UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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, 2005

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 No. 000-50275

BCB BANCORP, INC.
(Exact Name of Registrant as Specified in its Charter)

New Jersey	26-0065262
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification Number)
104-110 Avenue C, Bayonne, New Jersey	07002
(Address of Principal Executive Offices)	(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 if the registrant is a well-known seasoned issuer, as defined in Rule 406 of the Securities Act. YES [_] NO [X]

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. YE [_] NO [X]

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. YES [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 amendment to this Form 10-K. [X].

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

Large Accelerated Filer [_] Accelerated Filer [_] Non-Accelerated Filer [X]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). YES [_] NO [X]

As of March 6, 2006, there were issued and outstanding 5,002,581 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, 2005, ($15.48) was $46.8 million (adjusted to reflect the five for four stock dividend paid on October 27, 2005).

DOCUMENTS INCORPORATED BY REFERENCE

(1) Proxy Statement for the 2006 Annual Meeting of Stockholders of the Registrant (Part III).

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ITEM 1. BUSINESS

BCB Bancorp, Inc.

BCB Bancorp, Inc. (the "Company") is a New Jersey corporation, which on May 1, 2003 became the holding company parent of Bayonne Community Bank (the "Bank"). The Company has not engaged in any significant business activity other than owning all of the outstanding common stock 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, 2005 we had $466.2 million in consolidated assets, $362.9 million in deposits and $47.8 million in consolidated stockholders' equity. The Company is subject to extensive regulation by the Board of Governors of the Federal Reserve System.

Recent Events

BCB Bancorp, Inc. conducted a secondary public stock offering during the fourth quarter of 2005. The Company sold 1,265,000 shares of its common stock for an aggregate offering price of $19.3 million. The Company offered 1,100,000 shares of its common stock, (with an over-allotment option of 165,000 shares) to the public at a price of $15.25. The stock offering was underwritten by Janney Montgomery Scott LLC on a firm commitment basis. The Company's registration statement on Form S-1 (Commission File No. 333-128214) was declared effective by the Securities and Exchange Commission on December 13, 2005. The Company also filed a rule 462 registration statement on Form S-1 (Commission File No. 333-130307) which was effective upon filing on December 14, 2005. The sale of the 1.1 million shares was completed on December 19, 2005, and the over-allotment was exercised in full on January 5, 2006. Expenses of the stock offering (including the underwriter's discount) were $1.4 million and were paid to the underwriters, underwriters' counsel, our counsel, our printer and our transfer agent. Net proceeds from the stock offering of approximately $17.9 million will be available for contribution to capital, for use in lending and investing activities, for branch expansion and for general corporate purposes. In the short-term, the net proceeds have been invested in overnight funds until we are able to deploy the proceeds as described above.

In connection with the secondary public stock offering, the Company was approved for listing on the Nasdaq National Market. The Company began trading on Nasdaq National Market on December 14, 2005 under the symbol "BCBP."

On October 27, 2005, the Company paid a 25% stock dividend to stockholders of record as of the close of business on October 13, 2005.

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 commercial and multi-family real estate loans, one- to four-family mortgage loans, home equity loans, construction loans, consumer loans and commercial business loans. In recent years the primary growth in our loan portfolio has been in loans secured by commercial real estate and multi-family properties;
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.

Business Strategy

Our business strategy is to operate as a well-capitalized, profitable and independent community-oriented financial institution dedicated to providing quality customer service. Managements' and the Board of Directors' extensive knowledge of the Hudson County market differentiates us from our competitors. Our business strategy incorporates the following elements: maintaining a community focus, focusing on profitability, continuing our growth, concentrating on real estate based lending, capitalizing on market dynamics, providing attentive and personalized service and attracting highly qualified and experienced personnel.

Maintaining a community focus. Our management and Board of Directors have strong ties to the Bayonne community. Many members of the management team are Bayonne natives and are active in the community through non-profit board membership, local business development organizations, and industry associations. In addition, our board members are well established professionals and business people in the Bayonne area. Management and the Board are interested in making a lasting contribution to the Bayonne community and have succeeded in attracting deposits and loans through attentive and personalized service.

Focusing on profitability. On an operational basis, we achieved profitability in our tenth month of operation. For the year ended December 31, 2005, our return on average equity was 16.00% and our return on average assets was 1.14%. Our earnings per diluted share increased from $0.43 for the year ended December 31, 2002 to $1.20 for the year ended December 31, 2005, a compound annual growth rate of 40.8%. We achieved this earnings growth by focusing on low-cost deposits and by tightly controlling our non-interest expenses. Management is committed to maintaining profitability by diversifying the services we offer. We have a mortgage banking division as well as a leasing division to increase our fee-based income.

Continuing our growth. We have consistently increased our assets. From December 31, 2002 to December 31, 2005, our assets have increased from $183.1 million to $466.2 million. Over the same time period, our loan balances have increased from $122.1 million to $284.5 million, while deposits have increased from $163.5 million to $362.9 million. In addition, we have maintained our asset quality ratios while growing the loan portfolio. At December 31, 2005, our non-performing assets to total assets ratio was 0.22%.

Concentrating on real estate-based lending. A primary focus of our business 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 commercial real estate and multi-family loans, management believes that such loans offer us an opportunity to obtain higher returns.

Capitalizing on market dynamics. The consolidation of the banking industry in Hudson County has created the need for a customer focused banking institution. This consolidation has moved decision making away from local, community-based banks to much larger banks headquartered outside of New Jersey.

Providing attentive and personalized service. Management believes that providing attentive and personalized service is the key to gaining deposit and loan relationships in Bayonne and its surrounding communities. Since inception, our branches have been open 7 days per week.

Attracting highly experienced and qualified personnel. An important part of our strategy is to hire bankers who have prior experience in the Hudson County market as well as pre-existing business relationships. Our management team has an average of 27 years of banking experience, while our lenders and branch personnel have significant prior experience at community banks and regional banks in Hudson County. It is a fundamental belief of management that having knowledge of the Hudson County market is a critical element in the success of Bayonne Community Bank. Management's extensive knowledge of the local communities has allowed us to develop and implement a highly focused and disciplined approach to lending and has enabled the bank to attract a high percentage of low cost deposits.

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 city of Bayonne, Jersey City and portions of Hoboken, New Jersey. These areas are all considered "bedroom" or "commuter" communities to Manhattan. 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,									
	2005		2004		2003		2002		2001	
	(Dollars in Thousands)									
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Type of loans:										
Real estate loans:										
One-to four-family	$ 34,901	12.11%	$ 34,855	13.98%	$ 33,913	17.74%	$ 25,475	20.64%	$ 9,099	20.04%
Construction	28,743	9.98	19,209	7.70	10,009	5.24	4,278	3.47	1,241	2.73
Home equity	24,297	8.43	20,629	8.27	16,825	8.80	14,106	11.43	9,374	20.64
Commercial and multi-family	185,170	64.26	158,755	63.68	115,160	60.25	65,842	53.34	21,883	48.19
Commercial business	14,578	5.06	15,123	6.07	14,048	7.35	12,934	10.48	2,988	6.58
Consumer	456	0.16	744	0.30	1,183	0.62	800	0.64	826	1.82
Total	288,145	100.00%	249,315	100.00%	191,138	100.00%	123,435	100.00%	45,411	100.00%
Less:										
Deferred loan (costs) fees, net	604		429		239		117		26	
Allowance for possible loan losses	3,090		2,506		2,113		1,233		412	
Total loans, net	$284,451		$246,380		$188,786		$122,085		$ 44,973	

Loan Maturities. The following table sets forth the contractual maturity of our loan portfolio at December 31, 2005. 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	$ 1,071	$ 3,505	$ 30,325	$ 34,901
Construction	27,375	664	704	28,743
Home equity	4,116	1,612	18,569	24,297
Commercial and multi-family	10,620	61,480	113,070	185,170
Commercial business	11,738	1,662	1,178	14,578
Consumer	229	227	--	456
Total amount due	$ 55,149	$ 69,150	$ 163,846	$ 288,145

Loans with Predetermined or Floating or Adjustable Rates of Interest. The following table sets forth the dollar amount of all loans at December 31, 2005 that are due after December 31, 2006, 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	$ 30,934	$ 2,896	$ 33,830
Construction	1,080	288	1,368
Home equity	20,181	--	20,181
Commercial and multi-family	108,769	65,781	174,550
Commercial business	2,840	--	2,840
Consumer	227	--	227
Total amount due	$ 164,031	$ 68,965	$ 232,996

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 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 $2.6 million at December 31, 2005, and was secured by a mixed use property comprised of retail and office facilities. Our largest multi-family loan had a principal balance of $1.5 million at December 31, 2005. 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.

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, through our mortgage banking division, we 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. Our loan brokerage activities permit us to offer customers longer-term fixed rate loans we would not otherwise originate while providing a source of fee income. During 2005, we brokered $17.1 million in one-to four-family loans and received $252,000 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 our 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. We also require the borrower to obtain flood insurance where appropriate. 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 $35.8 million of such loans during the year ended December 31, 2005. Construction loans to builders generally are offered with terms of up to eighteen months 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, 2005, our

largest construction loan was $2.2 million, of which $612,000 was disbursed. This construction loan has been made for the construction of residential properties. At December 31, 2005 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.

Home Equity Loans and Home Equity Lines of Credit. We offer home equity loans and lines of credit that are secured by the borrower's primary residence. Our home equity loans can be structured as loans that are disbursed in full at closing or as lines of credit. Home equity loans and lines of credit are offered with terms up to 15 years. Virtually all of our home equity loans are originated with fixed rates of interest and home equity lines of credit are originated with adjustable interest rates tied to the prime rate. Home equity loans and lines of credit are underwritten under the same criteria that we use to underwrite one- to four-family loans. Home equity loans and lines of credit may be underwritten with a loan-to-value ratio of 80% when combined with the principal balance of the existing mortgage loan. At the time we close a home equity loan or line of credit, we file a mortgage to perfect our security interest in the underlying collateral. At December 31, 2005, the outstanding balances of home equity loans and lines of credit totaled $24.3 million, or 8.4% of our loan portfolio.

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, 2005 had a principal balance of $1.3 million and was secured by marketable equity securities. We have also received personal guarantees from the borrower, principals of the borrower and a director of BCB Bancorp, Inc.

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 Loans. We make various types of secured and unsecured consumer loans 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,				
	2005	2004	2003	2002	2001
	(In thousands)				
Beginning of period	$249,315	$191,138	$123,435	$ 45,411	$ 1,481
Originations by Type:					
Real estate mortgage:					
One- to four-family residential	4,299	4,103	22,768	20,000	9,318
Construction	35,765	19,326	6,392	2,737	902
Home equity	13,998	14,212	9,393	8,711	9,961
Commercial and multi-family	70,471	64,219	62,966	47,676	16,883
Commercial business	8,968	8,628	2,544	10,846	3,022
Consumer	203	284	924	537	973
Total loans originated	133,704	110,772	104,987	90,507	41,059
Purchases:					
Real estate mortgage:					
One- to four-family residential	--	--	--	--	--
Construction	3,645	4,289	2,223	300	338
Home equity	--	--	--	--	--
Commercial and multi-family	--	8,450	3,207	2,794	5,318
Commercial business	1,000	--	--	--	--
Consumer	--	--	--	--	--
Total loans purchased	4,645	12,739	5,430	3,094	5,656
Sales:					
Real estate mortgage:					
One- to four-family residential	--	--	--	--	--
Construction	1,273	959	--	--	--
Home equity	--	--	--	--	--
Commercial and multi-family	--	788	3,480	1,599	--
Commercial business	--	1,128	--	--	--
Consumer	--	--	--	--	--
Total loans sold	1,273	2,875	3,480	1,599	--
Principal repayments	98,246	62,459	39,234	13,978	2,785
Total reductions	99,519	65,334	42,714	15,577	2,785
Increase (decrease) in other items, net	--	--	--	--	--
Net increase	38,830	58,177	67,703	78,024	43,930
Ending balance	$288,145	$249,315	$191,138	$123,435	$ 45,411

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 Senior Lending Officer and five non-employee members of the Board of Directors. The President or the Senior Lending Officer, together with one other loan officer, have authority to approve applications for real estate loans up to

$500,000, other secured loans up to $500,000 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 Senior Lending Officer for home equity loans or lines of credit of up to $250,000. Appraisals are processed by state certified independent appraisers approved by the Board of Directors.

An attorney's certificate of title is required on all newly originated real estate mortgage loans. In connection with refinancing and home equity loans or lines of credit in amounts up to $250,000, we will obtain a record owner's search in lieu of an attorney's certificate of title. 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, 2005, our outstanding loan origination commitments totaled $15.0 million, outstanding construction loans in progress totaled $20.0 million and undisbursed lines of credit totaled $10.2 million.

Non-performing 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, 2005, we had $787,000 in non-accruing loans. Our largest exposure of non-performing loans at that date consisted of two loans to a borrower, which in the aggregate had a principal balance of $555,000. The loans comprising this lending relationship are secured by a commercial building. In January 2005, we had an appraisal completed on the commercial building. At that time, the property was appraised for $995,000. The borrower has filed for bankruptcy protection. Consequently, we cannot be assured that we will not incur a loss on our loans to this borrower. At December 31, 2005, we had two loans totaling $245,000 that were delinquent 90 days or more and accruing.

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, 2005, we had three loans totaling $705,000 which are classified as impaired and on which loan loss allowances totaling $214,000 have been established. During 2005, interest income of $7,000 was recognized on impaired loans.

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

	At December 31, 2005				At December 31, 2004			
	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	$ 79	--	$ --	1	$ 173
Construction	--	--	--	--	--	--	--	--
Home equity	--	--	--	--	1	29	--	--
Commercial and multi-family	--	--	4	803	--	--	1	313
Total	--	--	5	882	1	29	2	486
Commercial business	--	--	1	150	1	123	3	515
Consumer	--	--	--	--	--	--	1	3
Total delinquent loans	--	$ --	6	$ 1,032	2	$ 152	6	$ 1,004
Delinquent loans to total loans	--	--%		0.36%		0.06%		0.40%

	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			
	60-89 Days		90 Days or More	
	Number of Loans	Principal Balance of Loans	Number of Loans	Principal Balance of Loans
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%		--%

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,				
	2005	2004	2003	2002	2001
	(Dollars in thousands)				
Non-accruing loans:					
One- to four-family residential	$ --	$ 173	$ --	$ --	$ --
Construction	--	--	--	--	--
Home equity	--	--	--	--	--
Commercial and multi-family	637	313	67	67	--
Commercial business	150	67	--	--	--
Consumer	--	--	--	--	--
Total	787	553	67	67	--
Accruing loans delinquent more than 90 days:					
One- to four-family residential	--	--	--	--	--
Construction	--	--	--	--	--
Home equity	--	--	--	--	--
Commercial and multi-family	166	--	319	--	--
Commercial business	--	448	--	--	--
Consumer	79	3	--	--	--
Total	245	451	319	--	--
Total non-performing loans	1,032	1,004	386	67	--
Foreclosed assets	--	6	--	--	--
Total non-performing assets	$1,032	$1,010	$ 386	$ 67	$ --
Total non-performing assets as a percentage of total assets	0.22%	0.27%	0.13%	0.04%	--%
Total non-performing loans as a percent of total loans	0.36%	0.40%	0.20%	0.05%	--%

For the year ended December 31, 2005, gross interest income which would have been recorded had our non-accruing loans been current in accordance with their original terms amounted to $66,000. We received and recorded $10,000 in interest income for such loans for the year ended December 31, 2005.

