock in the offering. Following the conversion, our directors and executive officers, together with their associates, are expected to beneficially own shares of common stock, or % of our total outstanding shares of common stock at the minimum of the offering range, which includes shares they currently own that will be exchanged for new shares of Northfield-Delaware.

See Subscriptions by Directors and Executive Officers for more information on the proposed purchases of shares of common stock by our directors and executive officers.

**Deadline for Orders of Shares of Common Stock in the Subscription and Community Offering**

The deadline for purchasing shares of common stock in the subscription and community offering is 4:00 p.m., Eastern Time, on December 17, 2012, unless we extend this deadline. If you wish to purchase shares of common stock, a properly completed and signed original stock order form, together with full payment, must be received (not postmarked) by this time.

Although we will make reasonable attempts to provide this prospectus and offering materials to holders of subscription rights, the subscription offering and all subscription rights will expire at 4:00 p.m., Eastern Time, on December 17, 2012, whether or not we have been able to locate each person entitled to subscription rights.

See The Conversion and Offering Procedure for Purchasing Shares Expiration Date for a complete description of the deadline for purchasing shares in the stock offering.

**You May Not Sell or Transfer Your Subscription Rights**

Federal regulations prohibit you from transferring your subscription rights. If you order shares of common stock in the subscription offering, you will be required to certify that you are purchasing the common stock for yourself and that you have no agreement or understanding to sell or transfer your subscription rights. We intend to take legal action, including reporting persons to federal agencies, against anyone who we believe has sold or transferred his or her subscription rights. We will not accept your order if we have reason to believe you have sold or transferred your subscription rights. On the order form, you may not add the names of others for joint stock registration who do not have subscription rights or who qualify only in a lower subscription offering priority than you do. You may add only those who were eligible to purchase shares of common stock in the subscription offering at your date of eligibility. In addition, the stock order form requires that you list all deposit accounts, giving all names on each account and the account number at the applicable eligibility date. Failure to provide this information, or providing incomplete or incorrect information, may result in a loss of part or all of your share allocation if there is an oversubscription.

**Delivery of Stock Certificates**

Certificates representing shares of common stock sold in the subscription offering and community offering will be mailed to the certificate registration address noted by purchasers on the stock order form. Stock certificates will be sent to purchasers by first-class mail as soon as practicable after the completion of the conversion and offering. We expect trading in the stock to begin on the business day of or on the business day following the completion of the conversion and offering. The conversion and offering are expected to be completed as soon as practicable following satisfaction of the conditions described below in Conditions to Completion of the Conversion. **It is possible that until certificates for the common stock are delivered to purchasers, purchasers might not be able to sell the shares of common stock that they ordered, even though the common stock will have begun trading.** Your ability to sell the shares of common stock before receiving your stock certificate will depend on arrangements you may make with a brokerage firm.

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**Conditions to Completion of the Conversion**

We cannot complete the conversion and offering unless:

- The plan of conversion and reorganization is approved by at least *a majority of votes eligible to be cast* by members of Northfield Bancorp, MHC (depositors of Northfield Bank) as of November 6, 2012;

- The plan of conversion and reorganization is approved by Northfield-Federal stockholders holding at least *two-thirds of the outstanding shares* of common stock of Northfield-Federal as of November 8, 2012, including shares held by Northfield Bancorp, MHC;

- The plan of conversion and reorganization is approved by Northfield-Federal stockholders holding at least *a majority of the outstanding shares* of common stock of Northfield-Federal as of November 8, 2012, excluding those shares held by Northfield Bancorp, MHC;

- We sell at least the minimum number of shares of common stock offered in the offering; and

- We receive the final approval of the Board of Governors of the Federal Reserve System to complete the conversion and offering.

Northfield Bancorp, MHC intends to vote its shares in favor of the plan of conversion and reorganization. At November 8, 2012, Northfield Bancorp, MHC owned % of the outstanding shares of common stock of Northfield-Federal. The directors and executive officers of Northfield-Federal and their affiliates owned shares of Northfield-Federal (excluding exercisable options), or % of the outstanding shares of common stock and % of the outstanding shares of common stock excluding shares owned by Northfield Bancorp, MHC. They intend to vote those shares in favor of the plan of conversion and reorganization.

**Steps We May Take if We Do Not Receive Orders for the Minimum Number of Shares**

If we do not receive orders for at least 31,025,000 shares of common stock, we may take several steps in order to issue the minimum number of shares of common stock in the offering range. Specifically, we may:

(i) increase the purchase and ownership limitations; and/or

(ii) seek regulatory approval to extend the offering beyond January 31, 2013, so long as we resolicit subscriptions that we have previously received in the offering; and/or

(iii) increase the shares purchased by the employee stock ownership plan.

If one or more purchase limitations are increased, subscribers in the subscription offering who ordered the maximum amount will be, and, in our sole discretion, some other large purchasers may be, given the opportunity to increase their subscriptions up to the then-applicable limit.

**Possible Change in the Offering Range**

RP Financial, LC. will update its appraisal before we complete the offering. If our pro forma market value at that time is either below $508.1 million or above $687.4 million, then, after consulting with the Board of Governors of the Federal Reserve System, we may:

terminate the stock offering and promptly return all funds (with interest paid on funds received in the subscription and community offerings);

set a new offering range; or

take such other actions as may be permitted by the Federal Reserve Board and the Securities and Exchange Commission.

If we set a new offering range, we will promptly return funds, with interest at [interest rate]% per annum for funds received for purchases in the subscription and community offerings, and cancel any authorization to withdraw funds from deposit accounts for the purchase of shares of common stock. We will resolicit subscribers, allowing them to place a new stock order for a period of time.

**Possible Termination of the Offering**

We may terminate the offering at any time prior to the special meeting of members of Northfield Bancorp, MHC that is being called to vote on the conversion, and at any time after member approval with the approval of the Federal Reserve Board. If we terminate the offering, we will promptly return your funds with interest at [interest rate]% per annum and we will cancel deposit account withdrawal authorizations.

**Benefits to Management and Potential Dilution to Stockholders Resulting from the Conversion**

We expect our employee stock ownership plan, which is a tax-qualified retirement plan for the benefit of all of our employees, to purchase up to 4% of the shares of common stock we sell in the offering. These shares, when combined with shares owned by our existing employee stock ownership plan, will be less than 8% of the shares outstanding following the conversion. If we receive orders for more shares of common stock than the maximum of the offering range, the employee stock ownership plan s subscription order will not be filled and the employee stock ownership plan may, with prior Federal Reserve Board approval, purchase shares in the open market following completion of the conversion. For further information, see Management Executive Compensation Employee Stock Ownership Plan and Trust.

Federal regulations permit us to implement one or more new stock-based benefit plans no earlier than six months after completion of the conversion. Our current intention is to implement one or more new stock-based benefit plans, but we have not determined whether we would adopt the plans within 12 months following the completion of the conversion or more than 12 months following the completion of the conversion. Stockholder approval of these plans would be required. If we implement stock-based benefit plans within 12 months following the completion of the conversion, the stock-based benefit plans would reserve a number of shares (i) up to 4% of the shares of common stock sold in the offering (reduced by amounts purchased in excess of 4% of the shares of common stock sold in the stock offering by our 401(k) plan using its purchase priority in the stock offering) for awards of restricted stock to key employees and directors, at no cost to the recipients, and (ii) up to 10% of the shares of common stock sold in the offering for issuance pursuant to the exercise of stock options by key employees and directors. The total number of shares available under the stock-based benefit plans is subject to adjustment as may be required by federal regulations or policy to reflect shares of common stock or stock options previously granted by Northfield-Federal or Northfield Bank. For stock-based benefit plans adopted within 12 months following the completion of the conversion, current regulatory policy would require that the total number of shares of restricted stock and the total number of shares available for the exercise of stock options not exceed 4% and 10%, respectively, of our total outstanding shares following the conversion. If the stock-based benefit plan is adopted more than 12 months after the completion of the conversion, it would not be subject to the percentage limitations set forth above. We have not yet determined the number of shares that would be reserved for issuance under these plans. For a description of our current stock-based benefit plan, see Management Compensation Discussion and Analysis Equity Awards.

The following table summarizes the number of shares of common stock and the aggregate dollar value of grants that are available under one or more stock-based benefit plans if such plans reserve a number of shares of common stock equal to 4% and 10% of the shares sold in the stock offering for restricted stock awards and stock options, respectively. The table shows the dilution to stockholders if all such shares are issued from authorized but

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unissued shares, instead of shares purchased in the open market. A portion of the stock grants shown in the table below may be made to non-management employees or consultants. The table also sets forth the number of shares of common stock to be acquired by the employee stock ownership plan for allocation to all qualifying employees.

| | Number of Shares to be Granted or Purchased | | | Dilution Resulting From Issuance of Shares for Stock-Based Benefit Plans | Value of Grants (In Thousands) (1) | |
|---|---|---|---|---|---|---|
| | At Minimum of Offering Range | At Maximum of Offering Range | As a Percentage of Common Stock to be Sold in the Offering | | At Minimum of Offering Range | At Maximum of Offering Range |
| Employee stock ownership plan | 1,241,000 | 1,679,000 | 4.0% | N/A (2) | $ 12,410 | $ 16,790 |
| Restricted stock awards | 1,241,000 | 1,679,000 | 4.0 | 2.38% | 12,410 | 16,790 |
| Stock options | 3,102,500 | 4,197,500 | 10.0 | 5.76% | 5,553 | 7,514 |
| Total | 5,584,500 | 7,555,500 | 18.0% | 7.88% | $ 30,373 | $ 41,094 |

(1) The actual value of restricted stock awards will be determined based on their fair value as of the date grants are made. For purposes of this table, fair value for stock awards is assumed to be the same as the offering price of $10.00 per share. The fair value of stock options has been estimated at $1.79 per option using the Black-Scholes option pricing model with the following assumptions: a grant-date share price and option exercise price of $10.00; an expected option term of 10 years; a dividend yield of 2.4%; a risk-free rate of return of 1.67%; and a volatility rate of 20.4%. The actual value of option grants will be determined by the grant-date fair value of the options, which will depend on a number of factors, including the valuation assumptions used in the option pricing model ultimately adopted.

(2) No dilution is reflected for the employee stock ownership plan because such shares are assumed to be purchased in the stock offering.

We may fund our stock-based benefit plans through open market purchases, as opposed to new issuances of stock; however, if any options previously granted under our existing 2008 Equity Incentive Plan are exercised during the first year following completion of the offering, they will be funded with newly issued shares as federal regulations do not permit us to repurchase our shares during the first year following the completion of the offering except to fund the grants of restricted stock under our stock-based benefit plan or under extraordinary circumstances.

The following table presents information as of June 30, 2012 regarding our employee stock ownership plan, our 2008 Equity Incentive Plan and our proposed stock-based benefit plan. The table below assumes that 68,736,470 shares are outstanding after the offering, which includes the sale of 41,975,000 shares in the offering at the maximum of the offering range and the issuance of new shares in exchange for shares of Northfield-Federal using an exchange ratio of 1.6561. It also assumes that the value of the stock is $10.00 per share.

| Existing and New Stock Benefit Plans | Participants | Shares at Maximum of Offering Range | Estimated Value of Shares | Percentage of Shares Outstanding After the Conversion |
|---|---|---|---|---|
| **Employee Stock Ownership Plan:** | Officers and Employees | | | |
| Shares purchased in 2007 offering (1) | | 2,908,574 (2) | $ 29,085,737 | 4.23% |
| Shares to be purchased in this offering | | 1,679,000 | 16,790,000 | 2.44 |
| Total employee stock ownership plan shares | | 4,587,574 | $ 45,875,737 | 6.67% |
| **Restricted Stock Awards:** | | | | |

| | | | | |
|---|---|---|---|---|
| | Directors, Officers and Employees | | | |
| 2008 Equity Incentive Plan (1) | | 1,378,952 (3) | $ 13,789,518 (4) | 2.01% |
| New shares of restricted stock | | 1,679,000 | 16,790,000 (4) | 2.44 |
| Total shares of restricted stock | | 3,057,952 | $ 30,579,518 | 4.45% (5) |
| **Stock Options:** | Directors, Officers and Employees | | | |
| 2008 Equity Incentive Plan (1) | | 3,400,139 (6) | $ 6,086,249 | 4.95% |
| New stock options | | 4,197,500 | 7,513,525 (7) | 6.11 |
| Total stock options | | 7,597,639 | $ 13,599,774 | 11.05% (5) |
| Total of stock benefit plans | | 15,243,164 | $ 90,055,028 | 22.18% |

*(footnotes begin on following page)*

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(1) The number of shares indicated has been adjusted for the 1.6561 exchange ratio at the maximum of the offering range.
(2) As of June 30, 2012, 474,933 of these shares, or 286,778 shares prior to adjustment for the exchange, have been allocated.
(3) As of June 30, 2012, 1,378,952 of these shares, or 832,650 shares prior to adjustment for the exchange, have been awarded, and 832,240 of these shares, or 502,530 shares prior to adjustment for the exchange, have vested.
(4) The value of restricted stock awards is determined based on their fair value as of the date grants are made. For purposes of this table, the fair value of awards under the new stock-based benefit plan is assumed to be the same as the offering price of $10.00 per share.
(5) The number of shares of restricted stock and shares reserved for stock options set forth in the table would exceed regulatory limits if a stock-based incentive plan were adopted within one year of the completion of the conversion. Accordingly, the number of new shares of restricted stock and shares reserved for stock options set forth in the table would have to be reduced such that the aggregate amount of stock awards and shares reserved for stock options would be 4% or less and 10% or less, respectively, of our outstanding shares, unless we obtain a waiver from the Board of Governors of the Federal Reserve System, or we implement the incentive plan more than 12 months after completion of the conversion. We have not determined whether we will implement a new stock-based incentive plan earlier than 12 months after completion of the conversion or more than 12 months after the completion of the conversion.
(6) As of June 30, 2012, options to purchase 3,488,409 of these shares, or 2,106,400 shares prior to adjustment for the exchange, have been awarded, and options to purchase 2,052,372 of these shares, or 1,239,280 shares prior to adjustment for the exchange, have vested.
(7) The weighted-average fair value of stock options to be granted has been estimated at $1.76 per option, using the Black-Scholes option pricing model. The fair value of stock options uses the Black-Scholes option pricing model with the following assumptions: exercise price, $10.00; trading price on date of grant, $10.00; dividend yield, 2.4%; expected term, 10 years; expected volatility, 20.4%; and risk-free rate of return, 1.67%. The actual value of option grants will be determined by the grant-date fair value of the options, which will depend on a number of factors, including the valuation assumptions used in the option pricing model ultimately adopted.

**Tax Consequences**

Northfield Bancorp, MHC, Northfield-Federal, Northfield Bank and Northfield-Delaware have received an opinion of counsel, Luse Gorman Pomerenk & Schick, P.C., regarding the material federal income tax consequences of the conversion, and have received opinions of Crowe Horwath LLP regarding the material New York and New Jersey state tax consequences of the conversion. As a general matter, the conversion will not be a taxable transaction for purposes of federal or state income taxes to Northfield Bancorp, MHC, Northfield-Federal (except for cash paid for fractional shares), Northfield Bank, Northfield-Delaware, persons eligible to subscribe in the subscription offering, or existing stockholders of Northfield-Federal. Existing stockholders of Northfield-Federal who receive cash in lieu of fractional shares of Northfield-Delaware will recognize a gain or loss equal to the difference between the cash received and the tax basis of the fractional share.

**How You Can Obtain Additional Information Stock Information Center**

Our banking personnel may not, by law, assist with investment-related questions about the offering. If you have any questions regarding the conversion or offering, please call our Stock Information Center. The toll-free telephone number is [stock center phone #]. The Stock Information Center is open Monday through Friday between 10:00 a.m. and 4:00 p.m., Eastern Time. The Stock Information Center will be closed on weekends and bank holidays.

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## RISK FACTORS

*You should consider carefully the following risk factors in evaluating an investment in the shares of common stock.*

### Risks Related to Our Business

**Our concentration in multifamily loans and commercial real estate loans could expose us to increased lending risks and related loan losses.**

Our current business strategy is to continue to emphasize multifamily loans and to a lesser extent commercial real estate loans. At June 30, 2012, $849.5 million, or 85.7% of our originated total loan portfolio held-for-investment, consisted of multifamily and commercial real estate loans. In addition, in October 2011, we acquired $41.9 million of commercial real estate purchased-credit impaired loans with an estimated fair value of $33.4 million at the acquisition date.

These types of loans generally expose a lender to greater risk of non-payment and loss than one- to four-family residential mortgage loans because repayment of the loans often depends on the successful operation of the properties and the income stream of the borrowers. Such loans typically involve larger loan balances to single borrowers or groups of related borrowers compared to one- to four-family residential mortgage loans. Also, many of our borrowers have more than one of these types of loans outstanding. Consequently, an adverse development with respect to one loan or one credit relationship can expose us to a significantly greater risk of loss compared to an adverse development with respect to a one- to four-family residential real estate loan.

In addition, if loans that are collateralized by real estate become troubled and the value of the real estate has been significantly impaired, then we may not be able to recover the full contractual amount of principal and interest that we anticipated at the time we originated the loan, which could cause us to increase our provision for loan losses and adversely affect our operating results and financial condition.

**A significant portion of our loan portfolio is unseasoned. It is difficult to judge the future performance of unseasoned loans.**

Our net loan portfolio has grown to $1.05 billion at June 30, 2012, from $418.7 million at December 31, 2007. A large portion of this increase is due to increases in multifamily real estate loans. It is difficult to assess the future performance of these recently originated loans because our relatively limited experience in multifamily lending does not provide us with a significant payment history from which to judge future collectability, especially in the current weak economic environment. These loans may experience higher delinquency or charge-off levels than our historical loan portfolio experience, which could adversely affect our future performance.

**If our allowance for loan losses is not sufficient to cover actual loan losses, our earnings and capital could decrease.**

We make various assumptions and judgments about the collectability of our loan portfolio, including the creditworthiness of our borrowers and the value of the real estate and other assets serving as collateral for the repayment of many of our loans. In determining the amount of the allowance for loan losses, we review our loans and our loss and delinquency experience, as well as the experience of other similarly situated institutions, and we evaluate other factors including, among other things, current economic conditions. If our assumptions are incorrect, or if delinquencies do not continue to improve or non-accrual and non-performing loans increase, our allowance for loan losses may not be sufficient to cover losses inherent in our loan portfolio, which would require additions to our allowance. Material additions to our allowance would materially decrease our net income.

In addition, bank regulators periodically review our allowance for loan losses and, based on information available to them at the time of their review, may require us to increase our allowance for loan losses or recognize further loan charge-offs. An increase in our allowance for loan losses or loan charge-offs as required by these regulatory authorities may have a material adverse effect on our financial condition and results of operations.

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**Because most of our borrowers are located in the New York metropolitan area, a prolonged downturn in the local economy, or a decline in local real estate values, could cause an increase in nonperforming loans or a decrease in loan demand, which would reduce our profits.**

Substantially all of our loans are secured by real estate located in our primary market areas. Continued weakness in our local economy and our local real estate markets could adversely affect the ability of our borrowers to repay their loans and the value of the collateral securing our loans, which could adversely affect our results of operations. Real estate values are affected by various factors, including supply and demand, changes in general or regional economic conditions, interest rates, governmental rules or policies, natural disasters, and the threat of terrorist attacks. Continued weakness in economic conditions also could result in reduced loan demand and a decline in loan originations. In particular, a significant decline in real estate values would likely lead to a decrease in new multifamily, commercial real estate, and home equity loan originations and increased delinquencies and defaults in our real estate loan portfolio.

**Hurricane Sandy could adversely affect our asset quality and earnings.**

Our primary market areas of Staten Island and Brooklyn, New York and Union and Middlesex Counties in New Jersey were significantly affected by Hurricane Sandy, which struck the region on October 29, 2012. The storm caused significant damage throughout our market area, including widespread disruptions in power and transportation. Many properties and structures also have incurred flood and wind damage, which ranges from minor to moderate in many areas to very severe in coastal areas, which may adversely affect the value of certain collateral securing our loans, and, potentially, our borrowers ability to repay their obligations to us. In addition, flood and property insurance may not be sufficient to fully cover our exposure to losses, and our borrowers may experience delays in receiving proceeds from insurance claims. We are in the process of performing a detailed evaluation of the effects that Hurricane Sandy may have had on our borrowers and our collateral, but we do not yet have enough information to reasonably estimate the potential financial impact of the storm on us. However, it is likely that our results of operations will be negatively impacted, and it is possible that the impact could be material. For example, it is likely that we will experience increased delinquencies and loan restructurings, particularly in the short term, as customers undertake recovery and clean-up efforts, including the submission of insurance claims. Customers may also experience disruptions in their employment status or income if their employers were affected by the storm. These increases in delinquencies and restructurings would negatively affect our cash flows and, if not timely cured, would increase our non-performing assets and reduce our net interest income. Loan restructurings may also increase as we work with borrowers impacted by the storm. We may also experience increased provisions for loan losses as total loan delinquencies and loan restructurings increase, and to the extent that the combination of insurance proceeds and collateral values are insufficient to cover loan balances on loans that may default.

**Strong competition within our market areas may limit our growth and profitability.**

Competition in the banking and financial services industry is intense. In our market areas, we compete with commercial banks, savings institutions, mortgage brokerage firms, credit unions, finance companies, mutual funds, money market funds, insurance companies, and brokerage and investment banking firms operating locally and elsewhere. Some of our competitors have greater name recognition and market presence and offer certain services that we do not or cannot provide, all of which benefit them in attracting business. In addition, larger competitors may be able to price loans and deposits more aggressively than we do.

For additional information, see Business of Northfield-Federal and Northfield Bank Market Area and Competition.

**We have been negatively affected by current market and economic conditions. A continuation or worsening of these conditions could adversely affect our operations, financial condition, and earnings.**

The severe economic recession of 2008 and 2009 and the weak economic recovery since then have resulted in continued uncertainty in the financial markets and the expectation of weak general economic conditions, including high levels of unemployment. The resulting economic pressure on consumers and businesses has adversely affected our business, financial condition, and results of operations. The credit quality of loan and investment securities portfolios has deteriorated at many financial institutions and the values of real estate collateral supporting many commercial loans and home mortgages have declined and may continue to decline. Some of our commercial and multifamily real estate loan customers have experienced increases in vacancy rates and declines in rental rates for both multifamily and commercial properties. Financial companies stock prices have been negatively affected, as has the ability of banks and bank holding companies to raise capital or borrow in the debt markets. A continuation or worsening of these conditions could result in reduced loan demand and further increases in loan delinquencies, loan losses, loan loss provisions, costs associated with monitoring delinquent loans and disposing of foreclosed property, and otherwise negatively affect our operations, financial condition, and earnings.

**There are potential risks stemming from the loans we acquired in our Federal Deposit Insurance Corporation-assisted transaction.**

The credit risk associated with the loans and other real estate owned we acquired in our Federal Deposit Insurance Corporation-assisted acquisition of First State Bank in October 2011 were substantially mitigated by the discount we received from the Federal Deposit Insurance Corporation; however, these assets are not without risk of loss. Although these acquired assets were initially accounted for at fair value, which reflects an estimate of expected credit losses related to these assets, we did not purchase the assets with loss share from the Federal Deposit Insurance Corporation. To the extent future cash flows are less than those estimated at time of acquisition, we will recognize impairment losses on the underlying loan pools. Fluctuations in national, regional and local economic conditions and other factors may increase the level of charge-offs on the loans we acquired in this transaction and correspondingly reduce our net income.

**We could record future losses on our securities portfolio.**

During the years ended December 31, 2011 and 2010, we recognized total other-than-temporary impairment on our securities portfolio of $1.2 million and $962,000, respectively, of which $409,000 and $154,000, respectively, were considered to be credit-related and, therefore, recorded as a loss through a reduction of non-interest income. A number of factors or combinations of factors could require us to conclude, in one or more future reporting periods, that an unrealized loss that exists with respect to our securities portfolio constitutes additional impairment that is other than temporary, which could result in material losses to us. These factors include, but are not limited to, a continued failure by an issuer to make scheduled interest payments, an increase in the severity of the unrealized loss on a particular security, an increase in the continuous duration of the unrealized loss without an improvement in value or changes in market conditions and/or industry or issuer specific factors that would render us unable to forecast a full recovery in value. In addition, the fair values of securities could decline if the overall economy and the financial condition of some of the issuers deteriorates and there remains limited liquidity for these securities.

**Our inability to achieve profitability on new branches may negatively impact our earnings**.

We currently intend to open four new branch offices by December 31, 2013, two in Brooklyn, New York, one in Staten Island, New York and one in Union, New Jersey. The profitability of these branches will depend on whether the income that we generate from the additional branches we establish will offset the increased expenses resulting from operating new branches. We expect that it may take a period of time before new branches become profitable. During this period, operating new branches may negatively affect our operating results.

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**Changes in market interest rates could adversely affect our financial condition and results of operations.**

Our financial condition and results of operations are significantly affected by changes in market interest rates. Our results of operations substantially depend on our net interest income, which is the difference between the interest income we earn on our interest-earning assets and the interest expense we pay on our interest-bearing liabilities. Our interest-bearing liabilities generally reprice or mature more quickly than our interest-earning assets. If rates increase rapidly, we may have to increase the rates we pay on our deposits and borrowed funds more quickly than any changes in interest rates earned on our loans and investments, resulting in a negative effect on interest spreads and net interest income. In addition, the effect of rising rates could be compounded if deposit customers move funds from savings accounts to higher rate certificate of deposit accounts. Conversely, should market interest rates fall below current levels, our net interest margin could also be negatively affected if competitive pressures keep us from further reducing rates on our deposits, while the yields on our assets decrease more rapidly through loan prepayments and interest rate adjustments.

We also are subject to reinvestment risk associated with changes in interest rates. Changes in interest rates may affect the average life of loans and mortgage-related securities. Decreases in interest rates often result in increased prepayments of loans and mortgage-related securities, as borrowers refinance their loans to reduce borrowings costs. Under these circumstances, we are subject to reinvestment risk to the extent we are unable to reinvest the cash received from such prepayments in loans or other investments that have interest rates that are comparable to the interest rates on existing loans and securities. Additionally, increases in interest rates may decrease loan demand and/or may make it more difficult for borrowers to repay adjustable rate loans.

Changes in interest rates also affect the value of our interest earning assets and in particular our securities portfolio. Generally, the value of securities fluctuates inversely with changes in interest rates. At June 30, 2012, the fair value of our securities portfolio (excluding Federal Home Loan Bank of New York stock) totaled $1.23 billion.

At June 30, 2012, our simulation model indicated that our net portfolio value (the net present value of our interest-earning assets and interest-bearing liabilities) would decrease by 13.8% if there was an instantaneous parallel 200 basis point increase in market interest rates. See Management s Discussion and Analysis of Financial Condition and Results of Operations Management of Market Risk.

**Historically low interest rates may adversely affect our net interest income and profitability.**

The Federal Reserve Board has recently maintained interest rates at historically low levels through its targeted federal funds rate and the purchase of mortgage-backed securities. As a general matter, our interest-bearing liabilities reprice or mature more quickly than our interest-earning assets, which has resulted in increases in net interest income in the short term. Our ability to lower our interest expense is limited at these interest rate levels while the average yield on our interest-earning assets may continue to decrease. The Federal Reserve Board has indicated its intention to maintain low interest rates through late 2014. Accordingly, our net interest income (the difference between interest income earned on assets and interest expense paid on liabilities) may decrease, which may have an adverse affect on our profitability.

**If our investment in the common stock of the Federal Home Loan Bank of New York is classified as other-than-temporarily impaired or as permanently impaired, earnings and stockholders equity could decrease.**

We own stock of the Federal Home Loan Bank of New York, which is part of the Federal Home Loan Bank system. The Federal Home Loan Bank of New York common stock is held to qualify for membership in the Federal Home Loan Bank of New York and to be eligible to borrow funds under the Federal Home Loan Bank of New York s advance programs. The aggregate cost of our Federal Home Loan Bank of New York common stock as of June 30, 2012, was $14.2 million based on its par value. There is no market for Federal Home Loan Bank of New York common stock.

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Although the Federal Home Loan Bank of New York is not reporting current operating difficulties, it is possible that the capital of the Federal Home Loan Bank system, including the Federal Home Loan Bank of New York, could be substantially diminished. This could occur with respect to an individual Federal Home Loan Bank due to the requirement that each Federal Home Loan Bank is jointly and severally liable along with the other Federal Home Loan Banks for the consolidated obligations issued through the Office of Finance, a joint office of the Federal Home Loan Banks, or due to the merger of a Federal Home Loan Bank experiencing operating difficulties into a stronger Federal Home Loan Bank. Consequently, there continues to be a risk that our investment in Federal Home Loan Bank of New York common stock could be deemed other-than-temporarily impaired at some time in the future, and if this occurs, it would cause our earnings and stockholders equity to decrease by the impairment charge.

