SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

|X| ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Fiscal Year Ended December 31, 2003

OR

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

For the transition period from ________________ to _________________

Commission File Number: 0-50275

BCB BANCORP, INC.

(Exact Name of Registrant as Specified in its Charter)

New Jersey (State or Other Jurisdiction of Incorporation or Organization)	26-0065262 (I.R.S. Employer Identification Number)
104-110 Avenue C, Bayonne, New Jersey (Address of Principal Executive Offices)	07002 (Zip Code)

(201) 823-0700
(Registrant's Telephone Number including area code)

Securities Registered Pursuant to Section 12(b) of the Act:

None

Securities Registered Pursuant to Section 12(g) of the Act:

Common Stock, no par value
(Title of Class)

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding twelve months (or for such shorter period that the Registrant was required to file reports) and (2) has been subject to such requirements for the past 90 days. YES |X| NO |_|

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendments to this Form 10-K. |_|

Indicate by check mark whether the Registrant is an accelerated filer (as defined in Rule 12b-2 of the Securities Exchange Act of 1934). YES |_| NO |X|

As of June 30, 2003, there were issued and outstanding 2,088,198 shares of the Registrant's Common Stock. The aggregate value of the voting stock held by non-affiliates of the Registrant, computed by reference to the average bid and asked prices of the Common Stock as of June 30, 2003, ($14.75) was $19,088,211.

DOCUMENTS INCORPORATED BY REFERENCE

1. Proxy Statement for the 2004 Annual Meeting of Stockholders (Parts I and III).

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ITEM 1. DESCRIPTION OF BUSINESS

BCB Bancorp, Inc.

BCB Bancorp, Inc. is a New Jersey corporation, which on May 1, 2003 became the holding company parent of Bayonne Community Bank. Our executive office is located at 104-110 Avenue C, Bayonne, New Jersey, 07002. Our telephone number is (201) 823-0700. At December 31, 2003 we had $300.7 million in consolidated assets, $253.7 million in deposits and $21.2 million in consolidated stockholders' equity.

Bayonne Community Bank

Bayonne Community Bank was chartered as a New Jersey bank on October 27, 2000, and we opened for business on November 1, 2000. We operate through three branches in Bayonne, New Jersey and through our executive office located at 104-110 Avenue C, Bayonne, New Jersey, 07002. Our telephone number is (201) 823-0700. Our deposit accounts are insured by the Federal Deposit Insurance Corporation and we are a member of the Federal Home Loan Bank System.

We are a community-oriented financial institution. Our business is to offer FDIC-insured deposit products and invest funds held in deposit accounts at the bank, together with funds generated from operations, in investment securities and loans. We offer our customers:

o loans, including one-to four- family mortgage loans, home equity loans, construction loans, commercial and multi-family real estate loans, consumer loans and commercial business loans;

o FDIC-insured deposit products, including savings and club accounts, non-interest bearing accounts, money market accounts, certificates of deposit and individual retirement accounts; and

o retail and commercial banking services including wire transfers, money orders, traveler's checks, safe deposit boxes, a night depository, federal payroll tax deposits, bond coupon redemption and automated teller services.

Market Strategy

Our objective is to create a financial institution focused on delivering products and services matched to the customers' needs. A primary focus of our market strategy is to originate loans secured by commercial and multi-family properties. Such loans provide higher returns than loans secured by one-to four-family real estate. As a result of our underwriting practices, including debt service requirements for multi-family loans we believe such loans offer the Bank an opportunity to obtain higher returns while the revenue from the underlying units diversify our risk. We believe that customers are drawn to a locally owned and managed institution that demonstrates an active interest in its customers and their business and personal financial needs.

The banking industry in our market has experienced and continues to experience, substantial consolidation in recent years. Many of the area's locally owned or managed financial institutions have been acquired by larger regional bank holding companies. Management believes that this consolidation has been and will continue to be accompanied by increasing fees for bank services, the dissolution of local boards of directors, management and personnel changes and, in the perception of management, a decline in the level of customer service. With recent changes in regulations and the banking industry, this type of consolidation is expected to continue.

Our Market Area

We are located in the City of Bayonne, Hudson County, New Jersey. The Bank's locations are easily accessible to provide convenient services to businesses and individuals throughout our market area.

Our market area includes the municipality of Bayonne and portions of Jersey City. Our market area is well-served by a network of arterial roadways including Route 440 and the New Jersey Turnpike.

Our market area has a high level of commercial business activity. Businesses are concentrated in the service sector and retail trade areas. Major employers in our market area include Bayonne Medical Center and the Bayonne Board of Education.

Competition

The banking business in New Jersey is extremely competitive. We will compete for deposits and loans with existing New Jersey and out-of-state financial institutions that have longer operating histories, larger capital reserves and more established customer bases. Our competition includes large financial service companies and other entities in addition to traditional banking institutions such as savings and loan associations, savings banks, commercial banks and credit unions.

Our larger competitors have a greater ability to finance wide-ranging advertising campaigns through their greater capital resources. Our marketing efforts depend heavily upon referrals from officers and directors and stockholders, selective advertising in local media and direct mail solicitations. We compete for business principally on the basis of personal service to customers, customer access to our officers and directors and competitive interest rates and fees.

In the financial services industry in recent years, intense market demands, technological and regulatory changes and economic pressures have eroded industry classifications that were once clearly defined. Banks have been forced to diversify their services, increase rates paid on deposits and become more cost effective, as a result of competition with one another and with new types of financial service companies, including non-banking competitors. Some of the results of these market dynamics in the financial services industry have been a number of new bank and non-bank competitors, increased merger activity, and increased customer awareness of product and service differences among competitors. These factors could affect our business prospects.

Lending Activities

Analysis of Loan Portfolio. Set forth below is selected data relating to the composition of our loan portfolio by type of loan and in percentage of the respective portfolio.

	At December 31,							
	2003		2002		2001		2000	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
	(Dollars in Thousands)							
Type of loans:								
Real estate loans:								
One-to four-family	$ 33,913	17.74%	$ 25,475	20.64%	$ 9,099	20.04%	$ 269	18.16%
Construction	10,009	5.24	4,278	3.47	1,241	2.73	--	--
Home equity	16,825	8.80	14,106	11.43	9,374	20.64	360	24.31
Commercial and multi-family	115,160	60.25	65,842	53.34	21,883	48.19	750	50.64
Commercial business	14,048	7.35	12,934	10.48	2,988	6.58	60	4.05
Consumer	1,183	0.62	800	0.64	826	1.82	42	2.84
Total	191,138	100.00%	123,435	100.00%	45,411	100.00%	1,481	100.00%
Less:								
Deferred loan (costs) fees, net ...	239		117		26		--	
Allowance for possible loan losses	2,113		1,233		412		30	
Total loans, net	$188,786		$122,085		$44,973		$1,451	

Loan Maturities. The following table sets forth the contractual maturity of our loan portfolio at December 31, 2003. The amount shown represents outstanding principal balances. Demand loans, loans having no stated schedule of repayments and no stated maturity and overdrafts are reported as being due in one year or less. Variable-rate loans are shown as due at the time of repricing. The table does not include prepayments or scheduled principal repayments.

	Due within 1 Year	Due after 1 through 5 Years	Due after 5 Years	Total
	(In Thousands)			
One-to four-family	$ 1,002	$ 3,494	$ 29,417	$ 33,913
Construction	7,495	2,514	--	10,009
Home equity	1,220	1,647	13,958	16,825
Commercial and multi-family	3,105	24,652	87,403	115,160
Commercial business	2,815	9,432	1,801	14,048
Consumer	692	478	13	1,183
Total amount due	$ 16,329	$ 42,217	$ 132,592	$ 191,138

Loans with Predetermined or Floating or Adjustable Rates of Interest. The following table sets forth the dollar amount of all loans at December 31, 2003 that are due after December 31, 2004, and have predetermined interest rates and that have floating or adjustable interest rates.

	Fixed Rates	Floating or Adjustable Rates	Total
		(In Thousands)	
One- to four-family	$ 29,241	$ 3,670	$ 32,911
Construction	2,514	--	2,514
Home equity	15,605	--	15,605
Commercial and multi-family	81,317	30,738	112,055
Commercial business	10,887	346	11,233
Consumer	491	--	491
Total amount due	$140,055	$ 34,754	$174,809

One- to Four-Family Lending. Our one- to four-

family residential mortgage loans are secured by property located in the State of New Jersey. We generally originate one- to four-family residential mortgage loans in amounts up to 80% of the lesser of the appraised value or selling price of the mortgaged property without requiring mortgage insurance. We will originate loans with loan to value ratios up to 90% provided the borrowers obtain private mortgage insurance. We originate both fixed rate and adjustable rate loans. One- to four-family loans may have terms of up to 30 years. The majority of one- to four-family loans we originate for retention in our portfolio have terms no greater than 15 years. We offer adjustable rate loans with fixed rate periods of up to five years, with principal and interest calculated using a maximum 30 year amortization period. We offer these loans with a fixed rate for the first five years with repricing following every year after the initial period. Adjustable rate loans may adjust up to 200 basis points annually and 600 basis points over the term of the loan. In August 2003, the Bank began to broker for a third party lender one-to four-family residential loans, which were primarily fixed rate loans with terms of 30 years. The Bank's loan brokerage activities permitted the Bank to offer customers longer-term fixed rate loans it would not otherwise originate while providing a source of fee income. During 2003, the Bank brokered $8.6 million in one-to four-family loans and received $94,000 in fee income from the sale of such loans.

All of our one- to four-family mortgages include "due on sale" clauses, which are provisions giving us the right to declare a loan immediately payable if the borrower sells or otherwise transfers an interest in the property to a third party.

Property appraisals on real estate securing our single-family residential loans are made by state certified and licensed independent appraisers approved by the Board of Directors. Appraisals are performed in accordance with applicable regulations and policies. At our discretion, we obtain either title insurance policies or attorneys' certificates of title, on all first mortgage real estate loans originated. We also require fire and casualty insurance on all properties securing our one-to four-family loans. In some instances, we charge a fee equal to a percentage of the loan amount commonly referred to as points.

Construction Loans. We offer loans to finance the construction of various types of commercial and residential property. We originated 20 such loans during the year ended December 31, 2003. Construction loans to builders generally are offered with terms of up to one year and interest rates are tied to prime rate plus a margin. These loans generally are offered as adjustable rate loans. We will originate residential construction loans for individual borrowers and builders, provided all necessary plans and permits are in order. Construction loan funds are disbursed as the project progresses. At December 31, 2003, our largest construction loan was a loan participation in the amount of $2.0 million of which $1.2 million was disbursed. This construction loan has been made for the construction of residential properties. At December 31, 2003 this loan was performing in accordance with its terms.

Construction financing is generally considered to involve a higher degree of risk of loss than long-term financing on improved, occupied real estate. Risk of loss on a construction loan is dependent largely upon the accuracy of the initial estimate of the property's value at completion of construction and development and the estimated cost (including interest) of construction. During the construction phase, a number of factors could result in delays and cost overruns. If the estimate of construction costs proves to be inaccurate, we may be required to advance funds beyond the amount originally committed to permit completion of the project. Additionally, if the estimate of value proves to be inaccurate, we may be confronted, at or prior to the maturity of the loan, with a project having a value which is insufficient to assure full repayment.

Commercial and Multi-family Real Estate Loans. Our commercial and multi-family real estate loans are secured by commercial real estate (for example, shopping centers, medical buildings, retail offices) and multi-family residential units, consisting of five or more units. Permanent loans on commercial and multi-family properties are generally originated in amounts up to 70% to 75% of the appraised value of the property. Our commercial real estate loans are secured by improved property such as office buildings, retail stores, warehouses, church buildings and other non-residential buildings. Commercial and multi-family real estate loans are generally made at rates that adjust above the five year U.S. Treasury interest rate, with terms of up to 25 years, or are balloon loans with fixed interest rates which generally mature in three to five years with principal amortization for a period of up to 30 years. Our largest commercial loan had a principal balance of $2.7 million at December 31, 2003, and was secured by three professional office buildings. Our largest multi-family loan had a principal balance of $2.5 million at December 31, 2003. Both loans were performing in accordance with their terms on that date.

Loans secured by commercial and multi-family real estate are generally larger and involve a greater degree of risk than one- to four-family residential mortgage loans. The borrower's creditworthiness and the feasibility and cash flow potential of the project is of primary concern in commercial and multi-family real estate lending. Loans secured by income properties are generally larger and involve greater risks than residential mortgage loans because payments on loans secured by income properties are often dependent on the successful operation or management of the properties. As a result, repayment of such loans may be subject to a greater extent than residential real estate loans to adverse conditions in the real estate market or the economy. We intend to continue emphasizing the origination of loans secured by commercial real estate and multi-family properties.

Commercial Business Loans. Our commercial business loans are underwritten on the basis of the borrower's ability to service such debt from income. Our underwriting standards for commercial business loans include a review of the applicant's tax returns, financial statements, credit history and an assessment of the applicant's ability to meet existing obligations and payments on the proposed loan based on cash flow generated by the applicant's business. Commercial business loans are generally made to small and mid-sized companies located within the state of New Jersey. In most cases, we require collateral of equipment, accounts receivable, inventory, chattel or other assets before making a commercial business loan. Our largest commercial business loan at December 31, 2003 had a principal balance of $1.0 million and was secured by school buses. This loan was guaranteed by the Bayonne Board of Education.

Commercial business loans generally have higher rates and shorter terms than one- to four-family residential loans, but they may also involve higher average balances and a higher risk of default since their repayment generally depends on the successful operation of the borrower's business.

Consumer. We make various types of secured and unsecured consumer loans including home equity lines of credit and loans that are collateralized by new and used automobiles. Consumer loans generally have terms of three years to ten years.

Consumer loans are advantageous to us because of their interest rate sensitivity, but they also involve more credit risk than residential mortgage loans because of the higher potential for default, the nature of the collateral and the difficulty in disposing of the collateral.

The following table shows our loan origination, purchase, sale and repayment activities for the periods indicated.

	Years Ended December 31,			
	2003	2002	2001	2000(1)
	(In thousands)			
Beginning of period	$ 123,435	$ 45,411	$ 1,481	$ --
Originations by Type:				
Real estate mortgage:				
One- to four-family residential ..	22,768	20,000	9,318	250
Construction	6,392	2,737	902	
Home equity	9,393	8,711	9,961	360
Commercial and multi-family	62,966	47,676	16,883	750
Commercial business	2,544	10,846	3,022	79
Consumer	924	537	973	42
Total loans originated	104,987	90,507	41,059	1,481
Purchases:				
Real estate mortgage:				
One- to four-family residential ..	--	--	--	--
Construction	2,223	300	338	--
Home equity	--	--	--	--
Commercial and multi-family	3,207	2,794	5,318	--
Commercial business	--	--	--	--
Consumer	--	--	--	--
Total loans purchased	5,430	3,094	5,656	--
Sales:				
Real estate mortgage:				
One- to four-family residential ..	--	--	--	--
Construction	--	--	--	--
Home equity	--	--	--	--
Commercial and multi-family	3,480	1,599	--	--
Commercial business	--	--	--	--
Consumer	--	--	--	--
Total loans sold	3,480	1,599	--	--
Principal repayments	39,234	13,978	2,785	--
Total reductions	42,714	15,577	2,785	--
Increase (decrease) in other items, net	--	--	--	--
Net increase	67,703	78,024	43,930	1,481
Ending balance	$ 191,138	$ 123,435	$ 45,411	$ 1,481

(1) Bayonne Community Bank commenced operations on November 1, 2000.

Loan Approval Authority and Underwriting. We establish various lending limits for executive management and also maintain a loan committee. The loan committee is comprised of the Chairman of the Board, the President, the Executive Loan Officer and five non-employee members of the Board of Directors. The President or the Executive Loan Officer, together with one other loan officer, have authority to approve applications for real estate loans up to $400,000, other secured loans up to $400,000 and unsecured loans up to $25,000. The loan committee considers all applications in excess of the above lending limits and the entire board of directors ratifies all such loans.

Upon receipt of a completed loan application from a prospective borrower, a credit report is ordered. Income and certain other information is verified. If necessary, additional financial information may be requested. An appraisal is required for the underwriting of all one- to four-family loans. We may rely on an estimate of value of real estate performed by our Executive Loan Officer for home equity loans or lines of credit of up to $150,000. Appraisals are processed by independent fee appraisers.

An attorney's certificate of title is required on all real estate mortgage loans. Borrowers also must obtain fire and casualty insurance. Flood insurance is also required on loans secured by property that is located in a flood zone.

Loan Commitments. Written commitments are given to prospective borrowers on all approved real estate loans. Generally, we honor commitments for up to 60 days from the date of issuance. At December 31, 2003, our outstanding loan commitments totaled $33.2 million.

Nonperforming and Problem Assets

Loan Delinquencies. We send a notice of nonpayment to borrowers when their mortgage loan becomes 15 days past due. If such payment is not received by month end, an additional notice of nonpayment is sent to the borrower. After 60 days, if payment is still delinquent, a notice of right to cure default is sent to the borrower giving 30 additional days to bring the loan current before foreclosure is commenced. If the loan continues in a delinquent status for 90 days past due and no repayment plan is in effect, foreclosure proceedings will be initiated.

Loans are reviewed and are placed on a non-accrual status when the loan becomes more than 120 days delinquent or when, in our opinion, the collection of additional interest is doubtful. Interest accrued and unpaid at the time a loan is placed on nonaccrual status is charged against interest income. Subsequent interest payments, if any, are either applied to the outstanding principal balance or recorded as interest income, depending on the assessment of the ultimate collectability of the loan. At December 31, 2003, we had one nonperforming loan. This loan is to a business borrower that has filed for bankruptcy protection. The loan is also secured by the principal residence of the business owner. The Bank has a first lien on this property. At December 31, 2003 this loan had a principal balance of $67,000. The Bank had two other loans which were delinquent 90 days or more. These loans were not classified as nonperforming as the borrowers have periodically made principal and interest payments on their respective loans.

A loan is considered impaired when it is probable the borrower will not repay the loan according to the original contractual terms of the loan agreement. We have determined that first mortgage loans on one-to four-family properties and all consumer loans represent large groups of smaller-balance homogeneous loans that are collectively evaluated. Additionally, we have determined that an insignificant delay (less than 90 days) will not cause a loan to be classified as impaired and a loan is not impaired during a period of delay in payment, if we expect to collect all amounts due including interest accrued at the contractual interest rate for the period of delay. We independently evaluate all loans identified as impaired. We estimate credit losses on impaired loans based on the present value of expected cash flows or the fair value of the underlying collateral if the loan repayment is derived from the sale or operation of such collateral. Impaired loans, or portions of such loans, are charged off when we determine that a realized loss has occurred. Until such time, an allowance for loan losses is maintained for estimated losses. Cash receipts on impaired loans are applied first to accrued interest receivable unless otherwise required by the loan terms, except when an impaired loan is also a nonaccrual loan, in which case the portion of the receipts related to interest is recognized as income. At December 31, 2003, we did not have any loans deemed to be impaired.

The following table sets forth delinquencies in our loan portfolio as of the dates indicated:

	At December 31, 2003				At December 31, 2002			
	60-89 Days		90 Days or More		60-89 Days		90 Days or More	
	Number of Loans	Principal Balance of Loans	Number of Loans	Principal Balance of Loans	Number of Loans	Principal Balance of Loans	Number of Loans	Principal Balance of Loans
	(Dollars in thousands)							
Real estate mortgage:								
One- to four-family residential	1	$ 103	--	$ --	--	$ --	--	$ --
Construction	--	--	--	--	--	--	--	--
Home equity	--	--	--	--	--	--	--	--
Commercial and multi-family	--	--	--	--	--	--	--	--
Total	1	103	--	--	--	--	--	--
Commercial business	3	355	3	386	--	--	1	67
Consumer	--	--	--	--	--	--	--	--
Total delinquent loans	4	$ 458	3	$ 386	$ --	$ --	1	$ 67
Delinquent loans to total loans		0.24%		0.20%		--%		0.05%

	At December 31, 2001				At December 31, 2000(1)			
	60-89 Days		90 Days or More		60-89 Days		90 Days or More	
	Number of Loans	Principal Balance of Loans	Number of Loans	Principal Balance of Loans	Number of Loans	Principal Balance of Loans	Number of Loans	Principal Balance of Loans
	(Dollars in thousands)							
Real estate mortgage:								
One- to four-family residential	--	$ --	--	$ --	--	$ --	--	$ --
Construction	--	--	--	--	--	--	--	--
Home equity	--	--	--	--	--	--	--	--
Commercial and multi-family	--	--	--	--	--	--	--	--
Total	--	--	--	--	--	--	--	--
Commercial business	1	12	--	--	--	--	--	--
Consumer	3	14	--	--	--	--	--	--
Total delinquent loans	4	$ 26	--	$ --	--	$ --	--	$ --
Delinquent loans to total loans		0.06%		--%		--%		--%

(1) Bayonne Community Bank commenced operations on November 1, 2000.

The table below sets forth the amounts and categories of non-performing assets in the Bank's loan portfolio. Loans are placed on non-accrual status when the collection of principal and/or interest become doubtful. For all years presented, Bayonne Community Bank has had no troubled debt restructurings (which involve forgiving a portion of interest or principal on any loans or making loans at a rate materially less than that of market rates). Foreclosed assets include assets acquired in settlement of loans.