The following table sets forth an analysis of the Bank's allowance for loan losses.

	Years Ended December 31,				
	2005	2004	2003	2002	2001
	(Dollars in thousands)				
Balance at beginning of period	$2,506	$2,113	$1,233	$ 412	$ 30
Charge-offs:					
One- to four-family residential	--	--	--	--	--
Construction	--	--	--	--	--
Home equity	--	--	--	--	--
Commercial and multi-family	--	--	--	--	--
Commercial business	522	332	--	10	--
Consumer	24	--	--	12	--
Total charge-offs	546	332	--	22	--
Recoveries	12	35	--	--	--
Net charge-offs	534	297	--	22	--
Provisions charged to operations	1,118	690	880	843	382
Ending balance	$3,090	$2,506	$2,113	$1,233	$ 412
Ratio of non-performing assets to total assets at the end of period	0.22%	0.27%	0.13%	0.04%	--%
Ratio of net charge-offs during the period to loans outstanding during the period	0.20%	0.13%	--%	0.03%	--%
Ratio of net charge-offs during the period to non-performing loans	51.74%	29.58%	--%	32.84%	--%

Classified Assets. Our policies provide for a classification system for problem assets. Under this classification system, problem assets are classified as "substandard," "doubtful," "loss" or "special mention." 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 doubtful have all the weaknesses inherent in those classified substandard with the added characteristic that the weakness present makes "collection or liquidation in full" on the basis of currently existing facts, conditions, and values, "highly questionable and improbable." 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, and the loan is charged-off. 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, 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. 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, 2005, we had $150,000 in assets classified as doubtful, $1.0 million in assets classified as substandard and $637,000 in assets classified as special mention. The loans classified as doubtful and substandard represent primarily commercial loans secured either by

residential real estate, commercial real estate or heavy equipment. The loans that have been classified substandard were classified as such primarily because either updated financial information has not been timely provided, or the collateral underlying the loan is in the process of being revalued.

In addition to loans that have been classified, management has identified a lending relationship that merits additional scrutiny for reasons unrelated to the performance of the loans. This borrowing relationship consists of six loans, which had a total principal balance at December 31, 2005 of $1.8 million. The largest single loan had a total principal balance at December 31, 2005 of $402,000. The six loans are secured by mixed-use real estate. The loans in the aggregate have a loan value ratio of 70%. These loans are currently performing in accordance with their terms.

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: (1) the risk characteristics of the loan portfolio; (2) current economic conditions; (3) actual losses previously experienced; (4) the level of loan growth; and (5) the existing level of reserves for loan losses that are possible and estimable.

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 and Insurance and the FDIC, as part of their 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,									
	2005		2004		2003		2002		2001	
	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	Amount	Percent of Loans in each Category in Total Loans
	(Dollars in Thousands)									
Type of loan:										
One- to four-family	$ 76	12.11%	$ 78	13.98%	$ 105	17.74%	$ 64	20.64%	$ 52	20.04%
Construction	329	9.98	217	7.70	125	5.24	53	3.47	16	2.73
Home equity	91	8.43	82	8.27	50	8.80	64	11.43	70	20.64
Commercial and multi-family	2,180	64.26	1,669	63.68	1,178	60.25	658	53.34	225	48.19
Commercial business	401	5.06	444	6.07	649	7.35	376	10.48	33	6.58
Consumer	13	0.16	16	0.30	6	0.62	18	0.64	16	1.82
Total	$3,090	100.00%	$2,506	100.00%	$2,113	100.00%	$1,233	100.00%	$ 412	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,				
	2005	2004	2003	2002	2001
	(Dollars in Thousands)				
Total loans outstanding	$ 288,145	$ 249,315	$ 191,138	$ 123,435	$ 45,411
Average loans outstanding	$ 271,405	$ 221,257	$ 155,145	$ 83,734	$ 19,129
Allowance balance at beginning of period	$ 2,506	$ 2,113	$ 1,233	$ 412	$ 30
Provision:					
Real estate loans	630	588	619	476	337
Commercial business	468	92	273	353	31
Consumer	20	10	(12)	14	14
Total provision	1,118	690	880	843	382
Charge-offs:					
Real estate loans	--	--	--	--	--
Commercial business	522	332	--	10	--
Consumer	24	--	--	12	--
Total charge-offs	546	332	--	22	--
Recoveries:					
Real estate loans	--	--	--	--	--
Commercial business	11	35	--	--	--
Consumer	1	--	--	--	--
Total recoveries	12	35	--	--	--
Allowance balances at end of period	$ 3,090	$ 2,506	$ 2,113	$ 1,233	$ 412
Allowance for loan losses as a percent of total loans outstanding	1.07%	1.01%	1.11%	1.00%	0.91%
Net loans charged off as percent of average loans outstanding	0.20%	0.13%	--%	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, 2005, we had $140.0 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, 2005, our securities classified as held-to-maturity had a market value of $137.8 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. During the year ended December 31, 2005, we had securities sales of $7.3 million consisting of mortgage-backed securities and U.S. Government and agency securities. The sales were made in reliance upon guidance set forth in SFAS 115 relating to the sale of securities classified as held-to-maturity, when over 85% of the original principal balance of the securities had been repaid, or where there was a significant probability of the securities being called within three months.

At December 31, 2005, 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, 2005 our U.S. Government agency securities totaled $109.1 million, all of which were classified as held-to-maturity and which primarily consisted of callable securities issued by government sponsored enterprises.

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,		
	2005	2004	2003
	(In Thousands)		
Securities held to maturity:			
U.S. Government and Agency securities	$109,090	$ 78,020	$ 71,982
Mortgage-backed securities	30,912	39,016	18,331
Total securities held to maturity	140,002	117,036	90,313
Money market funds	18,500	--	6,000
FHLB stock	2,778	944	1,250
Total investment securities	$161,280	$117,980	$ 97,563

The following table shows our securities held-to-maturity purchase, sale and repayment activities for the periods indicated.

	Years Ended December 31,		
	2005	2004	2003
	(In thousands)		
Purchases:			
Fixed-rate	$55,815	$75,823	$75,947
Total purchases	$55,815	$75,823	$75,947
Sales:			
Fixed-rate	$ 7,345	$ --	$ --
Total sales	$ 7,345	$ --	$ --
Principal Repayments:			
Repayment of principal	$25,531	$49,112	$36,282
Increase in other items, net	27	12	46
Net increases	$22,966	$26,723	$39,711

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 securities portfolio at December 31, 2005 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, 2005										
	Within one year		More than One to five years		More than five to ten years		More than ten years		Total investment securities		
	Carrying Value	Average Yield	Carrying Value	Average Yield	Carrying Value	Average Yield	Carrying Value	Average Yield	Market Value	Carrying Value	Average Yield
	(Dollars in Thousands)										
U.S. government agency securities	$ 6,500	4.00%	$ 12,999	4.40%	$ 47,295	4.97%	$ 42,296	5.76%	$107,372	$109,090	5.15%
Mortgage-backed securities	--	--	483	6.02	366	6.00	30,063	4.93	30,388	30,912	4.96
FHLB stock	2,778	5.25	--	--	--	--	--	--	2,778	2,778	5.25
Total investmentsecurities ...	$ 9,278	4.37%	$ 13,482	4.46%	$ 47,661	4.98%	$ 72,359	5.42%	$140,538	$142,780	5.11%

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, 2005, 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,					
	2005		2004		2003	
	Weighted Average Rate(1)	Amount	Weighted Average Rate(1)	Amount	Weighted Average Rate(1)	Amount
	(Dollars in thousands)					
Demand	--%	$ 30,143	--%	$ 20,557	--%	$ 16,626
NOW	1.36	20,827	1.42	23,155	1.37	17,201
Money market	1.97	1,623	1.98	2,483	2.01	2,163
Savings and club accounts	2.16	167,534	2.20	197,868	2.28	162,832
Certificates of deposit	3.21	142,724	2.68	93,180	2.51	54,828
Total	2.30%	$362,851	2.14%	$337,243	2.11%	$253,650

(1) Represents the average rate paid during the year.

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

	Years Ended December 31,		
	2005	2004	2003
	(Dollars in thousands)		
Beginning of period	$337,243	$253,650	$163,519
Net deposits	17,696	77,108	85,873
Interest credited on deposit accounts	7,912	6,485	4,258
Total increase in deposit accounts	25,608	83,593	90,131
Ending balance	$362,851	$337,243	$253,650
Percent increase	7.59%	32.96%	55.12%

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, 2005 (In Thousands)
Within three months	$ 6,451
Three through twelve months	20,371
Over twelve months	32,595
Total	$59,417

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

	At December 31,					
	2005		2004		2003	
	Amount	Percent	Amount	Percent	Amount	Percent
	(Dollars in thousands)					
Certificate of deposit rates:						
1.00% - 1.99%	$ --	--%	$ 2,510	2.69%	$ 1,876	3.42%
2.00% - 2.99%	21,056	14.75	48,915	52.50	44,546	81.25
3.00% - 3.99%	59,391	41.61	41,725	44.78	8,406	15.33
4.00% - 4.99%	62,045	43.48	30	0.03	--	--
5.00% - 5.99%	232	0.16	--	--	--	--
6.00% - 6.99%	--	--	--	--	--	--
Total	$142,724	100.00%	$ 93,180	100.00%	$ 54,828	100.00%

The following table presents, by rate category, the remaining period to maturity of certificate of deposit accounts outstanding as of December 31, 2005.

	Maturity Date				
	1 Year or Less	Over 1 to 2 Years	Over 2 to 3 Years	Over 3 Years	Total
	(In thousands)				
Interest rate:					
2.00% - 2.99%	$ 20,936	$ 86	$ 15	$ 19	$ 21,056
3.00% - 3.99%	42,448	13,206	2,990	747	59,391
4.00%-4.99%	21,840	11,889	14,871	13,445	62,045
5.00%-5.99%	216	16	--	--	232
Total	$ 85,440	$ 25,197	$ 17,876	$ 14,211	$ 142,724

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 funds that we can loan and to meet deposit withdrawal requirements. During the years ended December 31, 2005 and 2004, we had average short-term borrowings, consisting of FHLB advances, of $9.7 million and $23.4 million, respectively, with a weighted average cost of 3.14% and 1.54%, respectively. Our maximum short-term borrowings outstanding during 2005 and 2004 was $21.4 million and $25.0 million, respectively.

Employees

At December 31, 2005, we had 63 full-time and 27 part-time employees. None of our employees is represented by a collective bargaining group. We believe that our relationship with our employees is good.

Subsidiaries

We have two non-bank subsidiaries. BCB Holding Company Investment Corp. was established in 2004 for the purpose of holding and investing in securities. Only securities authorized to be purchased by Bayonne Community Bank are held by BCB Holding Company Investment Corp. At December 31, 2005, this company held $140.0 million in securities.

Our other subsidiary, BCB Equipment Leasing LLC, is a participant in a joint venture for the purpose of assisting in financing arrangements for companies entering into equipment leases. The activities of this subsidiary have been nominal to date. The impact of this subsidiary on our financial condition and results of operation has not been material.

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.

On February 15, 2006, federal legislation to reform federal deposit insurance was signed into law. This law requires, among other things, the merger of the Savings Association Insurance Fund and the Bank Insurance Fund into a unified insurance deposit fund, an increase in the amount of federal deposit insurance coverage from $100,000 to $130,000 (with a cost of living adjustment to become effective in five years), and the reserve ratio to be modified to provide for a range between 1.15% and 1.50% of estimated insured deposits. The law requires the FDIC to issue implementing regulations and the changes required by the law will not become

effective until final regulations have been issued, which must be no later than 270 days from February 15, 2006.

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, 2005, the Bank's ratio of total capital to risk-weighted assets was 12.62%. Our Tier 1 capital to risk-weighted assets was 11.59%, and our Tier 1 capital to average assets was 7.75%.

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.

Under Section 404 of the Sarbanes-Oxley Act of 2002, we will be required to conduct a comprehensive review and assessment of the adequacy of our existing financial systems and controls at December 31, 2007, and our auditors must attest to our assessment. This is expected to result in additional expenses in 2006 and 2007.

AVAILABILITY OF ANNUAL REPORT

Our Annual Report is available on our website, www.bcbbancorp.com. We will also 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 1A. RISK FACTORS

Risks Associated with our Business

Our loan portfolio consists of a high percentage of loans secured by commercial real estate and multi-family real estate. These loans are riskier than loans secured by one- to four-family properties.

At December 31, 2005, $185.2 million, or 64.3% of our loan portfolio consisted of commercial and multi-family real estate loans. We intend to continue to emphasize the origination of these types of loans. These loans generally expose a lender to greater risk of nonpayment and loss than one- to four-family residential mortgage loans because repayment of the loans often depends on the successful operation and income stream of the borrower's business. Such loans typically involve larger loan balances to single borrowers or groups of related borrowers compared to one- to four-family residential mortgage loans. Consequently, an adverse development with respect to one loan or one credit relationship can expose us to a significantly greater risk of loss compared to an adverse development with respect to a one- to four-family residential mortgage loan.

We may not be able to successfully maintain and manage our growth.

Since December 31, 2002, our assets have grown at a compound annual growth rate of 36.6%, our loan balances have grown at a compound annual growth rate of 32.6% and our deposits have grown at a compound annual growth rate of 30.4%. We intend to use a portion of the proceeds of our recently completed stock offering to support further growth of our assets and deposits and the number of branches we operate. Our ability to continue to grow depends, in part, upon our ability to expand our market presence, successfully attract core deposits, and identify attractive commercial lending opportunities.

We cannot be certain as to our ability to manage increased levels of assets and liabilities. We may be required to make additional investments in equipment and personnel to manage higher asset levels and loans balances, which may adversely impact our efficiency ratio, earnings and shareholder returns.

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

Our loan customers may not repay their loans according to the terms of their loans, and the collateral securing the payment of their loans may be insufficient to assure repayment. We may experience significant credit losses, which could have a material adverse effect on our operating results. We make various assumptions and judgments about the collectability of our loan portfolio, including the creditworthiness of our borrowers and the value of the real estate and other assets serving as collateral for the repayment of many of our loans. In determining the amount of the allowance for loan losses, we review our loans and our loss and delinquency experience, and we evaluate economic conditions. If our assumptions prove to be incorrect, our allowance for loan losses may not cover inherent losses in our loan portfolio at the date of the financial statements. Material additions to our allowance would materially decrease our net income. At December 31, 2005, our allowance for loan losses totaled $3.1 million, representing 1.07% of total loans.

While we have only been operating for five years, we have experienced significant growth in our loan portfolio, particularly our loans secured by commercial real estate. Although we believe we have underwriting standards to manage normal lending risks, and although we had $1.0 million, or 0.22% of total assets consisting of non-performing assets at December 31, 2005, it is difficult to assess the future performance of our loan portfolio due to the relatively recent origination of many of these loans. We can give you no assurance that our non-performing loans will not increase or that our non-performing or delinquent loans will not adversely affect our future performance.