**The expiration of unlimited Federal Deposit Insurance Corporation insurance on certain non-interest-bearing transaction accounts may increase our costs and reduce our liquidity levels.**

On December 31, 2012, unlimited Federal Deposit Insurance Corporation insurance on certain non-interest-bearing transaction accounts is scheduled to expire. Unlimited insurance coverage does not apply to money market deposit accounts or negotiable order of withdrawal accounts. The reduction in Federal Deposit Insurance Corporation insurance on other types of accounts to the standard $250,000 maximum amount may cause depositors to place such funds in fully insured interest-bearing accounts, which would increase our costs of funds and negatively affect our results of operations, or may cause depositors to withdraw their deposits and invest uninsured funds in investments perceived as being more secure, such as securities issued by the United States Treasury. This may reduce our liquidity, or require us to pay higher interest rates to maintain our liquidity by retaining deposits.

**Further downgrades in the U.S. government s sovereign credit rating, and in the credit ratings of instruments issued, insured or guaranteed by certain related institutions, agencies and instrumentalities, could result in risks to us and the general economy that we are not able to predict.**

On August 5, 2011, Standard & Poor s downgraded the United States long-term debt rating from its AAA rating to AA+. On August 8, 2011, Standard & Poor s downgraded the credit ratings of certain long-term debt instruments issued by Fannie Mae and Freddie Mac and other U.S. government agencies linked to long-term U.S. debt. Instruments of this nature are key assets on the balance sheets of financial institutions, including Northfield Bank. These downgrades could adversely affect the market value of such instruments, and could adversely impact our ability to obtain funding that is collateralized by affected instruments, as well as affecting the pricing of that funding when it is available. We cannot predict if, when or how these changes to the credit ratings will affect economic conditions. These ratings downgrades could result in a significant adverse impact to us, and could exacerbate the other risks to which we are subject.

**Changes in our accounting policies or in accounting standards could materially affect how we report our financial condition and results of operations.**

Our accounting policies are essential to understanding our financial results and condition. Some of these policies require the use of estimates and assumptions that may affect the value of our assets or liabilities and financial results. Some of our accounting policies are critical because they require management to make difficult, subjective, and complex judgments about matters that are inherently uncertain and because it is likely that materially different amounts would be reported under different conditions or using different assumptions. If such estimates or assumptions underlying our financial statements are incorrect, we may experience material losses.

From time to time, the Financial Accounting Standards Board and the Securities and Exchange Commission change the financial accounting and reporting standards or the interpretation of those standards that govern the preparation of our financial statements. These changes are beyond our control, can be hard to predict and could materially impact how we report our results of operations and financial condition. We could also be required to apply a new or revised standard retroactively, resulting in our restating prior period financial statements in material amounts.

**The need to account for certain assets at estimated fair value may adversely affect our results of operations.**

We report certain assets, including securities, at estimated fair value. Generally, for assets that are reported at fair value, we use quoted market prices or valuation models that utilize observable market inputs to estimate fair value. Because we carry these assets on our books at their estimated fair value, we may incur losses even if the asset in question presents minimal credit risk. Elevated delinquencies, defaults, and estimated losses from the disposition of collateral in our private-label mortgage-backed securities portfolio may require us to recognize additional other-than-temporary impairments in future periods with respect to our securities portfolio. The amount and timing of any impairment recognized will depend on the severity and duration of the decline in the estimated fair value of the securities and our estimation of the anticipated recovery period.

**We hold certain intangible assets that could be classified as impaired in the future. If these assets are considered to be either partially or fully impaired in the future, our earnings and the book values of these assets would decrease.**

We are required to test our goodwill for impairment on a periodic basis. The impairment testing process considers a variety of factors, including the current market price of our common shares, the estimated net present value of our assets and liabilities and information concerning the terminal valuation of similarly situated insured depository institutions. It is possible that future impairment testing could result in a partial or full impairment of the value of our goodwill. If an impairment determination is made in a future reporting period, our earnings and the book value of goodwill will be reduced by the amount of the impairment.

**Because the nature of the financial services business involves a high volume of transactions, we face significant operational risks.**

We operate in diverse markets and rely on the ability of our employees and systems to process a high number of transactions. Operational risk is the risk of loss resulting from our operations, including but not limited to, the risk of fraud by employees or persons outside our company, the execution of unauthorized transactions by employees, errors relating to transaction processing and technology, breaches of the internal control system and compliance requirements, and business continuation and disaster recovery. Insurance coverage may not be available for such losses, or where available, such losses may exceed insurance limits. This risk of loss also includes the potential legal actions that could arise as a result of an operational deficiency or as a result of noncompliance with applicable regulatory standards, adverse business decisions or their implementation, and customer attrition due to potential negative publicity. In the event of a breakdown in the internal control system, improper operation of systems or improper employee actions, we could suffer financial loss, face regulatory action, and suffer damage to our reputation.

**We are required to maintain a significant percentage of our total assets in residential mortgage loans and investments secured by residential mortgage loans, which restricts our ability to diversify our loan portfolio.**

A federal savings bank differs from a commercial bank in that it is required to maintain at least 65% of its total assets in qualified thrift investments which generally include loans and investments for the purchase, refinance, construction, improvement, or repair of residential real estate, as well as home equity loans, education loans and small business loans. To maintain our federal savings bank charter we have to be a qualified thrift lender or QTL in nine out of each 12 immediately preceding months. The QTL requirement limits the extent to which we can grow our commercial loan portfolio, and failing the QTL test can result in an enforcement action. However, a loan that does not exceed $2 million (including a group of loans to one borrower) that is for commercial, corporate, business, or agricultural purposes is included in our qualified thrift investments. As of June 30, 2012, we maintained 84.1% of our portfolio assets in qualified thrift investments. Because of the QTL requirement, we may be limited in our ability to change our asset mix and increase the yield on our earning assets by growing our commercial loan portfolio.

In addition, if we continue to grow our commercial real estate loan portfolio and our residential mortgage loan portfolio decreases, it is possible that in order to maintain our QTL status, we could be forced to buy mortgage-backed

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securities or other qualifying assets at times when the terms of such investments may not be attractive. Alternatively, we may find it necessary to pursue different structures, including converting Northfield Bank s savings bank charter to a commercial bank charter.

**Risks associated with system failures, interruptions, or breaches of security could negatively affect our earnings.**

Information technology systems are critical to our business. We use various technology systems to manage our customer relationships, general ledger, securities, deposits, and loans. We have established policies and procedures to prevent or limit the impact of system failures, interruptions, and security breaches, but such events may still occur or may not be adequately addressed if they do occur. In addition, any compromise of our systems could deter customers from using our products and services. Although we rely on security systems to provide security and authentication necessary to effect the secure transmission of data, these precautions may not protect our systems from compromises or breaches of security.

In addition, we outsource a majority of our data processing to certain third-party providers. If these third-party providers encounter difficulties, or if we have difficulty communicating with them, our ability to adequately process and account for transactions could be affected, and our business operations could be adversely affected. Threats to information security also exist in the processing of customer information through various other vendors and their personnel.

The occurrence of any system failures, interruption, or breach of security could damage our reputation and result in a loss of customers and business thereby subjecting us to additional regulatory scrutiny, or could expose us to litigation and possible financial liability. Any of these events could have a material adverse effect on our financial condition and results of operations.

**We are subject to extensive regulatory oversight.**

We are subject to extensive supervision, regulation, and examination by the Office of the Comptroller of the Currency, the Federal Reserve Board and the Federal Deposit Insurance Corporation. As a result, we are limited in the manner in which we conduct our business, undertake new investments and activities, and obtain financing. This regulatory structure is designed primarily for the protection of the Deposit Insurance Fund and our depositors, and not to benefit our stockholders. This regulatory structure also gives the regulatory authorities extensive discretion in connection with their supervisory and enforcement actions and examination policies, including policies with respect to capital levels, the timing and amount of dividend payments, the classification of assets, the establishment of adequate loan loss reserves for regulatory purposes and the timing and amounts of assessments and fees.

In addition, we must comply with significant anti-money laundering and anti-terrorism laws and regulations, Community Reinvestment Act laws and regulations, and fair lending laws and regulations. Government agencies have the authority to impose monetary penalties and other sanctions on institutions that fail to comply with these laws and regulations, which could significantly affect our business activities, including our ability to acquire other financial institutions or expand our branch network.

**Legislative or regulatory responses to perceived financial and market problems could impair our rights against borrowers.**

Federal, state and local laws and policies could reduce the amount distressed borrowers are otherwise contractually obligated to pay under their mortgage loans, and may limit the ability of lenders to foreclose on mortgage collateral. Restrictions on Northfield Bank s rights as creditor could result in increased credit losses on our loans and mortgage-backed securities, or increased expense in pursuing our remedies as a creditor.

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**Changes in the structure of Fannie Mae and Freddie Mac ( GSEs ) and the relationship among the GSEs, the federal government and the private markets, or the conversion of the current conservatorship of the GSEs into receivership, could result in significant changes to our securities portfolio.**

The GSEs are currently in conservatorship, with its primary regulator, the Federal Housing Finance Agency, acting as conservator. We cannot predict if, when or how the conservatorships will end, or any associated changes to the GSEs business structure that could result. We also cannot predict whether the conservatorships will end in receivership. There are several proposed approaches to reform the GSEs which, if enacted, could change the structure of the GSEs and the relationship among the GSEs, the government and the private markets, including the trading markets for agency conforming mortgage loans and markets for mortgage-related securities in which we participate. We cannot predict the prospects for the enactment, timing or content of legislative or rulemaking proposals regarding the future status of the GSEs. Accordingly, there continues to be uncertainty regarding the future of the GSEs, including whether they will continue to exist in their current form. GSE reform, if enacted, could result in a significant change and adversely impact our business operations.

**Financial reform legislation has, among other things, eliminated the Office of Thrift Supervision, tightened capital standards and created a new Consumer Financial Protection Bureau, and will result in new laws and regulations that are expected to increase our costs of operations.**

The Dodd-Frank Act requires various federal agencies to adopt a broad range of new implementing rules and regulations, and to prepare numerous studies and reports for Congress. The federal agencies are given significant discretion in drafting the implementing rules and regulations, and consequently, many of the details and much of the impact of the Dodd-Frank Act may not be known for many months or years.

Among other things, as a result of the Dodd-Frank Act:

- the Office of the Comptroller of the Currency became the primary federal regulator for federal savings associations such as Northfield Bank (replacing the Office of Thrift Supervision), and the Federal Reserve Board now supervises and regulates all savings and loan holding companies that were formerly regulated by the Office of Thrift Supervision, including Northfield-Federal and Northfield Bancorp, MHC;

- effective July 21, 2011, the federal prohibition on paying interest on demand deposits has been eliminated, thus allowing businesses to have interest bearing checking accounts. Depending on competitive responses, this significant change could have an adverse effect on our interest expense;

- the Federal Reserve Board is required to set minimum capital levels for depository institution holding companies that are as stringent as those required for the insured depository subsidiaries, and the components of Tier 1 capital are required to be restricted to capital instruments that are currently considered to be Tier 1 capital for insured depository institutions. There is a five-year transition period (from the July 21, 2010 effective date of the Dodd-Frank Act) before the capital requirements will apply to savings and loan holding companies;

- the federal banking regulators are required to implement new leverage and capital requirements that take into account off-balance sheet activities and other risks, including risks relating to securitized products and derivatives;

- a new Consumer Financial Protection Bureau has been established, which has broad powers to supervise and enforce consumer protection laws. The Consumer Financial Protection Bureau has broad rule-making authority for a wide range of consumer protection laws that apply to all banks and savings institutions, including the authority to prohibit unfair, deceptive or abusive acts and practices. The Consumer Financial Protection Bureau has examination and enforcement authority over all banks and savings institutions with more than $10 billion in assets. Banks and savings institutions with $10 billion or less in assets, like Northfield Bank, will be examined by their applicable bank regulators; and federal preemption rules that have been applicable for national banks and federal savings banks have been weakened, and state attorneys general have the ability to enforce federal consumer protection laws.

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In addition to the risks noted above, we expect that our operating and compliance costs, and possibly our interest expense, could increase as a result of the Dodd-Frank Act and the implementing rules and regulations. The need to comply with additional rules and regulations, as well as state laws and regulations to which we were not previously subject, will also divert management s time from managing the remainder of our operations. Higher capital levels could require us to maintain higher levels of assets that earn less interest and dividend income.

**The value of our deferred tax asset could be reduced if corporate tax rates in the U.S. are decreased.**

There have been recent discussions in Congress and by the executive branch regarding potentially decreasing the U.S. corporate tax rate. While we may benefit in some respects from any decreases in these corporate tax rates, any reduction in the U.S. corporate tax rate would result in a decrease to the value of our net deferred tax asset, which could negatively affect our financial condition and results of operations.

**Our financial condition and results of operations could be negatively affected if we fail to grow or fail to manage our growth effectively.**

Our business strategy includes growth plans. Our prospects must be considered carefully in light of risks, expenses and difficulties frequently encountered by companies in significant growth strategies. We may not be able to expand our market presence in our existing markets, and any such expansion, including the costs associated with *de novo* branching or acquisitions, may adversely affect our results of operations. Failure to effectively grow could have a material adverse effect on our business, future prospects, financial condition, or results of operations and could adversely affect our ability to successfully implement our business strategy. In addition, if we grow more slowly than anticipated, our operating results could be adversely affected.

Our ability to grow successfully will depend on a variety of factors including the continued availability of desirable business opportunities, the competitive responses from other financial institutions in our market areas and our ability to manage our growth.

**Our risk management framework may not be effective in mitigating risk and reducing the potential for significant losses.**

Our risk management framework is designed to minimize risk and loss to us. We seek to identify, measure, monitor, report and control our exposure to the types of risk to which we are subject, including strategic, market, liquidity, compliance and operational risks, among others. While we employ a broad and diversified set of risk monitoring and mitigation techniques, those techniques are inherently limited because they cannot anticipate the existence or future development of currently unanticipated or unknown risks. Recent economic conditions, heightened legislative and regulatory scrutiny of the financial services industry, among other developments, have resulted in a heightened level of risk for us. Accordingly, we could suffer losses as a result of our failure to properly anticipate and manage these risks.

**Acquisitions may disrupt our business and dilute stockholder value.**

In October 2011, Northfield Bank assumed all of the deposits and acquired substantially all of the assets of First State Bank, a New Jersey chartered bank, from the Federal Deposit Insurance Corporation as receiver for First State Bank. In addition, on November 2, 2012, we acquired Flatbush Federal Bancorp, Inc. and Flatbush Federal Savings & Loan Association. We regularly evaluate merger and acquisition opportunities and conduct due diligence activities related to possible transactions with other financial institutions and financial services companies. As a result, negotiations may take place and future mergers or acquisitions involving cash, debt, or equity securities may occur at any time. We seek acquisition partners that offer us either significant market presence or the potential to expand our market footprint and improve profitability through economies of scale or expanded services.

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Acquiring other banks, businesses, or branches may have an adverse impact on our financial results and may involve various other risks commonly associated with acquisitions, including, among other things:

- difficulty in estimating the value of the target company;
- payment of a premium over book and market values that may dilute our tangible book value and earnings per share in the short and long term;
- potential exposure to unknown or contingent liabilities of the target company;
- exposure to potential asset quality problems of the target company;
- potential volatility in reported income associated with goodwill impairment losses;
- difficulty and expense of integrating the operations and personnel of the target company;
- inability to realize the expected revenue increases, cost savings, increases in geographic or product presence, and/or other projected benefits;
- potential disruption to our business;
- potential diversion of our management s time and attention;
- the possible loss of key employees and customers of the target company; and
- potential changes in banking or tax laws or regulations that may affect the target company.

**Risks Related to the Offering**

**The future price of the shares of common stock may be less than the $10.00 purchase price per share in the offering.**

If you purchase shares of common stock in the offering, you may not be able to sell them later at or above the $10.00 purchase price in the offering. In several recent cases, shares of common stock issued by newly converted savings institutions or mutual holding companies have traded below the initial offering price. The aggregate purchase price of the shares of common stock sold in the offering will be based on an independent appraisal. The independent appraisal is not intended, and should not be construed, as a recommendation of any kind as to the advisability of purchasing shares of common stock. The independent appraisal is based on certain estimates, assumptions and projections, all of which are subject to change from time to time. After the shares begin trading, the trading price of our common stock will be determined by the marketplace, and may be influenced by many factors, including prevailing interest rates, the overall performance of the economy, investor perceptions of Northfield-Delaware and the outlook for the financial services industry in general. Price fluctuations may be unrelated to the operating performance of particular companies.

**Our failure to effectively deploy the net proceeds may have an adverse effect on our financial performance.**

We intend to invest between $147.4 million and $199.8 million of the net proceeds of the offering in Northfield Bank. We may use the remaining net proceeds to invest in short-term investments, repurchase shares of common stock, pay dividends or for other general corporate purposes. We also expect to use a portion of the net proceeds we retain to fund a loan for the purchase of shares of common stock in the offering by the employee stock ownership plan. Northfield Bank may use the net proceeds it receives to fund new loans, expand its retail banking franchise by acquiring new branches or by acquiring other financial institutions or other financial services companies, or for other general corporate purposes. However, with the exception of the loan to the employee stock ownership plan, we have not allocated specific amounts of the net proceeds for any of these purposes, and we will have significant flexibility in determining the amount of the net proceeds we apply to different uses and the timing of such applications. Also, certain of these uses, such as opening new branches or acquiring other financial institutions, may require the approval of the Office of the Comptroller of the Currency and the Federal Reserve Board. We have not established a timetable for reinvesting the net proceeds, and we cannot predict how long we will require to reinvest the net proceeds. Our failure to utilize these funds effectively would reduce our profitability and may adversely affect the value of our common stock.

**Our return on equity will be low following the stock offering. This could negatively affect the trading price of our shares of common stock.**

Net income divided by average equity, known as return on equity, is a ratio many investors use to compare the performance of a financial institution to its peers. Following the stock offering, we expect our consolidated equity to be between $679.4 million at the minimum of the offering range and $775.5 million at the maximum of the offering range. Based upon our annualized income for the six months ended June 30, 2012, and these pro forma equity levels, our return on equity would be 2.62% and 2.29% at the minimum and maximum of the offering range, respectively. We expect our return on equity to remain low until we are able to leverage the additional capital we receive from the stock offering. Although we will be able to increase net interest income using proceeds of the stock offering, our return on equity will be negatively affected by added expenses associated with our employee stock ownership plan and the stock-based benefit plan we intend to adopt. Until we can increase our net interest income and non-interest income and leverage the capital raised in the stock offering, we expect our return on equity to remain low, which may reduce the market price of our shares of common stock.

**Our stock-based benefit plans will increase our expenses and reduce our income.**

We intend to adopt one or more new stock-based benefit plans after the conversion, subject to stockholder approval, which will increase our annual compensation and benefit expenses related to the stock options and stock awards granted to participants under our stock-based benefit plan. The actual amount of these new stock-related compensation and benefit expenses will depend on the number of options and stock awards actually granted under the plan, the fair market value of our stock or options on the date of grant, the vesting period and other factors which we cannot predict at this time. In the event we adopt the plan within 12 months following the conversion, under current regulatory policy the total shares of common stock reserved for issuance pursuant to awards of restricted stock and grants of options under our existing and proposed stock-based benefit plans will be limited to 4% and 10%, respectively, of the total shares of our common stock outstanding. If we award restricted shares of common stock or grant options in excess of these amounts under stock-based benefit plans adopted more than 12 months after the completion of the conversion, our costs would increase further.

In addition, we will recognize expense for our employee stock ownership plan when shares are committed to be released to participants accounts, and we will recognize expense for restricted stock awards and stock options over the vesting period of awards made to recipients. The expense in the first year following the offering for shares purchased in the offering has been estimated to be approximately $5.4 million ($3.7 million after tax) at the maximum of the offering range as set forth in the pro forma financial information under Pro Forma Data, assuming the $10.00 per share purchase price as fair market value. Actual expenses, however, may be higher or lower, depending on the price of our common stock. For further discussion of our proposed stock-based plans, see Management Benefits to be Considered Following Completion of the Conversion.

**The implementation of stock-based benefit plans may dilute your ownership interest. Historically, stockholders have approved these stock-based benefit plans.**

We intend to adopt one or more new stock-based benefit plans following the stock offering. These plans may be funded either through open market purchases or from the issuance of authorized but unissued shares of common stock. Our ability to repurchase shares of common stock to fund these plans will be subject to many factors, including, but not limited to, applicable regulatory restrictions on stock repurchases, the availability of stock in the market, the trading price of the stock, our capital levels, alternative uses for our capital and our financial performance. While our intention is to fund the new stock-based benefit plan through open market purchases,

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stockholders would experience a 7.88% dilution in ownership interest at the maximum of the offering range in the event newly issued shares of our common stock are used to fund stock options and shares of restricted common stock in an amount equal to up to 10% and 4%, respectively, of the shares sold in the offering. In the event we adopt the plan within 12 months following the conversion, under current regulatory policy the total shares of common stock reserved for issuance pursuant to awards of restricted stock and grants of options under our existing and proposed stock-based benefit plans would be limited to 4% and 10%, respectively, of the total shares of our common stock outstanding. In the event we adopt the plan more than 12 months following the conversion, the plan would not be subject to these limitations and stockholders could experience greater levels of dilution.

Although the implementation of the stock-based benefit plan will be subject to stockholder approval, historically, the overwhelming majority of stock-based benefit plans adopted by savings institutions and their holding companies following mutual-to-stock conversions have been approved by stockholders.

**We have not determined when we will adopt one or more new stock-based benefit plans. Stock-based benefit plans adopted more than 12 months following the completion of the conversion may exceed regulatory restrictions on the size of stock-based benefit plans adopted within 12 months, which would further increase our costs.**

If we adopt stock-based benefit plans more than 12 months following the completion of the conversion, then grants of shares of common stock or stock options under our existing and proposed stock-based benefit plans may exceed 4% and 10%, respectively, of our total outstanding shares. Stock-based benefit plans that provide for awards in excess of these amounts would increase our costs beyond the amounts estimated in Our stock-based benefit plans would increase our expenses and reduce our income. Stock-based benefit plans that provide for awards in excess of these amounts could also result in dilution to stockholders in excess of that described in The implementation of stock-based benefit plans may dilute your ownership interest. Historically, stockholders have approved these stock-based benefit plans. Although the implementation of stock-based benefit plans would be subject to stockholder approval, the determination as to the timing of the implementation of such plans will be at the discretion of our board of directors.

**Various factors may make takeover attempts more difficult to achieve.**

Our board of directors has no current intention to sell control of Northfield-Delaware. Provisions of our certificate of incorporation and bylaws, federal regulations, Northfield Bank s charter, Delaware law, shares of restricted stock and stock options that we have granted or may grant to employees and directors, stock ownership by our management and directors and employment agreements that we have entered into with our executive officers, and various other factors may make it more difficult for companies or persons to acquire control of Northfield-Delaware without the consent of our board of directors. You may want a takeover attempt to succeed because, for example, a potential acquiror could offer a premium over the then prevailing price of our common stock. For additional information, see Restrictions on Acquisition of Northfield-Delaware, Management Employment Agreements, Potential Payments to Named Executive Officers and Benefits to be Considered Following Completion of the Conversion.

**We may not pay dividends on our shares of common stock, and we may not receive regulatory approval to pay a special dividend following the completion of the conversion.**

Northfield-Federal ceased paying dividends on its common stock after March 31, 2012. Although Northfield-Delaware intends to pay a quarterly cash dividend to its stockholders, stockholders are not entitled to receive dividends. Furthermore, the payment of a one-time, special dividend to all Northfield-Delaware stockholders is subject to regulatory approval. We may not receive such regulatory approval, either promptly following the completion of the conversion or at all, or we may receive only regulatory approval to pay a smaller special dividend than we currently intend. See Our Dividend Policy for additional information.

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**There may be a decrease in stockholders rights for existing stockholders of Northfield-Federal.**

As a result of the conversion, existing stockholders of Northfield-Federal will become stockholders of Northfield-Delaware. In addition to the provisions discussed above that may discourage takeover attempts that may be favored by stockholders, some rights of stockholders of Northfield-Delaware will be reduced compared to the rights stockholders currently have in Northfield-Federal. The reduction in stockholder rights results from differences between the federal and Delaware chartering documents and bylaws, and from distinctions between federal and Delaware law. Many of the differences in stockholder rights under the certificate of incorporation and bylaws of Northfield-Delaware are not mandated by Delaware law but have been chosen by management as being in the best interests of Northfield-Delaware and its stockholders. The certificate of incorporation and bylaws of Northfield-Delaware include the following provisions: (i) greater lead time required for stockholders to submit proposals for new business or to nominate directors; and (ii) approval by at least 80% of the outstanding shares of capital stock entitled to vote generally is required to amend the bylaws and certain provisions of the certificate of incorporation. See Comparison of Stockholders Rights For Existing Stockholders of Northfield Bancorp, Inc. for a discussion of these differences.

**You may not revoke your decision to purchase Northfield-Delaware common stock in the subscription or community offerings after you send us your order.**

Funds submitted or automatic withdrawals authorized in connection with a purchase of shares of common stock in the subscription and community offerings will be held by us until the completion or termination of the conversion and offering, including any extension of the expiration date and consummation of a syndicated or firm commitment underwritten offering. Because completion of the conversion and offering will be subject to regulatory approvals and an update of the independent appraisal prepared by RP Financial, LC., among other factors, there may be one or more delays in the completion of the conversion and offering. Orders submitted in the subscription and community offerings are irrevocable, and purchasers will have no access to their funds unless the offering is terminated, or extended beyond January 31, 2013, or the number of shares to be sold in the offering is increased to more than 41,975,000 shares or decreased to fewer than 31,025,000 shares.

**The distribution of subscription rights could have adverse income tax consequences.**

If the subscription rights granted to certain current or former depositors of Northfield Bank or depositors of the former First State Bank or Flatbush Federal Savings & Loan Association are deemed to have an ascertainable value, receipt of such rights may be taxable in an amount equal to such value. Whether subscription rights are considered to have ascertainable value is an inherently factual determination. We have received an opinion of counsel, Luse Gorman Pomerenk & Schick, P.C., that it is more likely than not that such rights have no value; however, such opinion is not binding on the Internal Revenue Service.