	At December 31,			
	2003	2002	2001	2000(1)
	(Dollars in thousands)			
Non-accruing loans:				
One- to four-family residential	$ --	$ --	$ --	$ --
Construction	--	--	--	--
Home equity	--	--	--	--
Commercial and multi-family	67	67	--	--
Commercial business	--	--	--	--
Consumer	--	--	--	--
Total	67	67	--	--
Accruing loans delinquent more than 90 days:				
One- to four-family residential	--	--	--	--
Construction	--	--	--	--
Home equity	--	--	--	--
Commercial and multi-family	319	--	--	--
Commercial business	--	--	--	--
Consumer	--	--	--	--
Total	319	--	--	--
Foreclosed assets	--	--	--	--
Total non-performing assets	$ 386	$ 67	$ --	$ --
Total as a percentage of total assets	0.13%	0.04%	--%	--%
Total as a percent of total loans	0.20%	0.05%	--%	--%

(1) Bayonne Community Bank commenced operations on November 1, 2000.

For the year ended December 31, 2003, gross interest income which would have been recorded had our non-accruing loans been current in accordance with their original terms amounted to $6,000. We did not include any interest income for such loans for the year ended December 31, 2003.

The following table sets forth an analysis of the Bank's allowance for loan losses. We had no recoveries during the periods presented.

	Years Ended December 31,			
	2003	2002	2001	2000(1)
	(Dollars in thousands)			
Balance at beginning of period	$ 1,233	$ 412	$ 30	$ --
Charge-offs:				
One- to four-family residential	--	--	--	--
Construction	--	--	--	--
Home equity	--	--	--	--
Commercial and multi-family	--	--	--	--
Commercial business	--	10	--	--
Consumer	--	12	--	--
Total charge-offs	--	22	--	--
Recoveries	--	--	--	--
Net charge-offs	--	22	--	--
Provisions charged to operations	880	843	382	30
Ending balance	$ 2,113	$ 1,233	$ 412	$ 30
Ratio of non-performing assets to total assets at the end of period	0.13%	0.04%	--%	--%
Ratio of net charge-offs during the period to loans outstanding during the period	--%	0.03%	--%	--%
Ratio of net charge-offs during the period to non-performing assets	--%	32.8%	--%	--%

(1) Bayonne Community Bank commenced operations on November 1, 2000.

Classified Assets. Our policies provide for a classification system for problem assets. Under this classification system, problem assets are classified as "substandard," or "loss." An asset is considered substandard if it is inadequately protected by its current net worth and paying capacity of the borrower or of the collateral pledged, if any. Substandard assets include those characterized by the "distinct possibility" that "some loss" will be sustained if the deficiencies are not corrected. Assets classified as loss are those considered "uncollectible" and of such little value that their continuance as assets without the establishment of a specific loss reserve is not warranted. Assets may be designated "special mention" because of potential weaknesses that do not currently warrant classification in one of the aforementioned categories.

When we classify problem assets as either substandard we may establish general allowances for loan losses in an amount deemed prudent by management. General allowances represent loss allowances which have been established to recognize the inherent risk associated with lending activities, but which, unlike specific allowances, have not been allocated to particular problem assets. When we classify problem assets as loss, we establish a specific allowance for losses equal to 100% of that portion of the asset so classified or charge off such amount. A portion of general loss allowances established to cover possible losses related to assets classified as substandard or doubtful may be included in determining our regulatory capital. Specific valuation allowances for loan losses generally do not qualify as regulatory capital. At December 31, 2003, we had $2.0 million in assets classified as substandard and $142,000 in assets classified as special mention. The loans classified as substandard represent commercial business loans secured by equipment. These loans have been classified substandard primarily because either updated financial information has not been timely provided, or the collateral underlying the loan is in the process of being revalued.

Allowances for Loan Losses. A provision for loan losses is charged to operations based on management's evaluation of the losses that may be incurred in our loan portfolio. The evaluation, including a review of all loans on which full collectability of interest and principal may not be reasonably assured, considers: (i) known and inherent risks in our portfolio, (ii) adverse situations that may affect the borrower's ability to repay, (iii) the estimated value of any underlying collateral, and (iv) current economic conditions.

We monitor our allowance for loan losses and make additions to the allowance as economic conditions dictate. Although we maintain our allowance for loan losses at a level that we consider adequate for the inherent risk of loss in our loan portfolio, future losses could exceed estimated amounts and additional provisions for loan losses could be required. In addition, our determination of the amount of the allowance for loan losses is subject to review by the New Jersey Department of Banking, as part of its examination process. After a review of the information available, our regulators might require the establishment of an additional allowance. Any increase in the loan loss allowance required by regulators would have a negative impact on our earnings.

Allocation of the Allowance for Loan Losses. The following table illustrates the allocation of the allowance for loan losses for each category of loan. The allocation of the allowance to each category is not necessarily indicative of future loss in any particular category and does not restrict our use of the allowance to absorb losses in other loan categories.

	At December 31,							
	2003		2002		2001		2000	
	Amount	Percent of Loans in each Category in Total Loans	Amount	Percent of Loans in each Category in Total Loans	Amount	Percent of Loans in each Category in Total Loans	Amount	Percent of Loans in each Category in Total Loans
	(Dollars in Thousands)							
Type of loan:								
One- to four-family	$ 105	17.74%	$ 64	20.64%	$ 52	20.04%	$ 5	18.16%
Construction	125	5.24	53	3.47	16	2.73	--	--
Home equity	50	8.80	64	11.43	70	20.64	6	24.31
Commercial and multi-family	1,178	60.25	658	53.34	225	48.19	15	50.64
Commercial business	649	7.35	376	10.48	33	6.58	2	4.05
Consumer	6	0.62	18	0.64	16	1.82	2	2.84
Total	$2,113	100.00%	$1,233	100.00%	$ 412	100.00%	$ 30	100.00%

Allowance for Loan Losses. The following table sets forth information with respect to our allowance for loan losses:

	At or for the year ended December 31, 2003	At or for the year ended December 31, 2002	At or for the year ended December 31, 2001	At or for the year ended December 31, 2000
		(Dollars in Thousands)		
Total loans outstanding	$ 191,138	$ 123,435	$ 45,411	$ 1,481
Average loans outstanding	$ 155,145	$ 83,734	$ 19,129	$ 741
Allowance balance at beginning of period	$ 1,233	$ 412	$ 30	$ --
Provision:				
Real estate loans	619	476	337	26
Commercial business	273	353	31	2
Consumer	(12)	14	14	2
Total provision	880	843	382	30
Charge-offs:				
Real estate loans	--	--	--	--
Commercial business	--	10	--	--
Consumer	--	12	--	--
Total charge-offs	--	22	--	--
Recoveries:		--		
Real estate loans	--	--	--	--
Commercial business	--	--	--	--
Consumer	--	--	--	--
Total recoveries	--	--	--	--
Allowance balances at end of period	$ 2,113	$ 1,233	$ 412	$ 30
Allowance for loan losses as a percent of total loans outstanding	1.11%	1.00%	0.91%	2.03%
Net loans charged off as percent of average loans outstanding	--%	0.03%	--%	--%

Investment Activities

Investment Securities. We are required under federal regulations to maintain a minimum amount of liquid assets that may be invested in specified short-term securities and certain other investments. The level of liquid assets varies depending upon several factors, including: (i) the yields on investment alternatives, (ii) our judgment as to the attractiveness of the yields then available in relation to other opportunities, (iii) expectation of future yield levels, and (iv) our projections as to the short-term demand for funds to be used in loan origination and other activities. Investment securities, including mortgage-backed securities, are classified at the time of purchase, based upon management's intentions and abilities, as securities held to maturity or securities available for sale. Debt securities acquired with the intent and ability to hold to maturity are classified as held to maturity and are stated at cost and adjusted for amortization of premium and accretion of discount, which are computed using the level yield method and recognized as adjustments of interest income. All other debt securities are classified as available for sale to serve principally as a source of liquidity.

Current regulatory and accounting guidelines regarding investment securities require us to categorize securities as "held to maturity," "available for sale" or "trading." As of December 31, 2003, we had $90.3 million of securities classified as "held to maturity," and no securities classified as available for sale or trading. Securities classified as "available for sale" are reported for financial reporting purposes at the fair market value with net changes in the market value from period to period included as a separate component of stockholders' equity, net of income taxes. At December 31, 2003, our securities classified as held-to-maturity had a market value of $91.2 million. Changes in the market value of classified as securities held-to-maturity do not affect our income. Management has the intent and we have the ability to hold securities classified as held to maturity.

At December 31, 2003, our investment policy allowed investments in instruments such as: (i) U.S. Treasury obligations; (ii) U.S. federal agency or federally sponsored agency obligations; (iii) mortgage-backed securities; and
(iv) certificates of deposit. The board of directors may authorize additional investments. At December 31, 2003 our U.S. Government agency securities totaled $72.0 million, all of which were classified as held to maturity and which primarily consisted of callable securities issued by federally sponsored agencies.

As a source of liquidity and to supplement our lending activities, we have invested in residential mortgage-backed securities. Mortgage-backed securities generally yield less than the loans that underlie such securities because of the cost of payment guarantees or credit enhancements that reduce credit risk. Mortgage-backed securities can serve as collateral for borrowings and, through repayments, as a source of liquidity. Mortgage-backed securities represent a participation interest in a pool of single-family or other type of mortgages. Principal and interest payments are passed from the mortgage originators, through intermediaries (generally government-sponsored enterprises) that pool and repackage the participation interests in the form of securities, to investors, like us. The government-sponsored enterprises guarantee the payment of principal and interest to investors and include Freddie Mac, Ginnie Mae, and Fannie Mae.

Mortgage-backed securities typically are issued with stated principal amounts. The securities are backed by pools of mortgage loans that have interest rates that are within a set range and have varying maturities. The underlying pool of mortgages can be composed of either fixed rate or adjustable rate mortgage loans. Mortgage-backed securities are generally referred to as mortgage participation certificates or pass-through certificates. The interest rate risk characteristics of the underlying pool of mortgages (i.e., fixed rate or adjustable rate) and the prepayment risk, are passed on to the certificate holder. The life of a mortgage-backed pass-through security is equal to the life of the underlying mortgages. Expected maturities will differ from contractual maturities due to scheduled repayments and because borrowers may have the right to call or prepay obligations with or without prepayment penalties.

Securities Portfolio. The following table sets forth the carrying value of our securities portfolio and Federal funds at the dates indicated.

	At December 31, 2003	2002	2001
		(In Thousands)	
Securities held to maturity:			
U.S. Government and Agency securities	$ 71,982	$ 21,989	$ 7,500
Mortgage-backed securities	18,331	28,613	31,062
Total securities held to maturity	90,313	50,602	38,562
Money market funds	6,000	2,000	24,000
FHLB stock	1,250	760	--
Total investment securities	$ 97,563	$ 53,362	$ 62,562

The following table shows our mortgage-backed and related securities purchase, sale and repayment activities for the periods indicated.

	Years Ended December 31, 2003	2002	2001
		(In thousands)	
Purchases:			
Adjustable-rate	$ --	$ --	$ 8,903
Fixed-rate	75,947	27,092	37,024
Total purchases	$ 75,947	$ 27,092	$ 45,927
Sales:			
Adjustable-rate	$ --	$ --	$ --
Fixed-rate	--	1,989(1)	4,996(1)
Total sales	$ --	$ 1,989	$ 4,996
Principal Repayments:			
Repayment of principal	$ 36,282	$ 13,077	$ 2,369
Increase in other items, net	46	14	--
Net increases	$ 39,711	$ 12,040	$ 38,562

(1) Consists of a Fannie Mae mortgage-backed security designated as available for sale, sold during the year ended December 31, 2002, and the sale of a Fannie Mae mortgage-backed security designated as available for sale, sold during the year ended December 31, 2001.

Maturities of Securities Portfolio. The following table sets forth information regarding the scheduled maturities, carrying values, estimated market values, and weighted average yields for the Bank's investments securities portfolio at December 31, 2003 by contractual maturity. The following table does not take into consideration the effects of scheduled repayments or the effects of possible prepayments.

	As of December 31, 2003					
	Within one year		More than One to five years		More than five to ten years	
	Carrying Value	Average Yield	Carrying Value	Average Yield	Carrying Value	Average Yield
	(Dollars in Thousands)					
Money market funds	$ 6,000	1.05%	$ --	--%	$ --	--%
U.S. government agency securities	--	--	2,500	4.10	19,982	4.84
Mortgage-backed securities	--	--	--	--	856	6.00
FHLB stock	1,250	1.45	--	--	--	--
Total investment securities	$ 7,250	1.12%	$ 2,500	4.10%	$20,838	4.89%

	As of December 31, 2003				
	More than ten years		Total investment securities		
	Carrying Value	Average Yield	Market Value	Carrying Value	Average Yield
	(Dollars in Thousands)				
Money market funds	$ --	--%	$ 6,000	$ 6,000	1.05%
U.S. government agency securities	49,500	5.92	72,395	71,982	5.56
Mortgage-backed securities	17,475	5.63	18,802	18,331	5.56
FHLB stock	--	--	1,250	1,250	1.45
Total investment securities	$66,975	5.84%	$98,447	$97,563	5.24%

Sources of Funds

Our major external source of funds for lending and other investment purposes are deposits. Funds are also derived from the receipt of payments on loans and prepayment of loans and maturities of investment securities and mortgage-backed securities and borrowings. Scheduled loan principal repayments are a relatively stable source of funds, while deposit inflows and outflows and loan prepayments are significantly influenced by general interest rates and market conditions.

Deposits. Consumer and commercial deposits are attracted principally from within our primary market area through the offering of a selection of deposit instruments including demand, NOW, savings and club accounts, money market accounts, and term certificate accounts. Deposit account terms vary according to the minimum balance required, the time period the funds must remain on deposit, and the interest rate.

The interest rates paid by us on deposits are set at the direction of our senior management. Interest rates are determined based on our liquidity requirements, interest rates paid by our competitors, and our growth goals and applicable regulatory restrictions and requirements. At December 31, 2003, we had no brokered deposits.

Deposit Accounts. The following table sets forth the dollar amount of savings deposits in the various types of deposit programs we offered as of the dates indicated.

	December 31,					
	2003		2002		2001	
	Weighted Average Rate	Amount	Weighted Average Rate	Amount	Weighted Average Rate	Amount
	(Dollars in thousands)					
Demand	--%	$ 16,626	--%	$ 14,007	--%	$ 8,685
NOW	1.37	17,201	1.77	10,656	2.36	8,059
Money market	2.01	2,163	2.41	2,546	3.42	1,811
Savings and club accounts	2.28	162,832	2.79	116,328	3.91	75,644
Certificates of deposit	2.51	54,828	2.90	19,982	4.78	7,550
Total	2.11%	$253,650	2.53%	$163,519	3.52%	$101,749

The following table sets forth our savings flows during the periods indicated.

	Years Ended December 31,		
	2003	2002	2001
	(Dollars in thousands)		
Beginning of period	$ 163,519	$ 101,749	$ 21,918
Net deposits (withdrawals)	85,873	58,404	77,557
Interest credited on deposit accounts	4,258	3,366	2,274
Total increase (decrease) in deposit accounts	90,131	61,770	79,831
Ending balance	$ 253,650	$ 163,519	$ 101,749
Percent increase (decrease)	55.12%	60.71%	364.22%

Jumbo Certificates of Deposit. The following table indicates the amount of our certificates of deposit of $100,000 or more by time remaining until maturity.

Maturity Period	At December 31, 2003 (In Thousands)
Within three months	$ 2,510
Three through twelve months	8,470
Over twelve months	5,350
Total	$ 16,330

The following table presents, by rate category, our certificate of deposit accounts as of the dates indicated.

	At December 31, 2003		2002		2001	
	Amount	Percent	Amount	Percent	Amount	Percent
	(Dollars in thousands)					
Certificate of deposit rates:						
1.00% - 1.99%	$ 1,876	3.42%	$ 919	4.60%	$ --	--%
2.00% - 2.99%	44,546	81.25	14,711	73.62	3,154	41.78
3.00% - 3.99%	8,406	15.33	4,348	21.76	2,463	32.62
4.00% - 4.99%	--	--	--	--	704	9.32
5.00% - 5.99%	--	--	--	--	1,229	16.28
6.00% - 6.99%	--	--	4	0.02	--	--
Total	$ 54,828	100.00%	$ 19,982	100.00%	$ 7,550	100.00%

The following table presents, by rate category, the remaining period to maturity of certificate of deposit accounts outstanding as of December 31, 2003.

	Maturity Date 1 Year or Less	Over 1 to 2 Years	Over 2 to 3 Years	Over 3 Years	Total
	(In thousands)				
Interest rate:					
1.00% - 1.99%	$ 1,876	$ --	$ --	$ --	$ 1,876
2.00% - 2.99%	37,583	5,446	44	1,473	44,546
3.00% - 3.99%	1,997	22	6,093	294	8,406
Total	$ 41,456	$ 5,468	$ 6,137	$ 1,767	$ 54,828

Borrowings. Our advances from the FHLB of New York are secured by a pledge of our stock in the FHLB of New York, and investment securities. Each FHLB credit program has its own interest rate, which may be fixed or adjustable, and range of maturities. If the need arises, we may also access the Federal Reserve Bank discount window to supplement our supply of lendable funds and to meet deposit withdrawal requirements. During the year ended December 31, 2003, we had average borrowings, consisting of FHLB advances, of $2.9 million with a weighted average cost of 1.48%. Our maximum borrowings outstanding during 2003 was $25.0 million. We had no borrowings in 2002 or 2001.

Employees

At December 31, 2003, we had 55 full-time and 22 part-time employees. None of our employees is represented by a collective bargaining group. We believe that our relationship with our employees is good.

Supervision and Regulation

Bank holding companies and banks are extensively regulated under both federal and state law. These laws and regulations are intended to protect depositors, not shareholders. To the extent that the following information describes statutory and regulatory provisions, it is qualified in its entirety by reference to the particular statutory and regulatory provisions. Any change in the applicable law or regulation may have a material effect on the business and prospects of the Company and the Bank.

Bank Holding Company Regulation

As a bank holding company registered under the Bank Holding Company Act, the Company is subject to the regulation and supervision applicable to bank holding companies by the Board of Governors of the Federal Reserve System. The Company is required to file with the Federal Reserve annual reports and other information regarding its business operations and those of its subsidiaries.

The Bank Holding Company Act requires, among other things, the prior approval of the Federal Reserve in any case where a bank holding company proposes to (i) acquire all or substantially all of the assets of any other bank, (ii) acquire direct or indirect ownership or control of more than 5% of the outstanding voting stock of any bank (unless it owns a majority of such company's voting shares) or (iii) merge or consolidate with any other bank holding company. The Federal Reserve will not approve any acquisition, merger, or consolidation that would have a substantially anti-competitive effect, unless the anti-competitive impact of the proposed transaction is clearly outweighed by a greater public interest in meeting the convenience and needs of the community to be served. The Federal Reserve also considers capital adequacy and other financial and managerial resources and future prospects of the companies and the banks concerned, together with the convenience and needs of the community to be served, when reviewing acquisitions or mergers.

The Bank Holding Company Act generally prohibits a bank holding company, with certain limited exceptions, from (i) acquiring or retaining direct or indirect ownership or control of more than 5% of the outstanding voting stock of any company which is not a bank or bank holding company, or (ii) engaging directly or indirectly in activities other than those of banking, managing or controlling banks, or performing services for its subsidiaries, unless such non-banking business is determined by the Federal Reserve to be so closely related to banking or managing or controlling banks as to be properly incident thereto.

The Bank Holding Company Act has been amended to permit bank holding companies and banks, which meet certain capital, management and Community Reinvestment Act standards, to engage in a broader range of non-banking activities. In addition, bank holding companies which elect to become financial holding companies may engage in certain banking and non-banking activities without prior Federal Reserve approval. Finally, the Financial Modernization Act imposes certain privacy requirements on all financial institutions and their treatment of consumer information. At this time, the Company has elected not to become a financial holding company, as it does not engage in any activities not permissible for banks.

There are a number of obligations and restrictions imposed on bank holding companies and their depository institution subsidiaries by law and regulatory policy that are designed to minimize potential loss to the depositors of such depository institutions and the FDIC insurance funds in the event the depository institution is in danger of default. Under a policy of the Federal Reserve with respect to bank holding company operations, a bank holding company is required to serve as a source of financial strength to its subsidiary depository institutions and to commit resources to support such institutions in circumstances where it might not do so absent such policy. The Federal Reserve also has the authority under the Bank Holding Company Act to require a bank holding company to terminate any activity or to relinquish control of a non-bank subsidiary upon the Federal Reserve's determination that such activity or control constitutes a serious risk to the financial soundness and stability of any bank subsidiary of the bank holding company.

Capital Adequacy Guidelines for Bank Holding Companies

The Federal Reserve has adopted risk-based capital guidelines for bank holding companies. The risk-based capital guidelines are designed to make regulatory capital requirements more sensitive to differences in risk profile among banks and bank holding companies, to account for off-balance sheet exposure, and to minimize disincentives for holding liquid assets. Under these guidelines, assets and off-balance sheet items are assigned to broad risk categories each with appropriate weights. The resulting capital ratios represent capital as a percentage of total risk-weighted assets and off-balance sheet items.