In addition, federal and state regulators periodically review our allowance for loan losses and may require us to increase our allowance for loan losses or recognize further loan charge-offs. Any increase in our allowance for loan losses or loan charge-offs as required by these regulatory agencies could have a material adverse effect on our results of operations and financial condition.

We depend primarily on net interest income for our earnings rather than fee income.

Net interest income is the most significant component of our operating income. We do not rely on traditional sources of fee income utilized by some community banks, such as fees from sales of insurance, securities or investment advisory products or services. For the years ended December 31, 2005 and 2004, our net interest income was $15.9 million and $13.8 million, respectively. The amount of our net interest income is influenced by the overall interest rate environment, competition, and the amount of interest earning assets relative to the amount of interest bearing liabilities. In the event that one or more of these factors were to result in a decrease in our net interest income, we do not have significant sources of fee income to make up for decreases in net interest income.

Fluctuations in interest rates could reduce our profitability.

We realize income primarily from the difference between the interest we earn on loans and investments and the interest we pay on deposits and borrowings. The interest rates on our assets and liabilities respond differently to changes in market interest rates, which means our interest-bearing liabilities may be more sensitive to changes in market interest rates than our interest-earning assets, or vice versa. In either event, if market interest rates change, this "gap" between the amount of interest-earning assets and interest-bearing liabilities that reprice in response to these interest rate changes may work against us, and our earnings may be negatively affected.

We are unable to predict fluctuations in market interest rates, which are affected by, among other factors, changes in the following:

o inflation rates;

o business activity levels;

o money supply; and

o domestic and foreign financial markets.

The value of our investment portfolio and the composition of our deposit base are influenced by prevailing market conditions and interest rates. Our asset-liability management strategy, which is designed to mitigate the risk to us from changes in market interest rates, may not prevent changes in interest rates or securities market downturns from reducing deposit outflow or from having a material adverse effect on our results of operations, our financial condition or the value of our investments.

Adverse events in New Jersey, where our business is concentrated, could adversely affect our results and future growth.

Our business, the location of our branches and the real estate collateralizing our real estate loans are concentrated in New Jersey. As a result, we are exposed to geographic risks. The occurrence of an economic downturn in New Jersey, or adverse changes in laws or regulations in New Jersey could impact the credit quality of our assets, the business of our customers and our ability to expand our business.

Our success significantly depends upon the growth in population, income levels, deposits and housing in our market area. If the communities in which we operate do not grow or if prevailing economic conditions locally or nationally are unfavorable, our business may be negatively affected. In addition, the economies of the communities in which we operate are substantially dependent on the growth of the economy in the State of New Jersey. To the extent that economic conditions in New Jersey are unfavorable or do not continue to grow as projected, the economy in our market area would be adversely affected. Moreover, we cannot give any

assurance that we will benefit from any market growth or favorable economic conditions in our market area if they do occur.

In addition, the market value of the real estate securing loans as collateral could be adversely affected by unfavorable changes in market and economic conditions. As of December 31, 2005, approximately 94.8% of our total loans were secured by real estate. Adverse developments affecting commerce or real estate values in the local economies in our primary market areas could increase the credit risk associated with our loan portfolio. In addition, substantially all of our loans are to individuals and businesses in New Jersey. Our business customers may not have customer bases that are as diverse as businesses serving regional or national markets. Consequently, any decline in the economy of our market area could have an adverse impact on our revenues and financial condition. In particular, we may experience increased loan delinquencies, which could result in a higher provision for loan losses and increased charge-offs. Any sustained period of increased non-payment, delinquencies, foreclosures or losses caused by adverse market or economic conditions in our market area could adversely affect the value of our assets, revenues, results of operations and financial condition.

We operate in a highly regulated environment and may be adversely affected by changes in federal, state and local laws and regulations.

We are subject to extensive regulation, supervision and examination by federal and state banking authorities. Any change in applicable regulations or federal, state or local legislation could have a substantial impact on us and our operations. Additional legislation and regulations that could significantly affect our powers, authority and operations may be enacted or adopted in the future, which could have a material adverse effect on our financial condition and results of operations. Further, regulators have significant discretion and authority to prevent or remedy unsafe or unsound practices or violations of laws by banks and bank holding companies in the performance of their supervisory and enforcement duties. The exercise of regulatory authority may have a negative impact on our results of operations and financial condition.

Like other bank holding companies and financial institutions, we must comply with significant anti-money laundering and anti-terrorism laws. Under these laws, we are required, among other things, to enforce a customer identification program and file currency transaction and suspicious activity reports with the federal government. Government agencies have substantial discretion to impose significant monetary penalties on institutions which fail to comply with these laws or make required reports. Because we operate our business in the highly urbanized greater Newark/New York City metropolitan area, we may be at greater risk of scrutiny by government regulators for compliance with these laws.

We expect to incur additional expense in connection with our compliance with Sarbanes-Oxley.

Under Section 404 of the Sarbanes-Oxley Act of 2002, we will be required to conduct a comprehensive review and assessment of the adequacy of our existing financial systems and controls at December 31, 2007, and our auditors must attest to our assessment. This is expected to result in additional expenses in 2006 and 2007. Moreover, a review of our financial systems

and controls may uncover deficiencies in existing systems and controls. If that is the case, we would have to take the necessary steps to correct any deficiencies, which may be costly and may strain our management resources and negatively impact earnings. We also would be required to disclose any such deficiencies, which could adversely affect the market price of our common stock.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

At December 31, 2005, we conducted our business from our executive office located at 104-110 Avenue C, Bayonne, New Jersey, and our two branch offices, both of which are located in Bayonne. The aggregate book value of our premises and equipment was $5.5 million at December 31, 2005. We own our executive office facility and lease our two branch offices. In August 2005, we entered into a lease for a future branch facility to be located in Hoboken, New Jersey. This facility is expected to open for business during the second quarter of 2006.

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, 2005, 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 REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

On December 14, 2005, BCB Bancorp, Inc. began trading on the Nasdaq National Market under the symbol "BCBP." In order to list common stock on the Nasdaq National Market, the presence of at least three registered and active market makers is required and BCB Bancorp, Inc. has at least three market makers. BCB Bancorp, Inc. common stock was previously traded on the Over the Counter Electronic Bulletin Board under the symbol "BCBP."

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 common stock dividends paid by the Company on January 29, 2003, of 10%, November 17, 2003, of 10%, November 22, 2004, of 25% and October 27, 2005, of 25%. As of

December 31, 2005, there were 4,999,236 shares of BCB Bancorp, Inc. common stock issued and outstanding. At December 31, 2005, BCB Bancorp, Inc. had approximately 1,562 stockholders of record.

Fiscal 2005	High Bid	Low Bid	Cash Dividend Declared
Quarter Ended December 31, 2005............	$ 19.49	$ 14.60	$ --
Quarter Ended September 30, 2005...........	17.12	15.40	--
Quarter Ended June 30, 2005................	15.80	14.00	--
Quarter Ended March 31, 2005...............	16.80	14.92	--

Fiscal 2004	High Bid	Low Bid	Cash Dividend Declared
Quarter Ended December 31, 2004............	$ 16.26	$ 12.32	$ --
Quarter Ended September 30, 2004...........	12.80	11.36	--
Quarter Ended June 30, 2004................	17.58	11.04	--
Quarter Ended March 31, 2004...............	17.92	13.44	--

On April 27, 2005, our Board of Directors approved a stock repurchase program for the repurchase of up to 149,677 shares (approximately 187,096 shares on a split-adjusted basis) of our common stock. To date, we have repurchased 41,053 shares (approximately 51,316 shares on a split-adjusted basis) of our common stock, including 23,838 shares on a split adjusted basis during the fourth quarter of 2005. Please see "ITEM I-- Business-- Recent Events" for a description of the use of proceeds from our offering.

ITEM 6. SELECTED CONSOLIDATED FINANCIAL DATA

The following tables set forth selected consolidated historical financial and other data of BCB Bancorp, Inc. at and for December 31, 2005, 2004 and 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 25% and 10% common stock dividends paid by the Company and Bank.

	Selected financial condition data at December 31,				
	2005	2004	2003	2002	2001
	(In thousands)				
Total assets	$ 466,242	$ 378,289	$ 300,676	$ 183,108	$ 113,224
Cash and cash equivalents	25,147	4,534	11,786	5,144	27,168
Securities, held to maturity	140,002	117,036	90,313	50,602	38,562
Loans receivable	284,451	246,380	188,786	122,085	44,973
Deposits	362,851	337,243	253,650	163,519	101,749
Borrowings	54,124	14,124	25,000	--	--
Stockholders' equity	47,847	26,036	21,167	18,772	11,303

	Selected operating data for the year ended December 31,				
	2005	2004	2003	2002	2001
	(In thousands, except for per share amounts)				
Net interest income	$ 15,920	$ 13,755	$ 9,799	$ 5,960	$ 1,787
Provision for loan losses	1,118	690	880	843	382
Non-interest income	878	623	480	336	152
Non-interest expense	8,206	7,661	5,390	3,272	2,006
Income tax (benefit)	2,745	2,408	1,614	872	(173)
Net income (loss)	$ 4,729	$ 3,619	$ 2,395	$ 1,309	$ (276)
Net income (loss) per share:					
Basic	$ 1.25	$ 0.97	$ 0.67	$ 0.43	$ (0.14)
Diluted	$ 1.20	$ 0.93	$ 0.64	$ 0.43	$ (0.14)

	At or for the Years Ended December 31,				
	2005	2004	2003	2002	2001
Selected Financial Ratios and Other Data:					
Return on average assets (ratio of net income to average total assets)	1.14%	1.01%	1.03%	0.86%	(0.38)%
Return on average stockholders' equity (ratio of net income to average stockholders' equity)	16.00	15.45	11.97	8.68	(3.28)
Non-interest income to average assets ...	0.21	0.17	0.21	0.22	0.21

Non-interest expense to average assets ..	1.98	2.15	2.32	2.16	2.77
Net interest rate spread during the period	3.69	3.73	4.03	3.60	1.97
Net interest margin (net interest income to average interest earning assets) ...	3.98	3.96	4.34	4.03	2.59
Ratio of average interest-earning assets to average interest-bearing liabilities	112.33	111.63	116.42	118.87	118.73
Asset Quality Ratios:					
Non-performing loans to total loans at end of period	0.36	0.40	0.20	0.05	--
Allowance for loan losses to non-performing loans at end of period .	299.42	249.60	547.48	1,840.73	--
Allowance for loan losses to total loans at end of period	1.07	1.01	1.11	1.00	0.91
Capital Ratios:					
Stockholders' equity to total assets at end of period	10.26	6.88	7.04	10.25	9.98
Average stockholders' equity to average total assets	7.14	6.57	8.62	9.94	11.61
Tier 1 capital to average assets	7.75	7.75	7.02	10.25	9.98
Tier 1 capital to risk weighted assets ..	11.59	11.84	10.47	15.01	15.09

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 had, through December 31, 2005, 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." For the year ended December 31, 2005, 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. On December 14, 2005, the Board of Directors of the Company approved the accelerated vesting and exercisability of all unvested and unexercisable stock options granted as a part of the 2003 and 2002 Stock Option Plans effective December 20, 2005. 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, 2005 and 2004 would have been lower by $0.32 and $0.14 respectively. No stock options were granted prior to 2002. See Note 2 to "Notes to Consolidated Financial Statements." Effective January 1, 2006, the Company will have to account for stock options pursuant to SFAS No. 123 (revised 2004). The acceleration of vesting was done primarily to avoid the recording of compensation expense in future years. See discussions under Recent Accounting Pronouncements for our analysis of the impact of SFAS No. 123 (revised 2004) on current and future operations.

Financial Condition

Management's Discussion and Analysis of Financial Condition and Results of Operations

Financial Condition

Comparison at December 31, 2005 and at December 31, 2004

Since we commenced operations in 2000 we have sought to grow our assets and deposit base consistent with our capital requirements. We offer competitive loan and deposit products and seek to distinguish ourselves from our competitors through our service and availability. Total assets increased by $87.9 million or 23.2% to $466.2 million at December 31, 2005 from $378.3 million at December 31, 2004 as the Company continued to grow the Bank's balance sheet with loans and securities funded primarily through growth in the Bank's deposit base, the utilization of wholesale funding sources, specifically Federal Home Loan Bank advances and the net proceeds from our offering of common stock in December 2005.

Total cash and cash equivalents increased by $20.6 million or 457.8% to $25.1 million at December 31, 2005 from $4.5 million at December 31, 2004 as the Company, reflecting the successful completion of our recent offering of common stock, and the attractiveness of liquid investments during the current flat yield curve environment. Securities held-to-maturity increased by $23.0 million or 19.7% to $140.0 million at December 31, 2005 from $117.0

million at December 31, 2004. The increase was primarily attributable to the purchase of $55.8 million of callable agency securities partially offset by call options exercised on $18.8 million of callable agency securities, sales of $6.0 million of callable agency securities and $1.3 million of mortgage backed securities and $6.8 million of repayments and prepayments in the mortgage backed securities portfolio during the year ended December 31, 2005. As the Company's securities are exclusively categorized as held-to-maturity, the Bank relied on an explanatory portion of Financial Accounting Standards Board Statement No. 115 (FASB 115) to engage in the specific sales of agency securities.

Specifically, FASB 115 recognizes sales of debt securities that meet either of the following two conditions as maturities for purposes of the classification of securities.

a. The sale of a security occurs near enough to its maturity date (or call date if exercise of the call is probable) that interest rate risk is substantially eliminated as a pricing factor. That is, the date of sale is so near the maturity or call date (for example, within three months) that changes in market interest rates would not have a significant effect on the security's fair value.
b. The sale of a security occurs after the enterprise has already collected a substantial portion (at least 85 percent) of the principal outstanding at acquisition due either to prepayments on the debt security or to scheduled payments on a debt security payable in equal installments (both principal and interest) over its term.

In the case of the sale of the agency debt securities, FASB 115 was satisfied because the sales of the debt securities occurred near enough to their call dates, with the calls being probable, that interest rate risk was substantially eliminated. In the case of the sale of the mortgage backed securities, a substantial portion (over 85 percent) of the principal outstanding at acquisition had been collected.

Loans receivable increased by $38.1 million or 15.5% to $284.5 million at December 31, 2005 from $246.4 million at December 31, 2004. The increase resulted primarily from a $36.0 million increase in real estate mortgages comprising residential, commercial and construction loans, net of amortization, and a $3.4 million increase in consumer loans, net of amortization, partially offset by a $545,000 decrease in commercial loans consisting primarily of business loans and commercial lines of credit and a $584,000 increase in the allowance for loan losses. At December 31, 2005, the allowance for loan losses was $3.1 million. The growth in loans receivable was primarily attributable to competitive pricing in a lower than normal interest rate environment and a vibrant local economy where real estate construction and rehabilitation remain strong.