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## SELECTED CONSOLIDATED FINANCIAL AND OTHER DATA

The following tables set forth selected consolidated historical financial and other data of Northfield-Federal and its subsidiaries for the periods and at the dates indicated. The following is only a summary and you should read it in conjunction with the business and financial information regarding Northfield-Federal contained elsewhere in this prospectus, including the consolidated financial statements beginning on page F-1 of this prospectus. The information at December 31, 2011 and 2010, and for the years ended December 31, 2011, 2010, and 2009 is derived in part from the audited consolidated financial statements that appear in this prospectus. The information at December 31, 2009, 2008 and 2007 and for the years ended December 31, 2008 and 2007, is derived in part from audited consolidated financial statements that do not appear in this prospectus. The information at June 30, 2012 and for the six months ended June 30, 2012 and 2011, is unaudited and reflects only normal recurring adjustments that are, in the opinion of management, necessary for a fair presentation of the results for the interim periods presented. The results of operations for the six months ended June 30, 2012, are not necessarily indicative of the results to be achieved for all of 2012.

| | At June 30, 2012 | At December 31, 2011 | 2010 | 2009 | 2008 | 2007 |
|---|---|---|---|---|---|---|
| | | (In thousands) | | | | |
| **Selected Financial Condition Data:** | | | | | | |
| Total assets | $ 2,463,922 | $ 2,376,918 | $ 2,247,167 | $ 2,002,274 | $ 1,757,761 | $ 1,386,918 |
| Trading securities | 4,490 | 4,146 | 4,095 | 3,403 | 2,498 | 3,605 |
| Securities available-for-sale, at estimated market value | 1,221,219 | 1,098,725 | 1,244,313 | 1,131,803 | 957,585 | 802,417 |
| Securities held-to-maturity | 2,832 | 3,617 | 5,060 | 6,740 | 14,479 | 19,686 |
| Loans held-for-sale (1) | 355 | 3,900 | 1,170 | | | 270 |
| Loans held-for-investment: | | | | | | |
| Purchased credit-impaired (PCI) loans | 82,111 | 88,522 | | | | |
| Originated loans, net | 990,837 | 985,945 | 827,591 | 729,269 | 589,984 | 424,329 |
| Loans held-for-investment, net | 1,072,948 | 1,074,467 | 827,591 | 729,269 | 589,984 | 424,329 |
| Allowance for loan losses | (27,042) | (26,836) | (21,819) | (15,414) | (8,778) | (5,636) |
| Net loans held-for-investment | 1,045,906 | 1,047,631 | 805,772 | 713,855 | 581,206 | 418,693 |
| Other real estate owned | 2,139 | 3,359 | 171 | 1,938 | 1,071 | |
| Deposits | 1,543,181 | 1,493,526 | 1,372,842 | 1,316,885 | 1,024,439 | 877,225 |
| Borrowed funds | 513,571 | 481,934 | 391,237 | 279,424 | 332,084 | 124,420 |
| Total stockholders equity | 388,892 | 382,650 | 396,717 | 391,540 | 386,578 | 367,340 |

| | Six Months Ended June 30, 2012 | 2011 | Year Ended December 31, 2011 | 2010 | 2009 | 2008 | 2007 |
|---|---|---|---|---|---|---|---|
| | | | | (In thousands) | | | |
| **Selected Operating Data:** | | | | | | | |
| Interest income | $ 45,499 | $ 44,436 | $ 91,017 | $ 86,495 | $ 85,568 | $ 75,049 | $ 65,702 |
| Interest expense | 11,561 | 12,836 | 25,413 | 24,406 | 28,977 | 28,256 | 28,836 |
| Net interest income before provision for loan losses | 33,938 | 31,600 | 65,604 | 62,089 | 56,591 | 46,793 | 36,866 |
| Provision for loan losses | 1,159 | 3,117 | 12,589 | 10,084 | 9,038 | 5,082 | 1,442 |
| Net interest income after provision for loan losses | 32,779 | 28,483 | 53,015 | 52,005 | 47,553 | 41,711 | 35,424 |
| Non-interest income (2) | 5,405 | 5,299 | 11,835 | 6,842 | 5,393 | 6,153 | 9,478 |
| Non-interest expense | 24,443 | 19,537 | 41,530 | 38,684 | 34,254 | 24,852 | 35,950 |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Income before income taxes | 13,741 | 14,245 | 23,320 | 20,163 | 18,692 | 23,012 | 8,952 |
| Income tax expense (benefit) | 4,845 | 4,928 | 6,497 | 6,370 | 6,618 | 7,181 | (1,555) |
| Net income | $ 8,896 | $ 9,317 | $ 16,823 | $ 13,793 | $ 12,074 | $ 15,831 | $ 10,507 |
| Net income (loss) per common share basic and diluted (3) | $ 0.23 | $ 0.23 | $ 0.42 | $ 0.33 | $ 0.28 | $ 0.37 | $ (0.03) |
| Weighted average basic shares outstanding (3) | 38,579,475 | 40,848,467 | 40,068,991 | 41,387,106 | 42,405,774 | 43,133,856 | 43,076,586 |
| Weighted average diluted shares outstanding | 39,053,118 | 41,260,033 | 40,515,245 | 41,669,006 | 42,532,568 | | |

*(footnotes begin on following page)*

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| | At or For the Six Months Ended June 30, (13) 2012 | 2011 | At or For the Years Ended December 31, 2011 | 2010 | 2009 | 2008 | 2007 |
|---|---|---|---|---|---|---|---|
| **Selected Financial Ratios and Other Data:** | | | | | | | |
| **Performance Ratios:** | | | | | | | |
| Return on assets (ratio of net income to average total assets) (4) | 0.75% | 0.82% | 0.72% | 0.65% | 0.64% | 1.01% | 0.78% |
| Return on equity (ratio of net income to average equity) (4) | 4.64 | 4.74 | 4.27 | 3.46 | 3.09 | 4.22 | 5.27 |
| Interest rate spread (5) | 2.79 | 2.70 | 2.75 | 2.78 | 2.66 | 2.37 | 2.34 |
| Net interest margin (6) | 3.03 | 2.96 | 3.01 | 3.10 | 3.16 | 3.13 | 2.87 |
| Dividend payout ratio (7) | 19.29 | 19.81 | 22.00 | 23.98 | 24.54 | 4.66 | |
| Efficiency ratio (4)(8) | 62.13 | 52.95 | 53.63 | 56.12 | 55.26 | 46.94 | 77.57 |
| Non-interest expense to average total assets (4) | 2.05 | 1.72 | 1.79 | 1.82 | 1.82 | 1.58 | 2.66 |
| Average interest-earning assets to average interest-bearing liabilities | 122.85 | 121.92 | 122.23 | 125.52 | 130.44 | 136.94 | 123.33 |
| Average equity to average total assets | 16.07 | 17.35 | 16.95 | 18.81 | 20.82 | 23.84 | 14.73 |
| **Asset Quality Ratios:** | | | | | | | |
| Non-performing assets to total assets | 1.50 | 2.52 | 1.99 | 2.72 | 2.19 | 0.61 | 0.71 |
| Non-performing loans to total loans | 3.24 | 6.43 | 4.07 | 7.36 | 5.73 | 1.63 | 2.32 |
| Non-performing loans to originated loans (9) | 3.51 | 6.43 | 4.43 | 7.36 | 5.73 | 1.63 | 2.32 |
| Allowance for loan losses to non-performing loans held-for-investment (10) | 77.90 | 40.54 | 66.40 | 35.83 | 36.86 | 91.07 | 57.31 |
| Allowance for loan losses to total loans held-for-investment, net (11) | 2.52 | 2.61 | 2.50 | 2.64 | 2.11 | 1.49 | 1.33 |
| Allowance for loan losses to originated loans held-for-investment, net (9) | 2.73 | 2.61 | 2.72 | 2.64 | 2.11 | 1.49 | 1.33 |
| **Capital Ratios:** | | | | | | | |
| Total capital (to risk-weighted assets) (12) | 22.50 | 27.51 | 24.71 | 27.39 | 28.52 | 34.81 | 38.07 |
| Tier I capital (to risk-weighted assets) (12) | 21.24 | 26.22 | 23.42 | 26.12 | 27.24 | 33.68 | 37.23 |
| Tier I capital (to adjusted assets) (12) | 13.40 | 13.57 | 13.42 | 13.43 | 14.35 | 15.98 | 18.84 |
| **Other Data:** | | | | | | | |
| Number of full service offices | 25 | 21 | 24 | 20 | 18 | 18 | 18 |
| Full time equivalent employees | 276 | 258 | 277 | 243 | 223 | 203 | 192 |

(1) Loans held-for-sale at December 31, 2011 included $3.4 million of non-performing loans.

(2) Non-interest income for the year ended December 31, 2011 includes bargain-purchase gain, net of tax, of $3.6 million.

(3) Net loss per share in 2007 is calculated for the period that Northfield-Federal s shares of common stock were outstanding (November 8, 2007 through December 31, 2007). The net loss for this period was $1.5 million due to the $7.8 million contribution to Northfield Bank Foundation in connection with our initial stock offering.

(4) 2011 performance ratios include an after tax bargain purchase gain of $3.6 million associated with the Federal Deposit Insurance Corporation-assisted acquisition of a failed bank. 2010 performance ratios include a $1.8 million charge ($1.2 million after-tax) related to costs associated with Northfield Federal s postponed second-step offering, and a $738,000 benefit related to the elimination of deferred tax liabilities associated with a change in New York state tax law. 2009 performance ratios include a $770,000 expense ($462,000 after-tax) related to a special Federal Deposit Insurance Corporation deposit insurance assessment. 2008 performance ratios include a $2.5 million tax-exempt gain from the death of an officer and $463,000 ($292,000, net of tax) in costs associated with the Bank s conversion to a new core processing system that was completed in January 2009. 2007 performance ratios include the after-tax effect of: a charge of $7.8 million due to Northfield-Federal s contribution to the Northfield Bank Foundation; a gain of $2.4 million as a result of the sale of two branch locations, and associated deposit relationships; net interest income of approximately $800,000 (after-tax), for the year ended December 31, 2007, as it relates to short-term investment returns earned on subscription proceeds (net of interest paid during the stock offering); and the reversal of state and local tax liabilities of approximately $4.5 million, net of federal taxes.

(5) The interest rate spread represents the difference between the weighted-average yield on interest earning assets and the weighted-average costs of interest-bearing liabilities.

(6) The net interest margin represents net interest income as a percent of average interest-earning assets for the period.

(7) Dividend payout ratio is calculated as total dividends declared for the year (excluding dividends waived by Northfield Bancorp, MHC) divided by net income for the year.

(8) The efficiency ratio represents non-interest expense divided by the sum of net interest income and non-interest income.
(9) Excludes PCI loans held-for-investment.
(10) Excludes nonperforming loans held-for-sale, carried at aggregate lower of cost or estimated fair value, less costs to sell.
(11) Includes PCI loans held-for-investment.
(12) Capital ratios are presented for Northfield Bank only.
(13) Ratios are annualized, where appropriate.

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## RECENT DEVELOPMENTS

**Impact of Hurricane Sandy**

Our primary market areas of Staten Island and Brooklyn, New York and Union and Middlesex Counties in New Jersey were significantly impacted by Hurricane Sandy, which struck the region on October 29, 2012.

Although we experienced short-term service disruptions, the storm has not had a significant effect on our ability to continue to service our customers. With the exception of flooding at our Brighton Beach, Brooklyn office acquired in the Flatbush Federal Bancorp transaction, none of our branches sustained any significant damage as a result of the storm, although many were temporarily affected by power outages and telecommunication problems. As of November 6, 2012, our Woodbridge, New Jersey operations center was fully functional, all of our banking offices other than Brighton Beach were open for business, and our internet banking service was fully operational.

While our facilities sustained only minor damage, Hurricane Sandy caused significant property damage throughout our market area, resulting in widespread disruptions in power and transportation. Many properties and structures also have incurred flood and wind damage, which ranges from minor to moderate in many areas to very severe in the coastal areas of Brooklyn, Staten Island, and New Jersey. Substantially all of our loans are secured by real estate located in our market area. Based on our initial assessments of where our borrowers are located within the market area, we believe that many of our borrowers will likely have experienced power outages and wind damage, and to a lesser extent, flood damage. However, we believe most of our borrowers will not have suffered catastrophic damage to their businesses or the collateral securing their loans. For our collateral dependent loans, our policy is to require property insurance on all loans (which normally covers wind damage), as well as flood insurance if the property is located within a flood zone, which should reduce our exposure to potential loss. Properties not located within flood zones are not required to have flood insurance, and thus it is likely that insurance coverage will not be available for any flood-related damage to those properties.

We are in the process of performing a detailed evaluation of the effects Hurricane Sandy may have had on our borrowers and our collateral, but we do not yet have sufficient information to reasonably estimate the potential financial impact of the storm on us. However, it is likely that our results of operations will be negatively impacted, and it is possible that the impact could be material. For example, it is likely that we will experience increased delinquencies and loan restructurings, particularly in the short term as customers undertake recovery and clean-up efforts, including the submission of insurance claims. Customers may also experience disruptions in their employment status or income if their employers were affected by the storm. The increases in delinquencies and restructurings would negatively impact our cash flow and, if not timely cured, would increase our non-performing assets and reduce our net interest income. Loan restructurings may also increase as we work with borrowers impacted by the storm. We may also experience increased provisions for loan losses as total loan delinquencies and loan restructurings increase, and to the extent that the combination of insurance proceeds and collateral values are insufficient to cover loan balances on loans that may default. Any increased provisions for loan losses could have a material adverse effect on our results of operations.

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**Financial Information**

The following tables set forth selected consolidated historical financial and other data of Northfield-Federal and its subsidiaries for the periods and at the dates indicated. The following is only a summary and you should read it in conjunction with the business and financial information regarding Northfield-Federal contained elsewhere in this prospectus, including the consolidated financial statements beginning on page F-1 of this prospectus. The information at December 31, 2011 is derived in part from the audited consolidated financial statements that appear in this prospectus. The information at September 30, 2012 and for the three and nine months ended September 30, 2012 and 2011 is unaudited and reflects only normal recurring adjustments that are, in the opinion of management, necessary for a fair presentation of the results for the interim periods presented. The results of operations for the three and nine months ended September 30, 2012, are not necessarily indicative of the results to be achieved for all of 2012.

| | At September 30, 2012 | At December 31, 2011 |
|---|---|---|
| | (In thousands) | |
| **Selected Financial Condition Data:** | | |
| Total assets | $ 2,491,111 | $ 2,376,918 |
| Trading securities | 4,737 | 4,146 |
| Securities available-for-sale, at estimated market value | 1,209,006 | 1,098,725 |
| Securities held-to-maturity | 2,537 | 3,617 |
| Loans held-for-sale (1) | 856 | 3,900 |
| Loans held-for-investment: | | |
| Purchased credit-impaired (PCI) loans | 77,423 | 88,522 |
| Originated loans, 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 |
| Other real estate owned | 633 | 3,359 |
| Deposits | 1,570,780 | 1,493,526 |
| Borrowed funds | 499,934 | 481,934 |
| Total stockholders equity | 395,794 | 382,650 |

| | Three Months Ended September 30, 2012 | Three Months Ended September 30, 2011 | Nine Months Ended September 30, 2012 | Nine Months Ended September 30, 2011 |
|---|---|---|---|---|
| | (In thousands) | | | |
| **Selected Operating Data:** | | | | |
| Interest income | $ 22,690 | $ 22,719 | $ 68,189 | $ 67,155 |
| Interest expense | 5,691 | 6,442 | 17,252 | 19,278 |
| Net interest income before provision for loan losses | 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 |
| Non-interest income | 1,710 | 1,240 | 7,115 | 6,539 |
| Non-interest expense | 12,028 | 9,786 | 36,471 | 29,323 |
| Income before income taxes | 6,179 | 5,731 | 19,920 | 19,976 |

| | | | | |
|---|---|---|---|---|
| Income tax expense | 2,285 | 2,035 | 7,130 | 6,963 |
| Net income | $ 3,894 | $ 3,696 | $ 12,790 | $ 13,013 |
| Net income per common share basic and diluted | $ 0.10 | $ 0.09 | $ 0.33 | $ 0.32 |
| Weighted average basic shares outstanding | 38,456,933 | 39,913,992 | 38,538,525 | 40,532,972 |
| Weighted average diluted shares outstanding | 39,053,590 | 40,363,678 | 39,053,173 | 40,957,244 |

*(footnotes begin on following page)*

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| | At or For the Three Months Ended September 30, 2012 | 2011 | At or For the Nine Months Ended September 30, 2012 | 2011 |
|---|---|---|---|---|
| **Selected Financial Ratios and Other Data:** | | | | |
| **Performance Ratios (10):** | | | | |
| Return on assets (ratio of net income to average total assets) | 0.63% | 0.63% | 0.70% | 0.76% |
| Return on equity (ratio of net income to average equity) | 3.95 | 3.71 | 4.41 | 4.39 |
| Interest rate spread (2) | 2.68 | 2.70 | 2.75 | 2.70 |
| Net interest margin (3) | 2.91 | 2.96 | 2.99 | 2.96 |
| Dividend payout ratio (4) | | 25.95 | 13.46 | 21.56 |
| Efficiency ratio (5) | 64.29 | 55.86 | 62.82 | 53.89 |
| Non-interest expense to average total assets | 1.93 | 1.67 | 2.01 | 1.71 |
| Average interest-earning assets to average interest-bearing liabilities | 122.94 | 122.65 | 122.88 | 122.17 |
| Average equity to average total assets | | | | |
| **Asset Quality Ratios:** | | | | |
| Non-performing assets to total assets | 1.36 | 2.29 | 1.36 | 2.29 |
| Non-performing loans to total loans (8) | 3.02 | 5.52 | 3.02 | 5.52 |
| Non-performing loans to originated loans (6) | 3.25 | 5.52 | 3.25 | 5.52 |
| Allowance for loan losses to non-performing loans held-for-investment (7) | 81.39 | 47.76 | 81.39 | 47.76 |
| Allowance for loan losses to total loans held-for-investment, net (8) | 2.46 | 2.64 | 2.46 | 2.64 |
| Allowance for loan losses to originated loans held-for-investment, net (6) | 2.64 | 2.64 | 2.64 | 2.64 |
| **Capital Ratios:** | | | | |
| Total capital (to risk-weighted assets) (9) | 22.75 | 27.06 | 22.75 | 27.06 |
| Tier I capital (to risk-weighted assets) (9) | 21.50 | 25.77 | 21.50 | 25.77 |
| Tier I capital (to adjusted assets) (9) | 13.54 | 13.56 | 13.54 | 13.56 |
| **Other Data:** | | | | |
| Number of full service offices | 25 | 23 | 25 | 23 |
| Full time equivalent employees | 274 | 264 | 274 | 264 |

(1) Loans held-for-sale at December 31, 2011 included $3.4 million of non-performing loans.

(2) The interest rate spread represents the difference between the weighted-average yield on interest earning assets and the weighted-average costs of interest-bearing liabilities.

(3) The net interest margin represents net interest income as a percent of average interest-earning assets for the period

(4) Dividend payout ratio is calculated as total dividends declared for the year (excluding dividends waived by Northfield Bancorp, MHC) divided by net income for the period. On June 6, 2012, Northfield-Federal temporarily suspended dividend payments pending the completion of Northfield Bancorp, MHC s second-step conversion

(5) The efficiency ratio represents non-interest expense divided by the sum of net interest income and non-interest income.

(6) Excludes PCI loans held-for-investment.

(7) Excludes nonperforming loans held-for-sale, carried at aggregate lower of cost or estimated fair value, less costs to sell.

(8) Includes PCI loans held-for-investment.

(9) Capital ratios are presented for Northfield Bank only.

(10) Ratios are annualized, where appropriate.

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**Overview**

Net income amounted to $3.9 million and $12.8 million for the three and nine months ended September 30, 2012, respectively, as compared to $3.7 million and $13.0 million for the three and nine months ended September 30, 2011, respectively. Basic and diluted earnings per share were $0.10 and $0.33 for the three and nine months ended September 30, 2012, respectively, compared to $0.09 and $0.32 for the three and nine months ended September 30, 2011, respectively. For the three and nine months ended September 30, 2012, our return on average assets was 0.63% and 0.70%, respectively, as compared to 0.63% and 0.76% for the three and nine months ended September 30, 2011, respectively. For the three and nine months ended September 30, 2012, our return on average stockholders equity was 3.95% and 4.41%, respectively, as compared to 3.71% and 4.39% for the three and nine months ended September 30, 2011, respectively.

Assets increased by 4.8% to $2.49 billion at September 30, 2012, from $2.38 billion at December 31, 2011. The increase in total assets reflected an increase in securities available-for-sale of $110.3 million, or 10.0%, and an increase in net loans held-for-investment of $26.7 million, which was partially offset by decreases in cash and cash equivalents of $33.3 million. Deposits increased $77.3 million to $1.57 billion at September 30, 2012, from $1.49 billion at December 31, 2011. The increase in deposits was attributable to growth in transaction accounts and savings accounts, partially offset by decreases in certificates of deposit and short-term certificates of deposit originated through the CDARS® Network. Borrowed funds increased $18.0 million to $499.9 million at September 30, 2012, from $481.9 million at December 31, 2011.

**Comparison of Financial Condition at September 30, 2012, and December 31, 2011**

Total assets increased $114.2 million, or 4.8%, to $2.49 billion at September 30, 2012, from $2.38 billion at December 31, 2011. The increase was primarily attributable to increases in securities available-for-sale of $110.3 million and net loans held-for-investment of $26.7 million, partially offset by a decrease in cash and cash equivalents of $33.3 million.

Cash and cash equivalents decreased $33.3 million, or 51.0%, to $32.0 million at September 30, 2012, from $65.3 million at December 31, 2011. We routinely maintain liquid assets in interest-bearing accounts in other well-capitalized financial institutions.

Securities available-for-sale increased $110.3 million, or 10.0%, to $1.21 billion at September 30, 2012, from $1.10 billion at December 31, 2011. The increase was primarily attributable to purchases of $611.2 million partially offset by maturities and pay-downs of $318.2 million and sales of $190.4 million. At September 30, 2012, $1.11 billion of the portfolio consisted of residential mortgage-backed securities issued or guaranteed by Fannie Mae, Freddie Mac, or Ginnie Mae. We also held residential mortgage-backed securities not guaranteed by these three entities, referred to as private label securities. The private label securities had an estimated fair value of $11.6 million at September 30, 2012, a decrease of $28.9 million from December 31, 2011. During the current quarter, we sold 2 pass-through non-GSE mortgage-backed securities issued by private companies (private label) that were rated less than investment grade at a combined loss of $490,000. In addition to the above mortgage-backed securities, we held $75.0 million in corporate bonds which were all rated investment grade at September 30, 2012, and $13.0 million of equity investments in mutual funds, which focus on investments that qualify under the Community Reinvestment Act and money market mutual funds.

Securities held-to-maturity decreased $1.1 million, or 29.9%, to $2.5 million at September 30, 2012, from $3.6 million at December 31, 2011. The decrease was attributable to maturities and paydowns during the nine months ended September 30, 2012.

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The following table sets forth the amortized cost and estimated fair value of our available-for-sale and held-to-maturity securities portfolios (excluding Federal Home Loan Bank of New York common stock) at the dates indicated. As of September 30, 2012 and December 31, 2011, we also had a trading portfolio with a market value of $4.7 million and $4.1 million, respectively, consisting of mutual funds quoted in actively traded markets. These securities are utilized to fund non-qualified deferred compensation obligations.

| | At September 30, 2012 | | At December 31, 2011 | |
|---|---|---|---|---|
| | Amortized Cost | Estimated Fair Value | Amortized Cost | Estimated Fair Value |
| | (In thousands) | | | |
| **Securities available-for-sale:** | | | | |
| Mortgage-backed securities: | | | | |
| Pass-through certificates: | | | | |
| GSEs | $ 480,881 | $ 508,536 | $ 490,184 | $ 514,893 |
| Non-GSEs | | | 8,770 | 7,515 |
| REMICs: | | | | |
| GSEs | 594,871 | 600,953 | 426,362 | 430,889 |
| Non-GSEs | 11,108 | 11,590 | 31,114 | 32,936 |
| Equity investments (1) | 12,856 | 12,962 | 11,787 | 11,835 |
| Corporate bonds | 74,115 | 74,965 | 100,922 | 100,657 |
| Total securities available-for-sale | $ 1,173,831 | $ 1,209,006 | $ 1,069,139 | $ 1,098,725 |
| **Securities held-to-maturity:** | | | | |
| Mortgage-backed securities: | | | | |
| Pass-through certificates: | | | | |
| GSEs | $ 469 | $ 505 | $ 629 | $ 672 |
| REMICs: | | | | |
| GSEs | 2,068 | 2,151 | 2,988 | 3,099 |
| Total securities held-to-maturity | $ 2,537 | $ 2,656 | $ 3,617 | $ 3,771 |

(1) Mutual funds

The following table sets forth the amortized cost and estimated fair value of securities as of September 30, 2012, that exceeded 10% of our stockholders equity as of that date.

| | At September 30, 2012 | |
|---|---|---|
| | Amortized Cost | Estimated Fair Value |
| | (In thousands) | |
| Mortgage-backed securities: | | |
| Freddie Mac | $ 578,659 | $ 594,656 |
| Fannie Mae | $ 496,355 | $ 514,116 |

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The composition and maturities of the investment securities portfolio at September 30, 2012, are summarized in the following table. Maturities are based on the final contractual payment dates, and do not reflect the effect of scheduled principal repayments, prepayments, or early redemptions that may occur. All of our securities at September 30, 2012, were taxable securities.

| | One Year or Less | | More than One Year through Five Years | | More than Five Years through Ten Years | | More than Ten Years | | Total | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Amortized Cost | Weighted Average Yield | Amortized Cost | Weighted Average Yield | Amortized Cost | Weighted Average Yield | Amortized Cost | Weighted Average Yield | Amortized Cost | Fair Value | Weighted Average Yield |
| | (Dollars in thousands) | | | | | | | | | | |
| **Securities available-for-sale:** | | | | | | | | | | | |
| Mortgage-backed securities: | | | | | | | | | | | |
| Pass-through certificates: | | | | | | | | | | | |
| GSEs | $ | 0.00% | $ 6,876 | 5.41% | $ 226,590 | 3.43% | $ 247,415 | 2.76% | $ 480,881 | $ 508,536 | 3.11% |
| REMICs: | | | | | | | | | | | |
| GSEs | 3,398 | 0.86% | 35,326 | 1.52% | 142,218 | 2.07% | 413,929 | 1.76% | 594,871 | 600,953 | 1.81% |
| Non-GSEs | | 0.00% | | 0.00% | 10,370 | 4.31% | 738 | 1.53% | 11,108 | 11,590 | 4.13% |
| Equity investments | 12,856 | 3.35% | | 0.00% | | 0.00% | | 0.00% | 12,856 | 12,962 | 3.35% |
| Corporate bonds | 35,303 | 1.66% | 38,812 | 2.03% | | 0.00% | | 0.00% | 74,115 | 74,965 | 1.85% |
| Total securities available-for-sale | $ 51,557 | 2.03% | $ 81,014 | 2.09% | $ 379,178 | 2.94% | $ 662,082 | 2.13% | $ 1,173,831 | $ 1,209,006 | 2.40% |
| **Securities held-to-maturity:** | | | | | | | | | | | |
| Mortgage-backed securities: | | | | | | | | | | | |
| Pass-through certificates: | | | | | | | | | | | |
| GSEs | $ | 0.00% | $ | 0.00% | $ | 0.00% | $ 469 | 5.36% | $ 469 | $ 505 | 5.36% |
| REMICs: | | | | | | | | | | | |
| GSE | | 0.00% | | 0.00% | | 0.00% | 2,068 | 3.85% | 2,068 | 2,151 | 3.85% |
| Total securities held-to-maturity | $ | 0.00% | $ | 0.00% | $ | 0.00% | $ 2,537 | 4.13% | $ 2,537 | $ 2,656 | 4.13% |

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Originated loans held-for-investment, net, totaled $1.02 billion at September 30, 2012, as compared to $985.9 million at December 31, 2011. The increase was primarily due to an increase in multifamily real estate loans, which increased $114.9 million, or 25.1%, to $573.3 million at September 30, 2012, from $458.4 million at December 31, 2011. This was partially offset by a decrease in insurance premium loans of $59.1 million, due to the sale of the majority of the portfolio, and a decrease in commercial real estate loans of $14.7 million. Currently, management is primarily focused on originating multifamily loans, with less emphasis on other loan types.

Purchased credit-impaired (PCI) loans, acquired as part of a Federal Deposit Insurance Corporation-assisted transaction, totaled $77.4 million at September 30, 2012, as compared to $88.5 million at December 31, 2011. We recorded accretion of interest income of $4.7 million for the nine months ended September 30, 2012 attributable to these loans.

The following table sets forth the composition of our loan portfolio, by type of loan at the dates indicated, excluding loans held for sale of $859,000 and $3.9 million at September 30, 2012 and December 31, 2011.

| | At September 30, 2012 | | At December 31, 2011 | |
|---|---|---|---|---|
| | Amount | Percent | Amount | Percent |
| | (Dollars in Thousands) | | | |
| Real estate loans: | | | | |
| Multifamily | $ 573,316 | 52.15% | $ 458,370 | 42.72% |
| Commercial | 312,379 | 28.41 | 327,074 | 30.48 |
| One- to four-family residential | 65,023 | 5.91 | 72,592 | 6.77 |
| Home equity and lines of credit | 32,622 | 2.97 | 29,666 | 2.76 |
| Construction and land | 23,204 | 2.11 | 23,460 | 2.19 |
| Commercial and industrial loans | 14,155 | 1.29 | 12,710 | 1.18 |
| Insurance premium finance | 26 | 0.00 | 59,096 | 5.51 |
| Other loans | 1,401 | 0.13 | 1,496 | 0.14 |
| PCI loans | 77,423 | 7.04 | 88,522 | 8.25 |
| Total loans | 1,099,549 | 100.00% | 1,072,986 | 100.00% |
| Other items: | | | | |
| Deferred loan costs (fees), net | 1,802 | | 1,481 | |
| Allowance for loan losses | (27,069) | | (26,836) | |
| Net loans held-for-investment | $ 1,074,282 | | $ 1,047,631 | |

Bank owned life insurance increased $2.1 million, or 2.8%, to $79.9 million at September 30, 2012 from $77.8 million at December 31, 2011. The increase resulted from income earned on bank owned life insurance for the nine months ended September 30, 2012.

Federal Home Loan Bank of New York stock, at cost, increased $1.8 million, or 14.2%, to $14.5 million at September 30, 2012, from $12.7 million at December 31, 2011. This increase was attributable to an increase in borrowings outstanding with the Federal Home Loan Bank of New York over the same time period.

Premises and equipment, net, increased $4.1 million, or 20.4%, to $24.1 million at September 30, 2012, from $20.0 million at December 31, 2011. This increase was primarily attributable to new branches and the renovation of existing branches.

Other real estate owned decreased $2.7 million, or 81.2%, to $633,000 at September 30, 2012, from $3.4 million at December 31, 2011. This decrease was attributable to the sale of properties during the nine months ended September 30, 2012.

Other assets increased $10.0 million, or 66.5%, to $25.1 million at September 30, 2012, from $15.1 million at December 31, 2011. The increase in other assets was attributable to an increase in amounts due from brokers due to the sale of several securities with trade dates prior to September 30, 2012 settling in October 2012, and an

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increase in prepaid expenses, partially offset by a decrease in amounts due us from taxing authorities, and a decrease in prepaid Federal Deposit Insurance Corporation insurance premiums due to amortization related to the Federal Deposit Insurance Corporation prepayment of insurance premiums that was made in 2009.

Deposits increased $77.3 million, or 5.2%, to $1.57 billion at September 30, 2012 from $1.49 billion at December 31, 2011. The increase in deposits for the nine months ended September 30, 2012 was due to an increase in savings (passbook and statement) and money market accounts of $50.1 million, or 6.6%, as compared to December 31, 2011, and an increase in transaction accounts of $33.2 million, or 13.4%, as compared to December 31, 2011. These increases were partially offset by decreases in certificate of deposit accounts (issued by Northfield Bank) of $3.3 million, or 0.7%, from December 31, 2011 to September 30, 2012 and of $2.7 million in short-term certificates of deposit originated through the CDARS® Network. Deposits originated through the CDARS® Network totaled $661,000 at September 30, 2012, and $3.4 million at December 31, 2011. We utilize the CDARS® Network as a cost-effective alternative to other short-term funding sources.