The minimum ratio of total capital to risk-weighted assets (including certain off-balance sheet activities, such as standby letters of credit) is 8%. At least 4% of the total capital is required to be "Tier I Capital," consisting of common shareholders' equity and qualifying preferred stock, less certain goodwill items and other intangible assets. The remainder ("Tier II Capital") may consist of (a) the allowance for loan losses of up to 1.25% of risk-weighted assets, (b) non-qualifying preferred stock, (c) hybrid capital instruments, (d) perpetual debt, (e) mandatory convertible securities, and (f) qualifying subordinated debt and intermediate-term preferred stock up to 50% of Tier I capital. Total capital is the sum of Tier I and Tier II capital less reciprocal holdings of other banking organizations' capital instruments, investments in unconsolidated subsidiaries and any other deductions as determined by the Federal Reserve (determined on a case by case basis or as a matter of policy after formal rule-making).

Bank holding company assets are given risk-weights of 0%, 20%, 50% and 100%. In addition, certain off-balance sheet items are given similar credit conversion factors to convert them to asset equivalent amounts to which an appropriate risk-weight will apply. These computations result in the total risk-weighted assets. Most loans are assigned to the 100% risk category, except for performing first mortgage loans fully secured by residential property which carry a 50% risk-weighting and loans secured by deposits in the Bank which carry a 20% risk-weighting. Most investment securities (including, primarily, general obligation claims of states or other political subdivisions of the United States) are assigned to the 20% category, except for municipal or state revenue bonds, which have a 50% risk-weight, and direct obligations of the U.S. Treasury or obligations backed by the full faith and credit of the U.S. Government, which have a 0% risk-weight. In converting off-balance sheet items, direct credit substitutes including general guarantees and standby letters of credit backing financial obligations are given a 100%

risk-weighting. Transaction related contingencies such as bid bonds, standby letters of credit backing nonfinancial obligations, and undrawn commitments (including commercial credit lines with an initial maturity of more than one year) have a 50% risk-weighting. Short-term commercial letters of credit have a 20% risk-weighting and certain short-term unconditionally cancelable commitments have a 0% risk-weighting.

In addition to the risk-based capital guidelines, the Federal Reserve has adopted a minimum Tier I capital (leverage) ratio, under which a bank holding company must maintain a minimum level of Tier I capital to average total consolidated assets of at least 3% in the case of a bank holding company that has the highest regulatory examination rating and is not contemplating significant growth or expansion. All other bank holding companies are expected to maintain a leverage ratio of at least 100 to 200 basis points above the stated minimum.

Bank Regulation

As a New Jersey-chartered commercial bank, the Bank is subject to the regulation, supervision, and examination of the New Jersey Department of Banking and Insurance. As an FDIC-insured institution, we are subject to the regulation, supervision and examination of the FDIC, an agency of the federal government. The regulations of the FDIC and the New Jersey Department of Banking and Insurance impact virtually all of our activities, including the minimum level of capital we must maintain, our ability to pay dividends, our ability to expand through new branches or acquisitions and various other matters.

Insurance of Deposits. Our deposits are insured up to a maximum of $100,000 per depositor under the Bank Insurance Fund of the FDIC. The FDIC has established a risk-based assessment system for all insured depository institutions. Under the risk-based assessment system, deposit insurance premium rates range from 0-27 basis points of assessed deposits.

Capital Adequacy Guidelines. The FDIC has promulgated risk-based capital guidelines, which are designed to make regulatory capital requirements more sensitive to differences in risk profile among banks, to account for off-balance sheet exposure, and to minimize disincentives for holding liquid assets. Under these guidelines, assets and off-balance sheet items are assigned to broad risk categories, each with appropriate weights. The resulting capital ratios represent capital as a percentage of total risk-weighted assets and off-balance sheet items. These guidelines are substantially similar to the Federal Reserve guidelines discussed above.

In addition to the risk-based capital guidelines, the FDIC has adopted a minimum Tier 1 capital (leverage) ratio. This measurement is substantially similar to the Federal Reserve leverage capital measurement discussed above. At December 31, 2003, the Bank's ratio of total capital to risk-weighted assets was 11.51%. Our Tier 1 capital to risk-weighted assets was 10.47%, and our Tier I capital to total assets was 7.02%.

Dividends. The Bank may pay dividends as declared from time to time by the Board of Directors out of funds legally available, subject to certain restrictions. Under the New Jersey Banking Act of 1948, the Bank may not pay a cash dividend unless, following the payment, the Bank's capital stock will be unimpaired and the Bank will have a surplus of no less than 50% of the Bank capital stock or, if not, the payment of the dividend will not reduce the surplus. In addition, the Bank cannot pay dividends in amounts that would reduce the Bank's capital below regulatory imposed minimums.

The USA PATRIOT Act

In response to the terrorist events of September 11, 2001, the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, or the USA PATRIOT Act, was signed into law on October 26, 2001. The USA PATRIOT Act gives the federal government new powers to address terrorist threats through enhanced domestic security measures, expanded surveillance powers, increased information sharing and broadened anti-money laundering requirements. For years, financial institutions such as the Bank have been subject to federal anti-money laundering obligations. As such, the bank does not believe the USA PATRIOT Act will have a material impact on its operations.

Sarbanes-Oxley Act of 2002

The Sarbanes-Oxley Act of 2002 ("Sarbanes-Oxley"), contains a broad range of legislative reforms intended to address corporate and accounting fraud. In addition to the establishment of a new accounting oversight board that will enforce auditing, quality control and independence standards and will be funded by fees from all publicly traded companies, Sarbanes-Oxley places certain restrictions on the scope of services that may be provided by accounting firms to their public company audit clients. Any non-audit services being provided to a public company audit client will require preapproval by the company's audit committee. In addition, Sarbanes-Oxley makes certain changes to the requirements for audit partner rotation after a period of time. Sarbanes-Oxley requires chief executive officers and chief financial officers, or their equivalent, to certify to the accuracy of periodic reports filed with the Securities and Exchange Commission, subject to civil and criminal penalties if they knowingly or willingly violate this certification requirement. The Company's Chief Executive Officer and Chief Financial Officer have signed certifications to this Form 10-K as required by Sarbanes-Oxley. In addition, under Sarbanes-Oxley, counsel will be required to report evidence of a material violation of the securities laws or a breach of fiduciary duty by a company to its chief executive officer or its chief legal officer, and, if such officer does not appropriately respond, to report such evidence to the audit committee or other similar committee of the board of directors or the board itself.

Under Sarbanes-Oxley, longer prison terms will apply to corporate executives who violate federal securities laws; the period during which certain types of suits can be brought against a company or its officers is extended; and bonuses issued to top executives prior to restatement of a company's financial statements are now subject to disgorgement if such restatement was due to corporate misconduct. Executives are also prohibited from trading the company's securities during retirement plan "blackout" periods, and loans to company executives (other than loans by financial institutions permitted by federal rules and regulations) are restricted. In addition, a provision directs that civil penalties levied by the Securities and Exchange Commission as a result of any judicial or administrative action under Sarbanes-Oxley be deposited to a fund for the benefit of harmed investors. The Federal Accounts for Investor Restitution provision also requires the Securities and Exchange Commission to develop methods of improving collection rates. The legislation accelerates the time frame for disclosures by public companies, as they must immediately disclose any material changes in their financial condition or operations. Directors and executive officers must also provide information for most changes in ownership in a company's securities within two business days of the change.

Sarbanes-Oxley also increases the oversight of, and codifies certain requirements relating to, audit committees of public companies and how they interact with the company's "registered public accounting firm." Audit Committee members must be independent and are absolutely barred from accepting consulting, advisory or other compensatory fees from the issuer. In addition, companies must disclose whether at least one member of the committee is a "financial expert" (as such term is defined by the Securities and Exchange Commission) and if not, why not. Under Sarbanes-Oxley, a company's registered public accounting firm is prohibited from performing statutorily mandated audit services for a company if such company's chief executive officer, chief financial officer, comptroller, chief accounting officer or any person serving in equivalent positions had been employed by such firm and participated in the audit of such company during the one-year period preceding the audit initiation date. Sarbanes-Oxley also prohibits any officer or director of a company or any other person acting under their direction from taking any action to fraudulently influence, coerce, manipulate or mislead any independent accountant engaged in the audit of the company's financial statements for the purpose of rendering the financial statements materially misleading. Sarbanes-Oxley also requires the Securities and Exchange Commission to prescribe rules requiring inclusion of any internal control report and assessment by management in the annual report to shareholders. Sarbanes-Oxley requires the company's registered public accounting firm that issues the audit report to attest to and report on management's assessment of the company's internal controls.

Although the Company has incurred some additional expense in complying with the provisions of the Sarbanes-Oxley Act and the resulting regulations, management does not expect that such compliance will have a material impact on our results of operations or financial condition.

AVAILABILITY OF ANNUAL REPORT

We do not maintain a website. However, we will provide our Annual Report on Form 10-K free of charge to shareholders who write to the Corporate Secretary at 104-110 Avenue C, Bayonne, New Jersey 07002.

ITEM 2. PROPERTIES

At December 31, 2003, we conducted our business from our main office located at 104-110 Avenue C, Bayonne, New Jersey, and our two branch offices. The aggregate book value of our premises and equipment was $5.7 million at December 31, 2003. We own our main office facility and lease our two branch offices.

ITEM 3. LEGAL PROCEEDINGS

We are involved, from time to time, as plaintiff or defendant in various legal actions arising in the normal course of its business. At December 31, 2003, we were not involved in any material legal proceedings.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

No matters were submitted to a vote of stockholders during the fourth quarter of the year under report.

PART II

ITEM 5. MARKET FOR COMPANY'S COMMON STOCK AND RELATED STOCK HOLDER MATTERS

BCB Bancorp, Inc. common stock is currently traded on the electronic bulletin board under the symbol "BCBP", and there is an established market for such common stock. At December 31, 2003, BCB Bancorp, Inc. had one market maker.

The following table sets forth the high and low bid quotations for BCB Bancorp, Inc. common stock for the periods indicated. No cash dividends have been paid on the common stock to date. These quotations represent prices between dealers and do not include retail markups, markdowns, or commissions and do not reflect actual transactions. The information presented reflects the three 10% common stock dividends paid by the Company and Bank. This information has been obtained from monthly statistical summaries provided through marketwatch.com. As of December 31, 2003, there were 2,296,984 shares of BCB Bancorp, Inc. common stock issued and outstanding. At December 31, 2003, BCB Bancorp, Inc. had approximately 1,700 stockholders of record.

Fiscal 2003	High Bid	Low Bid	Cash Dividend Declared
Quarter Ended December 31, 2003.............	$ 22.00	$ 15.00	$ --
Quarter Ended September 30, 2003............	$ 15.68	$ 13.55	$ --
Quarter Ended June 30, 2003.................	$ 15.91	$ 12.86	$ --
Quarter Ended March 31, 2003................	$ 17.50	$ 14.13	$ --

Fiscal 2002	High Bid	Low Bid	Cash Dividend Declared
Quarter Ended December 31, 2002.............	$ 16.12	$ 8.76	$ --
Quarter Ended September 30, 2002............	$ 10.04	$ 8.26	$ --
Quarter Ended June 30, 2002.................	$ 8.26	$ 8.26	$ --
Quarter Ended March 31, 2002................	$ NM	$ NM	$ --

NM- Management is not aware of any trades during the quarter ended March 31, 2002.

ITEM 6. SELECTED CONSOLIDATED FINANCIAL AND OTHER DATA

The following tables set forth selected consolidated historical financial and other data of BCB Bancorp, Inc. at and for December 31, 2003 and for Bayonne Community Bank at and for years prior to December 31, 2003. The information is derived in part from, and should be read together with, the audited Consolidated Financial Statements and Notes thereto of BCB Bancorp, Inc. Per share data has been adjusted for all periods to reflect the three 10% common stock dividends paid by the Company and Bank.

	Selected financial condition December 31, data at:			
	2003	2002	2001	2000
Total assets	$ 300,676,248	$ 183,107,705	$ 113,223,692	$ 29,536,388
Cash and cash equivalents	11,786,283	5,143,986	27,167,533	25,634,234
Securities, held to maturity	90,313,420	50,602,306	38,562,331	--
Loans receivable	188,785,530	122,084,802	44,973,005	1,451,149
Deposits	253,650,119	163,547,862	101,749,208	21,935,732
Borrowings	25,000,000	--	--	--
Stockholders' equity	21,167,034	18,771,621	11,303,215	7,204,021

	Selected operating data for:			
	The year ended December 31, 2003	The year ended December 31, 2002	The year ended December 31, 2001	The two months ended December 31, 2000
Net interest income	$ 9,799,165	$ 5,959,928	$ 1,786,806	$ 172,542
Provision for loan losses	880,000	843,000	382,000	30,000
Non-interest income	480,912	336,028	151,555	4,099
Non-interest expense	5,390,491	3,272,211	2,004,903	569,327
Income tax (benefit)	1,613,723	871,655	172,663	(253,865)
Net income (loss)	$ 2,395,413	$ 1,309,090	$ (275,879)	$ (168,821)
Net income (loss) per share:				
Basic	$ 1.04	$ 0.68	$ (0.23)	N/M(1)
Diluted	$ 1.01	$ 0.67	$ (0.23)	N/M(1)

(1) Per share information for the two months ended December 31, 2000 has been omitted as not meaningful.

	At or for the Years ended December 31,(1)		
	2003	2002	2001
Selected Financial Ratios and Other Data:			
Return on average assets (ratio of net income to average total assets)	1.03%	0.86	(0.38)
Return on average stockholders' equity (ratio of net income to average stockholders' equity)	11.97	8.68	(3.28)
Non-interest income to average assets	0.21	0.22	0.21
Non-interest expense to average assets	2.32	2.16	2.77
Net interest rate spread during the period	4.03	3.60	1.97
Net interest margin (net interest income to average interest earning assets)	4.34	4.03	2.59
Ratio of average interest-earning assets to average interest-bearing liabilities	116.42	118.87	118.73
Asset Quality Ratios:			
Nonperforming loans to total loans at end of period	0.13	0.04	--
Allowance for loan losses to nonperforming loans at end of period	547.48	1,840.73	--
Allowance for loan losses to total loans at end of period	1.11	1.00	0.91
Capital Ratios:			
Stockholders' equity to total assets at end of period	7.04	10.25	9.98
Average stockholders' equity to average total assets	8.62	9.94	11.61
Tier 1 capital to adjusted assets	7.02	10.25	9.98
Tier 1 capital to risk weighted assets	10.47	15.01	15.09

(1) Ratios at December 31, 2000 and for the two months ended December 31, 2000 have been omitted as not meaningful.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

General

BCB Bancorp, Inc., completed its acquisition of Bayonne Community Bank on May 1, 2003. Information at and for the twelve months ended December 31, 2003 reflects the consolidated financial information of BCB Bancorp Inc. Prior to the completion of the acquisition, BCB Bancorp, Inc. had no assets, liabilities or operations. Consequently the information provided below at and for the years ended December 31, 2002 and prior is for Bayonne Community Bank on a stand-alone basis.

This discussion, and other written material, and statements management may make, may contain certain forward-looking statements regarding the Company's prospective performance and strategies within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. The Company intends such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995, and is including this statement for purposes of said safe harbor provisions.

Forward-looking information is inherently subject to risks and uncertainties, and actual results could differ materially from those currently anticipated due to a number of factors, which include, but are not limited to, factors discussed in the Company's Annual Report on Form 10-K and in other documents filed by the Company with the Securities and Exchange Commission. Forward-looking statements, which are based on certain assumptions and describe future plans, strategies and expectations of the Company, are generally identified by the use of the words "plan," "believe," "expect," "intend," "anticipate," "estimate," "project," "may," "will," "should," "could," "predicts," "forecasts," "potential," or "continue" or similar terms or the negative of these terms. The Company's ability to predict results or the actual effects of its plans or strategies is inherently uncertain. Accordingly, actual results may differ materially from anticipated results.

Factors that could have a material adverse effect on the operations of the Company and its subsidiaries include, but are not limited to, changes in market interest rates, general economic conditions, legislation, and regulation; changes in monetary and fiscal policies of the United States Government, including policies of the United States Treasury and Federal Reserve Board; changes in the quality or composition of the loan or investment portfolios; changes in deposit flows, competition, and demand for financial services, loans, deposits and investment products in the Company's local markets; changes in accounting principles and guidelines; war or terrorist activities; and other economic, competitive, governmental, regulatory, geopolitical and technological factors affecting the Company's operations, pricing and services.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this discussion. Although the Company believes that the expectations reflected in the forward-looking statements are reasonable, the Company cannot guarantee future results, levels of activity, performance or achievements. Except as required by applicable law or regulation, the Company undertakes no obligation to update these forward-looking statements to reflect events or circumstances that occur after the date on which such statements were made.

Critical Accounting Policies

Critical accounting policies are those accounting policies that can have a significant impact on the Company's financial position and results of operations that require the use of complex and subjective estimates based upon past experiences and management's judgment. Because of the uncertainty inherent in such estimates, actual results may differ from these estimates. Below are those policies applied in preparing the Company's consolidated financial statements that management believes are the most dependent on the application of estimates and assumptions. For additional accounting policies, see Note 2 of "Notes to Consolidated Financial Statements."

Allowance for Loan Losses

Loans receivable are presented net of an allowance for loan losses. In determining the appropriate level of the allowance, management considers a combination of factors, such as economic and industry trends, real estate market conditions, size and type of loans in portfolio, nature and value of collateral held, borrowers' financial strength and credit ratings, and prepayment and default history. The calculation of the appropriate allowance for loan losses requires a substantial amount of judgment regarding the impact of the aforementioned factors, as well as other factors, on the ultimate realization of loans receivable.

Stock Options

The Company has the choice to account for stock options using either Accounting Principles Board Opinion No. 25 ("APB 25") or SFAS No. 123, "Accounting for Stock-Based Compensation." The Company has elected to use the accounting method under APB 25 and the related interpretations to account for its stock options. Under APB 25, generally, when the exercise price of the Company's stock options equals the market price of the underlying stock on the date of grant, no compensation expense is recognized. Had the Company elected to use SFAS No. 123 to account for its stock options under the fair value method, it would have been required to record compensation expense and, as a result, diluted earnings per share for the fiscal years ended December 31, 2003 and 2002 would have been lower by $0.18 and $0.03 respectively. No stock options were granted prior to 2002. See Note 2 to "Notes to Consolidated Financial Statements."

Financial Condition

Comparison at December 31, 2003 and at December 31, 2002

Total assets increased by $117.6 million, or 64.2%, to $300.7 million at December 31, 2003 from $183.1 million at December 31, 2002 as the Company continued to grow the Bank's deposit base and invest these deposits in loans and investments.

Total cash and cash equivalents increased by $6.7 million, or 131.4%, to $11.8 million at December 31, 2003 from $5.1 million at December 31, 2002 in order to accumulate cash liquidity to facilitate loan closings in the near-term. Investment securities held-to-maturity increased by $39.7 million, or 78.5%, to $90.3 million at December 31, 2003 from $50.6 million at December 31, 2002. This increase was primarily attributable to the purchase of $70.0 million of callable agency securities and the purchase of $6.0 million of mortgage-backed securities, which was partially offset by the call of $20.0 million of agency securities and $16.3 million of mortgage backed security repayments and prepayments during the twelve months ended December 31, 2003.

Loans receivable increased by $66.7 million, or 54.6%, to $188.8 million at December 31, 2003 from $122.1 million at December 31, 2002. The increase resulted primarily from a $50.2 million increase in commercial and multi-family loans net of amortization, a $14.2 million increase in home mortgages and construction loans net of amortization, a $2.9 million increase in consumer loans net of amortization, partially offset by an increase of $880,000 in the allowance for loan losses. The growth in loans receivable was primarily attributable to competitive pricing in a lower than normal interest rate environment and a strong local economy as real estate construction and rehabilitation was active during 2003.

Fixed assets increased by $3.1 million, or 119.2%, to $5.7 million at December 31, 2003 from $2.6 million at December 31, 2002. The increase in fixed assets resulted primarily from the rehabilitation of and equipment purchase for a leased facility, presently being used as a branch office, opened during the spring of 2003 and the acquisition, construction and outfitting of our 13,200 square foot corporate headquarters which opened during the fourth quarter of 2003.

Deposit liabilities increased by $90.2 million, or 55.2%, to $253.7 million at December 31, 2003 from $163.5 million at December 31, 2002. The increase resulted primarily from an increase of $46.5 million or 40.0% in savings and club accounts to $162.8 million from $116.3 million, an increase of $34.8 million or 174.0% in time deposits to $54.8 million from $20.0 million, and an increase of $8.8 million or 32.4% in demand deposits to $36.0 million from $27.2 million. The Bank has been able to achieve these growth rates through competitive pricing on select deposit products.

Borrowings increased by $25.0 million to $25.0 million at December 31, 2003, as the Bank employed a leverage strategy funded with wholesale borrowings from the Federal Home Loan Bank of New York maturing in November 2004 and carrying a 1.48% interest rate to invest in two callable investment securities issued by the FHLB. The two investment securities have a final maturity of fifteen years, and consist of a $20.85 million investment yielding 6.05% and a $4.15 million investment yielding 6.00%.

Stockholders' equity increased by $2.4 million, or 12.8%, to $21.2 million at December 31, 2003 from $18.8 million at December 31, 2002. The increase was wholly attributable to net income for the twelve months ended December 31, 2003 of $2.4 million. At December 31, 2003 the Bank's Tier 1 leverage, Tier 1 risk-based and Total risk-based capital ratios were 7.02%, 10.47%, and 11.51% respectively.

Comparison at December 31, 2002 and at December 31, 2001

Total assets increased by $69.9 million, or 61.7%, to $183.1 million at December 31, 2002 from $113.2 million at December 31, 2001 as the Bank continued to grow through competitive pricing policies and extended service hours.