Deposit liabilities increased by $25.7 million or 7.6% to $362.9 million at December 31, 2005 from $337.2 million at December 31, 2004. The increase resulted primarily from an increase of $49.5 million or 53.1% in time deposits to $142.7 million from $93.2 million and an increase of $6.4 million or 13.9% in demand deposits to $52.6 million from $46.2 million, partially offset by a decrease of $30.4 million or 15.4% in savings and club accounts to $167.5

million from $197.9 million. The decrease in savings and club account balances resulted primarily from internal disintermediation brought on by the series of Federal Open Market Committee short-term interest rate increases and the increasingly competitive local market for deposit growth. The Bank has been able to achieve these growth rates through competitive pricing on select deposit products.

Borrowed money increased by $40.0 million or 283.7% to $54.1 million at December 31, 2005 from $14.1 million at December 31, 2004. The increase in borrowings reflects the use of long-term Federal Home Loan Bank advances to augment deposits as the Bank's funding source for originating loans and investing in Government Sponsored Enterprise (GSE) investment securities. During July and August 2005, we obtained $50.0 million in long-term, fixed rate advances from the Federal Home Loan Bank. Borrowings were at an average interest rate of 3.37% with a final maturity of ten years, callable after one year.

Total stockholders' equity increased by $21.8 million or 83.8% to $47.8 million at December 31, 2005 from $26.0 million at December 31, 2004. The increase primarily reflects the completion of our common stock offering which raised $17.9 million in additional capital, as well as net income for the year ended December 31, 2005 of $4.7 million. The net proceeds from the stock offering will be used for lending and investment activity as well as branch expansion and general corporate purposes. At December 31, 2005 the Bank's Tier 1 leverage, Tier 1 risk-based and Total risk-based capital ratios were 7.75%, 11.59%, and 12.62% 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.

	At December 31, 2005		The year ended December 31, 2005			The year ended December 31, 2004		
	Actual Balance	Actual Yield/ Cost	Average Balance	Interest earned/paid	Average Yield/Cost(4)	Average Balance	Interest earned/paid	Average Yield/ Cost (4)
				(Dollars in thousands)				
Interest-earning assets:								
Loans receivable	$284,451	7.05%	$271,405	$ 18,797	6.93%	$221,257	$ 14,784	6.68%
Investment securities(1)	142,780	5.11	124,315	6,297	5.07	108,297	5,757	5.32
Interest-bearing deposits	22,160	4.10	4,700	71	1.51	17,721	159	0.90
Total interest-earning assets	449,391	6.29%	400,420	25,165	6.28%	347,275	20,700	5.96%
Interest-earning liabilities:								
Interest-bearing demand deposits	$ 20,827	1.36%	$ 20,815	284	1.36%	$ 21,105	299	1.42%
Money market deposits	1,623	1.93	2,289	45	1.97	2,622	52	1.98
Savings deposits	167,534	2.09	183,288	3,958	2.16	181,383	3,981	2.20
Certificates of deposit	142,724	3.60	116,560	3,736	3.21	80,336	2,153	2.68
Borrowings	54,124	3.66	33,527	1,222	3.64	25,660	460	1.79
Total interest-bearing liabilities	386,832	2.83%	356,479	9,245	2.59%	311,106	6,945	2.23%
Net interest income				$ 15,920			$ 13,755	
Interest rate spread(2)		3.46%			3.69%			3.73%
Net interest margin(3)					3.98%			3.96%
Ratio of interest-earning assets to interest-bearing liabilities	116.17%		112.33%			111.63%		

(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, 2003		
	Average Average Balance	Interest earned/paid	Yield/Cost (4)
Interest-earning assets:			
Loans receivable	$155,145	$ 10,745	6.93%
Investment securities(1)	60,286	3,299	5.47
Interest-bearing deposits	10,446	91	0.87
Total interest-earning assets	225,877	14,135	6.26%
Interest-earning liabilities:			
Interest-bearing demand deposits	$ 14,844	203	1.37%
Money market deposits	2,287	46	2.01
Savings deposits	141,749	3,235	2.28
Certificates of deposit	32,186	808	2.51
Borrowings	2,945	44	1.49
Total interest-bearing liabilities	194,011	4,336	2.23%

Net interest income		$ 9,799	
Interest rate spread(2)			4.03%
Net interest margin(3)			4.34%
Ratio of average interest-earning assets to average interest-bearing liabilities	116.42%		

(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,							
	2005 vs. 2004				2004 vs. 2003			
	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	$ 3,351	$ 540	$ 122	$ 4,013	$ 4,580	$ (379)	$ (162)	$ 4,039
Investment securities	851	(271)	(40)	540	2,627	(94)	(75)	2,458
Interest-bearing deposits with other banks	(117)	109	(80)	(88)	63	3	2	68
Total interest-earning assets	4,085	378	2	4,465	7,270	(470)	(235)	6,565
Interest expense:								
Interest-bearing demand accounts	(4)	(11)	--	(15)	86	7	3	96
Money market	(7)	--	--	(7)	7	(1)	--	6
Savings and club	42	(64)	(1)	(23)	904	(113)	(45)	746
Certificates of Deposits	971	422	190	1,583	1,209	55	81	1,345
Borrowed funds	141	474	147	762	338	9	69	416
Total interest-bearing liabilities	1,143	821	336	2,300	2,544	(43)	108	2,609
Change in net interest income	$ 2,942	$ (443)	$ (334)	$ 2,165	$ 4,726	$ (427)	$ (343)	$ 3,956

Results of Operations

Results of Operations for the Years Ended December 31, 2005 and 2004

Net income increased by $1.1 million or 30.6 % to $4.7 million for the year ended December 31, 2005 from $3.6 million for the year ended December 31, 2004. This increase in net income reflects 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 $2.1 million or 15.2% to $15.9 million for the year ended December 31, 2005 from $13.8 million for the year ended December 31, 2004. This increase resulted primarily from an increase in average net interest earning assets of $7.7 million or 21.3% to $43.9 million for the year ended December 31, 2005 from $36.2 million for the year ended December 31, 2004 and a slight increase in the net interest margin to 3.98% for the year ended December 31, 2005 from 3.96% for the year ended December 31, 2004. The slight increase in our net interest margin resulted primarily from an increase in the average yield on loans receivable to 6.93% for the year ended December 31, 2005 from 6.68% for the year ended December 31, 2004 partially offset by an increase in the cost of wholesale borrowings to 3.64% for the year ended December 31, 2005 from 1.79% for the year ended December 31, 2004.

Interest income on loans receivable increased by $4.0 million or 27.0% to $18.8 million for the year ended December 31, 2005 from $14.8 million for the year ended December 31, 2004. The increase was primarily due to an increase in average loans receivable of $50.1 million or 22.6% to $271.4 million for the year ended December 31, 2005 from $221.3 million for the year ended December 31, 2004 and an increase in the average yield on loans receivable to 6.93% for the year ended December 31, 2005 from 6.68% for the year ended December 31, 2004. The increase in the average balance of loans reflects management's philosophy of deploying funds in higher yielding loans, specifically commercial real estate as opposed to lower yielding investments in government securities. The increase in average yield reflects the Bank's diligence in deploying funds into prime based lending products whose yield increased as the Federal Open Market Committee continued to increase short-term interest rates throughout 2005.

Interest income on securities increased by $540,000 or 9.4% to $6.3 million for the year ended December 31, 2005 from $5.8 million for the year ended December 31, 2004. The increase was primarily attributable to an increase in the average balance of securities of $16.0 million or 14.8% to $124.3 million for the year ended December 31, 2005 from $108.3 million for the year ended December 31, 2004, partially offset by a decrease in the average yield on securities to 5.07% for the year ended December 31, 2005 from 5.32% for the year ended December 31, 2004. The increase in average balances reflects the on-going leverage strategy with the use of the Federal Home Loan Bank advances.

Interest income on other interest-earning assets consisting primarily of federal funds sold decreased by $88,000 or 55.3% to $71,000 for the year ended December 31, 2005 from $159,000 for the year ended December 31, 2004. This decrease was primarily due to a decrease in the average balance of other interest-earning assets to $4.7 million for the year ended December 31, 2005 from $17.7 million for the year ended December 31, 2004 partially offset by an increase in the average yield on other interest-earning assets to 1.51% for the year ended December 31, 2005 from 0.90% for the year ended December 31, 2004. During 2005, the Bank decided to actively

manage its liquid investments in order to redeploy its earning assets into higher yielding loans and securities in an effort to maximize returns.

Total interest expense increased by $2.3 million or 33.3% to $9.2 million for the year ended December 31, 2005 from $6.9 million for the year ended December 31, 2004. This increase resulted from an increase in average total interest bearing deposit liabilities of $37.6 million or 13.2% to $323.0 million for the year ended December 31, 2005 from $285.4 million for the year ended December 31, 2004, and an increase of $7.8 million in average borrowings to $33.5 million at December 31, 2005, from $25.7 million for the year ended December 31, 2004, as well as an increase in the average cost of interest bearing liabilities to 2.59% for the year ended December 31, 2005 from 2.23% for the year ended December 31, 2004.

The provision for loan losses totaled $1.1 million and $690,000 for the years ended December 31, 2005 and 2004, 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. During 2005, the Bank experienced $534,000 in net charge-offs (consisting of $546,000 in charge-offs and $12,000 in recoveries) related primarily to the foreclosure and bankruptcy of one lending relationship and two commercial heavy equipment loans. During 2004, the Bank experienced $297,000 in net charge-offs (consisting of $332,000 in charge-offs and $35,000 in recoveries) related entirely to the liquidation of five commercial heavy equipment loans. The Bank had non-accrual loans totaling $787,000 at December 31, 2005 and $553,000 at December 31, 2004. The allowance for loan losses stood at $3.1 million or 1.07% of gross total loans at December 31, 2005 as compared to $2.5 million or 1.01% of gross total loans at December 31, 2004. 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 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, 2005 and 2004.

Total non-interest income increased by $255,000 or 40.9% to $878,000 for the year ended December 31, 2005 from $623,000 for the year ended December 31, 2004. The increase in non-interest income resulted primarily from a $116,000 increase in gain on sales of loans originated for sale, a $56,000 decrease in losses on sales of non-performing loans as the Bank did not sell any such loans or record any gain or loss therefrom during the year ended December 31, 2005 as compared to a $56,000 loss recorded during the year ended December 31, 2004, a $48,000 increase in fees and service charges, and a $28,000 gain on sale of securities held-to-maturity in the current year. The aforementioned gain on sale of securities was accomplished from securities originally designated as held-to-maturity. Because certain language located in the text of FASB 115 specified earlier allows for the sale of securities designated as held-to-maturity

if certain criteria are met, management undertook the research necessary to make their determination that such sales were permitted. Upon scrutiny of the text and concurrence and confirmation with the Company's independent external auditor, the allowable transactions were consummated.

Total non-interest expense increased by $547,000 or 7.1% to $8.2 million for the year ended December 31, 2005 from $7.7 million for the year ended December 31, 2004. The increase in 2005 was primarily due to an increase of $452,000 or 11.4% in salaries and employee benefits expense to $4.4 million for the year ended December 31, 2005 from $4.0 million for the year ended December 31, 2004 as the Bank increased staffing levels and compensation in an effort to service its growing customer base. Full time equivalent employees increased to eighty-two (82) at December 31, 2005 from seventy-five (75) at December 31, 2004 and sixty-six (66) at December 31, 2003. An increase in the aggregate of $202,000 or 9.0% was recorded in the categories of occupancy, equipment and advertising expense to $2.4 million for the year ended December 31, 2005 from $2.2 million for the year ended December 31, 2004 as these expense increases are commensurate with a growing franchise. These increases were partially offset by a decrease of $109,000 or 7.6% in other non-interest expense to $1.3 million for the year ended December 31, 2005 from $1.4 million for the year ended December 31, 2004. Other non-interest expense is comprised of director fees, stationary, forms and printing, professional fees, legal fees, check printing, correspondent bank fees, telephone and communication, shareholder relations and other fees and expenses. The decrease in other non-interest expense is primarily attributable to decreased legal, professional and shareholder relation expense, as the Company incurred expenses associated with a contested proxy contest initiated by an opposing slate of directors during the year ended December 31, 2004. No such additional expenses were incurred during the year ended December 31, 2005.

Income tax expense increased by $337,000 or 14.0% to $2.7 million for the year ended December 31, 2005 from $2.4 million for the year ended December 31, 2004 reflecting pre-tax income of $7.5 million earned during the year ended December 31, 2005 compared to pre-tax income of $6.0 million earned during the year ended December 31, 2004, partially offset by the formation of BCB Holding Company Investment Corp. (the Investment Company"). The Investment Company, a New Jersey Investment Company wholly owned by the Bank, is subject to a state income tax rate of 3.6% as compared to the 9.0% rate paid by the Company and the Bank. The Investment Company was funded by a transfer of securities from the Bank. The utilization of the Investment Company to hold investments during the year ended December 31, 2005 reduced consolidated income tax expenses by approximately $223,000 and reduced the consolidated effective income tax rate by approximately 3.0%. The Company's effective tax rate was 36.7% for the year ended December 31, 2005 as compared to 40.0% for the year ended December 31, 2004.

Results of Operations for the Years Ended December 31, 2004 and 2003

Net income increased by $1.2 million or 51.1% to $3.6 million for the year ended December 31, 2004 from $2.4 million for the year ended December 31, 2003. This increase in net income is as a result of increases in net interest income and non-interest income and a decrease in the provision for loan losses partially offset by increases in non-interest expense and income taxes. Net interest income increased by $4.0 million or 40.4% to $13.8 million for the

year ended December 31, 2004 from $9.8 million for the year ended December 31, 2003. This increase resulted primarily from an increase in average net interest earning assets of $4.3 million or 13.5% to $36.2 million for the year ended December 31, 2004 from $31.9 million for the year ended December 31, 2003 partially offset by a decrease in the net interest margin to 3.96% for the year ended December 31, 2004 from 4.34% for the year ended December 31, 2003. The decrease in our net interest margin reflects the on-going philosophy of the Federal Reserve Open Market Committee, specifically during the second half of 2004, to tighten monetary policy by raising short-term interest rates while long term rates trended slightly downward during that same time period.

Interest income on loans receivable increased by $4.04 million or 37.6% to $14.8 million for the year ended December 31, 2004 from $10.7 million for the year ended December 31, 2003. The increase was primarily due to an increase in average loans receivable of $66.1 million or 42.6% to $221.3 million for the year ended December 31, 2004 from $155.1 million for the year ended December 31, 2003 partially offset by a decrease in the average yield on loans receivable to 6.68% for the year ended December 31, 2004 from 6.93% for the year ended December 31, 2003. The increase in the average balance of loans reflects management's philosophy to deploy funds in higher yielding loans, specifically commercial real estate as opposed to lower yielding investments in government securities. The decrease in average yield reflects the continuance of the lower long-term interest rate environment in 2004.

Interest income on securities increased by $2.5 million or 74.5% to $5.8 million for the year ended December 31, 2004 from $3.3 million for the year ended December 31, 2003. The increase was primarily attributable to an increase in the average balance of securities of $48.0 million or 79.6% to $108.3 million for the year ended December 31, 2004 from $60.3 million for the year ended December 31, 2003, partially offset by a decrease in the average yield on securities to 5.32% for the year ended December 31, 2004 from 5.47% for the year ended December 31, 2003. The increase in average balances reflects the redeployment of funds previously invested in short-term interest earning deposits and the on-going leverage strategy done with the use of the Federal Home Loan Bank advances.