The following tables set forth the distribution of our average total deposit accounts, by account type, for the periods indicated.

| | For the Nine Months Ended September 30, 2012 | | | 2011 | | |
|---|---|---|---|---|---|---|
| | Average Balance | Percent | Weighted Average Rate | Average Balance | Percent | Weighted Average Rate |
| | (Dollars in thousands) | | | | | |
| Non-interest bearing demand | $ 167,353 | 10.94% | % | $ 122,089 | 8.64% | % |
| NOW | 103,199 | 6.75 | 0.63 | 81,873 | 5.80 | 1.03 |
| Money market accounts | 461,739 | 30.19 | 0.57 | 313,870 | 22.22 | 0.87 |
| Savings | 320,129 | 20.93 | 0.27 | 313,728 | 22.21 | 0.34 |
| Certificates of deposit | 477,236 | 31.19 | 1.21 | 581,077 | 41.13 | 1.37 |
| Total deposits | $ 1,529,656 | 100.00% | 0.65% | $ 1,412,637 | 100.00% | 0.89% |

As of September 30, 2012, the aggregate amount of our outstanding certificates of deposit in amounts greater than or equal to $100,000 was $224.8 million. The following table sets forth the maturity of these certificates at September 30, 2012.

| | At September 30, 2012 (In thousands) |
|---|---|
| Three months or less | $ 114,101 |
| Over three months through six months | 28,151 |
| Over six months through one year | 20,895 |
| Over one year to three years | 48,779 |
| Over three years | 12,846 |
| Total | $ 224,772 |

Borrowings, consisting primarily of repurchase agreements from other financial institutions and Federal Home Loan Bank advances, increased $18.0 million, or 3.7%, to $499.9 million at September 30, 2012, from $481.9 million at December 31, 2011. The increase in borrowings was primarily the result of increased Federal Home Loan Bank advances.

Accrued expenses and other liabilities increased $4.0 million, to $20.6 million at September 30, 2012, from $16.6 million at December 31, 2011. The increase was primarily a result of an increase in escrow payables.

Total stockholders equity increased by $13.1 million to $395.8 million at September 30, 2012, from $382.7 million at December 31, 2011. This increase was primarily attributable to net income of $12.8 million for the nine months ended September 30, 2012, a $3.4 million increase in accumulated other comprehensive income and

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an increase of $2.7 million in additional paid-in capital primarily related to the recognition of compensation expense associated with equity awards. The increase was partially offset by $4.2 million in stock repurchases net of stock option exercises and the payment of $1.7 million in dividends. As previously announced, we have temporarily suspended dividend payments pending the completion of Northfield Bancorp, MHC s second-step conversion.

As of September 30, 2012, we had repurchased 5,384,510 shares of our common stock under our prior repurchase plans at an average price of $12.91 per share. We announced on June 6, 2012 that we had terminated our stock repurchase plan in connection with the adoption by the Board of Directors of the Plan of Conversion and Reorganization related to Northfield Bancorp, MHC s second-step conversion.

**Comparison of Operating Results for the Three Months Ended September 30, 2012 and 2011**

***Net income.*** Net income was $3.9 million for the quarter ended September 30, 2012, as compared to $3.7 million for the quarter ended September 30, 2011. Results reflected an increase of $722,000 in net interest income, a $470,000 increase in non-interest income, a decrease of $1.5 million in the provision for loan losses, a $2.2 million increase in non-interest expense, and a $250,000 increase in income tax expense.

***Interest income*. ** Interest income was $22.7 million for both the three months ended September 30, 2012 and September 30, 2011. Interest income on loans increased by $1.1 million, primarily attributable to an increase in the average balances of $145.6 million, partially offset by a decrease of 37 basis points in the yield earned. Interest income on loans for the quarter ended September 30, 2012 reflected prepayment loan income of $542,000 compared to $331,000 for the quarter ended September 30, 2011. Interest income on mortgage backed securities decreased by $947,000, primarily attributable to a decrease of 38 basis points in the yield earned partially offset by an increase in the average balance of $13.2 million.

***Interest expense*. ** Interest expense decreased $751,000, or 11.7%, to $5.7 million for the three months ended September 30, 2012, from $6.4 million for the three months ended September 30, 2011. The decrease was comprised of a decrease of $664,000 in interest expense on deposits and a decrease in interest expense on borrowings of $87,000. The decrease in interest expense on deposits was attributed to a decrease in the cost of interest bearing deposits of 22 basis points to 0.70% from 0.92%, partially offset by an increase in average balance of interest bearing deposit accounts of $60.4 million, or 4.5%, to $1.39 billion for the three months ended September 30, 2012, from $1.33 billion for the three months ended September 30, 2011. The decrease in interest expense on borrowings was attributed to a decrease in the cost of 39 basis points to 2.60% for the three months ended September 30, 2012 from 2.99% for the three months ended September 30, 2011, partially offset by an increase in average balances of borrowings of $54.4 million, or 12.3%, to $496.6 million for the three months ended September 30, 2012 from $442.2 million for the three months ended September 30, 2011.

***Net Interest Income*. ** Net interest income increased $722,000, or 4.4%, as average interest-earning assets increased by 6.7% to $2.33 billion. The increase in average interest-earning assets was due primarily to increases in average loans outstanding of $145.6 million and in average mortgage-backed securities of $13.2 million, partially offset by a decrease in average interest-earning deposits of $12.4 million. Rates paid on interest-bearing liabilities decreased 24 basis points to 1.20% for the current quarter as compared to 1.44% for the 2011 quarter. This was partially offset by a 26 basis point decrease in yields earned on interest earning assets to 3.88% for the current quarter as compared to 4.14% for the 2011 quarter.

***Provision for Loan Losses*. ** The provision for loan losses was $502,000 for the quarter ended September 30, 2012, a decrease of $1.5 million, or 74.9%, from the $2.0 million provision recorded in the quarter ended September 30, 2011. The decrease in the provision for loan losses was due primarily to a shift in the composition of our loan portfolio to multifamily loans, which generally require lower general reserves than our other commercial real estate loans, and a decrease in non-performing loans during the quarter ended September 30, 2012 as compared to the prior year period. During the quarter ended September 30, 2012, we recorded net charge-offs of $475,000 compared to net charge-offs of $17,000 for the quarter ended September 30, 2011.

***Non-interest Income.*** Non-interest income increased $470,000, or 37.9%, to $1.7 million for the quarter ended September 30, 2012, as compared to $1.2 million for the quarter ended September 30, 2011. This increase was primarily a result of an increase in gains on securities transactions, net, of $699,000, to income of $428,000 for the quarter ended September 30, 2012, compared to a loss of $271,000 for the quarter ended September 30, 2011, partially offset by a decrease in other income of $170,000.

***Non-interest Expense.*** Non-interest expense increased $2.2 million, or 22.9%, for the quarter ended September 30, 2012, as compared to the quarter ended September 30, 2011, due primarily to compensation and employee benefits increasing by $1.1 million primarily related to increased staff due to branch openings and acquisitions, an increase in occupancy expense of $516,000 primarily relating to new branches and the renovation of existing branches, an increase of $106,000 in data processing fees primarily related to conversion costs associated with the Federal Deposit Insurance Corporation-assisted transaction, a $302,000 increase in professional fees primarily related to merger activity and an increase in other non-interest expense of $201,000.

***Income Tax Expense.*** We recorded income tax expense of $2.3 million for the quarter ended September 30, 2012, compared to $2.0 million for the quarter ended September 30, 2011. The effective tax rate for the quarter ended September 30, 2012 was 37.0%, as compared to 35.5% for the quarter ended September 30, 2011. The increase in the effective tax rate was primarily attributable to merger related expenses from the Flatbush Federal transaction, which are not deductible for tax purposes.

**Comparison of Operating Results for the Nine Months Ended September 30, 2012 and 2011**

***Net income.*** Net income was $12.8 million for the nine months ended September 30, 2012, as compared to $13.0 million for the nine months ended September 30, 2011. Results reflected an increase of $3.1 million in net interest income, a $576,000 increase in non-interest income, a decrease of $3.5 million in the provision for loan losses, a $7.1 million increase in non-interest expense, and a $167,000 increase in income tax expense.

***Interest income.*** Interest income increased $1.0 million, or 1.5%, to $68.2 million for the nine months ended September 30, 2012, from $67.2 million for the nine months ended September 30, 2011. The increase was primarily due to an increase in interest income on loans of $5.9 million. The increase in interest income on loans was due to an increase in the average balances of $185.8 million, partially offset by a decrease of 29 basis points in the yield earned. Interest income on loans for the nine months ended September 30, 2012 reflected prepayment loan income of $956,000 compared to $491,000 for the nine months ended September 30, 2011. This increase in interest income on loans was partially offset by a decrease in interest income on mortgage backed securities of $4.4 million. The decrease in interest income on mortgage backed securities was primarily attributable to a decrease of 41 basis points in the yield earned and a decrease in the average balance of $55.6 million.

***Interest expense.*** Interest expense decreased $2.0 million, or 10.5%, to $17.3 million for the nine months ended September 30, 2012, from $19.3 million for the nine months ended September 30, 2011. The decrease resulted from a decrease of $2.0 million in interest expense on deposits. Interest expense on borrowings was relatively flat compared to the prior year period. The decrease in interest expense on deposits was due to a decrease in the cost of interest bearing deposits of 24 basis points to 0.73% for the nine months ended September 30, 2012, from 0.97% for the nine months ended September 30, 2011, partially offset by an increase in average balance of interest bearing deposit accounts of $71.8 million, or 5.6%, to $1.36 billion for the nine months ended September 30, 2012 from $1.29 billion for the nine months ended September 30, 2011.

***Net Interest Income.*** Net interest income increased $3.1 million, or 6.4%, as interest-earning assets increased by 5.5% to $2.28 billion. The increase in average interest-earning assets was due primarily to an increase in average loans outstanding of $185.8 million, partially offset by decreases in average interest-earning deposits of $10.3 million, average mortgage-backed securities of $55.6 million, and average other securities of $5.4 million. Rates paid on interest-bearing liabilities decreased 22 basis points to 1.24% as compared to 1.46% for the prior-year comparable period. This was partially offset by a 16 basis point decrease in yields earned on interest-earning assets to 4.00% as compared to 4.16% for the prior-year comparable period.

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***Provision for Loan Losses*.** The provision for loan losses was $1.7 million for the nine months ended September 30, 2012, a decrease of $3.4 million, or 67.5%, from the $5.1 million provision recorded in the nine months ended September 30, 2011. The decrease in the provision for loan losses was due primarily to a shift in the composition of our loan portfolio to multifamily loans, which generally require lower general reserves than our other commercial real estate loans, and a decrease in non-performing loans during the nine months ended September 30, 2012, as compared to the nine months ended September 30, 2011. During both the nine months ended September 30, 2012 and 2011, we recorded net charge-offs of $1.4 million.

The following table sets forth activity in our allowance for loan losses for the periods indicated.

| | At or For the Nine Months Ended September 30, | |
|---|---|---|
| | 2012 | 2011 |
| | (Dollars in Thousands) | |
| Balance at beginning of period | $ 26,836 | $ 21,819 |
| Charge-offs: | | |
| Real estate loans: | | |
| Commercial | (1,245) | (1,228) |
| One- to four-family residential | | |
| Construction and land | (43) | |
| Multifamily | (58) | (63) |
| Home equity and lines of credit | (3) | |
| Commercial and industrial | (90) | (196) |
| Insurance premium finance loans | (198) | (26) |
| Other | (2) | |
| Total charge-offs | (1,639) | (1,513) |
| Recoveries: | | |
| Real estate loans: | | |
| Commercial | 66 | 27 |
| Multifamily | 5 | |
| Commercial and industrial | 122 | 23 |
| Insurance premium finance loans | 18 | 30 |
| Total recoveries | 211 | 80 |
| Net charge-offs | (1,428) | (1,433) |
| Provision for loan losses | | |
| Real estate loans: | | |
| Commercial | 806 | 2,546 |
| One- to four-family residential | (367) | 237 |
| Construction and land | (177) | (547) |
| Multifamily | 807 | 1,762 |
| Home equity and lines of credit | 198 | 118 |
| Commercial and industrial | 152 | 82 |
| Insurance premium finance loans | (4) | 30 |
| Other | 1 | 17 |
| Unallocated | 245 | 872 |
| Total provisions for loan losses | 1,661 | 5,117 |
| Balance at end of periods | $ 27,069 | $ 25,503 |

Ratios:

| | | |
|---|---|---|
| Net charge-offs to average loans outstanding | 0.18% | 0.22% |
| Allowance for loan losses to non-performing loans held-for- investment at end of period | 81.39 | 47.76 |
| Allowance for loan losses to originated loans held-for- investment, net at end of period | 2.64 | 2.64 |
| Allowance for loan losses to total loans held-for- investment at end of period | 2.46 | 2.64 |

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The following tables set forth the allowance for loan losses allocated by loan category and the percent of allowance in each category to total allocated allowance at September 30, 2012. The allowance for loan losses allocated to each category is not necessarily indicative of future losses in any particular category and does not restrict the use of the allowance to absorb losses in other categories.

| | At September 30, 2012 | |
|---|---|---|
| | Allowance for Loan Losses | Percent of Allowance in Each Category to Total Allocated Allowance |
| | (Dollars in thousands) | |
| Real estate loans: | | |
| Commercial | $ 13,747 | 53.46% |
| One- to four-family residential | 600 | 2.33 |
| Construction and land | 969 | 3.77 |
| Multifamily | 7,526 | 29.27 |
| Home equity and lines of credit | 613 | 2.38 |
| Commercial and industrial | 2,219 | 8.63 |
| Insurance premium loans | 2 | 0.01 |
| Other | 39 | 0.14 |
| Total allocated allowance | 25,715 | 100.00% |
| Unallocated | 1,354 | |
| Total | $ 27,069 | |

***Non-interest Income*.** Non-interest income increased $576,000, or 8.8%, to $7.1 million for the nine months ended September 30, 2012, as compared to $6.5 million for the nine months ended September 30, 2011. This increase was primarily a result of a $104,000 increase in fees and service charges for customer services, a decrease in losses on other-than-temporary-impairment of securities of $409,000 and an increase in other income of $44,000, an increase in gains on securities transactions, net, of $115,000, to $2.5 million for the nine months ended September 30, 2012, compared to $2.4 million for the nine months ended September 30, 2011, partially offset by a decrease in income on bank owed life insurance of $96,000.

***Non-interest Expense*.** Non-interest expense increased $7.1 million, or 24.4%, to $36.4 million for the nine months ended September 30, 2012, as compared to $29.3 million for the nine months ended September 30, 2011, due primarily to compensation and employee benefits increasing by $2.8 million primarily related to increased staff due to branch openings and acquisitions, an increase in occupancy expense of $1.7 million primarily relating to new branches and the renovation of existing branches, an increase of $775,000 in data processing fees primarily related to conversion costs associated with the Federal Deposit Insurance Corporation-assisted transaction, a $1.2 million increase in professional fees related to merger activity and an increase in other non-interest expense of $694,000.

***Income Tax Expense*.** We recorded income tax expense of $7.1 million for the nine months ended September 30, 2012, compared to $7.0 million for the nine months ended September 30, 2011. The effective tax rate for the nine months ended September 30, 2012 was 35.8%, as compared to 34.9% for the nine months ended September 30, 2011. The increase in the effective tax rate was primarily attributable to merger related expenses from the Flatbush Federal transaction, which are not deductible for tax purposes.

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***Average Balances and Yields.*** The following tables set forth average balance sheets, average yields and costs, and certain other information for the periods indicated. No tax-equivalent yield adjustments have been made, as we had no tax-free interest-earning assets during the periods. All average balances are daily average balances based upon amortized costs. Non-accrual loans were included in the computation of average balances. The yields set forth below include the effect of deferred fees, discounts, and premiums that are amortized or accreted to interest income or interest expense.

| | For the Three Months Ended September 30, | | | | | |
|---|---|---|---|---|---|---|
| | 2012 | | | 2011 | | |
| | Average Outstanding Balance | Interest | Average Yield / Rate (1) | Average Outstanding Balance | Interest | Average Yield / Rate (1) |
| | (Dollars in Thousands) | | | | | |
| **Interest-earning assets:** | | | | | | |
| Loans | $ 1,088,268 | $ 15,162 | 5.54% | $ 942,701 | $ 14,044 | 5.91% |
| Mortgage-backed securities | 1,060,837 | 6,799 | 2.55 | 1,047,610 | 7,746 | 2.93 |
| Other securities | 116,274 | 559 | 1.91 | 120,754 | 781 | 2.57 |
| Federal Home Loan Bank of New York stock | 13,796 | 151 | 4.35 | 9,508 | 113 | 4.72 |
| Interest-earning deposits | 46,103 | 19 | 0.16 | 58,527 | 35 | 0.24 |
| Total interest-earning assets | 2,325,278 | 22,690 | 3.88 | 2,179,100 | 22,719 | 4.14 |
| Non-interest-earning assets | 151,529 | | | 143,639 | | |
| Total assets | $ 2,476,807 | | | $ 2,322,739 | | |
| **Interest-bearing liabilities:** | | | | | | |
| Savings, NOW, and money market accounts | $ 913,561 | $ 996 | 0.43 | $ 732,128 | $ 1,155 | 0.63 |
| Certificates of deposit | 481,187 | 1,451 | 1.20 | 602,257 | 1,956 | 1.29 |
| Total interest-bearing deposits | 1,394,748 | 2,447 | 0.70 | 1,334,385 | 3,111 | 0.92 |
| Borrowed funds | 496,591 | 3,244 | 2.60 | 442,239 | 3,331 | 2.99 |
| Total interest-bearing liabilities | 1,891,339 | 5,691 | 1.20 | 1,776,624 | 6,442 | 1.44 |
| Non-interest bearing deposit accounts | 176,752 | | | 135,355 | | |
| Accrued expenses and other liabilities | 16,578 | | | 15,086 | | |
| Total liabilities | 2,084,669 | | | 1,927,065 | | |
| Stockholders equity | 392,138 | | | 395,674 | | |
| Total liabilities and stockholders equity | $ 2,476,807 | | | $ 2,322,739 | | |
| Net interest income | | $ 16,999 | | | $ 16,277 | |
| Net interest rate spread (2) | | | 2.68% | | | 2.70% |
| Net interest-earning assets (3) | $ 433,939 | | | $ 402,476 | | |
| Net interest margin (4) | | | 2.91% | | | 2.96% |
| Average interest-earning assets to interest-bearing liabilities | 122.94% | | | 122.65% | | |

*(footnotes on following page)*

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| | For the Nine Months Ended September 30, 2012 Average Outstanding Balance | Interest | Average Yield/ Rate (1) | 2011 Average Outstanding Balance | Interest | Average Yield/ Rate (1) |
|---|---|---|---|---|---|---|
| | (Dollars in Thousands) | | | | | |
| **Interest-earning assets:** | | | | | | |
| Loans | $ 1,072,993 | $ 45,187 | 5.63% | $ 887,201 | $ 39,296 | 5.92% |
| Mortgage-backed securities | 1,026,377 | 20,418 | 2.66 | 1,081,940 | 24,838 | 3.07 |
| Other securities | 124,720 | 2,102 | 2.25 | 130,081 | 2,538 | 2.61 |
| Federal Home Loan Bank of New York stock | 13,322 | 435 | 4.36 | 10,145 | 343 | 4.52 |
| Interest-earning deposits | 41,042 | 47 | 0.15 | 51,354 | 140 | 0.36 |
| Total interest-earning assets | 2,278,454 | 68,189 | 4.00 | 2,160,721 | 67,155 | 4.16 |
| Non-interest-earning assets | 146,908 | | | 137,820 | | |
| Total assets | $ 2,425,362 | | | $ 2,298,541 | | |
| **Interest-bearing liabilities:** | | | | | | |
| Savings, NOW, and money market accounts | $ 885,067 | $ 3,115 | 0.47 | $ 709,471 | 3,453 | 0.65 |
| Certificates of deposit | 477,236 | 4,317 | 1.21 | 581,077 | 5,946 | 1.37 |
| Total interest-bearing deposits | 1,362,303 | 7,432 | 0.73 | 1,290,548 | 9,399 | 0.97 |
| Borrowed funds | 491,884 | 9,820 | 2.67 | 478,066 | 9,879 | 2.76 |
| Total interest-bearing liabilities | 1,854,187 | 17,252 | 1.24 | 1,768,614 | 19,278 | 1.46 |
| Non-interest bearing deposit accounts | 167,353 | | | 122,089 | | |
| Accrued expenses and other liabilities | 16,033 | | | 11,519 | | |
| Total liabilities | 2,037,573 | | | 1,902,222 | | |
| Stockholders equity | 387,789 | | | 396,319 | | |
| Total liabilities and stockholders equity | $ 2,425,362 | | | $ 2,298,541 | | |
| Net interest income | | $ 50,937 | | | $ 47,877 | |
| Net interest rate spread (2) | | | 2.75% | | | 2.70% |
| Net interest-earning assets (3) | $ 424,267 | | | $ 392,107 | | |
| Net interest margin (4) | | | 2.99% | | | 2.96% |
| Average interest-earning assets to interest-bearing liabilities | 122.88% | | | 122.17% | | |

(1) Annualized.
(2) Net interest rate spread represents the difference between the weighted average yield on interest-earning assets and the weighted average cost of interest-bearing liabilities.
(3) Net interest-earning assets represent total interest-earning assets less total interest-bearing liabilities.
(4) Net interest margin represents net interest income divided by average total interest-earning assets.

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**Rate/Volume Analysis**

The following table presents the effects of changing rates and volumes on our net interest income for the nine months ended September 30, 2012. The rate column shows the effects attributable to changes in rate (changes in rate multiplied by prior volume). The volume column shows the effects attributable to changes in volume (changes in volume multiplied by prior rate). The total column represents the sum of the prior columns. For purposes of this table, changes attributable to both rate and volume, which cannot be segregated, have been allocated proportionately based on the changes due to rate and the changes due to volume.

| | Nine Months Ended September 30, 2012 vs. 2011 | | |
|---|---|---|---|
| | Increase (Decrease) Due to | | Total Increase (Decrease) |
| | Volume | Rate | |
| | (In Thousands) | | |
| **Interest-earning assets:** | | | |
| Loans | $ 7,742 | $ (1,851) | $ 5,891 |
| Mortgage-backed securities | (1,223) | (3,197) | (4,420) |
| Other securities | (101) | (335) | (436) |
| Federal Home Loan Bank of New York stock | 104 | (12) | 92 |
| Interest-earning deposits | (24) | (69) | (93) |
| Total interest-earning assets | 6,498 | (5,464) | 1,034 |
| **Interest-bearing liabilities:** | | | |
| Savings, NOW and money market accounts | 2,786 | (3,124) | (338) |
| Certificates of deposit | (985) | (644) | (1,629) |
| Total deposits | 1,801 | (3,768) | (1,967) |
| Borrowings | 290 | (349) | (59) |
| Total interest-bearing liabilities | 2,091 | (4,117) | (2,026) |
| Change in net interest income | $ 4,407 | $ (1,347) | $ 3,060 |

**Asset Quality**

***Purchased Credit Impaired Loans***

PCI loans were recorded at estimated fair value using expected future cash flows deemed to be collectible on the date acquired. Based on its detailed review of PCI loans and experience in loan workouts, management believes it has a reasonable expectation about the amount and timing of future cash flows and accordingly has classified PCI loans ($77.4 million at September 30, 2012 and $88.5 million at December 31, 2011) as accruing, even though they may be contractually past due. At September 30, 2012, based on recorded contractual principal, 5.7% of PCI loans were past due 30 to 89 days, and 11.5% were past due 90 days or more. At December 31, 2011, based on recorded contractual principal, 9.0% of PCI loans were past due 30 to 89 days, and 16.1% were past due 90 days or more, as compared to 8.0% and 13.9% at October 14, 2011. The amount and timing of expected cash flows as of September 30, 2012 did not change significantly from the October 2011 acquisition date.

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***Originated loans***

The discussion that follows relates to originated loans, both held-for-investment and held-for-sale.

The following table shows total non-performing assets for the current and previous four quarters and also shows, for the same dates, non-performing originated loans to total loans, troubled debt restructurings on which interest is accruing, and accruing loans delinquent 30 to 89 days.

| | September 30, 2012 | June 30, 2012 | March 31, 2012 | December 31, 2011 | September 30, 2011 |
|---|---|---|---|---|---|
| | | | (Dollars in Thousands) | | |
| Non-accruing loans: | | | | | |
| Held-for-investment | $ 12,231 | $ 12,680 | $ 15,805 | $ 17,489 | $ 28,035 |
| Held-for-sale | | 80 | 80 | 2,991 | |
| Non-accruing loans subject to restructuring agreements: | | | | | |
| Held-for-investment | 20,990 | 21,609 | 22,483 | 22,844 | 23,763 |
| Held-for-sale | | | | 457 | |
| Total non-accruing loans | 33,221 | 34,369 | 38,368 | 43,781 | 51,798 |
| Loans 90 days or more past due and still accruing: | | | | | |
| Held-for-investment | 37 | 424 | 1,786 | 85 | 1,595 |
| Held-for-sale | | | | | |
| Total loans 90 days or more past due and still accruing | 37 | 424 | 1,786 | 85 | 1,595 |
| Total non-performing loans | 33,258 | 34,793 | 40,154 | 43,866 | 53,393 |
| Other real estate owned | 633 | 2,139 | 2,444 | 3,359 | 34 |
| Total non-performing assets | $ 33,891 | $ 36,932 | $ 42,598 | $ 47,225 | $ 53,427 |
| Non-performing originated loans to total loans | 3.0% | 3.2% | 3.8% | 4.1% | 5.5% |
| Loans subject to restructuring agreements and still accruing | $ 24,099 | $ 25,502 | $ 25,047 | $ 18,349 | $ 18,355 |
| Accruing loans 30 to 89 days delinquent | $ 9,998 | $ 12,121 | $ 22,075 | $ 21,067 | $ 30,973 |

The following table details non-performing loans by loan type at September 30, 2012 and December 31, 2011:

| | September 30, 2012 | December 31, 2011 |
|---|---|---|
| | (In thousands) | |
| Non-accrual loans: | | |
| Real estate loans: | | |
| Commercial | $ 24,800 | $ 34,659 |
| One- to four-family residential | 1,556 | 1,338 |
| Construction and land | 2,070 | 2,131 |
| Multifamily | 1,840 | 2,175 |
| Home equity and lines of credit | 1,694 | 1,766 |
| Commercial and industrial | 1,261 | 1,575 |
| Insurance premium loans | | 137 |
| Total non-accrual loans | 33,221 | 43,781 |

| | | |
|---|---|---|
| Loans delinquent 90 days or more and still accruing: | | |
| Real estate loans: | | |
| Commercial | | 13 |
| One- to four-family residential | 37 | |
| Construction and land | | |
| Multifamily | | 72 |
| Home equity and lines of credit | | |
| Commercial and industrial | | |
| Other loans | | |
| Total loans delinquent 90 days or more and still accruing | 37 | 85 |
| Total non-performing loans | $ 33,258 | $ 43,866 |

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***Total Non-accruing Loans.*** Total non-accruing loans decreased $10.6 million to $33.2 million at September 30, 2012, from $43.8 million at December 31, 2011. This decrease was primarily attributable to loans held-for-sale of $3.4 million sold during the nine months ended September 30, 2012, $1.4 million of loans returned to accrual status, $428,000 of pay-offs and principal pay-downs, charge-offs of $1.1 million, the sale of $7.7 million of loans held-for-investment and the transfer of $166,000 to other real estate owned. The above decreases in non-accruing loans during the nine months ended September 30, 2012 were partially offset by $3.1 million of loans being placed on non-accrual status and advances of $561,000 during the nine months ended September 30, 2012.

***Delinquency Status of Total Non-accruing Loans.*** Generally, loans are placed on non-accrual status when they become 90 days or more delinquent, and remain on non-accrual status until they are brought current, have a minimum of six months of performance under the loan terms, and factors indicating reasonable doubt about the timely collection of payments no longer exist. Therefore, loans may be current in accordance with their loan terms, or may be less than 90 days delinquent, and still be on non-accrual status.

The following tables detail the delinquency status of non-accruing loans (held-for-investment and held-for-sale) at September 30, 2012 and December 31, 2011. All delinquent loans in the following two tables are classified as held-for-investment, with the exception of $3.4 million of loans held-for-sale at December 31, 2011, respectively.

| | September 30, 2012 | | | |
|---|---|---|---|---|
| | Days Past Due | | | |
| | 0 to 29 | 30 to 89 | 90 or more | Total |
| | (In thousands) | | | |
| Real estate loans: | | | | |
| Commercial | $ 16,243 | $ 448 | $ 8,109 | $ 24,800 |
| One -to- four family residential | 284 | 913 | 359 | 1,556 |
| Construction and land | 2,070 | | | 2,070 |
| Multifamily | | | 1,840 | 1,840 |
| Home equity and lines of credit | 203 | | 1,491 | 1,694 |
| Commercial and industrial loans | 537 | | 724 | 1,261 |
| Insurance premium loans | | | | |
| Total non-accruing loans | $ 19,337 | $ 1,361 | $ 12,523 | $ 33,221 |

| | December 31, 2011 | | | |
|---|---|---|---|---|
| | Days Past Due | | | |
| | 0 to 29 | 30 to 89 | 90 or more | Total |
| | (In thousands) | | | |
| Real estate loans: | | | | |
| Commercial | $ 16,395 | $ 3,613 | $ 14,651 | $ 34,659 |
| One -to- four family residential | 210 | 594 | 534 | 1,338 |
| Construction and land | 1,709 | | 422 | 2,131 |
| Multifamily | 523 | | 1,652 | 2,175 |
| Home equity and lines of credit | 102 | | 1,664 | 1,766 |
| Commercial and industrial loans | 553 | | 1,022 | 1,575 |
| Insurance premium loans | | | 137 | 137 |
| Total non-accruing loans | $ 19,492 | $ 4,207 | $ 20,082 | $ 43,781 |

***Five Largest Non-accruing Loans.*** A discussion of the five largest non-accrual loans at September 30, 2012 follows. The carrying value of these loans totaled $17.8 million, or 53.6%, of total non-accrual loans of $33.2 million at September 30, 2012.