Total cash and cash equivalents decreased by $22.1 million, or 81.3%, as the Bank reinvested funds from retail deposit growth and loan and mortgage-backed security repayments and prepayments into both investments and loans. Investment securities held to maturity increased by $12.0 million, or 31.1%, to $50.6 million at December 31, 2002 from $38.6 million at December 31, 2001. This increase was primarily attributable to the purchase of $17.0 million of callable agency securities and the purchase of $8.1 million of mortgage-backed securities, which was partially offset by the call of a $2.5 million agency security and $10.6 million of mortgage-backed security repayments and prepayments during the twelve months ended December 31, 2002.

Loans receivable increased by $77.1 million, or 171.3%, to $122.1 million at December 31, 2002 from $45.0 million at December 31, 2001. The increase resulted primarily from a $51.9 million increase in commercial and business loans net of amortization, a $19.2 million increase in home mortgages and construction loans net of amortization, a $4.6 million increase in consumer loans net of amortization, and a $1.4 million increase in loan participations with other financial institutions, net of amortization.

Fixed assets increased by $1.2 million, or 85.7%, to $2.6 million at December 31, 2002 from $1.4 million at December 31, 2001. The increase in fixed assets resulted primarily from the acquisition of real estate for $884,000 upon which the Bank subsequently built a branch facility.

Deposit liabilities increased by $61.7 million, or 60.6%, to $163.5 million at December 31, 2002 from $101.8 million at December 31, 2001. The increase resulted primarily from an increase of $40.7 million, or 53.8%, in savings and club accounts to $116.3 million from $75.6 million, an increase of $12.4 million, or 163.2%, in time deposits to $20.0 million from $7.6 million, and an increase of $8.6 million, or 46.2%, in demand deposits to $27.2 million from $18.6 million. The Bank has been able to achieve these growth rates through competitive pricing on select deposit products.

Other liabilities increased $617,000 to $788,000 at December 31, 2002 from $171,000 at December 31, 2001. The increase resulted primarily from a $458,000 increase in current income tax liabilities recorded at December 31, 2002, and reflects the Bank's attainment of profitability in 2002.

Stockholders' equity increased by $7.5 million, or 66.4%, to $18.8 million at December 31, 2002 from $11.3 million at December 31, 2001. The increase was primarily attributable to net proceeds of $6.2 million from an offering of common stock and net income for the twelve months ended December 31, 2002 of $1.3 million. At December 31, 2002 the Bank's Tier 1 leverage, Tier 1 risk-based and Total risk-based capital ratios were 10.3%, 15.0 %, and 16.0% respectively.

Analysis of Net Interest Income

Net interest income is the difference between interest income on interest-earning assets and interest expense on interest-bearing liabilities. Net interest income depends on the relative amounts of interest-earning assets and interest-bearing liabilities and the interest rates earned or paid on them, respectively.

The following tables set forth balance sheets, average yields and costs, and certain other information for the periods indicated. All average balances are daily average balances. The yields set forth below include the effect of deferred fees, discounts and premiums, which are included in interest income. Information for the year ended December 31, 2000 has not been provided since the Bank had commenced operations in November 2000, and such information, in the opinion of management, is not meaningful.

	At December 31, 2003		The year ended December 31, 2003		
	Actual Balance	Actual Yield/ Cost (4)	Average Balance	Interest earned/paid	Average Yield/Cost(4)
	(Dollars in thousands)				
Interest-earning assets:					
Loans receivable	$188,786	6.74%	$155,145	$ 10,745	6.93%
Investment securities(1)	91,563	5.52	60,286	3,299	5.47
Interest-bearing deposits	8,891	1.05	10,446	91	0.87
Total interest-earning assets	289,240	6.18%	225,877	14,135	6.26%
Interest-bearing liabilities:					
Interest-bearing demand deposits	$ 17,201	1.39%	$ 14,844	203	1.37%
Money market deposits	2,163	1.93	2,287	46	2.01
Savings deposits	162,832	2.22	141,749	3,235	2.28
Certificates of deposit	54,828	2.46	32,186	808	2.51
Borrowings	25,000	1.48	2,945	44	1.49
Total interest-bearing liabilities	262,024	2.14%	194,011	4,336	2.23%
Net interest income				$ 9,799	
Interest rate spread(2)		4.04%			4.03%
Net interest margin(3)					4.34%
Ratio of average interest-earning assets to average interest-bearing liabilities	110.39%		116.42%		

	The year ended December 31, 2002		
	Average Balance	Interest earned/paid	Average Yield/ Cost(4)
	(Dollars in thousands)		
Interest-earning assets:			
Loans receivable	$ 83,734	$ 6,119	7.31%
Investment securities(1)	48,380	2,949	6.10
Interest-bearing deposits	15,893	272	1.71
Total interest-earning assets	148,007	9,340	6.31%
Interest-bearing liabilities:			
Interest-bearing demand deposits	$ 9,520	169	1.77%
Money market deposits	2,533	61	2.41
Savings deposits	99,057	2,761	2.79
Certificates of deposit	13,402	389	2.90
Borrowings	--	--	--
Total interest-bearing liabilities	124,512	3,380	2.71%
Net interest income		$ 5,960	
Interest rate spread(2)			3.60%
Net interest margin(3)			4.03%

		====
Ratio of average interest-earning assets to average interest-bearing liabilities	118.87%	
	========	

(1) Includes Federal Home Loan Bank of New York stock.

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

(3) Net interest margin represents net interest income as a percentage of average interest-earning assets.

(4) Average yields are computed using annualized interest income and expense for the periods.

	The year ended December 31, 2001		
	Average Balance	Interest earned/paid	Average Yield/Cost(4)
	(Dollars in thousands)		
Interest-earning assets:			
Loans receivable	$ 19,129	$ 1,555	8.13%
Investment securities(1)	21,208	1,295	6.11
Interest-bearing deposits	28,750	1,207	4.20
Total interest-earning assets	69,087	4,057	5.87%
Interest-bearing liabilities:			
Interest-bearing demand deposits	$ 4,543	$ 107	2.36%
Money market deposits	1,142	39	3.42
Savings deposits	44,172	1,726	3.91
Certificates of deposit	8,325	398	4.78
Total interest-bearing liabilities	58,189	2,270	3.90%
Net interest income		$ 1,787	
Interest rate spread(2)			1.97%
Net interest margin(3)			2.59%
Ratio of average interest-earning assets to average interest-bearing liabilities	118.73%		

(1) Includes Federal Home Loan Bank of New York stock.

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

(3) Net interest margin represents net interest income as a percentage of average interest-earning assets.

(4) Average yields are computed using annualized interest income and expense for the periods.

Rate/Volume Analysis

The table below sets forth certain information regarding changes in our interest income and interest expense for the periods indicated. For each category of interest-earning assets and interest-bearing liabilities, information is provided on changes attributable to (i) changes in average volume (changes in average volume multiplied by old rate); (ii) changes in rate (change in rate multiplied by old average volume); (iii) the allocation of changes in rate and volume; and (iv) the net change.

	Years Ended December 31,							
	2003 vs. 2002				2002 vs. 2001			
	Increase/(Decrease) Due to				Increase/(Decrease) Due to			
	Volume	Rate	Rate/ Volume	Total Increase (Decrease)	Volume	Rate	Rate/ Volume	Total Increase (Decrease)
	(In Thousands)							
Interest income:								
Loans receivable	$ 5,218	$ (320)	$ (272)	$ 4,626	$ 5,252	$ (157)	$ (531)	$ 4,564
Investment securities	726	(302)	(74)	350	1,659	(2)	(3)	1,654
Interest-bearing deposits with other banks	(93)	(134)	46	(181)	(540)	(715)	320	(935)
Total interest-earning assets	5,851	(756)	(300)	4,795	6,371	(874)	(214)	5,283
Interest expense:								
Interest-bearing demand accounts	95	(38)	(23)	34	117	(26)	(29)	62
Money market	(6)	(10)	1	(15)	47	(11)	(14)	22
Savings and club	1,190	(501)	(215)	474	2,146	(496)	(615)	1,035
Certificates of Deposit	545	(53)	(73)	419	242	(155)	(96)	(9)
Borrowed funds	--	--	44	44	--	--	--	--

Total interest-bearing liabilities	1,824	(602)	(266)	956	2,552	(688)	(754)	1,110
Change in net interest income	$ 4,027	$ (154)	$ (34)	$ 3,839	$ 3,819	$ (186)	$ 540	$ 4,173

Results of Operations

Results of Operations for the Years Ended December 31, 2003 and 2002

Net income increased by $1.1 million, or 84.6%, to $2.4 million for the year ended December 31, 2003 from $1.3 million for the year ended December 31, 2002. This increase in net income resulted from increases in net interest income and non-interest income, which was partially offset by increases in the provision for loan losses, non-interest expense and income taxes. Net interest income increased by $3.8 million, or 63.3%, to $9.8 million for the year ended December 31, 2003 from $6.0 million for the year ended December 31, 2002. This increase resulted primarily from an increase in average net interest earning assets of $8.4 million, or 35.7%, to $31.9 million for the year ended December 31, 2003 from $23.5 million for the year ended December 31, 2002, and an increase in the net interest margin to 4.34% for the year ended December 31, 2003 from 4.03% for the year ended December 31, 2002. The increase in our net interest margin reflected management's ability to invest a large percentage of our deposit base in higher yielding, conservatively underwritten loans and federally-sponsored United States Government Agency Securities.

Interest income on loans receivable increased by $4.6 million, or 75.4%, to $10.7 million for the year ended December 31, 2003 from $6.1 million for the year ended December 31, 2002. This increase was primarily due to an increase in average loans receivable of $71.4 million, or 85.3%, to $155.1 million for the year ended December 31, 2003 from $83.7 million for the year ended December 31, 2002, which was partially offset by a decrease in the average yield on loans receivable to 6.93% for the year ended December 31, 2003 from 7.31% for the year ended December 31, 2002. The increase in the average balance of loans reflected management's strategy of deploying funds in higher yielding loans, specifically commercial real estate loans as opposed to lower yielding investments in government securities. The decrease in average yield reflects the lower interest rate environment in 2003 as compared to 2002.

Interest income on securities increased by $350,000, or 11.9%, to $3.30 million for the year ended December 31, 2003 from $2.95 million for the year ended December 31, 2002. The increase was primarily attributable to an increase in the average balance of investment securities of $11.9 million, or 24.6%, to $60.3 million for the year ended December 31, 2003 from $48.4 million for the year ended December 31, 2002, which was partially offset by a decrease in the average yield on investment securities to 5.47% for the year ended December 31, 2003 from 6.10% for the year ended December 31, 2002. The increase in average balances reflects the redeployment of funds previously invested in short-term interest earning deposits and the use of borrowings that were invested in short term investments to secure a positive short term interest rate spread.

Interest income on other interest-earning assets consisting primarily of federal funds sold decreased by $181,000, or 66.5%, to $91,000 for the year ended December 31, 2003 from $272,000 for the year ended December 31, 2002. This decrease was primarily due to a decrease in the average balance of other interest-earning assets to $10.4 million for the year ended December 31, 2003 from $15.9 million for the year ended December 31, 2002, and a decrease in the average yield on other interest-earning assets to 0.87% for the year ended December 31, 2003 from 1.71% for the year ended December 31, 2002. The decrease in the average balance reflects management's decision to deploy funds in higher yielding loans and securities and the decrease in average yield reflects the lower interest rate environment in 2003 as compared to 2002.

Total interest expense increased by $956,000, or 28.3%, to $4.3 million for the year ended December 31, 2003 from $3.4 million for the year ended December 31, 2002. This increase resulted from an increase in average total interest bearing deposits of $66.6 million, or 53.5%, to $191.1 million for the year ended December 31, 2003 from $124.5 million for the year ended December 31, 2002, and a $2.9 million increase in borrowings at December 31, 2003, compared to no borrowings the prior year-end, which was partially offset by a decrease in the average cost of interest bearing liabilities to 2.23% for the year ended December 31, 2003 from 2.71% for the year ended December 31, 2002. The decrease in average cost reflects the lower interest rate environment in 2003 as compared to 2002.

The provision for loan losses totaled $880,000 and $843,000 for the years ended December 31, 2003 and 2002 respectively. The provision for loan losses is established based upon management's review of the Bank's loans and consideration of a variety of factors including, but not limited to, (1) the risk characteristics of the loan portfolio, (2) current economic conditions, (3) actual losses previously experienced, (4) the significant level of loan growth and (5) the existing level of reserves for loan losses that are possible and estimable. The Bank had non-accrual loans totaling $67,000 at December 31, 2003 and at December 31, 2002. The allowance for loan losses stood at $2.1 million or 1.1% of gross total loans at December 31, 2003, as compared to $1.2 million or 1.0% of gross total loans at December 31, 2002. The amount of the allowance is based on estimates and the ultimate losses may vary from such estimates. Management assesses the allowance for loan losses on a quarterly basis and makes provisions for loan losses as necessary in order to maintain the adequacy of the allowance. While management uses available information to recognize losses on loans, future loan loss provisions may be necessary based on changes in the aforementioned criteria. In addition, various regulatory agencies, as an integral part of their examination process, periodically review the allowance for loan losses and may require the Bank to recognize additional provisions based on their judgment of information available to them at the time of their examination. Management believes that the allowance for loan losses was adequate at both December 31, 2003 and 2002.

Total non-interest income increased by $145,000, or 43.2%, to $481,000 for the year ended December 31, 2003 from $336,000 for the year ended December 31, 2002. The increase in non-interest income resulted primarily from a $53,000 increase in fees and service charges, a $94,000 increase in gain on sales of loans originated for sale as the Bank initiated a program to sell select fixed rate mortgages to the secondary market, and a $5,000 increase in other income, which was partially offset by a $8,000 decrease in gain on sales of securities available for sale.

Total non-interest expenses increased by $2.1 million, or 63.6%, to $5.4 million for the year ended December 31, 2003 from $3.3 million for the year ended December 31, 2002. The increase in 2003 was primarily due to an increase of $1.2 million, or 75.0%, in salaries and employee benefits expense to $2.8 million for the year ended December 31, 2003 from $1.6 million for the year ended December 31, 2002 as the Bank increased staffing levels and compensation in an effort to service its growing customer base. Full time equivalent employees increased to 66 at December 31, 2003 from 34 at December 31, 2002. Equipment expense increased by $294,000 to $940,000 for the year ended December 31, 2003 from $646,000 for the year ended December 31, 2002. The primary component of this expense relates to the increased costs of the Bank's data service provider reflecting the overall growth of the Bank's balance sheet. Occupancy expense increased by $164,000 to $411,000 for the year ended December 31, 2003 from $247,000 for the year ended December 31, 2002, and advertising expense increased by $90,000 to $169,000 for the year ended December 31, 2003 from $79,000 for the year ended December 31, 2002, primarily as a result of the opening of two new offices during the twelve months ended December 31, 2003 and the increased advertising expense to promote them. Other non-interest expense increased by $309,000 to $1.1 million for the year ended December 31, 2003 from $749,000 for the year ended December 31, 2002. Other non-interest expense is comprised of directors' fees, stationary, forms and printing, professional fees, check printing, correspondent bank fees, telephone and communication, shareholder relations and other fees and expenses.

Income tax expense increased by $742,000, or 85.1%, to $1.6 million for the year ended December 31, 2003 from $872,000 for the year ended December 31, 2002 reflecting pre-tax income of $4.0 million for the year ended December 31, 2003 compared to pre-tax income of $2.2 million earned for year ended December 31, 2002.

Results of Operations for the years ended December 31, 2002 and 2001.

Net income for the year ended December 31, 2002 was $1.3 million compared to a net loss of $276,000 for the year ended December 31, 2001. This improvement was due to increases in net interest income and non-interest income partially offset by increases in the provision for loan losses, non-interest expense and income taxes. Net interest income increased by $4.2 million, or 233.3%, to $6.0 million for the year ended December 31, 2002 from $1.8 million for the year ended December 31, 2001. This increase resulted primarily from an increase in average net interest earning assets of $12.6 million, or 115.6%, to $23.5 million for the year ended December 31, 2002 from $10.9 million for the year ended December 31, 2001, and an increase in our net interest margin to 4.03% for the year ended December 31, 2002 from 2.59% for the Year ended December 31, 2001.

Interest income on loans receivable increased by $4.5 million, or 281.3%, to $6.1 million for the year ended December 31, 2002 from $1.6 million for the twelve months ended December 31, 2001. The increase was primarily due to an increase in average loans receivable of $64.6 million, or 338.2%, to $83.7 million for the year ended December 31, 2002 from $19.1 million for the year ended December 31, 2001, which was partially offset by a decrease in the average yield on loans receivable to 7.31% for the year ended December 31, 2002 from 8.13% for the year ended December 31, 2001. The increase in the average loans reflects management's strategy of deploying funds in higher yielding loans, specifically commercial real estate loans. The decrease in average yield reflects the lower interest rate environment in 2002 as compared to 2001.

Interest income on securities increased by $1.6 million, or 123.1%, to $2.9 million for the year ended December 31, 2002 from $1.3 million for the year ended December 31, 2001. The increase was primarily attributable to an increase in the average balance of investment securities of $27.2 million, or 128.3%, to $48.4 million for the year ended December 31, 2002 from $21.2 million for the year ended December 31, 2001, partially offset by a decrease in the average yield on investment securities to 6.10% for the year ended December 31, 2002 from 6.11% for the year ended December 31, 2001. The increase in the average balance of investment securities reflected management's strategy of deploying funds in higher yielding instruments in an effort to achieve higher returns.

Interest income on other interest-earning assets, consisting primarily of federal funds sold, decreased by $935,000, or 77.5%, to $272,000 for the year ended December 31, 2002 from $1.2 million for the year ended December 31, 2001. This decrease was primarily due to a decrease in the average balance of other interest-earning assets to $15.9 million for the year ended December 31, 2002 from $28.8 million for the year ended December 31, 2001, and a decrease in the average yield on other interest-earning assets to 1.71% for the year ended December 31, 2002 from 4.20% for the year ended December 31, 2001. The decrease in the average balance reflects management's decision to deploy funds in higher yielding loans and securities and the decrease in average yield reflects the lower interest rate environment in 2002 as compared to 2001.

Total interest expense increased by $1.1 million, or 47.8%, to $3.4 million for the year ended December 31, 2002 from $2.3 million for the year ended December 31, 2001. This increase resulted from an increase in average total interest bearing liabilities of $66.3 million, or 113.9%, to $124.5 million for the year ended December 31, 2002 from $58.2 million for the year ended December 31, 2001, partially offset by a decrease in the average cost of interest bearing liabilities to 2.71% for the year ended December 31, 2002 from 3.90% for the year ended December 31, 2001. The decrease in average cost reflects the lower interest rate environment in 2002 as compared to 2001.

The provision for loan losses totaled $843,000 and $382,000 for the years ended December 31, 2002 and 2001, respectively. The provision for loan losses is established based upon management's review of the Bank's loans and consideration of a variety of factors including, but not limited to, (1) the risk characteristics of the loan portfolio, (2) current economic conditions, (3) actual losses previously experienced and (4) the existing level of reserves for loan losses that are possible and estimable. The Bank had non-performing loans totaling $67,000 at December 31, 2002 and no non-performing loans at December 31, 2001. The allowance for loan losses totaled $1.2 million, or 1.00% of total loans at December 31, 2002, as compared to $412,000, or 0.91% of total loans at December 31, 2001. The amount of the allowance is based on estimates and the ultimate losses may vary from such estimates. Management assesses the allowance for loan losses on a quarterly basis and makes provisions for loan losses as necessary in order to maintain the adequacy of the allowance. While management uses available information to recognize loses on loans, future loan loss provisions may be necessary based on changes in the aforementioned criteria. In addition various regulatory agencies, as an integral part of their examination process, periodically review the allowance for loan losses and may require the Bank to recognize additional provisions based on their evaluation of information available to them at the time of their examination. Management believes that the allowance for loan losses was adequate for both December 31, 2002 and 2001.

Total non-interest income increased by $184,000, or 121.1%, to $336,000 for the year ended December 31, 2002 from $152,000 for the year ended December 31, 2001. The increase in non-interest income resulted primarily from a $219,000 increase in fees and service charges and a $1,000 increase in other income, partially offset by a $36,000 decrease in gain on securities available for sale.

Total operating expenses increased by $1.3 million, or 65.0%, to $3.3 million for the year ended December 31, 2002 from $2.0 million for the year ended December 31, 2001. The increase in the twelve month period in 2002 was primarily due to an increase of $561,000, or 57.5%, in salaries and employee benefits expense to $1.6 million for the year ended December 31, 2002 from $1.0 million for the year ended December 31, 2001 as the Bank increased staffing levels and compensation in an effort to service its growing customer base. Equipment expense increased to $646,000 for the year ended December 31, 2002 from $373,000 for the year ended December 31, 2001. The primary component of this expense relates to the increased costs of the Bank's data service provider reflecting the overall growth of the Bank's balance sheet. Occupancy expense increased by $46,000 to $247,000 for the year ended December 31, 2002 from $201,000 for the year ended December 31, 2001, and advertising expense increased nominally by $5,000 to $79,000 for the year ended December 31, 2002 from $74,000 for the year ended December 31, 2001. Other non-interest expense increased by $384,000 to $749,000 for the year ended December 31, 2002 from $365,000 for the year ended December 31, 2001. Other noninterest expense is comprised of directors' fees, forms and printing, professional fees, check printing, correspondent bank fees, telephone and communication, shareholder relations and other fees and expenses.