Interest income on other interest-earning assets consisting primarily of federal funds sold increased by $68,000 or 74.7% to $159,000 for the year ended December 31, 2004 from $91,000 for the year ended December 31, 2003. This increase was primarily due to an increase in the average balance of other interest-earning assets to $17.7 million for the year ended December 31, 2004 from $10.4 million for the year ended December 31, 2003 partially offset by a slight increase in the average yield on other interest-earning assets to 0.90% for the year ended December 31, 2004 from 0.87% for the year ended December 31, 2003. As the Bank's loan pipeline consistently totaled over $30.0 million during 2004, the increase in average balance in other interest-earning assets is a reflection of management's philosophy to accumulate liquidity to facilitate the prompt closing of those loans.

Total interest expense increased by $2.6 million or 60.2% to $6.9 million for the year ended December 31, 2004 from $4.3 million for the year ended December 31, 2003. This increase resulted from an increase in average total interest bearing deposit liabilities of $94.4 million or 49.4% to $285.4 million for the year ended December 31, 2004 from $191.1 million

for the year ended December 31, 2003, and an increase of $22.7 million in average borrowings to $25.7 million at December 31, 2004, from $2.9 million for the year ended December 31, 2003. The average cost of total interest bearing liabilities was 2.23% for both the years ended December 31, 2004 and 2003.

The provision for loan losses totaled $690,000 and $880,000 for the years ended December 31, 2004 and 2003, 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. During 2004, the Bank experienced $297,000 in net charge-offs (consisting of $332,000 in charge-offs and $35,000 in recoveries) related entirely to the liquidation of five commercial heavy equipment loans. During 2003, there were no charge-offs or recoveries. The Bank had non-accrual loans totaling $553,000 at December 31, 2004 and $67,000 at December 31, 2003. The allowance for loan losses stood at $2.5 million or 1.01% of gross total loans at December 31, 2004 as compared to $2.1 million or 1.11% of gross total loans at December 31, 2003. 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 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, 2004 and 2003.

Total non-interest income increased by $143,000 or 29.8% to $623,000 for the year ended December 31, 2004 from $480,000 for the year ended December 31, 2003. The increase in non-interest income resulted primarily from a $150,000 increase in fees and service charges, a $42,000 increase in gain on sales of loans originated for sale, and a $7,000 increase in other income partially offset by a $56,000 loss in 2004 on the sale of the aforementioned non-performing commercial heavy equipment loans.

Total non-interest expenses increased by $2.3 million or 42.1% to $7.7 million for the year ended December 31, 2004 from $5.4 million for the year ended December 31, 2003. The increase in 2004 was primarily due to an increase of $1.2 million or 41.3% in salaries and employee benefits expense to $4.0 million for the year ended December 31, 2004 from $2.8 million for the year ended December 31, 2003 as the Bank increased staffing levels and compensation in an effort to service its growing customer base. Full time equivalent employees increased to seventy-five (75) at December 31, 2004 from sixty-six
(66) at December 31, 2003 and thirty-four (34) at December 31, 2002. Equipment expense increased by $488,000 to $1.4 million for the year ended December 31, 2004 from $940,000 for the year ended December 31, 2003. 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 $244,000 to $655,000 for the year ended December 31, 2004 from $411,000 for the

year ended December 31, 2003 as the Bank incurred a full year's worth of occupancy expense on the two offices opened during 2003. Advertising expense decreased by $8,000 to $161,000 for the year ended December 31, 2004 from $169,000 for the year ended December 31, 2003. Other non-interest expense increased by $384,000 to $1.44 million for the year ended December 31, 2004 from $1.06 million for the year ended December 31, 2003. The increase in other non-interest expense was primarily attributable to increased legal, professional and shareholder relation expense as during the year ended December 31, 2004, the Company incurred expenses associated with a proxy contest initiated by an opposing slate of directors. 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 $794,000 or 49.2% to $2.4 million for the year ended December 31, 2004 from $1.6 million for the year ended December 31, 2003 reflecting pre-tax income of $6.0 million earned during the year ended December 31, 2004 compared to pre-tax income of $4.0 million earned during the year ended December 31, 2003. The Company's effective tax rates were 40.0% in 2004 and 40.3% in 2003.

Liquidity and Capital Resources

Our funding sources include income from operations, deposits and borrowings and 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 2005, loan originations totaled $133.7 million compared to $110.8 million and $105.0 million for 2004 and 2003, respectively. The increase in loan originations reflects management's efforts to increase our total assets, the continued focus on increasing commercial and multi-family lending operations and the strong refinance market in 2005.

During 2005, cash flow provided by the calls, sales, maturities and principal repayments and prepayments received on securities held-to-maturity amounted to $32.9 million compared to $49.1 million and $36.3 million in 2004 and 2003. Deposit growth provided $25.6 million, $83.6 million and $90.1 million of funding to facilitate asset growth for the years ending December 31, 2005, 2004 and 2003, respectively. Borrowings increased $40.0 million in 2005 and in addition to deposit growth served to fund asset growth and provide additional capital. During 2004, we borrowed $4.1 million through the issuance of $4.1 million in trust preferred securities and repaid $15.0 million in FHLB borrowings. During 2003, we borrowed $25.0 million in FHLB advances.

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 $45.2 million and $38.8 million at December 31, 2005 and 2004, respectively.

The following tables sets forth our contractual obligations and commercial commitments at December 31, 2005.

Contractual obligations	Total	Payments due by period Less than 1 Year	1-3 Years	3-5 Years	More than 5 Years
			(In thousands)		
Borrowed money	$ 54,124	$ --	$ --	$ --	$ 54,124
Lease obligations	982	244	424	314	--
Certificates of deposit with original maturities of one year or more	82,593	25,300	43,073	14,220	--
Total	$ 137,699	$ 25,544	$ 43,497	$ 14,534	$ 54,124

Recent Accounting Pronouncements

Accounting for Share-based Payments

In December 2004, the Financial Accounting Standards Board (the "FASB") issued Statement of Financial Accounting Standards No. 123 (revised), "Share-Based Payment". Statement No. 123 (revised) replaces Statement No. 123 and supersedes APB Opinion No. 25. Statement No. 123 (revised) requires compensation costs related to share based payment transactions to be recognized in the financial statements over the period that an employee provides service in exchange for the award. Public companies are required to adopt the new standard using a modified prospective method and may elect to restate prior periods using the modified retrospective method. Under the modified prospective method, companies are required to record compensation cost for new and modified awards over the related vesting period of such awards prospectively and record compensation cost prospectively for the unvested portion at the date of adoption, of previously issued and outstanding awards over the remaining vesting period of such awards. No change to prior periods presented is permitted under the modified prospective method. Under the modified retrospective method, companies record compensation costs for prior periods retroactively through restatement of such periods using the exact pro forma amounts disclosed in the companies' footnotes. Also, in the period of adoption and after, companies record compensation cost based on the modified prospective method.

On April 14, 2005, the Securities and Exchange Commission adopted a new rule that amends the compliance dates for Statement No. 123 (revised). Under the new rule, we are required to adopt Statement No. 123 (revised) in the first annual period beginning after June 15, 2005. Early application of Statement No.
123 (revised) is encouraged, but not required. Accordingly, we are required to record compensation expense for all new awards granted and

any awards modified after January 1, 2006. In addition, the transition rules under SFAS No. 123 (revised 2004) will require that, for all awards outstanding at January 1, 2006, for which the requisite service has not yet been rendered, compensation cost be recorded as such service is rendered after January 1, 2006.

The pronouncement related to stock-based payments will not have any effect on our existing historical consolidated financial statements as restatements of previously reported periods will not be required. However, our stock option awards generally require a service period which extends beyond the effective date of SFAS No. 123 (revised 2004) and, accordingly, we will be required to record compensation expense on such awards beginning on January 1, 2006. As a result, the Board of Directors of BCB Bancorp, Inc. approved the accelerated vesting and exercisiability of all unvested and unexercisable stock options granted as a part of the 2003 and 2002 Stock Option Plans effective December 20, 2005. We do not expect a significant expense relating to existing stock options will need to be recognized in 2006 or future years.

Accounting for Variable Interest Entities

In December 2003, FASB issued a revision to Interpretation 46, "Consolidation of Variable Interest Entities," which established standards for identifying a variable interest entity ("VIE") and for determining under what circumstances a VIE should be consolidated with its primary beneficiary. Application of this Interpretation is required in financial statements of public entities that have interests in special-purpose entities for periods ending after December 15, 2003. Application by public entities, other than small business issuers, for all other types of VIEs is required in financial statements for periods ending after March 15, 2004. Small business issuers must apply this interpretation to all other types of VIEs at the end of the first reporting period ending after December 15, 2004. The adoption of this Interpretation has not had and is not expected to have a material effect on our financial position or results of operations.

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

In May 2003, 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, 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, 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, 2005.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Management of Market Risk

Qualitative Analysis. 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.

Quantitative Analysis. 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, 2005. 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, 2005. The following sets forth the Company's NPV as of December 31, 2005.

Change in calculation	Net Portfolio Value	$ Change from PAR	% Change from PAR	NPV as a % of Assets	
				NPV Ratio	Change
+300bp	$ 28,550	$ (26,867)	(48.48)%	6.82%	(519) bp
+200bp	38,357	(17,060)	(30.78)	8.87	(314) bp
+100bp	47,352	(8,065)	(14.55)	10.60	(141) bp
PAR	55,417	--	--	12.01	-- bp
-100bp	57,398	1,981	3.57	12.19	18 bp
-200bp	54,499	(918)	(1.66)	11.41	(60) bp

----

bp-basis points

The table above indicates that at December 31, 2005, in the event of a 100 basis point decrease in interest rates, we would experience a 3.57% increase in NPV. In the event of a 100 basis point increase in interest rates, we would experience a 14.55% 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

On April 1, 2005, Radics & Co. LLC, ("Radics") merged with Beard Miller Company LLP ("Beard Miller") to become the Pine Brook, New Jersey office of Beard Miller. As a result, on April 1, 2005, Radics resigned as independent auditors of BCB Bancorp, Inc. On April 1, 2005, BCB Bancorp, Inc. engaged Beard Miller as its successor independent audit firm. BCB Bancorp, Inc.'s engagement of Beard Miller has been approved by our Audit Committee.

The reports of Radics on our consolidated financial statements as of and for the fiscal year ended December 31, 2004, contained no adverse opinion or disclaimer of opinion and were not qualified or modified as to uncertainty, audit scope, or accounting principles.

During the years ended December 31, 2005 and 2004, and in connection with the audit of our financial statements for such periods and until the date of Radics' resignation, there were no

disagreements between us and Radics on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, which, if not resolved to the satisfaction of Radics, would have caused Radics to make reference to such matter in connection with its audit reports on our financial statements.

We provided Radics with a copy of the above disclosures in response to Item 304(a) of Regulation S-K. We requested that Radics deliver to us a letter addressed to the Securities and Exchange Commission stating whether it agrees with the statements made by us in response to Item 304 (a) of Regulation S-K, and if not, stating the respects in which it does not agree. A copy of Radics letter is filed as Exhibit 16 to a Form 8-K/A filed on April 27, 2005.

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.

ITEM 9B. OTHER INFORMATION

None.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

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 2006 Annual Meeting of Stockholders (the "2006 Proxy Statement") is incorporated herein by reference.

The information concerning directors and executive officers of the Company under the caption "Proposal I-Election of Directors" and information under the captions "Section 16(a) Beneficial Ownership Compliance" and "The Audit Committee" of the 2006 Proxy Statement is incorporated herein by reference.

ITEM 11. EXECUTIVE COMPENSATION

The "Executive Compensation" section of the Company's 2006 Proxy Statement is incorporated herein by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The "Proposal I--Election of Directors" section of the Company's 2006 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 2006 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 2006 Annual Meeting of Stockholders, "Proposal II-Ratification of the Appointment of Independent Auditors- -Fees Paid to Beard Miller Company LLP."

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(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, 2005 and 2004

(D) Consolidated Statements of Income for each of the Years in the Three-Year period ended December 31, 2005

(E) Consolidated Statements of Changes in Stockholders' Equity for each of the Years in the Three-Year period ended December 31, 2005

(F) Consolidated Statements of Cash Flows for each of the Years in the Three-Year period ended December 31, 2005

(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) 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***

10.3 2005 Director Deferred Compensation Plan****

10.4 Change in Control Agreement with Donald Mindiak*****

10.5 Change in Control Agreement with James E. Collins*****

10.6 Change in Control Agreement with Thomas M. Coughlin*****

10.7 Change in Control Agreement with Olivia Klim*****

10.8 Change in Control Agreement with Amer Saleem*****

10.9 Executive Agreement with Donald Mindiak*****

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10.11 Executive Agreement with Thomas M. Coughlin*****

10.12 Executive Agreement with Olivia Klim*****

10.13 Executive Agreement with Amer Saleem*****

10.14 Amendment to 2002 and 2003 Stock Option Plans

13 Consolidated Financial Statements

14 Code of Ethics***

21 Subsidiaries 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

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* Incorporated by reference to the Form 8-K-12g3 filed with the Securities and Exchange Commission on May 1, 2003.

** Incorporated by reference to the Form 8-K filed with the Securities and Exchange Commission on December 13, 2004.

*** Incorporated by reference to the Annual Report on Form 10-K for the year ended December 31, 2004.

**** Incorporated by reference to the Company's Registration Statement on Form S-1, as amended, (Commission File Number 333-128214) originally filed with the Securities and Exchange Commission on September 9, 2005.

***** Incorporated by reference to Exhibit 10.4, 10.5, 10.6, 10.7, 10.8, 10.9, 10.10, 10.11, 10.12 and 10.13 to the Current Report on Form 8-K filed with the Securities and Exchange Commission on November 10, 2005.

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 9, 2006

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 Officer and Director (Principal Executive Officer)	March 13, 2006
/s/ Thomas M. Coughlin Thomas M. Coughlin	Vice President, Chief Financial Officer (Principal Financial and Accounting Officer) and Director	March 13, 2006
/s/ Mark D. Hogan Mark D. Hogan	Chairman of the Board	March 13, 2006
/s/ Robert Ballance Robert Ballance	Director	March 13, 2006
/s/ Judith Q. Bielan Judith Q. Bielan	Director	March 13, 2006

/s/ Joseph J. Brogan ------------------------------ Joseph J. Brogan	Director	March 13, 2006
/s/ James E. Collins ------------------------------ James E. Collins	Director	March 13, 2006
/s/ Joseph Lyga ------------------------------ Joseph Lyga	Director	March 13, 2006
/s/ Alexander Pasiechnik ------------------------------ Alexander Pasiechnik	Director	March 13, 2006
/s/ August Pellegrini, Jr. ------------------------------ August Pellegrini, Jr.	Director	March 13, 2006

EXHIBIT INDEX

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32 Certification of Chief Executive Officer and Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

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* Incorporated by reference to the Form 8k-12g3 filed with the Securities and Exchange Commission on May 1, 2003.