An owner-occupied commercial real estate relationship with a carrying value of $8.1 million. The business and collateral are located in New Jersey. The real estate collateral consists of a first mortgage on a manufacturing facility and subordinated mortgages on other real estate. At September 30, 2012, the relationship was performing under a restructuring agreement that commenced in March 2011, which reduced the borrower s debt service payments and requires monthly payments of principal and interest. The manufacturing facility was appraised for $8.0 million in December 2011. Because of the nature of the collateral, the appraiser relied on the cost

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and sales approaches to value. The other collateral includes a subordinated mortgage on the primary residence of one of the principals that was appraised for $1.9 million in December 2011 and is subordinate to a first mortgage of less than $400,000. The loans are personally guaranteed by the principals.

A commercial real estate loan with a carrying value of $3.0 million. The real estate collateral is a first mortgage on a New Jersey property primarily used as a recreational facility with some retail usage. The borrower is now repositioning the property at his own cost by converting the recreational portion to retail and the project is expected to be completed by the middle of 2013. The loan was restructured in early 2010 to reduce the borrower s debt service and required interest only payments. Beginning in December 2011, the borrower s monthly payment included principal and interest. The borrower was performing in accordance with the restructured terms as of September 30, 2012. The property was appraised on an as is basis for $4.9 million in November 2010. The capitalization rate utilized in the appraisal was 8%, and the loan is personally guaranteed by the principal.

A commercial real estate loan with a carrying value of $2.9 million. The real estate collateral consists of a first mortgage on an office building in Staten Island, New York. Northfield Bank has filed a foreclosure action and a lock box is in place to control rent receipts. The property was appraised in November 2011 for $5.0 million. The capitalization rate utilized in the appraisal was 8.1%, and the loan is personally guaranteed by the principal.

A construction loan with a carrying value of $2.1 million. The collateral is an eight-unit condominium construction project in New York City. A new sponsor assumed control of the project in December 2011 and the project is nearly complete. As of September 30, 2012, six units were under contract and marketing activity continues on the remaining two units. The property was appraised in November 2011 for $3.6 million based on the gross sellout value of the completed units. The gross listing price for the eight units is in excess of $3.5 million. Closings of the sold units are expected to begin in the fourth quarter of 2012.

A commercial real estate loan with a carrying value of $1.7 million. The real estate collateral is an owner-occupied commercial real estate building located in Middlesex County, New Jersey. The business slowed in 2010. The borrower has performed under an interest-only debt restructure for the past 24 months. On July 1, 2012, the loan was returned to contractual terms. The property was appraised in June 2012 for $1.9 million.

***Loans Subject to Restructuring Agreements.*** Included in non-accruing loans are loans subject to restructuring agreements totaling $21.0 million and $23.3 million at September 30, 2012, and December 31, 2011, respectively. At September 30, 2012 $17.8 million, or 84.8% of the $21.0 million, were performing in accordance with their restructured terms, as compared to $19.2 million, or 82.3%, at December 31, 2011.

We also hold loans subject to restructuring agreements and still accruing, which totaled $24.1 million and $18.3 million at September 30, 2012 and December 31, 2011, respectively. At September 30, 2012, $21.7 million, or 90.1% of the $24.1 million, were performing in accordance with their restructured terms.

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The following table details the amounts and categories of the loans subject to restructuring agreements by loan type as of September 30, 2012 and December 31, 2011 (dollars in thousands).

| | At September 30, 2012 | | At December 31, 2011 | |
|---|---|---|---|---|
| | Non-Accruing | Accruing | Non-Accruing | Accruing |
| | (Dollars in Thousands) | | | |
| Troubled debt restructurings: | | | | |
| Real estate loans: | | | | |
| Commercial | $ 17,834 | $ 20,204 | $ 20,420 | $ 13,389 |
| One- to four-family residential | 539 | 524 | | 2,532 |
| Construction and land | 2,070 | | 1,709 | |
| Multifamily | | 2,049 | 523 | 1,552 |
| Home equity and lines of credit | 96 | 360 | 102 | |
| Commercial and industrial | 451 | 962 | 547 | 876 |
| Total | $ 20,990 | $ 24,099 | $ 23,301 | $ 18,349 |
| Performing in accordance with restructured terms | 84.8% | 90.1% | 82.3% | 69.0% |

***Loans 90 Days or More Past Due and Still Accruing and Other Real Estate Owned.*** Loans 90 days or more past due and still accruing decreased $48,000 to $37,000 at September 30, 2012, as compared to $85,000 at December 31, 2011. Loans 90 days or more past due and still accruing at September 30, 2012, are considered well-secured and in the process of collection.

Other real estate owned declined to $633,000 at September 30, 2012, as compared to $3.4 million at December 31, 2011 due primarily to sales of $2.4 million.

***Delinquency Status of Accruing Loans 30 to 89 Days Delinquent.*** Loans 30 to 89 days delinquent and on accrual status at September 30, 2012 totaled $10.0 million, a decrease of $11.1 million, from the December 31, 2011 balance of $21.1 million. The following tables set forth delinquencies for accruing loans by type and by amount at September 30, 2012 and December 31, 2011.

| | September 30, 2012 | December 31, 2011 |
|---|---|---|
| | (In thousands) | |
| Real estate loans: | | |
| Commercial | $ 3,502 | $ 8,404 |
| One- to four-family residential | 3,098 | 2,258 |
| Construction and land | | 3,041 |
| Multifamily | 2,454 | 6,468 |
| Home equity and lines of credit | 13 | 30 |
| Commercial and industrial loans | 864 | 207 |
| Insurance premium loans | | 568 |
| Other loans | 67 | 91 |
| Total delinquent accruing loans | $ 9,998 | $ 21,067 |

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## FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements, which can be identified by the use of words such as estimate, project, believe, intend, anticipate, plan, seek, expect and words of similar meaning. These forward-looking statements include, but are not limited to:

- statements of our goals, intentions and expectations;
- statements regarding our business plans, prospects, growth and operating strategies;
- statements regarding the quality of our loan and investment portfolios; and
- estimates of our risks and future costs and benefits.

These forward-looking statements are based on current beliefs and expectations of our management and are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond our control. In addition, these forward-looking statements are subject to assumptions with respect to future business strategies and decisions that are subject to change.

The following factors, among others, could cause actual results to differ materially from the anticipated results or other expectations expressed in the forward-looking statements:

- general economic conditions, either nationally or in our market areas, that are worse than expected;
- competition among depository and other financial institutions;
- inflation and changes in the interest rate environment that reduce our margins and yields or reduce the fair value of financial instruments;
- adverse changes in the securities markets;
- changes in laws or government regulations or policies affecting financial institutions, including changes in regulatory fees and capital requirements;
- our ability to manage operations in the current economic conditions;
- our ability to enter new markets successfully and capitalize on growth opportunities;
- our ability to successfully integrate acquired entities;

changes in consumer spending, borrowing and savings habits;

changes in accounting policies and practices, as may be adopted by the bank regulatory agencies, the Financial Accounting Standards Board, the Securities and Exchange Commission or the Public Company Accounting Oversight Board;

changes in our organization, compensation and benefit plans;

changes in the level of government support for housing finance;

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Hurricane Sandy negatively impacting our asset quality and earnings more than initially expected;

significant increases in our loan losses; and

changes in the financial condition, results of operations or future prospects of issuers of securities that we own.

Because of these and other uncertainties, our actual future results may be materially different from the results indicated by these forward-looking statements. Please see Risk Factors beginning on page 18.

## HOW WE INTEND TO USE THE PROCEEDS FROM THE OFFERING

Although we cannot determine what the actual net proceeds from the sale of the shares of common stock in the offering will be until the offering is completed, we anticipate that the net proceeds will be between $294.8 million and $399.6 million.

We intend to distribute the net proceeds as follows:

| | Based Upon the Sale at $10.00 Per Share of | | | | | |
|---|---|---|---|---|---|---|
| | 31,025,000 Shares | | 36,500,000 Shares | | 41,975,000 Shares | |
| | Amount | Percent of Net Proceeds | Amount | Percent of Net Proceeds | Amount | Percent of Net Proceeds |
| | (Dollars in thousands) | | | | | |
| Offering proceeds | $ 310,250 | | $ 365,000 | | $ 419,750 | |
| Less offering expenses | 15,438 | | 17,770 | | 20,102 | |
| Net offering proceeds | $ 294,812 | 100.0% | $ 347,230 | 100.0% | $ 399,648 | 100.0% |
| Distribution of net proceeds: | | | | | | |
| To Northfield Bank | $ 147,406 | 50.0% | $ 173,615 | 50.0% | $ 199,824 | 50.0% |
| To fund loan to employee stock ownership plan | $ 12,410 | 4.2% | $ 14,600 | 4.2% | $ 16,790 | 4.2% |
| Retained by Northfield-Delaware (1) | $ 134,996 | 45.8% | $ 159,015 | 45.8% | $ 183,034 | 45.8% |

(1) In the event the stock-based benefit plan providing for stock awards and stock options is approved by stockholders, and assuming shares are purchased for the stock awards at $10.00 per share, an additional $12.4 million, $14.6 million and $16.8 million of net proceeds will be used by Northfield-Delaware. In this case, the net proceeds retained by Northfield-Delaware would be $135.0 million, $159.0 million and $183.0 million, respectively, at the minimum, midpoint and maximum of the offering range.

Payments for shares of common stock made through withdrawals from existing deposit accounts will not result in the receipt of new funds for investment but will result in a reduction of Northfield Bank s deposits. The net proceeds may vary because total expenses relating to the offering may be more or less than our estimates. For example, our expenses would increase if fewer shares were sold in the subscription and community offerings and more in the syndicated or firm commitment underwritten offering than we have assumed. In addition, amounts shown for the distribution of the net proceeds at the minimum of the offering range to fund the loan to the employee stock ownership plan and proceeds to be retained by Northfield-Delaware may change if we exercise our right to have the employee stock ownership plan purchase more than 4% of the shares of common stock offered if necessary to complete the offering at the minimum of the offering range.

Northfield-Delaware may use the proceeds it retains from the offering:

to invest in securities;

to finance the acquisition of financial institutions, although we do not currently have any agreements or understandings regarding any specific acquisition transaction;

- to pay cash dividends to stockholders;
- to repurchase shares of our common stock; and
- for other general corporate purposes.

See Our Dividend Policy for a discussion of our expected dividend policy following the completion of the conversion. Under current federal regulations, we may not repurchase shares of our common stock during the first year following the completion of the conversion, except when extraordinary circumstances exist and with prior regulatory approval, or except to fund management recognition plans (which would require notification to the Federal Reserve Board) or tax qualified employee stock benefit plans.

Northfield Bank may use the net proceeds it receives from the offering:

- to fund new loans, with an emphasis on multifamily real estate loans and commercial real estate loans;
- to expand its retail banking franchise by establishing or acquiring new branches or by acquiring other financial institutions or other financial services companies as opportunities arise, although we do not currently have any understandings or agreements to acquire a financial institution or other entity;
- to enhance existing products and services and to support the development of new products and services;
- to invest in mortgage-backed securities and collateralized mortgage obligations, and debt securities issued by the U.S. Government, U.S. Government agencies or U.S. Government sponsored enterprises; and
- for other general corporate purposes.

Initially, a substantial portion of the net proceeds will be invested in short-term investments, investment-grade debt obligations and mortgage-backed securities. We have not determined specific amounts of the net proceeds that would be used for the purposes described above. The use of the proceeds outlined above may change based on many factors, including, but not limited to, changes in interest rates, equity markets, laws and regulations affecting the financial services industry, our relative position in the financial services industry, the attractiveness of potential acquisitions to expand our operations, and overall market conditions. The use of the proceeds may also change depending on our ability to receive regulatory approval to establish new branches or acquire other financial institutions.

We expect our return on equity to decrease as compared to our performance in recent years, until we are able to reinvest effectively the additional capital raised in the offering. Until we can increase our net interest income and non-interest income, we expect our return on equity to be below the industry average, which may negatively affect the value of our common stock. See Risk Factors Risks Related to Our Business Our failure to effectively deploy the net proceeds may have an adverse effect on our financial performance and the value of our common stock.

## OUR DIVIDEND POLICY

After the completion of the conversion, we intend to pay cash dividends on a quarterly basis. We expect the quarterly dividends per share to be $0.06 per share, which equals $0.24 per share on an annualized basis and an annual yield of 2.4% based on a price of $10.00 per share.

We also intend to seek regulatory approval to pay a one-time, special dividend of $0.25 per share to all Northfield-Delaware stockholders. We cannot assure you that we will obtain such approval or when such approval may be obtained.

The dividend rate and the continued payment of dividends will depend on a number of factors, including our capital requirements, our financial condition and results of operations, tax considerations, statutory and regulatory limitations, and general economic conditions. We cannot assure you that we will pay dividends in the future, or that any such dividends will not be reduced or eliminated.

Northfield-Federal declared its initial dividend during the quarter ended December 31, 2008. Dividends were declared in each subsequent quarterly period through the quarter ended March 31, 2012. This final dividend payment was $0.06 per share, which equals $0.24 per share on an annualized basis. Northfield-Federal stopped paying dividends following the March 31, 2012 quarter due to a Federal Reserve Board requirement that a grandfathered mutual holding company, like Northfield Bancorp, MHC, obtain member (depositor) approval and comply with other procedural requirements prior to waiving dividends, which would make dividend waivers impracticable. Northfield Bancorp, MHC had previously received non-objection from the Office of Thrift Supervision and, after July 21, 2011, the Federal Reserve Board, to waive receipt of all dividend payments on the Northfield-Federal shares owned by Northfield Bancorp, MHC through the dividend paid for the quarter ended March 31, 2012. Cash dividends paid by Northfield-Federal during the three months ended March 31, 2012 were $1.7 million. Dividends waived by Northfield Bancorp, MHC during the three months ended March 31, 2012 were $3.0 million.

After the completion of the conversion, Northfield Bank will not be permitted to pay dividends on its capital stock to Northfield-Delaware, its sole stockholder, if Northfield Bank s stockholder s equity would be reduced below the amount of the liquidation account established in connection with the conversion. In addition, Northfield Bank will not be permitted to make a capital distribution if, after making such distribution, it would be undercapitalized. Northfield Bank must generally file an application with the Office of the Comptroller of the Currency for approval of a capital distribution if the total capital distributions for the applicable calendar year exceed the sum of Northfield Bank s net income for that year to date plus its retained net income for the preceding two years or Northfield Bank would not be at least adequately capitalized following the distribution. In addition, any payment of dividends by Northfield Bank to us that would be deemed to be drawn from Northfield Bank s bad debt reserves, if any, would require a payment of taxes at the then-current tax rate by Northfield Bank on the amount of earnings deemed to be removed from the reserves for such distribution. Northfield Bank does not intend to make any distribution that would create such a federal tax liability. See The Conversion and Offering Liquidation Rights. For further information concerning additional federal law and regulations regarding the ability of Northfield Bank to make capital distributions, including the payment of dividends to Northfield-Delaware, see Taxation Federal Taxation and Supervision and Regulation Federal Banking Regulation.

Northfield-Delaware will not be permitted to pay dividends on its common stock if its stockholders equity would be reduced below the amount of the liquidation account established by Northfield-Delaware in connection with the conversion. However, the source of dividends will depend on the net proceeds retained by Northfield-Delaware and earnings thereon, and dividends from Northfield Bank. In addition, Northfield-Delaware will be subject to state law limitations and federal banking regulatory policy on the payment of dividends. Delaware law generally limits dividends to our capital surplus or, if there is no capital surplus, our net profits for the fiscal year in which the dividend is declared and/or the preceding fiscal year.

We will file a consolidated federal tax return with Northfield Bank. Accordingly, it is anticipated that any cash distributions made by us to our stockholders would be treated as cash dividends and not as a non-taxable return of capital for federal tax purposes. Additionally, pursuant to Federal Reserve Board regulations, during the three-year period following the conversion, we will not make any capital distribution to stockholders that would be treated by recipients as a tax-free return of capital for federal income tax purposes.

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## MARKET FOR THE COMMON STOCK

Northfield-Federal s common stock is currently listed on the Nasdaq Global Select Market under the symbol NFBK,. Upon completion of the conversion, the new shares of common stock of Northfield-Delaware will replace the existing shares on the Nasdaq Global Select Market and we expect our shares of common stock will also trade on the Nasdaq Global Select Market under the symbol NFBK. In order to list our stock on the Nasdaq Global Select Market, we are required to have at least three broker-dealers who will make a market in our common stock. As of November 8, 2012, Northfield-Federal had approximately registered market makers in its common stock. Sandler O Neill & Partners, L.P., Jefferies & Company, Inc. and Stifel, Nicolaus & Company, Incorporated have advised us that they intend to make a market in our common stock following the offering, but are under no obligation to do so.

The following table sets forth the high and low trading prices for shares of Northfield-Federal common stock for the periods indicated, as obtained from the Nasdaq Stock Market, and the dividends paid during those periods. As of the close of business on November 8, 2012, there were shares of common stock outstanding, including publicly held shares (shares held by stockholders other than Northfield Bancorp, MHC), and approximately stockholders of record.

| | Price Per Share High | Price Per Share Low | Dividends Paid |
|---|---|---|---|
| **2012** | | | |
| Fourth quarter (through , 2012) | $ | $ | $ |
| Third quarter | $ 16.02 | $ 14.22 | $ |
| Second quarter | $ 14.77 | $ 12.96 | $ |
| First quarter | $ 16.49 | $ 13.05 | $ 0.12 |
| **2011** | | | |
| Fourth quarter | $ 14.62 | $ 12.61 | $ 0.06 |
| Third quarter | $ 14.42 | $ 11.68 | $ 0.06 |
| Second quarter | $ 14.25 | $ 12.92 | $ 0.06 |
| First quarter | $ 13.88 | $ 12.70 | $ 0.05 |
| **2010** | | | |
| Fourth quarter | $ 13.49 | $ 10.80 | $ 0.05 |
| Third quarter | $ 13.81 | $ 10.51 | $ 0.05 |
| Second quarter | $ 15.30 | $ 12.80 | $ 0.05 |
| First quarter | $ 15.00 | $ 12.29 | $ 0.04 |

On June 5, 2012, the business day immediately preceding the public announcement of the conversion, and on , 2012, the closing prices of Northfield-Federal common stock as reported on the Nasdaq Global Select Market were $13.90 per share and $ per share, respectively. On the effective date of the conversion, all publicly held shares of Northfield-Federal common stock, including shares of common stock held by our officers and directors, will be converted automatically into and become the right to receive a number of shares of Northfield-Delaware common stock determined pursuant to the exchange ratio. See The Conversion and Offering Share Exchange Ratio for Current Stockholders. Options to purchase shares of Northfield-Federal common stock will be converted into options to purchase a number of shares of Northfield-Delaware common stock determined pursuant to the exchange ratio, for the same aggregate exercise price. See Beneficial Ownership of Common Stock.

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## HISTORICAL AND PRO FORMA REGULATORY CAPITAL COMPLIANCE

At June 30, 2012, Northfield Bank exceeded all of the applicable regulatory capital requirements and was considered well capitalized. The table below sets forth the historical equity capital and regulatory capital of Northfield Bank at June 30, 2012, and the pro forma equity capital and regulatory capital of Northfield Bank, after giving effect to the sale of shares of common stock at $10.00 per share. The table assumes the receipt by Northfield Bank of 50% of the net offering proceeds. See How We Intend to Use the Proceeds from the Offering.

| | Northfield Bank Historical at June 30, 2012 | | Pro Forma at June 30, 2012, Based Upon the Sale in the Offering of (1) | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | 31,025,000 Shares | | 36,500,000 Shares | | 41,975,000 Shares | |
| | Amount | Percent of Assets (2) | Amount | Percent of Assets (2) | Amount | Percent of Assets (2) | Amount | Percent of Assets (2) |
| | | | (Dollars in thousands) | | | | | |
| Equity | $ 359,977 | 14.66% | $ 482,563 | 18.54% | $ 504,392 | 19.18% | $ 526,221 | 19.82% |
| Tier 1 leverage capital | $ 324,376 | 13.40% | $ 446,962 | 17.41% | $ 468,791 | 18.07% | $ 490,620 | 18.73% |
| Leverage requirement (3) | 121,001 | 5.00 | 128,372 | 5.00 | 129,682 | 5.00 | 130,993 | 5.00 |
| Excess | $ 203,375 | 8.40% | $ 318,590 | 12.41% | $ 339,109 | 13.07% | $ 359,627 | 13.73% |
| Tier 1 risk-based capital (4) | $ 324,376 | 21.24% | $ 446,962 | 28.71% | $ 468,791 | 30.01% | $ 490,620 | 31.31% |
| Risk-based requirement | 91,632 | 6.00 | 93,401 | 6.00 | 93,715 | 6.00 | 94,030 | 6.00 |
| Excess | $ 232,744 | 15.24% | $ 353,561 | 22.71% | $ 375,076 | 24.01% | $ 396,590 | 25.31% |
| Total risk-based capital (4) | $ 343,568 | 22.50% | $ 466,154 | 29.95% | $ 487,983 | 31.24% | $ 509,812 | 32.53% |
| Risk-based requirement | 152,720 | 10.00 | 155,668 | 10.00 | 156,192 | 10.00 | 156,716 | 10.00 |
| Excess | $ 190,848 | 12.50% | $ 310,486 | 19.95% | $ 331,791 | 21.24% | $ 353,096 | 22.53% |
| Reconciliation of capital infused into Northfield Bank: | | | | | | | | |
| Net proceeds | | | $ 147,406 | | $ 173,615 | | $ 199,824 | |
| Less: Common stock acquired by stock-based benefit plan | | | (12,410) | | (14,600) | | (16,790) | |
| Less: Common stock acquired by employee stock ownership plan | | | (12,410) | | (14,600) | | (16,790) | |
| Pro forma increase | | | $ 122,586 | | $ 144,415 | | $ 166,244 | |

(1) Pro forma capital levels assume that the employee stock ownership plan purchases 4% of the shares of common stock sold in the stock offering with funds we lend. Pro forma generally accepted accounting principles ( GAAP ) capital and regulatory capital have been reduced by the amount required to fund this plan. See Management for a discussion of the employee stock ownership plan.

(2) Tangible and core capital levels are shown as a percentage of total adjusted assets. Risk-based capital levels are shown as a percentage of risk-weighted assets.

(3) The current Tier 1 leverage requirement for financial institutions is 3% of total adjusted assets for financial institutions that receive the highest supervisory rating for safety and soundness and a 4% to 5% core capital ratio requirement for all other financial institutions.

(4) Pro forma amounts and percentages assume net proceeds are invested in assets that carry a 20% risk weighting.

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## CAPITALIZATION

The following table presents the historical consolidated capitalization of Northfield-Federal at June 30, 2012 and the pro forma consolidated capitalization of Northfield-Delaware after giving effect to the conversion and offering and the acquisition of Flatbush Federal Bancorp, Inc., based upon the assumptions set forth in the Pro Forma Data section.

| | Northfield-Federal Historical at June 30, 2012 | Pro Forma at June 30, 2012 Based upon the Sale in the Offering at $10.00 per Share of 31,025,000 Shares | 36,500,000 Shares | 41,975,000 Shares |
|---|---|---|---|---|
| | (Dollars in thousands) | | | |
| Deposits (1) | $ 1,543,181 | $ 1,661,038 | $ 1,661,038 | $ 1,661,038 |
| Borrowed funds | 513,571 | 518,965 | 518,965 | 518,965 |
| Total deposits and borrowed funds | $ 2,056,752 | $ 2,180,003 | $ 2,180,003 | $ 2,180,003 |
| **Stockholders equity:** | | | | |
| Preferred stock, $0.01 par value, 25,000,000 shares authorized (post-conversion) (2) | | | | |
| Common stock, $0.01 par value, 150,000,000 shares authorized (post-conversion); shares to be issued as reflected (2) (3) | 456 | 508 | 598 | 687 |
| Additional paid-in capital (2) | 211,122 | 505,882 | 558,210 | 610,539 |
| MHC capital contribution | | 166 | 166 | 166 |
| Retained earnings (4) | 242,956 | 242,956 | 242,956 | 242,956 |
| Accumulated other comprehensive income | 18,765 | 18,765 | 18,765 | 18,765 |
| Effect of Flatbush Federal Bancorp acquisition (5) | | 20,380 | 20,380 | 20,380 |
| **Less:** | | | | |
| Treasury stock | (70,128) | (70,128) | (70,128) | (70,128) |
| Common stock held by employee stock ownership plan (6) | (14,279) | (26,689) | (28,879) | (31,069) |
| Common stock to be acquired by stock-based benefit plan (7) | | (12,410) | (14,600) | (16,790) |
| Total stockholders equity | $ 388,892 | $ 679,430 | $ 727,468 | $ 775,506 |
| Pro Forma Shares Outstanding | | | | |
| Shares offered for sale | | 31,025,000 | 36,500,000 | 41,975,000 |
| Exchange shares issued | | 19,780,217 | 23,270,844 | 26,761,470 |
| Total shares outstanding | 40,206,678 | 50,805,217 | 59,770,844 | 68,736,470 |
| Total stockholders equity as a percentage of total assets (1) | 15.78% | 23.59% | 24.84% | 26.06% |
| Tangible equity as a percentage of total assets | 15.09% | 22.97% | 24.24% | 25.46% |

(1) Does not reflect withdrawals from deposit accounts for the purchase of shares of common stock in the conversion and offering. These withdrawals would reduce pro forma deposits and assets by the amount of the withdrawals.

(2) Northfield-Federal currently has 10,000,000 authorized shares of preferred stock and 90,000,000 authorized shares of common stock, par value $0.01 per share. On a pro forma basis, common stock and additional paid-in capital have been revised to reflect the number of shares of Northfield-Delaware common stock to be outstanding.

(3) No effect has been given to the issuance of additional shares of Northfield-Delaware common stock pursuant to the exercise of options under one or more stock-based benefit plans. If the plans are implemented within the first year after the closing of the offering, an amount up to 10% of the shares of Northfield-Delaware common stock sold in the offering will be reserved for issuance upon the exercise of options under the plans, subject to adjustment as may be required by federal regulations or policy to reflect stock options previously granted by Northfield-Federal or Northfield Bank so that the total shares available for issuance upon the exercise of stock options does not

exceed 10% of Northfield-Delaware s outstanding shares immediately after the conversion and offering. No effect has been given to the exercise of options currently outstanding. See Management.

(4) The retained earnings of Northfield Bank will be substantially restricted after the conversion. See The Conversion and Offering Liquidation Rights and Supervision and Regulation Federal Banking Regulation.

(5) Reflects historical stockholders equity of Flatbush Federal Bancorp, Inc. of $18.8 million at June 30, 2012 and estimated acquisition adjustments of $1.5 million.

*(footnotes continue on following page)*

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*(continued from previous page)*

(6) Assumes that 4% of the shares sold in the offering will be acquired by the employee stock ownership plan financed by a loan from Northfield-Delaware. The loan will be repaid principally from Northfield Bank s contributions to the employee stock ownership plan. Since Northfield-Delaware will finance the employee stock ownership plan debt, this debt will be eliminated through consolidation and no liability will be reflected on Northfield-Delaware s consolidated financial statements. Accordingly, the amount of shares of common stock acquired by the employee stock ownership plan is shown in this table as a reduction of total stockholders equity.

(7) Assumes a number of shares of common stock equal to 4% of the shares of common stock to be sold in the offering will be purchased for grant by one or more stock-based benefit plans. If the stock-based benefit plans are adopted within 12 months following the conversion, the amount reserved for restricted stock awards would be subject to adjustment as may be required by federal regulations or policy to reflect restricted stock previously granted by Northfield-Federal or Northfield Bank so that the total shares reserved for restricted stock awards does not exceed 4% of Northfield-Delaware s outstanding shares immediately after the conversion and offering. The funds to be used by the plan to purchase the shares will be provided by Northfield-Delaware. The dollar amount of common stock to be purchased is based on the $10.00 per share subscription price in the offering and represents unearned compensation. This amount does not reflect possible increases or decreases in the value of common stock relative to the subscription price in the offering. Northfield-Delaware will accrue compensation expense to reflect the vesting of shares pursuant to the plan and will credit capital in an amount equal to the charge to operations. Implementation of the plan will require stockholder approval.