Income tax expense totaled $872,000 for the year ended December 31, 2002 reflecting pre-tax income of $2.2 million earned during the year ended December 31, 2002 compared to a tax benefit of $173,000 for the year ended December 31, 2001 as the Bank had a cumulative loss before income taxes of $(449,000) for the year ended December 31, 2001.

Liquidity and Capital Resources

Our funding sources include income from operations, deposits and borrowings, principal payments on loans and investment securities. While maturities and scheduled amortization of loans and securities are predictable sources of funds, deposit outflows and mortgage prepayments are greatly influenced by the general level of interest rates, economic conditions and competition.

Our primary investing activities are the origination of commercial and multi-family real estate loans, one-to four-family mortgage loans, construction, commercial business and consumer loans, as well as the purchase of mortgage-backed and other investment securities. During 2003, loan originations totaled $105.0 million compared to $90.5 million and $41.1 million for 2002 and 2001, respectively. The increase in loan originations reflects management's efforts to increase total assets of the Bank, the continued focus on increasing commercial and multi-family lending operations and the strong refinance market in 2003.

During 2003, cash flow provided by the calls and maturities and principal payments received on maturing securities held to maturity amounted to $36.3 million compared to $13.1 million and $2.4 million in 2002 and 2001. Deposit growth provided $90.1 million, $61.8 million and $79.8 million of funding for the years ending December 31, 2002 and 2001, respectively. Borrowings totaled $25.0 million in 2003 and were used to fund asset growth.

Loan Commitments. In the ordinary course of business the Bank extends commitments to originate residential and commercial loans and other consumer loans. Commitments to extend credit are agreements to lend to a customer as long as there is no violation of any condition established in the contract. Commitments generally have fixed expiration dates or other termination clauses and may require payment of a fee. Since the Bank does not expect all of the commitments to be funded, the total commitment amounts do not necessarily represent future cash requirements. The Bank evaluates each customer's creditworthiness on a case-by-case basis. Collateral may be obtained based upon management's assessment of the customers' creditworthiness. Commitments to extend credit may be written on a fixed rate basis exposing the Bank to interest rate risk given the possibility that market rates may change between the commitment date and the actual extension of credit. The Bank had outstanding commitments to originate and fund loans of approximately $33.2 million and $22.0 million at December 31, 2003 and 2002, respectively.

The following tables sets forth our contractual obligations and commercial commitments at December 31, 2003.

		Payments due by period			
Contractual obligations	Total	Less than 1 Year	1-3 Years	3-5 Years	More than 5 Years
		(In thousands)			
FHLB advances	$25,000	$25,000	$ --	$ --	$ --
Lease obligations	452	170	220	62	--
Certificates of deposit with original maturities of one year or more	42,310	28,938	11,604	1,768	--
Total	$67,762	$54,108	$11,824	$ 1,830	$ --

Recent Accounting Pronouncements

Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity

In May 2003, the FASB issued SFAS No. 150, "Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity" (SFAS No. 150). This Statement established standards for how a company classifies and measures certain financial instruments with characteristics of both liabilities and equity as well as their classification in the company's statement of financial position. It requires that the company classify a financial instrument that is within its scope as a liability when that instrument embodies an obligation of the issuer. SFAS No. 150 did not have any impact on the Company's Consolidated Financial Statements.

Amendment of Statement 133 on Derivative Instruments and Hedging Activities

On April 30, 2003, the FASB issued SFAS No. 149, "Amendment of Statement 133 on Derivative Instruments and Hedging Activities" ("SFAS No. 149"). SFAS No. 149 amends and clarifies accounting for derivative instruments, including certain derivative instruments embedded in other contracts, and for hedging activities under SFAS No. 133. With a number of exceptions, SFAS No. 149 is effective for contracts entered into or modified after June 30, 2003. The adoption of SFAS No. 149 did not have a material impact on the Company's consolidated financial statements.

Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others

In November 2002, the FASB issued FASB Interpretation No. 45, "Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others" ("FIN 45"). FIN 45 requires a guarantor entity, at the inception of a guarantee covered by the measurement provisions of the interpretation, to record a liability for the fair value of the obligation undertaken in issuing the guarantee. In addition, FIN 45 elaborates on previously existing disclosure requirements for most guarantees, including loan guarantees such as standby letters of credit. The Company does not have financial letters of credit as of December 31, 2003.

ITEM 7A. QUALITATIVE AND QUANTITATIVE ANALYSIS OF MARKET RISK

Management of Market Risk

General. The majority of our assets and liabilities are monetary in nature. Consequently, one of our most significant forms of market risk is interest rate risk. Our assets, consisting primarily of mortgage loans, have longer maturities than our liabilities, consisting primarily of deposits. As a result, a principal part of our business strategy is to manage interest rate risk and reduce the exposure of our net interest income to changes in market interest rates. Accordingly, our Board of Directors has established an Asset/Liability Committee which is responsible for evaluating the interest rate risk inherent in our assets and liabilities, for determining the level of risk that is appropriate given our business strategy, operating environment, capital, liquidity and performance objectives, and for managing this risk consistent with the guidelines approved by the Board of Directors. Senior management monitors the level of interest rate risk on a regular basis and the Asset/Liability Committee, which consists of senior management and outside directors operating under a policy adopted by the Board of Directors, meets as needed to review our asset/liability policies and interest rate risk position.

The following table presents the Company's net portfolio value ("NPV"). These calculations were based upon assumptions believed to be fundamentally sound, although they may vary from assumptions utilized by other financial institutions. The information set forth below is based on data that included all financial instruments as of December 31, 2003. Assumptions have been made by the Company relating to interest rates, loan prepayment rates, core deposit duration, and the market values of certain assets and liabilities under the various interest rate scenarios. Actual maturity dates were used for fixed rate loans and certificate accounts. Investment securities were scheduled at either the maturity date or the next scheduled call date based upon management's judgment of whether the particular security would be called in the current interest rate environment and under assumed interest rate scenarios. Variable rate loans were scheduled as of their next scheduled interest rate repricing date. Additional assumptions made in the preparation of the NPV table include prepayment rates on loans and mortgage-backed securities, core deposits without stated maturity dates were scheduled with an assumed term of 48 months, and money market and noninterest bearing accounts were scheduled with an assumed term of 24 months. The NPV at "PAR" represents the difference between the Company's estimated value of assets and estimated value of liabilities assuming no change in interest rates. The NPV for a decrease of 200 and 300 basis points has been excluded since it would not be meaningful, in the interest rate environment as of December 31, 2003. The following sets forth the Company's NPV as of December 31, 2003.

				NPV as a % of Assets	
Change in calculation	Net Portfolio Value	$ Change from PAR	% Change from PAR	NPV Ratio	Change
+300bp	$ 11,271	$ (21,128)	-65.21%	4.35%	-635bps
+200bp	20,353	(12,046)	-37.81	7.38	-332bps
+100bp	28,880	(3,520)	-10.86	9.89	-81bps
PAR	32,399	--	--	10.70	--bps
-100bp	34,529	2,130	6.57	11.07	37bps

bp-basis points

The table above indicates that at December 31, 2003, in the event of a 100 basis point decrease in interest rates, we would experience a 6.57% increase in NPV. In the event of a 100 basis point increase in interest rates, we would experience a 10.86% decrease in NPV.

Certain shortcomings are inherent in the methodology used in the above interest rate risk measurement. Modeling changes in NPV require making certain assumptions that may or may not reflect the manner in which actual yields and costs respond to changes in market interest rates. In this regard, the NPV table presented assumes that the composition of our interest-sensitive assets and liabilities existing at the beginning of a period remains constant over the period being measured and assumes that a particular change in interest rates is reflected uniformly across the yield curve regardless of the duration or repricing of specific assets and liabilities. Accordingly, although the NPV table provides an indication of our interest rate risk exposure at a particular point in time, such measurements are not intended to and do not provide a precise forecast of the effect of changes in market interest rates on our net interest income, and will differ from actual results.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The financial statements identified in Item 15(a)(1) hereof are included as Exhibit 13 and are incorporated hereunder.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

There were no changes in or disagreements with accountants in the Company's accounting and financial disclosure during 2003.

ITEM 9A. CONTROLS AND PROCEDURES

(a) Evaluation of disclosure controls and procedures.

Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rule 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the fiscal year (the "Evaluation Date"). Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that, as of the Evaluation Date, our disclosure controls and procedures were effective in timely alerting them to the material information relating to us (or our consolidated subsidiaries) required to be included in our periodic SEC filings.

(b) Changes in internal controls.

There were no significant changes made in our internal controls during the period covered by this report or, to our knowledge, in other factors that could significantly affect these controls subsequent to the date of their evaluation.

See the Certifications pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE COMPANY

The Company has adopted a Code of Ethics that applies to the Company's principal executive officer, principal financial officer, principal accounting officer or controller or persons performing similar functions. The Code of Ethics is available for free by writing to: President and Chief Executive Officer, BCB Bancorp, Inc., 104-110 Avenue C, Bayonne, New Jersey 07002. The Code of Ethics is filed as an exhibit to this Form 10-K.

The "Proposal I--Election of Directors" section of the Company's definitive Proxy Statement for the Company's 2004 Annual Meeting of Stockholders (the "2004 Proxy Statement") is incorporates herein by reference. The information concerning directors and executive officers of the Company under the Caption "Proposal I-Election of Director's and information under the captions "Section 16(a) Beneficial Ownership Compliance" and "The Audit Committee" of the 2004 Proxy Statement is incorporated herein by reference.

ITEM 11. EXECUTIVE COMPENSATION

The "Proposal I--Election of Directors" section of the Company's 2004 Proxy Statement is incorporated herein by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The "Proposal I--Election of Directors" section of the Company's 2004 Proxy Statement is incorporated herein by reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

The "Transactions with Certain Related Persons" section of the Company's 2004 Proxy Statement is incorporated herein by reference.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

Information required by Item 14 is incorporated by reference to the Company's Proxy Statement for the 2004 Annual Meeting of Stockholders, Proposal II-Ratification of the Appointment of Independent Auditors--Fees paid to Radics.

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES, AND REPORTS ON FORM 8-K

(a)(1) Financial Statements

The exhibits and financial statement schedules filed as a part of this Form 10-K are as follows:

(A) Management Responsibility Statement

(B) Independent Auditors' Report

(C) Consolidated Statements of Financial Condition as of December 31, 2003 and 2002

(D) Consolidated Statements of Operations for each of the Years in the Three-Year period ended December 31, 2003

(E) Consolidated Statements of Changes in Stockholders' Equity for each of the Years in the Three-Year period ended December 31, 2003

(F) Consolidated Statements of Cash Flows for each of the Years in the Three-Year period ended December 31, 2003

(G) Notes to Consolidated Financial Statements

(a)(2) Financial Statement Schedules

All schedules are omitted because they are not required or applicable, or the required information is shown in the consolidated statements or the notes thereto.

(b) Reports on Form 8-K

None.

(c) Exhibits

3.1 Certificate of Incorporation of BCB Bancorp, Inc.*

3.2 Bylaws of BCB Bancorp, Inc.*

3.3 Specimen Stock Certificate*

10.1 Bayonne Community Bank 2002 Stock Option Plan**

10.2 Bayonne Community Bank 2003 Stock Option Plan**

13 Consolidated Financial Statements

14 Code of Ethics

21 Subsidiary of the Company

23 Accountant's Consent to incorporate consolidated financial statements in Form S-8

31.1 Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

31.2 Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

32 Certification of Chief Executive Officer and Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
* Incorporated by reference to the Form 8-k-12g3 filed with the Securities and Exchange Commission on May 1, 2003.

** Incorporated by reference to Exhibit 10.1 and 10.2 to the Company's Registration Statement on Form S-8 (Commission File Number 333-11201) filed with the Securities and Exchange Commission on January 26, 2004.

Signatures

Pursuant to the requirements of Section 13 of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

BCB BANCORP, INC.

Date: March 23, 2004

By: /s/ Donald Mindiak
Donald Mindiak
President and Chief Executive Officer
(Duly Authorized Representative)

Pursuant to the requirements of the Securities Exchange of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

Signatures	Title	Date
/s/ Donald Mindiak Donald Mindiak	President, Chief Executive (Principal Officer and Director Executive Officer)	March 23, 2004
/s/ Thomas M. Coughlin Thomas M. Coughlin	Vice President, Chief Financial Officer (Principal Financial and Accounting Officer) and Director	March 23, 2004
/s/ Mark D. Hogan Mark D. Hogan	Chairman of the Board	March 23, 2004
/s/ Robert Ballance Robert Ballance	Director	March 23, 2004
/s/ Judith Q. Bielan Judith Q. Bielan	Director	March 23, 2004
/s/ Joseph Brogan Joseph J. Brogan	Director	March 23, 2004
/s/ James Collins James Collins	Director	March 23, 2004
/s/ Donald S. Cymbor Donald S. Cymbor	Director	March 23, 2004
/s/ Robert G. Doria Robert G. Doria	Director	March 23, 2004

/s/ Phyllis Wasserman Garelick ------------------------------ Phyllis Wasserman Garelick	Director	March 23, 2004
/s/ John J. Hughes ------------------------------ John J. Hughes	Director	March 23, 2004
/s/ Joseph Lyga ------------------------------ Joseph Lyga	Director	March 23, 2004
/s/ Gary Maita ------------------------------ Gary Maita	Director	March 23, 2004
/s/ H. Mickey McCabe ------------------------------ H. Mickey McCabe	Director	March 23, 2004
/s/ Alexander Pasiechnik ------------------------------ Alexander Pasiechnik	Director	March 23, 2004
/s/ August Pellegrini, Jr ------------------------------ August Pellegrini, Jr	Director	March 23, 2004
/s/ Kenneth R. Poesl ------------------------------ Kenneth R. Poesl	Director	March 23, 2004
/s/ Joseph Tagliareni ------------------------------ Joseph Tagliareni	Director	March 23, 2004

EXHIBIT INDEX

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EXHIBIT 13

CONSOLIDATED FINANCIAL STATEMENTS

BCB BANCORP, INC. AND SUBSIDIARY

CONSOLIDATED FINANCIAL STATEMENTS
(With Independent Auditors' Report Thereon)

December 31, 2003

BCB BANCORP, INC. AND SUBSIDIARY
CONSOLIDATED FINANCIAL STATEMENTS
(With Independent Auditors' Report Thereon)

December 31, 2003

INDEX

All schedules are omitted because they are not required or applicable, or the required information is shown in the consolidated financial statements or the notes thereto.

[LETTERHEAD OF BAYONNE COMMUNITY BANK]

February 2, 2004

Management Responsibility Statement

Management of BCB Bancorp, Inc., (the "Company") and subsidiary is responsible for the preparation, integrity and fair representation of the Company's consolidated financial statements. The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America applied on a consistent basis and, accordingly, include the informed judgments and estimates of management.

Management is responsible for establishing and maintaining effective internal control over financial reporting that includes personnel selection, the appropriate division of responsibilities and formal procedures and policies consistent with high standards of accounting and administrative practice. Consideration has been given to the necessary balance between costs of systems of internal control and the benefits derive. The internal control system includes the services of an outsourced internal auditor who reports to the Audit Committee of the Board of Directors.

There are inherent limitations in the effectiveness of any system of internal control, including the possibility of human error and the circumvention or overriding of controls. Accordingly, an effective internal control system can only provide reasonable assurance in regard to financial statement preparation. Additionally, because of changing conditions, the effectiveness of internal controls may vary over time. Management reviews and modifies systems of accounting and internal control in light of such changes in conditions as well as in response to findings and recommendations of both the internal auditor and the independent external auditor. Management believes that the accounting and internal control systems provide reasonable assurance that the consolidated financial statements are reliable.

The Board of Directors, through its Audit Committee comprised of non-management directors, is responsible for determining that management fulfills its responsibilities in the preparation of consolidated financial statements and the control of operations. The Audit Committee appoints and the Board of Directors ratifies the internal auditor and the independent external auditor. The Audit Committee meets with management and the auditors to approve the overall audit scope and related fee arrangements and reviews all audit reports, findings and recommendations.

/s/ Donald Mindiak

Donald Mindiak
President and Chief Executive Officer

/s/ Thomas Coughlin

Thomas Coughlin
Chief Operating Officer and Chief Financial Officer

[LETTERHEAD OF RADICS & CO. LLC]

INDEPENDENT AUDITORS' REPORT

To The Board of Directors and Stockholders BCB Bancorp, Inc. and Subsidiary

We have audited the accompanying consolidated statements of financial condition of BCB Bancorp, Inc. (the "Company") and Subsidiary as of December 31, 2003 and 2002, and the related consolidated statements of operations, changes in stockholders' equity and cash flows for each of the years in the three-year period ended December 31, 2003. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to in the second preceding paragraph present fairly, in all material respects, the consolidated financial position of BCB Bancorp, Inc. and Subsidiary at December 31, 2003 and 2002, and the results of their operations and cash flows for each of the years in the three-year period ended December 31, 2003, in conformity with accounting principles generally accepted in the United States of America.

/s/ Radics & Co., LLC

February 2, 2004

BCB BANCORP, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION

Assets	Note(s)	December 31, 2003	December 31, 2002
Cash and amounts due from depository institutions		$ 2,895,594	$ 1,232,139
Interest-bearing deposits		8,890,689	3,911,847
Total cash and cash equivalents	2 and 16	11,786,283	5,143,986
Securities held to maturity	2, 4 and 16	90,313,420	50,602,306
Loans receivable	2, 5 and 16	188,785,530	122,084,802
Premises and equipment	2, 3 and 6	5,704,085	2,627,106
Federal Home Loan Bank of New York stock		1,250,000	760,400
Interest receivable	2, 7 and 16	1,855,854	1,130,097
Deferred income taxes	2 and 13	697,212	532,716
Other assets		283,864	226,292
Total assets		$ 300,676,248	$ 183,107,705
Liabilities and stockholders' equity			
Liabilities			
Deposits	8 and 16	$ 253,650,119	$ 163,519,276
Borrowed money	9 and 16	25,000,000	--
Other liabilities		859,095	816,808
Total liabilities		279,509,214	164,336,084
Commitments and contingencies	15 and 16	--	--
Stockholders' equity	1, 2, 10, 11 and 12		
Common stock, $0.10 stated value and $5 par value, respectively; 10,000,000 shares authorized; 2,296,984 shares (2003) and 1,898,057 shares (2002) issued and outstanding		229,698	9,490,285
Additional paid-in capital		26,483,975	9,781,972
Accumulated deficit		(5,546,639)	(500,636)
Total stockholders' equity		21,167,034	18,771,621
Total liabilities and stockholders' equity		$ 300,676,248	$ 183,107,705

See notes to consolidated financial statements.

BCB BANCORP, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF OPERATIONS

	Note(s)	Year Ended December 31, 2003	2002	2001
Interest income:				
Loans	2 and 5	$10,745,093	$ 6,118,633	$ 1,555,226
Securities	2	3,299,452	2,949,327	1,295,462
Other interest-earning assets		90,708	272,310	1,206,598
Total interest income		14,135,253	9,340,270	4,057,286
Interest expense:				
Deposits:	8			
Demand		249,278	230,195	146,211
Savings and club		3,235,449	2,760,777	1,726,190
Certificates of deposit		807,772	389,370	398,079
		4,292,499	3,380,342	2,270,480
Borrowed money		43,589	--	--
Total interest expense		4,336,088	3,380,342	2,270,480
Net interest income		9,799,165	5,959,928	1,786,806
Provision for loan losses	2 and 5	880,000	843,000	382,000
Net interest income after provision for loan losses		8,919,165	5,116,928	1,404,806
Non-interest income:				
Fees and service charges		366,958	314,087	95,572
Gain on sales of loans originated for sale		94,460	--	--
Gain on sales of securities available for sale		--	7,500	42,969
Other		19,494	14,441	13,014
Total non-interest income		480,912	336,028	151,555
Non-interest expenses:				
Salaries and employee benefits	2	2,812,962	1,551,741	990,971
Occupancy expense of premises	2, 3 and 6	410,745	246,885	201,049
Equipment	2	939,861	646,119	373,386
Advertising		169,430	78,782	74,216
Other	2 and 14	1,057,943	748,684	365,281
Total non-interest expenses		5,390,941	3,272,211	2,004,903
Income (loss) before income tax (benefit)		4,009,136	2,180,745	(448,542)
Income tax (benefit)	2 and 13	1,613,723	871,655	(172,663)
Net income (loss)		$ 2,395,413	$ 1,309,090	$ (275,879)
Net income (loss) per common share:	2			
Basic		$ 1.04	$ 0.68	$ (0.23)
Diluted		$ 1.01	$ 0.67	$ (0.23)
Weighted average number of common shares outstanding:	2			
Basic		2,296,984	1,938,006	1,220,344
Diluted		2,380,651	1,949,418	1,220,344

See notes to consolidated financial statements.

BCB BANCORP, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

	Common Stock	Additional Paid-in Capital	Accumulated Deficit	Total
Balance, December 31, 2000	$ 3,804,185	$ 3,653,701	$ (253,865)	$ 7,204,021
Net sale of common stock	2,013,380	2,361,693	--	4,375,073
Net (loss) for the year ended December 31, 2001	--	--	(275,879)	(275,879)
Balance, December 31, 2001	5,817,565	6,015,394	(529,744)	11,303,215
Issuance of stock dividend	581,810	698,172	(1,279,982)	--
Net sale of common stock	3,090,910	3,068,406	--	6,159,316
Net income for the year ended December 31, 2002	--	--	1,309,090	1,309,090
Balance, December 31, 2002	9,490,285	9,781,972	(500,636)	18,771,621
Issuance of stock dividends	971,584	6,469,832	(7,441,416)	--
Exchange of Bank stock for Company stock	(10,232,171)	10,232,171	--	--
Net income for year ended December 31, 2003	--	--	2,395,413	2,395,413
Balance, December 31, 2003	$ 229,698	$ 26,483,975	$ (5,546,639)	$ 21,167,034

See notes to consolidated financial statements.