** Incorporated by reference to the Form 8-K filed with the Securities and Exchange Commission on December 13, 2004.

*** Incorporated by reference to the Annual Report on Form 10-K for the year ended December 31, 2004.

**** Incorporated by reference to the Company's Registration Statement on Form S-1, as amended, (Commission File Number 333-128214) originally filed with the Securities and Exchange Commission on September 9, 2005.

***** Incorporated by reference to Exhibit 10.4, 10.5, 10.6, 10.7, 10.8, 10.9, 10.10, 10.11, 10.12 and 10.13 to the Current Report on Form 8-K filed with the Securities and Exchange Commission on November 10, 2005.

EXHIBIT 10.14

AMENDMENT TO 2002 AND 2003 STOCK OPTION PLANS

FIRST AMENDMENT TO THE BAYONNE COMMUNITY BANK 2002 STOCK OPTION PLAN

Pursuant to Section 20 of the Bayonne Community Bank 2002 Stock Option Plan (the "2002 Plan"), the 2002 Plan is hereby amended, effective as of December 28, 2005, as follows:

1. By adding the following new Section 9(c) to the 2002 Plan:

"(c) Relinquishment of Rights. Notwithstanding anything in the Plan to the contrary, effective as of December 28, 2005, the Committee shall not grant any new Awards of Limited Rights to any Key Employees. With respect to outstanding Awards of Limited Rights granted prior to December 28, 2005, the Board of Directors shall take such action as it determines to be necessary and appropriate to obtain the consent of Participants to relinquish their rights to such outstanding Limited Rights prior to December 31, 2005. Outstanding Awards of Limited Rights that are relinquished by Participants pursuant to the foregoing shall be evidenced by a written consent form signed and dated by the affected Participant in accordance with SEction 20 of the Plan, provided, however, that nothing in the consent form shall (i) affect the Participant's other rights under his outstanding Options, or (ii) restrict the ability of the Company, in its sole discretion, or any third party to make a cash payment to the Participant in exchange for the termination or cancellation of the Participants's Options. Limited Rights for which no Participant consent form is received by the Company shall remain subject to the relevant terms and provisions of the Plan."

2. By adding the following new paragraph at the end of Section 15 of the 2002 Plan:

"Notwithstanding anything in the Plan to the contrary, no provision of the Plan shall operate to require the cash settlement of a stock option under any circumstance that is not within the sole discretion of the Company".

3. By adding the following for Section 18(a) of the 2002 Plan:

"(a) provide that such Options shall be assumed, or equivalent options shall be substituted ("Substitute Options") by the acquiring or succeeding corporation (or an affiliate thereof, provided that: (A) any such Substitute Options exchanged for Incentive Stock Options shall meet the requirements of Section 424(a) of the Code, and (B) the shares of stock issuable upon the exercise of such Substitute Options shall constitute securities registered in accordance with the Securities Act of 1933, as amended ("1933 Act") or such securities shall be exempt from such registration in accordance with Sections 3(a)(2) or 3(a)(5) of the 1933 Act, (collectively, "Registered Securities"), or in the alternative, and in the sole discretion of the Company, if the securities issuable upon the exercise of such Substitute Options shall not constitute Registered Securities, then the Participant

will receive upon consummation of the Change in Control a cash payment for each Option surrendered equal to the difference between the (1) Fair Market Value of the consideration to be received for each share of Common Stock in the Change in Control times the number of shares of Common Stock subject to such surrendered Options, and (2) the aggregate exercise price of all such surrendered Options, or"

IN WITNESS WHEREOF, BCB Bancorp, Inc. has caused this amendment to be adopted by duly authorized officer, this 6th day of March, 2006.

BCB BANCORP, INC.

By /s/ Donald Mindiak

Its President & Chief Executive Officer

FIRST AMENDMENT TO THE
BAYONNE COMMUNITY BANK 2
2003 STOCK OPTION PLAN

Pursuant to Section 20 of the Bayonne Community Bank 2003 Stock Option Plan (the "2003 Plan"), the 2003 Plan is hereby amended, effective as of December 28, 2005, as follows:

1. By adding the following new Section 9(c) to the 2003 Plan:

"(c) Relinquishment of Rights. Notwithstanding anything in the Plan to the contrary, effective as of December 28, 2005, the Committee shall not grant any new Awards of Limited Rights to any Key Employees. With respect to outstanding Awards of Limited Rights granted prior to December 28, 2005, the Board of Directors shall take such action as it determines to be necessary and appropriate to obtain the consent of Participants to relinquish their rights to such outstanding Limited Rights prior to December 31, 2005. Outstanding Awards of Limited Rights that are relinquished by Participants pursuant to the foregoing shall be evidenced by a written consent form signed and dated by the affected Participant in accordance with SEction 20 of the Plan, provided, however, that nothing in the consent form shall (i) affect the Participant's other rights under his outstanding Options, or (ii) restrict the ability of the Company, in its sole discretion, or any third party to make a cash payment to the Participant in exchange for the termination or cancellation of the Participants's Options. Limited Rights for which no Participant consent form is received by the Company shall remain subject to the relevant terms and provisions of the Plan."

2. By adding the following new paragraph at the end of Section 15 of the 2003 Plan:

"Notwithstanding anything in the Plan to the contrary, no provision of the Plan shall operate to require the cash settlement of a stock option under any circumstance that is not within the sole discretion of the "Company".

3. By adding the following for Section 18(a) of the 2003 Plan:

"(a) provide that such Options shall be assumed, or equivalent options shall be substituted ("Substitute Options") by the acquiring or succeeding corporation (or an affiliate thereof, provided that: (A) any such Substitute Options exchanged for Incentive Stock Options shall meet the requirements of Section 424(a) of the Code, and (B) the shares of stock issuable upon the exercise of such Substitute Options shall constitute securities registered in accordance with the Securities Act of 1933, as amended ("1933 Act") or such securities shall be exempt from such registration in accordance with Sections 3(a)(2) or 3(a)(5) of the 1933 Act, (collectively, "Registered Securities"), or in the alternative, and in the sole discretion of the Company, if the securities issuable upon the exercise of such

Substitute Options shall not constitute Registered Securities, then the Participant will receive upon consummation of the Change in Control a cash payment for each Option surrendered equal to the difference between the (1) Fair Market Value of the consideration to be received for each share of Common Stock in the Change in Control times the number of shares of Common Stock subject to such surrendered Options, and (2) the aggregate exercise price of all such surrendered Options, or"

IN WITNESS WHEREOF, BCB Bancorp, Inc. has caused this amendment to be adopted by duly authorized officer, this 6th day of March, 2006.

BCB BANCORP, INC.

By /s/ Donald Mindiak

Its President & Chief Executive Officer

EXHIBIT 13

CONSOLIDATED FINANCIAL STATEMENTS

BCB BANCORP, INC. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL REPORT

DECEMBER 31, 2005

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders BCB Bancorp, Inc. and Subsidiaries
Bayonne, New Jersey

We have audited the accompanying consolidated statements of financial condition of BCB Bancorp, Inc. and subsidiaries (the "Company") as of December 31, 2005 and 2004, and the related consolidated statements of income, changes in stockholders' equity, and cash flows for each of the years in the three-year period ended December 31, 2005. 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 of the Public Company Accounting Oversight Board (United States). 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. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. 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 above present fairly, in all material respects, the financial position of BCB Bancorp, Inc. and subsidiaries as of December 31, 2005 and 2004, and the results of their operations and their cash flows for each of the years in the three-year period ended December 31, 2005, in conformity with accounting principles generally accepted in the United States of America.

/s/ Beard Miller Company LLP

Beard Miller Company LLP
Pine Brook, New Jersey
January 27, 2006

BCB BANCORP, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION

	December 31, 2005	December 31, 2004
	(In Thousands)	
ASSETS		
Cash and amounts due from depository institutions	$ 2,987	$ 2,353
Interest-bearing deposits	22,160	2,181
Cash and Cash Equivalents	25,147	4,534

Securities held to maturity	140,002	117,036
Loans held for sale	780	--
Loans receivable	284,451	246,380
Premises and equipment	5,518	5,679
Federal Home Loan Bank of New York stock	2,778	944
Interest receivable	3,104	2,329
Stock subscriptions receivable	2,353	--
Deferred income taxes	997	772
Other assets	1,112	615
Total Assets	$ 466,242	$ 378,289
LIABILITIES AND STOCKHOLDERS' EQUITY		
LIABILITIES		
Deposits	$ 362,851	$ 337,243
Short-term borrowings	--	10,000
Long-term debt	54,124	4,124
Other liabilities	1,420	886
Total Liabilities	418,395	352,253
STOCKHOLDERS' EQUITY		
Common stock, stated value $0.06 and $0.08, respectively; 10,000,000 shares authorized; 5,050,552 and 2,993,538 shares, respectively, issued	323	239
Paid-in capital	45,518	27,725
Treasury stock, at cost, 51,316 shares	(795)	--
Retained earnings (accumulated deficit)	2,801	(1,928)
Total Stockholders' Equity	47,847	26,036
Total Liabilities and Stockholders' Equity	$ 466,242	$ 378,289

See notes to consolidated financial statements.

BCB BANCORP, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME

	Years Ended December 31,		
	2005	2004	2003
	(In Thousands, Except for Per Share Data)		
INTEREST INCOME			
Loans	$ 18,797	$ 14,784	$ 10,745
Securities	6,297	5,757	3,299
Other interest-earning assets	71	159	91
Total Interest Income	25,165	20,700	14,135
INTEREST EXPENSE			
Deposits:			
Demand	329	351	249
Savings and club	3,958	3,981	3,235
Certificates of deposit	3,736	2,153	808
	8,023	6,485	4,292
Borrowed money	1,222	460	44
Total Interest Expense	9,245	6,945	4,336
Net Interest Income	15,920	13,755	9,799

PROVISION FOR LOAN LOSSES	1,118	690	880
Net Interest Income After Provision for Loan Losses	14,802	13,065	8,919
NON-INTEREST INCOME			
Fees and service charges	565	517	367
Gain on sales of loans originated for sale	252	136	94
Loss on sale of non-performing loans	--	(56)	--
Gain on sales of securities held to maturity	28	--	--
Other	33	26	19
Total Non-interest Income	878	623	480
NON-INTEREST EXPENSES			
Salaries and employee benefits	4,428	3,976	2,813
Occupancy expense of premises	701	655	411
Equipment	1,581	1,428	940
Advertising	164	161	169
Other	1,332	1,441	1,057
Total Non-interest Expenses	8,206	7,661	5,390
Income Before Income Taxes	7,474	6,027	4,009
INCOME TAXES	2,745	2,408	1,614
Net Income	$ 4,729	$ 3,619	$ 2,395
NET INCOME PER COMMON SHARE			
Basic	$ 1.25	$ 0.97	$ 0.67
Diluted	$ 1.20	$ 0.93	$ 0.64
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING			
Basic	3,769	3,713	3,589
Diluted	3,944	3,878	3,720

See notes to consolidated financial statements

BCB BANCORP, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
YEARS ENDED DECEMBER 31, 2005, 2004 AND 2003

	Common Stock	Paid-in Capital	Treasury Stock	Retained Earnings (Accumulated Deficit)	Total
			(In Thousands)		
BALANCE - DECEMBER 31, 2002	$ 9,490	$ 9,782	$ --	$ (500)	$ 18,772
Issuance of stock dividend	972	6,470	--	(7,442)	--
Exchange of Bank stock for Company stock	(10,232)	10,232	--	--	--
Net income	--	--	--	2,395	2,395
BALANCE - DECEMBER 31, 2003	230	26,484	--	(5,547)	21,167
Exercise of stock options	9	1,062	--	--	1,071
Tax benefit from exercise of stock options	--	179	--	--	179
Net income	--	--	--	3,619	3,619

BALANCE - DECEMBER 31, 2004	239	27,725	--	(1,928)	26,036
Net sale of common stock	81	17,409	--	--	17,490
Exercise of stock options	3	384	--	--	387
Treasury stock purchases	--	--	(795)	--	(795)
Net income	--	--	--	4,729	4,729
BALANCE - DECEMBER 31, 2005	$ 323	$ 45,518	$ (795)	$ 2,801	$ 47,847

See notes to consolidated financial statements.

BCB BANCORP, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years Ended December 31,		
	2005	2004 (In Thousands)	2003
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income	$ 4,729	$ 3,619	$ 2,395
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation of premises and equipment	352	342	148
Amortization (accretion), net	(548)	(369)	(232)
Provision for loan losses	1,118	690	880
Deferred income tax (benefit)	(225)	(74)	(164)
Gain on sales of securities held to maturity	(28)	--	--
Loans originated for sale	(17,900)	(12,031)	(8,558)
Proceeds from sales of loans originated for sale	17,372	12,167	8,652
Gain on sales of loans originated for sale	(252)	(136)	(94)
Loss on sale of nonperforming loans	--	56	--
(Increase) in interest receivable	(775)	(473)	(726)
(Increase) in stock subscriptions receivable	(2,353)	--	--
(Increase) in other assets	(497)	(152)	(58)
Increase in accrued interest payable	323	81	66
Increase (decrease) in other liabilities	211	(55)	(24)
Net Cash Provided by Operating Activities	1,527	3,665	2,285
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from calls of securities held to maturity	18,755	42,000	20,000
Proceeds from sales of securities held to maturity	7,373	--	--
Purchases of securities held to maturity	(55,815)	(75,823)	(75,947)
Proceeds from repayments on securities held to maturity	6,776	7,112	16,282
Proceeds from sales of participation interests in loans	1,273	1,747	3,480
Proceeds from sale of nonperforming loans	--	1,072	--
Purchases of loans	(4,645)	(12,739)	(5,430)
Net increase in loans receivable	(35,296)	(48,063)	(65,444)
Additions to premises and equipment	(191)	(317)	(3,225)
Redemption (purchase) of Federal Home Loan Bank of New York stock	(1,834)	306	(490)
Net Cash Used in Investing Activities	(63,604)	(84,705)	(110,774)
CASH FLOWS FROM FINANCING ACTIVITIES			
Net increase in deposits	25,608	83,593	90,131
Proceeds of long-term debt	50,000	4,124	--
Net change in short-term borrowings	(10,000)	(15,000)	25,000
Purchase of treasury stock	(795)	--	--
Net proceeds from sales of common stock	17,877	1,071	--
Net Cash Provided by Financing Activities	82,690	73,788	115,131
Net Increase (Decrease) in Cash and Cash Equivalents	20,613	(7,252)	6,642
CASH AND CASH EQUIVALENTS - BEGINNING	4,534	11,786	5,144
CASH AND CASH EQUIVALENTS - ENDING	$ 25,147	$ 4,534	$ 11,786

	=========	=========	=========
SUPPLEMENTARY CASH FLOWS INFORMATION			
Income taxes paid	$ 2,905	$ 2,606	$ 2,144
	=========	=========	=========
Interest paid	$ 8,922	$ 6,863	$ 4,270
	=========	=========	=========

See notes to consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 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 of the Bank became, on a one-for-one basis, common stock 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."

On April 27, 2005, the Company announced that the Board of Directors had approved a stock repurchase program for the repurchase of up to 5% of the Company's outstanding common stock equal to approximately 150,000 shares. The repurchases may be made from time to time as market conditions warrant. Through December 31, 2005, a total of 51,316 shares of Company common stock were repurchased at a cost of approximately $795,000 or $15.49 per share. As a consequence of the Company's decision to raise additional capital, as discussed in the next paragraph, the Company has suspended its stock repurchase program.