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## PRO FORMA DATA

The following tables summarize historical data of Northfield-Federal and pro forma data of Northfield-Delaware at and for the six months ended June 30, 2012, and at and for the year ended December 31, 2011. This information is based on assumptions set forth below and in the tables, and should not be used as a basis for projections of market value of the shares of common stock following the conversion and offering.

The net proceeds in the tables are based upon the following assumptions:

(i) 25% of all shares of common stock will be sold in the subscription and community offerings and 75% of all shares of common stock will be sold in the syndicated or firm commitment underwritten offering;

(ii) our executive officers and directors, and their associates, will purchase 190,000 shares of common stock;

(iii) our employee stock ownership plan will purchase 4% of the shares of common stock sold in the offering, with a loan from Northfield-Delaware. The loan will be repaid in substantially equal payments of principal and interest (at the prime rate of interest, calculated as of the date of the origination of the loan) over a period of 30 years. Interest income that we earn on the loan will offset the interest paid by Northfield Bank;

(iv) the acquisition of Flatbush Federal Bancorp, Inc. had been completed as of the beginning of each period;

(v) we will pay Sandler O Neill & Partners, L.P. a fee equal to (a) 1.0% of the aggregate amount of common stock sold in the subscription and community offerings (net of insider purchases and shares purchased by our employee stock ownership plan) up to the first 10% of shares sold in the offering; and (b) 3.0% of the aggregate amount of common stock sold in the subscription and community offerings (net of insider purchases and shares purchased by our employee stock ownership plan) in excess of 10% of the shares sold in the offering;

(vi) we will pay Sandler O Neill & Partners, L.P., Jefferies & Company, Inc. and Stifel, Nicolaus & Company, Incorporated and any other broker-dealers participating in the syndicated or firm commitment underwritten offering an aggregate fee of 5% of the aggregate dollar amount of the common stock sold in the syndicated or firm commitment underwritten offering;

(vii) No fee will be paid with respect to shares of common stock purchased by our qualified and non-qualified employee stock benefit plans, or stock purchased by our officers, directors and employees, and their immediate families, and no fee will be paid with respect to exchange shares; and

(viii) total expenses of the offering, other than the sales fees and commissions to be paid to Sandler O Neill & Partners, L.P., Jefferies & Company, Inc. and Stifel, Nicolaus & Company, Incorporated and other broker-dealers, will be $2.2 million.

We calculated pro forma consolidated net income for the six months ended June 30, 2012, and the year ended December 31, 2011, as if the estimated net proceeds we received had been invested at the beginning of the period at an assumed interest rate of 0.72% (0.43% on an after-tax basis). This represents the yield on the five-year U.S. Treasury Note as of June 30, 2012, which, in light of current market interest rates, we consider to more accurately reflect the pro forma reinvestment rate than the arithmetic average of the weighted average yield earned on our interest earning assets and the weighted average rate paid on our deposits, which is the reinvestment rate generally required by federal regulations.

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We further believe that the reinvestment rate is factually supportable because:

- the yield on the U.S Treasury Note can be determined and/or estimated from third-party sources; and

- we believe that U.S. Treasury securities are not subject to credit losses due to a U.S. Government guarantee of payment of principal and interest.

We calculated historical and pro forma per share amounts by dividing historical and pro forma amounts of consolidated net income and stockholders equity by the indicated number of shares of common stock. We adjusted these figures to give effect to the shares of common stock purchased by the employee stock ownership plan. We computed per share amounts for each period as if the shares of common stock were outstanding at the beginning of each period, but we did not adjust per share historical or pro forma stockholders equity to reflect the earnings on the estimated net proceeds.

The pro forma tables give effect to the implementation of one or more stock-based benefit plans. Subject to the receipt of stockholder approval, we have assumed that the stock-based benefit plans will acquire for restricted stock awards a number of shares of common stock equal to 4% of the shares of common stock sold in the stock offering at the same price for which they were sold in the stock offering. We assume that awards of common stock granted under the plans vest over a five-year period.

We have also assumed that the stock-based benefit plans will grant options to acquire shares of common stock equal to 10% of the shares of common stock sold in the stock offering. In preparing the tables below, we assumed that stockholder approval was obtained, that the exercise price of the stock options and the market price of the stock at the date of grant were $10.00 per share and that the stock options had a term of ten years and vested over five years. We applied the Black-Scholes option pricing model to estimate a grant-date fair value of $1.79 for each option. In addition to the terms of the options described above, the Black-Scholes option pricing model assumed an estimated volatility rate of 20.4% for the shares of common stock, a dividend yield of 2.4%, an expected option term of 10 years and a risk-free rate of return of 1.67%.

We may grant options and award shares of common stock under one or more stock-based benefit plans in excess of 10% and 4%, respectively, of the shares of common stock sold in the stock offering and that vest sooner than over a five-year period if the stock-based benefit plans are adopted more than one year following the stock offering.

As discussed under How We Intend to Use the Proceeds from the Stock Offering, we intend to contribute 50% of the net proceeds from the stock offering to Northfield Bank, and we will retain the remainder of the net proceeds from the stock offering. We will use a portion of the proceeds we retain for the purpose of making a loan to the employee stock ownership plan and retain the rest of the proceeds for future use.

The pro forma table does not give effect to:

- withdrawals from deposit accounts for the purpose of purchasing shares of common stock in the stock offering;

- our results of operations after the stock offering; or

- changes in the market price of the shares of common stock after the stock offering.

The following pro forma information may not be representative of the financial effects of the offering at the dates on which the offering actually occurs, and should not be taken as indicative of future results of operations. Pro forma consolidated stockholders equity represents the difference between the stated amounts of our assets and liabilities. The pro forma stockholders equity is not intended to represent the fair market value of the shares of

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common stock and may be different than the amounts that would be available for distribution to stockholders if we liquidated. Moreover, pro forma stockholders equity per share does not give effect to the liquidation accounts to be established in the conversion or, in the unlikely event of a liquidation of Northfield Bank, to the tax effect of the recapture of the bad debt reserve. See The Conversion and Offering Liquidation Rights.

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| | At or for the Six Months Ended June 30, 2012 Based upon the Sale at $10.00 Per Share of | | |
|---|---|---|---|
| | 31,025,000 Shares | 36,500,000 Shares | 41,975,000 Shares |
| | (Dollars in thousands, except per share amounts) | | |
| Gross proceeds of offering | $ 310,250 | $ 365,000 | $ 419,750 |
| Market value of shares issued in the exchange | 197,802 | 232,708 | 267,615 |
| Pro forma market capitalization | $ 508,052 | $ 597,708 | $ 687,365 |
| Gross proceeds of offering | $ 310,250 | $ 365,000 | $ 419,750 |
| Expenses | 15,438 | 17,770 | 20,102 |
| Estimated net proceeds | 294,812 | 347,230 | 399,648 |
| Common stock purchased by employee stock ownership plan | (12,410) | (14,600) | (16,790) |
| Common stock purchased by stock-based benefit plan | (12,410) | (14,600) | (16,790) |
| Estimated net proceeds, as adjusted | $ 269,992 | $ 318,030 | $ 366,068 |
| **For the Six Months Ended June 30, 2012** | | | |
| Consolidated net earnings: | | | |
| Historical | $ 8,896 | $ 8,896 | $ 8,896 |
| Pro forma adjustments: | | | |
| Income on adjusted net proceeds | 583 | 687 | 791 |
| Employee stock ownership plan (1) | (124) | (146) | (168) |
| Stock awards (2) | (745) | (876) | (1,007) |
| Stock options (3) | (500) | (588) | (676) |
| Pro forma net income | $ 8,110 | $ 7,973 | $ 7,836 |
| Earnings per share (4): | | | |
| Historical | $ 0.19 | $ 0.16 | $ 0.14 |
| Pro forma adjustments: | | | |
| Income on adjusted net proceeds | 0.01 | 0.01 | 0.01 |
| Employee stock ownership plan (1) | | | |
| Stock awards (2) | (0.02) | (0.02) | (0.02) |
| Stock options (3) | (0.01) | (0.01) | (0.01) |
| Pro forma earnings per share (4) | $ 0.17 | $ 0.14 | $ 0.12 |
| Offering price to pro forma net earnings per share | 29.41x | 35.71x | 41.67x |
| Number of shares used in earnings per share calculations | 47,557,782 | 55,950,332 | 64,342,881 |
| **At June 30, 2012** | | | |
| Stockholders equity: | | | |
| Historical | $ 388,892 | $ 388,892 | $ 388,892 |
| Effect of Flatbush Federal Bancorp acquisition (5) | 20,380 | 20,380 | 20,380 |
| Estimated net proceeds | 294,812 | 347,230 | 399,648 |
| Equity increase from the mutual holding company | 166 | 166 | 166 |
| Common stock acquired by employee stock ownership plan (1) | (12,410) | (14,600) | (16,790) |
| Common stock acquired by stock-based benefit plan (2) | (12,410) | (14,600) | (16,790) |
| Pro forma stockholders equity | $ 679,430 | $ 727,468 | $ 775,506 |

| | | | |
|---|---|---|---|
| Intangible assets | $ (17,798) | $ (17,798) | $ (17,798) |
| Pro forma tangible stockholders equity (6) | $ 661,632 | $ 709,670 | $ 757,708 |
| Stockholders equity per share (7): | | | |
| Historical | $ 7.65 | $ 6.50 | $ 5.65 |
| Effect of Flatbush Federal Bancorp acquisition (5) | 0.40 | 0.34 | 0.30 |
| Estimated net proceeds | 5.80 | 5.81 | 5.81 |
| Plus: Assets received from the mutual holding company | | | |
| Common stock acquired by employee stock ownership plan (1) | (0.24) | (0.24) | (0.24) |
| Common stock acquired by stock-based benefit plan (2) | (0.24) | (0.24) | (0.24) |
| Pro forma stockholders equity per share (6) (7) | $ 13.37 | $ 12.17 | $ 11.28 |
| Intangible assets | $ (0.35) | $ (0.30) | $ (0.26) |
| Pro forma tangible stockholders equity per share (6) (7) | $ 13.02 | $ 11.87 | $ 11.02 |
| Offering price as percentage of pro forma stockholders equity per share | 74.79% | 82.17% | 88.65% |
| Offering price as percentage of pro forma tangible stockholders equity per share | 76.80% | 84.25% | 90.74% |
| Number of shares outstanding for pro forma book value per share calculations | 50,805,217 | 59,770,844 | 68,736,470 |

*(footnotes begin on following page)*

(1) Assumes that 4% of the shares of common stock sold in the offering will be purchased by the employee stock ownership plan. For purposes of this table, the funds used to acquire these shares are assumed to have been borrowed by the employee stock ownership plan from Northfield-Delaware. Northfield Bank intends to make annual contributions to the employee stock ownership plan in an amount at least equal to the required principal and interest payments on the debt. Northfield Bank s total annual payments on the employee stock ownership plan debt are based upon 30 equal annual installments of principal and interest. Financial Accounting Standards Board Accounting Standards Codification 718-40, Employers Accounting for Employee Stock Ownership Plans ( ASC 718-40 ) requires that an employer record compensation expense in an amount equal to the fair value of the shares committed to be released to employees. The pro forma adjustments assume that the employee stock ownership plan shares are allocated in equal annual installments based on the number of loan repayment installments assumed to be paid by Northfield Bank, the fair value of the common stock remains equal to the subscription price and the employee stock ownership plan expense reflects an effective combined federal and state tax rate of 40.0%. The unallocated employee stock ownership plan shares are reflected as a reduction of stockholders equity. No reinvestment is assumed on proceeds contributed to fund the employee stock ownership plan. The pro forma net income further assumes that 20,683, 24,333 and 27,983 shares were committed to be released during the period at the minimum, midpoint and maximum of the offering range, respectively, and in accordance with ASC 718-40, only the employee stock ownership plan shares committed to be released during the period were considered outstanding for purposes of net income per share calculations.

(2) Assumes that, if approved by Northfield-Delaware s stockholders, one or more stock-based benefit plans purchase an aggregate number of shares of common stock equal to 4% of the shares to be sold in the offering. Such amount is subject to adjustment as may be required by federal regulations or policy to reflect restricted stock previously granted by Northfield-Federal or Northfield Bank (or may be a greater number of shares if the plan is implemented more than one year after completion of the conversion). Stockholder approval of the plans and purchases by the plans may not occur earlier than six months after the completion of the conversion. The shares may be acquired directly from Northfield-Delaware or through open market purchases. Shares in the stock-based benefit plan are assumed to vest over a period of five years. The funds to be used to purchase the shares will be provided by Northfield-Delaware. The table assumes that (i) the stock-based benefit plan acquires the shares through open market purchases at $10.00 per share, (ii) 10% of the amount contributed to the plan is amortized as an expense during the six months ended June 30, 2012, and (iii) the plan expense reflects an effective combined federal and state tax rate of 40.0%. Assuming stockholder approval of the stock-based benefit plans and that shares of common stock (equal to 4% of the shares sold in the offering) are awarded through the use of authorized but unissued shares of common stock, stockholders would have their ownership and voting interests diluted by approximately 2.38%.

(3) Assumes that, if approved by Northfield-Delaware s stockholders, one or more stock-based benefit plans grant options to acquire an aggregate number of shares of common stock equal to 10% of the shares to be sold in the offering. Such amount is subject to adjustment as may be required by federal regulations or policy to reflect stock options previously granted by Northfield-Federal or Northfield Bank (or may be a greater number of shares if the plan is implemented more than one year after completion of the conversion). Stockholder approval of the plans may not occur earlier than six months after the completion of the conversion. In calculating the pro forma effect of the stock-based benefit plans, it is assumed that the exercise price of the stock options and the trading price of the common stock at the date of grant were $10.00 per share, the estimated grant-date fair value determined using the Black-Scholes option pricing model was $1.79 for each option, the aggregate grant-date fair value of the stock options was amortized to expense on a straight-line basis over a five-year vesting period of the options, and that 25% of the amortization expense (or the assumed portion relating to options granted to directors) resulted in a tax benefit using an assumed tax rate of 40.0%. The actual expense will be determined by the grant-date fair value of the options, which will depend on a number of factors, including the valuation assumptions used in the option pricing model ultimately adopted. Under the above assumptions, the adoption of the stock-based benefit plans will result in no additional shares under the treasury stock method for purposes of calculating earnings per share. There can be no assurance that the actual exercise price of the stock options will be

*(footnotes continue on following page)*

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*(continued from previous page)*

equal to the $10.00 price per share. If a portion of the shares used to satisfy the exercise of options comes from authorized but unissued shares, our net income per share and stockholders equity per share would decrease. The issuance of authorized but unissued shares of common stock pursuant to the exercise of options under such plan would dilute stockholders ownership and voting interests by approximately 5.76%.

(4) Per share figures include publicly held shares of Northfield-Federal common stock that will be exchanged for shares of Northfield-Delaware common stock in the conversion. See The Conversion and Offering Share Exchange Ratio for Current Stockholders. Net income per share computations are determined by taking the number of shares assumed to be sold in the offering and the number of new shares assumed to be issued in exchange for publicly held shares and, in accordance with ASC 718-40, subtracting the employee stock ownership plan shares which have not been committed for release during the period. See note 1. The number of shares of common stock actually sold and the corresponding number of exchange shares may be more or less than the assumed amounts. Pro forma net income per share has been annualized for purposes of calculating the offering price to pro forma net earnings per share.

(5) Includes historical stockholders equity of $18.8 million at June 30, 2012 for Flatbush Federal Bancorp, Inc. and estimated acquisition adjustments of $1.6 million. Intangible assets resulting from the acquisition are estimated at $813,000.

(6) The retained earnings of Northfield Bank will be substantially restricted after the conversion. See Our Dividend Policy, The Conversion and Offering Liquidation Rights and Supervision and Regulation Federal Banking Regulation Capital Distributions.

(7) Per share figures include publicly held shares of Northfield-Federal common stock that will be exchanged for shares of Northfield-Delaware common stock in the conversion. Stockholders equity per share calculations are based upon the sum of (i) the number of subscription shares assumed to be sold in the offering and (ii) shares to be issued in exchange for publicly held shares at the minimum, midpoint and maximum of the offering range, respectively. The exchange shares reflect an exchange ratio of 1.2240, 1.4400 and 1.6561 at the minimum, midpoint and maximum of the offering range, respectively. The number of shares actually sold and the corresponding number of exchange shares may be more or less than the assumed amounts.

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| | At or for the Year Ended December 31, 2011 Based upon the Sale at $10.00 Per Share of | | |
|---|---|---|---|
| | 31,025,000 Shares | 36,500,000 Shares | 41,975,000 Shares |
| | (Dollars in thousands, except per share amounts) | | |
| Gross proceeds of offering | $ 310,250 | $ 365,000 | $ 419,750 |
| Market value of shares issued in the exchange | 197,802 | 232,708 | 267,615 |
| Pro forma market capitalization | $ 508,052 | $ 597,708 | $ 687,365 |
| Gross proceeds of offering | $ 310,250 | $ 365,000 | $ 419,750 |
| Expenses | 15,438 | 17,770 | 20,102 |
| Estimated net proceeds | 294,812 | 347,230 | 399,648 |
| Common stock purchased by employee stock ownership plan | (12,410) | (14,600) | (16,790) |
| Common stock purchased by stock-based benefit plan | (12,410) | (14,600) | (16,790) |
| Estimated net proceeds, as adjusted | $ 269,992 | $ 318,030 | $ 366,068 |
| **For the Year Ended December 31, 2011** | | | |
| Consolidated net earnings: | | | |
| Historical | $ 16,823 | $ 16,823 | $ 16,823 |
| Pro forma adjustments: | | | |
| Income on adjusted net proceeds | 1,166 | 1,374 | 1,581 |
| Employee stock ownership plan (1) | (248) | (292) | (336) |
| Stock awards (2) | (1,489) | (1,752) | (2,015) |
| Stock options (3) | (1,000) | (1,176) | (1,352) |
| Pro forma net income | $ 15,252 | $ 14,977 | $ 14,701 |
| Earnings per share (4): | | | |
| Historical | $ 0.35 | $ 0.30 | $ 0.26 |
| Pro forma adjustments: | | | |
| Income on adjusted net proceeds | 0.02 | 0.02 | 0.02 |
| Employee stock ownership plan (1) | (0.01) | (0.01) | (0.01) |
| Stock awards (2) | (0.03) | (0.03) | (0.03) |
| Stock options (3) | (0.02) | (0.02) | (0.02) |
| Pro forma earnings per share (4) | $ 0.31 | $ 0.26 | $ 0.22 |
| Offering price to pro forma net earnings per share | 32.26x | 38.46x | 45.45x |
| Number of shares used in earnings per share calculations | 49,399,403 | 58,116,944 | 66,834,486 |
| **At December 31, 2011** | | | |
| Stockholders equity: | | | |
| Historical | $ 382,650 | $ 382,650 | $ 382,650 |
| Effect of Flatbush Federal Bancorp acquisition (5) | 15,665 | 15,665 | 15,665 |
| Estimated net proceeds | 294,812 | 347,230 | 399,648 |
| Equity increase from the mutual holding company | 220 | 220 | 220 |
| Common stock acquired by employee stock ownership plan (1) | (12,410) | (14,600) | (16,790) |
| Common stock acquired by stock-based benefit plan (2) | (12,410) | (14,600) | (16,790) |
| Pro forma stockholders equity | $ 668,527 | $ 716,565 | $ 764,603 |

| | | | | | | |
|---|---|---|---|---|---|---|
| Intangible assets | $ | (17,942) | $ | (17,942) | $ | (17,942) |
| Pro forma tangible stockholders equity (6) | $ | 650,585 | $ | 698,623 | $ | 746,661 |
| Stockholders equity per share (7): | | | | | | |
| Historical | $ | 7.53 | $ | 6.40 | $ | 5.56 |
| Effect of Flatbush Federal Bancorp acquisition (5) | | 0.31 | | 0.26 | | 0.23 |
| Estimated net proceeds | | 5.80 | | 5.81 | | 5.81 |
| Plus: Assets received from the mutual holding company | | | | | | |
| Common stock acquired by employee stock ownership plan (1) | | (0.24) | | (0.24) | | (0.24) |
| Common stock acquired by stock-based benefit plan (2) | | (0.24) | | (0.24) | | (0.24) |
| Pro forma stockholders equity per share (6) (7) | $ | 13.16 | $ | 11.99 | $ | 11.12 |
| Intangible assets | $ | (0.35) | $ | (0.30) | $ | (0.26) |
| Pro forma tangible stockholders equity per share (6) (7) | $ | 12.81 | $ | 11.69 | $ | 10.86 |
| Offering price as percentage of pro forma stockholders equity per share | | 75.99% | | 83.40% | | 89.93% |
| Offering price as percentage of pro forma tangible stockholders equity per share | | 78.06% | | 85.54% | | 92.08% |
| Number of shares outstanding for pro forma book value per share calculations | | 50,805,217 | | 59,770,844 | | 68,736,470 |

*(footnotes begin on following page)*

(1) Assumes that 4% of the shares of common stock sold in the offering will be purchased by the employee stock ownership plan. For purposes of this table, the funds used to acquire these shares are assumed to have been borrowed by the employee stock ownership plan from Northfield-Delaware. Northfield Bank intends to make annual contributions to the employee stock ownership plan in an amount at least equal to the required principal and interest payments on the debt. Northfield Bank s total annual payments on the employee stock ownership plan debt are based upon 30 equal annual installments of principal and interest. ASC 718-40 requires that an employer record compensation expense in an amount equal to the fair value of the shares committed to be released to employees. The pro forma adjustments assume that the employee stock ownership plan shares are allocated in equal annual installments based on the number of loan repayment installments assumed to be paid by Northfield Bank, the fair value of the common stock remains equal to the subscription price and the employee stock ownership plan expense reflects an effective combined federal and state tax rate of 40.0%. The unallocated employee stock ownership plan shares are reflected as a reduction of stockholders equity. No reinvestment is assumed on proceeds contributed to fund the employee stock ownership plan. The pro forma net income further assumes that 41,367, 48,667 and 55,967 shares were committed to be released during the year at the minimum, midpoint and maximum of the offering range, respectively, and in accordance with ASC 718-40, only the employee stock ownership plan shares committed to be released during the period were considered outstanding for purposes of net income per share calculations.

(2) Assumes that, if approved by Northfield-Delaware s stockholders, one or more stock-based benefit plans purchase an aggregate number of shares of common stock equal to 4% of the shares to be sold in the offering, subject to adjustment as may be required by federal regulations or policy to reflect restricted stock previously granted by Northfield-Federal or Northfield Bank (and may be a greater number of shares if the plan is implemented more than one year after completion of the conversion). Stockholder approval of the plans and purchases by the plans may not occur earlier than six months after the completion of the conversion. The shares may be acquired directly from Northfield-Delaware or through open market purchases. Shares in the stock-based benefit plan are assumed to vest over a period of five years. The funds to be used to purchase the shares will be provided by Northfield-Delaware. The table assumes that (i) the stock-based benefit plan acquires the shares through open market purchases at $10.00 per share, (ii) 20% of the amount contributed to the plan is amortized as an expense during the year ended December 31, 2011, and (iii) the plan expense reflects an effective combined federal and state tax rate of 40.0%. Assuming stockholder approval of the stock-based benefit plans and that shares of common stock (equal to 4% of the shares sold in the offering) are awarded through the use of authorized but unissued shares of common stock, stockholders would have their ownership and voting interests diluted by approximately 2.38%.

(3) Assumes that, if approved by Northfield-Delaware s stockholders, one or more stock-based benefit plans grant options to acquire an aggregate number of shares of common stock equal to 10% of the shares to be sold in the offering, subject to adjustment as may be required by federal regulations or policy to reflect stock options previously granted by Northfield-Federal or Northfield Bank (and may be a greater number of shares if the plan is implemented more than one year after completion of the conversion). Stockholder approval of the plans may not occur earlier than six months after the completion of the conversion. In calculating the pro forma effect of the stock-based benefit plans, it is assumed that the exercise price of the stock options and the trading price of the common stock at the date of grant were $10.00 per share, the estimated grant-date fair value determined using the Black-Scholes option pricing model was $1.79 for each option, the aggregate grant-date fair value of the stock options was amortized to expense on a straight-line basis over a five-year vesting period of the options, and that 25% of the amortization expense (or the assumed portion relating to options granted to directors) resulted in a tax benefit using an assumed tax rate of 40.0%. The actual expense will be determined by the grant-date fair value of the options, which will depend on a number of factors, including the valuation assumptions used in the option pricing model ultimately adopted. Under the above assumptions, the adoption of the stock-based benefit plans will result in no additional shares under the treasury stock method for purposes of calculating earnings per share. There can be no assurance that the actual exercise price of the stock options will be equal to the $10.00 price per share. If a portion of the shares used to satisfy the exercise of options comes from authorized but unissued shares, our net income per share and stockholders equity per share would decrease. The issuance

*(footnotes continue on following page)*

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of authorized but unissued shares of common stock pursuant to the exercise of options under such plan would dilute stockholders ownership and voting interests by approximately 5.76%.

(4) Per share figures include publicly held shares of Northfield-Federal common stock that will be exchanged for shares of Northfield-Delaware common stock in the conversion. See The Conversion and Offering Share Exchange Ratio for Current Stockholders. Net income per share computations are determined by taking the number of shares assumed to be sold in the offering and the number of new shares assumed to be issued in exchange for publicly held shares and, in accordance with ASC 718-40, subtracting the employee stock ownership plan shares which have not been committed for release during the year. See note 1. The number of shares of common stock actually sold and the corresponding number of exchange shares may be more or less than the assumed amounts. Pro forma net income per share has been annualized for purposes of calculating the offering price to pro forma net earnings per share.

(5) Includes historical stockholders equity of $14.6 million at December 31, 2011 for Flatbush Federal Bancorp, Inc. and estimated acquisition adjustments of $1.1 million. Intangible assets resulting from the acquisition are estimated at $813,000.

(6) The retained earnings of Northfield Bank will be substantially restricted after the conversion. See Our Dividend Policy, The Conversion and Offering Liquidation Rights and Supervision and Regulation Federal Banking Regulation Capital Distributions.

(7) Per share figures include publicly held shares of Northfield-Federal common stock that will be exchanged for shares of Northfield-Delaware common stock in the conversion. Stockholders equity per share calculations are based upon the sum of (i) the number of subscription shares assumed to be sold in the offering and (ii) shares to be issued in exchange for publicly held shares at the minimum, midpoint and maximum of the offering range, respectively. The exchange shares reflect an exchange ratio of 1.2240, 1.4400 and 1.6561 at the minimum, midpoint and maximum of the offering range, respectively. The number of shares actually sold and the corresponding number of exchange shares may be more or less than the assumed amounts.

## MANAGEMENT S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION

## AND RESULTS OF OPERATIONS

This discussion and analysis reflects our consolidated financial statements and other relevant statistical data, and is intended to enhance your understanding of our financial condition and results of operations. The information in this section has been derived from the audited and unaudited consolidated financial statements, which appear beginning on page F-1 of this prospectus. You should read the information in this section in conjunction with the business and financial information regarding Northfield-Federal and the financial statements provided in this prospectus.

**Overview**

We have a 125-year history of strong performance and commitment to our community. Our principal business consists of accepting deposits, primarily through our retail banking offices, and investing those funds in loans and securities. We consider our competitive products and pricing, local decision making, branch network and capabilities to implement emerging delivery technologies, strong ties to the community, and favorable financial performance as our significant strengths in attracting and retaining customers.

Our market area consists primarily of Staten Island (Richmond County) and Brooklyn (Kings County) in New York, as well as Union and Middlesex counties in New Jersey. Operating in these New York Metropolitan areas, which are characterized by densely populated markets, favorable growth characteristics, and stronger economic trends than national averages, has enabled us to achieve sustained profitability and growth throughout various economic cycles. Our Staten Island franchise, which consists of 12 branches, represents the largest locally-based depository institution, and our 10.6% deposit market share as of June 30, 2011, ranked us fifth in that market. In recent years, we also have expanded into Brooklyn, which is a densely populated market with a population approaching 2.5 million that is primarily served by large national and regional banks; consequently, we believe we have a significant opportunity to capture market share in that market.

Our net income has increased over the past year, and totaled $16.8 million for the year ended December 31, 2011, compared to $13.8 million for the year ended December 31, 2010. The increase in net income resulted primarily from our acquisition of First State Bank in October 2011, for which we recorded a bargain-purchase gain, net of tax, of $3.6 million. Our net income was $8.9 million for the six months ended June 30, 2012, compared to $9.3 million for the six months ended June 30, 2011. Although our net interest income before provision for loan losses increased to $33.9 million for the six months ended June 30, 2012 from $31.6 million for the six months ended June 30, 2011, and our provision for loan losses decreased to $1.2 million from $3.1 million for the same period, net income was negatively affected by an increase in non-interest expense of $4.9 million, or 25.1%, to $24.4 million for the six months ended June 30, 2012, as compared to $19.5 million for the six months ended June 30, 2011. This increase was due to compensation and employee benefits increasing by $1.7 million, or 16.9%, due to increased staff primarily related to branch openings and the First State Bank transaction, an increase in occupancy expense of $1.2 million primarily relating to new branches and the renovation of existing branches and an increase of $669,000 in data processing fees primarily related to conversion costs associated with the First State Bank transaction.