BCB BANCORP, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year Ended December 31, 2003	2002	2001
Cash flows from operating activities:			
Net income (loss)	$ 2,395,413	$ 1,309,090	$ (275,879)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Depreciation of premises and equipment	148,292	98,290	86,274
Amortization (accretion), net	(232,307)	44,864	(6,238)
Provision for loan losses	880,000	843,000	382,000
Deferred income tax (benefit)	(164,496)	(136,766)	(172,863)
Gain on sales of securities available for sale	--	(7,500)	(42,969)
Loans originated for sale	(8,557,540)	--	--
Proceeds from sales of loans originated for sale	8,652,000	--	--
Gain on sales of loans originated for sale	(94,460)	--	--
(Increase) in interest receivable	(725,757)	(619,158)	(505,386)
(Increase) decrease in other assets	(57,572)	(56,566)	630,176
Increase (decrease) in accrued interest payable	66,034	14,777	(3,947)
(Decrease) increase in other liabilities	(23,747)	616,953	(225,366)
Net cash provided by (used in) operating activities	2,285,860	2,106,984	(134,198)
Cash flows from investing activities:			
Purchase of securities available for sale	--	(1,989,375)	(4,996,094)
Proceeds from sale of securities available for sale	--	1,996,875	5,039,063
Proceeds from calls of securities held to maturity	20,000,000	2,500,000	--
Purchases of securities held to maturity	(75,947,037)	(25,102,383)	(40,931,313)
Proceeds from repayments on securities held to maturity	16,282,221	10,576,690	2,368,523
Proceeds from sales of participation interests in loans	3,480,000	1,599,259	--
Purchases of loans	(5,429,854)	(3,093,670)	(5,656,466)
Net (increase) in loans receivable	(65,444,865)	(76,519,532)	(38,240,693)
Additions to premises and equipment	(3,225,271)	(1,281,188)	(108,019)
Purchase of Federal Home Loan Bank of New York stock	(489,600)	(760,400)	--
Net cash (used in) investing activities	(110,774,406)	(92,073,724)	(82,524,999)
Cash flows from financing activities:			
Net increase in deposits	90,130,843	61,783,877	79,817,423
Proceeds from borrowed money	25,000,000	--	--
Net proceeds from sales of common stock	--	6,159,316	4,375,073
Net cash provided by financing activities	115,130,843	67,943,193	84,192,496
Net increase (decrease) in cash and cash equivalents	6,642,297	(22,023,547)	1,533,299
Cash and cash equivalents - beginning	5,143,986	27,167,533	25,634,234
Cash and cash equivalents - ending	$ 11,786,283	$ 5,143,986	$ 27,167,533
Supplemental disclosure of cash flow information:			
Cash paid during the year for:			
Income taxes	$ 2,143,734	$ 550,706	$ 200
Interest	$ 4,270,054	$ 3,365,565	$ 2,274,427

See notes to consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. ORGANIZATION AND STOCK OFFERINGS

After the close of business on April 30, 2003, the Company, a New Jersey corporation, became a bank holding company in accordance with the terms of an Agreement and Plan of Acquisition, dated September 12, 2002 (the "Agreement"), by and between Bayonne Community Bank (the "Bank"), a New Jersey commercial bank, and the Company. Pursuant to the Agreement and N.J.S.A. 17:19A-355, the Company was organized as a wholly owned subsidiary of the Bank and by operation of law the outstanding shares of common stock, par value $5.00 per share, of the Bank became, on a one-for-one basis, common stock, $0.10 stated value, of the Company. The common stock of the Company held by the Bank was cancelled. Accordingly, the Bank became a wholly-owned subsidiary of the Company and the shareholders of the Bank became the shareholders of the Company.

The common stock of the Bank was previously registered under Section 12(g) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), with the Federal Deposit Insurance Corporation. Pursuant to Rule 12(g)(3) promulgated under the Exchange Act, the Company's common stock was deemed automatically registered under the Exchange Act. In addition, the common stock of the Company was substituted for the common stock of the Bank on the Nasdaq Electronic Bulletin Board and trades under the new symbol "BCBP."

The Bank sold 618,182 shares at $10.00 per share and 402,676 shares at $11.00 per share of its common stock through offering circulars dated May 1, 2002 and May 23, 2001, respectively, at various closing dates. Net proceeds of the secondary offerings, after expenses thereof, totalled $6,159,000 and $4,375,000 for the years ended December 31, 2002 and 2001, respectively.

The primary business of the Company is the operation of the Bank. The Bank is a New Jersey commercial bank which, as of December 31, 2003, operates at three locations in Bayonne, New Jersey. The Bank is subject to regulation, supervision, and examination by the New Jersey Department of Banking and Insurance and the Federal Deposit Insurance Corporation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of consolidated financial statement presentation

The consolidated financial statements of the Company have been prepared in conformity with accounting principles generally accepted in the United States of America. In preparing the consolidated financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the consolidated statement of financial condition and revenues and expenses for the periods then ended. Actual results could differ significantly from those estimates. A material estimate that is particularly susceptible to significant change relates to the determination of the allowance for loan losses. Management believes that the allowance for loan losses is adequate. While management uses available information to recognize losses on loans, future additions to the allowance for loan losses may be necessary based on changes in economic conditions in the market area.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd.)

Basis of consolidated financial statement presentation (Cont'd.)

In addition, various regulatory agencies, as an integral part of their examination process, periodically review the Bank's allowance for loan losses. Such agencies may require the Bank to recognize additions to the allowance based on their judgments about information available to them at the time of their examination.

Cash and cash equivalents

Cash and cash equivalents include cash and amounts due from depository institutions, interest-bearing deposits in other banks having original maturities of three months or less and federal funds sold. Generally, federal funds sold are sold for one day periods.

Securities available for sale and held to maturity

Investments in debt securities that the Company has the positive intent and ability to hold to maturity are classified as held-to-maturity securities and reported at amortized cost. Debt and equity securities that are bought and held principally for the purpose of selling them in the near term are classified as trading securities and reported at fair value, with unrealized holding gains and losses included in earnings. Debt and equity securities not classified as trading securities nor as held-to-maturity securities are classified as available for sale securities and reported at fair value, with unrealized holding gains or losses, net of applicable deferred income taxes, reported in the accumulated other comprehensive income component of retained earnings.

Premiums and discounts on all securities are amortized/accreted to maturity using the interest method. Interest and dividend income on securities, which includes amortization of premiums and accretion of discounts, is recognized in the financial statements when earned. Gains or losses on sales are recognized based on the specific identification method.

Loans receivable

Loans receivable are carried at unpaid principal balances less net deferred loan origination fees and the allowance for loan losses. Loan origination fees and certain direct loan origination costs are deferred and amortized, as an adjustment of yield, over the contractual lives of the related loans.

Accrued interest on loans that are contractually delinquent ninety days or more is charged off and the related loans placed on nonaccrual status. Income is subsequently recognized only to the extent that cash payments are received until delinquency status is reduced to less than ninety days, in which case the loan is returned to an accrual status.

Allowance for loan losses

The allowance for loan losses is increased through provisions charged to operations and by recoveries, if any, on previously charged-off loans and reduced by charge-offs on loans which are determined to be a loss in accordance with Bank policy.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd.)

The allowance for loan losses is maintained at a level considered adequate to absorb loan losses. Management, in determining the allowance for loan losses, considers the risks inherent in its loan portfolio and changes in the nature and volume of its loan activities, along with the general economic and real estate market conditions. The Bank utilizes a two tier approach: (1) identification of impaired loans and establishment of specific loss allowances on such loans; and (2) establishment of general valuation allowances on the remainder of its loan portfolio. The Bank maintains a loan review system which allows for a periodic review of its loan portfolio and the early identification of potentially impaired loans. Such system takes into consideration, among other things, delinquency status, size of loans, and types and value of collateral and financial condition of the borrowers. Specific loan loss allowances are established for identified loans based on a review of such information and/or appraisals of the underlying collateral. General loan loss allowances are based upon a combination of factors including, but not limited to, actual loan loss experience, composition of the loan portfolio, and current economic conditions and management's judgment. Although management believes that adequate specific and general allowances for loan losses are established, actual losses are dependent upon future events and, as such, further additions to the level of specific and general loan loss allowances may be necessary.

Impaired loans are measured based on the present value of expected future cash flows discounted at the loan's effective interest rate, or as a practical expedient, at the loan's observable market price or the fair value of the collateral if the loan is collateral dependent. A loan evaluated for impairment is deemed to be impaired when, based on current information and events, it is probable that the Bank will be unable to collect all amounts due according to the contractual terms of the loan agreement. All loans identified as impaired are evaluated independently. The Bank does not aggregate such loans for evaluation purposes. Payments received on impaired loans are applied first to accrued interest receivable and then to principal. The Bank has not had any loans deemed to be impaired during the three-year period ended December 31, 2003.

Concentration of risk

At December 31, 2003 and 2002, interest-bearing deposits include $6,000,000 and $2,000,000, respectively, invested in a money market account with one security broker/dealer organization.

The Bank's lending activity is concentrated in loans secured by real estate located in the State of New Jersey and contiguous states.

Premises and equipment

Land is carried at cost. Buildings, building improvements, leasehold improvements and furniture, fixtures and equipment are carried at cost, less accumulated depreciation and amortization. Significant renovations and additions are charged to the property and equipment account. Maintenance and repairs are charged to expense in the period incurred. Depreciation charges are computed on the straight-line method over the following estimated useful lives of each type of asset.

Buildings	40 years
Building improvements	7 to 40 years
Furniture, fixtures and equipment	3 to 40 years
Leasehold improvements	Shorter of useful life of term of lease

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd.)

Interest-rate risk

The Bank is principally engaged in the business of attracting deposits from the general public and using these deposits, together with other funds, to make loans secured by real estate and to purchase securities. The potential for interest-rate risk exists as a result of the difference in duration of the Bank's interest-sensitive liabilities compared to its interest-sensitive assets. For this reason, management regularly monitors the maturity structure of the Bank's interest-earning assets and interest-bearing liabilities in order to measure its level of interest-rate risk and to plan for future volatility.

Income taxes

The Company and the Bank file a consolidated federal income tax return. Income taxes are allocated to the Company and the Bank based upon their respective income or loss included in the consolidated income tax return. Separate state income tax returns are filed by the Company and the Bank.

Federal and state income tax expense (benefit) has been provided on the basis of reported income (loss). The amounts reflected on the tax return differs from these provisions due principally to temporary differences in the reporting of certain items for financial reporting and income tax reporting purposes. The tax effect of these temporary differences is accounted for as deferred taxes applicable to future periods. Deferred income tax expense or (benefit) is determined by recognizing deferred tax assets and liabilities for the estimated 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. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in earnings in the period that includes the enactment date. The realization of deferred tax assets is assessed and a valuation allowance provided, when necessary, for that portion of the asset which is not more likely than not to be realized.

Net income (loss) per common share

Basic net income (loss) per common share is computed by dividing net income (loss) by the weighted average number of shares of common stock outstanding. The diluted net income (loss) per common share is computed by adjusting the weighted average number of shares of common stock outstanding to include the effects of outstanding stock options, if dilutive, using the treasury stock method.

In October 2003, the Company's Board of Directors authorized a 10% stock dividend to stockholders of record on November 3, 2003. Such dividend was distributed on November 17, 2003. The weighted average number of common shares outstanding and the net income (loss) per common share presented in the consolidated statements of operations have been restated to give retroactive effect to the stock dividend.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd.)

Stock-based compensation plans

The Company, under plans approved by its stockholders in 2003 and 2002, has granted stock options to employees and outside directors. See note 11 for additional information as to option grants. The Company accounts for options granted using the intrinsic value method, in accordance with Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees", and related interpretations. No compensation expense has been reflected in net income for the options granted as all such grants have an exercise price equal to the market price of the underlying stock at the date of grant. The following table provides information as to net income and earnings per share as if the Company had applied the fair value recognition provisions of Statement of Financial Accounting Standards No. 123, "Accounting for Stock-Based Compensation", as amended, to all option grants.

	Year Ended December 31, 2003	Year Ended December 31, 2002
Net income as reported	$ 2,395,413	$ 1,309,090
Less: Total stock-based compensation expense, net of income taxes, included in reported net income	--	--
Add: Total stock-based compensation expense, net of income taxes, that would have been included in the determination of net income if the fair value method had been applied to all grants	(424,689)	(66,697)
Pro forma net income	$ 1,970,724	$ 1,242,393
Net income per commons share, as reported:		
Basic	$ 1.04	$ 0.68
Diluted	1.01	0.67
Pro forma net income per common share:		
Basic	$ 0.86	$ 0.64
Diluted	0.83	0.64

Comprehensive income

The Company has had, since inception, no items of other comprehensive income.

Reclassification

Certain amounts for prior periods have been reclassified to conform to the current period's presentation.

3. RELATED PARTY TRANSACTIONS

The Bank leases a property from NEW BAY LLC ("NEW BAY"), a limited liability corporation 100% owned by a majority of the directors and officers of the Bank. In conjunction with the lease, NEW BAY substantially removed the pre-existing structure on the site and constructed a new building suitable to the Bank for its banking operations. Under the terms of the lease, the cost of this project was reimbursed to NEW BAY by the Bank. The amount reimbursed, which occurred during the year 2000, was approximately $943,000, and is included in property and equipment under the caption "Building and improvements". See note 6 to consolidated financial statements.

The original lease term began on November 1, 2000, and concludes on October 31, 2005, and provides for an annual base rent of $108,000 for the first three years and $111,240 for the remaining two years. The Bank has the option to renew the lease for four consecutive five-year periods, subject to a rent escalation clause. In addition, at each renewal date, the Bank has the option to purchase the property from NEW BAY, at the then current fair market value less a credit equal to the lesser of (a) the funds previously reimbursed to NEW BAY, for the new building construction, less any subsequent depreciation, or (b) $750,000. The authority to exercise the purchase option is solely vested in an officer who has no ownership interest in NEW BAY.

On July 1, 2002, the Bank acquired a tract of real estate in the Bergen Point section of the City of Bayonne, New Jersey. The property was purchased for $889,686 from 104 L.L.C., a limited liability corporation 100% owned by a majority of the directors and officers of the Bank. This property is included in land at December 31, 2003, and construction in progress at December 31, 2002. See Note 6 to consolidated financial statements.

4. SECURITIES HELD TO MATURITY

	December 31, 2003			
	Carrying Value	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
U.S. Government Agencies:				
Due after one year through five years	$ 2,500,000	$ 15,625	$ --	$ 2,515,625
Due after five years through ten years	19,982,238	111,550	285,592	19,808,196
Due after ten years	49,500,000	655,829	84,375	50,071,454
	71,982,238	783,004	369,967	72,395,275
Mortgage-backed securities:				
Due after five years through ten years	856,185	54,825	--	911,010
Due after ten years	17,474,997	436,561	20,471	17,891,087
	18,331,182	491,386	20,471	18,802,097
	$90,313,420	$ 1,274,390	$ 390,438	$91,197,372

4. SECURITIES HELD TO MATURITY

	December 31, 2002			
		Gross Unrealized		
	Carrying Value	Gains	Losses	Estimated Fair Value
U.S. Government Agencies:				
Due after one year through five years	$ 4,496,810	$ 19,508	$ --	$ 4,516,318
Due after ten years	17,492,694	203,400	--	17,696,094
	21,989,504	222,908	--	22,212,412
Mortgage-backed securities:				
Due after five years through ten years	1,908,096	112,638	--	2,020,734
Due after ten years	26,704,706	1,109,422	--	27,814,128
	28,612,802	1,222,060	--	29,834,862
	$50,602,306	$ 1,444,968	$ --	$52,047,274

There were no sales of securities held to maturity during the years ended December 31, 2003 and 2002. At December 31, 2003, mortgage-backed securities with a carrying value of approximately $1,664,000 and $2,113,000, respectively, were pledged to secure public deposits. See also Note 9 for securities pledged to secure borrowings.

5. LOANS RECEIVABLE

	December 31, 2003	December 31, 2002
Real estate mortgage:		
Residential	$ 33,913,366	$ 25,474,696
Commercial	115,160,296	65,841,573
Construction	10,009,008	4,277,676
	159,082,670	95,593,945
Commercial:		
Business loans	6,108,783	4,228,303
Lines of credit	7,938,744	8,705,846
	14,047,527	12,934,149
Consumer:		
Passbook or certificate	449,702	51,124
Home equity lines of credit	2,438,809	1,499,474
Home equity	14,385,288	12,606,855
Automobile	366,489	547,883
Personal	98,569	84,701
	17,738,857	14,790,037
Deposit overdrafts	268,619	117,090
Total loans	191,137,673	123,435,221
Less: Deferred loan fees, net	238,855	117,131
Allowance for loan losses	2,113,288	1,233,288
	2,352,143	1,350,419
	$188,785,530	$122,084,802

At December 31, 2003 and 2002, loans serviced by the Bank for the benefit of others, which consist of participation interests in loans originated by the Bank, totalled approximately $5,020,000 and $1,575,000, respectively.

5. LOANS RECEIVABLE (Cont'd.)

The Bank grants loans to its officers and directors and to their associates. Related party loans are made on substantially the same terms, including interest rates and collateral, as those prevailing at the time for comparable transactions with unrelated persons and do not involve more than normal risk of collectibility. The activity with respect to loans to directors, officers and associates of such persons, is as follows:

	Year Ended December 31,	
	2003	2002
	(In Thousands)	
Balance - beginning	$ 9,078	$ 3,892
Loans originated	14,997	7,165
Collections of principal	(16,257)	(1,750)
Loans from person no longer associated	--	(229)
Balance - ending	$ 7,818	$ 9,078

The following is an analysis of the allowance for loan losses:

	Year Ended December 31,		
	2003	2002	2001
Balance - beginning	$ 1,233,288	$ 412,000	$ 30,000
Provision charged to operations	880,000	843,000	382,000
Loans charged off	--	(21,712)	--
Balance - ending	$ 2,113,288	$ 1,233,288	$ 412,000

At both December 31, 2003 and 2002, nonaccrual loans for which the accrual of interest had been discontinued totalled approximately $67,000. Had these loans been performing in accordance with their original terms, the interest income recognized for both the years ended December 31, 2003 and 2002 would have been approximately $6,000. Interest income recognized on such loans was approximately $ -0- and $2,000, respectively. The Bank is not committed to lend additional funds to the borrowers whose loans have been placed on a nonaccrual status. There were no nonaccrual loans at December 31, 2001.

6. PREMISES AND EQUIPMENT

	December 31, 2003	December 31, 2002
Land	$ 890,236	$ --
Buildings and improvements	3,426,338	1,105,446
Leasehold improvements	331,654	--
Furniture, fixtures and equipment	1,401,464	494,007
Construction in progress	--	1,224,968
	6,049,692	2,824,421
Accumulated depreciaiton and amrotiation	(345,607)	(197,315)
	$ 5,704,085	$ 2,627,106

Buildings and improvements includes a building constructed on property leased from a related party. Construction in progress includes land purchased from a related party. See note 3 to consolidated financial statements.

Rental expenses related to the occupancy of premises totalled $170,000, $113,000 and $108,000 for the years ended December 31, 2003, 2002 and 2001, respectively. The minimum obligation under lease agreements for each of the years ended December 31 is as follows:

Year	Amount
2004	$170,000
2005	156,000
2006	64,000
2007	62,000
	$452,000

7. INTEREST RECEIVABLE

	December 31, 2003	December 31, 2002
Loans	$ 890,420	$ 575,952
Securities	962,827	554,145
Other	2,607	--
	$1,855,854	$1,130,097

8. DEPOSITS

	December 31, 2003	December 31, 2002
Demand:		
Non-interest bearing	$ 16,626,235	$ 14,006,528
NOW	17,201,365	10,656,061
Money Market	2,162,685	2,546,234
	35,990,285	27,208,823
Savings and club	162,832,122	116,328,441
Certificates of deposit	54,827,712	19,982,012
	$253,650,119	$163,519,276

At December 31, 2003 and 2002, certificates of deposit of $100,000 or more totalled approximately $16,330,000 and $4,397,000, respectively.

The scheduled maturities of certificates of deposit were as follows:

	December 31, 2003	December 31, 2002
One year or less	$41,455,558	$16,940,811
After one year to three years	11,604,529	2,773,802
After three years	1,767,625	267,399
	$54,827,712	$19,982,012

9. BORROWED MONEY

Borrowed money at December 31, 2003, consists of the following:

Lender	Maturity	Interest Rate	Amount
Federal Home Loan Bank of New York	November 19, 2004	1.48%	$ 25,000,000

At December 31, 2003, securities held to maturity with a carrying value of approximately $32,494,000 were pledged to secure the above noted borrowing. There were no borrowings outstanding at December 31, 2002.