On September 12, 2005, the Company filed a registration statement with the Securities and Exchange Commission proposing to sell approximately 800,000 shares (subsequently amended to 1,100,000 shares) of its common stock, subject to a 15% underwriter's over-allotment. On December 19, 2005, 1,100,000 shares of common stock were sold at $15.25 per share, resulting in net proceeds, after offering expenses of $1,167,000, of $15,608,000. In December 2005, the underwriter exercised their right to purchase 165,000 shares of common stock at $14.26 per share ($15.25 less underwriter's discount of $0.99), resulting in net proceeds of $2,353,000. The sale of shares to the underwriter closed on January 5, 2006, at which time the Company received the sale proceeds. At December 31, 2005, the amount due on the shares purchased by the underwriter are reflected in the consolidated statement of financial condition as stock subscriptions receivable.

The Company's primary business is the ownership and operation of the Bank. The Bank is a New Jersey commercial bank which, as of December 31, 2005, operated at three locations in Bayonne, New Jersey, and is subject to regulation, supervision, and examination by the New Jersey Department of Banking and Insurance and the Federal Deposit Insurance Corporation. The Bank is principally engaged in the business of attracting deposits from the general public and using these deposits, together with borrowed funds, to invest in securities and to make loans collateralized by residential and commercial real estate and, to a lesser extent, consumer loans. BCB Holding Company Investment Corp. (the "Investment Company") was organized in January 2005 under New Jersey law as a New Jersey investment company primarily to hold investment and mortgage-backed securities. BCB Equipment Leasing Company (the "Leasing Company") is engaged in earning fees for generating leasing transactions for commercial entities. The Leasing Company has not had significant operations to date.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Consolidated Financial Statement Presentation

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, the Bank, the Investment Company, and the Leasing Company, and have been prepared in conformity with accounting principles generally accepted in the United States of America. All significant intercompany accounts and transactions have been eliminated in consolidation.

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.

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 and interest-bearing deposits in other banks having original maturities of three months or less.

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.

On a quarterly basis, the Company makes an assessment to determine whether there have been any events or economic circumstances to indicate that a security on which there is an unrealized loss is impaired on an other-than-temporary basis. The Company considers many factors including the severity and duration of the impairment; the intent and ability of the Company to hold the security for a period of time sufficient for a recovery in value; recent events specific to the issuer or industry; and for debt securities, external credit ratings and recent downgrades. Securities on which there is an unrealized loss that is deemed to be other-than-temporary are written down to fair value with the write-down recorded as a realized loss.

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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Loans Receivable

Loans receivable is 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.

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 a system takes into consideration, but is not limited to, 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, 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.

Concentration of Risk

Financial instruments which potentially subject the Company and its subsidiaries to concentrations of credit risk consist of cash and cash equivalents, investment and mortgage-backed securities and loans.

Cash and cash equivalents include amounts placed with highly rated financial institutions. Securities include securities backed by the U.S. Government and other highly rated instruments. The Bank's lending activity is primarily concentrated in loans collateralized by real estate in the State of New Jersey. As a result, credit risk is broadly dependent on the real estate market and general economic conditions in the State.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

	Years
Buildings	40
Building improvements	7 - 40
Furniture, fixtures and equipment	3 - 40
Leasehold improvements	Shorter of useful life or term of lease

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 its subsidiaries file a consolidated federal income tax return. Income taxes are allocated to the Company and its subsidiaries 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 its subsidiaries.

Federal and state income tax expense has been provided on the basis of reported income. The amounts reflected on the tax returns differ 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 per Common Share

Basic net income per common share is computed by dividing net income by the weighted average number of shares of common stock outstanding. The diluted net income 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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Income per Common Share (Continued)

In October 2005, the Company's Board of Directors authorized a 25% stock dividend to stockholders of record on October 13, 2005. Such dividend was distributed on October 27, 2005. The weighted average number of common shares outstanding and the net income per common share data for 2004 and 2003 presented in the consolidated statements of income have been restated to give retroactive effect to the stock dividend.

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. Through December 31, 2005, the Company accounted 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. Accordingly, 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 ("SFAS") No. 123, "Accounting for Stock-Based Compensation," as amended, to all option grants.

	Years Ended December 31,		
	2005	2004	2003
	(In Thousands)		
Net income as reported	$ 4,729	$ 3,619	$ 2,395
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	(1,273)	(540)	(486)
Pro Forma Net Income	$ 3,456	$ 3,079	$ 1,909
Net income per common share, as reported:			
Basic	$ 1.25	$ 0.97	$ 0.67
Diluted	$ 1.20	$ 0.93	$ 0.64
Pro forma net income per common share:			
Basic	$ 0.92	$ 0.83	$ 0.53
Diluted	$ 0.88	$ 0.79	$ 0.51

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

Recent Accounting Pronouncements

Accounting for Stock-Based Payments: In December 2004, the Financial Accounting Standards Board ("FASB") issued Statement No. 123(R), "Share-Based Payment." Statement No. 123(R) replaces Statement No. 123 and supersedes APB Opinion No. 25. Statement No. 123(R) requires compensation costs related to share-based payment transactions to be recognized in the financial statements over the period that an employee provides service in exchange for the award. Public companies are required to adopt the new standard using a modified prospective method and may elect to restate prior periods using the modified retrospective method. Under the modified prospective method, companies are required to record compensation cost for new and modified awards over the related vesting period of such awards prospectively and record compensation cost prospectively for the unvested portion, at the date of adoption, of previously issued and outstanding awards over the remaining vesting period of such awards. No change to prior periods presented is permitted under the modified prospective method. Under the modified retrospective method, companies record compensation costs for prior periods retroactively through restatement of such periods using the exact pro forma amounts disclosed in the companies' footnotes. Also, in the period of adoption and after, companies record compensation cost based on the modified prospective method.

On April 14, 2005, the Securities and Exchange Commission (the "SEC") adopted a new rule that amends the compliance dates for Statement No.
123(R). Under the new rule, we are required to adopt Statement No. 123(R) in the first annual period beginning after September 15, 2005. Early application of Statement No. 123(R) is encouraged, but not required. Accordingly, we are required to record compensation expense for all new awards granted and any awards modified after January 1, 2006. In addition, the transition rules under SFAS No. 123(R) will require that, for all awards outstanding at January 1, 2006, for which the requisite service has not yet been rendered, compensation cost be recorded as such service is rendered after January 1, 2006. The pronouncement related to stock-based payments will not have any effect on our existing historical consolidated financial statements as restatements of previously reported periods will not be required.

In anticipation of the adoption of Statement No. 123(R) on January 1, 2006, the Board of Directors of the Company, on December 14, 2005, approved the accelerated vesting and exercisability of all unvested and unexercisable stock options granted as a part of the 2003 and 2002 Stock Option Plans of the Company held by directors, officers or employees. As a result, options to purchase 218,195 shares of common stock, which would otherwise have vested and become exercisable from time to time over the next three years, become fully vested and immediately exercisable on December 20, 2005. The number of shares and exercise prices of the options subject to acceleration were unchanged. The accelerated options have exercise prices that range from $5.29 to $11.84 per share. The accelerated options include 194,964 options held by directors and executive officers and 23,231 options held by other employees. The acceleration of the vesting and exercisability of these options eliminates compensation expense, net of income tax, that would otherwise have been recorded in the Company's income statements for the years ending December 31, 2006, 2007, and 2008 of $379,000, $301,000 and $128,000, respectively.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 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).

The original lease term began on November 1, 2000, and concluded on October 31, 2005, and provided 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. The Company is presently in negotiation with NEW BAY regarding a new lease agreement. While such negotiations are in process, the Company continues to pay a monthly rental of $9,270.

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 (see Note 6).

NOTE 4 - SECURITIES HELD TO MATURITY

	December 31, 2005			
	Carrying Value	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
	(In Thousands)			
U.S. Government Agencies:				
Due within one year	$ 6,500	$ --	$ 14	$ 6,486
Due after one through five years	12,999	--	172	12,827
Due after five through ten years	47,295	--	738	46,557
Due after ten years	42,296	--	794	41,502
	109,090	--	1,718	107,372
Mortgage-backed securities:				
Due after five years through ten years	366	9	--	375
Due after ten years	30,546	51	584	30,013
	30,912	60	584	30,388
	$140,002	$ 60	$ 2,302	$137,760

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 4 - SECURITIES HELD TO MATURITY (CONTINUED)

	December 31, 2004			
	Carrying Value	Unrealized Gains	Gross Unrealized Losses	Gross Estimated Fair Value
	(In Thousands)			
U.S. Government Agencies:				
Due after one through five years	$ 7,499	$ 20	$ --	$ 7,519
Due after five through ten years	29,228	67	173	29,122
Due after ten years	41,293	8	175	41,126
	78,020	95	348	77,767
Mortgage-backed securities:				
Due after five years through ten years	529	29	--	558
Due after ten years	38,487	438	143	38,782
	39,016	467	143	39,340
	$ 117,036	$ 562	$ 491	$ 117,107

During the year ended December 31, 2005, proceeds from sales of securities held to maturity totaled $7,373,000, including gross gains of $37,000 and gross losses of $9,000. The securities sold consisted of mortgage-backed securities on which we had already collected more than eighty-five percent of the principal outstanding at the purchase date and U.S. Government Agency bonds which were within three months of their call dates and on which the exercise of the call was determined to be probable. There were no sales of securities held to maturity during the years ended December 31, 2004 and 2003. At December 31, 2005 and 2004, mortgage-backed securities with a carrying value of approximately $1,128,000 and $1,510,000, respectively, were pledged to secure public deposits (see Note 9 for information on securities pledged for borrowings).

NOTE 4 - SECURITIES HELD TO MATURITY (CONTINUED)

The age of unrealized losses and fair value of related securities held to maturity were as follows:

	Less than 12 Months		More than 12 Months		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
	(In Thousands)					
December 31, 2005:						
U.S. Government Agencies	$ 72,957	$ 841	$ 34,415	$ 877	$ 107,372	$ 1,718
Mortgage-backed securities	14,834	199	12,163	385	26,997	584
	$ 87,791	$ 1,040	$ 46,578	$ 1,262	$ 134,369	$ 2,302
December 31, 2004:						
U.S. Government Agencies	$ 28,789	$ 232	$ 9,000	$ 116	$ 37,789	$ 348
Mortgage-backed securities	13,492	131	1,035	12	14,527	143
	$ 42,281	$ 363	$ 10,035	$ 128	$ 52,316	$ 491

At December 31, 2005, management concluded that the unrealized losses above (which related to thirty-three U.S. Government Agency bonds and eighteen Fannie Mae or Freddie Mac mortgage-backed securities) are temporary in nature since they are not related to the underlying credit quality of the issuers and the Company has the ability and intent to hold these securities for a time necessary to recover their cost. The losses above are primarily related to market interest rates.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 5 - LOANS RECEIVABLE

	December 31, 2005	December 31, 2004
	(In Thousands)	
Real estate mortgage:		
Residential	$ 34,901	$ 34,855
Commercial	185,170	158,755
Construction	28,743	19,209
	248,814	212,819
Commercial:		
Business loans	2,871	3,917
Lines of credit	11,707	11,206
	14,578	15,123
Consumer:		
Passbook or certificate	63	105
Home equity lines of credit	4,103	1,477
Home equity	20,194	19,152
Automobile	114	194
Personal	173	308
	24,647	21,236
Deposit overdrafts	106	137
Total Loans	288,145	249,315
Deferred loan fees, net	604	429
Allowance for loan losses	3,090	2,506
	3,694	2,935
	$284,451	$246,380

At December 31, 2005 and 2004, loans serviced by the Bank for the benefit of others, which consist of participation interests in loans originated by the Bank, totaled approximately $5,030,000 and $6,003,000, respectively.

NOTE 5 - LOANS RECEIVABLE (CONTINUED)

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:

	Years Ended December 31,	
	2005	2004
	(In Thousands)	
Balance - beginning	$ 6,599	$ 7,818
Loans originated	7,828	4,294
Collections of principal	(7,817)	(2,759)
Loans to persons newly (no longer) associated	104	(2,754)
Balance - ending	$ 6,714	$ 6,599

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

	Years Ended December 31,		
	2005	2004	2003
	(In Thousands)		
Balance - beginning	$ 2,506	$ 2,113	$ 1,233
Provision charged to operations	1,118	690	880
Recoveries of loans previously charged off	12	35	--
Loans charged off	(546)	(332)	--
Balance - ending	$ 3,090	$ 2,506	$ 2,113

At December 31, 2005 and 2004, nonaccrual loans for which the accrual of interest had been discontinued totaled approximately $787,000 and $553,000, respectively. Had these loans been performing in accordance with their original terms, the interest income recognized for the years ended December 31, 2005, 2004 and 2003 would have been approximately $66,000, $43,000 and $6,000, respectively. Interest income recognized on such loans was approximately $10,000, $29,000 and $-0-, respectively. The Bank is not committed to lend additional funds to the borrowers whose loans have been placed on a nonaccrual status.

At December 31, 2005 and 2004, impaired loans, all of which are on nonaccrual status, totaled $705,000 and $448,000, respectively, and the related specific allocation of allowance for loan losses totaled $214,000 and $90,000, respectively. There were no impaired loans which did not have a specific allocation of the allowance for loan losses. During the years ended December 31, 2005 and 2004, the average balance of impaired loans was $1,141,000 and $275,000, respectively, and interest income recognized during the period of impairment totaled $7,000 and $20,000, respectively. At and for the year ended December 31, 2003, no loans were deemed to be impaired.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 6 - PREMISES AND EQUIPMENT

	December 31, 2005	December 31, 2004
	(In Thousands)	
Land	$ 890	$ 890
Buildings and improvements	3,546	3,538
Leasehold improvements	345	338
Furniture, fixtures and equipment	1,777	1,601
	6,558	6,367
Accumulated depreciation and amortization	(1,040)	(688)
	$ 5,518	$ 5,679

Buildings and improvements includes a building constructed on property leased from a related party (see Note 3).

Rental expenses related to the occupancy of premises totaled $205,000, $170,000 and $170,000 for the years ended December 31, 2005, 2004 and 2003, respectively. The minimum obligation under lease agreements expiring through August 31, 2010, for each of the years ended December 31 is as follows (in thousands):

2006	$ 244
2007	242
2008	182
2009	187
2010	127
	$982

NOTE 7 - INTEREST RECEIVABLE

	December 31, 2005	December 31, 2004
	(In Thousands)	
Loans	$ 1,519	$ 1,219
Securities	1,585	1,110
	$ 3,104	$ 2,329

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 8 - DEPOSITS

	December 31, 2005	December 31, 2004
	(In Thousands)	
Demand:		
Non-interest bearing	$ 30,143	$ 20,557
NOW	20,827	23,155
Money market	1,623	2,483
	52,593	46,195
Savings and club	167,534	197,868
Certificates of deposit	142,724	93,180
	$362,851	$337,243

At December 31, 2005 and 2004, certificates of deposit of $100,000 or more totaled approximately $59,417,000 and $34,801,000, respectively.