Following the completion of the conversion and offering, we expect our net interest income to increase from the investment of the offering proceeds. We also expect non-interest expenses to increase because of actual and planned growth, as well as from increased compensation expenses associated with the purchase of shares of common stock by our employee stock ownership plan and the possible implementation of one or more stock-based benefit plans, if approved by our stockholders no earlier than six months after the completion of the conversion. For further information, see Summary Benefits to Management and Potential Dilution to Stockholders Resulting from the Conversion; Risk Factors Risks Related to Our Business Our stock-based benefit plans would increase our expenses and reduce our income; Management Benefits to be Considered Following Completion of the Conversion; and Risk Factors Risks Related to Our Business We may face risks with respect to future expansion.

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Our business is affected by prevailing general and local economic conditions, particularly market interest rates, and by government policies concerning, among other things, monetary and fiscal affairs and housing. In addition, we are subject to extensive regulations applicable to financial institutions, lending and other operations, privacy, and consumer disclosure.

**Business Strategy**

Our principal objective is to build long-term value for our stockholders by operating a profitable community-oriented financial institution dedicated to meeting the banking needs of our customers. We have sought to accomplish this objective by focusing on strategies designed to enhance and expand our franchise, increase profitability, and maintain strong asset quality while actively managing our strong capital position. Highlights of each of these strategies are discussed below.

***Disciplined expansion through organic growth coupled with opportunistic acquisitions.*** Since we became a public company in 2007, we have successfully pursued a strategy of organic growth by continuing to leverage our existing franchise and expanding the franchise through *de novo* branching. We believe that the strong demographic profile of our market area will continue to offer opportunities for both deposit and loan growth, particularly if the economy improves. Since 2007, we opened a branch in Staten Island to enhance an already significant presence, added a branch in New Jersey, and expanded into Brooklyn where we have opened four branches. We also have four branches (one in Union County, New Jersey, one in Staten Island and two in Brooklyn) in various stages of construction to be completed by early 2013. Following the completion of these branches, management intends to focus on growing legacy branches and firmly establishing our new branches, and will continue to evaluate future branching opportunities.

While organic growth has been our primary focus, we also have selectively pursued acquisition opportunities in our market area that we believe will enhance our franchise and yield financial benefits for our stockholders. In October 2011, we acquired all the deposits and substantially all the assets of First State Bank from the Federal Deposit Insurance Corporation, and on November 2, 2012, we acquired Flatbush Federal Bancorp, Inc. The First State Bank transaction was immediately accretive to earnings and resulted in a $3.6 million after-tax bargain purchase gain. The Flatbush Federal Bancorp acquisition also is expected to be accretive to earnings and tangible book value, and added three branches in Brooklyn with approximately $88.4 million in loans and $117.5 million in deposits at June 30, 2012.

As a result of our growth strategy, our total assets increased to $2.46 billion at June 30, 2012 from $1.39 billion at December 31, 2007. We have achieved this growth while maintaining our focus on profitability, with returns on average assets of 0.75% and 0.72% for the six months ended June 30, 2012, and the year ended December 31, 2011, respectively. We expect to continue this growth strategy following the conversion. While our focus will remain on organic growth, we expect consolidation opportunities, particularly in our New Jersey market area, which is home to numerous smaller financial institutions. We intend to pursue acquisitions that are located in attractive markets, increase our earnings capacity, solidify our existing market share, and increase franchise value. Currently, we do not have any plans or arrangements to acquire any financial institutions. However, we believe that the conversion into a stock holding company structure will better position us to participate in expected consolidation activity by providing a more flexible corporate structure and additional capital resources.

***Increased lending, with an emphasis on multifamily real estate loans.*** We increased our loan portfolio to $1.07 billion at June 30, 2012 from $424.2 million at December 31, 2007, and have rebalanced the mix of our earning assets away from securities and into loans as a percentage of our earning assets. Our loan portfolio accounted for 46.2% of our earning assets at June 30, 2012, compared to 33.3% at December 31, 2007. Our loan-to-deposit ratio has increased to 69.5% at June 30, 2012 from 48.4% at December 31, 2007, which has improved our net interest margin. This growth in our loan portfolio has helped maintain our net interest margin and mitigated the impact of the protracted low interest rates on our earnings.

To achieve this growth, and in recognition of the current economic environment, we adjusted our lending focus to emphasize the origination of multifamily real estate loans. At June 30, 2012, our multifamily loan portfolio totaled $538.3 million, or 50.3% of total loans, compared to $14.2 million, or 3.3% of total loans, at December 31, 2007. We include in this category mixed-use properties having more than four residential family units and a business or businesses when the majority of space is utilized for residential purposes. These loans have higher yields than the prevailing rates for securities or residential mortgage loans, and generally have periodic adjustable interest rates and/or shorter terms which assists us in managing our interest rate risk.

We intend to continue to emphasize multifamily lending, and as economic conditions improve, we also anticipate increasing the origination of commercial real estate, commercial and home equity loans.

***Enhanced core earnings through improved funding mix and continued emphasis on operational efficiencies.*** In addition to increasing our loans outstanding, we have made a concerted effort to improve our core funding profile by increasing lower-cost transaction deposit accounts and reducing time deposits and wholesale borrowings. Deposits increased 75.9% to $1.54 billion at June 30, 2012 from $877.2 million at December 31, 2007. Also, our ratio of non-time deposits to total deposits increased to 68.7% from 54.1% over the same period. In addition, we intend to pay down maturing high cost borrowings, which would further support our net interest margin.

We also recognize that controlling operating expenses is essential to our long term profitability. Over the last several years, we significantly upgraded our technology capabilities, and we currently offer web-based on-line and mobile banking, remote deposit capture, electronic check clearing, paperless statements, and online business customer cash management. We intend to further capitalize on our technology capabilities to improve operating efficiencies and enhance customer service. Our efficiency ratio for the year ended December 31, 2011 was 53.6%, which compared favorably to the ratio of the SNL Thrift Index of 60.6% for the same period.

***Improved asset quality and a reduction in problem assets.*** Maintaining strong asset quality has been, and will continue to be, a key element of our business strategy. We employ prudent underwriting standards for new loan originations and maintain sound credit administration practices, including early recognition of problem loans and implementation of sound resolutions, including work-outs, charge-offs and sales of problem loans. In addition, substantially all of our loans are secured, predominantly by real estate. We also enhanced our credit administration function by hiring a Senior Credit Officer in 2010 to further develop and oversee a centralized credit administration process. We also retain an independent third party firm that performs semi-annual loan reviews with a primary focus on our commercial portfolio.

While we have experienced increases in delinquent and non-performing loans over the past several years as a result of the difficult economic environment, we have worked aggressively to resolve these problem assets. Our ratio of non-performing assets to total assets decreased to 1.50% at June 30, 2012 from 2.72% at December 31, 2010, a level that compares favorably to the SNL Thrift Index ratio of 2.86% at June 30, 2012. At June 30, 2012, non-performing loans totaled $34.8 million, or 3.24% of total loans, as compared to $60.9 million, or 7.36% of total loans at December 31, 2010.

To mitigate our exposure to loan losses over the past several years, we de-emphasized the origination of commercial real estate loans, and construction and land loans. We also increased our allowance for loan losses to $27.0 million, or 2.52% of loans held for investment, net, at June 30, 2012, from $5.6 million, or 1.33% of loans held for investment, net, at December 31, 2007. We also work with willing and able borrowers experiencing financial difficulties in order to maximize recoveries and, when circumstances warrant, we may modify existing loan terms and conditions, commonly referred to as troubled debt restructurings ( TDRs ). At June 30, 2012, we had $47.1 million of loans classified as TDRs, of which $25.5 million were accruing interest and $21.6 million were on non-accrual status. At June 30, 2012, $40.9 million, or 86.9% of loans subject to restructuring agreements (accruing and non-accruing) were performing in accordance with their restructured terms.

***Stockholder-focused management of capital.*** While we recognize the importance of maintaining a strong capital base to support our long-range business plan, we also strive to manage our capital position, using appropriate capital management tools, to return excess capital to our stockholders. We intend to continue this strategy following completion of the conversion, subject to applicable regulatory restrictions.

We began paying regular quarterly dividends in the fourth quarter of 2008, and increased the dividend twice from our initial annual rate of $0.16 to $0.20 and then to $0.24, respectively. These dividend increases were accomplished during a period when many depository institutions were reducing or eliminating their dividends. Our average dividend yield for the quarter ended March 31, 2012 was 1.7% compared to 1.2% for the SNL Thrift Index.

Our board of directors decided to delay future dividend payments after our March 2012 dividend, because the Federal Reserve Board currently requires Northfield Bancorp, MHC to obtain a member (depositor) vote before waiving its right to receive dividends from Northfield-Federal. However, following the completion of the conversion we intend to seek regulatory approval to pay a one-time, special dividend of $0.25 per share to all stockholders, and also resume the payment of regular quarterly dividends.

We have also repurchased a total of $70.1 million of our common stock since 2009 and $37.8 million in the year ended December 31, 2011. Under current federal regulations, subject to certain exceptions, we may not repurchase shares of our common stock during the first year following the completion of the conversion. See Use of Proceeds.

**Critical Accounting Policies**

Critical accounting policies are defined as those that involve significant judgments and uncertainties, and could potentially result in materially different results under different assumptions and conditions. We believe that the most critical accounting policies upon which our financial condition and results of operation depend, and which involve the most complex subjective decisions or assessments, are the following:

***Allowance for Loan Losses, Impaired Loans, and Other Real Estate Owned.*** The allowance for loan losses is the estimated amount considered necessary to cover probable and reasonably estimable credit losses inherent in the loan portfolio at the balance sheet date. The allowance is established through the provision for loan losses that is charged against income. In determining the allowance for loan losses, we make significant estimates and judgments. The determination of the allowance for loan losses is considered a critical accounting policy by management because of the high degree of judgment involved, the subjectivity of the assumptions used, and the potential for changes in the economic environment that could result in changes to the amount of the recorded allowance for loan losses.

The allowance for loan losses has been determined in accordance with GAAP. We are responsible for the timely and periodic determination of the amount of the allowance required. We believe that our allowance for loan losses is adequate to cover identifiable losses, as well as estimated losses inherent in our portfolio for which certain losses are probable but not specifically identifiable.

Management performs a formal quarterly evaluation of the adequacy of the allowance for loan losses. The analysis of the allowance for loan losses has a component for originated held-for-investment impaired loan losses, and a component for general loan losses, including unallocated reserves. Management has defined an originated impaired loan to be a loan for which it is probable, based on current information, that we will not collect all amounts due in accordance with the contractual terms of the loan agreement. We have defined the population of originated held-for-investment impaired loans to be all originated non-accrual loans held-for-investment with an outstanding balance of $500,000 or greater, and all originated loans subject to a troubled debt restructuring. Impaired loans are individually assessed to determine that the loan s carrying value is not in excess of the estimated fair value of the collateral (less cost to sell), if the loan is collateral dependent, or the present value of the expected future cash flows, if the loan is not collateral dependent. Management performs a detailed evaluation of each originated impaired loan and generally obtains updated appraisals as part of the evaluation. In addition, management adjusts estimated fair values down to appropriately consider recent market conditions, our willingness to accept a lower sales price to effect a quick sale, and costs to dispose of any supporting collateral. Determining the estimated fair value of underlying collateral (and related costs to sell) can be difficult in illiquid real estate markets and is subject to significant assumptions and estimates. Management employs an independent third party expert in appraisal preparation and review to ascertain the reasonableness of updated appraisals. Projecting the expected cash flows under troubled debt restructurings is inherently subjective and requires, among other things, an evaluation of the borrower s current and projected financial condition. Actual results may be significantly different than our projections, and our established allowance for loan losses on these loans, and could have a material effect on our financial results.

The second component of the allowance for loan losses is the general loss allocation. This assessment excludes impaired originated held-for-investment, trouble debt restructured, held-for-sale and purchased credit-impaired (PCI) loans, with loans being grouped into similar risk characteristics, primarily loan type, loan-to-value (if collateral dependent) and internal credit risk rating. We apply an estimated loss rate to each loan group. The loss rates applied are based on our loss experience as adjusted for our qualitative assessment of relevant changes related to: underwriting standards; delinquency trends; collection, charge-off and recovery practices; the nature or volume of the loan group; changes in lending staff; concentration of loan type; current economic conditions; and other relevant factors considered appropriate by management. In evaluating the estimated loss factors to be utilized for each loan group, management also reviews actual loss history over an extended period of time as reported by the Federal Deposit Insurance Corporation for institutions both nationally and in our market area, during periods that are believed to have been under similar economic conditions. This evaluation is inherently subjective as it requires material estimates that may be susceptible to significant revisions based on changes in economic and real estate market conditions. Actual loan losses may be significantly different than the allowance for loan losses we have established, and could have a material effect on our financial results. We also maintain an unallocated component related to the general loss allocation. Management does not target a specific unallocated percentage of the total general allocation, or total allowance for loan losses. The primary purpose of the unallocated component is to account for the inherent imprecision of the loss estimation process related primarily to periodic updating of appraisals on impaired loans, as well as periodic updating of commercial loan credit risk ratings by loan officers and our internal credit audit process. Generally, management will establish higher levels of unallocated reserves between independent credit audits, and between appraisal reviews for larger impaired loans. Adjustments to the provision for loans due to the receipt of updated appraisals is mitigated by management s quarterly review of real estate market index changes, and reviews of property valuation trends noted in current appraisals being received on other impaired and unimpaired loans. These changes in indicators of value are applied to impaired loans that are awaiting updated appraisals.

This quarterly process is performed by the accounting department, in conjunction with the credit administration department, and approved by the Controller. The Chief Financial Officer performs a final review of the calculation. All supporting documentation with regard to the evaluation process is maintained by the accounting department. Each quarter a summary of the allowance for loan losses is presented by the Controller to the audit committee of the board of directors.

We have a concentration of loans secured by real property located in New York and New Jersey. As a substantial amount of our loan portfolio is collateralized by real estate, appraisals of the underlying value of property securing loans are critical in determining the amount of the allowance required for specific loans. Assumptions for appraisal valuations are instrumental in determining the value of properties. Overly optimistic assumptions or negative changes to assumptions could significantly impact the valuation of a property securing a loan and the related allowance determined. The assumptions supporting such appraisals are reviewed by management and an independent third party appraiser to determine that the resulting values reasonably reflect amounts realizable on the collateral. Based on the composition of our loan portfolio, we believe the primary risks are increases in interest rates, a decline in the economy generally, or a decline in real estate market values in New York or New Jersey. Any one or a combination of these events may adversely affect our loan portfolio resulting in delinquencies, increased loan losses, and future loan loss provisions.

Although we believe we have established and maintained the allowance for loan losses at adequate levels, changes may be necessary if future economic or other conditions differ substantially from our estimation of the current operating environment. Although management uses the information available, the level of the allowance for loan losses remains an estimate that is subject to significant judgment and short-term change. In addition, the Office

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of the Comptroller of the Currency, as an integral part of their examination process, will review our allowance for loan losses and may require us to recognize adjustments to the allowance based on their judgments about information available to them at the time of their examination.

We also maintain an allowance for estimated losses on off-balance sheet credit risks related to loan commitments and standby letters of credit. Management utilizes a methodology similar to its allowance for loan loss methodology to estimate losses on these items. The allowance for estimated credit losses on these items is included in other liabilities and any changes to the allowance are recorded as a component of other non-interest expense.

Real estate acquired by us as a result of foreclosure or by deed in lieu of foreclosure is classified as other real estate owned. When we acquire other real estate owned, we generally obtain a current appraisal to substantiate the net carrying value of the asset. The asset is recorded at the lower of cost or estimated fair value, establishing a new cost basis. Holding costs and declines in estimated fair value result in charges to expense after acquisition.

***Purchased Credit-Impaired Loans.*** Purchased credit-impaired loans, or PCI loans, are subject to our internal credit review. If and when credit deterioration occurs at the loan pool level subsequent to the acquisition date, a provision for credit losses for PCI loans will be charged to earnings for the full amount of the decline in expected cash flows for the pool. Under the accounting guidance of ASC Topic 310-30, for acquired credit impaired loans, the allowance for loan losses on PCI loans is measured at each financial reporting date based on future expected cash flows. This assessment and measurement is performed at the pool level and not at the individual loan level. Accordingly, decreases in expected cash flows resulting from further credit deterioration, on a pool basis, as of such measurement date compared to those originally estimated are recognized by recording a provision and allowance for credit losses on PCI loans. Subsequent increases in the expected cash flows of the loans in each pool would first reduce any allowance for loan losses on PCI loans; and any excess will be accreted prospectively as a yield adjustment. The analysis of expected cash flows for pools incorporates updated pool level expected prepayment rates, default rates, and delinquency levels, and loan level loss severity given default assumptions. The expected cash flows are estimated based on factors which include loan grades established in Northfield Bank's ongoing credit review program, likelihood of default based on observations of specific loans during the credit review process as well as applicable industry data, loss severity based on updated evaluation of cash flows from available collateral, and the contractual terms of the underlying loan agreement. Actual cash flows could differ from those expected, and others provided with the same information could draw different reasonable conclusions and calculate different expected cash flows.

***Goodwill.*** Business combinations accounted for under the acquisition method require us to record as assets on our financial statements goodwill, an unidentifiable intangible asset which is equal to the excess of the purchase price which we pay for another company over the estimated fair value of the net assets acquired. Net assets acquired include identifiable intangible assets such as core deposit intangibles and non-compete agreements. We evaluate goodwill for impairment annually on December 31, and more often if circumstances warrant, and we will reduce its carrying value through a charge to earnings if impairment exists. Future events or changes in the estimates that we use to determine the carrying value of our goodwill or which otherwise adversely affect its value could have a material adverse impact on our results of operations. As of June 30, 2012, goodwill had a carrying value of $16.2 million.

***Securities Valuation and Impairment.*** Our securities portfolio is comprised of mortgage-backed securities and to a lesser extent corporate bonds, agency bonds, and mutual funds. Our available-for-sale securities portfolio is carried at estimated fair value, with any unrealized gains or losses, net of taxes, reported as accumulated other comprehensive income or loss in stockholders equity. Our trading securities portfolio is reported at estimated fair value. Our held-to-maturity securities portfolio, consisting of debt securities for which we have a positive intent and ability to hold to maturity, is carried at amortized cost. We conduct a quarterly review and evaluation of the available-for-sale and held-to-maturity securities portfolios to determine if the estimated fair value of any security has declined below its amortized cost, and whether such decline is other-than-temporary. If such decline is deemed other-than-temporary, we adjust the cost basis of the security by writing down the security to estimated fair value through a charge to current period operations. The estimated fair values of our securities are primarily affected by changes in interest rates, credit quality, and market liquidity.

Management is responsible for determining the estimated fair value of the securities in our portfolio. In determining estimated fair values, each quarter management utilizes the services of an independent third-party service, recognized as a specialist in pricing securities. The independent pricing service utilizes market prices of same or similar securities whenever such prices are available. Prices involving distressed sellers are not utilized in determining fair value, if identifiable. Where necessary, the independent third party pricing service estimates fair value using models employing techniques such as discounted cash flow analyses. The assumptions used in these models typically include assumptions for interest rates, credit losses, and prepayments, utilizing observable market data, where available. Where the market price of the same or similar securities is not available, the valuation becomes more subjective and involves a high degree of judgment. In addition, we compare securities prices to a second independent pricing service that is utilized as part of our asset liability risk management process and analyze significant anomalies in pricing including significant fluctuations, or lack thereof, in relation to other securities. At June 30 and March 31, 2012, and for each quarter end in 2011, all securities were priced by an independent third party pricing service, and management made no adjustment to the prices received.

Determining that a security s decline in estimated fair value is other-than-temporary is inherently subjective, and becomes increasing difficult as it relates to mortgage-backed securities that are not guaranteed by the U.S. Government, or a U.S. Government Sponsored Enterprise (e.g., Fannie Mae and Freddie Mac). In performing our evaluation of securities in an unrealized loss position, we consider among other things, the severity and duration of time that the security has been in an unrealized loss position and the credit quality of the issuer. As it relates to mortgage-backed securities not guaranteed by the U.S. Government, Fannie Mae, or Freddie Mac, we perform a review of the key underlying loan collateral risk characteristics including, among other things, origination dates, interest rate levels, composition of variable and fixed rates, reset dates (including related pricing indices), current loan to original collateral values, locations of collateral, delinquency status of loans, and current credit support. In addition, for securities experiencing declines in estimated fair values of over 10%, as compared to its amortized cost, management also reviews published historical and expected prepayment speeds, underlying loan collateral default rates, and related historical and expected losses on the disposal of the underlying collateral on defaulted loans. This evaluation is inherently subjective as it requires estimates of future events, many of which are difficult to predict. Actual results could be significantly different than our estimates and could have a material effect on our financial results.

***Federal Home Loan Bank Stock Impairment Assessment.*** Northfield Bank is a member of the Federal Home Loan Bank System, which consists of 12 regional Federal Home Loan Banks, through its membership in the Federal Home Loan Bank of New York. As a member of the Federal Home Loan Bank of New York, Northfield Bank is required to acquire and hold shares of common stock in the Federal Home Loan Bank of New York in an amount determined by a membership investment component and an activity-based investment component. As of March 31, 2012, Northfield Bank was in compliance with its ownership requirement. At June 30, 2012, Northfield Bank held $14.2 million of Federal Home Loan Bank of New York common stock. In performing our evaluation of our investment in Federal Home Loan Bank of New York stock, on a quarterly basis, management reviews the Federal Home Loan Bank of New York s most recent financial statements and determines whether there have been any adverse changes to its capital position as compared to the trailing period. In addition, management reviews the Federal Home Loan Bank of New York s most recent President s Report in order to determine whether or not a dividend has been declared for the current reporting period. Furthermore, management obtains the credit rating of the Federal Home Loan Bank of New York from an accredited credit rating service to ensure that no downgrades have occurred. At June 30, 2012, it was determined by management that Northfield Bank s investment in Federal Home Loan Bank of New York common stock was not impaired.

***Deferred Income Taxes.*** We use the asset and liability method of accounting for income taxes. Under this method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. If it is determined that it is more

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likely than not that the deferred tax assets will not be realized, a valuation allowance is established. We consider the determination of this valuation allowance to be a critical accounting policy because of the need to exercise significant judgment in evaluating the amount and timing of recognition of deferred tax liabilities and assets, including projections of future taxable income. These judgments and estimates are reviewed quarterly as regulatory and business factors change. A valuation allowance for deferred tax assets may be required if the amounts of taxes recoverable through loss carry backs decline, or if we project lower levels of future taxable income. Such a valuation allowance would be established and any subsequent changes to such allowance would require an adjustment to income tax expense that could adversely affect our operating results.

***Stock Based Compensation.*** We recognize the cost of employee services received in exchange for awards of equity instruments based on the grant-date fair value.

We estimate the per share fair value of options on the date of grant using the Black-Scholes option pricing model using assumptions for the expected dividend yield, expected stock price volatility, risk-free interest rate and expected option term. These assumptions are based on our judgments regarding future option exercise experience and market conditions. These assumptions are subjective in nature, involve uncertainties, and, therefore, cannot be determined with precision. The Black-Scholes option pricing model also contains certain inherent limitations when applied to options that are not traded on public markets.

The per share fair value of options is highly sensitive to changes in assumptions. In general, the per share fair value of options will move in the same direction as changes in the expected stock price volatility, risk-free interest rate and expected option term, and in the opposite direction of changes in the expected dividend yield. For example, the per share fair value of options will generally increase as expected stock price volatility increases, risk-free interest rate increases, expected option term increases and expected dividend yield decreases. The use of different assumptions or different option pricing models could result in materially different per share fair values of options.

As our common stock does not have a significant amount of historical price volatility, we utilized the historical stock price volatility of a peer group when pricing stock options.

**Comparison of Financial Condition at June 30, 2012 and December 31, 2011**

Total assets increased $87.0 million, or 3.7%, to $2.46 billion at June 30, 2012, from $2.38 billion at December 31, 2011. The increase was primarily attributable to an increase in securities available-for-sale of $122.5 million, partially offset by decreases of $1.7 million in net loans held-for-investment and $30.9 million in cash and cash equivalents.

Cash and cash equivalents decreased $30.9 million, or 47.3%, to $34.4 million at June 30, 2012, from $65.3 million at December 31, 2011. We routinely maintain liquid assets in interest-bearing accounts in other well-capitalized financial institutions.

Securities available-for-sale increased $122.5 million, or 11.1%, to $1.22 billion at June 30, 2012, from $1.10 billion at December 31, 2011. The increase was primarily attributable to purchases of $466.7 million partially offset by maturities and pay-downs of $217.6 million and sales of $130.3 million.

Securities held-to-maturity decreased $785,000, or 21.7%, to $2.8 million at June 30, 2012, from $3.6 million at December 31, 2011. The decrease was attributable to maturities and paydowns during the six months ended June 30, 2012.

Originated loans held-for-investment, net, totaled $990.8 million at June 30, 2012, compared to $985.9 million at December 31, 2011. The increase was primarily due to an increase in multifamily real estate loans, which increased $79.9 million, or 17.4%, to $538.3 million at June 30, 2012, from $458.4 million at December 31, 2011. This was partially offset by a decrease in insurance premium loans of $58.6 million, due to the sale of the majority of the portfolio, and in commercial real estate of $15.8 million. Currently, management is focused on originating multifamily loans, with less emphasis on other loan types.

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Purchased credit-impaired (PCI) loans, acquired as part of the acquisition of First State Bank in a Federal Deposit Insurance Corporation-assisted transaction, totaled $82.1 million at June 30, 2012 as compared to $88.5 million at December 31, 2011.

Bank owned life insurance increased $1.4 million, or 1.8%, from December 31, 2011 to June 30, 2012. The increase resulted from income earned on bank owned life insurance for the six months ended June 30, 2012.

Federal Home Loan Bank of New York stock, at cost, increased $1.5 million, or 12.1%, to $14.2 million at June 30, 2012, from $12.7 million at December 31, 2011. This increase was attributable to an increase in borrowings outstanding with the Federal Home Loan Bank of New York over the same time period.

Premises and equipment, net, increased $3.1 million, or 15.8%, to $23.1 million at June 30, 2012, from $20.0 million at December 31, 2011. The increase was primarily attributable to leasehold improvements made to new branches and the renovation of existing branches.

Other real estate owned decreased $1.2 million, or 36.3%, to $2.2 million at June 30, 2012, from $3.4 million at December 31, 2011. The decrease was attributable to the sales of several properties during the six months ended June 30, 2012.

Other assets decreased $3.0 million, or 19.7%, to $12.1 million at June 30, 2012, from $15.1 million at December 31, 2011. The decrease in other assets was attributable to a decrease in amounts due us from taxing authorities, and a decrease in prepaid Federal Deposit Insurance Corporation insurance premiums due to amortization related to the Federal Deposit Insurance Corporation prepayment of insurance premiums that was made in 2009, partially offset by an increase in prepaid expenses.

Deposits increased $49.7 million, or 3.3%, to $1.54 billion at June 30, 2012 compared to $1.49 billion at December 31, 2011. The increase in deposits was due to an increase in savings and money market accounts of $29.7 million, or 3.9%, an increase in transaction accounts of $17.7 million, or 7.1%, and an increase in certificate of deposit accounts (issued by Northfield Bank) of $5.0 million, or 1.1%. These increases were partially offset by a decrease of $2.7 million in short-term certificates of deposit originated through the CDARS® Network. Deposits originated through the CDARS® Network totaled $659,000 at June 30, 2012, and $3.4 million at December 31, 2011. We utilize the CDARS® Network as a cost-effective alternative to other short-term funding sources.

Borrowings, consisting primarily of repurchase agreements from other financial institutions and Federal Home Loan Bank advances, increased $31.7 million, or 6.6%, to $513.6 million at June 30, 2012, from $481.9 million at December 31, 2011. The increase in borrowings was primarily the result of increased FHLB advances.

Accrued expenses and other liabilities decreased $1.5 million, to $15.1 million at June 30, 2012, from $16.6 million at December 31, 2011. The decrease was primarily a result of a decrease in net accrued taxes.

Total stockholders equity increased by $6.2 million to $388.9 million at June 30, 2012, from $382.7 million at December 31, 2011. This increase was primarily attributable to net income of $8.9 million for the six months ended June 30, 2012, a $1.3 million increase in accumulated other comprehensive income and an increase of $1.8 million in additional paid-in capital primarily related to the recognition of compensation expense associated with equity awards. The increase was partially offset by $4.3 million in stock repurchases and the payment of approximately $1.7 million in dividends.

**Comparison of Financial Condition at December 31, 2011 and 2010**

Total assets increased $129.8 million, or 5.8%, to $2.38 billion at December 31, 2011, from $2.25 billion at December 31, 2010. The increase was primarily attributable to increases in net loans held-for-investment of $241.9 million, or 30.0% and cash and cash equivalents of $21.4 million. This increase was partially offset by a decrease in securities available for sale of $145.6 million.

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Cash and cash equivalents increased by $21.4 million, or 48.9%, to $65.3 million at December 31, 2011, from $43.9 million at December 31, 2010. Balances fluctuate based on the timing of receipt of security and loan repayments and the redeployment into higher yielding assets, or the funding of deposit or borrowing obligations.