10. REGULATORY CAPITAL

The Bank is subject to various regulatory capital requirements administered by the federal banking agencies. Failure to meet minimum capital requirements can initiate certain mandatory, and possibly additional discretionary, actions by regulators that, if undertaken, could have a direct material effect on the Bank. Under capital adequacy guidelines and the regulatory framework for prompt corrective action, the Bank must meet specific capital guidelines that involve quantitative measures of the Bank's assets, liabilities, and certain off-balance-sheet items as calculated under regulatory accounting practices. The Bank's capital amounts and classifications are also subject to qualitative judgments by the regulators about components, risk weightings, and other factors.

Quantitative measures, established by regulation to ensure capital adequacy, require the Bank to maintain minimum amounts and ratios of Total and Tier 1 capital, (as defined in the regulations), to risk-weighted assets, (as defined), and of Tier 1 capital to total assets, (as defined).

As a newly formed State chartered institution, the Bank was initially required to maintain a ratio of Tier 1 capital to total assets of not less than ten percent for a period of five years. The Bank subsequently requested and received, from the State of New Jersey Department of Banking and Insurance, a waiver reducing the Tier 1 capital to total assets requirement to 8% at December 31, 2002. During 2003, the requirement to maintain additional capital was removed. The following table presents information as to the Bank's capital levels.

	Actual		Minimum Capital Requirements		To Be Well Capitalized Under Prompt Corrective Actions Provisions	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
	(Dollars in Thousands)					
December 31, 2003						
Total Capital (to risk-weighted assets)	$23,230	11.51%	$16,142	8.00%	$20,178	10.00%
Tier 1 Capital (to risk-weighted assets)	21,117	10.47%	--	--	12,107	6.00%
Tier 1 Capital (to adjusted total assets)	21,117	7.02%	12,028	4.00%	15,034	5.00%
December 31, 2002						
Total Capital (to risk-weighted assets)	$20,005	15.99%	$10,008	8.00%	$12,510	10.00%
Tier 1 Capital (to risk-weighted assets)	18,772	15.01%	--	--	7,504	6.00%
Tier 1 Capital (to adjusted total assets)	18,772	10.25%	14,651	8.00%	9,157	5.00%

11. BENEFITS PLAN

Stock Options

Stock options granted under stockholder approved stock option plans may be either options that qualify as incentive stock options as defined in Section 422 of the Internal Revenue Code of 1986, as amended, or non-statutory options. Options granted will vest and will be exercisable on a cumulative basis in equal installments at the rate of 20% per year commencing on the date of grant and continuing through the next four anniversary dates. Vested options may be exercised up to ten years from the date of grant. All options granted will be exercisable in the event the optionee terminates his employment due to death or disability. A summary of stock option activity follows:

	Number of Option Shares	Range of Exercise Price	Weighted Average Exercise Price
December 31, 2001	--	$ --	$ --
Options granted	153,906	8.26	8.26
Options exercised	--	--	--
December 31, 2002	153,906	8.26	8.26
Options granted	207,285	14.59-14.77	14.59
Options exercised	--	--	--
December 31, 2003	361,191	8.26-14.77	11.90
Exercisable at:			
December 31, 2003	103,019	8.26-14.77	10.81
December 31, 2002	30,781	8.26	8.26

At December 31, 2003, the stock options outstanding had a weighted-average remaining contractual life of 9.2 years. At December 31, 2003 and 2002, stock options for up to 23,377 and 960 shares, respectively, of common stock were available for future grants. No options were forfeited during 2003 and 2002.

The Company, as permitted by Financial Accounting Standards Board ("FASB") Statement of Financial Accounting Standards ("SFAS") No. 123, recognizes compensation cost for stock options granted based on the intrinsic value method instead of the fair value based method. The grant-date fair values of the stock options granted during 2003 and 2002, which have exercise prices equal to the market price of the common stock at the grant date, were estimated using the Black-Scholes option-pricing model. Such fair value and the assumptions used for estimating fair value are as follows:

11. BENEFITS PLAN (Cont'd.

Stock Options (Cont'd.)

	Year Ended December 31, 2003	2002
Grant-date fair value per share	$ 9.72	$ 2.36
Expected common stock dividend yield	0.00%	0.00%
Expected option life	7.0 years	6.5 years
Risk-free interest rate	4.05%	4.18%
Volatility	56.20%	None

12. DIVIDEND RESTRICTIONS

Payment of cash dividends is conditioned on earnings, financial condition, cash needs, the discretion of the Board of Directors, and compliance with regulatory requirements. State and Federal law and regulations impose substantial limitations on the Bank's ability to pay dividends to the Company. Under New Jersey law, the Bank is permitted to declare dividends on its common stock only if, after payment of the dividend, the capital stock of the Bank will be unimpaired and either the Bank will have a surplus of not less than 50% of its capital stock or the payment of the dividend will not reduce the Bank's surplus. Current regulatory policies impose more stringent capital requirements on new banks for their first five years of operations than are imposed on more established banks. Such policies also have the effect of restricting dividends. For example, under the regulatory policies of the New Jersey Department of Banking and Insurance, a new bank such as the Bank may not pay cash dividends until such time as it becomes profitable and has earned back its initial capital deficit.

13. INCOME TAXES

The components of income tax expense (benefit) are summarized as follows:

	Year Ended December 31, 2003	2002	2001
Current income tax expense:			
Federal	$ 1,341,752	$ 752,813	$ --
State	436,467	255,608	200
	1,778,219	1,008,421	200
Deferred income tax (benefit):			
Federal	(96,921)	(78,513)	(132,852)
State	(67,575)	(58,253)	(40,011)
	(164,496)	(136,766)	(172,863)
	$ 1,613,723	$ 871,655	$ (172,663)

13. INCOME TAXES (Cont'd.)

The tax effects of existing temporary difference that give rise to significant portions of the deferred income tax assets and deferred income tax liabilities are as follows:

	December 31, 2003	December 31, 2002
Deferred income tax assets		
Allowance for loan losses	$ 844,047	$ 492,575
Net operating loss carryforward	21,894	21,894
Organization expense	41,164	63,616
Other	3,351	11,278
	910,456	589,363
Deferred income tax liabilities		
Depreciation	211,011	48,732
Other	2,233	7,915
	213,244	56,647
Net deferred tax asset	$ 697,212	$ 532,716

The following table presents a reconciliation between the reported income tax expense (benefit) and the income tax expense (benefit) which would be computed, by applying the normal federal income tax rate of 34%, to income (loss) before income tax expense (benefit):

	Year Ended December 31, 2003	2002	2001
Federal income tax expense (benefit) at statutory rate	$1,363,106	$ 741,453	$ (152,504)
Increases (reductions) in income taxes resulting from:			
State income tax, net of federal income tax effect	243,469	130,254	(26,275)
Other items, net	7,148	(52)	6,116
Effective income tax (benefit)	$1,613,723	$ 871,655	$ (172,663)

At December 31, 2003, the Bank has a net operating loss carryforward of approximately $369,000 expiring in the year 2008 for State income tax purposes.

14. OTHER EXPENSES

The following is an analysis of other expenses:

	Year Ended December 31, 2003	2002	2001
Directors' fees	$ 263,100	$ 134,150	$ --
Stationery, forms and printing	172,575	116,249	57,493
Professional fees	216,260	198,980	84,450
Check printing	41,250	25,871	47,836
Correspondent bank fees	67,881	55,130	39,316
Telephone and communications	58,372	31,546	22,180
Other	238,505	186,758	114,006
	$1,057,943	$ 748,684	$ 365,281

15. COMMITMENTS AND CONTINGENCIES

The Bank is a party to financial instruments with off-balance-sheet risk in the normal course of business to meet the financing needs of its customers. These financial instruments primarily include commitments to extend credit. The Bank's exposure to credit loss, in the event of nonperformance by the other party to the financial instrument for commitments to extend credit, is represented by the contractual amount of those instruments. The Bank uses the same credit policies in making commitments and conditional obligations as it does for on-balance-sheet instruments.

Outstanding loan related commitments were as follows (in thousands):

	December 31, 2003	2002
Loan origination	$ 16,282	$ 15,037
Construction loans in process	9,492	3,362
Unused lines of credit	7,379	3,601
	$ 33,153	$ 22,000

Commitments to extend credit are agreements to lend to a customer as long as there is no violation of any condition established in the contract. Commitments generally have fixed expiration dates or other termination clauses and may require payment of a fee. Since many of the commitments are expected to expire without being drawn upon, total commitment amounts do not necessarily represent future cash requirements. The Bank evaluates each customer's creditworthiness on a case-by-case basis. The amount of collateral obtained, if deemed necessary by the Bank upon extension of credit, is based on management's credit evaluation of the counterparty. Collateral held varies but primarily includes residential real estate properties.

15. COMMITMENTS AND CONTINGENCIES (Cont'd.)

The Company and the Bank also have, in the normal course of business, commitments for services and supplies. Management does not anticipate losses on any of these transactions.

The Company and the Bank, from time to time, may be party to litigation which arises primarily in the ordinary course of business. In the opinion of management, the ultimate disposition of such litigation should not have a material effect on the financial statements. As of December 31, 2003, the Company and the Bank were not parties to any material litigation.

16. ESTIMATED FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of a financial instrument is defined as the amount at which the instrument could be exchanged in a current transaction between willing parties, other than a forced or liquidation sale. Significant estimations were used for the purposes of this disclosure. Estimated fair values have been determined using the best available data and estimation methodology suitable for each category of financial instruments. For those loans and deposits with floating interest rates, it is presumed that estimated fair values generally approximate their recorded book balances. The estimation methodologies used and the estimated fair values and carrying values of financial instruments are set forth below:

Cash and cash equivalents and interest receivable

The carrying amounts for cash and cash equivalents and interest and dividends receivable approximate fair value.

Securities

The fair values for securities, both available for sale and held to maturity, are based on quoted market prices or dealer prices, if available. If quoted market prices or dealer prices are not available, fair value is estimated using quoted market prices or dealer prices for similar securities.

Loans

The fair value of loans is estimated by discounting future cash flows, using the current rates at which similar loans with similar remaining maturities would be made to borrowers with similar credit ratings.

16. ESTIMATED FAIR VALUE OF FINANCIAL INSTRUMENTS (Cont'd.)

Deposits

For demand, savings and club accounts, fair value is the carrying amount reported in the financial statements. For certificates of deposit, fair value is estimated by discounting future cash flows, using rates currently offered for deposits of similar remaining maturities.

Borrowed money

The fair value of borrowed money is estimated by discounting future cash flows using rates currently available for liabilities of similar remaining maturities.

Commitments to extend credit

The fair value of credit commitments is estimated using the fees currently charged to enter into similar agreements, taking into account the remaining terms of the agreements and the present creditworthiness of the counterparties. For fixed-rate loan commitments, fair value also considers the difference between current levels of interest rates and the committed rates.

The carrying values and estimated fair values of financial instruments are as follows (in thousands):

	December 31,			
	2003		2002	
	Carrying Value	Estimated Fair Value	Carrying Value	Estimated Fair Value
Financial assets				
Cash and cash equivalents	$ 11,786	$ 11,786	$ 5,144	$ 5,144
Securities held to maturity	90,313	91,197	50,602	52,047
Loans receivable	188,786	190,575	122,085	123,282
Interest receivable	1,856	1,856	1,130	1,130
Financial liabilities				
Deposits	253,650	254,207	163,519	163,621
Borrowed money	25,000	24,987	--	--
Commitments				
Loan origination	16,286	16,282	15,037	15,037
Unused lines of credit and loans in process	16,871	16,871	6,963	6,963

16. ESTIMATED FAIR VALUE OF FINANCIAL INSTRUMENTS (Cont'd.)

Fair value estimates are made at a specific point in time based on relevant market information and information about the financial instrument. These estimates do not reflect any premium or discount that could result from offering for sale at one time the entire holdings of a particular financial instrument. Because no market value exists for a significant portion of the financial instruments, fair value estimates are based on judgments regarding future expected loss experience, current economic conditions, risk characteristics of various financial instruments, and other factors. These estimates are subjective in nature, involve uncertainties and matters of judgment and, therefore, cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

In addition, fair value estimates are based on existing on-and-off balance sheet financial instruments without attempting to estimate the value of anticipated future business, and exclude the value of assets and liabilities that are not considered financial instruments. Other significant assets and liabilities that are not considered financial assets and liabilities include premises and equipment, real estate owned and advance payments by borrowers for taxes and insurance. In addition, the tax ramifications related to the realization of the unrealized gains and losses can have a significant effect on fair value estimates and have not been considered in any of the estimates.

Finally, reasonable comparability between financial institutions may not be likely due to the wide range of permitted valuation techniques and numerous estimates which must be made given the absence of active secondary markets for many of the financial instruments. This lack of uniform valuation methodologies introduces a greater degree of subjectivity to these estimated fair values.

17. PARENT ONLY FINANCIAL INFORMATION

STATEMENT OF FINANCIAL CONDITION

	December 31, 2003
Assets:	
Cash and due from banks	$ 50,000
Investment in subsidiary	21,117,034
Total assets	$ 21,167,034
Liabilities	$ --
Stockholders' equity:	
Common stock	229,698
Additional paid-in capital	26,483,975
Accumulated deficit	(5,546,639)
	21,167,034
Total liabilities and stockholders' equity	$ 21,167,034

17. PARENT ONLY FINANCIAL INFORMATION (Cont'd.)

STATEMENT OF INCOME

	Year Ended December 31, 2003
Dividend form subsidiary	$ 50,000
Total income	50,000
Non-interest expenses	--
Income before income tax and equity in undistributed earnings of subsidiary	50,000
Income tax	--
Income before equity in undistributed earnings of subsidiary	50,000
Equity in undistributed earnings of subsidiary	1,582,817
Net income	$1,632,817

17. PARENT ONLY FINANCIAL INFORMATION (Cont'd.)

STATEMENT OF CASH FLOWS

	Year Ended December 31, 2003
Cash flows from operating activities:	
Net income	$ 1,632,817
Adjustments to reconcile net income to net cash provided by operating activities:	
Equity in undistributed earnings of subsidiaries	(1,582,817)
Net cash provided by operating activities	50,000
Cash and cash equivalents - beginning	--
Cash and cash equivalents - ending	$ 50,000

18. QUARTERLY FINANCIAL DATA (UNAUDITED)

	Quarter Ended			
	March 31, 2003	June 30, 2003	September 30, 2003	December 31, 2003
	(In thousands, except for per share amounts)			
Total interest income	$ 3,070	$ 3,351	$ 3,586	$ 4,128
Total interest expense	936	1,012	1,102	1,286
Net interest income	2,134	2,339	2,484	2,842
Provision for loan losses	225	225	210	220
Non-interest income	88	88	133	172
Non-interest expenses	1,048	1,249	1,415	1,679
Income taxes	376	381	396	461
Net income	$ 573	$ 572	$ 596	$ 654
Net income per common share:				
Basic	$ 0.25	$ 0.25	$ 0.26	$ 0.28
Diluted	0.24	0.24	0.25	0.27
Weighted average number of common shares outstanding:				
Basic	2,297	2,297	2,297	2,297
Diluted	2,371	2,362	2,365	2,425

	Quarter Ended			
	March 31, 2002	June 30, 2002	September 30, 2002	December 31, 2002
	(In thousands, except for per share amounts)			
Total interest income	$ 1,816	$ 2,211	$ 2,519	$ 2,794
Total interest expense	726	831	892	931
Net interest income	1,090	1,380	1,627	1,863
Provision for loan losses	138	195	255	255
Non-interest income	49	66	73	148
Non-interest expenses	710	778	814	970
Income taxes	107	199	251	315
Net income	$ 184	$ 274	$ 380	$ 471
Net income per common share:				
Basic	$ 0.12	$ 0.17	$ 0.17	$ 0.21
Diluted	0.12	0.17	0.17	0.20
Weighted average number of common shares outstanding:				
Basic	1,549	1,640	2,265	2,297
Diluted	1,549	1,640	2,273	2,336

EXHIBIT 14

CODE OF ETHICS

Code of Ethics For Chief Executive Officer and Senior Financial Officers of BCB Bancorp, Inc.

It is the policy of BCB Bancorp, Inc. that the Chief Executive Officer ("CEO"), and Chief Financial Officer ("CFO") of BCB Bancorp, Inc. (hereinafter referred to as the "Company") adhere to and advocate the following principles governing their professional and ethical conduct in the fulfillment of their responsibilities:

1. Act with honesty and integrity, avoiding actual or apparent conflicts between his or her personal, private interests and the interests of the Company, including receiving improper personal benefits as a result of his or her position

2. Perform responsibilities with a view to causing periodic reports and other documents filed with the SEC to contain information which is accurate, complete, fair and understandable.

3. Comply with laws of federal, state, and local governments applicable to the Company, and the rules and regulations of private and public regulatory agencies having jurisdiction over the Company.

4. Act in good faith, responsibly, with due care, and diligence, without misrepresenting or omitting material facts or allowing independent judgment to be compromised.

5. Respect the confidentiality of information acquired in the course of the performance of his or her responsibilities except when authorized or otherwise legally obligated to disclose. Do not use confidential information acquired in the course of the performance of his or her responsibilities for personal advantage.

6. Proactively promote ethical behavior among subordinates and peers.

7. Use corporate assets and resources employed or entrusted in a responsible manner.

8. Do not use corporate information, corporate assets, corporate opportunities or one's position with the Company for personal gain. Do not compete directly or indirectly with the Company.

9. Comply in all respects with the Company's Code of Business Conduct and Ethics, which shall be deemed to be a part of this Code of Ethics for purposes of Section 406 of the Sarbanes-Oxley Act of 2002.

10. Advance the Company's legitimate interests when the opportunity arises.

It is also the Policy of BCB Bancorp, Inc. that the CEO and CFO of the Company acknowledge and certify to the foregoing annually and file a copy of such certification with the Audit Committee of the Board.

The Nominating and Corporate Governance Committee shall have the power to monitor, make determinations, and recommend action to the Board with respect to violations of this Code of Ethics, except for paragraph 2, 3 and 4 with respect to which the Audit Committee shall have such power.

BCB Bancorp, Inc. Code of Business Conduct and Ethics

Section 1 - Overview

1.1 Purpose of the Code

This Code of Business Conduct and Ethics ("Code") is intended to deter wrongdoing and promote:

o Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;

o Full, fair, accurate, timely and understandable disclosure in documents the Company files with, or submits to, the Securities and Exchange Commission ("SEC") and in all public communications made by the Company;

o Compliance with applicable governmental laws, rules and regulations;

o Prompt internal reporting to designated persons of violations of the Code; and

o Accountability for adherence to the Code.

1.2 Application of the Code

The Code applies to all directors (where applicable), officers and employees of BCB Bancorp, Inc. and its subsidiaries and affiliates (the "Company"), including Bayonne Community Bank. The Code applies to all employee decisions and activities within the scope of employment, or when representing the Company in any capacity. A copy of the Code will be included in the orientation package provided to new employees. Following review of the Code, new employees will be asked to sign a written confirmation that they have reviewed the Code in its entirety, and agree to adhere to its provisions. Existing employees will be asked to review the Code each time it is revised, and will periodically receive training on the Code from the Compliance Department. All Company managers should be familiar with the requirements of the Code, and should encourage employees to apply the Code to their daily activities and decisions, and to seek guidance from the appropriate individuals when additional information or explanation is needed. Each executive officer and director shall affirm annually to the entire board of directors that the executive officer or director has read and complied with the Code, and that they do not know of any unreported violations of the Code.

Copies of the Code may be obtained from Human Resources. The Code will also be incorporated into the Employee Handbook.

1.3 Obtaining Guidance

If you need additional explanation regarding a particular provision of the Code, or if you need guidance in a specific situation, please contact your immediate supervisor. If you are uncomfortable speaking to your immediate supervisor, or if you require additional guidance after having consulted with your supervisor, you are encouraged to contact any of the following individuals:

Chief Ethics Officer/Chief Compliance Officer Ms. Janice Rodrigo
(201) 823-0700
Janrod@optonline.net

Ms. Jacqueline Cabrera,
(201) 823-0700 ext. 3113

You may contact any manager or for guidance on any sensitive personal matter, such as possible discrimination or harassment.

1.4 Reporting Violations of the Code

Acting with the highest standard of ethics and integrity is critical to the success of our Company, and must be reflected in our daily decisions and actions. It is the duty and responsibility of each employee and director to understand and adhere to the principles provided in the Code so that potential issues may be effectively and efficiently resolved and the valuable reputation of the Company preserved. Any known or suspected violation of the Code must be promptly reported. This includes violations or possible violations involving you, another employee, including managers, or an agent acting on behalf of the Company. Any violation of law, rule or regulation applicable to the Company and/or corporate policy is also a violation of this Code. Violations of the Code may result in disciplinary action including, in severe situations, immediate termination of employment.

If you know of or suspect a violation of the Code, including actions or failures to act, immediately report the matter to your manager, the compliance designee of your business unit, or any of the persons listed in Section 1.3. Concerns or complaints regarding accounting, internal accounting controls or auditing matters that arise in the ordinary course of business and that cannot be resolved with your immediate supervisor should be directed to the Chief Ethics Officer/Chief Compliance Officer at the number and e-mail address in Section 1.3. If you are not comfortable reporting a known or suspected violation in person, you may contact the Corporate Code of Business Conduct and Ethics Hotline at (201) 823-0700, ext. 3113 to leave a confidential message.

In addition, concerns regarding questionable accounting, internal accounting controls or auditing matters may be made directly to the Chairman of the Audit Committee by calling 1-201-823-3900.