The scheduled maturities of certificates of deposit were as follows:

	December 31, 2005	December 31, 2004
	(In Thousands)	
One year or less	$ 85,440	$ 54,367
After one year to three years	43,073	32,761
After three years	14,211	6,052
	$142,724	$ 93,180

NOTE 9 - SHORT-TERM BORROWINGS AND LONG-TERM DEBT

Short-term borrowings and long-term debt consist of the following:

	December 31, 2005	December 31, 2004
	(In Thousands)	
Short-term borrowings:		
Federal Home Loan Bank of New York 2.47% advance maturing February 22, 2005	$ --	$ 5,000
Federal Home Loan Bank of New York 2.68% advance maturing May 19, 2005	--	5,000
	$ --	$ 10,000
Long-term borrowings:		
Federated Home Loan Bank of New York ("FHLB") Repurchase Agreements:		
3.33% maturing July 15, 2015	$ 15,000	$ --
3.53% maturing August 2, 2015	10,000	--
3.44% maturing August 26, 2015	10,000	--
3.27% maturing August 31, 2015	15,000	--
Trust preferred floating rate junior subordinated debenture maturing June 17, 2034; interest rate adjusts quarterly to LIBOR plus 2.65% (7.15% at December 31, 2005 and 5.15% at December 31, 2004)	4,124	4,124
	$ 54,124	$ 4,124

Additional information regarding short-term borrowings is as follows:

	December 31, 2005	December 31, 2004
	(In Thousands)	
Average balance outstanding during the year	$ 9,691	$ 23,400
Highest month-end balance during the year	21,400	25,000
Average interest rate during the year	3.14%	1.54%
Weighted average interest rate at year-end	--	2.58%

The trust preferred debenture is callable, at the Company's option, on June 17, 2009, and quarterly thereafter.

At December 31, 2005 and 2004, securities held to maturity with a carrying value of approximately $75,968,000 and $32,447,000, respectively, were pledged to secure the above noted Federal Home Loan Bank of New York borrowings.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 10 - REGULATORY MATTERS

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 average assets (as defined). The following table presents information as to the Bank's capital levels.

	Actual		For Capital Adequacy Purposes		To be Well Capitalized under Prompt Corrective Action Provisions	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
			(Dollars in Thousands)			
As of December 31, 2005:						
Total capital (to risk-weighted assets)	$37,836	12.62%	$ ≥23,982	≥8.00%	$ ≥29,977	≥10.00%
Tier 1 capital (to risk-weighted assets)	34,746	11.59	≥ -	≥ -	≥17,986	≥6.00
Tier 1 capital (to average assets)	34,746	7.75	≥17,937	≥4.00	≥22,421	≥5.00
As of December 31, 2004:						
Total capital (to risk-weighted assets)	$32,368	12.83%	$ ≥20,117	≥8.00%	$ ≥25,222	≥10.00%
Tier 1 capital (to risk-weighted assets)	29,862	11.84	≥ -	≥ -	≥15,133	≥6.00
Tier 1 capital (to average assets)	29,862	7.75	≥15,409	≥4.00	≥19,261	≥5.00

NOTE 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 were scheduled to vest and become 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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 11 - BENEFITS PLAN (CONTINUED)

Stock Options (Continued)

On December 14, 2005, the Board of Directors of the Company approved the acceleration of the vesting and exercisability of all unvested and unexercisable stock options granted as a part of the 2003 and 2002 Stock Option Plans of the Company held by directors, officers or employees. As a result, options to purchase 218,195 shares of common stock, which would otherwise have vested and become exercisable from time to time over the next three years, became fully vested and immediately exercisable on December 20, 2005. The number of shares and exercise prices of the options subject to acceleration were unchanged. The accelerated options have exercise prices that range from $5.29 to $11.84 per share. The accelerated options include 194,964 options held by directors and executive officers and 23,231 options held by employees.

A summary of stock option activity, adjusted to retroactively reflect subsequent stock dividends, follows:

	Number of Option Shares	Range of Exercise Price	Weighted Average Exercise Price
December 31, 2002	240,479	$5.29	$ 5.29
Options granted	324,539	9.34-10.18	9.34
Options exercised	--	--	--
December 31, 2003	565,018	5.29-10.18	7.62
Options granted	185,523	11.84	11.84
Options exercised	(152,790)	5.29-10.18	7.02
Options cancelled	(153,315)	5.29-9.34	8.39
December 31, 2004	444,436	5.29-11.84	9.32
Options granted	28,575	15.60-15.65	15.64
Options exercised	(43,500)	5.29-11.84	8.24
Options cancelled	(1,058)	5.29	5.29
December 31, 2005	428,454	$5.29-$15.65	$ 9.79
Exercisable at:			
December 31, 2005:	101,093	$5.29	$ 5.29
	298,785	9.34 - 11.84	10.76
	28,576	15.60 - 15.65	15.64
	428,454	5.29 - 15.65	9.79
December 31, 2004	105,511	5.29 - 11.84	8.98
December 31, 2003	161,099	5.29 - 10.18	6.92

At December 31, 2005 and 2004, the stock options outstanding had a weighted-average remaining contractual life of 7.9 years and 8.7 years, respectively.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 11 - BENEFITS PLAN (CONTINUED

Stock Options (Continued)

The Company, as permitted by 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 2005, 2004 and 2003, 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:

	Years Ended December 31,		
	2005	2004	2003
Grant-date fair value per share(a)	$9.92	$7.65	$5.66
Expected common stock dividend yield	0.00%	0.00%	0.00%
Expected option life	5.0 years	7.0 years	7.0 years
Risk-free interest rate	4.36%	3.92%	4.05%
Volatility	73.84%	62.58%	56.20%

(a) Adjusted for subsequent stock dividends.

NOTE 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.

NOTE 13 - INCOME TAXES

The components of income tax expense are summarized as follows:

	Years Ended December 31,		
	2005	2004	2003
		(In Thousands)	
Current income tax expense:			
Federal	$ 2,600	$ 1,931	$ 1,342
State	370	551	436
	2,970	2,482	1,778
Deferred income tax (benefit):			
Federal	(174)	(88)	(97)
State	(51)	14	(67)
	(225)	(74)	(164)
	$ 2,745	$ 2,408	$ 1,614

NOTE 13 - INCOME TAXES (CONTINUED)

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,	
	2005	2004
	(In Thousands)	
Deferred income tax assets:		
Allowance for loan losses	$ 1,234	$ 1,001
Other	16	24
	1,250	1,025
Deferred income tax liabilities:		
Depreciation	253	253
Net Deferred Tax Asset	$ 997	$ 772

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

	Years Ended December 31,		
	2005	2004	2003
	(In Thousands)		
Federal income tax expense at statutory rate	$ 2,541	$ 2,049	$ 1,363
Increases (reductions) in income taxes resulting from:			
State income tax, net of federal income tax effect	211	373	244
Other items, net	(7)	(14)	7
Effective Income Tax	$ 2,745	$ 2,408	$ 1,614
EFFECTIVE INCOME TAX RATE	36.7%	40.0%	40.3%

The Investment Company commenced operations in January 2005. Under New Jersey tax law, the Investment Company is subject to a 3.6% state income tax rate as compared to the 9.0% rate to which the Company, Bank, and Leasing Company are subject. The presence of the Investment Company during the year ended December 31, 2005 resulted in an income tax savings of approximately $223,000 and reduced the consolidated effective income tax rate by approximately 3.0%.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 14 - OTHER EXPENSES

The following is an analysis of other expenses:

	Years Ended December 31,		
	2005	2004	2003
	(In Thousands)		
Directors' fees	$ 188	$ 164	$ 263
Legal fees	67	226	75
Stationery, forms and printing	198	203	172
Professional fees	201	242	141
Other	678	606	406
	$ 1,332	$ 1,441	$ 1,057

NOTE 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:

	December 31,	
	2005	2004
	(In Thousands)	
Loan origination	$ 15,000	$ 18,760
Construction loans in process	20,025	10,795
Unused lines of credit	10,209	9,217
	$ 45,234	$ 38,772

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.

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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 15 - COMMITMENTS AND CONTINGENCIES (CONTINUED)

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, 2005, the Company and the Bank were not parties to any material litigation.

NOTE 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 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 Held for Sale

The fair value of loans held for sale is estimated based on market price quoted by the investors.

Loans Receivable

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.

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 short-term borrowings and long-term debt is estimated by discounting future cash flows using rates currently available for liabilities of similar remaining maturities.

NOTE 16 - ESTIMATED FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

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 value, represented by the net deferred fee arising from the unrecognized commitment, and the fair value, determined by discounting the remaining contractual fee over the term of the commitment using fees currently charged to enter into similar agreements with similar credit risk, are not considered material for disclosure. The contractual amounts of unfunded commitments are presented in Note 15.

The carrying values and estimated fair values of financial instruments are as follows:

	December 31,			
	2005		2004	
	Carrying Value	Estimated Fair Value	Carrying Value	Estimated Fair Value
	(In Thousands)			
Financial assets:				
Cash and cash equivalents	$ 25,147	$ 25,147	$ 4,534	$ 4,534
Securities held to maturity	140,002	137,760	117,036	117,107
Loans held for sale	780	780	--	--
Loans receivable	284,451	284,676	246,380	247,350
Interest receivable	3,104	3,104	2,329	2,329
Financial liabilities:				
Deposits	362,851	362,193	337,243	336,423
Short-term borrowings	--	--	10,000	10,000
Long-term debt	54,124	50,107	4,124	4,164
Accrued interest payable	499	499	176	176

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, 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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 16 - ESTIMATED FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

Commitments to Extend Credit (Continued)

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.

NOTE 17 - PARENT ONLY FINANCIAL INFORMATION

STATEMENTS OF FINANCIAL CONDITION

	December 31,	
	2005	2004
	(In Thousands)	
ASSETS		
Cash and due from banks	$ 14,806	$ 14
Investment in subsidiaries	34,743	29,862
Restricted common stock	124	124
Stock subscriptions receivable	2,353	--
Other assets	97	218
Total Assets	$ 52,123	$ 30,218
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities		
Borrowed money	$ 4,124	$ 4,124
Due to subsidiaries	--	47
Other liabilities	152	11
Total Liabilities	4,276	4,182
Stockholders' equity		
Common stock	323	239
Paid-in capital	45,518	27,725
Treasury stock	(795)	--
Retained earnings (accumulated deficit)	2,801	(1,928)
Total Stockholders' Equity	47,847	26,036
Total Liabilities and Stockholders' Equity	$ 52,123	$ 30,218

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 17 - PARENT ONLY FINANCIAL INFORMATION

STATEMENTS OF INCOME

	Years Ended December 31,	
	2005	2004
	(In Thousands)	
Dividend from subsidiaries	$ --	$ --
Interest expense, borrowed money	245	98
Loss before Income Tax and Equity in Undistributed Earnings of Subsidiaries	(245)	(98)
Income tax benefit	93	38
Loss before Equity in Undistributed Earnings of Subsidiaries	(152)	(60)
Equity in undistributed earnings of subsidiary	4,881	3,679
Net Income	$ 4,729	$ 3,619

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 17 - PARENT ONLY FINANCIAL INFORMATION (CONTINUED)

STATEMENTS OF CASH FLOW

	Years Ended December 31,	
	2005	2004
	(In Thousands)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	$ 4,729	$ 3,619
Adjustments to reconcile net income to net cash used in operating activities:		
Equity in undistributed earnings of the subsidiaries	(4,881)	(3,679)
(Increase) decrease in other assets	121	(39)
(Increase) in stock subscriptions receivable	(2,353)	--
Increase (decrease) in due to subsidiaries	(47)	47
Increase in other liabilities	141	11
Net Cash Used in Operating Activities	(2,290)	(41)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of restricted common stock	--	(124)
Additional investment in subsidiaries	--	(5,066)
Net Cash Used in Investing Activities	--	(5,190)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds of long-term debt	--	4,124
Proceeds from sales of common stock	17,877	1,071
Purchase of treasury stock	(795)	--
Net Cash Provided by Financing Activities	17,082	5,195
Net Increase (Decrease) in Cash and Cash Equivalents	14,792	(36)
CASH AND CASH EQUIVALENTS - BEGINNING	14	50
CASH AND CASH EQUIVALENTS - ENDING	$ 14,806	$ 14

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 18 - QUARTERLY FINANCIAL DATA (UNAUDITED)

	Quarter Ended			
	March 31, 2005	June 30, 2005	September 30, 2005	December 31, 2005
	(In Thousands, Except Per Share Amounts)			
Interest income	$ 5,703	$ 6,098	$ 6,442	$ 6,922
Interest expense	1,936	2,120	2,459	2,730
Net Interest Income	3,767	3,978	3,983	4,192
Provision for loan losses	260	300	200	358
Net Interest Income after Provision for Loan Losses	3,507	3,678	3,783	3,834
Non-interest income	176	226	205	271
Non-interest expenses	1,900	1,972	2,095	2,239
Income before Income Taxes	1,783	1,932	1,893	1,866
Income taxes	638	723	702	682
Net Income	$ 1,145	$ 1,209	$ 1,191	$ 1,184
Net income per common share:				
Basic	$ 0.31	$ 0.32	$ 0.32	$ 0.31
Diluted	$ 0.29	$ 0.31	$ 0.31	$ 0.29
Weighted average number of common shares outstanding:				
Basic	3,742	3,736	3,717	3,880
Diluted	3,922	3,908	3,901	4,064

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 18 - QUARTERLY FINANCIAL DATA (UNAUDITED) (CONTINUED)

	Quarter Ended			
	March 31, 2004	June 30, 2004	September 30, 2004	December 31, 2004
	(In Thousands, Except Per Share Amounts)			
Interest income	$ 4,599	$ 5,061	$ 5,395	$ 5,645
Interest expense	1,483	1,671	1,836	1,955
Net Interest Income	3,116	3,390	3,559	3,690
Provision for loan losses	200	150	90	250
Net Interest Income after Provision for Loan Losses	2,916	3,240	3,469	3,440
Non-interest income	153	135	189	146
Non-interest expenses	1,898	2,093	1,923	1,747
Income before Income Taxes	1,171	1,282	1,735	1,839
Income taxes	471	512	692	733
Net Income	$ 700	$ 770	$ 1,043	$ 1,106
Net income per common share:				
Basic	$ 0.19	$ 0.21	$ 0.28	$ 0.30
Diluted	$ 0.18	$ 0.20	$ 0.27	$ 0.28
Weighted average number of common shares outstanding:				
Basic	3,625	3,741	3,741	3,741
Diluted	3,888	3,888	3,835	3,900

EXHIBIT 23

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

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

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 January 27, 2006, included in the Company's Annual Report on Form 10-K for the year ended December 31, 2005.

/s/ Beard Miller Company LLP

Pine Brook, New Jersey
March 13, 2006

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, 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 13, 2006

Date

/s/ Donald Mindiak

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, 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 13, 2006

Date

/s/ Thomas M. Coughlin

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, 2005 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 13, 2006	*/s/ Donald Mindiak*
Date	*President and Chief Executive Officer*
March 13, 2006	*/s/ Thomas M. Coughlin*
Date	*Chief Financial Officer*