Securities available-for-sale decreased $145.6 million, or 11.7%, to $1.18 billion at December 31, 2011, from $1.24 billion at December 31, 2010. The decrease was primarily attributable to maturities and paydowns of $403.4 million and sales of $182.7 million partially offset by purchases of $427.4 million and an increase of $10.9 million in net unrealized gains. We routinely sell securities when market pricing presents, in management s assessment, an economic benefit that outweighs holding such securities, and when smaller balance securities become cost prohibitive to carry. In the current low interest rate environment, we have experienced elevated levels of prepayments on mortgage-backed securities that we have reinvested into shorter term securities.

At December 31, 2011, $949.6 million of the portfolio consisted of residential mortgage-backed securities issued or guaranteed by Fannie Mae, Freddie Mac, or Ginnie Mae. We also held residential mortgage-backed securities not guaranteed by Fannie Mae, Freddie Mac, or Ginnie Mae, referred to as private label securities. The private label securities had an amortized cost of $39.9 million and an estimated fair value of $40.5 million at December 31, 2011. These private label securities were in a net unrealized gain position of $567,000 at December 31, 2011, consisting of gross unrealized gains of $1.9 million and gross unrealized losses of $1.3 million. In addition to the above mortgage-backed securities, we held $100.7 million in securities issued by corporate entities which were all rated investment grade (A- or better) by an accredited credit rating service at December 31, 2011.

Securities held-to-maturity decreased $1.4 million, or 28.5%, to $3.6 million at December 31, 2011, from $5.0 million at December 31, 2010. The decrease was attributable to maturities and paydowns during the year ended December 31, 2011.

Originated loans held-for-investment, net, totaled $985.9 million at December 31, 2011, as compared to $827.6 million at December 31, 2010. The increase was primarily in multifamily real estate loans, which increased $174.7 million, or 61.6%, to $458.3 million at December 31, 2011, from $283.6 million at December 31, 2010. Insurance premium loans increased $14.6 million, or 32.7%, to $59.1 million and home equity loans increased $1.5 million, or 5.5%, to $29.7 million at December 31, 2011. These increases were partially offset by $7.4 million of originated loans held-for-investment, at amortized cost, being transferred to held-for-sale, at estimated fair value, less costs to sell, of $3.4 million, resulting in a charge-off to the allowance for loan losses of $4.0 million. Originated loans held-for-investment also decreased due to decreases in one- to four-family residential loans of $5.4 million, commercial real estate loans of $12.5 million, land and construction loans of $11.9 million, and commercial and industrial loans of $4.3 million. Currently, management is focused on originating multi-family loans, with less emphasis on other loan types.

PCI loans were $88.5 million at December 31, 2011. On October 14, 2011, we purchased PCI loans of approximately $132.4 million, based on the recorded principal balance, net of deferred fees and costs, as part of a Federal Deposit Insurance Corporation-assisted transaction. Management recorded PCI loans at their estimated fair value of $91.9 million at the date of acquisition.

Bank owned life insurance increased $3.0 million, or 4.0%, to $77.8 million at December 31, 2011. The increase resulted from income earned on bank owned life insurance for the year ended December 31, 2011.

Federal Home Loan Bank of New York stock, at cost, increased $2.9 million, or 29.6%, to $12.7 million at December 31, 2011, from $9.8 million at December 31, 2010. This increase was attributable to an increase in borrowings outstanding with the Federal Home Loan Bank of New York over the same time period.

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Premises and equipment, net, increased $3.9 million, or 24.5%, to $20.0 million at December 31, 2011, from $16.1 million at December 31, 2010. This increase was primarily attributable to leasehold improvements made to new branches and the renovation of existing branches.

Other real estate owned increased $3.2 million to $3.4 million at December 31, 2011, from $171,000 at December 31, 2010. This increase was partially attributable to $1.2 million of properties acquired as part of a Federal Deposit Insurance Corporation-assisted transaction.

Other assets decreased $3.0 million, or 16.6%, to $15.1 million at December 31, 2011, from $18.1 million at December 31, 2010. The decrease in other assets was primarily attributable to a decrease in net deferred tax assets, due to an increase in deferred tax liabilities associated with net unrealized gains on securities available-for-sale and the amortization of prepaid Federal Deposit Insurance Corporation insurance.

Deposits increased $120.7 million, or 8.8%, to $1.5 billion at December 31, 2011, from $1.4 billion at December 31, 2010. The increase in deposits for the year ended December 31, 2011 was due to an increase in transaction accounts of $67.0 million, or 35.7% as compared to December 31, 2010. This increase was partially offset by a decrease in certificates of deposit accounts (issued by Northfield Bank) of $7.9 million, or 1.6%, from December 31, 2010 to December 31, 2011, a decrease in savings accounts of $3.1 million, or 0.9%, from December 31, 2010 and a decrease of $65.0 million in short-term certificates of deposit originated through the CDARS® Network. We utilize the CDARS® Network as a cost effective alternative to other short-term funding sources. The increase in deposits was also primarily attributable to the Federal Deposit Insurance Corporation-assisted transaction. The acquired deposits were approximately $109.5 million at December 31, 2011. We continue to focus on our marketing and pricing of our products, which we believe promotes longer-term customer relationships.

Borrowings, consisting primarily of Federal Home Loan Bank advances and repurchase agreements, increased $90.7 million, or 23.2%, to $481.9 million at December 31, 2011, from $391.2 million at December 31, 2010. The increase in borrowings was primarily the result of our increasing longer-term borrowings, taking advantage of, and locking in, lower interest rates, partially offset by maturities during the year ended December 31, 2011.

Accrued expenses and other liabilities decreased $69.1 million, to $16.6 million at December 31, 2011, from $85.7 million at December 31, 2010. The decrease was primarily a result of $70.7 million owed for securities purchases occurring prior to December 31, 2010, and settling after year end. We had 0 such transactions at December 31, 2011.

Total stockholders equity decreased by $14.1 million to $382.7 million at December 31, 2011, from $396.7 million at December 31, 2010. The decrease was primarily due to $37.8 million in stock repurchases and the payment of approximately $3.7 million in cash dividends. These decreases were partially offset by net income of $16.8 million for the year ended December 31, 2011, an increase of $3.2 million in additional paid-in capital primarily related to the recognition of compensation expense associated with equity awards, and an increase in accumulated other comprehensive income of $6.6 million, related primarily to increases in unrealized gains on securities available for sale, net of tax, due to a decrease in general market interest rates.

On September 9, 2011, our board of directors authorized the continuance of the stock repurchase program. Under the program, we intend to repurchase up to 2,066,379 additional shares, representing approximately 5% of our outstanding shares following the repurchase of the remaining shares authorized under the existing stock repurchase program announced on October 27, 2010. The timing of the repurchases will depend on certain factors, including but not limited to, market conditions and prices, our liquidity and capital requirements, and alternative uses of capital. Any repurchased shares will be held as treasury stock and will be available for general corporate purposes. We are conducting such repurchases in accordance with a Rule 10(b)5-1 trading plan. As of December 31, 2011, we had repurchased (under our current and prior repurchase plans) 5,064, 252 shares of our stock at an average price of $12.85 per share. We have also repurchased shares of stock from employees to meet minimum tax obligations related to vesting of equity awards. In connection with our announcement that we intend to convert to a fully public company, the board of directors terminated our most recently announced stock repurchase program.

**Comparison of Operating Results for the Six Months Ended June 30, 2012 and 2011**

***Net income.*** Net income was $8.9 million for the six months ended June 30, 2012, as compared to $9.3 million for the six months ended June 30, 2011. Results reflected an increase of $2.3 million in net interest income, a $106,000 decrease in non-interest income, a decrease of $2.0 million in the provision for loan losses, a $4.9 million increase in non-interest expense and an $83,000 decrease in income tax expense.

***Interest income.*** Interest income increased $1.1 million, or 2.4%, to $45.5 million for the six months ended June 30, 2012, from $44.4 million for the six months ended June 30, 2011. The increase was primarily due to an increase in interest income on loans of $4.8 million. The increase in interest income of loans was attributed to an increase in the average balances of $206.3 million, partially offset by a decrease of 26 basis points in the yield earned. This increase was partially offset by a decrease in interest income on mortgage backed securities of $3.5 million. The decrease in mortgage backed securities was primarily attributable to a decrease of 43 basis points in the yield earned and a decrease in the average balance of $90.4 million.

***Interest expense.*** Interest expense decreased $1.2 million, or 9.9%, to $11.6 million for the six months ended June 30, 2012, from $12.8 million for the six months ended June 30, 2011. The decrease was due to a decrease of $1.3 million in interest expense on deposits. Interest expense on borrowings was relatively flat compared to the prior year quarter. The decrease in interest expense on deposits was attributed to a decrease in the cost of interest bearing deposits of 26 basis points to 0.74% from 1.00%, partially offset by an increase in average balance of interest bearing deposit accounts of $77.6 million, or 6.1%, to $1.35 billion for the six months ended June 30, 2012 from $1.27 billion for the six months ended June 30, 2011.

***Net Interest Income.*** Net interest income increased $2.3 million, or 7.4%, to $33.9 million for the six months ended June 30, 2012 compared to $31.6 million for the six months ended June 30, 2011, as interest-earning assets increased by 4.8% to $2.25 billion. The increase in average interest-earning assets was due primarily to an increase in average loans outstanding of $206.3 million, partially offset by decreases in average interest-earning assets in other financial institutions of $9.2 million, mortgage-backed securities of $90.4 million and other securities of $5.8 million. The six months ended June 30, 2012 included prepayment loan income of $414,000 compared to $248,000 for the six months ended June 30, 2011. Other securities consist primarily of investment-grade shorter-term corporate bonds and government-sponsored enterprise bonds. Rates paid on interest-bearing liabilities decreased 20 basis points to 1.27% for the six months ended June 30, 2012 as compared to 1.47% for the prior-year comparable period. This was partially offset by an 11 basis point decrease in yields earned on interest-earning assets to 4.06% as compared to 4.17% for the prior- year comparable period.

***Provision for Loan Losses.*** The provision for loan losses was $1.2 million for the six months ended June 30, 2012, a decrease of $1.9 million, or 62.8%, from the $3.1 million provision recorded in the six months ended June 30, 2011. The decrease in the provision for loan losses was due primarily to a shift in the composition of our loan portfolio to multifamily loans, which generally require lower general reserves than our other commercial real estate loans, and a decrease in non-performing loans during the six months ended June 30, 2012, as compared to the six months ended June 30, 2011. During the six months ended June 30, 2012, we recorded net charge-offs of $953,000 compared to net charge-offs of $1.4 million for the six months ended June 30, 2011.

***Non-interest Income.*** Non-interest income increased $106,000, or 2.0%, to $5.4 million for the six months ended June 30, 2012, as compared to $5.3 million for the six months ended June 30, 2011. This increase was primarily a result of a $128,000 increase in fees and service charges for customer services, a decrease in losses on other-than-temporary-impairment of securities of $409,000 and an increase in other income of $211,000, partially offset by decreases in securities transactions, net of $584,000 and in income on bank owed life insurance of $58,000.

***Non-interest Expense.*** Non-interest expense increased $4.9 million, or 25.1%, to $24.4 million for the six months ended June 30, 2012, as compared to $19.5 million for the six months ended June 30, 2011, due primarily to compensation and employee benefits increasing by $1.7 million, or 16.9%, the increase in compensation and employee benefits was due to increased staff primarily related to branch openings and acquisitions, an increase in occupancy expense of $1.2 million primarily relating to new branches and the renovation of existing branches, an increase of $669,000 in data processing fees primarily related to conversion costs associated with the transaction with the Federal Deposit Insurance Corporation, a $728,000 increase in professional fees primarily related to merger activity and an increase in other non-interest expense of $487,000.

***Income Tax Expense.*** We recorded income tax expense of $4.8 million for the six months ended June 30, 2012, compared to $4.9 million for the six months ended June 30, 2011. The effective tax rate for the six months ended June 30, 2012 was 35.3%, as compared to 34.6% for the six months ended June 30, 2011.

**Comparison of Operating Results for the Years Ended December 31, 2011 and 2010**

***Net Income.*** Net income increased $3.0 million, or 22.0%, to $16.8 million for the year ended December 31, 2011, as compared to $13.8 million for the year ended December 31, 2010, due primarily to an increase of $3.5 million in net interest income and an increase in non-interest income of $5.0 million, partially offset by a $2.5 million increase in the provision for loan losses, an increase of $2.8 million in non-interest expense and an increase of $127,000 in income tax expense.

***Interest Income.*** Interest income increased by $4.5 million, or 5.2%, to $91.0 million for the year ended December 31, 2011, as compared to $86.5 million for the year ended December 31, 2010. The increase was primarily the result of an increase in average interest-earning assets of $175.6 million, or 8.8%. The increase in average interest-earning assets was primarily attributable to an increase in average loans of $153.5 million, or 19.8%, an increase in average mortgage-backed securities of $124.3 million, or 13.3%, and an increase in average interest-earning deposits of $3.0 million, or 6.4%, partially offset by a decrease in securities (other than mortgage-backed securities) of $108.7 million, or 45.3%. The effect of the increase in average interest-earning assets was partially offset by a decrease of 14 basis points, or 3.2%, in the yield earned to 4.17% for the year ended December 31, 2011, from 4.31% for the year ended December 31, 2010. The rates earned on loans and mortgage-backed securities decreased due to the general decline in market interest rates for these asset types.

***Interest Expense.*** Interest expense increased $1.0 million, or 4.1%, to $25.4 million for the year ended December 31, 2011, from $24.4 million for the year ended December 31, 2010. The increase was attributable to an increase in interest expense on borrowings of $2.3 million, or 21.5%, partially offset by a decrease in interest expense on deposits of $1.3 million, or 9.7%. The increase in interest expense on borrowings was primarily attributable to an increase of $145.7 million, or 44.1%, in average borrowings outstanding, partially offset by a decrease of 52 basis points, or 15.9%, in the cost of borrowings, reflecting lower market interest rates for borrowed funds. The decrease in interest expense on deposits was attributable to a decrease in the cost of interest-bearing deposits of 13 basis points, or 12.1%, to 0.94% for the year ended December 31, 2011, from 1.07% for the year ended December 31, 2010, reflecting lower market interest rates for short-term deposits. The decrease in the cost of deposits was partially offset by an increase of $41.0 million, or 3.2%, in average interest-bearing deposits outstanding.

***Net Interest Income.*** Net interest income increased $3.5 million, or 5.7%, as interest-earning assets increased by 8.8% to $2.2 billion. The general decline in interest rates has resulted in a decline in the yields earned on interest-earning assets by 14 basis points to 4.17% for the current year as compared to 4.31% for the prior year, while rates paid on interest-bearing liabilities decreased 11 basis points to 1.42% for the current year as compared to 1.53% for the prior year. Yields on loans include $1.4 million in interest income recognized on PCI loans with an average balance of $19.3 million contributing approximately 4 basis points to the net interest margin. Additionally, net interest income for the year ended December 31, 2011 included prepayment penalties of $812,000 compared to $67,000 for the year ended December 31, 2010. The increase in average interest earning assets was due primarily to increases in average loans outstanding of $153.5 million and $124.3 million in mortgage-backed securities, partially offset by a decrease in other securities. Other securities consist primarily of investment-grade shorter-term corporate bonds and government-sponsored enterprise bonds.

***Provision for Loan Losses.*** The provision for loan losses was $12.6 million for the year ended December 31, 2011, an increase of $2.5 million, or 24.8%, from the $10.1 million provision recorded in the year ended

December 31, 2010. The increase in the provision for loan losses in the current year was due primarily to increased charge-offs and increased loan originations partially offset by a shift in the composition of our loan portfolio to multifamily loans, which generally require lower general reserves than other commercial real estate loans, and decreases in non-performing loans during the year ended December 31, 2011, as compared to the year ended December 31, 2010. During the year ended December 31, 2011, we recorded net charge-offs of $7.6 million compared to net charge-offs of $3.7 million for the year ended December 31, 2010. Charge-offs for 2011 included $4.0 million related to the transfer of $7.4 million of loans to held-for-sale.

***Non-interest Income.*** Non-interest income increased $5.0 million, or 73.0%, to $11.8 million for the year ended December 31, 2011, as compared to $6.8 million for the year ended December 31, 2010. This increase was primarily the result of a $3.6 million, net of taxes, bargain purchase gain, associated with the Federal Deposit Insurance Corporation-assisted acquisition in October 2011, a $750,000 increase in gains on security sales, a $364,000 increase in fees and service charges for customer services, and a $694,000 increase in income earned on bank owned life insurance, generated by increased cash surrender values, primarily resulting from higher levels of bank owned life insurance. We routinely sell securities when market pricing presents, in management s assessment, an economic benefit that outweighs holding such securities, and when smaller balance securities become cost prohibitive to carry. These increases were partially offset by an increase of $255,000 in other-than-temporary credit impairment charges recognized on 2 private label mortgage-backed securities and 1 equity mutual fund and a decrease of $120,000 in other income.

***Non-interest Expense.*** Non-interest expense increased $2.8 million, or 7.4%, for the year ended December 31, 2011, as compared to the year ended December 31, 2010, due primarily to compensation and employee benefits expense increasing $2.6 million, which resulted primarily from increases in employees related to additional branch and operations personnel, and to a lesser extent, salary adjustments effective January 1, 2011. Occupancy expense increased $1.1 million, or 22.3%, primarily due to increases in rent and amortization of leasehold improvements relating to new branches and the renovation of existing branches. These increases were partially offset by decreased professional fees of $1.3 million, primarily resulting from the expensing of approximately $1.8 million in costs incurred for our postponed, second-step stock offering in the prior year partially offset by increased costs related to loan workouts.

***Income Tax Expense.*** We recorded income tax expense of $6.5 million and $6.4 million for the years ended December 31, 2011 and 2010, respectively. The effective tax rate for the year ended December 31, 2011 was 27.8%, as compared to 31.6% for the year ended December 31, 2010. The decrease in rate was due primarily to the $5.9 million bargain purchase gain recorded in the Federal Deposit Insurance Corporation-assisted transaction being recorded net of tax of $2.3 million and lower taxable income in the current year as a result of in an increase in tax-exempt bank owned life insurance income of $694,000.

**Comparison of Operating Results for the Years Ended December 31, 2010 and 2009**

***Net Income.*** Net income increased $1.7 million or 14.2%, to $13.8 million for the year ended December 31, 2010, from $12.1 million for the year ended December 31, 2009, due primarily to an increase of $5.5 million in net interest income, an increase of $1.4 million in non-interest income, and a decrease of $248,000 in income tax expense, partially offset by an increase of $4.4 million in non-interest expense, and an increase of $1.0 million in provision for loan losses.

***Interest Income.*** Interest income increased by $927,000, or 1.1%, to $86.5 million for the year ended December 31, 2010, as compared to $85.6 million for the year ended December 31, 2009. The increase was primarily the result of an increase in average interest-earning assets of $213.0 million, or 11.9%. The increase in average interest-earning assets was primarily attributable to an increase in average loans of $121.7 million, or 18.6%, an increase in average mortgage-backed securities of $16.2 million, or 1.8%, and an increase in securities (other than mortgage-backed securities) of $112.9 million, or 88.9%, partially offset by a decrease in average interest-earning deposits of $37.2 million, or 44.7%. The effect of the increase in average interest-earning assets was partially offset by a decrease in the yield earned to 4.31% for the year ended December 31, 2010, from 4.77% for the year ended December 31, 2009. The rates earned on all asset categories, other than loans, decreased due to the general decline in market interest rates for these asset types. The rate earned on loans increased from 5.95% for the year ended December 31, 2009 to 6.02% for the year ended December 31, 2010, primarily as a result of fewer loans migrating to non-accrual status during 2010, as compared to the amount of loans that migrated to non-accrual status during 2009.

***Interest Expense.*** Interest expense decreased $4.6 million, or 15.8%, to $24.4 million for the year ended December 31, 2010, from $29.0 million for the year ended December 31, 2009. The decrease was attributable to a decrease in interest expense on deposits of $4.6 million, or 25.5%, partially offset by a modest increase in interest expense on borrowings of $70,000, or 0.7%. The decrease in interest expense on deposits was attributable to a decrease in the cost of interest-bearing deposits of 62 basis points, or 36.7%, to 1.07% for the year ended December 31, 2010, from 1.69% for the year ended December 31, 2009, reflecting lower market interest rates for short-term deposits. The decrease in the cost of deposits was partially offset by an increase of $190.3 million, or 17.7%, in average interest-bearing deposits outstanding. The increase in interest expense on borrowings was primarily attributable to an increase of $33.3 million, or 11.2%, in average borrowings outstanding, partially offset by a decrease of 34 basis points, or 9.4%, in the cost of borrowings, reflecting lower market interest rates for borrowed funds.

***Net Interest Income.*** Net interest income increased $5.5 million, or 9.7%, due primarily to interest earning assets increasing $213.0 million, or 11.9%, partially offset by a decrease in the net interest margin of 6 basis points, or 1.9%, over the prior year. The net interest margin decreased for the year ended December 31, 2010 as the average yield earned on interest earning assets decreased, which was partially offset by a decrease in the average rate paid on interest-bearing liabilities. The general decline in yields was due to the overall low interest rate environment and was driven by decreases in yields earned on mortgage-backed securities, as principal repayments were reinvested into lower yielding securities. The decline in yield on interest-earning assets was also due to declining yields on other securities and interest-earning deposits in other financial institutions. These decreases were partially offset by an increase in yield earned on loans due primarily to fewer loans migrating to non-accrual status during 2010, as compared to the amount of loans that migrated to non-accrual status during 2009. The increase in average interest earning assets was due primarily to an increase in average loans outstanding of $121.7 million, other securities of $112.9 million, and mortgage-backed securities of $16.2 million, being partially offset by decreases in interest-earning assets in other financial institutions. Other securities consist primarily of investment-grade corporate bonds, and government-sponsored enterprise bonds.

***Provision for Loan Losses.*** We recorded a provision for loan losses of $10.1 million for the year ended December 31, 2010, an increase of $1.1 million, or 11.6%, from the $9.0 million provision recorded for the year ended December 31, 2009. The increase in the provision for loan losses was due primarily to increases in total loans, the change in the composition of our loan portfolio, and increases in general loss factors, due primarily to higher levels of charge-offs. The increases in the general loss factors utilized in management s estimate of credit losses inherent in the loan portfolio were also the result of continued deterioration of the local economy. Net charge-offs for the year ended December 31, 2010, were $3.7 million, as compared to $2.4 million for the year ended December 31, 2009.

***Non-interest Income.*** Non-interest income increased $1.4 million, or 26.9%, primarily as a result of an increase of $962,000 in gains on securities transactions, net for the year ended December 31, 2010, as compared to the year ended December 31, 2009. We recognized $1.9 million in gains on securities transactions during the year ended December 31, 2010, as compared to $891,000 in gains on securities transactions during the year ended December 31, 2009. Securities gains during the year ended December 31, 2010 included gross realized gains of $1.3 million primarily from the sale of mortgage-backed securities, coupled with securities gains of $597,000 related to our trading portfolio. During the year ended December 31, 2009, securities gains included gross realized gains of $299,000 primarily from the sale of mortgage-backed securities, coupled with securities gains of $592,000 related to our trading portfolio. The trading portfolio is utilized to fund our deferred compensation obligation to certain of our employees and directors. The participants of this plan, at their election, defer a portion of their compensation. Gains and losses on trading securities have no effect on net income since participants benefit from, and bear the full risk of, changes in the trading securities market values. Therefore, we record an equal and offsetting amount in non-interest expense, reflecting the change in our obligations under the plan. We routinely sell securities when market pricing presents, in management s assessment, an economic benefit that outweighs holding such security, and when smaller balance securities become cost prohibitive to carry.

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Non-interest income also was positively affected by a $524,000, or 29.9%, increase in income on bank owned life insurance for the year ended December 31, 2010, as compared to the year ended December 31, 2009, due to the purchase of $28.8 million of insurance policies during the year ended December 31, 2010. We also recognized approximately $197,000 of income on the sale of fixed assets during the year ended December 31, 2010.

***Non-interest Expense.*** Non-interest expense increased $4.4 million, or 12.9%, for the year ended December 31, 2010, as compared to the year ended December 31, 2009, due primarily to the expensing of approximately $1.8 million in costs incurred on our postponed, second-step stock offering, and an increase of $2.2 million, or 12.8%, in compensation and employee benefits expense. Compensation and employee benefits expense increased primarily due to increases in full-time equivalent employees related to additional branch and operations personnel, as well as incremental personnel from our insurance premium finance division formed in October 2009. Occupancy expense increased $547,000, or 11.9%, over the same time period, primarily due to increases in rent and amortization of leasehold improvements relating to new branches and the renovation of existing branches. In addition, other non-interest expense also increased $536,000, or 15.7%, from the year ended December 31, 2009 to the year ended December 31, 2010. This increase is primarily attributable to operating expenses of the insurance premium finance division. These increases in non-interest expense were partially offset by a decrease of $515,000 in Federal Deposit Insurance Corporation insurance expense. Federal Deposit Insurance Corporation insurance expense for the year ended December 31, 2009 included $770,000 related to a Federal Deposit Insurance Corporation special assessment.

***Income Tax Expense.*** We recorded a provision for income taxes of $6.4 million for the year ended December 31, 2010, as compared to $6.6 million for the year ended December 31, 2009. The effective tax rate for the year ended December 31, 2010, was 31.6%, as compared to 35.4% for the year ended December 31, 2009. The decrease in the effective tax rate was primarily the result of the reversal of deferred tax liabilities related to state bad debt reserves of approximately $738,000 resulting from the enactment of new State of New York tax laws during the year ended December 31, 2010, and higher levels of tax exempt income from bank owned life insurance.

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***Average Balances and Yields.*** The following tables set forth average balance sheets, average yields and costs, and certain other information at June 30, 2012 and for the periods indicated. No tax-equivalent yield adjustments have been made, as we had no tax-free interest-earning assets during the years. All average balances are daily average balances based upon amortized costs. Non-accrual loans were included in the computation of average balances. The yields set forth below include the effect of deferred fees, discounts, and premiums that are amortized or accreted to interest income or interest expense.

| | At June 30, 2012 | For the Six Months Ended June 30, 2012 | | | 2011 | | |
|---|---|---|---|---|---|---|---|
| | Yield/Rate | Average Outstanding Balance | Interest | Average Yield/ Rate (4) | Average Outstanding Balance | Interest | Average Yield/ Rate (4) |
| | | (Dollars in thousands) | | | | | |
| **Interest-earning assets:** | | | | | | | |
| Loans | 5.63% | $ 1,065,272 | $ 30,025 | 5.67% | $ 858,991 | $ 25,252 | 5.93% |
| Mortgage-backed securities | 2.54 | 1,008,957 | 13,619 | 2.71 | 1,099,390 | 17,092 | 3.14 |
| Other securities | 1.99 | 128,989 | 1,543 | 2.41 | 134,822 | 1,757 | 2.63 |
| Federal Home Loan Bank of New York stock | 4.50 | 13,083 | 284 | 4.37 | 10,469 | 230 | 4.43 |
| Interest-earning deposits | 0.24 | 38,483 | 28 | 0.15 | 47,708 | 105 | 0.44 |
| Total interest-earning assets | 3.94 | 2,254,784 | 45,499 | 4.06 | 2,151,380 | 44,436 | 4.17 |
| Non-interest-earning assets | | 144,572 | | | 134,861 | | |
| Total assets | | $ 2,399,356 | | | $ 2,286,241 | | |
| **Interest-bearing liabilities:** | | | | | | | |
| Savings, NOW, and money market accounts | 0.43 | $ 870,663 | $ 2,119 | 0.49 | $ 697,955 | $ 2,298 | 0.66 |
| Certificates of deposit | 1.22 | 475,239 | 2,866 | 1.21 | 570,312 | 3,989 | 1.41 |
| Total interest-bearing deposits | 0.71 | 1,345,902 | 4,985 | 0.74 | 1,268,267 | 6,287 | 1.00 |
| Borrowings | 2.53 | 489,504 | 6,576 | 2.70 | 496,276 | 6,549 | 2.66 |
| Total interest-bearing liabilities | 1.20 | 1,835,406 | 11,561 | 1.27 | 1,764,543 | 12,836 | 1.47 |
| Non-interest-bearing deposits | | 162,602 | | | 115,346 | | |
| Accrued expenses and other liabilities | | 15,757 | | | 9,706 | | |
| Total liabilities | | | | | | | |
| Stockholders equity | | 385,591 | | | 396,646 | | |
| Total liabilities and stockholders equity | | $ 2,399,356 | | | $ 2,286,241 | | |
| Net interest income | | | $ 33,938 | | | $ 31,600 | |
| Net interest rate spread (1) | | | | 2.79% | | | 2.70% |
| Net interest-earning assets (2) | | $ 419,378 | | | $ 386,837 | | |
| Net interest margin (3) | | | | 3.03% | | | 2.96% |
| Average interest-earning assets to interest-bearing liabilities | | 122.85% | | | 121.92% | | |

*(footnotes on following page)*

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| | For the Years Ended December 31, | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | 2011 | | | 2010 | | | 2009 | | |
| | Average Outstanding Balance | Interest | Average Yield/ Rate | Average Outstanding Balance | Interest | Average Yield/ Rate | Average Outstanding Balance | Interest | Average Yield/ Rate |
| | (Dollars in thousands) | | | | | | | | |
| **Interest-earning assets:** | | | | | | | | | |