All concerns or complaints will be promptly investigated and appropriate action taken. No person expressing concerns or complaints will be subject to any disciplinary or other adverse action by the Company absent a knowingly false report. All concerns or complaints may be made anonymously and will remain confidential. Please provide sufficient information to allow parties to properly investigate your concerns or complaints. The Company will retain a record of all concerns and complaints, and the results of its investigations, for five years.

Section 2 - Confidentiality of Information

2.1 General

Every director and employee has a strict responsibility to safeguard all confidential Company information entrusted to (or known by) him or her. Each employee must respect and maintain confidentiality regarding the transactions and affairs of the Company.

A customer's financial or personal information is strictly confidential and must never be used or disclosed in an improper or inappropriate manner. This information may not be used as a basis for personal investment decisions. Employees and directors must treat confidential customer information in accordance with the provisions of this Code as well as the Company's Privacy Policy, which is deemed a part of this Code.

Financial information about the Company is not to be given to persons outside the Company unless it has been reported to the shareholders or has otherwise been made available to the public. Exceptions to this general policy include disclosure to attorneys, accountants and other professionals working on behalf of the Company, as well as regulatory examiners. Any and all subpoenas of or for information received by an employee or director of the Company shall be forwarded to the President and Chief Executive Officer for review and response.

Employees possessing information that could influence decisions regarding the purchase or sale of Company stock must take precautions to ensure that this information is not inappropriately shared with others, including other employees. Employees and directors with material nonpublic information cannot buy or sell Company stock.

This section also applies to information inadvertently received by directors or employees, including e-mails, facsimile transmissions, all types of mail, including inter-office mail, and all other forms of written, verbal or electronic communications.

2.2 Examples of Confidential Information

o The identity of customers and potential customers and their personal, business and financial information;

o Non-public business and financial information of the Company;

o Personal information regarding any employee of the Company;

o Personal or non-public business information regarding any supplier, vendor or agent of the Company;

o Information related to, including the identity of, potential candidates for mergers and acquisitions;

o Information regarding the Company's business strategies, plans or proposals;

o Information related to computer software programs, whether proprietary or standard;

o Information related to documentation systems, information databases, customized hardware or other information systems and technological developments;

o Manuals, processes, policies, procedures, compositions, opinion letters, ideas, innovations, inventions, formulas and other proprietary information belonging to the Company or related to the Company's activities;

o Security information, including without limitation, policies and procedures, passwords, personal identification numbers (PINs) and electronic access keys;

o Communications by, to and from regulatory agencies;

o Certain communications with or from attorneys for the Company, whether internal or external; and

o Any other information which may be deemed confidential, or which may be protected according to the Company's Privacy Policy.

2.3 Examples of Material Inside Information

Generally, material inside information is defined as any information that is confidential in nature, and that a reasonable investor would likely consider important in deciding whether to buy, sell, or hold the Company's stock. The following types of information, if not generally known or publicly announced, should be considered material inside information and treated according to the provisions of this Code:

o Proposals or plans for mergers and acquisitions;

o Earnings estimates or results, whether for the month, quarter or year;

o Determinations as to cash or stock dividends to be paid by the Company;

o New product innovation, development or implementation;

o Major litigation, adverse regulatory proceedings or material threat of either event;

o Significant operational issues, including changes reserves for losses and loss adjustment expenses;

o Significant expansion of operations, whether geographic or otherwise, or the curtailment of current or future planned operations; and

o Any other information which, if known, would likely influence the decisions of investors.

Section 3 - Conflicts of Interest

3.1 General

Our ability to act fairly and with integrity is critical in maintaining the trust we have established with our customers, our shareholders, our suppliers and vendors, our regulators and the communities we serve. Everyone must avoid any action or situation that conflicts with the interests of the Company or its customers, or which gives the appearance of a conflict. The appearance of a conflict can at times be as damaging as an actual conflict, and can diminish the valuable relationships we have developed with others. We should consistently conduct ourselves in the best interests of the Company, its customers, shareholders and employees, and should avoid situations which have the potential to impair or affect independence and objective judgment. Any potential conflict of interest must be approved in advance by the Company's Chief Ethics Officer listed in Section 1.3. If it involves a director or executive officer, the matter must be approved in advance by the board of directors.

3.2 Personal or Related Business Opportunities

Directors and employees must avoid conflicts involving business opportunities which may arise as a result of their service or employment with the Company. These conflicts not only damage the Company's reputation but also may constitute criminal violations of federal law. The following are brief guidelines regarding improper business opportunities or relationships that must be reported. These guidelines are not intended to be the only business situations that may involve a conflict of interest.

o Accepting a business opportunity from someone doing business with or wanting to do business with the Company that (1) is not available to other individuals on similar terms; or (2) is made available to you because of your position with the Company.

o Personally accepting a business opportunity that belongs to the Company.

o Engaging in a business opportunity that competes with the Company, whether directly or indirectly.

o Engaging in a business opportunity with the Company through an entity in which the employee or director has an undisclosed interest.

Employees and directors must disclose to the Chief Ethics Officer if a relative or business associate of the employee or the director provides or is seeking to provide goods or services to the Company.

3.3 Employment Outside of the Company

Outside employment may compromise an employee's judgment or impede the employee's ability to act in the Company's best interests. Accordingly, full-time employees may not work full-time for another employer. A part-time employee may work for another employer, and a full-time employee may work part-time for another employer with the written approval of his/her current supervisor provided that such employment does not place the employee in a position of competition with the Company, whether direct or indirect.

3.4 Preferential Treatment in Providing Services

Every customer and employee is entitled to respect, courtesy and equality. Employees must provide the highest level of professionalism and service on a consistent and equal basis. The following are guidelines on how to avoid preferential treatment of certain individuals or businesses.

o Employees must avoid favoring the interests of certain customers, suppliers or other employees. All standard practices, policies and procedures apply to all similarly situated individuals and the general public.

o Employees must avoid giving preferential treatment to a director, employee, customer, supplier or others because of a personal relationship.

o Employees must avoid the appearance of, or actual preferential treatment for themselves, relatives, friends or business associates. Employees may not be involved in Company matters regarding their own business or the business of their relatives, friends or business associates. In these situations, employees should have an unrelated employee handle the matter.

3.5 Gifts To and From Directors and Employees

Directors and employees are discouraged from accepting gifts of any kind in their capacity as a representative or an employee of the Company. Soliciting or accepting anything of value in connection with a business transaction may be a violation of law, with penalties including both monetary fines and imprisonment. A director or employee, however, is permitted to accept gifts of nominal value, except if the gift would affect, or may be perceived to affect, the judgment or objectivity of that individual or where there is an intention to influence or reward any business decision or transaction, whether before or after the decision or transaction is discussed or consummated. Gifts exceeding $100.00 in value must be reported to the Chief Ethics Officer within ten (10) days of receipt.

We recognize the following exceptions to the prohibition on accepting gifts, which are listed below and which would not violate this Code:

o Meals and entertainment. Employees may periodically give or receive meals, refreshments, or other forms of entertainment, including tickets to sporting events, etc., if:

o The items are of reasonable value;

o The purpose of the meeting or attendance at the event is business related; and

o The expenses would be paid by the Company as a reasonable business expense if not provided by another party.

o Advertising and Promotional Materials. Employees may occasionally accept or give advertising or promotional materials of nominal value, such as pens, pencils, notepads, calendars, etc. Gifts of promotional and advertising materials should not exceed $100.00 in value.

o Cash and Personal Gifts. Gifts to employees from customers generally are intended as sincere expressions of friendship and appreciation based on the personal relationships that often develop in the normal conduct of business. Gifts of cash, in any amount, and any other gifts valued in excess of $100.00, whether in the form of food, merchandise, unusual discounts, entertainment or the use of customer or supplier facilities, should be courteously declined as contrary to Company policy. Properly handled, this can be done without offense. Gifts of cash include cash equivalents such as gift certificates, checks, money orders, securities or other items that may readily be converted to cash. Acceptance of gifts, gratuities, amenities or favors based on obvious family or personal relationships (such as those between the parents, children or spouse of a corporation official) where the circumstances make it clear that those relationships, rather than the business of the corporation, are the motivating factor are acceptable.

o Gifts Rewarding Service or Accomplishment. Employees may accept gifts from a civic, charitable or religious organization specifically related to the employee's service or accomplishment.

o Discounts or Rebates. Employees may take advantage of discounts on the Company's products or services if they are offered to all employees generally. Employees may also periodically accept discounts or rebates on merchandise or services from a customer or supplier, provided that such discounts or rebates are offered with the same terms and conditions to all other employees, and the value of such discounts or rebates does not exceed $100.00. This limitation does not apply to discounts or rebates widely available to the general public.

3.6 Gifts to Government Officials.

Various laws and regulations impose certain restrictions on giving anything of value (including office space, meals, transportation, etc.) to elected and appointed officials, including employees of the Company's regulatory agencies. Registered lobbyists are subject to additional restrictions. Employees should consult Human Resources before entertaining or providing goods or services to these individuals.

3.7 Memberships on Corporate Boards or Advisory Committees

If you are considering accepting an invitation to serve as a board member of an outside company, advisory board, committee or agency, you must first obtain appropriate approval from the President and Chairman of the Board.

The Company's consent is not required for membership on the boards of charitable or community organizations, as long as such activity does not conflict or interfere with your duties as a Company employee and does not reflect negatively on the Company.

In general, it is permissible to serve as a director (or in a substantially similar capacity) of another company only under the following circumstances:

o The other company must not be a competitor of the Company or be engaged in a business that enhances the marketability of or otherwise supports the products or services of a competitor of the Company.

o If the company is one in which the Company has invested, the prior consent of the President and Chief Executive Officer of the Company must be obtained.

o You must not make, participate in or influence decisions on behalf of the Company that relate to the Company's relationship with the other company.

o The company's business must not be illegal, immoral or otherwise reflect negatively on the Company.

3.8 Other Potential Conflicts of Interest

No statement of policy can address all situations that may present a conflict of interest for employees. The Company must rely on the character, integrity and judgment of its employees to avoid those situations that may create a conflict of interest, or the appearance of a conflict. In situations not specifically addressed in this Code, or in instances in which employees need additional guidance or explanation regarding a particular situation, employees are encouraged to consult their immediate supervisor, or to contact one of the individuals referenced in Section 1.3 of this Code.

Section 4 - Use of Company Property and Company Time

4.1 General

In order to maintain our efficient operation, all Company property should be closely protected and used primarily for business-related purposes. This limitation includes, but is not limited to, the following:

o Employees' use of Company technology, including voicemail, electronic mail, facsimiles, internet and other electronic communication should be primarily for business-related purposes, and should be used in a manner that does not adversely affect the Company's reputation or that of its employees;

o Employees should exercise caution in safeguarding all electronic programs and technology, data and communications, including any and all information accessed inadvertently or in error;

o Employees should exercise a reasonable amount of caution in ensuring the physical security of Company property, including laptop computers, mobile telephones, pagers and other mobile equipment belonging to the Company, especially when such property is used off Company premises;

o Employees should not use, modify or provide access to Company property, including facilities, records technology, data and documentation, except as authorized in the course of employment; and

o Employees are prohibited from creating or using unlicensed copies of computer software programs, whether proprietary or standard.

4.2 Use of Intellectual Property

Any and all innovations created by a Company employee in his/her capacity as an employee become the exclusive property of the Company, and cannot be used for any other purpose without the express prior written consent of the Company. These innovations are generally considered "intellectual property," which belong exclusively to the Company, and include, but are not limited to, the following examples:

o Innovations in products and services, whether actually developed and implemented during the employee's tenure with the Company;

o All forms of expression prepared by employees of the Company in the course of employment, including those committed to paper, e-mail, facsimile transmissions, computer memory, audio, video or other tangible medium;

o Any work product of an employee created or developed in the course of employment which qualifies as an invention for patent protection;

o All confidential information such as computer software programs, manuals, handbooks, documentation, customer lists or databases, client profiles or marketing strategies and plans; and

o All Company names, trademarks, servicemarks, product names, program names and other forms of identification.

4.3 Removal of Company Property

The improper removal of Company property from the premises is prohibited. This includes unauthorized disclosure or transmittal of Company information or Company records or materials to outside parties. Upon termination of employment with the Company, employees are required to return all Company property to the Company. This includes intellectual property, described in Section 4.2 above, all hard copy and computer stored information, data and documentation, whether originals or copies, customer lists and databases, computer hardware and software, statistical or other scientific analysis, product pricing information, including formulas and models, financial data and analysis, cellular telephones and pagers, corporate credit cards and telephone access cards, facilities access cards and keys, and any other Company information or property obtained or acquired during an employee's tenure with the Company. To the extent permitted by applicable law, the Company reserves the right to withhold compensation or other payments from employees until all property has been returned.

4.4 Use of Company Time

During working hours and during any period of time that an employee is utilizing Company facilities or equipment, employees should devote substantially all of the employee's time to his/her employment duties.

4.5 Rebates or Refunds to Company

Payments to or by employees in the nature of a bribe or kickback are strictly prohibited. Any rebate, refund or any form of compensation not specifically provided by or authorized by the Company, received either directly or through a third party and paid either to or by employees are prohibited. Company policy permits employees to retain miles or points earned from airlines, hotels, car rental agencies, etc., for personal use, and therefore miles or points are excluded from the requirements of this provision.

4.6 Accounting Practices

All employees are expected to observe and comply with generally accepted accounting principles, the system of internal controls and disclosure controls and procedures established by the Company and provisions of the federal securities laws requiring that corporate books and records accurately and fairly reflect in reasonable detail the financial condition and results of operations of the Company. Company policies are intended to promote full, fair, accurate, timely and understandable disclosure in reports and documents filed with, or submitted to the SEC and in the Company's public statements. In furtherance of these requirements, employees must practice the following:

o No false, misleading or artificial entries shall be made on corporate books, records and reports for any reason;

o No undisclosed or unrecorded corporate funds or assets shall be established for any purpose; and

o No payments from corporate funds or other assets shall be approved or be made with the intention or understanding that any part of such payment will be used for any purpose other than that described by the documents supporting the payment. All payments must be supported with appropriately approved purchase orders, invoices or receipts, expense reports or other customary documents, all in accordance with established policy.

In accordance with the rules promulgated by the SEC under the Sarbanes-Oxley Act of 2002, it is unlawful for any officer or director of the Company or any other person acting under the direction of such person, to take any action to fraudulently influence, coerce, manipulate, or mislead any independent public or certified accountant engaged in the performance of any audit of the Company's financial statements for the purpose of rendering such financial statements materially misleading.

Section 5 - Political, Governmental and Non-Profit Contributions and Activities

5.1 General

Employees are encouraged to actively participate in our government and political processes. However, participation must be in the employee's individual capacity and not as a representative of the Company. Only lobbyists, employees and agents of the Company who have been formally engaged to act on behalf of the Company may participate in political activities in that capacity.

No employee may make a contribution on behalf of the Company, or offer the use of Company facilities, equipment or personnel in connection with any political party, candidate or election, whether partisan or non-partisan.

5.2 Holding Public Office

Generally, state and local governments have specific rules governing the employment of individuals seeking or holding public office. Employees may be permitted to serve in either an elected or appointed capacity for a political or governmental office so long as those duties do not conflict with the employee's duties and responsibilities with the Company. Employees who wish to run for an elected political office or be appointed to a government position must obtain approval of the Company. If approval is granted, the following guidelines will apply:

o Any employee also serving as a public official will not be reimbursed by the Company for any expense incurred in seeking or holding public office;

o Any employee also serving as a public official may not use the Company's facilities or resources, including Company time, to perform any activity related to the employee's public office, including activities related to election and campaigning; and

o Any employee also serving as a public official, or seeking to be elected or appointed to any public position, must exercise reasonable care and judgment in avoiding the appearance of sponsorship or endorsement by the Company, including using the Company's names, trademarks or servicemarks in advertising or campaign materials, or in any other form of communication or correspondence.

5.3 Participation in Non-Profit Organizations

Employees are encouraged to actively participate in non-profit organizations that support the communities and customers served by the Company. The Company provides many opportunities for its employees to participate in non-profit services and events, and also encourages employees to participate in activities beyond those sponsored or promoted by the Company.

In instances in which an individual participates in non-profit activities or services in their capacity as an employee of the Company, employees must do so with the same level of ethics, professionalism and integrity exercised in the workplace. This includes a duty to avoid situations that may present a conflict of interest or the appearance of a conflict. Employees must not represent that they are making decisions on behalf of the Company. Any pledge or gesture of the Company's support or participation in a non-profit organization must receive advance approval from Donald Mindiak at (201) 823-0700 or by e-mail at dmindiak@optonline.

Section 6 - Personal Conduct

6.1 General

Employees are the Company's most valuable asset, and the proper conduct of employees is essential to the success of the Company. It is imperative that all employees conduct their daily activities, transactions and interactions with customers, fellow employees, our regulators and others with the highest standard of integrity and professionalism. Employees should act in a courteous and considerate manner at all times, and should be respectful of the rights of others. Employees are expected to refrain from any dishonest or inappropriate act in connection with their employment. The Company, at its discretion, is the sole determiner of what types of conduct are improper, and what, if any, action will be taken in instances in which employees exhibit improper or inappropriate behavior. Inappropriate behavior includes any activity through which an employee reduces or destroys his or her effectiveness, the effectiveness of a fellow employee, or the ability of the Company to serve its customers.

Employees are required to maintain eligibility for coverage under the Company's fidelity bond under federal law and as a condition of employment. Employees are also expected to exhibit appropriate behavior outside of the workplace, as improper behavior beyond the confines of one's employment may also reflect negatively on the Company.

6.2 Corporate Policies

All directors and employees are required to comply with the requirements of all policies of the Company. Directors and employees must also comply with the procedures implementing and effectuating the provisions of these policies.

This section applies to all Company policies, including, but not limited to, human resource policies, legal and compliance policies, privacy and security policies, corporate governance guidelines, as well as this Code. Failure to comply with Company policies and procedures (including this Code) may result in disciplinary action including, in severe situations, immediate termination of employment.

Section 7 - Administration and Waivers

7.1 Administration

This Code will be administered and monitored by the Company's Compliance Department. General questions and requests for additional information on this Code should be directed to this department at the telephone number and e-mail address in Section 1.3.

7.2 Waivers and Amendments

Any requests for waivers of the Code for employees who are not executive officers must be directed through your supervisor to the Chief Ethics Officer/Chief Compliance Officer. Requests for waivers for directors and executive officers must be directed to the Board of Directors. Only the Board of Directors may waive the applicability of the Code for a director or executive officer. Any waiver granted to directors or executive officers, including the principal executive officer and the principal accounting officer, and the reasons for granting the waiver, and any change in the Code applicable to directors and executive officers, including the principal executive officer and the principal accounting officer, must be promptly disclosed to the public as required by law.

Any amendments to the Code must be approved by the board of directors of the Company.

7.3 Miscellaneous

It is the Company's intention that this Code of Business Conduct and Ethics be the written code of ethics under Section 406 of the Sarbanes-Oxley Act of 2002, complying with the standards set forth in SEC Regulation S-K Item 406.

EXHIBIT 21
SUBSIDIARY OF THE REGISTRANT

Exhibit 21

Subsidiary of the Registrant

Subsidiary Company	State of Incorporation
Bayonne Community Bank	New Jersey

EXHIBIT 23

ACCOUNTANT'S CONSENT TO INCORPORATE FINANCIAL STATEMENTS IN FORM S-8

CONSENT OF INDEPENDENT CERTIFIED PUBLIC ACCUNTANTS

We hereby consent to the incorporation by reference into the previously filed Registration Statement on Form S-8 (No. 333-112201) of BCB Bancorp, Inc. (the "Company") of our report dated February 2, 2004, included in the Company's Annual Report on Form 10-K for the year ended December 31, 2003.

/s/ Radics & Co., LLC

Pine Brook, New Jersey
March 24, 2004

EXHIBITS 31.1 AND 31.2

CERTIFICATIONS OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

Exhibit 31.1

Certification of Chief Executive Officer

Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Donald Mindiak, President and Chief Executive Officer, certify that:

1. I have reviewed this Annual Report on Form 10-K of BCB Bancorp, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

c) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

March 23, 2004	*/s/ Donald Mindiak*
Date	*Donald Mindiak* *President and Chief Executive Officer*

Exhibit 31.2

Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Thomas M. Coughlin, Chief Financial Officer, certify that:

1. I have reviewed this Annual Report on Form 10-K of BCB Bancorp, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

c) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

March 23, 2004	*/s/ Thomas M. Coughlin*
Date	*Thomas M. Coughlin* *Chief Financial Officer*

EXHIBIT 32

CERTIFICATION OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

Exhibit 32

Certification pursuant to
18 U.S.C. Section 1350,
as adopted pursuant to

Section 906 of the Sarbanes-Oxley Act of 2002

Donald Mindiak, President and Chief Executive Officer and Thomas M. Coughlin, Chief Financial Officer of BCB Bancorp, Inc. (the "Company") each certify in his capacity as an officer of the Company that he has reviewed the annual report of the Company on Form 10-K for the fiscal year ended December 31, 2003 and that to the best of his knowledge:

(1) the report fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934; and

(2) the information contained in the report fairly presents, in all material respects, the financial condition and results of operations of the Company.

The purpose of this statement is solely to comply with Title 18, Chapter 63,
Section 1350 of the United States Code, as amended by Section 906 of the Sarbanes-Oxley Act of 2002.

March 23, 2004	*/s/ Donald Mindiak*
Date	*President and Chief Executive Officer*
March 23, 2004	*/s/ Thomas M. Coughlin*
Date	*Chief Financial Officer*